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Factors Affecting High Performance Organizations Within Bangkok's Metropolitan Administration (BMA) Government Offices

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ABSTRACT

This research study is concerned with the analysis of the Bangkok Metropolitan Administration's (BMA) District Offices using the Linear Structural Model (LEM) to determine the variables that affect governmental organizational performance. Three hundred and forty quantitative samples were drawn from all 50 of BMA's district offices using simple random sampling (Purposive Sampling) while using Partial Least Square (PLS-Graph) software to apply Structural Equation Modeling (SEM) analysis. The research found that key factors determining BMA's strategy include government marketing and government strategic marketing as well as transformational leadership. The first element, governmental marketing factors had a direct and positive influence on BMA's performance. The second element, government strategic marketing included Customer Relations Management (CRM) as well as Corporate Social Responsibility (CSR) while a third, transformational leadership was shown to have a positive although indirect effect through variables in BMA's organizational strategy. These factors were important in achieving the goals of satisfying the constituency and optimizing public sector resources. The qualitative findings of 12 key executives confirmed the quantitative findings that transformational leadership within Bangkok district offices is important in the management of public sector organizations. A high performance organization must embrace a strategy which keeps pace with the flow of change by modernizing public administration processes enabling an organization to achieve their goals along with the agility and efficiency to meet strategic goals.

Key words: Governmental marketing, transformational leadership, high performance organization, strategy, Thailand

INTRODUCTION

Change is unavoidable and affects organizations in both the private and public sector. Every enterprise is confronted with new competition that often times require reengineering complete systems and processes or else they might be forced out of business.

At the same time, there is no guarantee that state agencies will always have funding assuring their survival. State agencies are not different than corporate enterprises in the fact that they are affected by new technologies and innovation and must be willing to generate change.

They must also embrace strategic vision on how they can operate more efficiently as well as implement new innovations. They must market themselves to gain understanding of their issues from their tax-paying electorate. This also includes agencies concerned with their oversight and monitoring.

As state enterprises are big organization with large bureaucracies and complex management structures, it is necessary to adapt to these supporting changes (Kotler and Lee, 2006).

With regards to civil service reform, it is the state's obligation to develop related laws that are consistent with political, administrative, economic and social developments. The intent is to enable the civil servants to create rapid, equal and fair administration and service systems for society. In order to provide these public sector services, bureaucracies must decentralize and arrange state activities in which they can effectively develop and cooperate with other state agencies (Jantharasorn, 1997).

Today, a modern governmental administrative system needs to combine management models with commercial market models. Privatization of bureaucratic roles in public service operations creates a pressure building mechanism that creates competition.

Current government reforms are aimed at limiting the role of government which the direction is being taken by global organizations. Especially in those countries in which the Organization for Economic Cooperation and Development (OECD) is developing plans to reform public administration. This has led to multiple modern management models as well as market models.

Additionally, private sector organizations being allowed to be involved in playing a role in public service operations instead of the government contributes to one of the important goals of the governmental administrative system reform under such a conceptual framework.

Ferlie *et al.* (1996) also describes four NPM models in terms of 'The Efficiency Drive', 'downsizing and Decentralization', 'In Search of Excellence' and 'Public Service Orientation'. Their models are discrete and are an attempt to interpret different types of NPM rather than predict general trends. Their definition of NPM is broad, including as it does the 'public service orientation' model which in promoting a special form of management for the distinctive public sector environment, is at odds with the early concepts of NPM what embraced assumed generic private management practices.

NPM refers to a focus on management, not policy and on performance appraisal and efficiency, disaggregating public bureaucracies into agencies which deal with one another on a user pay basis; the use of quasi-markets and contracting-out to foster competition, cost-cutting and a style of management which emphasizes, among other things, output targets, limited term contracts, monetary incentives and freedom to manage (Hood, 1991). It is said to be a global phenomenon as well as a policy ambition for international organizations like the OECD. State services are services that the government must provide to its citizens as outlined by their respective constitutions. These include health, education and the maintenance of order and safety, but in transformational societies, such as citizens with higher educations, the desire for higher services is ever increasing.

Due to greater competition within the private sector and with the advancement of technology, consumers expect higher quality service from the respective governmental agencies. Therefore, the government must develop quality services to for both the service provider and support system supports that service and impresses the citizenry.

