

## **EXAMINATION OF CSR DIMENSION AND MANAGERIAL STYLE IN THAILAND: A BEHAVIORAL PERSPECTIVE**

**Rasi Kunapatarawong<sup>1</sup>, Thanita Buranatrakul<sup>2</sup>**

<sup>1,2</sup>Mahidol University International College

999 Phutthamonthon 4 Rd, Salaya, Nakhonphathom, 73170, Thailand

<sup>1</sup>rasi.kun@mahidol.ac.th, <sup>2</sup>thanita.bur@mahidol.ac.th

### **Abstract**

Scholarly research on the topic of corporate social responsibility has witnessed a dramatic increase over the last decade. However, there is still limited knowledge of organization antecedent to CSR, specifically on the important of managerial styles in shaping corporate social responsibility activities. This study adopts the behavioral approach theory (relationship-oriented and task-oriented) to explore the role of manager in determining the extent to which firm engaged in different dimensions of CSR. Based on the data collected from 179 firms in Thailand, relationship-oriented managerial style is found to be significantly associated with employee and community dimensions of CSR. In contrast, task-oriented managerial style is significantly associated with economic dimension of CSR. The study provides theoretical contribution to the link between behavioral theory of leadership and CSR. The result contributes to CSR and leadership literature by demonstrating that an individual behavior of a manager is significant to the practice of different dimensions of CSR.

## Introduction

Ever since the beginning of 2000s, with rapid changes in technological advancement, economic development, social and environmental concerns around the world, Corporate Social Responsibility (CSR) has become a popular subject among leaders and members of all social segments alike (Virakul et al., 2009). CSR is a growing area of interest for academics and practitioners in both theory and practice. Despite a growing body of research on CSR, there are still limited knowledge of organizational antecedents to CSR, specifically on the important of leadership styles in shaping the organizational strategies and CSR activities (Groves and Larocca, 2011; Waldman and Siegel, 2008). Although important contributions have been made to explore the related topics as ethical and responsible leadership and importance of ethical behavior to an organization, there is a room for more explanations into the role of leadership in CSR (Brown & Trevino, 2006; Doh & Stumpf, 2005; Maak & Pless, 2006).

The objective of this research is to addresses the research gaps by investigating the relationship between different managerial styles and various CSR dimensions. Specifically, we adopt behavioral approach to leadership – task-oriented behavior and relationship-oriented behavior. The paper provides significant contributions to the literature of leadership and CSR. As Waldman et.al (2006) suggested for more studies of leadership and CSR at the lower unit of

analysis (e.g. divisional level). This study fills in the gap by focusing our unit of study at management level. Prior literature indicates that there is still a limited knowledge on the important of leadership style in shaping the CSR strategies. Therefore, our study extends the theory literature on behavioral approach and CSR by determining the relationship between behavioral approach to leadership (relationship-oriented and task-oriented) and CSR dimensions (employee, community, and economic). The paper also provides more insights into the practice of CSR from the perspective of Thai companies and as subsidiary of foreign companies in Thailand.

The structure of this article is as follows. The article begins with the theoretical background by providing the discussion on the topic of CSR and behavioral approach to leadership. An explanation of hypothesis development is explained in the next section. After this, the results of the study are presented follow by discussion and conclusion.

## Theoretical background and hypotheses development

### Corporate social responsibility (CSR)

According to the World Business Council for Sustainable Development CSR can be defined as the “continuing commitment of business to behave ethically, to contribute to economic development, and to improve the quality of life of the workforce, local community and society”.

Corporate Social Responsibility (CSR) has been emerging as a significant international business requirement practiced by global companies across the industries (Young and Thyil, 2009). Businesses worldwide are increasing their commitment to human rights and ethics to become more economically, environmentally and socially responsible (Kanji & Chopra, 2010). In the past, businesses around the world are operated based on the classical approach of shareholders' theory. The primary goal of the firm is to maximize the shareholders' wealth. By being ethical and considering positive externality problems into account will generate extra cost for the firm (Walley and Whitehead, 1994; Palmer et al, 1995, Shleifer, 2004). Firms are seen as instruments of creating economic value for the shareholder and are not required to act ethically (Greenwood, 2001). Snider (2003) argue that business exists to serve the greater community as well as direct beneficiaries of the company's operations and demand that business act more ethically and responsibly (Snider et al. 2003). Since then the concept of CSR has been practiced by business worldwide.

Lee (2008) classifies the evolution of CSR theory into four stages starting from Bowen (1953), who first theorized the relationship between business and society and defines CSR as "the business obligation to align the objective of firms with the values in the society". The emphasis of CSR study has been communicate through the concept of corporate citizenship, stewardship, business responsibilities, ethics, and

social obligation. In 1970s, the new rationale of CSR study has emerged based on the enlightened self-interest model (Ackerman, 1973; Fitch, 1976). The enlightened self-interest recognizes the company can generate profit and become competitive by fulfilling the social and environmental responsibilities. Later in 1980s, the dominant theme of CSR study is on Corporate Social Performance with the integration of three-dimensional model of economic, social, and environmental (Carroll, 1979). This is to follow by the dominant theme of stakeholder theory and strategic management. Stakeholder theory place less emphasis on economic and social goal of corporation but give more importance on the responsibility of firm (economic and non-economic) to the critical stakeholders. Since then from the year 2000s, the study of CSR has been focus more on the concept of global citizenship in which business must be socially responsible to meet legal, ethical, and economic responsibilities.

According to stakeholder theory, the survival of business depends on the ability to satisfy its stakeholders and balance the needs of different stakeholder groups. Stakeholders can be identified based on their ownership, rights, or interest in a business and its activities, past present or future. Businesses have responsibility to behave ethically and become socially responsible towards all their stakeholders (Akgeyik, 2005).

Although, CSR is a well-established concept to the European and North American nations, individuals and organizations still have different

conceptual understanding of the definitions, dimensions and classification of CSR (Welford, 2005). Variations in cultures, social and institutional backgrounds are likely to affect managerial practices of CSR in different countries. Matten and Moon (2008) found that European companies are less explicit in communicating their CSR activities compared with companies in the United States. Based on the reviews of western and Chinese literatures, Xu and Yang (2010) find both similarities and differences on the CSR dimensions between the two cultures. Both cultures emphasized on six CSR dimensions known as: economic responsibility, legal responsibility, environmental protection, people focused, customer focused, and charity. Two distinctive CSR dimensions from the western context that were found in China are “Good Faith” and “Social Instability”.

