

# Influences of Socially Responsible Leadership and Perception of ISO26000 on Satisfaction in Public Transport Vehicles

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## Abstract

The objectives of this research were to construct and verify the model presented the relationship between socially responsible leadership, perception of ISO26000, and satisfaction in public transport vehicle. Sample was passengers who used public transport vehicles. Mixed method sampling was applied by collecting in 5 provinces and respondents were randomly collected, and completely sample size was 2,000. Structural Equation Modeling was used to analyze in this study.

The results found that 1) correlation coefficient among observable variables had a significant level at every variable, 2) socially responsible leadership had significantly positive influence on perception of ISO26000 and had variance predicted to perception of ISO26000, and 3) socially responsible leadership had significantly positive influence on satisfaction in public transport vehicle, and had significantly positive indirect effect on perception of ISO26000 with variance predicted to satisfaction in public transport vehicle. Fit indices of the model were accepted by the criterion.

**Keywords:** socially responsible leadership, perception of ISO26000, satisfaction in public Transport Vehicle

## Background and significance of the problem

The problems involving using roads and vehicles in Bangkok Metropolitan and big cities today still requires considerable efforts and resources to solve. Whether it is traffic congestion problem or road accident, they result in a large number of social costs both monetary and non-monetary. For example, costs of damage to life and property, cost of fuel, travel time costs of traveler, health costs and environmental costs. Especially for the cost of loss to life and property, which is a matter that many parties increasingly

focus on.

Thailand globally ranks road accident statistics. While in the government sector has tried to solve many of the traffic problems through various number of projects, whether it is to improve the law to be more strictly governed, as well as constructing new traffic routes, building a mass transit system and interconnect transportation, and lots more. As for public, however, there are many solutions implemented to reduce the risk in using roads and vehicles, such as avoiding the use of public buses that are risky for accidents, driving private cars, or even to accept the risk of

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travel.

Public transportation is transportation using vehicles in which general and special forms of transportation are continuously provided to the public. Public transport has many forms, such as bus, subway, train, boat, etc. It also includes services provided for older people and people with disabilities (Tran & Kleiner, 2005). Transportation is an important part of economic and social development and it is one of the most important sectors in urban development and in other areas which reflects the level of economic and social development of the country. (Susniene & Jurkauskas, 2008). Public transportation is usually used as a reason to support in multiple objectives, such as the environment, energy, and the social and economic policies. (Schiefelbusch & Dienel, 2009). In addition, the assessment in the quality of public transport has different elements that should be considered, namely; the ability to be exploited or availability, service accessibility, information, time, customer care, comfort, safety, and environmental impact (Vasan Anantapak, 2011).

Currently, about 30 percent of public vehicles that provide services for passenger have been in service for over 20 years for transportation between provinces which include 700 vehicles that are under supervision of the Transport Company Limited while another 3000 vehicles belong to affiliated bus services. However, public accident information indicates that when an accident occurs, passengers using affiliated bus are 10 times more likely to be risky to death than those using bus of Transport Company Limited. In addition, when an accident occurs, the victim either injured or died, or became disabilities, will be laden in negotiation for compensation and claim for fairness with the auto insurance companies by themselves (Social Enterprise Leadership Center, 2016).

It is, therefore, indicated that “safety” is the very first and important issue that affects to the life and property of the people. Thus, public bus operators need to focus on providing safer services to build confidence for the people, particular, for people who lack the ability to adapt themselves to choose alternative ways to travel, e.g. people with low income. Therefore, it is very important to study the factors that help the current public bus operators to be able to provide sufficient services to meet the needs of people, especially in safety aspect. This study will also lead to the ways in upgrading public service standards which will be focused not only on safety but also various dimensions of services such as social responsibility, corporate governance and environmental protection, etc.

## Research Objectives

The purpose of this study is to create and measure the models that demonstrate the relationship between socially responsible leadership and the perception in ISO26000 performance of service recipients and to assess the satisfaction of the service of public buses by using empirical data.

## Expected Benefits

1. Results of this study will be used to develop the service of public buses to meet the needs of passengers.
2. Results of this study will be used to support government agencies such as Department of Land Transport to set up the guideline of social responsibility of public buses.

