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The Effect of Situational, Transformational, and Transactional Leadership on Firm Survival During the Crisis of Covid-19: Empirical Evidence from Restaurants Distribution in Thailand

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Abstract

Purpose: This study examined the effect of situational, transformational, and transactional leadership on the firm survival of restaurants distribution in Thailand during the COVID-19 pandemic. Following the existing literature, situational, transformational, and transactional leadership are the origin of firm performance leading to firm survival. Therefore, situational, transformational, and transactional leadership were the critical factors in creating the firm implementation of restaurants distribution in Thailand. **Research design, data, and methodology:** The sample consisted of 400 restaurants in Thailand, and the statistical approach for data analysis was an ordinary least-squares regression. The study analyzed the response bias, validity, and reliability. **Results:** Significantly, these findings firmly revealed that situational, transformational, and transactional leadership primarily positively affected firm performance. However, the uncertain environmental conditions had a moderate impact, resulting in a negative correlation between the three leadership styles and the company's performance. **Conclusions:** Despite the COVID-19 situation in Thailand, the research findings show no significant positive correlation between the performance of restaurants distribution and their survival as a business due to the COVID-19 pandemic is rare for firms to endure and survive, including restaurants distribution in Thailand. In conclusion, we have presented practical and theoretical ideas and recommendations for future research.

Keywords : Situational Leadership, Transformational Leadership, Transactional Leadership, Firm Survival, Restaurants Distribution

JEL Classification Code : M19, M10, M30

1. Introduction

The COVID-19 pandemic is drastically causing adverse effects worldwide, resulting in many sicknesses and death. The global tourism industry and related businesses, such as restaurants, have been greatly affected by the pandemic, leading to a slowdown in worldwide industrial production.

In the financial sector, the COVID-19 crisis has also contributed to the world economy entering an economic crisis mainly caused by the health crisis (Pirun, 2020). As for the impact of the novel coronavirus outbreak on the world economy in April 2020, the International Monetary Fund has estimated that the novel coronavirus outbreak would shrink the global economy by 3.2 percent. The

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worldwide pandemic primarily impacted this industry; social distancing measures and general caution towards public places caused consumers to dine out less worldwide, compared to 2019, which was 0.81 percent on August 1, 2022 (International Monetary Fund, 2022). In this regard, the U.S. restaurant industry and the National Restaurant Association showed three times more than USD 80 billion loss in sales at the end of 2020. Also, the economies of the ten Association members of the Southeast Asian Nations (ASEAN) reduced by 2.1% in 2020, and Thailand was the most affected ASEAN country. In this regard, Bank of Ayudhya Public Company Limited, one of the major Thai banks, predicted that the main service businesses, including restaurants, airlines, and hotels, would encounter difficult situations. Hence, the number of non-payment restaurant operators is expected to increase by 39 percent; while the number of operators needing liquidity should increase by 35 percent and 27 percent, respectively. As a result, most restaurant businesses require help to maintain their sales and profits. At the same time, some desperately earned lower profits and needed to reduce their working capital (Bank of Ayudhya Public Company Limited, 2022).

To solve such problems, restaurant leaders need to be aware, review, take action, and consider their service management plans to support the changing consumer behavior toward digitizing organizational structures and systems. The influence of leadership on the restaurant also varies. Especially with the 2020-2021 COVID-19 outbreak, it offers an ideal context for examining leaders' roles during severe crises. One of the critical things' restaurants can do to survive the COVID-19 crisis is to improve their restaurant/business's performance by developing and enhancing the restaurant/business's leadership style.