In Thailand, the concept of CSR has advanced over the past years but appears to be vague and lacks of misunderstanding among large companies (Kraisornsuthansinee and Swierczek, 2006). In the past, most CSR activities in Thailand involve activities in relation to corporate philanthropy and community involvement by offering donation to religious causes, offering scholarship, fund-raising, and donation to help victims of disaster. After 2007, CSR practice in Thailand shifted towards good corporate governance, business ethics, and sustainable development (Srisuphaolarn, 2013). In 2009, Virakul (2009) conducted a research on CSR award winning companies in Thailand

and finds that there is no clear strategic policy of CSR from the executive level. There is also still lack of commitments and leadership from the CEO and top management on the practice and implementation of CSR. Appendix 1 shows the comparison of Thai CSR dimensions with Chinese and western CSR dimensions in detail. The comparison indicates that Chinese and Western CSR cover more extensive aspects than Thai CSR.

### **Leadership behavioral approach**

Leadership style is an important element in influencing and shaping CSR activities (Brown & Treviño, 2006; Groves and Larocca, 2011; Waldman and Siegel, 2008). Waldman et al. (2006) explore the transformational leadership factor of CEO in the US and Canadian firms and find that intellectual stimulation leadership is the significant predictor of firm's propensity to engage in CSR activities. There are also various studies conducted to determine the relationship between other leadership styles and CSR. These include the study of transactional leadership, visionary leader, participative leadership, and reflective leadership (Szekely & Knirsch, 2005; Walman et al. 2006; Ketola; 2006; Quinn & Dalton; 2009). However, the review of literature of leadership style and CSR indicates that the attempts to study behavioral perspective of leadership and CSR dimensions are still limited. Therefore, this paper adopts the behavioral approach to leadership. Behavioral approach offers a conceptual map on the understanding of the complexities of leadership. It has also been used widely as a model to teach



managers to be better leaders. Substantiated research studies validate the basic tenets of behavioral approach (Northouse, 2016).

Behavioral approach to leadership is the approach that emphasizes on the behavior of the leader. It focuses exclusively on what leader do and their actions. The approach originated from three different lines of research: the Ohio State studies, the University of Michigan studies, and the Managerial Grid by Blake and Mouton. Earlier studies were done in the late 1940s at the Ohio State University and University of Michigan. The later study was done in 1960s by Blake and Mouton on Managerial Grid. The results indicate that leadership is composed of two general kinds of behaviors: *task oriented behavior* (or initiation of structure or production oriented) and *relationship behavior* (or consideration or employee oriented) (Northouse, 2016; King and Lawley, 2013).

Task oriented behavior stress on goal accomplishment and often set concrete objectives for organizations. Leaders that are task oriented look for high levels of productivity. They favor in initiation, clarification, and organization of both people and activities to meet objectives. The focus of task oriented manager is on tasks and provides clear instructions, deadlines, and expectations. On the contrary, relationship oriented leaders emphasize on human relations by focusing on the importance of having followers feeling satisfied, comfortable and motivated. Relationship oriented leaders prefer to accomplish the goals

through encouragement, personal development, coaching, mentoring and understanding the needs, interests and problems of their followers (Blake and Mouton, 1964; Northouse, 2016; King and Lawley, 2013). Appendix 2 lists the differences between relationship behaviors and task behaviors in details.

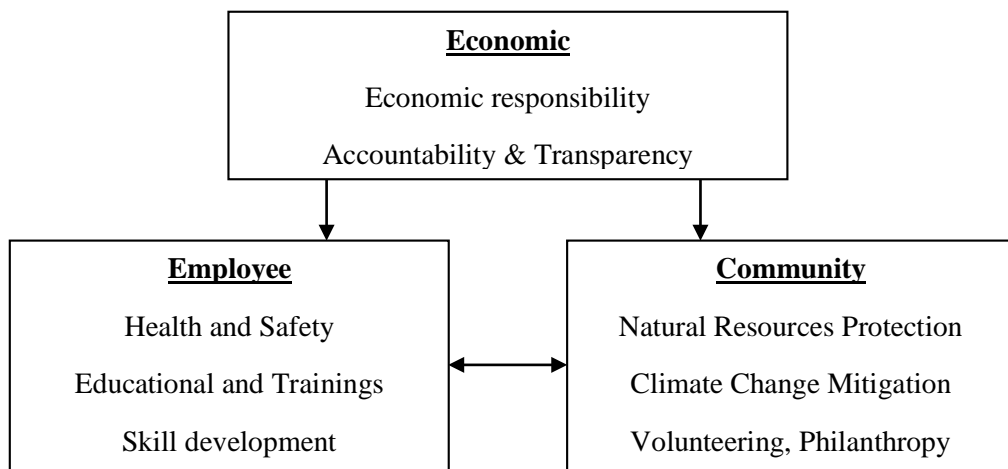
### **Behavioral approach and CSR dimensions**

Nowadays, there exist various structures of CSR activities (Pirsch et al., 2007). Due to wide range of CSR tactics used by firms and a multi-dimensional nature of CSR (Waddock and Graves, 1997; Carroll, 1979), scholars have distinguished among different types of CSR. For instance, Uddin et al. (2008) classify CSR into three dimensions: economic, social and environment. Base on the Thai context, Janamrung and Issarawornrawanich (2015) also divide CSR into 3 dimensions: employee, environment and community dimensions.

The CSR classification in this paper is based on the combination of stakeholder theory together with dimensions of prior literature. Stakeholder theory divides stakeholder groups into external and internal stakeholders. Internal stakeholders are groups within the organization, such as employees. External stakeholders are groups of people or entities from outside the organizations that are affected by organizational decisions and actions, such as the community. The three CSR dimensions adopted in this paper are economics, employee, and community.