## Literature Review

Business management in the present era has mainly focused on the corporate social

responsibility more than in the past where the idea that business organizations are responsible for society only for the management to make profit and to pay dividend to shareholders was accepted. But in the age of globalization, consumer purchasing powers that gather more increasingly will somewhat destine the survival of business, which will turn the business to focus on Corporate Social Responsibility or CSR. And there is a connection between competitive competency with CSR by using value chain model, diamond model and value creation with stakeholders which is a shared value between the business and its stakeholders to achieve economic success together and while solving social problems at the same time (Porter & Kramer, 2006 & 2011; and Nonthanathorn, 2015a)

Role and importance of CSR are growing in every field and every aspect of business management, whether in marketing, finance, production, or human resources. In classifying CSR, it can be divided into mainly 7 groups and also subdivided into small groups (Nonthanathorn, 2016). Carroll (1977) also categorized CSR into four levels including: economic responsibility, legal responsibility, ethical responsibility, and philanthropic responsibility. The Stock Exchange of Thailand (SET) has defined CSR approach for listed companies using Carroll's concept and has proposed four levels of corporate social responsibility namely: mandatory level, elementary level, preemptive level, and voluntary level (Working Group on Corporate Social Responsibility and Environment, 2008). In addition, the International Organization for Standardization (ISO) has issued the Social Responsibility- ISO2600 consisting of the supervisions in organizational governance, human rights, labor practices, fair operating practices, consumer issues, the environment, and community involvement

and development (International Organization for Standardization, 2010).

In undertaking the social responsibility of the organization, one of key factors for success of this process is the recognition of stakeholders. Perception is a process that individuals choose to interpret information as received from the five senses including sight, sound, smell, taste, and touch. Individual can create different perceptions from the same stimulus. Perception process contains 3 steps namely; the choice to pay attention, to interpret, and to retain. Perception does not depend only on physical stimulus but also depends on the surrounding stimulus and conditions of each individual. There is also the influence of different culture that causes different perceptions. In corporate social responsibility operations, it is the operation that focuses mainly on the stakeholders outside the organization. The perception of stakeholders in term of corporate social responsibility can be determined by economic, legal, ethical and philanthropic responsibility according to Carroll's (1977) concept and the perception in seven topics as stated in the ISO 26000 compliance.

In addition, the success of social responsibility requires vision and understanding of leaders in the importance of social responsibility. Socially responsible leadership (SRL) is a leadership concept involving values of social responsibility similar to general responsible leadership which is a moral and social phenomenon resulting from the pressure of the moral scandal in the management, the greed of businessmen and the impacts of management affecting to human life on the planet. And in the other side it also comes from the realization that multinational corporations and their leaders have a lot of potential in helping to make the world better (Pless, 2007). The prototype of socially

responsible leadership will include social responsibility as a core of the concept. As for behavioral perspective, effective leaders will be capable to connect the vision containing ideal values that are strong, energetic, and full of imaginative vision. These leaders continue to stimulate innovative thinking in solving problems encountered and to emphasize to changing in the foundation level and in the expectation for excellent performance. Leaders can also build confidence of followers, internal motivation, trust and appreciation towards leaders as well as emotional attractiveness. A socially responsible leader having fondness in social responsibility will affect the vision and integrity which will be expressed as behavior and attributes. And these will influence the socially responsible values of the followers. In addition, the socially responsible values of the leader will also influence the socially responsible values of the followers. Socially responsible leadership consists of a leader's socially responsible values, the vision and integrity of the leader and values of social responsibility of the followers (Nonthanathorn, 2015c, and Waldman, 2007).

One of the achievements of CSR in term of customer satisfaction in this research is the satisfaction of customers towards public bus service. Satisfaction is a person's sense of gratification or disappointment as a result of a comparison of the perception in the use of goods and services with intended expectations. If the product or service used is better than expected, it will become satisfied and if the result is in the opposite, it will be dissatisfied. Customer expectations come from past buying experiences, friends, advice providers, and commitments from marketers and competitors. If marketers raise expectations to become too high, buyers are likely to be disappointed. In contrast, if expectations are determined to be too low, they

cannot attract customers accordingly (Boulding, Kalra & Staelin, 1999, and Szwarc, 2005). Generally, customers like to have the power to control. The more control they have, the more loyal they will be. And enthusiastic desire of customers to control can lead to greater customer satisfaction (Lake & Hickey, 2002). Customer satisfaction is also an indicator in the measurement of the business results in term of quality award criterion (Hayes, 1998). Customer satisfaction research will enable the organization to define key performance attributes that affect satisfaction while can evaluate the performance of organizations and competitors, solving the problems and tracking for progress at the same time (Dutka, 1994).

