

## The Influence of Social Intelligence on Change Leadership Behaviors of Managers in Thai Listed Firms

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**Abstract:** The objective of this study was to examine the relationship between social intelligence and change leadership behaviors. Seventy-six managers of five listed firms in Thailand were gathered for data collection through the modified version of Tromsø social intelligence scale and a newly developed scale of change leadership. Using stepwise regression analysis, results of this study revealed that social information processing explained 22% of variance ( $R^2 = .222$ ,  $F(1, 76) = 21.106$ ,  $p < .001$ ), which demonstrated a significantly positive relationship between social information processing and change leadership ( $\beta = .471$ ,  $p < .001$ ). This can be concluded that the more managers had social information processing characteristic, the more likely they would demonstrate their change leadership behaviors. Discussion, limitations, and recommendations for further studies were also discussed.

**Keywords:** Social Intelligence, Change Leadership, Thai Managers, Thai Listed Firms

### INTRODUCTION

Challenging a status quo is one of essential qualities required by leaders to cope with a rapidly changing environment in today's business. This quality refers to change leadership or transformational leadership behaviors. The presence of making massive changes and a new future happened in the organization by articulating the followers' existing problems that are required the change to move forward to the better future is part of change leadership or transformational leadership behaviors.

To encourage employees to change their behaviors, managers are required to possess different abilities that are beyond the normal ones. Social intelligence is viewed as one of special skills that can support managers to succeed in the change effort through their employees. Social intelligence is defined as an ability to understand and manage individuals as well as an ability to develop the good interpersonal relations between both sides [1]. However, the examination of social intelligence that was associated with change leadership or transformational leadership behaviors have been overlooked [2] due to the lack of proper scale measurements [3]. For this reason, past studies have placed their emphasis on the relationship between emotional intelligence and transformational leadership instead [4-8], and some of them found the positive relationships between emotional intelligence dimensions of managers including social skills, motivation, and empathy and transformational leadership [9]. In Thai context, the investigation of the correlation between social intelligence and change leadership behaviors or transformational leadership has been ignored and somewhat new [10, 11]. Moreover, exploring the relationship between these critical factors in a business field has been inadequate and needs to be

extended. Therefore, this study aims to examine the relationship between social intelligence and change leadership behaviors of managers in Thai listed firms.

### LITERATURE REVIEWS

#### Social Intelligence (SI)

Concept of social intelligence was proposed by a well-known psychologist, Thorndike in 1920. Thorndike divided intelligence in three different categories including abstract intelligence, mechanical intelligence, and social intelligence. By definition, social intelligence refers to the ability to understand other people and to effectively create relationship management with those people [12]. Ford and Tisak [13] viewed social intelligence as "one's ability to accomplish relevant objectives in specific social settings" (p. 197). In addition, a previous study reviewed that some scholars defined social intelligence as the capacity to sense and understand oneself and others' cognition, affective, and actions while being in the relationship and properly take action based on that understanding [14]. Despite numerous definition of social intelligence proposed by the scholars in past decades, there is no universal definition of social intelligence leading to the lack of scale measurement

development in this area. However, the absence of observation on different measures had been recognized and the recommendation for developing the specific scale measurement to evaluate individual's social intelligence was proposed [3]. In the light of this, Silvera, Martinussen, and Dahl [15] developed the self-administrated instrument to assess social intelligence. This scale comprised of three different aspects of social intelligence including social information process (SP), social skills (SS), and social awareness (SA). Social information process refers to the ability to recognize and understand others' feelings and actions as well as the ability to understand both verbal and nonverbal messages delivered while being in relationship with others. Social skills refer to the ability to adjust behaviors when go into the new situation and the ability to make relationships with others. Social awareness refers to the ability to be aware of the self and other's behavior when in the affiliation. This instrument was 21-item of a 7-point rating scale in which internal reliability of the scale was strongly acceptable. Cronbach's alpha coefficient indicated that each subscale of this instrument was acceptably reliable as social information process had alpha score of 0.79, social skills had alpha score of 0.85, and social awareness had alpha score of 0.78, respectively.