In Bangkok local governments use a special format which effectively manages both permanent and temporary employees and found that there were 78,722 Bangkok government employees and 16,133 were school teachers.

BMA districts receive revenue from the collection of local development taxes including property tax, taxes, duties, license fees and permits, fines for animal services, income from property, commercial, utilities and miscellaneous incomes. Other government agencies also collect fees such

as VAT, excise taxes and fees, car or wheel taxes, alcohol, cigarettes, gambling taxes, registration of rights and juristic acts, business taxes, etc. and pass this revenue onto BMA authorities. It also includes income from government subsidies which helps balance the local district BMA budgets by estimating receipts.

Bangkok which is located in the central part of Thailand at 13.45° north latitude and 100.28° east longitude is the capital of the country. With a total area of 1568.7 km² and a population of 5,710,883 people, it is necessary for the districts to improve processes to reform the economic and social lifestyles of the people as well as to meet the needs of the people effectively.

A fiscal 2011 survey was conducted on the people of Bangkok asking about their satisfaction with their city's management and administration's policies. During the survey between July 25 to August 5, 2011, questions were asked about Bangkok projects. The study found that people in Bangkok were overall satisfied with their district officials and had a high level of satisfaction at an average of 2.73. District satisfaction was highest in Southern Bangkok and secondary was in north Krung Thon and Central Bangkok.

From the same survey it was also discovered that resident satisfaction was high except for residents in the districts of Khan Na Yao, Huai Khwang and Nong Chok. Bangkok residents are satisfied with their district offices and indicated it was convenient as well as their officials were able to find solutions to their problems in a transparent fashion. Authorities also had the ability to provide advice and to resolve problems.

The survey also asked Bangkok citizens about their opinion of civil service performance and their satisfaction with it. The results were later used to improve civil service staff which was consistent with the study of Luke and Verryne (2006) that strategy formulation in governmental administrative organizations had a direct influence on the activities of businesses. Also, strategies in business management affected the structural hierarchy as well as the research process and project management (Hitt *et al.*, 2002).

Walsh (1994), found that many semi-public service organizations have come into existence and attempt to become more market-oriented. The underlying assumption here seems to be that exposure to some form of market mechanism leads to improved customer management processes and thus improves customer satisfaction.

Thailand's governance is partially influenced by globalization, as every country has a tendency to be liberalized in various fields. As the world evolves to borderless economies with more intense competition in the global arena and as social learning increases and societies embrace democratic administration, adhering to the principles of good governance will eventually be an end result. With both internal and external environments changing rapidly, it is essential for organizations, both within the public and private sectors, to increase their capacity and flexibility to adapt to meet the changing needs of the system.

It is a well-known fact that bureaucracy within Thailand is a major problem. It is therefore necessary to decrease the bureaucracy and increase good governance principles if the government wishes to modify and improve the management of the public sector and move closer to the idea of a modern enterprise. By adhering to the principles of good governance, the end result will be a greater competitiveness for the country as well as eliminate obstacles to economic and social development in the future.

The New Public Management (NPM) approach is to change the current situation into a modern enterprise adhering to the principles of good governance which will result in making government

work more efficiently. The goals are to modify governmental management systems to become more efficient and focused on the end results. The administration needs to be fairly transparent to the mission and strategic role for both the private sector and community's participation.

Government reform needs to focus on changing the management of the public sector which will rely concepts that:

- The old system is outdated and inefficient which hinders development and unresponsive to the needs of the people and social change
- Due to the crisis, the government needs to shrink and improve the system to make it more efficient, to better budget and increase the cost benefits. In addition, the BMA is maintained by the local government sector

Review of the literature found that local government problems as well as Bangkok's metropolitan area districts were exacerbated by the inability to have a dialog and discuss community issues such as public housing between government officials and the local communities. This resulted in local government project's lack of support and often time failures.

So many scholars have suggested to government administrations that they need to embrace modern marketing concepts for the public sector. Akkrarabavorn (2008) said that bureaucracies needed to modernize their marketing concepts and use better management tools to better support their local areas. They needed to think of their citizens as 'customers', in which the government is providing goods and services.

After reviewing the literature, the researcher has determined further research and analysis of Bangkok's BMA 50 districts should be conducted with a focus on administrative tools and procedures oriented towards 'customer marketing'.

