

A DEVELOPMENT MODEL OF INNOVATIVE LEADERSHIP COMPETENCIES AS PART OF INFORMAL EDUCATION TO ENHANCE LEARNING OF SELECTED LEADERS IN THAILAND

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Abstract: This study focused on the competency development model of innovative leadership competencies as part of informal education to enhance learning of selected leaders so that they are prepared to meet the new demands and challenges in the 21st century, especially, the increasing importance of innovation as competitive advantage in today's rapidly changing business. It explored and reviewed leadership competencies specific to innovation from theories and practices in both global and Thailand settings to identify the most desirable and common leadership competencies, named as innovative leadership competencies, and to develop the competency model to build those competencies in selected leaders. With purposive sampling technique, the sample comprised of 10 organizational leaders including 30 of other raters as respondents who may rate more than 1 leader. 360 degree questionnaire used were based on widely known instruments and the researcher's own experiences in leadership development projects related to leadership competencies. It was used to identify demographic information and to assess expected and actual performance in innovative leadership competencies. Interview with experts was used to validate the effectiveness of recommended leadership development approaches in developing innovative leadership competencies. The study also proposed the innovative leadership competencies development model based on the research findings and recommended application and future research based on

research objectives and research results.

Background and Significance of Problem

Innovation is considered as an essential requirement for organizations in the twenty-first century because it is widely regarded as a critical source of sustainable competitive advantage in an increasingly changing environment. The Innovative Leadership Forum Meeting (2006) stressed that innovation was a major source of competitiveness for firms and nations around the world.

SPRING Singapore (2009) agreed that innovation is the hallmark of successful organizations in the knowledge economy. Today, quality and efficiency are no longer sufficient for sustaining competitiveness. As a result, innovation is not an option. It is a fundamental requisite of survival and growth for organizations.

The McKinsey Quarterly conducted a survey of executives on leadership and innovation in September 2007 and found that more than 70 percent of the senior executives in a survey said that innovation will be at least one of the top three drivers of growth for their companies in the next three to five years (McKinsey, 2007).

However, according to the speech on "Thailand's Competitiveness: Creating the Foundations for Higher Productivity" by Professor Michael E. Porter (2003), he reported that Thailand was not competitive.

Jones and George (2003) defined competitive advantage as the ability of one organization to outperform other organizations because it produces desired goals or services more efficiently and effectively than its competitors. They identified the four building blocks of competitive advantage as in the figure below. Innovation was seen as one of the building blocks to gain competitive advantage while the Hay Group (2004) added that an organization's best source of competitive advantage was its people.

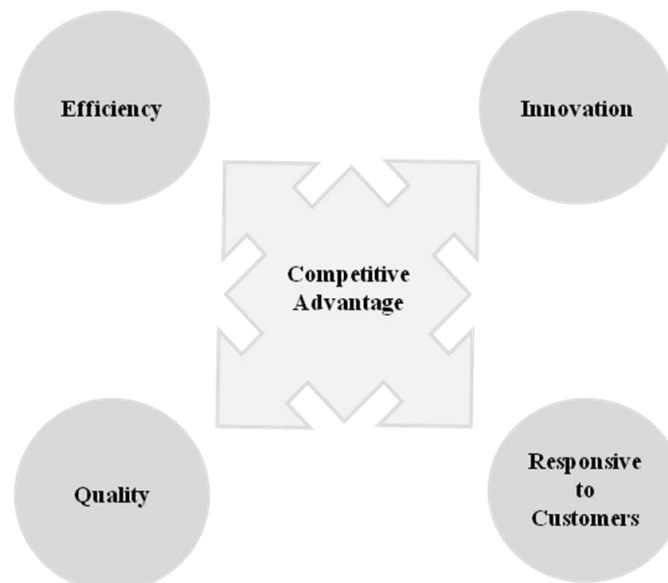


Figure 1: Four Building Blocks of Competitive Advantage

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However, Tayat Sriplung (2005) of Watson Wyatt Worldwide conducted a survey in Thailand on the topic of “Human Resources Development and Innovation in Thailand” about the reasons of the lack of “Innovation” in the Thai workplace. He found that there were many factors that affected the innovation environment in the workplace and one of the reasons was the leaders.

