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The Causal Relationship between Transformational Leadership and Crisis Management of Business Organization in Thailand

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Abstract:

The purposes of this research are (a) to study the components of transformational leadership of business organization in Thailand, (b) to study the components of crisis management of business organization in Thailand, and (c) to study the causal relationship between transformational leadership and crisis management of business organization in Thailand. The researcher applied the quantitative research in conducting this study and distributed the research questionnaires to 300 samples. The statistics used in this research are consisted of frequency, percentage, mean, standard deviation, t-test, Analysis of Variance by F-test, Pearson Correlation, Confirm Factors Analysis, and Structural Equation Model: SEM.

The research results show that with regard to the components of the transformational leadership, the samples always practice transformational leadership, which the component with the highest mean is idealized influence, followed by individualized consideration, intellectual stimulation, and inspiration motivation respectively. While the samples often practice the crisis management of the business organization, which the component with the highest mean is containing the crisis, followed by resolving the crisis, learning from the crisis, recognizing the crisis, avoiding the crisis, and preparing to manage the crisis respectively.

The results of hypothesis testing regarding transformational leadership and demographic profiles show that, in total, entrepreneurs with different gender have the same behavior about the transformational leadership, which is not relevant to the set hypothesis; while the entrepreneurs with different age, education level, operation period, business type, and crisis type have different behavior about the transformational leadership with the statistical significance at the level of .05, which is relevant to the set hypothesis. The analysis of the causal relationship between transformational leadership and crisis management of the business organization in Thailand is that the components of the transformational leadership, consisting of inspiration motivation, idealized influence, intellectual stimulation, and individualized consideration, and the variables of the crisis management of the business organization are the real components of the causal relationship between transformational leadership and crisis management of business organization in Thailand, which is relevant to the set hypothesis. The component weight of variables in terms of inspiration motivation, idealized influence, and individualized consideration, is positive and has the statistical significance ($P < 0.01$), which means that these are important variables indicating the crisis management of business organization in the same direction; while the component weight of the variables of intellectual stimulation is negative and has the statistical significance ($P < 0.01$), which means that these are important variables indicating crisis management of business organization in the opposite direction.

Keywords: Causal relationship, Transformational leadership, Crisis management, Business organization in Thailand, SEM

1. Introduction

The situations nowadays reflect the uncontrollable external factors which have an influence on the economic crisis of country and the worldwide. The globalization connects many countries, thus, when there are problems, they will cause a direct and indirect effect to other countries, such as natural disaster, plague, the outbreak of war, political conflicts, terrorism, including the volatility of energy prices and the currency.

The nowadays business operation have to encounter many severe and frequent risks which cause an impact on business; as the political conflict in 2005 – 2010 at the central of Bangkok, the flood in 2011 which caused 1.4 trillion of damage (Bangkok Business, 2011), the transportation route is severely damaged (Fiscal Policy Office, 2011). Some business had to temporarily stop operation, or some had to discontinue the business; but some fundamental business which was important for daily life and did not locate on the flood area had to effectively continue the business operation (Thipyakraisorn, 2012).

In the same time, the small and large organization around the world had to encounter the regression economic crisis. This crisis was severe, many businesses lost, or lack of liquidity, diminishing purchasing power, many the delay of investment, dismissal, and layoffs. This crisis, plus with the political crisis in the country, caused the double damage to Thailand. The management of business or non-business organization cannot avoid the crisis, due to the fact that the business crisis is unpredictable; it might be caused from the natural disaster, the unstable politics, revolution, terrorism, or severe plague; the organizational leader should prepare many plans to cope with the crisis depending on the severity of the impact and the recovered time. Unfortunately, the leader gives less interest in this aspect because the crisis is hard to predict, which is different from the risk situation that the executive can predict by considering the statistic data in the past to formulate the preventing policy. The cause of risk may be the ineffective management system or the natural disaster. It is found that the cause of crisis and the risk is similar, but the different is that crisis is unpredictable and severe. In this situation, the organization required the leader to help business to survive, or to prepare to recover the organization through the crisis time, this is called contingency leader or leader in crisis.