Some leadership approaches considered suitable for the COVID-19 crisis are situational, transformational, and transactional leadership for firm survival (Shin et al., 2017). All these leaders can increase operating income and profit from the investment or the company's flexibility level. Situation leadership has been generally applied in organizations, and leaders select situational leadership theory in managing a crisis (Prabhakar & Yaseen, 2016). According to Purwanto et al. (2020) and Quddus et al. (2020), transformational leadership is a leader who can make changes to employees and can inspire or motivate employees. However, transactional leadership arises between leaders and their followers and focuses on results and measured success according to an organization's system of rewards and penalties (Northouse, 2018). Some factors of a company's performance are Situational Leadership, Transformational Leadership, and Transactional Leadership, and recent studies (e.g., Hebles et al., 2022; Winasis et al., 2020) have found a significant relationship between transformational leadership, turnover intentions,

and psychological capital. One of the best leadership styles for managing an external crisis is transformational. Transformational leaders see the bigger picture to better understand the extent of the crisis before executing a response. They seek the counsel of those closest to the situation and harness others' know-how to create a logical, flexible, and adaptive plan. However, a firm's survival can also raise operating income and more profit from the investment or the level of flexibility of the company.

Most consumers avoid eating out, and some of them are accustomed to cooking food at home and begin to expect safety, hygiene, and confidence in using the services of restaurants. Customers may stop patronizing the establishment if a restaurant fails to provide satisfactory customer service or instills confidence. Therefore, restaurant business leaders should adopt strategies to restore customer service and confidence. This allows businesses to control the situation.

There are several leadership styles today, and many previous researchers still have different opinions. Khalil et al. (2017) stated that in situational leadership, he/she a leader has to be task-oriented and relationship oriented. On the other hand, transformational leadership can maintain continuous and sustainable organizational innovation and make organizations more agile. However, the employees feel motivated because transactional leadership appeals to their self-interest and offers rewards and benefits because it is considered suitable to the moral values of employees. Yukl and Gardner (2020) say this process boosts employees' energy and resources while raising their awareness of ethical concerns.

This study explores the effect of situational leadership, transformational leadership, and transactional leadership on the operating results of restaurant businesses in Thailand. This also studies the influence of an uncertain environment on the relationship and the performance of the restaurant businesses in Thailand. Based on earlier literature, it is assumed that situational leadership, transformational leadership, and transactional leadership have influenced the performance of restaurant businesses, and transactional leadership simultaneously affects employee creativity at restaurant-based small-medium enterprises. The information and reasons mentioned above intrigued the researcher, which piqued his interest in conducting further study. In the case of the COVID-19 crisis, if each entrepreneur utilized different styles of leadership; for example, situational leadership, transformational leadership, and transactional leadership, which could empower the restaurant businesses in Thailand to perform better and survive the most? This is a crucial question since the restaurant business is the one that is most affected by this crisis. Moreover, under today's uncertain environment, what kind of leadership should an entrepreneur have to make

the restaurant business more viable? The problem with the COVID-10 crisis was that most restaurant businesses could not maintain their sales and profits while some desperately earned lower profits and needed to reduce their working capital. This research can also serve as a guideline for restaurant operators in Thailand to continue the role of proper leadership in critical situations that often arise under uncertain environments.

2. Literature Review

2.1. Leadership

2.1.1. Situational Leadership

Based on one of the most popular managerial leadership styles was developed by Hapsari et al. (2021), who suggested assisting practice managers and administrators in determining what leadership style is appropriate at a specific time in a restaurant or organization. Restaurant or business leaders could employ situational leadership theory to develop their human resources and ongoing organization of their subordinates. Therefore, situation leadership can be used in managing an organization during the COVID-19 pandemic or in the occurrence of an organizer industry to survive adversity during a pandemic situation (Mulyana et al., 2022; Ghazzawi et al., 2017; Riyanto et al., 2021).

2.1.2. Transformational Leadership

Transformational leadership refers to a set of behaviors of leaders that lead to employee motivation or other emotional states and increase employee performance (Choi et al., 2016; Jensen & Bro, 2018). To apply this style of leadership, we need to understand and assume that four human needs cannot be negotiated and should be recognized by a transformational leadership model (Yuliantoro, 2020; Astrauskaite et al., 2015; Astuty & Udin, 2020). This means effectively addressing both internal and external issues productively. If the leader has achieved something from what used to be the leader's assumption, then it can be a shared assumption (Chammas & Hernandez, 2019; Lyubykh et al., 2022).