The new concept of 'C-Customer' or Customer Care should be the starting point to find personnel that are able to apply private sector marketing principles that can deliver better services to their electorate.

CONCEPTUAL DEVELOPMENT

Efficient and effective organizations need to have the capacity for change, support innovation and function effectively without being 'top-heavy' with excessive managers. The key is to encourage and motivate personnel so they can sustain a good attitude and work performance. Organizational culture drives creativity and change within the human resource department where balance needs to be achieved in matters including both life and work (OPDC, 2008).

In a discussion about high performance organizations in education by Tippawan, (2007), it was found that organizational performance and social responsibility both combine to affect high performance organizations. It is not just enough to be a good member of society but you need to have a social responsibility which considers the impact of the operations of the organization on the customers, community and environment. A high performance organization with good social responsibility combines self-organization, organizational culture, organizational life and mechanic organization.

Research conducted by Miller (2009), analyzed the role of High Performance Organizations (HPO) produce organizational capability that delivers sustainable organizational results through a system of teamwork and good operational practices.

They would also change from a High-Control Organization (HCO) to one embracing ideas found as a High-Trust Organization (HTO). Change would also occur from being focused on material manufacturing to knowledge based services.

In organizations of high trust (HTO), problems are dealt with easily and efficiently with management teams compared to low-trust environments with a single individual. Team spirit and work leads to team rewards compared to individual reward. Corporate and institutional structure flattens out compared to a more bureaucratic hierarchal structure. The HTO's also demonstrate more flexibility in their structure willing to exchange information with both employees and outsiders as well as accepting blame for mistakes and problems.

As such, this study is concerned with the analysis of the BMA government organization measuring: (1) Constituency satisfaction (2) Customer service and (Sirisamphan, 2006; Iqbal *et al.*, 2011) and (3) Transparency and accountability of each office (Liem, 2007; OPDC, 2004), leading to the following six hypotheses:

- **H1:** Transformational leadership affects High Performance Organizations
- **H2:** Transformational leadership affects Government Marketing
- **H3:** Transformational Leadership changes affect Government Strategic Marketing
- **H4:** Government Strategic Marketing affects Government Marketing
- **H5:** Government Strategic Marketing affects a High Performance Organization
- **H6:** Government Marketing affects High Performance Organizations

Transformational leadership: Kelloway *et al.* (2000) studied the "Enhancing transformational leadership": The roles of training and feedback' applied transformational leadership measures of Bass *et al.* (1990), perhaps one of the best contributions to our understanding of transformational leadership. Transformational leaders are thought to engage followers by employing one or more of the 4 "I's" to stimulate voluntary and enthusiastic responses to their influence attempts. These characteristics are:

- **Individualized consideration:** Gives personal attention to others, making each individual feel uniquely valued
- **Intellectual stimulation:** Actively encourages a new look at old methods, stimulates creativity and encourages others to look at problems and issues in a new way
- **Inspirational motivation:** Increases optimism and enthusiasm, communicates high expectations and points out possibilities not previously considered
- **Idealized influence:** Provides vision and a sense of purpose. Elicits respect, trust and confidence from followers

The conclusion of the study found that leadership training for transformational leaders was an effective and positive use of resources which contributed to more positive attitudes and better information exchange amongst management. It could also be determined from their study that training contributed to better group morale and more positive attitudes.

However, Kirkbride (2006) also found that it was essential for transformational leaders to have leadership skills that emphasized creativity and was able to be innovative with new work methods. They also add value to the environment from existing resources, affecting service quality and customer satisfaction.

Bass and Avolio (1997) indicated that transformational leaders usually display their behaviors with the following four characteristics:

- Idealized influence is described when a leader is being a role model for his/her followers and encouraging the followers to share common visions and goals by providing a clear vision and a strong sense of purpose
- Inspirational motivation represents behaviors when a leader tries to express the importance of desired goals in simple ways, communicates high level of expectations and provides followers with work that is meaningful and challenging
- Intellectual stimulation refers to leaders who challenge their follower's ideas and values for solving problems
- Individualized consideration refers to leaders who spend more time teaching and coaching followers by treating followers based on individual basic

The above factors contribute to employee loyalty and customer satisfaction. According to the study and analysis by Anantnavee (2006) on leadership characteristics of Eastern Thailand Educational Service Area executives, it was found that organizational environment affected effective administration.