The characteristics of good leader, who can lead the organization to the goal, must have knowledge and capability in various dimensions, as the technical skill, human skill, and conceptual skill. The crisis causes the broad impact, thus, the protection is impossible, but only the disaster relief and the recovering. The crisis management requires a large amount of resources and workforce. This dimension is the crisis that occurs to the organization, and may cause the loss to the organization. In contrast, if it is the external crisis, the leader must find the direction to protect the organization from the impact of that crisis, by defining the size of the crisis and finding the solution. The crisis management also needs the cooperation from all related people (Maharatsakul, 2009). This is relevant to the management direction for avoiding the crisis; 1) to prevent the crisis; 2) if the crisis occurs, it must be immediately eliminated also its damage; and 3) Recreating the reliability of the organization, and setting the plan to cope with the crisis in the practical and easy-understanding model. Moreover, the organizational leader must effectively and directly communicate the information to the public media. The leader should always have good image, readiness, also enough time to create the reliability and the activities to consumers and society to create good organizational image in advance so that the customers have good attitudes towards the organization; this can reduce the severity of problem (Chatthananon, 2009).

The leadership in crisis must know the change and be ready to cope with all problem and crisis. The leader must also realize that the management should be continual (Welch and Welch, 2005; as cited in Chatthananon, 2009). In this kind of situation, reliability is an important variable; every channel of communication, business operation, trading, marketing, advertisement, public relation, and the result of action. The reliability is an important business cost more than the financial cost, because an abundant amount of financial investment cannot be compared to the reliability from society. In addition, the reliability from people in the organization is an essential key that lead the organization to reach its goal because the success does not come from only the leader (Chanchaochai, 2009).

In the crisis time, the organization must find the solution as soon as possible in order to maintain the business and image of the organization; even the economic crisis, social crisis, politic crisis, and other unpredictable situation, including the stability of country; which causes an impact on both public and private sectors, also people who have to face the increase of cost of living. These all challenge the capability of the leader nowadays (Chaichansukki, 2009). This is relevant to the concept of Preeda-ananthasuk (2012) that the crisis rarely occurs but it cause severe impact. The organization has to quickly react to that crisis for the survival of the organization. The organization focuses only on the probability criteria that the organization used in making decision about the problem solution, but the organization neglects the protection or the problem prevention to become the crisis.

Therefore, the viewpoint of crisis management should be integrated in order to be the direction to effectively cope with the crisis, to reduce the damage; which is the challenge of the leader to find the method to drive on the organization. This research studied about transformational leadership and crisis management; the purposes are to study the concept of integrated crisis management of the leader and to analyze the relationship of transformational leadership influencing crisis management of the business organization in Thailand leading to the presentation of the relationship model between transformational leadership that can effectively manage crisis of business organization under the change of nowadays business world.

1.1. Purposes of Research

- i. To study the components of transformational leadership of business organization in Thailand.
- ii. To study the components of crisis management of business organization in Thailand.
- iii. To study the causal relationship between transformational leadership and crisis management of business organization in Thailand.

1.2. Hypothesis of Research

- H₀1 The samples with different demographic profiles have the same behavior of transformational leadership.
- H₁1 The samples with different demographic profiles have different behavior of transformational leadership.
- H₀2 The components of transformational leadership in the aspect of inspiration motivation does not have the causal relationship with crisis management.
- H₁2 The components of transformational leadership in the aspect of inspiration motivation has the causal relationship with crisis management.
- H₀3 The components of transformational leadership in the aspect of idealized influence does not have the causal relationship with crisis management.
- H₁3 The components of transformational leadership in the aspect of idealized influence has the causal relationship with crisis management.
- H₀4 The components of transformational leadership in the aspect of intellectual stimulation does not have the causal relationship with crisis management.
- H₁4 The components of transformational leadership in the aspect of intellectual stimulation has the causal relationship with crisis management.
- H₀5 The components of transformational leadership in the aspect of individualized consideration does not have the causal relationship with crisis management.
- H₁5 The components of transformational leadership in the aspect of individualized consideration has the causal relationship with the crisis management.