As for the research regarding to the relationship between leadership and social responsibility, Nonthanathorn (2015b), conducted a study in causal factors of socially responsible leadership that influence the organizational image of Suvarnabhumi Airport. His study reveals that the socially responsible leadership has significant influence on the perception of the stakeholders in the social responsibility of the organization. And Nonthanathorn (2015d) investigated the causal factors of socially responsible leadership that influence the corporate image of Phuket International Airport. And his findings reveal that CSR also influences the perception of stakeholders for social responsibility significantly. Furthermore, Chanthasuwan (2017) studied the influence of socially responsible leadership and the perception of stakeholders on corporate social responsibility that affects the image of the Thai Gymnastics Association. Her findings suggest that the socially responsible leadership significantly influences the perception of the stakeholders on the social responsibility of the organization. And Chinsomboonkit (2017) also studied the influence of socially responsible leadership and the corporate

social responsibility that affects the organizational commitment of the employees in Srithai Superware Public Company Limited. The results found that socially responsible leadership has a significant influence on the social responsibility significantly according to ISO26000 compliance.

For the research related to the relationship between the leadership and customer satisfaction also includes the research conducted by Setyaningrum (2017) which studies in the relationship between servant leadership, organizational culture, organizational commitment, organizational citizenship behavior, and customer satisfaction. And the findings reveal that leadership is significantly associated with the customer satisfaction. And Saeidi et al. (2015) studied how corporate social responsibility contributes to the financial performance of a business by investigating the role of mediator variables of competitive advantages, reputation and customer satisfaction. The results indicate that corporate social responsibility has a significant influence on customer satisfaction.

Lastly, in the research related to social responsibility and customer satisfaction as conducted by Martinez & Bosque (2013) which studied the corporate social responsibility and customer loyalty in the role of trust, customers satisfaction with the company and satisfaction. The results show that corporate social responsibility has a significant effect on customer satisfaction and Chung, Yu, Choi & Shin (2015) examined the impact of social responsibility on customer satisfaction and customer loyalty in China with using organizational image as mediator variable. The results indicate that corporate social responsibility has a significant influence on customer satisfaction.

## Research Methodology

From the literature review and related

research works, it is evident that there are correlations between leadership and social responsibility, leadership with customer satisfaction, and corporate social responsibility with customer satisfaction. Therefore; this research needs to establish and validate the models between the variables of socially responsible leadership and the compliance according to social based on ISO26000 as measured by customer perceptions and the satisfaction towards the service of public bus operators, as in the following.