Economic CSR is firm's economic responsibility, accountability, and transparency of their actions towards its stakeholders. It considers both direct and indirect impacts on the organization's competitive advantage and financial performance. Employee CSR refer to social responsibility of company towards the employees within the organization. Employees are the company's principle asset and play the vital roles in supporting and carrying out the execution of business strategies (King and Lawley, 2013). As they evaluate and react to CSR, employee's development (internal skill, personal growth, career advancement) is considered to be crucial. Yet, employee

dimension still receives limited attention (Aguilera et al., 2007; Rupp et al., 2006). Welford (2005) reports that CSR engagement of Asian business on the employee dimension is less than business in Europe and North America. Lastly, community CSR refers to the contribution of business to well being of community and to its external stakeholder. Community CSR addresses the responsibility toward the social and environment concerns e.g. community development, protection and conservation of natural resources, and mitigation of environmental problems (Uddin et al., 2008). ). Figure 1 presents the three CSR dimension



*Source: Uddin et al (2008)*

**Figure 1** The three dimensions of CSR



Collectivist people perceive helping others as personally desirable and obligatory, which indicates a good basis for socially responsible behavior (Janoff-Bulman and Leggatt, 2002; Chen et al., 2001). Relationship-oriented managers focus on the satisfaction, motivation and the general well being of their employees (Chen et al., 2001). They approach subordinates with a strong emphasis on human relation, taking interests in promoting personal growth, providing good working conditions, establishing good relationships, and provide special attention to employees' needs (Bowers & Seashore, 1966; Blake and Mouton, 1964). Hence, the concern for establishing and having good relations with employees function on the basis of values held dear for employee CSR and expand beyond merely internal stakeholder to include community CSR. Good cooperation and CSR are synonymous. The cooperative principle exists at the core of CSR (Carrasco, 2007). With task-oriented orientation, managers are concerned with achieving organizational goals. It involves activities such as attention to policy decisions and organizational growth (Bowers & Seashore, 1966; Blake and Mouton, 1964). The characteristics are that they are less concerned with people and the community, and more on accomplishing the goals of firms. It is possible to view task-oriented as high masculinity. Steensma et al. (2000) show that individuals with masculine behavior display lower appreciation of cooperative strategies. Tice and Baumeister (2004) suggest that masculinity inhibits helping behaviors. In a prior empirical study, it

was found that masculinity has a significant negative effect on environmental performance (Ringov and Zollo, 2007). Task-orientation may be a reflection of an aspect of individualism (Triandis, 1993). Despite the low appreciation for establishing good cooperation and relationships with employees and the society, individualism is still found to have a positive impact on CSR (Vitell and Paolillo, 2004). Therefore, we expect a positive relationship with economic CSR due to the focus on achieving organizational goals of managers who are more oriented toward task behavior. It is difficult to derive well-grounded hypotheses due to lack of prior research investigating the relationship of managerial style and CSR using behavioral approach to leadership. We conjecture the hypotheses as follows:

*H1: The relationship between relationship-oriented behavior and employee CSR is positive.*

*H2: The relationship between relationship-oriented behavior and community CSR is positive.*

*H3: The relationship between task-oriented behavior and economic CSR is positive.*

## Methodology

### Context

In Thailand, a study by Yodprudtikan (2009) shows that a majority of Thai firms (50%) have already initiated and



engaged in some forms of CSR activities. Another 15% have shown impressive progress, while the other 35% have just learned about CSR. In general, most firms view CSR as beneficial particularly to help firms build community trust and goodwill (Prayukvong and Olsen 2009).

CSR activities of Thai firms often engage in are philanthropy and employee volunteering. The concept of CSR that are prevalent and practiced in Thailand is heavily influenced by its social and religious context (Shinnaranantana *et al.* 2013). As Thailand is *patron-client* culture, where the higher ranked members of the society provide the welfare and donation to the lower rank (Asian Development Bank Institute, 2007). The practice of giving according to the Thai tradition is done through merit making, charity, sponsoring, sharing, volunteering and philanthropy. Donations of firms in Thailand are often for the foundations established by King Rama IX and the royal family of Thailand to show the support of the initiatives and the respect towards the monarchy (Prayukvong and Olsen 2009). Prachayakorn (2010) reports among Asian country CSR is view as the same concept of philanthropy. Consequently, 80% of CSR activities of publicly listed firms in Thailand are often in the form of donations to charities (Association of Thai Registered Companies, 2008).

With the introduction of other types of CSR activities from multinational enterprises (MNEs) located in Thailand, the concept of CSR has become more familiar and expanded beyond voluntary activities and philanthropy. (Prayukvong and Olsen 2009).

## Data collection procedure

The data are collected from 173 firms listed in the Stock Exchange of Thailand and the Market for Alternative Investment (MAI). A pre-test was conducted prior to check for validity, clarity, and relationships among major variables. The questionnaire was sent out to all publicly listed firms in Thailand. The classification of firms is divided into two groups: Thai firms and foreign subsidiaries of multinational enterprises (MNEs) from Japan, United Kingdom, and United States of America. To prevent the potential bias of the questionnaire, extra information is obtained from company's websites, annual reports, and Thailand's Department of Business Development (DBD) of the Ministry of Commerce. A cover letter, a questionnaire, and a detailed instruction on how to answer the questions are sent to manager that is directly responsible for the company's CSR.

## Sample



**Table 1** Descriptive statistics on industry and firm's country of origin

Industry	Sectors	Country				Total (%)
		USA	UK	Japan	Thailand	
<b>Agro &amp; Food industry</b>	Agribusiness, Food & Beverages	1	1	1	7	<b>5.78</b>
<b>Consumer products</b>	Fashion, Home & office products, Personal products & pharmaceuticals	5	2	4	2	<b>7.51</b>
<b>Financials</b>	Banking, Finance & securities, Insurance	0	3	0	8	<b>6.36</b>
<b>Industrials</b>	Automotive, Industrial material & machinery, Paper and printing material, Petrochemicals & chemicals, Packaging, Steel	11	2	17	11	<b>23.70</b>
<b>Property &amp; construction</b>	Construction material, property fund & REITs, Property development	0	0	3	15	<b>10.40</b>
<b>Resources</b>	Energy & Utilities, Mining	1	1	0	4	<b>3.47</b>
<b>Services</b>	Commerce, Healthcare services, Media & publishing, Professional services, Tourism & leisure, Transportation & logistic	9	7	12	17	<b>26.01</b>
<b>Technology</b>	Electronic components, Information & communication technology	6	1	5	9	<b>12.14</b>
<b>Electric appliances</b>	Electric Appliances	1	0	7	0	<b>4.62</b>
<b>Total (%)</b>		<b>16.65</b>	<b>9.83</b>	<b>28.32</b>	<b>42.20</b>	<b>100</b>

Table 1 presents the classification of company by industry. Base on the 172 firms, 42.2 percent are Thai firms and 57.80 are foreign subsidiary. The average establishment age of firms is 38.31 years. The classification of firm by industry is

## Respondents

presented in Table 1. The industry and sector categorization is as according to SET industry category (SET, 2015), with an addition of electric appliances industry.