Study results found that these educational managers on Thailand's eastern seaboard:

- Had both transformational and a high level of transactional leadership skills as well a low level of laissez-faire thinking
- Office environments had excellent morale
- Management was capable at doing their jobs
- Variable with the most effect upon the organization was transformational leadership skills. A secondary factor was the organization's work environment and the intuition of the administrators

Transformational leadership skills and the workplace environment had both a direct and indirect effect on management outcomes on Eastern Thailand's Educational Service Areas offices.

In a study about the linkages between internal marketing and leadership (Gounaris, 2006; Hult, 1996) concluded that if managers gave priority to the communications with customers, this would facilitate a better understanding of their products and services (Bell *et al.*, 2004).

In addition, the study by Pasmore (2011) found that transformational leaders created new jobs as well embracing social responsibility, better customer relations and risk management. Leadership roles effect organizational strategy formulation within in the public sector in different ways and was consistent with the study of (Sarros *et al.*, 2008; Carr, 1996; Marcketti *et al.*, 2011).

Government strategic marketing: Customer Relationship Management (CRM) organizational strategy in the public sector is a challenge with government agencies having to overcome the negative image of slow moving bureaucracies unable to respond in a timely fashion to the organization's mission. They are additionally unable to establish new procedures and apply new technologies which increase their efficiency and processes within the organizations.

In this context, Customer Relationship Management (CRM) is a valuable component that can increase the potential to meet the needs of organizations that are able to respond to the public

(Da Silva and Batista, 2007). Computer platform systems and CRM applications are only the beginning of communication processes whereas customer relationship management is the process in action. Technology and databases used and the strategy used are also crucial to customer relationship management.

For upholding the reputation of the government, you need to successfully take advantage of the relationship as much as possible which will be reflected by better public service. Additionally, there must be focused participation in policy-making and participation in democratic governance and the promotion of the public (Da Silva and Batista, 2007).

Additional benefits have good communication strategies with customers and the building of good relationships is the affect it has on operations and the increase in profitability and customer satisfaction of the service (Akroush *et al.*, 2011; Kim *et al.*, 2004; Yim *et al.*, 2004; Sin *et al.*, 2005) which can build customer loyalty (Venkatraman and Ramanujam, 1986; Walker and Ruekert, 1987; Day and Wensley, 1988; Venkatraman, 1990; Doyle, 1995; Ambler and Kokkinaki, 1997).

The study by Wang and Feng (2012), defined three components of CRM capabilities. In their study, these authors showed that CRM capabilities were a critical success factor for business performance and that CRM capabilities are positively influenced by CRM technology, cultural and organizational factors such as customer orientation and customer-centric organizational systems.

De Sousa Filho *et al.* (2010) studied the subject of CSR management strategies and believes organizations should destine part of their assets to compensate for environmental damage and that they should be encouraged by government agencies and by stakeholders (community, clients, staff, suppliers and NGOs) to focus more attention on social and environmental impacts, to reduce associated costs and to issue reports for greater environmental sustainability. In the view of Kraemer (2005), CSR is no longer an option but has become a matter of corporate strategy and survival.

Government marketing: Management of the public sector in the future will require different management tools which are adopted for use in a variety of organizations. Akkrarabavorn (2008) said that the public sector should aim at the 'customer' which is the start of the sales of goods and services. Public administration should mirror concepts of private business in marketing to the public sector and meet their expectations and satisfaction to the best of their abilities.

In Kotler and Lee (2006) 'Marketing in the Public Sector', the concepts and theories of marketing to the public were analyzed and were found to have five major reasons. These are:

- Customer or population centers
- Set a clear target group
- Study your competitors for strategic planning
- Use a marketing mix of the "4Ps" (optimize product, price, place and promotion) and "4Cs" (cost, communications, convenience and customer) (Fig. 1)
- Survey and monitor the learning and development of government market research

Boaz and Nutley (2003) cited in Palermo *et al.* (2010) found that public policy needs to be creative and updated to reflect their new roles and to keep up with external changes. They must also experiment with new activities and services, such as communication and information channels to reach the public. As a result, organizations will get public recognition for their quality of services.