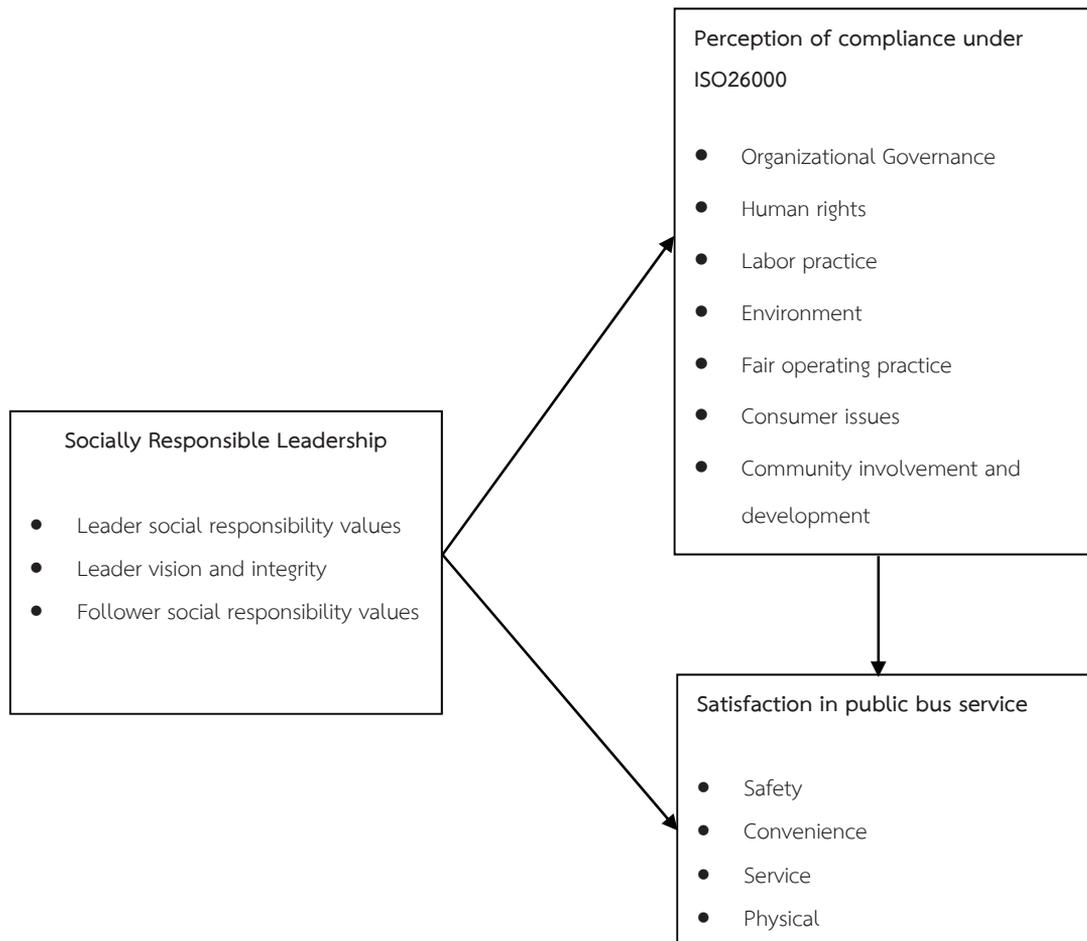
### Conceptual Framework

Variables used in this study include socially responsible leadership (SRL), the perception to the compliance of social responsibility-ISO 26000 (ISO) and satisfaction on public bus service. (SAT)

The socially responsible leadership (SRL) variable consists of CEO's social responsibility values (SRL01), CEO's vision and Integrity (SRL02), and followers' social responsibility values (SRL03) based on the concept of Waldman (2007) and Nonthanathorn (2015c).

Variables in the perception of social responsibility under ISO 26000 compliance (ISO) consist of organizational governance (ISO01), human rights (ISO02) labor practice (ISO03), environment (ISO04), fair operating practice (ISO05), consumer issues (ISO06), Community Involvement and Development (ISO07) is derived from the Social Responsibility Standard of ISO 26000 (International Organization for Standardization, 2010)

Variable for the satisfaction toward the public transport Vehicle (SAT) consists of satisfaction in terms of safety (SAT01), convenience (SAT02), service (SAT03) and physical (SAT04) are based on the concept of Boulding, Kalra & Staelin (1999), Szwarc (2005), Lake & Hickey (2002), Hayes (1998), Dutka (1994) and Anantapak (2011)



**Figure 1** Conceptual framework

### Hypothesis

H1: Socially responsible leadership, the perception of corporate social responsibility compliance under ISO 26000, and the satisfaction of public bus service are positively correlated.

H2: Socially responsible leadership can significantly explain and predict the perception in the compliance for social responsibility compliance under ISO26000.

H3: Socially responsible leadership and the perception in social responsibility compliance under ISO 26000 can significantly explain and predict the satisfaction of public bus services.

### Data Collection

This study uses sample population of public bus passengers from vehicle group no.1-4, as defined in the Land Transport Act., (Department of Land Transport, 2015) whereas;

**Vehicle Group 1** refers to a bus with the distance of transport is mostly within Bangkok Metropolitan area and in some parts of upcountry region. However, most of the distance for transport will be within a municipality, serving the people in the municipality and neighboring areas such as public bus governed by Bangkok Mass Transit Authority (BMTA)

**Vehicle Group 2** refers to a bus with the starting point of transport in Bangkok Bus Terminal and ending the route in provinces in the regions, for example; Bangkok - Chiang Mai and Bangkok - Hat Yai and serviced by Transport Company Limited

**Vehicle Group 3** refers to a bus with starting point of transport in one province and ending in the route of another province in the regions. And in the middle of the route, it may be transporting across many provinces. For example, Saraburi - Lomsak and Chiang Mai-Tak. The service providers include either government agencies such as the Transport Company Limited or private operators such as Nakornchai Air Co., Ltd.

