

CHAPTER IV

RESULTS AND DISCUSSION

A prior chapter mentioned the research methodology which provided the population and sample, data collection, test of non-response bias, measurement of each construct, and statistical technique. Indeed, the details of research method understandably focused on better analysis procedures and seeking for answers of the research objectives and answers of research questions clearly and systematically. Additionally, this chapter is relevant to the respondents' characteristics, and several statistics used in analysis were descriptive statistic, correlation analysis, and hypothesis testing of this conceptual model. The results and discussion were examined, explained by each relationship of constructs and presented to be the summary of hypothesis testing at the end of the chapter.

Demographic Characteristics of Respondent and Firm Characteristics

The details of demographic characteristics comprise of information of key informants and respondents, the directors or general managers who are expertise in organizational management and experiences in business management, and who are appropriate to provide information ultimately. In addition, the respondents are entrepreneurs or textile exporters who are able to describe the demographic characteristics of directors or general managers, i.e. gender, age, marital status, education level, experiences in work, average revenues a month, and current positions. Besides, the business information in part indicates the details of business to be able to clarify demographic characteristics of each firm, comprising of business owner types, types of production, nature of business, number of employees, capital in operation, average revenues a year, period of the operation, experiences in exports, and foreign markets.

Table 1A (Appendix A) describes that the demographic characteristics of 127 respondents with returned mail survey and shows in detail on most percentage of

demographic information as follows: the maximum respondents are male by 67.70%. Most of the key informants have a span of age more than 50 years old, 51.20%. Their marital status is married, 59.80%. The majority of education is bachelor's degree or less which estimated, 56.70%, the experiences in textile business are more than 15 years, 69.30%, the average revenue is more than 50,000 baht a month, 62.20%, and the current positions in general managers equals 37.00%.

Likewise, Table 2A (Appendix A) presents the particular characteristics of textile businesses in Thailand, 127 respondents, will mostly demonstrate percentage of business characteristics, i.e. the majority of business owner types by 89.80%, the type of production by 81.90%, the nature of business performing in both manufacturers and distributors by 59.10%, a number of 100 employees less by 59.80%, the capital of an operation among 5,000,000 – 50,000,000 baht by 42.50 %, the average revenue of business less than 50,000,000 baht a year, 39.40%, the maximum period of the operation more than 15 years by 76.40%, the experiences in exports are more than 15 years by 55.90%, and the main export markets are in Asia are 53.50%.

Correlation Analysis

The result of correlation analysis of all variables will be presented in Table 4. The correlation analysis is conducted to verify the relationship between variables in the conceptual model. The relationship among variables should not immoderate the findings demonstrated with correlation coefficient, less than 0.8, (Hair and other, 2006) that reflects the independence of each variable. Likewise, the relationships among business collaboration effectiveness, modern management excellence, proactive operational management, and global strategic management competency show a significant positive impact on firm performance ($r=0.48$, $p<0.01$; $r=0.47$, $p<0.01$; $r=0.47$, $p<0.01$; $r=0.56$, $p<0.01$), respectively.

Furthermore, this research has analyzed variance inflation factor (VIF) and finds that the VIF values range between 1.002 to 6.333. VIF values should not exceed 10, and they exhibit the independence among variables in this study (Neter, William, and Michael, 1985).

As mentioned above, correlation analysis has examined VIF values are able to ensure independent variables of this conceptual model. Accordingly, these researches without multicollinearity problems are able to be conducted to analyze these data in the next procedure.

Table 4: Descriptive Statistics and Correlation Matrix of Global Strategic Management Competency and all Constructs

Variables	Mean	S.D	FSI	FAG	BCE	MME	POM	GSM	FPE
FSI	1.60	0.88	1.00						
FAG	3.68	0.63	0.42	1.00					
BCE	3.89	0.67	-0.06	-0.28***	1.00				
MME	3.86	0.72	-0.06	-0.19**	0.85***	1.00			
POM	3.94	0.69	0.13	-0.13	0.72***	0.84***	1.00		
GSM	3.88	0.59	-0.04	-0.09	0.60***	0.72***	0.73***	1.00	
FPE	3.31	0.68	0.12	-0.08	0.48***	0.47***	0.47***	0.56***	1.00

*** P<0.01, ** p<0.05 (N=127)

Hypothesis Testing and Results

This research selects the hierarchical multiple regression analysis to test all hypotheses which are in the conceptual model. The highlight of a hierarchical technique is emphasized on the role of mediating effect that is underlying on Baron and Kenny (1986). In addition, the research aim is to investigate the relationship among business collaboration effectiveness, modern management excellence, and proactive operational management on the firm performance via global strategic management competency as a mediator. Initially, hypothesis testing will be conducted by being transformed into the form of categorical and interval data (Hair and other, 2006). From the conceptual model can be analyzed with five equation models along with integrating firm size and firm age that are defined as dummy variables for testing in this study as following.

Firstly, the result presents that firm size and firm age have no significant positive influence on firm performance ($b_2 = 0.241$, $p > 0.10$; $b_3 = -0.207$, $p > 0.10$,

respectively). Here, firm size and firm age are assigned as control variables that do not effect on this study.

Secondly, the result demonstrates that business collaboration effectiveness has a significant positive influence on firm performance ($b_1 = 0.339$, $p < 0.05$).