2.1.3. Transactional Leadership

The transactional leadership theory is based on the idea that leaders give employees something they want, such as bonuses, promotions, or other incentives upon goal completion to increase self-efficacy in followers for exchange. This leadership approach applies rewards in exchange for something but becomes essential for discipline (Northouse, 2018). Transformational leadership argues that performance and development are crucial for the success of

an organization because it relies on using existing resources as the basis for change. Transactional leadership incentivizes individuals to achieve desired outcomes or modify their attitudes and behaviors through rewards and benefits, as stated in Vermeulen et al.'s (2017) research. Therefore, we expected that transformational leadership is a second-order construct.

2.2. Related Research

Table 1: Theoretical background

Article	Details
1. Boonyachai (2019)	"The Comparisons of Executives' Leadership and Satisfaction Levels in Small and Medium Hotel and Restaurant Businesses in Nonthaburi Province."
Findings and Conclusions	The results showed that most employees indicating their executive's leadership were transformational leaders in inspiration motivation, followed by the transformational leader in intellectual stimulation. The hypothesis testing showed that different levels of education background, position, and the duration of employment of employees caused different opinions on the leadership of a statistically significant level of 0.05. Most employees were satisfied with their executive use of leadership skills and communication skills. Different levels of education, positions, and the duration of employment of employees caused different satisfaction of their executives of a statistically significant level of 0.05.
2. Hussain et al. (2017)	"Transactional leadership and organizational creativity: Examining the mediating role of knowledge sharing behavior."
Findings and Conclusions	The results showed that transactional leadership and knowledge sharing have a positive relationship with creativity, and knowledge sharing mediates the role between transactional leadership and organizational creativity. The theoretical framework will be used for future research of this paper to foster the extrinsic reward as an exchange for knowledge sharing and creativity.
3. Zafar (2018)	"Transformational Leadership Skills for Home Healthcare Agencies' Survival"
Findings	Healthcare practitioners with a transformational leadership style can incentivize employees for better performance, ultimately leading to organizational survival.
4. Princes and Said (2022)	This study aims to evaluate the effect of factors such as project complexity, trust in leaders, performance readiness, and situational leadership on financial sustainability.

Article	Details
Findings	According to the study, utilizing situational leadership can benefit financial sustainability when dealing with complex projects. This means managing project complexities, employee performance readiness, situational leadership style, and trust in leaders to increase financial sustainability. Therefore, the findings also provide substantial empirical evidence for future work in the project management area.
6. Mortensen and Needham (2022)	"I do not want to be one of her favorites. Emotional display and the co-production of frontline care services."
Findings	This discovery helps us better understand why public services continue to be produced collaboratively for extended periods. The duration was a factor in emotional closeness and effective co-design but not in successful co-delivery.
7. Purwanto (2022)	"The role of transformational leadership and organizational citizenship behavior on SMEs employee performance."
Findings	The results of the study found that transformational leadership has a positive and significant effect on Organizational Citizenship Behavior, transformational leadership has a positive and significant effect on employee performance, and Organizational Citizenship Behavior has a positive and significant effect on employee performance; Organizational Citizenship Behavior mediates partially and positively and significantly the relationship between transformational leadership and employee performance.

2.3. Developing Hypotheses and Hypotheses

2.3.1. Situational Leadership

Based on one of the most popular managerial leadership styles was developed by Hapsari et al. (2021), who suggested assisting practice managers and administrators in determining what leadership style is appropriate at a specific time in a restaurant or organization. This theory is interchangeable between the amount of direction leaders give to subordinates, the amount of socio-emotional support that leaders provide, and the level that subordinates determine on detailed tasks. Moreover, Hapsari et al. (2021) highlighted that restaurant or business leaders could employ the situational leadership theory to develop their human resources and ongoing organization of their subordinates. Understanding the theory of this situation, leadership is related to adaptive leader behavior within a concept of their leadership style in the right situation. According to Ghazzawi et al. (2017) and Riyanto et al. (2021), this leadership style is used effectively in specific situations.