**Vehicle Group 4** refers to a bus with main route and sub-lines that are split into the villages or communities between the origin and destination around Bangkok including small buses serviced in the alley or minibus. And some of them are serviced in the region with the destination point located between the downtown and the districts in the same province. The service providers include both government agencies such as BMTA and private sector operators, such as the minibus like Red Wheel cooperative.

Data sampling used in this study is mixed method sampling, which is a mixture of probability and specific data collection (Creamer, 2018). The sampling is based on regions of the country; in central region, data will be collected in Nakhonsawan province, in Phuket Province for southern, in Khon Kaen province for northeastern, as well as in Bangkok Metropolitan. The selection of areas for data collection will be according to the vehicle group used in this study and according to junction, or main route of economic province in each region that contains a large number of passengers. And data collection is implemented by random sampling with passengers from the bus terminal in each

province using questionnaire with having 5-point scale.

The calculation of sample size used in this study is the Cochran formula (1977) method in case the sample population size is unknown with a confidence level of 95 percent. And the sample size is calculated to have 384 respondents per province. All data is collected in 5 provinces with 410 respondents for each province, 2,050 respondents in total. And the questionnaires are screened to have final 2,000 complete sets namely; 405 sets for Bangkok, 400 respondents for Chiang Mai, 399 respondents for Nakhonsawan, 400 respondents for Phuket and 396 respondents for Khon Kaen.

As for the measurement of reliability of questionnaire with Cronbach's alpha value, the result is 0.916. While the reliability for socially responsible leadership is 0.933, the perception of ISO 26000 compliance is 0.955 and the satisfaction of public bus service is 0.959 and the content validity with the IOC values between 0.67 - 1.00. And for the measurement of convergent validity and the composite reliability of the model, the results reveal that the scale for socially responsible leadership (SRL), the scale of compliance for social responsibility under ISO26000 (ISO) and the scale of public bus service satisfaction (SAT) have a statistically significant ( $\lambda$ ) every value. It show that there are a convergent validity presented by AVE ( $\rho_v$ ) at 0.824, 0.727 and 0.861, and composite reliability ( $\rho_c$ ) at 0.933, 0.948 and 0.961, respectively.

Statistical values used for data analysis are: mean, standard deviation, Pearson correlation coefficient, PHI ( $\phi$ ) correlation coefficients and fit indices using the criterions as follows:  $\chi^2(p$  value) is  $0.01 \leq p \leq .05$ ;  $\chi^2/df \leq 5.0$ ;  $RMSEA \leq 0.10$ ; 90% and CI for RMSEA is left boundary of  $CI \leq 0.10$ ;  $CFI \geq 0.90$ ; and  $NNFI(TFI) \geq 0.90$  (Hooper, Coughlan &

Mullen, 2008)

As for the interpretation of the influence of variables in R family, it can be interpreted that R is the correlation coefficient between observable variables (r). Correlation between latent variables ( $\phi$ ) coefficients  $\gamma$  and  $\beta$ . Where R values are relatively low, moderate, high, and very high at 0.10-0.35, 0.36-0.50, 0.51-0.69, 0.70+, respectively.  $R^2$  has the authority to explain and predict in low, medium, high, and very high when having the values of 0.01-0.12, 0.13-0.25, 0.26-0.48 and 0.49+, respectively (Leech, Barrett & Morgan, 2005).

## Results

### 1. Analysis of the relationship between variables

Table 1 shows the average level of socially responsible leadership (SRL), the perception in the compliance of social responsibility under ISO 26000 (ISO), and the Satisfaction with public transport (SAT) with the values between 3.42 -3.58, which is relatively high.

Considering the observable variables in Table 1, the results suggest that the correlation coefficient between the observable variables is 0.157-0.626, which is positive and significant for all variables. In addition, the correlation coefficient between the socially responsible leadership (SRL) and the perception for the compliance of social responsibility under ISO26000 (ISO) provides the value between 0.157-0.202, which is significantly correlated in every variable. As for the correlation coefficients between socially responsible leaders (SRL) and the satisfaction of bus service (SAT), it provides the value between 0.561-0.626, with significant correlated for all variables. And the correlation coefficient between the perception in the compliance of social responsibility under ISO 26000 (ISO) and the satisfaction of public bus service (SAT) provide the values between 0.173 and 0.208. With all variables significantly correlated. This result, thus, confirms the hypothesis #1.