2. Literature surveys

2.1. Concept about Crisis Management

The word “crisis” has the similar meaning to the word “stress”, “panic”, “disaster”, and “violence”. Many people variously defined crisis, for example, crisis is the change, whether it is immediate or not, which causes the urgent problem that needs to be resolved in time. The crisis is whatever, for the business, causes the damage quickly and severely to employees, reputation, and turnovers (Barton, 2001, 2008). The crisis is the tight situation that needs to be managed to avoid or to resolve the damage, as the crisis of safety of environment or health that unexpectedly occurred, and incurred the threat of insecurity; this affects the image or the credibility of the organization or brings about the legal prosecution causing the damage to environment, economy, and image (Covello, 2009). Barton (2008) said that there are 4 steps of crisis, which in each step requires different method to prevent, to avoid, and to manage. However, this part will present 6 steps of crisis management; 1) Avoiding the crisis, the best method is to systematically inspect every risking point in the organization by planning for the crisis, having a broad brainstorming by discussing, then define the weakness and the threat of the organization. 2) Preparing to manage the crisis, some crisis may be avoided by setting the prevention plan, but the natural disaster and illegal behavior of the employee may be the threat. There should be the plan for coping with this kind of crisis by brainstorming the possible idea, and setting the team to manage the crisis. 3) Recognizing the crisis, some crisis is explicitly visible, but some might be invisible. Not all the problems are the crisis; the criteria to distinguish the crisis from problems are; to pay attention to the instinct, to encounter the irregular information before it can cause difficulties, also to try to find its reason but not to neglect or decrease its importance; it should be explicitly investigated; thinking of the outcome if the information is real, as the loss, the trauma of employee, or the fame of the company; and to rely on the direction value on the real and correct important thing. 4) Containing the crisis, it is the first thing to contain the crisis and its damage with the fast decision making and being at the locale. This shows the attention to the crisis. The necessary information should be communicated to those who is responsible. Many academicians said that the good public relation personnel must manage the communication and all the practice within the first 3 hours after the crisis. Nowadays in the time of globalization, 3 hours are too much; only 1 hour is acceptable. In the time of crisis, it is not only one person that takes an important role, but everyone in the organization must participate in doing their own role relevantly in the appropriate time. This will lead to the positive results. In addition, it is not “on time”, but it must be “in time”; and there is the time left for the “verification”. This is the real crisis conqueror. The leader must also have decisiveness and communication. 5) Resolving the crisis, this step needs the fast decision making with confidence; even though it is hard to do during the fast situation plus with the confusion, the organization must define the real problem and find the related information as much as possible, and as fast as possible. In the time of crisis, a large amount of information plunges into the situation, it is not easy to find the real related information, but the organization must find the fact and encounter it by asking from the reliable and appropriate sources of data. The leader must react to the crisis by encountering it, changing the fear to be the positive action, being active to the information and the progress of the crisis, setting well priority that it must be certain that people are firstly safe before evaluating other necessarily, and evaluating and practicing under self control without the interest in other thing. 6) Learning from the crisis, all crises cause both positive and negative outcome. The negative outcome is that the company faces the atrocious situation causing an impact on the company and related people; while the positive outcome, which may be only one thing, is the experience from the crisis, which can help the company to avoid the crisis in the future, the company must take the most advantage from this experience. To learn from the crisis should be to revise the crisis as fast as possible after it occurred and then to analyze the crisis since its beginning to its ends in order to indicate the action, hypothesis setting, and external stimulators of the crisis with the question that (1) What do

we know during the crisis? Whether we can prevent this crisis and how to do it? (2) Which step of crisis are we in? and Can we realize the alarm of the crisis faster? (3) Which alarm do we neglect and which alarm are we interested in? (4) Do we do the appropriate things in reacting to the crisis? And Can we do better?

2.2. Concept about Transformational Leadership

Bass and Avolio (1994) described that transformational leadership can stimulate the interest among colleagues and followers to have new viewpoint about their work, which generate the realization about mission and vision of team and organization, and which develop the capability and performance of colleagues and followers. This leads colleagues and followers to look beyond the self-interest to the advantage of group. The transformational leader will persuade other people to do more than they intend from the beginning; they often think that it is possible; the leader must encounter the challenge which will help accomplishing the better work.