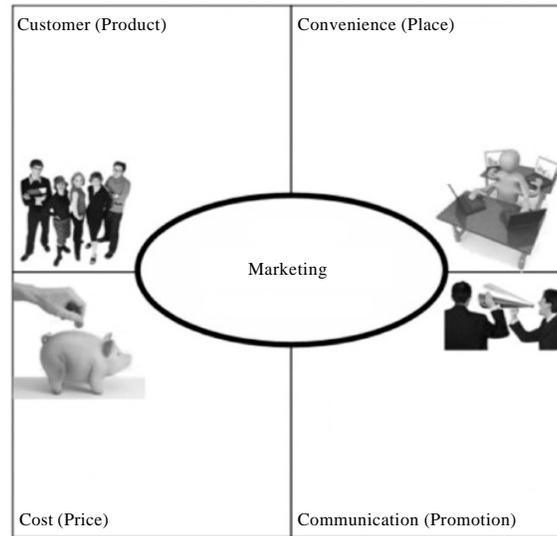


Fig. 1: Marketing 4Cs and 4Ps

Transforming the public sector requires restructuring, development, processes and services to citizens which will result in a solution. It will also cause great changes and affect public sector performance management (Sparrow *et al.*, 2002).

However, the study 'Marketing Planning in the Public and Non-profit Sectors' by Cousins (1990), showed that marketing planning in the public sector is not much different compared to the private market. Market share is less important than the overall size of the market. Pricing is something that cannot be controlled as well. Competition is usually not relevant to the needs of the market. Resources determine to some extent the better performance of the organization and the difference in the positions of competitors.

Kristiansen *et al.* (2009) studied public sector reform and transparency in Indonesia and focused on good governance in local governments which included the areas of transparency and corruption in budgeting and accounting practices. The results showed that the political and bureaucratic obstacles had a negative impact on the administration of government agencies and also found a lack of transparency in their checks and balances in the financial practices of local governments.

Buurma (2001) studied 'Public policy marketing: marketing exchange in the public sector' in the Netherlands by non-profit organizations by using available marketing tools. The research determined that policy must be clear to stakeholders and the marketing mix must be consistent with the level of quality, style, needs and wants of the people is the basic process and market segmentation used as a means of distinction. Marketing information systems are necessary to survey the features and market share and adopt marketing tools that help make marketing by the government sector more effective.

METHODOLOGY

The survey was conducted from a random sampling of residents within the 50 Districts of the Bangkok Metropolitan Administration (BMA) area.

Data collection: The questionnaires were designed to be used as a measurement tool according to the conceptual framework and operational definitions. The survey used the 5-Point Likert Scale and field definitions were constructed with its use. Quality has been assured by using Cronbach's α -coefficient for calculation of average of correlation coefficient gained. It was found that α -coefficient for the entire questionnaire was 0.964 and the α -coefficient for each enquiry was between 0.508-0.853 which is considered a high reliability factor if each item of α value is less than <0.50. Resultant data below 0.50 has been eliminated from the measurements.

Measurement

Dependent variable: High Performance Organization (HPO) analysis used a measurement instrument or questionnaires utilizing a 5-Point Likert Scale (Likert, 1972) which were developed and constructed from scales enabling the measurement of Transparency and Satisfaction (Verdegem and Hauttekeete, 2008; Nor *et al.*, 2010; Kotler and Armstrong, 2008; Iqbal *et al.*, 2011; Liem, 2007).

Independent variable: Transformational Leadership (LED) analysis used a measurement instrument or questionnaires utilizing a 5-Point Likert Scale (Likert, 1972) which were developed and constructed from scales enabling the measurement of Idealized Influence and Individualized Consideration (Bass *et al.*, 1990; Kelloway *et al.*, 2000; Kirkbride, 2006).

Government Strategic Marketing (MKS) analysis used a measurement instrument or questionnaires utilizing a 5-Point Likert Scale (Likert, 1972) which were developed and constructed from scales enabling the measurement of Customer Relations Management and Corporate Social Responsibility (Da Silva and Batista, 2007; Day and Wensley, 1988; Sin *et al.*, 2005; De Sousa Filho *et al.*, 2010).

Government Marketing (PMK) analysis used a measurement instrument or questionnaires utilizing a 5-Point Likert Scale (Likert, 1972) which were developed and constructed from scales enabling the measurement of Customer Solutions and Customer Convenience (Suchitra, 1986; Sparrow *et al.*, 2002; Cousins, 1990; Palermo *et al.*, 2010).