**Table 1** Correlation coefficient between observable variables

	1	2	3	4	5	6	7	8	9	10	11	12	13	14
1 SRL01	1													
2 SRL02	.838**	1												
3 SRL03	.795**	.839**	1											
4 ISO01	.189**	.171**	.161**	1										
5 ISO02	.197**	.183**	.164**	.845**	1									
6 ISO03	.181**	.166**	.159**	.806**	.827**	1								
7 ISO04	.202**	.189**	.183**	.772**	.795**	.804**	1							
8 ISO05	.194**	.162**	.157**	.779**	.742**	.714**	.699**	1						
9 ISO06	.181**	.179**	.172**	.727**	.712**	.711**	.695**	.766**	1					
10 ISO07	.195**	.181**	.175**	.715**	.723**	.709**	.719**	.756**	.787**	1				
11 SAT01	.626**	.607**	.565**	.189**	.204**	.189**	.200**	.205**	.190**	.207**	1			
12 SAT02	.625**	.604**	.577**	.184**	.193**	.192**	.202**	.209**	.193**	.208**	.844**	1		
13 SAT03	.620**	.608**	.585**	.194**	.202**	.198**	.206**	.202**	.200**	.211**	.861**	.880**	1	
14 SAT04	.621**	.596**	.561**	.176**	.184**	.181**	.183**	.190**	.173**	.182**	.847**	.858**	.837**	1
M	3.450	3.516	3.513	3.508	3.522	3.531	3.589	3.425	3.500	3.526	3.474	3.438	3.473	3.433
SD	.795	.803	.846	.808	.815	.821	.861	.810	.835	.865	.819	.796	.817	.803

Note: N = 2000; \*\*  $p < 0.01$ ;  $p < 0.05$

**Table 2** Correlation coefficient between latent variables

Variables	SRL	ISO	SAT
SRL: Socially responsible leadership	1.000		
ISO: Perception in the compliance of ISO 26000	0.222**	1.000	
SAT: Satisfaction of public bus service	0.707**	0.237**	1.000

Note:  $N = 2000$ ; \*\*  $p < 0.01$ ;  $p < 0.05$

For correlation coefficients between latent variables of socially responsible leadership (SRL), the perception in the compliance of social responsibility under ISO26000 (ISO) and the satisfaction of public bus service (SAT), Table 2 shows that factor involving the socially responsible leadership (SRL) provides low positive relationship statistically with the perception in the compliance of social responsibility under ISO26000 (ISO) ( $SRL \leftrightarrow ISO = 0.222$ ,  $p < 0.01$ ) while it has a very high level of relationship with the satisfaction of public bus service (SAT) significantly ( $SRL \leftrightarrow SAT = 0.707$ ,  $p < 0.01$ ). While the perception in the compliance of social responsibility under ISO26000 (ISO) is positively correlated with the satisfaction of the public bus service (SAT) significantly ( $ISO \leftrightarrow SAT = 0.237$ ,  $p < 0.01$ ).