Avolio and Bass (1991) presented the Full Range Leadership Model by the analysis results of the components of the Full Range Leadership, this model was consisted of 3 types of leadership; Transformational Leadership, Transactional Leadership, and Laissez-faire Leadership or Non Leadership Behavior. Especially Transformational Leadership, a leadership approach that causes change in individuals and social systems. In its ideal form, it creates valuable and positive change in the followers with the end goal of developing followers into leaders. Enacted in its authentic form, transformational leadership enhances the motivation, morale and performance of followers through a variety of mechanisms. These include connecting the follower's sense of identity and self to the mission and the collective identity of the organization; being a role model for followers that inspires them; challenging followers to take greater ownership for their work, and understanding the strengths and weaknesses of followers, so the leader can align followers with tasks that optimize their performance. This will be practiced with 4 components, called "4I"; 1) Idealized Influence – Provides a role model for high ethical behavior, instills pride, gains respect, trust, and pride; the followers and colleagues will imitate the leader's behavior. The mission of leader is to have the vision which can be transformed to the followers, to have regularity and temperance in crisis time. The leader must be trusted to do correct thing. The leader must have high morality and ethics. The leader should avoid misusing of power for self-advantage, but creates the public advantage. The leader should also demonstrate the intelligence, capacity, intention, steadfastness in ideal, self-reliance, belief, and personal value. The leader will support the pride, loyalty, and confidence of the followers and persuade them to be in with the leader by directing to the shared vision and purpose. The confidence of leader helps creating the harmony for accomplishing the desired goal. The follower will imitate the leader's behavior by creating self-confidence and self-respect. Therefore, transformational leader can maintain the influence to reach the goal and to officiate in the organization. 2) Inspiration Motivation – the degree to which the leader articulates a vision that is appealing and inspiring to followers. Leaders with inspirational motivation challenge followers with high standards, communicate optimism about future goals, and provide meaning for the task at hand. The leader will stimulate team spirit to bring about the lively demonstration, the activeness in creating good attitude and positive thinking. The leader will bring the follower to reach the beautiful image of future; the leader also creates and transmits the hope to follower. The leaders will dedicate themselves or show the commitment to the goal and shared value. "The leader has to show the confidence and strong intention to accomplish the goal. The leader will help followers to look beyond their self-interest to the vision and mission of the organization. The leader will help followers developing the commitment to the long-term goal. It is found that the inspiration motivation occurs via the individual consideration, which helps the followers to realize the self-value to be able to cope with the problem, and intellectual stimulation, which helps managing the obstacle and supporting the creativity to followers. 3) Intellectual Stimulation – the leader stimulate followers to recognize the problem in the organization, to attempt to find new solution in order to find the better agreement for generating new creative thing. The leader has to systematically resolve problem, to have creativity, to set hypothesis, to reframe and to encounter the problem or the old situation with new approaches, to inspire and to support new creativity in considering problem and finding the answer for each question, to encourage followers to attempt to find new solution, to share their attitude and reason which his acceptable in spite of its difference. The leader should teach followers that problem is challenge and also a good occasion to cooperatively find the solution. The leader must ensure that all problems have their own solution. Although there are many obstacles, the leader will prove that all obstacles can be conquered with the coordination from everyone. The followers will be stimulated to question their own value, belief, and culture. The intellectual stimulation is important to the capability development of followers to recognize, to understand, and to resolve problem by themselves. 4) Individualized Consideration – the leader gives caring to each individual, so that the followers can realize their self-value, and self-importance. The leader can be compared as coach and advisor of each follower, who takes well care of each individual about their requirement of the accomplishment and prosperity. The leader should develop the performance of each follower and colleague, and should permit them to learn new things, and should also create the good working atmosphere of support and consider individual's difference about necessity and demand about leader's behavior about understanding and acceptance of difference, for example, someone needs more encouragement, someone has more working structure, therefore leader should support the two-way communication and management by walking around to interact personally to each follower. The leader should be interested in individual concern, should see each individual as a whole person, not as an employee or production material. The leader should have empathy, should appoint the follower to do the work that can develop the follower, and that c permit the follower to show off their special capability, to learn new challenging things. The leader will only give some advice and support about responsible work, but not the audit. The 4I's of transformational leadership are inter-correlated. However, each component is separated because of its specific behavior and its importance for diagnosis following the purposes.