From the total number of respondent, 40.70 percent of the sample is men and 59.30 are women. Majority of the respondent (52.33 percent) graduated

with a Bachelor Degree, 45.35 percent with a Master, 1.16 percent the PhD graduation and 1.16% percent with other types of educational degree. Of these, 21.51 percent are expose to the international culture and receive their education abroad, mainly from countries such as Australia, New Zealand, USA, UK, China, France, Japan, India and Germany. The average age of the respondent is 35.75 years. The youngest participant is 22 years old and the oldest is 61 years old. Respondents from the age group 31-40 years old represents the highest percentage of the total sample (41.04 percent).

### **Dependent variable**

The construction of dependent variable used in this study is adopted from Janamrung and Issarawornrawanich (2015)'s and Hillman and Keim (2001)'s. To ensure content validity of the instrument and the fit of CSR construct to the Thai context, items are based on comprehensive review prior literatures on CSR and other sources namely: the Corporate Social Responsibility Guideline from the CSR Institute of the Stock Exchange of Thailand, and the Kinder, Lydenberg and Domini (KLD) dataset. To further confirm content validity, five CSR experts (CSR managers and CEOs of firms) were asked to check the preliminary list of items. Items are placed randomly to reduce halo response problem (Thorndike 1920). Respondents are asked to rate different items base on a scale ranging from 1 (strongly disagree) to 9 (strongly agree). Ten items are used to inquire respondents

about different aspects of their firms' CSR projects and activities.

To construct different dimensions of CSR, the study is base on stakeholder theory of internal and external stakeholders. Hence, the three dimensions of CSR are adopted in this paper: employee, community and economic.

Employee CSR is operationalized with two items (e.g. help firms obtain and retain good employees), community CSR with four items (e.g., have made surrounding environment better or mitigated environmental impacts), and the economic CSR is operationalized with four items (e.g., increase in direct economic value (i.e., sales) generated by CSR programs). To operationalize the dimensions, the paper follows Hillman and Keim (2001)'s approach, where different CSR dimensions are rated on a scale. The scores are determined by the summation across different items for each CSR dimension.

### **Explanatory variables**

The two most commonly used questionnaires to measure management style of task-oriented behavior and relationship-oriented behavior have been the Leader Behavior Description Questionnaire (LBDQ) (Stogdill, 1963) and the Managerial Grid or Leadership Grid (Northouse, 2016). The original Ohio State studies' LBDQ has more than 1,800 items with 150 questions (Hemphill and Coons, 1957). With such extensive number of questions from the LBDQ, the assessment of leadership

style in this paper is based on 18 items. Each respondent was asked to rate each item based on a 5-point Likert scale. Nine items measures relationship-oriented behavior, while the other nine items evaluate task-oriented behavior (Blake and McCause, 1991). Answers are assigned scores based on Blake and Mouton (1964)'s Managerial grid. The Cronbach's alpha value for internal consistency test is 0.78 for the relationship-oriented and 0.70 for task-oriented, above the threshold of 0.7, signifying the reliability and internal compliance of the scale.

The confirmatory factor analysis is conducted based on the 18 items to determine the appropriateness of proceeding with two separate measures. By comparing a single-factor versus a two-factor model, the result indicates that task-oriented behavior and relationship-oriented behavior should be examined separately. Moreover, the result from t-test of difference shows that the means of relationship-oriented group and task-oriented group are different, consistent with the Ohio State studies view these two behaviors as distinct and independent. Task oriented and relationships oriented are thought of not as two points along a single continuum, but as two different continua and the degree to which a leader exhibits one behavior is not related to the degree to which he or she exhibits the other behavior (Northouse, 2016).

Baczek (2013) indicates that Thai leaders possess similar characteristics as other global leaders. However, the major difference lies in its traditions.

Maintaining a good and strong relationships play a significant role in the Thai society. The tradition with high emphasis is the concept of *Bunkhun* and *Namjai*. *Bunkhun* is referred to the need and obligation to take care of those who are more inferior. *Namjai* is showing a consideration for others (Roongrerngsuke and Liefoghe, 2012). Close relationship is very significant. In organizational setting, not only that employees need to work hard, but also they must show gratitude for the superiors (such as leaders, managers, supervisors). At the same time, the superiors should pay respect and show understanding for their subordinates. The result indicates that the mean value for relationship-oriented is higher than task-oriented, consistent with prior works, implying current leaders still stay true to the traditional values of *Bunkhun* and *Namjai*.

## Control variables

The control variables for this study are size, industry and country variables. Due to factors associated with a theory of firm perspective on CSR (Waddock and Graves, 1997; McWilliams and Siegel, 2000), the study includes measures of lagged profitability as a control variable for firm size. The size of the firms has an impact on their socially responsible behaviour (McWilliams and Siegel 2001). To help reduce survey bias from relying on one set of questionnaire, data on firm size is taken from annual the Thai government database and annual reports. Firm size is based on net profit earned. Industry dummy variable is also in the

analyses based on the industry categorization of the Stock Exchange of Thailand (SET). Hofstede and Hofstede (2005) show that culture and ideology of a country affect behaviours. Cultural tendencies and characteristics shape expectations of the role of business (Welford, 2005), causing perceptions, concepts and practices of CSR to form and develop in their own ways (Rajanakorn, 2012). Therefore, the country dummy is also included. The characteristics of firms' CSR are also included as the control variable. Prior study states that the characteristic of CSR of a particular firm influences their type of CSR practice (Lantos, 2001; Waldman et al., 2006). A lagged measure of CSR is included, which is a dummy representing prior engagement of CSR. Lastly, the dummy on whether or not firms have financial resources allocated for CSR is included as another control variables.

## Results

At the time of the survey administration, 87.86 percent of firms are engaged in CSR. Majority of company (85.53 percent) receive the allocation of financial resources (approximately 0 to 1 percent of the company's net income) for their CSR projects. In terms of their understanding, the concept of CSR is seen to encompass many issues ranging from sustainability, business ethics, morality, to monetary donations, with activities related and unrelated to core

business. Table 2 presents excerpts based on the understanding of CSR from companies in nine industries in our sample.