## 2. Analysis for the Structural Equation Modeling

### Analysis in the components of latent variables

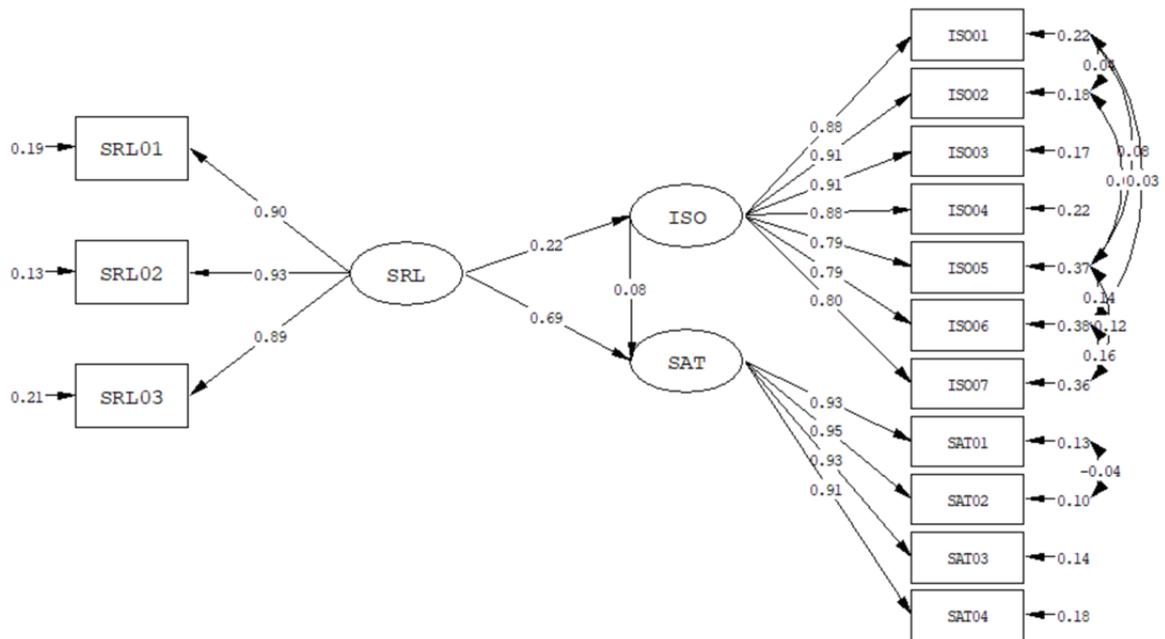
Latent variables for socially responsible leadership (SRL) consist of three observable variables, namely; socially responsible values (SRL01), vision and integrity of leader (SRL02), and socially responsible values of the followers (SRL03). Results of the analysis reveal that the most important component is the leader's vision and integrity, which has a path coefficient value of 0.93, followed by the socially responsible values of the leaders with a path coefficient value of

0.90 and the socially responsible values of the followers with path coefficient value of 0.89.

Latent variables for the perceptions in the compliance under social responsibility- ISO 26000 contain 7 observable variables; organizational governance (ISO01), human rights (ISO02), labor practice (ISO03), environment (ISO04), fair operating practice (ISO05), consumer issues (ISO06) and community involvement and development (ISO07). The results of analysis show that the most important components are human rights and labor practices, in which both components provide the same path coefficient value of 0.91, followed by organizational governance and environment with having the same path coefficient value of 0.88. The fifth important component is community involvement and Development, with path coefficient value of 0.80 and the last are fair operating practice and consumer issues with both having the same path coefficient of 0.79.

Latent variables for the satisfaction toward public bus service (SAT) consist of 4 observable variables namely; satisfaction to safety (SAT01), convenience (SAT02), service (SAT03) and physical (SAT04). The results of analysis indicate that the most important component variable is satisfaction toward convenience which has a path coefficient value of 0.95, followed by the satisfaction toward safety and service, in which both provide the same path coefficient value of 0.93. And the

last is satisfaction in term of physical with having path coefficient value of 0.91.



**Figure 2:** Structural Equation Modeling for socially responsible leadership, the perception in the compliance of social responsibility under ISO 2600 and the satisfaction with the service of public buses.

### Results from the Structural Equation Modeling

The analysis results for correlation coefficient reveal that the path coefficient between the socially responsible leadership (SRL) variable and the satisfaction toward public bus service (SAT) is found to be the highest with path coefficient value of 0.69, followed by the path coefficient between the variable of socially responsible leadership (SRL) and the perception in the compliance of social responsibility under ISO26000 (ISO) with having path coefficient value of 0.22. And the last is path coefficient between the variables of the perception for the compliance under ISO 26000 and the satisfaction toward the public bus service (SAT), with the path coefficient value of 0.08

Analysis results for the model of structural equations as shown in Figures 2 and Table 3 indicate that the socially responsible leadership (SRL) has a significant direct positive influence on the perception of stakeholders in the compliance for social responsibility under ISO26000 (ISO) and has the variance as predicted by the socially responsible leadership in a significantly low level of 4.9 percent. This, therefore, confirms the hypothesis #2.

Socially responsible leadership (SRL) has a significant direct positive influence toward public bus service satisfaction (SAT) and has a significant indirect effect through the perception in the compliance of social responsibility - ISO26000 with having the variance value as predicted by the socially responsible leadership for 50.6, which is

very high. And total effect coefficient provides the value of 0.705. This means that the socially responsible leadership has a significant influence toward public bus service satisfaction, totally in a high level. Thus, this confirms the hypothesis #3

can influence the leader's vision and integrity, which leads to the socially responsible values of the followers. The values of social responsibility of the leaders will be a good example for people in the organization to follow the leaders. As a result,