3. Research Methodology

The researcher applied the quantitative research in conducting this study, retrieved the secondary data by reviewing concept, theory from the document and related research, and collected the primary data from distributing the questionnaires which the details covering the transformational leadership and the crisis management. The questionnaire was considered and improved, then passed the try-out process with the samples group of 30 persons to finding the reliability level with the method of Alpha Coefficient of Cronbach, which the reliability coefficient is .927. This can be demonstrated that this questionnaire is reliable and can be really used in collecting data. The populations in this research are the entrepreneurs of small, medium, and large enterprise in the area of Bangkok. The researcher used the simple random sampling to indicate the size of sample with the table of Taro Yamane at the reliability level of 95%, which obtained 400 samples, 300 of them returned the questionnaire, which is 75%. The statistics used in this research are Frequency, Percentage, Mean, Standard Deviation, t-test, Analysis of Variance by F-test, Pearson Correlation, Confirm Factors Analysis, and Structural Equation Model (SEM). The period of this study was from September to December 2014 (4 months).

4. Research results

4.1. Demographic Profiles

The results show that, from 300 entrepreneurs, 60.30% of the entrepreneurs are male, while 39.70% are female. As for age, 41.40% aged 41 – 50 years old. As for education level, 58.00% graduated the Bachelor's degree. As for operation period, 35.30% have operated the business for 11 – 15 years. As for business types; 57.30% is single-owned. As for crisis type; 46.00% encounter financial crisis.

4.2. The analysis of the Components of Transformational Leadership of Business Organization in Thailand

With regard to the components of transformational leadership of business organization, the results show that the samples, in total, always practice the components of transformational leadership. In particular, idealized influence has the highest mean, followed by individualized consideration, intellectual stimulation, and inspiration motivation respectively (see table 1).

Components	\bar{X}	S.D.	Translation	Ranking
1. Inspiration motivation	4.18	.552	often	4
2. Idealized influence	4.27	.425	always	1
3. Intellectual stimulation	4.22	.476	always	3
4. Individualized consideration	4.25	.412	always	2
Total	4.23	.334	always	

Table 1: Mean and standard deviation of the components of transformational leadership of business organization in total and in particular

4.3. The Analysis of the Components of Crisis Management of Business Organization in Thailand

With regard to the components of crisis management of business organization in Thailand, the samples, in total, often practice the components of crisis management. In particular, containing the crisis has the highest mean, followed by resolving the crisis, learning from the crisis, recognizing the crisis, avoiding the crisis, and preparing to manage the crisis respectively (see table 2).

Components	\bar{X}	S.D.	Translation	Ranking
1. Avoiding the crisis	4.03	.447	often	5
2. Preparing to manage the crisis	4.03	.471	often	6
3. Recognizing the crisis	4.14	.430	often	4
4. Containing the crisis	4.23	.491	always	1
5. Resolving the crisis	4.21	.458	always	2
6. Learning from the crisis	4.20	.453	often	3
Total	4.14	.269	often	

Table 2: Mean and standard deviation of the components of crisis management of business organization in total and in particular

4.4. The Comparison Analysis between the Components of Transformational Leadership and Demographic Profiles of Entrepreneurs Classified by Gender, Age, Education Level, Operation Period, Business Type, and Crisis Type

With regard to the comparison analysis of transformational leadership and the demographic profiles classified by gender, in total the entrepreneurs with different gender have the same behavior about transformational leadership (see table 3).

Transformational leadership	Gender	n	\bar{X}	S.D.	t	df	p
Total	Male	181	4.22	.273	.596	186.274	.552
	Female	119	4.25	.411			

Table 3: The comparison analysis between transformational leadership and the demographic profiles of the entrepreneurs classified by gender

With regard to the comparison analysis of transformational leadership and the demographic profiles classified by age, education level, operation period, business type, and crisis type, the results show that the entrepreneurs with different education level, operation period, business type, and crisis type have different behavior about transformational leadership with the statistical significance at the level of .05 (see table 4).

Transformational leadership	Sources of variance	SS	df	MS	F	p
Age	Between Group	5.247	4	1.312	13.734*	.000
	Within Group	28.178	295	.096		
	Total	33.426	299			
Education Level	Between Group	6.335	3	2.112	23.073*	.000
	Within Group	27.090	296	.092		
	Total	33.426	299			
Operation Period	Between Group	7.733	4	1.933	22.198*	.000
	Within Group	25.692	295	.087		
	Total	33.426	299			
Business Type	Between Group	10.145	2	5.073	64.712*	.000
	Within Group	23.281	297	.078		
	Total	33.426	299			
Crisis Type	Between Group	12.507	5	2.501	35.156*	.000
	Within Group	20.919	294	.071		
	Total	33.426	299			