Congruence with the finding of Braziotis and Tannock (2011) explained that the collaboration emphasized on contextures and engaged in businesses which are important factors to enhance understanding in all departments successfully although faced with dynamic environments. **Therefore, Hypothesis 1 is supported.**

Besides, the findings present that modern management excellence has no significant positive effect on firm performance ($b_4 = -0.092$, $p > 0.10$). The previous research explained that modernity management was needed for traditional to novel changes and reforms which are difficult to be shifted because embeddedness of behaviors, organizational structure, the characteristic of production, and strategies are distinct and hard to practice towards efficiency in the future (Vaszkun and Tsutsui, 2012). **Thus, Hypothesis 2 is not supported.**

Moreover, the result illustrates that proactive operational management has no significant positive impact on firm performance ($b_7 = -0.071$, $p > 0.10$). The finding is clarified that environments are barriers on proactive management and still stay in any situations, facing with technological turbulences and high competitive intensity which may affect proactive operations inefficiently (Wang, et al., 2013). It is possible that proactive operational excellence has developed internal performances to be efficient whereas abilities may decrease when external factors cannot be controlled. **Hence, Hypothesis is not supported.**

Furthermore, the result exhibits that global strategic management competency has a significant positive effect on firm performance ($b_{10} = 0.483$, $p < 0.01$). Similarly, the findings of Chae and Hill (2000) indicated that strategic management is an important concept to plan formality and make a decision to increase capability to immediately respond and systematically assign operations to create competitive advantages in both benefits and non-benefits to the firms in global markets. Likewise, global strategic management competency focuses on quality, universal standard, and acceptance, leading to the potential management of the firms. **Therefore, Hypothesis 4 is supported.**

Thirdly, examining relationship between variables through global strategic management competency in the role of mediating effect and providing results are as follows: the findings of mediating effect of global strategic management competency have a significant positive influence on the relationship between business collaboration effectiveness and firm performance ($b_{17} = 0.481, p < 0.01$). Consistent with Tang and Shapira (2012), an ultimately international management approach was described as collaboration caused new knowledge from shared cultures, capability of work, and activities together which firms achieve the qualitative languages on communication to help increase and achieve operational efficiency rapidly.

Meanwhile, the mediating role of global strategic management competency has no significant positive impact on relationship among modern management excellence and firm performance ($b_{18} = -0.273, p > 0.10$), proactive operational management and firm performance ($b_{19} = -0.223, p > 0.10$), respectively. It is possible that modern management excellence is difficult to be built in a global business because learning something new must rely on trust together with how to create trust at work. Relationship, technique, and society must take time to adapt in performing businesses (Hardwick, Anderson, and Cruickshank, 2013). In addition, global strategies should attend to recognized beliefs, values, and communities of consumers who desire business existing and successful (Terry and Levin, 1998). Besides, a proactive operation is relevant to time, cost, quality, agility, and modern networks of suppliers that cause risks in work and the firms often omit to create trust together and continuously affect on improving operation. It is weakness of global business which should be solved in the future (Norrman and Jansson, 2004).

Therefore, Hypothesis 5a is supported and 5b, 5c are not supported.

Table 5: Results of Hierarchical Multiple Regression Analysis for Influence of Business Collaboration Effectiveness, Modern Management Excellence, and Proactive Operational Management on Firm Performance via Mediating Role of Global Strategic Management Competency

Variables	Firm performance (β)
Control variables	
Firm size ^a	0.241
Firm age ^a	-0.207
R ²	0.021
Firm size ^a	0.324**
Firm age ^a	0.047
Business collaboration effectiveness (BCE)	0.339**
Modern management excellence (MME)	-0.092
Proactive operational management (POM)	-0.071
Global strategic management competency (GSM)	0.483***
R ²	0.373
R ² Change	0.342
Firm size ^a	0.209
Firm age ^a	0.043
Business collaboration effectiveness (BCE)	0.264*
Modern management excellence (MME)	-0.096
Proactive operational management (POM)	-0.027
Global strategic management competency (GSM)	0.559***
BCE x GSM	0.481***
MME x GSM	-0.273
POM x GSM	-0.223
R ²	0.438
R ² Change	0.395

*** p<0.01, ** p<0.05, * p<0.10 (N = 127) ^aDummy variables, firm size lower 100 employees = 0, more than 100 = 1, firm age lower 15 years = 0, more than 15 years = 1

Summary

The findings analyzed by hierarchical multiple regression analysis explain that the results of analytical procedure are clear and reflect the role of mediating effect on the relationships of each procedure as well. Accordingly, this research finds that the relationships among business collaboration effectiveness and global strategic management competency have a significant positive influence on firm performance. It makes sure that a global business emphasizes on coordination and participation that are based on internal development and external operations efficiently which will bring about firms' achievement. Furthermore, the global strategic management competency has a positive significance, mediating on the relationships between business collaboration effectiveness and firm performance. The results are able to indicate that global strategic management competency has a partial role of mediating effect in the conceptual model.

Table 6: Summary of the Results of Hypothesis Testing

Hypotheses	Description of the Hypothesized Relationship	Results
H1	Business collaboration effectiveness will be positively related to firm performance.	Supported
H2	Modern management excellence will be positively related to firm performance.	Not Supported
H3	Proactive operational management will be positively related to firm performance.	Not Supported
H4	Global strategic management competency will be positively related to firm performance.	Supported
H5a	Global strategic management competency will positively mediate the relationships between business collaboration effectiveness and firm performance.	Supported
H5b	Global strategic management competency will positively mediate the relationships between modern management excellence and firm performance.	Not Supported
H5c	Global strategic management competency will positively mediate the relationships between proactive operational management and firm performance.	Not Supported