Evidence stated earlier that innovation was important for organizations to stay competitive in today’s rapidly changing businesses. With the lack and shortage of competent leaders, it was difficult for organizations to keep up with the innovation trend and deal with innovation effectively and efficiently.

Elmuti, et al. (2005) stated that in today’s competitive and very dynamic business environment, the success and failure of an organization are often highly influenced by the presence of effective leaders with a broad business perspective.

From evidence, it was asserted that leadership was the key to drive innovation. Leadership preparation was therefore essential so that leaders could be developed to manage opportunities and challenges stemmed from innovation in the 21st century with confidence and competencies. One way of preparing leaders in having capabilities for the leadership challenges in the 21st century could be done through human resources development.

Human Resources Development (HRD) has come into play as a means to develop leaders as part of informal education to enhance learning about how to deal with innovation, to prepare leaders to handle with complex issues and to perform innovative activities to make their organizations be more competitive.

Stewart, McGoldrick and Watson (2002) reported that for empirical investigations, HRD was organized within three primary “branches” as depicted in the below figure.

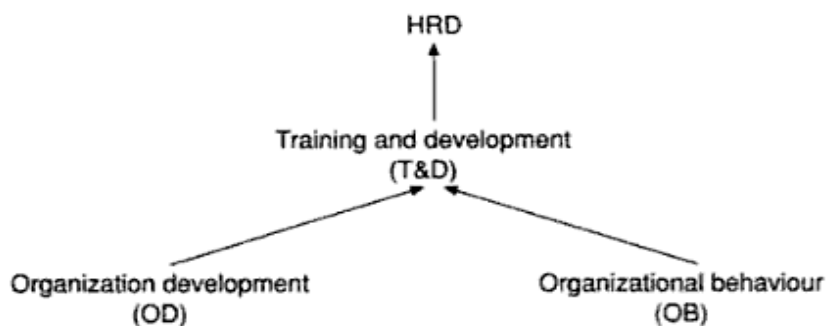


Figure 2: Branches of HRD

With proper human resources development through training and development, the organization can prepare their employees to be ready for the future leadership challenges and develop a pool of qualified leaders with an innovation focus, which is essential in staying competitive in today’s rapidly changing businesses.

Therefore, to improve business performance, companies must develop new leadership skills to innovate

(Sonnenfeld, 2004) and competencies also need to be renewed on a regular basis (Viitala, 2005).

Competencies are now an accepted tool in training and development interventions (Sloman, 2007). A recent benchmarking study found that leading-edge companies define leadership by a set of competencies that guide leadership development at all levels (Barrett & Beeson, 2002). Many organizations have developed competency frameworks which define what they believe to be the key competencies required for success in their organizations.

Thus, the search for the right leadership competencies is the main concept of this study as it was believed that clearly defined competencies would systematically insure effective job performance of leaders (Berge et. al, 2002). From those competencies, the competency development model will be created to lay the solid foundation for leadership development as part of human resources development.

Therefore, organizations were then responsible to provide necessary knowledge and skills to develop an effective workforce as part of informal education to enhance learning because education and learning should never end in only academic settings. As a result, some organizations offered training and development as part of informal education to enhance learning so that their employees would be equipped with right competencies to perform more effectively and efficiently and it would result in an effective workforce. Ways of strengthening competencies can be done through training and development as stated before to help leaders obtain the right competencies for the innovation era.

Research Objectives

At the end of this study, the researcher intends to achieve the following:

1. To explore leadership competencies specific to innovation from theories and practices in global settings
2. To review leadership competencies specific to innovation from current practices in Thailand setting
3. To identify most desirable and common leadership competencies incorporating global

- competencies and competencies from current practices in Thailand.
4. To assess and identify the developmental needs for selected leaders in the selected organization
 5. To recommend the leadership developmental approaches for those selected leaders
 6. To validate the effectiveness of the leadership development approaches

Conceptual Framework

According to the literature and practice review, the most desirable and common Thailand-specific and innovation-specific leadership competencies incorporating from practices in global settings, with operation in Thailand and current practices in Thailand were identified and renamed as “innovative leadership competencies”. They became the core set of competencies to develop in leaders by using the competency development model to guide their development.

assessing the developmental needs of selected leaders and finding demographic factors affecting the exhibition of innovative leadership competencies.