Table 4: The comparison analysis between transformational leadership and the demographic profiles of the entrepreneurs classified by age, education level, operation period, business type, and crisis type
* Statistical significance at the level of .05

4.5. The Correlation Analysis between the Components of Transformational Leadership and Crisis Management of Business Organization in Thailand

With regard to the correlation analysis between the components of transformational leadership, consisting of inspiration motivation (TFL1), idealized influence (TFL2), intellectual stimulation (TFL3), and individualized consideration (TFL4) and crisis management (CSM) of business organization in Thailand, the results show that the components of transformational leadership have the relationship with crisis management in the same direction with the statistical significance at the level of .01. The components of intellectual stimulation (TFL3) has the relationship with crisis management (CSM) with the statistical significance at the level of .05; which can be presented that these variables are relevant to the research paradigm of the relationship between the components of transformational leadership and crisis management of business organization in Thailand, created by the researcher. The inside correlation between the component variables of transformational leadership and crisis management of business organization is between .128 - .582. The lowest correlation is the relationship between intellectual stimulation (TFL3) and crisis management (CSM). The highest correlation is the relationship between individualized consideration (TFL4) and crisis management (CSM) (see table 5).

Variables	TFL1	TFL2	TFL3	TFL4	CSM
TFL1	1	.473**	.107	.299**	.425**
TFL2		1	.454**	.511**	.485**
TFL3			1	.332**	.128*
TFL4				1	.582**
CSM					1

Table 5: The correlation analysis between the components of the transformational leadership and the crisis management of business organization in Thailand

* Statistical significance at the level of .05

** Statistical significance at the level of .01

4.6. Causal Relationship Analysis

With regard to the analysis of the causal relationship between transformational leadership and crisis management of business organization in Thailand, the components of transformational leadership, consisting of inspiration motivation (TFL1), idealized influence (TFL2), intellectual stimulation (TFL3), and individualized consideration (TFL4) and crisis management (CSM) of business organization in Thailand, are the real components of the causal relationship between transformational leadership and crisis management of business organization in Thailand, which is relevant to the set hypothesis; with the index of concordance in the standard by that $\chi^2 = 0.00$; $df = 0$; $p\text{-Value} = 1.000$; $RMSEA = 0.000$; which can be presented that the causal relationship model between transformational leadership and crisis management of business organization in Thailand, created by the researcher, is relevant to the empirical data that χ^2 / df is not exceeded by 2 ($\chi^2 / df = 0.00$), and $RMSEA$ is less than .05 ($RMSEA = 0.000$); which can be presented that the causal relationship model between transformational leadership and crisis management of business organization in Thailand is relevant to the empirical data, and can be described in the model. The component weight of variables in terms of inspiration motivation, idealized influence, and individualized consideration, is positive and has the statistical significance ($P < 0.01$), which means that these are important variables indicating the crisis management of business organization in the same direction; while the component weight of the variables of intellectual stimulation is negative and has the statistical significance ($P < 0.01$), which means that these are important variables indicating crisis management of business organization in the opposite direction (see figure 1).