Promsri [11] studied social intelligence of 231 Thai employees in a paper packaging company to explore mean differences of demographic variables. A modified version of TSIS (Tromsø Social Intelligence Scale) was used to assess social intelligence of these employees. Results showed the statistically significant difference in social awareness between male and female employees. In addition, this study also found the statistically significant differences in social awareness among employees with different age groups. However, this study found no statistically significant differences in social intelligence among employees with different levels of education. Balaghat and Pour [10] examined the correlation between social intelligence and leadership style of high school managers in Iran. Tromsø Social Intelligence Scale developed by Silvera *et al.* [15] was used to measure social intelligence of participants in this study whereas leadership style was measured with 35-item leadership style questionnaire of Luthans. Findings showed that social information process was rated by Iranian managers as the highest dimension of social intelligence whereas social awareness was reported as the lowest dimension. Furthermore, results revealed the positively significant relationship between social intelligence and relation-oriented leadership style of managers, and social skill was reported as the only variable that could predict relation-oriented leadership style.

### **Change Leadership**

Change leaders are viewed as individuals who attempt to make massive change happen in organizations through their subordinates by communicating vision of the future to them [16]. Change leadership refers to the group of abilities that makes the leader to foresee and recognize the need for change, to develop a plan to cope with that change and to implement the change successfully [17]. In short, change leadership searches for challenging status quo by enunciating to the subordinate about current situations that required some changes for making new directions and better futures.

Based on literature reviews, Dunklin [18] stated that change leadership involves an effort to make a better future and practical change with distinctive skills and special abilities beyond the day-by-day behaviors. It is quite obvious that creating vision and putting vision into action is essential part of change leadership. In addition, motivating and inspiring employees to embrace the change effort is also a responsibility of a change leader to make a better future. They also encourage their followers to look at old problems with new perspectives [19]. In conclusion, these characteristics describe change leadership as a more motivational behavior to make change than other leadership styles.

### **METHODOLOGY**

This present study was exploratory study to examine the effect of social intelligence on change leadership behaviors of Thai managers in listed firms. Data were collected from 76 managers who worked in five listed companies in Thailand in 2015 by using a self-administrated questionnaire as the instrument. A modified version of Tromsø Social Intelligence Scale (TSIS) originally developed by Silvera *et al.* [15] was used with permission to measure social intelligence of managers. This modified version consisted of 21-item of a 5-point rating scale (1 = strongly disagree, 5 = strongly agree). In addition, a new version of change leadership behaviors scale was used to assess change leadership characteristics of managers. This version comprised of 20-item of a 5-point rating scale (1 = strongly disagree, 5 = strongly agree). To confirm the content validity of these scales, the index of item-objective congruence (IOC) was conducted by three experts in a management-related field. The overall score of IOC showed that no item of these scales had score lower than 0.5, which indicated the acceptable validity of the scales. In addition, Cronbach's alpha coefficient was calculated to assess the internal consistency of these scales. Results of reliability showed that social intelligence had a Cronbach's alpha of 0.78 whereas change leadership behaviors had a Cronbach's alpha of 0.95.

**RESULTS**

Amongst seventy-six managers in different levels of five listed firms who completed the questionnaires, 51.3% of them were male managers and 48.7% of them were female managers. A half of them aged between 31-40 years (50%). For their educational levels, 51.3% of these managers obtained a master’s degree. For hierarchical levels, 57.9% of them were a first-line manager, 30.3% of them were a middle manager and 11.8% of them were a top manager. According to work experience, this present study found the same responses between less than 5 years of work experience (30.3%) and 5-10 years (30.3%). The rest of them worked more than 15 years (21.1%) and about 11-15 years (18.4%), respectively.

For means and standard deviations of each subscale of social intelligence and change leadership behaviors, results indicated that the total mean score of social intelligence of Thai managers in listed firms was in the moderate level (M = 3.31, S.D. = .423). To emphasize on each subscale, results showed that social information processing was reported as the highest mean score of social intelligence dimension (M = 3.71, S.D. = .525) following by social skill dimension (M = 3.31, S.D. = .545), and social awareness (M = 2.90, S.D. = .825), respectively. For change leadership behaviors, findings demonstrated that the total mean score of change leadership behavior was in the moderate level (M = 2.87, S.D. = .733).