RESULTS

Quantitative analysis was conducted by using the Partial Least Squares (PLS) statistical method and hypothesis testing with PLS-Graph software (Chin, 2001) which analyzes the display and model structure associated with the observed manifest variables with latent variables.

Verification of the accuracy and reliability of the measurements in Multi-item measures were developed based on Cronbach's alpha. This study then calculated Cronbach's alphas for each construct. As shown, the reliability measured ranged from 0.775-0.898 which is considered to have high reliability.

The study uses a loading value from 0.707 and a significant level of confidence at 95% (t-stat >1.96), showing which factors affect organizational performance (Lauro and Vinzi, 2004; Henseler *et al.*, 2009; Piriyaikul, 2010). The results are shown in Table 1 below.

Table 1 shows that Transformation Leadership (LED) which included Idealized Influence (IDF) and Individualized Consideration (IDC) variables found that the loading is equal to 0.867 and 0.889, respectively. The data showed a significant level of confidence percentage of 0.95 (t-stat>1.96) which validates high reliability which affects Strategic Government Marketing (Fig. 2).

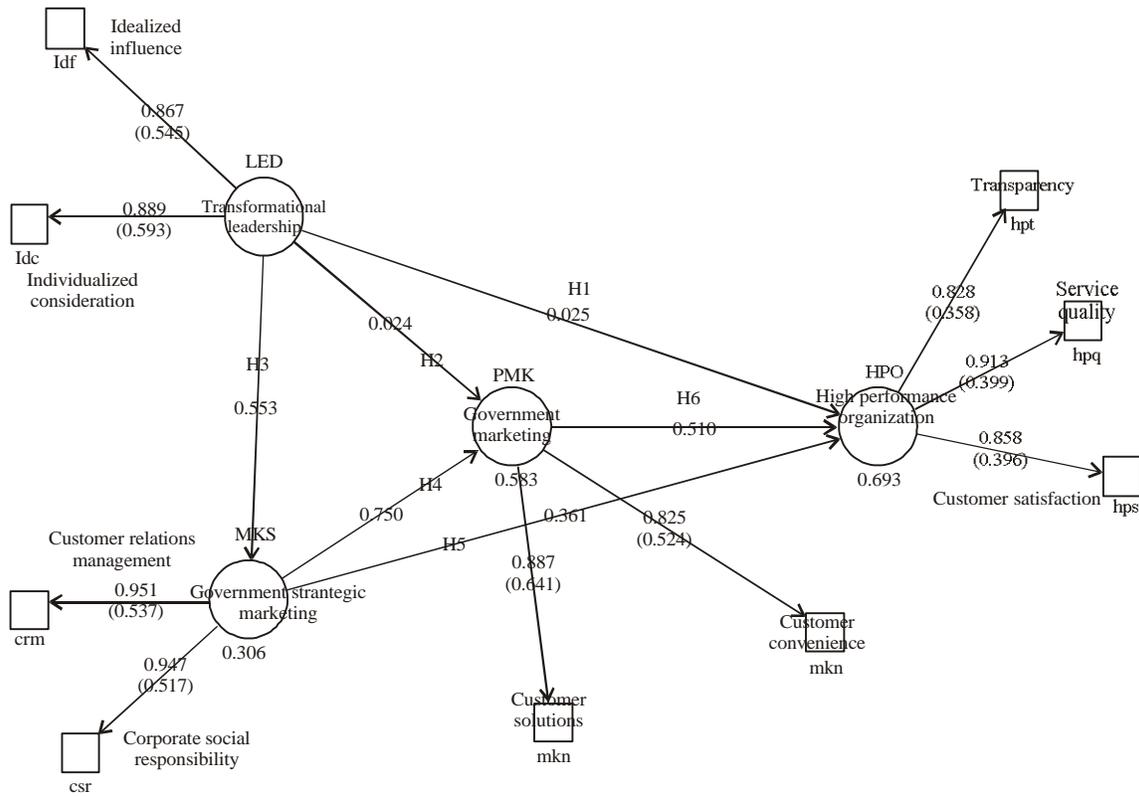


Fig. 2: Final model

Table 1: Convergent validity statistics in latent variable measurements in the reflective model