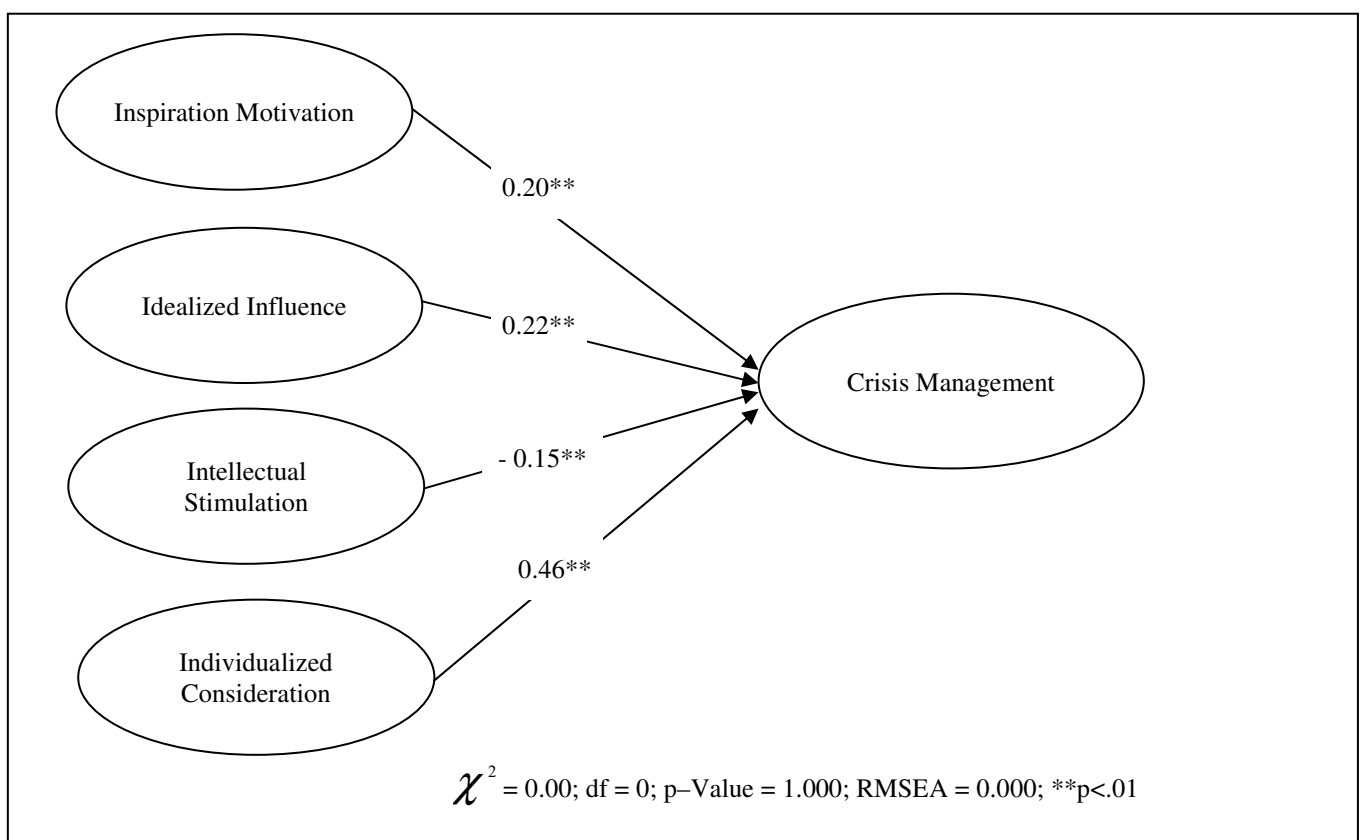


Figure 1: The causal relationship model between transformational leadership and crisis management of business organization in Thailand, created by the researcher

5. Conclusion and Discussion

With regard to the correlation analysis between the components of transformational leadership, and crisis management of business organization in Thailand, the variable of inspiration motivation, idealized influence, and individualized consideration have the relationship with the crisis management in the same direction, which is relevant to the causal relationship analysis between the components of transformational leadership, and crisis management of business organization in Thailand that the component weight of these three variables is positive and has the statistical significance ($P < 0.01$), which can be presented that these are important variables indicating crisis management of business organization in the same direction. This is relevant to the concept of Bass and Avolio (1994) that transformational leadership can stimulate the interest among colleagues and followers to have new viewpoint about their work, which generate the realization about mission and vision of team and organization, and which develop the capability and performance of colleagues and followers. This leads colleagues and followers to look beyond the self-interest to the advantage of group. The transformational leader will persuade other people to do more than they intend from the beginning; they often think that it is possible; the leader must encounter the challenge which will help accomplishing the better work.