Table 3 presents the result for descriptive statistic and the correlation coefficient for the variables used in the regression analysis. The variance inflation factors (VIFs) are in the range of 1.28-4.33 with the mean of 2.31, indicating no evidence of multicollinearity. Moreover, both types of management style are positively correlated with the three dimensions of CSR ( $r = 0.23, p < 0.05$  for relationship-oriented and employee CSR;  $r = 0.29, p < 0.05$  for relationship-oriented and community CSR; and  $r = 0.21, p < 0.05$  for relationship-oriented and economic CSR;  $r = 0.15, p < 0.05$  for task-oriented and employee CSR;  $r = 0.20, p < 0.05$  for task-oriented and community CSR; and  $r = 0.23, p < 0.05$  for task-oriented and economic CSR, respectively). Concerning control variables, lagged CSR are positively correlated with community CSR ( $r = 0.25, p < 0.05$ ) and economic CSR ( $r = 0.25, p < 0.05$ ), consistent with prior work. Moreover, firm's financial allocation for CSR is positively correlated with only community CSR ( $r = 0.24, p < 0.05$ ) and economic CSR ( $r = 0.19, p < 0.05$ ), but not with employee CSR. Interestingly, firm size does not correlate with any variables. A plausible explanation can be that firms of all sizes in this sample engage in CSR.

**Table 2** Excerpts on the understanding of CSR on selected firms from 9 industries.

No.	Industry	Info	Position	Age	Understanding of CSR
1	Argo & Food Industry	UK Subsidiary	CSR Manager	31	<i>“CSR is about sustainability. Everything we do for CSR must be sustainable and really helps those in need, not just for corporate public relations”</i>
2	Consumer Product	US subsidiary	CSR Manager	32	<i>“CSR is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families and of the local community and society at large”</i>
3	Financials	Thai Publicly Listed Firm	CSR Manager	41	<i>“CSR is being accountable for all stakeholders in which you drive profitability for your business. This includes business, environmental and social dynamics. This is in order to create a balance among the society, firms and different stakeholder groups”</i>
4	Industrials	Japanese Subsidiary	HR Manager	41	<i>“CSR is having firms operate with no or minimal impacts to the society”</i>
5	Property & Construction	Japanese Subsidiary	HR and Administration Manager	30	<i>“CSR is to pay attention to all those who are directly and indirectly affected by our business operations. We need to reduce negative impacts on those groups.”</i>
6	Resources	Thai Publicly Listed Firm	CSR Directors	53	<i>“CSR is referred to the fact that the firm must take care of all stakeholders who are involved whether they are the society, community or the environment. We need to think about our impacts at community-level as well as national-level, using the concept of ‘Care, Share, and Respect’ to those who are affected by our business operations”</i>
7	Services	Japanese Subsidiary	CSR Manager	42	<i>Firms must behave in socially responsible manner. Conduct activities to help and support the society, both for internal stakeholders (such as employees) and external stakeholders (such as the society, youth, shareholders, and business partners</i>

8	Technology	US Subsidiary	CSR Manager	44	“CSR means a firm has to take into considerations the effect of its business operations on its stakeholders whether they are shareholders, employees, customers, partners, society and the environment”
---	------------	------------------	-------------	----	---

**Table 3** Descriptive statistics for the variables of interest

	Mean	Std . Dev.	1	2	3	4	5	6	7	8
<b>Employee CSR</b>	12.2486	3.2940	1.0000							
<b>Community CSR</b>	26.2659	6.3456	0.7005*	1.0000						
<b>Economic CSR</b>	23.3006	6.1305	0.7445*	0.7214*	1.0000					
<b>Relationship-oriented</b>	7.3121	0.7890	0.2393*	0.2941*	0.2101*	1.0000				
<b>Task-oriented</b>	7.2254	0.7369	0.1583*	0.2082*	0.2325*	0.7382*	1.0000			
<b>Firm size</b>	62.3000	231.6612	0.0164	0.0946	0.1142	0.1318	0.0997	1.0000		
<b>Lagged CSR</b>	0.8786	0.3275	0.1251	0.2562*	0.2586*	0.0485	- 0.0305	0.0998	1.0000	
<b>Financial allocation for CSR</b>	0.7803	0.4152	0.1422	0.2408*	0.1905*	0.1466	0.0450	0.1004	0.4868*	1.0000

\* $p < 0.05$

Table 4 presents the result of the hierarchical regression analyses. Hierarchical regression is used because of the conjecture that managers’ task-oriented behavior or relationship-oriented behavior may influence difference CSR dimensions, in addition

to factors associated with a theory of the firm perspective on CSR. With a two-step procedure, the control variables are included in the first step. To test perform the hypothesis testing, task-oriented and relationship-oriented are added in the second step of the analyses.

**Table 4** Regression results testing hypotheses

	<b>Model 1 :</b>		<b>Model 2 :</b>		<b>Model 3 :</b>	
	<b>Employee CSR</b>		<b>Community CSR</b>		<b>Economic CSR</b>	
	<b>Step 1</b>	<b>Step 2</b>	<b>Step 1</b>	<b>Step 2</b>	<b>Step 1</b>	<b>Step 2</b>
<b>Relationship-oriented</b>		1.1229**		2.0306**		0.3783
<b>Task-oriented</b>		-0.1593		0.3060		1.8325**
<b>Lagged CSR</b>	1.1212	1.2106	3.5208**	3.8051**	4.3465**	4.7658***
<b>Financial allocation</b>	0.7115	0.3569	2.2115**	1.4821	0.7026	0.3036
<b>Firm size</b>	0.0007	0.0003	0.0013	0.0006	0.0038*	0.0032*
<b>Consumer products</b>	-0.9879	-1.4157	0.0872	-0.8570	-1.9992	-2.6852
<b>Financials</b>	-0.5240	-1.1004	0.1216	-1.2013	-2.9245	-4.0097
<b>Industrials</b>	-0.1637	-0.5125	-0.8509	-1.6154	-2.7986	-3.3406
<b>Property &amp; construction</b>	-1.5683	-1.9519*	-1.1597	-1.9068	-3.1064	-3.4051
<b>Resources</b>	-2.9154*	-3.4408*	0.5171	-0.6025	-7.4823**	-8.1978**
<b>Services</b>	-0.4932	-0.8722	-1.2803	-2.1238	-2.9358	-3.5655*
<b>Technology</b>	0.1213	-0.4596	-0.5229	-1.8801	-2.8854	-4.0540*
<b>Electric appliances</b>	-1.8442	-2.0704	-1.4966	-1.8901	-3.5816	-3.6082
<b>US</b>	-1.2132	-1.1770	-2.2756	-2.3473	-1.0285	-1.4518
<b>UK</b>	-0.4202	-0.1150	-0.8067	-0.2744	-0.4171	-0.3767
<b>Japan</b>	-0.7794	-0.7009	-1.6623	-1.5860	-0.9801	-1.1622
<b>Constant</b>	11.8395**	5.26539*	23.2693**	7.2562	22.1851***	6.8776
<b>R<sup>2</sup></b>	0.08	0.13	0.10	0.17	0.11	0.18
<b>F</b>	1.02	4.87***	1.34	6.75***	1.46	5.87***