Construct/Item	Loading	t-stat
LDSF: Transformational Leadership		
IDF: Idealized Influence	0.867	44.5200
IDI: Inspirational Motivation	0.607	10.8490
IDM: Intellectual Stimulation	0.482	7.0417
IDC: Individualized Consideration	0.889	65.6850
MKS: Government Strategic Marketing		
CRM: Customer Relations Management	0.951	173.4870
CSR: Corporate Social Responsibility	0.947	143.5400
PMK: Government Marketing		
MKN: Customer Solution	0.887	47.6574
MKM: Customer Communication	0.640	9.7916
MKC: Customer Costs	0.399	3.9432
MKV: Customer Convenience	0.825	37.3594
HPO: High Performance Organization		
HPT: Transparency	0.828	32.8870
HPQ: Service Quality	0.913	73.8150
HPS: Customer Satisfaction	0.858	60.9320

Government Strategic Marketing (MKS) variables are Customer Relations Management (CRM) and Corporate Social Responsibility (CSR) found that the loading is equal to 0.960 and 0.947,

respectively with the loading ranging from 0.707 and a significant level of confidence percentage 0.95 (t-stat>1.96) which considered such factors which affects Government Marketing and High Performance Organization (Fig. 2).

Government Marketing (PMK) variables are Customer Solutions (MKN) and Customer Convenience (MKV) found that the loading is equal to 0.960 and 0.947, respectively, with the loading ranging from 0.707 and a significant level of confidence percentage 0.95 (t-stat>1.96) which considered such factors which affects High Performance Organization (HPO) (Fig. 2).

High Performance Organization (HPO) variables are Customer Satisfaction (HPS), Service Quality (HPQ) and Transparency (HPT) found that the loading is equal to 0.960 and 0.947, respectively with the loading ranging from 0.707 and a significant level of confidence percentage 0.95 (t-stat>1.96) which considered such factors which affects High Performance Organization as shown in Table 1.

Discriminant validity has been tested on scale reliability, including Composite Reliability (CR) which should not be lower than 0.60, Average Variance Extract (AVE) should not be lower than 0.50 R² should not be lower than 0.20 (Table 2) and \sqrt{AVE} in the diagonal data should have a value higher than cross construct correlation of all values in the same column. The data validates that there was discriminant validity for each construct, without exception (Lauro and Vinzi, 2004; Henseler *et al.*, 2009; Boontawan and Montree, 2010). Testing results of discriminate validity of this research was in accordance with all conditions shown in Table 2. Therefore the scales of this research have been the scales with discriminant validity and reliability.

Figure 2 shows the research framework and the structural model of variables that influence a High Performance Organization within Bangkok Metropolitan Area (BMA) government offices. Variables included Transformational Leadership, Government Marketing and Government Strategic Marketing and their influence on a High Performance Organization of 340 surveyed career professionals for 50 BMA districts. The samples were analyzed to answer the research hypotheses criteria of the 6 assumptions (Table 3).

Table 2: Confirmatory Factor Analysis (CFA) of the independent variables of transformational leadership, government marketing and government strategic marketing and their effects on the dependent variable and high performance organization

Construct	CR	R ²	AVE	Cross construct correlation			
				LED	MKS	PMK	HPO
LED	0.870	-	0.771	0.878			
MKS	0.948	0.306	0.901	0.553	0.949		
PMK	0.846	0.593	0.733	0.439	0.763	0.856	
HPO	0.901	0.693	0.752	0.449	0.764	0.796	0.867

CR: Composite reliability, R²: Square of the correlation, AVE: Average variance extracted, Statistical significance level is at 0.05 and diagonal figures mean \sqrt{AVE}

Table 3: Hypothesis testing result of hypothetical research

Hypothesis	Coefficient	t-stat	Results
H1: Transformational leadership affects High Performance Organizations	0.025	0.3340	Unsupported
H2: Transformational leadership affects Government Marketing	0.024	1.0710	Unsupported
H3: Transformational Leadership changes affect Government Strategic Marketing	0.553	13.1248	Supported
H4: Government Strategic Marketing affects Government Marketing	0.750	24.1340	Supported
H5: Government Strategic Marketing affects a High Performance Organization	0.361	7.9640	Supported
H6: Government Marketing affects High Performance Organizations	0.510	9.1110	Supported

Furthermore, the structural analysis model framework was used to research the t-test coefficients and their relationship of each path of the t-test hypothesis with significance greater than 1.96. This explains the results obtained from analysis as shown in Table 1 and 2 as well as the test results presented in Table 3.