In addition, Avolio and Bass (1991) presented the full range transformational leadership, about the “Four I’s”, that inspirational motivation – the degree to which the leader articulates a vision that is appealing and inspiring to followers. Leaders with inspirational motivation challenge followers with high standards, communicate optimism about future goals, and provide meaning for the task at hand. The leader will stimulate team spirit to bring about the lively demonstration, the activeness in creating good attitude and positive thinking. The leader will bring the follower to reach the beautiful image of future; the leader also creates and transmits the hope to follower. The leaders will dedicate themselves or show the commitment to the goal and shared value. “The leader has to show the confidence and strong intention to accomplish the goal. The leader will help followers to look beyond their self-interest to the vision and mission of the organization. The leader will help followers developing the commitment to the long-term goal. It is found that the inspiration motivation occurs via the individual consideration, which helps the followers to realize the self-value to be able to cope with the problem, and intellectual stimulation, which helps managing the obstacle and supporting the creativity to followers. In addition, Conger and Kanungo (1988, 1998) developed a theory of charismatic leadership, which delineates the three main stages of this leadership process as well as key behaviors. During the first stage, the leaders determine the possibilities and opportunities that could be explored. Specifically, these leaders consider the opportunities and constraints in the environment as well as the needs and preferences of members of their workgroup. During the second stage, charismatic leaders promulgate an inspiring vision to accommodate these opportunities and preferences. Finally, during the third stage, charismatic leaders implement this vision, motivating followers to pursue these objectives. In particular, these leaders engage in personal risk, partly to inspire followers through role modeling, as well as demonstrate unconventional behavior. Moreover, it was found that the important characteristics of leader are 1) Ambition and Energy, 2) Desire to Lead, 3) Honesty and Integrity, 4) Self-Confidence, 5) Intelligence, 6) High Self-Monitoring, and 7) Job-Relevant Knowledge (Kirkpatrick and Locke, 1991; Zaccaro, Foti and Kenny, 1991).

In addition, this is still relevant to the concept of Avolio and Bass (1991) about individualized consideration – the leader gives caring to each individual, so that the followers can realize their self-value, and self-importance. The leader can be compared as coach and advisor of each follower, who takes well care of each individual about their requirement of the accomplishment and prosperity. The leader should develop the performance of each follower and colleague, and should permit them to learn new things, and should also create the good working atmosphere of support and consider individual’s difference about necessity and demand about leader’s behavior about understanding and acceptance of difference, for example, someone needs more encouragement, someone has more working structure, therefore leader should support the two-way communication and management by walking around to interact personally to each follower. The leader should be interested in individual concern, should see each individual as a whole person, not as an employee or production material. The leader should have empathy, should appoint the follower to do the work that can develop the follower, and that permit the follower to show off their special capability, to learn new challenging things. The leader will only give some advice and support about responsible work, but not the audit. The 4I’s of transformational leadership are inter-correlated. However, each component is separated because of its specific behavior and its importance for diagnosis following the purposes. The research results are also found that the variables of intellectual stimulation have the negative component weight, which can be presented that it is the variable signifying the crisis management in the opposite direction, which is the new finding from this research. This research referred from the occidental academicians and used their concept to analyze the causal relationship to confirm the concept. In addition, this research result may come from the samples with different demographic profile from various business types. The researcher demanded for the data that can really reflect the fact, thus, the analysis result is in the opposite direction.

6. Recommendations

1. The research results should be used in developing the transformational leadership, especially individualized consideration; the leader must usefully suggest to the prosperity of each colleague by analyzing the capability in order to develop the strong point and also cultivate the concept of colleague consideration in working. In addition, the leader should intently listen to the suggestion about development from colleague, such as organizational development, human resources development, and working method development.
2. The research results should be used in developing the idealized influence; the leader should encourage the colleague to be interested in working for success, should create the reliability in goal and also stimulate the colleague to realize the importance of goal. Moreover, the leader should have wide vision to the new possible thing about the future of the organization, such as launching new market, increasing the variety of new product, practicing new working method which can help the organization to walk pass the crisis.
3. The research results should be used in motivating the inspiration; To create the leadership, which the colleague accept the knowledge and capability, helps creating the confidence in conquering the obstacle, in working together, and show the dedication to work together with the steadfastness in the ideal.
4. The research results should be used in managing the crisis, by that the leader must have the conscience to realize the real problem, to dare to encounter the situation, to be prepared in finding solution without any depression, to closely help solving problem, to cultivate the value of crisis management with loyalty, gratitude, intention, patience, and morality which is the real practical principles.
5. In addition to the study of these 4 components of the transformational leadership; inspiration motivation, idealized influence, intellectual stimulation, and individualized consideration, there should be the additional study about the principles of

morality which is the important characteristic of the leader, by studying the relationship between the use of the morality of the leader in managing the crisis in order to lead to the development of the new dimension of the transformational leadership.

6. There should be the study about other related issue, such as the factors or marketing, communication, occidental style of management; by study the model of the crisis management of the business organization in Thailand in order to receive the appropriate style of the crisis management to Thailand in this time.

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