\*\*\* $p < 0.01$ , \*\* $p < 0.05$ , \* $p < 0.10$

Table 4 present the positive relationship between relationship-oriented managers with employee CSR (Model 1) and community CSR (Model 2). The empirical evidence supports Hypotheses 1 and 2. The coefficient of task-oriented behavior in Model 3 is positive and significant. Hypothesis 3 is supported. There is a positive relationship between managers who are task-oriented and economic CSR. A few key patterns emerge. Consistent with Waldman et al. (2006), we find the coefficients of lagged CSR to be positive and significant for Model 2 and 3, signifying the importance of prior engagement in CSR. Financial

allocation for CSR is only positive and significant with community CSR. To test for robustness, a different specification for the dependent variable is used. Instead of using the summed scores, the average score of all items for each dimension is used as another proxy.

## Discussion and conclusion

The results confirm the predictions of the relationship between different types of managerial styles and different CSR dimensions. There is a positive



relationship between relationship-oriented behavior to the employee and community CSR dimension but not with economic CSR. Manager plays a crucial role in the formulation of company's CSR policy. CSR policy of a company reflects the values held by individual that is mirrored through his/her own management style (Waldman et al., 2006; Hemingway and MacLagan, 2004; Carroll, 1991; Wood, 1991). As such, the values held by individual managers become an antecedent factor of CSR behavior (Jaakson et al. 2009). This indicates that the relationship oriented manager appear to understand the needs of the employee and the society better than task-oriented manager. Managers who are more inclined towards relationship-oriented behavior appears to understand that CSR can be used as an integral part of the firm's strategy to behave ethically in a responsible manner to both internal (employee) and external stakeholder (community and the environment). Therefore to ensure that company's CSR reflects to the responsibility of firms toward all stakeholders, company must take into accounts of the management style of their manager. To strategically engage in various dimensions of CSR, company is required to consider the possible factor explaining the style of the responsible manager as the result demonstrate that an

individual behavior of a manager (i.e., task-oriented or relationship-oriented) is positively associated with different CSR dimensions.

Although the study provides significant theoretical contribution to the study of leadership and CSR, there are several limitations to be considered. Firstly, the empirical results are based on a relatively small sample size and are limited to only publicly listed firms. Thus, the study is considered to be exploratory. Future research could broaden the sample size to include privately held firm and small and medium enterprise (SMEs) as the play major role in to the Thai economy, which deserve detail analysis. Approximately 90 percent of firm in Thailand are SMEs, employing approximately 80.4 percent of the country workforce (Yoshino et al., 2015). Secondly, other variables could be added as additional control variables. For instance, a measure of lagged CSR dimension firms engage in or prior CSR performance could be add as controls. Lastly, the study can contain some biases due to the use of a self-reported survey particularly with the topic of CSR, which could provoke social desirability bias among the respondents. To solve this problem, other methods such as supplementing questionnaire with secondary data could be employed in order to mitigate the problem of biases.

## References

- Aguilera, R.V., Rupp, D.E., Williams, C.A. and Ganapathi, J. (2007), "Putting the S back in corporate social responsibility: A multilevel theory of social change in organizations" *Academy of management review*, Vol 32, No.3, pp.836-863.
- Ackerman, R. W. (1973). How companies respond to social demands. *Harvard Business Review*, 51(4), 88-98.
- Akgeyik, T. (2005). The human resource management dimensions of corporate social responsibility in Turkey: A survey. *Journal of Academy of Business and Economics*, Vol.5, No. 1, pp. 25-32.
- Asian Development Bank Institute (ADBI), (2007, October). Recent developments in corporate social responsibility in Thailand. Tokyo: Wedel. Retrieved November 25, 2010, from <http://www.adbi.org/conf-seminarpapers/2007/10/30/2390.csr.wedel/>
- Association of Thai Registered Companies, 2008. *First quarter report: CSR budget of the companies listed in SET 2008*.
- Baczek, K. (2013), "Effective leadership in Thailand: Exploratory factor analysis of creativity, need for achievement, emotional intelligence, and diversity" LSE Asia Research Center.
- Blake, R.R. & McCanse, A. A. (1991). *Leadership dilemmas: Grid solutions*. Houston, TX: Gulf Publishing Company.
- Blake, R.R. & Mouton, J.S. (1964). *The Managerial Grid*. Houston, TX: Gulf Publishing Company.
- Bowen, H.P. 1953, *Social Responsibilities of the Businessman* (Harper, New York).
- Bowers, D. G., & Seashore, S. E. (1966), "Predicting organizational effectiveness with a four-factor theory of leadership", *Administrative Science Quarterly*, Vol. 11, pp. 238-263.
- Brislin, R.W. (1970), "Back-translation for cross-cultural research", *Journal of Cross-Cultural Psychology*, Vol. 1 No. 3, pp. 185-216.
- Brown, M. E., & Treviño, L. K. (2006), "Ethical leadership: A review and future directions", *The leadership quarterly*, Vol. 17, No. 6, pp. 595-616.
- Carrasco, I. (2007). Corporate social responsibility, values, and cooperation. *International Advances in Economic Research*, Vol. 13, No. 4, pp.454-460.
- Carroll, A. B. (1991). The pyramid of corporate social responsibility: Toward the moral management of organizational stakeholders. *Business horizons*, 34(4), 39-48.