To test the appropriateness of using linear regressions, the Durbin-Watson was tested to check autocorrelation in regression data, the value of 1.342 could be assumed that there was no linear autocorrelation. Next, stepwise regression analysis was used to measure if three dimensions of social intelligence (social information processing, social skills, and social awareness) significantly predicted change leadership characteristics of managers in Thai listed firms. After running statistical analysis, only social information processing dimension remained in the model as shown in Table 1. The results of stepwise regression analysis showed that social information processing explained 22% of variance ( $R^2 = .222$ ,  $F(1, 76) = 21.106$ ,  $p < .001$ ), which demonstrated a significant relationship between social information processing and change leadership behaviors. This suggested that there were other variables of social intelligence that could explain change leadership characteristics of managers in Thai listed firm that had not been encompassed in this present study. The findings found that only social information processing had a significantly positive weight, indicating that respondents with higher social information processing scores were expected to have higher score of change leadership behaviors, which indicated that social information processing significantly influenced change leadership behaviors ( $\beta = .471$ ,  $p < .001$ ).

**Table 1: Stepwise Regression Analysis of Social Intelligence on Change Leadership Behaviors**

	Unstandardized Coefficient		Standardized Coefficient	t	Sig.	Correlation
Model 1	B	Std. Error	Beta			
Constant	1.207	.412		2.927	.005	.471
SIP	.505	.110	.471	4.594	.001***	
<b>n = 76</b>						
<b>F = 21.106      df = 1      p-value &lt; .001      R<sup>2</sup> = .222      Adjusted R<sup>2</sup> = .211</b>						
<b>Durbin-Watson = 1.342</b>						

\*\*\*Significant at 0.001 level. SIP = Social Information Processing

**CONCLUSION, DISCUSSIONS, AND RECOMMENDATIONS**

This present study aimed to explore relationship between social intelligence and change leadership behaviors of managers in Thai listed firms. The findings showed that social information processing was reported as the highest mean score of social intelligence whereas social awareness dimension received the lowest score, which confirmed the results of Promsri [11] who found that social information process had the highest mean score and social awareness had the lowest mean score when studied social intelligence of employees in a paper packaging company in Thailand. This also confirmed the findings of Balaghat and Pour [10] in which social information processing and social awareness were rated by Iranian

managers as the highest and the lowest dimensions, respectively. This means that Thai managers were more likely to understand and be able to anticipate feelings and actions of others as well as recognize verbal and nonverbal messages conveyed by other people. In addition, as Thai managers reported the low score on social awareness, this implies that they were less likely to be aware of the self and other’s behaviors when being in the affiliation.

Results of stepwise regression analysis revealed that only social information processing had a positively significant effect on change leadership behaviors which a new knowledge is contributed in this area. This implies that managers who have attempted to alter and revitalize their organizations, understand that

making things happen in organizations are not an easy task and constantly come with resistance. Thus, they try to develop the ability to understand and recognize their employees' feelings and behaviors as part of the change efforts. In short, the more managers understand and recognize their employees' feelings and behaviors, the more change leadership behaviors of managers will be established as they realize that the ability to foresee others' feeling and actions is a vital key of making things happen in organizations. The findings of this present study explores the relationship between social information processing which is one of social intelligence dimensions, and change leadership behaviors, which extends the knowledge in this area as past studies have been limited the scope in examining the association between emotional intelligence and transformational leadership. Also, the result of this current study helps managers confirm that social intelligence is crucial for enhancing change leadership behaviors. Thus, the investment on training and development relating to social intelligence for employees and managers with the expectation on concurrently developing change leadership skills is valuable and meaningful for the organizations.

The major limitation of this present study was a sample size, which was too small and could not be generalized to other studies. As a result, the further study in this topic should increase the number of sample size to ensure the generalizability. In addition, as this study collected data from managers who worked in the different listed firms, the future study should focus on measuring the relationship between social intelligence and change leadership behaviors of managers in a particular company or companies in a specific industry. Moreover, as this current study focused on only social intelligence of managers, the others intelligences such as emotional intelligence, spiritual intelligence, and cultural intelligence should also be studied as the independent variables that can have an influence on change leadership behaviors of managers. A comparative study of social intelligence and change leadership of managers in different companies or industries is recommended for the further research. For the research implication, managers in these listed companies should be provided training in social intelligence that emphasizes on how to use social information processing effectively in order to develop change leadership behaviors as well as how to increase social awareness as this dimension obtained the lowest score.

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