For the organization selection, the criteria were based on the innovation image, business relationships and willingness of the organization to participate in the study. Next, the purposive sampling technique was used. However, the selected organization fulfilled the criteria established, which it should not be recognized as an innovative organization, the researcher had business relationship with the organization, and it was willing to participate in this study.

The selected organization was strongly involved with training and development as it provided services of training and development to other organizations both in the public and private sectors. There were 135 employees and 13 of them worked in a supervisory and managerial role. Purposive sampling was used to select 10 organizational leaders but all sample suits the study focus as they were leaders. Then, selected leaders selected their other raters

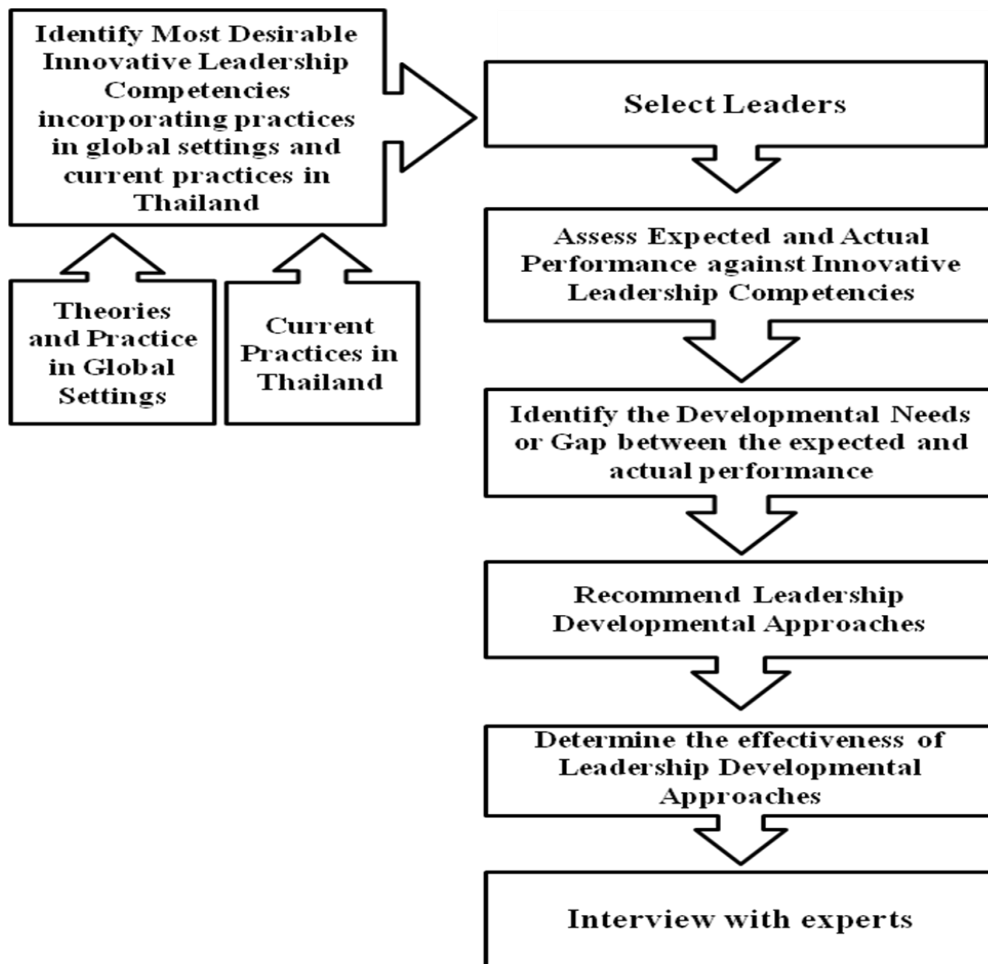


Figure 3: Conceptual Framework

Research Methodology

Mixed research approaches were used in this study. The qualitative part focused on innovative leadership competencies and leadership development, including its’ approaches; while the quantitative part, focused on

including their superiors, peers and subordinates. Total respondents were 40, including leaders and their other raters who may rate more than 1 leader. Selected leaders were assessed by themselves and their other raters against the identified competencies.