- Carroll, A.B. (1979), "A three-dimensional conceptual model of corporate performance." *Academy of management review*, Vol 4, No. 4, pp. 497-505.
- CSR Club. (2012), CSR Thailand: 50 good practices. CSR Club and Thaipat Institute. Bangkok. Thailand.
- CSRI (2015), "About SR Center", *Corporate Social Responsibility Institute: CSRI*, [http://www.set.or.th/sustainable\\_dev/th/sr/about/about\\_p1.html](http://www.set.or.th/sustainable_dev/th/sr/about/about_p1.html), (accessed 15 November 2015).
- Doh, J. P., & Stumpf, S. A. (2005), *Handbook on responsible leadership and governance in global business*. Edward Elgar Publishing
- Fitch, H. G. (1976). Achieving corporate social responsibility. *Academy of Management Review*, 1(1), 38-46.
- Greenwood, M. (2007), "Stakeholder engagement: Beyond the myth of corporate responsibility", *Journal of Business Ethics*, Vol.74, No. 4, pp. 315-327
- Groves, K. S., & LaRocca, M. A. (2011), "An empirical study of leader ethical values, transformational and transactional leadership, and follower attitudes toward corporate social responsibility", *Journal of Business Ethics*, Vol. 103, No. 4, pp. 511-528.
- Hemingway, C. A., & MacLagan, P. W. (2004). Managers' personal values as drivers of corporate social responsibility. *Journal of Business Ethics*, 50(1), 33-44.
- Hemphill, J.K. and Coons, A.E. 1957. Development of the Leader Behavior Description Questionnaire. In R.M. Stogdill and A.E. Coons (Eds.) *Leader behavior: its description and measurement* (Research Monograph No. 88). Columbus: Ohio State University, Bureau of Business Research.
- Hillman, Amy J., and Gerald D. Keim. (2001), "Shareholder value, stakeholder management, and social issues: what's the bottom line?", *Strategic management journal*, Vol. 22, No. 2, pp. 125-139.
- Hofstede, G. and Hofstede, G.J. (2005), "*Cultures and organizations: Software of the mind*". NY: McGraw-Hill.
- Jaakson, K., Vadi, M., & Tamm, K. (2009). Organizational culture and CSR: an exploratory study of Estonian service organizations. *Social Responsibility Journal*, 5(1), 6-18
- Janamrung, B. and Issarawornrawanich, P. (2015), "The association between corporate social responsibility index and performance of firms in industrial products and resources industries: Empirical evidence of Thailand", *Social Responsibility Journal*, Vol. 11 No.4, pp. 893-903.



- Kanji, G. K., & Chopra, P. K. (2010) "Corporate social responsibility in a global economy", *Total Quality Management*, Vol. 21, No. 2, pp. 119-143.
- Ketola, T. (2006). Do you trust your boss?—A Jungian analysis of leadership reliability in CSR. *EJBO-Electronic Journal of Business Ethics and Organization Studies*.
- King, D. and Lawley, Scott. (2013), "*Organizational Behavior*". Oxford University Press. UK.
- Kraisornsuthasinee, S., & Swierczek, F. W. (2006). Interpretations of CSR in Thai companies. *Journal of corporate citizenship*, 22(Summer), 53-65.
- Lee, M. D. P. (2008), "A review of the theories of corporate social responsibility: Its evolutionary path and the road ahead", *International journal of management reviews*, Vol. 10 No. 1, pp. 53-73
- Lantos, G.P. (2001), "The boundaries of strategic corporate social responsibility" *Journal of consumer marketing*, Vol. 18 No. 7, pp. 595-630.
- Maak, T., & Pless, N. M. (2006), "Responsible leadership in a stakeholder society—a relational perspective", *Journal of Business Ethics*, Vol. 66, No. 1, pp. 99-115.
- Matten, D., & Moon, J. (2008). "Implicit" and "explicit" CSR: A conceptual framework for a comparative understanding of corporate social responsibility. *Academy of management Review*, Vol. 33, No.2, pp. 404-424.
- McWilliams, A., Siegel, D.S., & Wright, P.M. (2006), "Corporate social responsibility: Strategic implications", *Journal of Management Studies*, Vol. 43 No. 1, pp. 1-18.
- Nederhof, A.J. (1985), "Methods of coping with social desirability bias: A review" *European Journal of Social Psychology*, Vol. 15, No. 3, pp. 263-280.
- Northouse, P.G. (2016), *Leadership: Theory and Practice 7<sup>th</sup> edition*, Sage Publication. : Thousand Oaks, California.
- Palmer, K., Oates, W. and Portney, P. (1995), "Tightening environmental standards: the benefit-cost or the no-cost paradigm?", *Journal of Economic Perspectives*, Vol. 9 No. 4, pp. 119-32.
- Pirsch, J., Gupta, S., & Grau, S. L. (2007). "A framework for understanding corporate social responsibility programs as a continuum: An exploratory study", *Journal of business ethics*, Vol. 70 No. 2, pp. 125-140.
- Prachayakorn, P. (2010, March 26). CSR wins converts in Thailand, Bangkok Post. Retrieved November 19, 2010, from <http://www.bangkokpost.com/business/economics/35070/csr-wins-converts-in-thailand>
- Prayukvong, P. and Olsen, M., 2009. *Research paper on promoting corporate social responsibility in Thailand and the role of volunteerism*. The NETWORK Thailand for UNDP Thailand, Bangkok, Thailand.



- Quinn, L., & Dalton, M. (2009). Leading for sustainability: implementing the tasks of leadership. *Corporate Governance: The international journal of business in society*, 9(1), 21-38.
- Rajanakorn, N. Examining corporate social responsibility in Thailand: A view form Thai companies. Doctoral dissertation. University of Tennessee, Knoxville. 8-2012.
- Ringov, D., & Zollo, M. (2007). The impact of national culture on corporate social performance. *Corporate Governance: The international journal of business in society*, 7(4), 476-485.
- Roongrerngsuke, S. and Liefoghe, A.P. 2012. *Unlocking leadership in Thailand*. Bangkok, Thailand: The Nation News Network Co., Ltd.
- Rupp, D. E., Ganapathi, J., Aguilera, R. V., & Williams, C. A. (2006), "Employee reactions to corporate social responsibility: An organizational justice framework" *Journal of organizational Behavior*, No. 27 Vol.4, pp. 537-543.
- Snider, J., Hill, R. P., & Martin, D. (2003), "Corporate social responsibility in the 21st century: A view from the world's most successful firms", *Journal of Business ethics*, Vol. 48 No. 2, pp. 175-187.
- Shleifer, A. (2004). *Does competition destroy ethical behavior?* (No. w10269). National Bureau of Economic Research.
- Shinnaranantana, N., Dimmit, N.J. and Siengthai, S. (2013), "CSR manager competencies: a case study from Thailand", *Social responsibility journal*, Vol. 9 No. 3, pp. 395-411.
- Srisuphaolarn, P. (2013), "From altruistic to strategic CSR: How social value affected CSR development – A case study of Thailand", *Social Responsibility Journal*, Vol. 9 No. 1, pp. 56-77.
- Steensma, H. K., Marino, L., & Weaver, K. M. (2000). Attitudes toward cooperative strategies: A cross-cultural analysis of entrepreneurs. *Journal of International Business Studies*, Vol. 31, No.4, pp. 591-609.
- Stock Exchange of Thailand (SET) (2015), "SET index series: Set industry group index and sector index", available at: [http://www.set.or.th/en/products/index/setindex\\_p2.html](http://www.set.or.th/en/products/index/setindex_p2.html), (accessed 2 August 2015).
- Stogdill, R.M. (1963). *Manual for the Leader Behavior Description Questionnaire form XII*. Columbus: Ohio State University, Bureau of Business Research.
- Székely, F., & Knirsch, M. (2005). Responsible leadership and corporate social responsibility:: Metrics for sustainable performance. *European Management Journal*, 23(6), 628-647.