DISCUSSION

Quantitative analysis of the conceptual framework and research hypotheses, including the study of the various theories and a review of the relevant literature, leads to the conclusion that the findings are useful for development. The authors discussed the findings of the objectives of the research and have chosen to model the nonlinear relationships of variables affecting the High Performance Organization (HPO).

Transformational Leadership consists of four characteristics including the four "I's" which are: (1) Individualized Consideration, (2) Intellectual Stimulation, (3) Inspirational Motivation and (4) Idealized Influence (Bass *et al.*, 1990). According to the study, it was found that transformational leadership had the capacity for government organizational development.

This was consistent with Kirkbride (2006) who said that it was essential for transformational leaders to have leadership skills that emphasized creativity and were able to be innovative with new work methods. They were also able to intelligently build value from existing resources, as well as able to formulate organizational strategies in which they were able to keep up with their industry trends.

However, Gounaris (2006) and Hult (1996) concluded that if managers gave priority to the communications with customers, this would facilitate a better understanding of their products and services (Bell *et al.*, 2004).

Strategic thought and vision is critical to a high performance organization and formulates the strategic direction of governmental organizations. Negative perceptions about customer relations and service within the public sector are difficult obstacles to overcome due to the slow execution of executive decisions.

These issues can be overcome however with the formulation and application of new information technologies increasing an organization's effectiveness and adding customer satisfaction and value (Da Silva and Batista, 2007).

This agreed with the study results from De Sousa Filho *et al.* (2010) that social responsibility has become indispensable and strategic decisions of large companies involve social as well as economic consequences which are intimately connected. Strategy and competitive advantage are related to enhancing the company's image and reputation through the efforts of employees.

This was also applicable for a company's image and reputation as the relationship between social strategy and competitive advantage was influenced from opportunity, resources, employee skill, company, industrial structure and stakeholders. Decisions from the strategy formulation process should take into account the positive and negative impacts that may arise, not only for the business itself but also for stakeholders and society in general.

It also showed that marketing planning in the public sector is not much different compared to the private market. Market share is less important than the overall size of the market. Pricing is something that cannot be controlled as well. Competition is usually not relevant to the needs of the market. Resources determine to some extent the better performance of the organization and the difference in the positions of competitors.

However the study 'Marketing Planning in the Public and Non-profit Sectors' by Cousins (1990), showed that marketing planning in the public sector is not much different compared to the private market. Market share is less important than the overall size of the market and pricing is something that cannot be controlled as well. Competition is usually not relevant to the needs of the market and resources determine to some extent the better performance of the organization and the difference in the positions of competitors.

Boaz and Nutley (2003) cited in Palermo *et al.* (2010) found that public policy needs to be creative and updated to reflect their new roles and to keep up with external changes. They must also experiment with new activities and services, such as communication and information channels to reach the public. As a result, organizations will get public recognition for their quality of services. Transforming the public sector requires restructuring and with the use of technology, public services will have better organizational solutions causing a change for the better affecting governmental performance management (Sparrow *et al.*, 2002).

CONCLUSION

The relationship between adoption of administrative and technical innovations over time and its impact on organizational performance was studied. A confirmatory analysis of the data from the samples of 340 individuals in 50 Bangkok Metropolitan Administration's (BMA) District Offices showed that there are three factors determining BMA's strategy. They are governmental marketing factors, transformational leadership and governmental strategic marketing which included Customer Relations Management (CRM) as well as Corporate Social Responsibility (CSR). The first element, governmental marketing factors had a direct and positive influence on BMA's performance. Transformational leadership was shown to have a positive although indirect effect through variables in BMA's organizational strategy while government strategic marketing found that strategic thought and vision was critical to a high performance organization and formulates the strategic direction of governmental organizations. These factors were important in achieving the goals of satisfying the constituency and optimizing public sector resources. The qualitative findings of 12 key executives confirmed the quantitative findings that transformational leadership within Bangkok district offices is important in the management of public sector organizations. A high performance organization must embrace a strategy which keeps pace with the flow of change by modernizing public administration processes enabling an organization to achieve their goals along with the agility and efficiency to meet strategic goals.

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