Instrumentation

The instruments used for this research were 360 degree questionnaire and interview with experts. 360 degree questionnaire was to measure the perception of expected and actual performance of leaders against innovative leadership competencies. The interviews with open-ended questions were used with experts to validate the effectiveness of recommended leadership development approaches.

Data Collection

Data was collected through compilation and analysis of relevant literature, practices, researches and experts including 360 degree questionnaire and interview with experts.

Data Analysis

Qualitative data were analyzed by using content analysis. Quantitative data were analyzed from 360 degree questionnaire. Descriptive Statistics were used to analyze the respondents' demographic factors. Independent Samples t-test and One-way Anova were used to analyze the developmental needs and demographic factors affecting innovative leadership competencies.

Research Findings

The qualitative data showed that there were 4 most desirable and common leadership competencies specific to innovation, which shall be called as 4C's of innovative leadership competencies. The 4C's represents creative, confident, courageous and caring competencies.

For leadership development approaches best for each competency building, theories and practices reveal that there were 4 leadership development approaches helping the development of each competency leading to effectiveness.

Job assignment was best in developing creative competency. Coaching was best in developing confident competency. Action learning was best in developing courageous competency and mentoring was best in developing caring competency.

The quantitative data showed that both groups set expectations at high levels while they agreed that the actual performance of leaders was happening sometimes, as there were differences between expected and actual performance at .05 level of significance.

Demographic factors, that is, age, service years and position, only affected the confident competency at .05 level of significance, but did not affect other innovative leadership competencies. Leaders should be aware of these findings and find strategies to deal with their impact.

The Individual Development Plan is created as part of the leadership development to keep track and guide the development of innovative leadership competencies. The progress of development will be monitored at 3, 6 or 12 months to see the competency development and improvement.

Conclusion

It can be concluded from the findings, both the qualitative and quantitative data that innovation is important and considered as the competitive advantage for the 21st century. Leadership is indeed one of the key drivers of innovation. Extensive research has confirmed that it is the leader's responsibility to lead innovation and their followers towards the innovation path. The awareness of leadership competencies specific to innovation has been acknowledged directly and indirectly in global and Thailand settings, resulting in a set of leadership competencies providing useful insights and creating the awareness of having these competencies to help leaders perform innovative actions effectively and efficiently.

As a result, this study characterizes the most desirable and common competencies of innovative leaders and distinguishes innovative leaders from other types of leaders. The specific set of leadership competencies can be drawn out and incorporated into the competency development model to assess expected and actual performance of leaders, to identify their developmental needs or gap. Leaders will be aware of their state of leadership capabilities against innovation through their individual development plan. Leadership development approaches will then be recommended to build innovative leadership competencies so that they are equipped with right competencies. Leaders with right competencies will be able to operate best in dealing with the new demands and challenges, which have been placed on leaders in the 21st century. The development model will enhance their innovative leadership competencies and leaders will be more competent and confident in dealing with innovation.

Organizations will be able to create the pool of innovative leaders and to prepare these leaders to lead innovation more effectively and efficiently. The broader the company's innovation leadership pool, the greater its competitive advantage (Deschamps, 2008, p. 364-365).

Recommendation from the Research Findings

1. Individual development plans of selected leaders will be implemented and used as a guide to monitor and keep track of progress in each competency development and improvement to leverage their potentials as an innovative leader.

2. The organization can examine their existing leaders to see whether they possess innovative leadership competencies, which help them perform actions to keep up with the innovation trend effectively and efficiently or not.

3. The organization can locate these competencies in individuals and select higher-ranking individuals in innovative leadership competencies to assign innovation related assignments, serve as role models for others to follow or select them as future leaders so that the organization can utilize their competencies to the fullest benefit towards innovation path.

4. The organization can provide service of innovative leadership competencies development model demonstrated below as part of informal education to enhance learning of leaders in other organizations, so that leaders will be prepared to meet with the new demands and challenges stemmed from innovation in the 21st century.

development plan or IDP with recommended leadership development approaches to develop them into innovative leaders.