- Thorndike, E.L., 1920. A constant error in psychological ratings. *Journal of applied psychology*, 4 (1), 25-29.
- Tice, D. M., Baumeister, R. F., & Zhang, L. (2004). The role of emotion in self-regulation: Differing role of positive and negative emotions. *The regulation of emotion*, 213-226.
- Triandis, H. C. (1993). Collectivism and individualism as cultural syndromes. *Cross-cultural research*, 27(3-4), 155-180.
- Uddin, M.B., Hassan, R. and Tarique K. (2008). “Three dimensional aspects of corporate social responsibility”, *Daffodil International University Journal of Business and Economics*, Vol. 3 No. 1, pp. 199-212
- Virakul, Busaya, Koonmee, Kalayanee, McLean, Gary N. (2009), “CSR activities in award-winning Thai companies”, *Social Responsibility Journal*, Vol. 5 No. 2, pp. 178-199.
- Vitell, S. J., & Paolillo, J. G. (2004). A cross-cultural study of the antecedents of the perceived role of ethics and social responsibility. *Business Ethics: A European Review*, 13(2-3), 185-199.
- Waddock, S. and Graves, S. (1997). ‘The corporate social performance–financial performance link’. *Strategic Management Journal*, Vol. 18, pp. 303–19.
- Waldman, D.A., Siegel, D.S., and Javidan, M. (2006), “Components of CEO transformational leadership and corporate social responsibility”, *Journal of Management Studies*, Vol. 43 No.8, pp. 1703-1725.
- Waldman, D. A., & Siegel, D. (2008), “Defining the socially responsible leader”, *The Leadership Quarterly*, Vol. 19 No. 1, pp.117-131
- Walley, N., & Whitehead, B. (1994), “It's not easy being green”, *Reader in Business and the Environment*, Vol. 36, pp. 81.
- Welford, R. (2005), “Corporate social responsibility in Europe, North America and Asia 2004 survey results”, *Journal of Corporate Citizenship*, Vol. 17, pp. 33-52.
- Wood, D. J. (1991). Corporate social performance revisited. *Academy of management review*, 16(4), 691-718.
- Xu, Shangkun, Yang, Rudai, (2010), “Indigenous characteristics of Chinese corporate social responsibility conceptual paradigm”, *Journal of Business Ethics*, Vol. 93, No. 2, pp. 321-333.
- Yodprutikan, P., (2009), “Responsible business conduct in Thailand”, Paper presented to Asia-Pacific conference, Thaipat Institute and United Nations.
- Yoshino, N. Taghizadech-Hesary, F., Charoensivakorn, P, Niraula, B. (2015), “Importance of SMEs in the Thai economy”, Asian Development Bank Institute.

Young, S., & Thyl, V. (2009). “Governance, employees and CSR: Integration is the key to unlocking value”. *Asia Pacific Journal of Human Resources*, Vol. 47, No.2, pp.167-185

## Appendix

**Appendix 1** Comparison of Thai CSR dimension with Chinese and Western dimensions (Authors’ Own, Yu and Xang, 2010)

Dimensions	Thai	Chinese	Western
<b>Economic responsibility :</b>			
Create wealth and profit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Provide valuable products	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Economic growth/efficiency	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ensure corporate sustainability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Technology Process & Innovation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Legal responsibility</b>			
Abide by law	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Environmental protection</b>			
Environmental protection	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reduce environmental deterioration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Forest Restoration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Investment on renewable energy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Energy conservation and efficient resource utilization	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Customers</b>			
Consumer safety rights & interest	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
No False Advertisement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Information disclosure	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Genuine goods at fair prices	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Social donation and charity- :</b>			
Active towards underprivileged social groups, culture, education, arts	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Donation for disaster relief	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Organ and Blood Donation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
House building for under privileged	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Shareholders</b>			
Profit Transparency	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>





Good Governance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Protecting interest of the shareholders	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Employees</b>			
Internal skill development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Equal opportunities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Health and Safety	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Employment</b>			
Occupational Development in rural area	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Increase job opportunities, reemployment to ease national employment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Job opportunities for disabled	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>People-focused</b>			
School development education (primary to highschool)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Awareness of family bond	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Banned of child labor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Equality</b>			
Gender equality	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Racial equality	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Good faith</b>			
Business Ethics	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Operate in good faith & honor of contract	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Social stability and progress</b>			
Ensuring social stability and harmony	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Promote Social Progress	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Patriotism	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Promote national prosperity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

*Source: Author's Own, Yu and Xang (2010)*

## Appendix 2 The differences between relationship behaviors and task behaviors

	Relationship behaviors	Task behaviors
<b>Leadership style</b>	Listens to the subordinates, encourages participation, has a friendly manner that aims to enhance self-esteem, and builds and environment of trust, warmth, and concern .Social sensitivity	Focuses on the task, provide clear expectations, instructions and deadlines, focusing on maintaining standards
<b>Leader's focus</b>	Towards satisfying emotional and social needs of employees	Towards goals
<b>Inspired by</b>	Human relations theory	Taylorism
<b>Theory X or Y</b>	Theory Y	Theory X
<b>Leader's primary aim</b>	Increased satisfaction	Higher production
<b>Potential problems</b>	Lower production	Increased turnover, absenteeism and grievances of employees

*Source: King and Lawley (2013)*