**Table 3** Coefficient of total, direct and indirect effects

ETA	KSI → ETA	ETA <sub>1</sub> → ETA <sub>2</sub>	DE	IE	TE	R <sup>2</sup>
SAT	SRL → SAT		0.688**	0.019**	0.707**	0.506
		ISO → SAT	0.084**		0.084**	
ISO	SRL → ISO		0.222**		0.222**	0.049

Goodness of Fit Statistics:

$\chi^2 = 138.92$ ;  $df = 66$ ;  $\chi^2/df = 2.10$ ;  $CFI = 0.999$ ;  $NNFI = 0.998$ ;  $RMSEA = 0.024$ ; 90% CI for  $RMSEA = 0.018$

As for the fit indices of the Structural Equation Modeling, socially responsible leadership, the perception in the compliance for social responsibility under ISO 2600, and the satisfaction toward public bus service provide the fit indices meets the requirement as set out in Table 3.

## Discussions and Recommendations

### Discussions

The results of the research on the influence of socially responsible leadership on the perception in the compliance for social responsibility under ISO 26000 and the satisfaction with the service of public buses suggest the following findings:

Socially responsible leadership has a statistically significant positive influence on the perception in the compliance for social responsibility under ISO 26000, with a coefficient value of 0.22, which corresponds to Nonthanathorn (2015b), Chanthasuan (2017), Somboonkit (2017) and Nonthanathorn (2015d), and according with the theory of socially responsible leadership where the values of social responsibility of the leader

the organization has a serious ongoing social responsibility, having the values that will determine the behaviors of people in the organization and affects to the perception of the stakeholders. Thus, socially responsible leadership influences on the perception in the compliance for social responsibility in accordance with ISO 26000.

Socially responsible leadership has a statistically significant positive effect on the public bus service satisfaction, with a coefficient value of 0.69, which corresponds to Setyaningrum (2017) and Saeidi et al. (2015). That is, leadership will be carried out with regard to consumers or customers in making them to become satisfied by using the values of social responsibility that will affect the management policies of the organization. The values of social responsibility will appear in the values of leaders and followers. It also appears in the vision and integrity of the leader, which will be the principle that leaders use to carry out activities to meet the needs of customers as expected. Socially responsible leadership, therefore, influences the service satisfaction of bus service operators.

The perception in the compliance for social responsibility under ISO 26000 has a statistically significant positive influence on public bus service satisfaction with a coefficient value of 0.84 which corresponds to Martinez & Bosque (2013) and Chung, Yu, Choi & Shin (2015). That is, the compliance for social responsibility under ISO26000 is consistent with consumer satisfaction issues, such as fair operating practice, consumers or service recipients, organizational governance which is the principle of ISO 26000, covering seven key issues that are in consistent with CSR guidelines. Therefore, when customers recognize the compliance for social responsibility as accordance with ISO 26000, the service of public bus operators will also become satisfied.

### **Recommendations**

Since the results of the study indicate that socially responsible leadership (SRL) has a statistically significant positive influence on public bus service satisfaction (SAT) and has a positive indirect influence with the perception in the compliance for social responsibility under ISO 2600. In addition, it also has the authority in explaining and prediction to the satisfaction of public transport services (SAT) for about 50.6 percent, which is very high. Therefore, the following suggestions are provided.

1. Recommendations on government policies, especially for the Land Transport Department, which is responsible for public buses and road safety in which results of this research can be used to define the standards of social respon-

sibility in accordance with ISO26000 for service operators to comply with. This can be implemented by offering benefits to organizations that comply with this standard, such as by granting the rights to extend the transportation route or by coordinating with Department of Insurance to offer reduction of insurance premiums since the compliance with ISO26000 makes passengers become more confident and satisfied with the service provided by public bus operators in terms of comfort, security, service and physical.

2. Recommendations to the management of public bus operators, in which they should work in a variety of areas to ensure that service recipients are satisfied by; (1) Developing socially responsible leadership in the organization by focusing on the vision and integrity of the leaders, socially responsible values of the leaders, the values and social responsibility of followers, respectively. (2) Improving the compliance for Social Responsibility under ISO26000 by focusing on the implementation of labor practices and human rights and (3) Developing the services in terms of comfort, safety, service and physical, respectively.

3. Recommendation for the research is that, other variables should be studied from the conceptual framework of this research particularly in terms of strategic communication which will help to increase the perception in the compliance for social responsibility under ISO 2600 among customers for the public bus services.

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