2. The set of innovative leadership competencies originated from theories and practices of private sectors will be compared with the set of leadership competencies

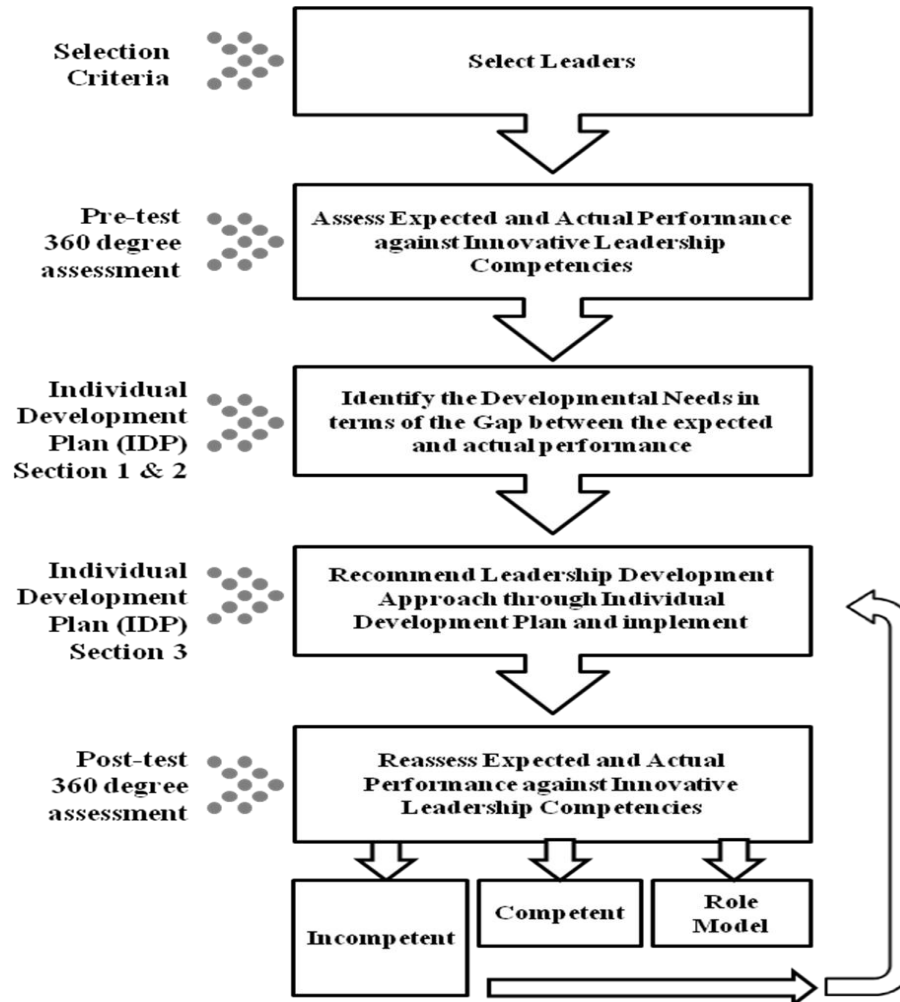


Figure 4: Innovative Leadership Competencies Development Model

Recommendation for Future Research

1. The innovative leadership competencies development model in this study was derived from theories and practices of private sectors in both global and Thailand settings. As a result, it may not be applied effectively with public sectors as private and public sectors possess different objectives in existence. Therefore, leadership competencies from public sectors may yield their own set of competencies and this need to be developed in a similar vein as in this study. The competency development model with the identified competencies will then be used to guide the assessment to see the developmental needs or gap between expected and actual performance of Thai public sector leaders against their own set of innovative leadership competencies. Demographic factors affecting the exhibition of innovative leadership competencies will be also explored. Leaders will be informed of the developmental needs or gap through the individual

development plan or IDP with recommended leadership development approaches to develop them into innovative leaders. originated from theories and practices of public sectors to see whether there are significant differences in competencies or not and if there are, the identification of factors affecting the differences will be explored.

Recommendations of research application and further research will enable leaders to be equipped with innovative leadership competencies, so that leaders will be prepared to meet with the new demands and challenges in 21st century, especially in innovation, which has become the competitive advantage at global and local levels. Moreover, organizations can develop a pool of innovative leaders so that they can create, promote and address innovation and their innovative leadership will become the organization capability. Organizations helping and supporting leaders in developing innovative leadership competencies will have a surprising competitive advantage over competitions and will always keep up with the innovation trends.

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