Therefore, from all of the above situations, leadership highlighted that it could provide a positive correlation with firm performance, which leads to the following assumptions:

H1: Situational leadership provides a positive correlation with firm performance.

2.3.2. Transformational Leadership

Leaders with a transformational leadership style make a difference in restaurants or organizations (Sosik & Jung, 2018). Studies conducted during the previous decades recommend that transformational leadership is considerably related to the followers' behaviors and performance (Khan et al., 2020; Jensen & Bro, 2018)

To apply transformational leadership, employees must have a good experience in satisfaction and organizational engagement. However, if the restaurant or organization can change leaders, this improves jobs, encourages good employee behavior, and drives good thinking and decision-making. This can ultimately increase the company's output effectiveness (Purwanto & Agus, 2022). Therefore, it is very likely that transformational leadership will result in better performance of the restaurant or organization, leading to the following assumptions:

H2: Transformational leadership provides a positive correlation with firm performance.

2.3.3. Transactional Leadership

Transactional leadership prioritizes the exchange between the leader and the follower to help the leaders succeed in their goals. The exchanging leadership enables employees to do what they care about by motivating them to increase quality, and customer service, reduce costs and increase. Transactional leadership also determines what employees should do to achieve restaurant and organizational goals and helps employees gain confidence in doing the task (Saira et al., 2020; Im et al., 2021). Transactional leadership encourages the leader to adapt his style and behavior to understand followers' expectations, such as bonuses or pay raises (Nurlina, 2022). Therefore, it is very likely that transactional leadership results in better corporate performance leading to the following assumptions:

H3: Transactional leadership has a positive correlation with firm performance.

In addition, studies have shown that leadership affects the survival of organizations such as hospital organizations, non-profit art organizations, and domestic small and medium enterprises in Geria (Zafar, 2018; Boonyachai,

2019). Transformational and transactional leadership will affect the survival of restaurant organizations in Thailand. This leads to the following assumptions:

- H4:** Situational leadership has a positive correlation with firm survival.
- H5:** Transformational leadership has a positive correlation with firm survival.
- H6:** Transactional leadership has a positive correlation with firm survival.

2.3.4. Environmental Uncertainty

Environmental uncertainty can occur when competition or consumer preferences increase the focus on innovation (Syed et al., 2020). Restaurants or organizations can respond to this environmental uncertainty by adapting. There are two main approaches to measuring environmental uncertainty: assessing environmental factors and adopting different orientations to ensure competitiveness and desired operational performance (Laguir et al., 2022; Deng et al., 2020: 1). However, that environmental uncertainty is rooted in changes in the external environment, which ultimately affects the level of corporate activities and leads to fluctuations in the sales revenue of a restaurant or organization (Mishra & Mishra, 2019). We should also pay attention to the idiosyncratic risk that may be generated by environmental uncertainty; the research of Hua and Xu (2018) shows that environmental uncertainty will lead to a rise in cash flow fluctuation and a decline in the quality of accounting information, which will positively promote the idiosyncratic risk of the company.

This leads to the following assumptions from the following:

- H7:** An environmental uncertainty influences the relationship between situational leadership and firm performance.
- H8:** An environmental uncertainty influences the relationship between transformational leadership and firm performance.
- H9:** An environmental uncertainty influences the relationship between transactional leadership and firm performance.

2.3.5. Firms Performance

Firms' performance motivates them to attract new customers to buy products and services. A firm's

performance can lower variability in future earnings and stock returns for firms run by capable leaders with high managerial ability (Chen & Lin, 2018; Holt & Bonsall, 2017) and found the ability to generate better long-term buy-and-hold returns of the acquiring firms. Furthermore, Neukirchen et al. (2021), and Kumar and Zbib (2022) found that a firm's efficiency positively affected stock returns during the COVID-19 pandemic and provided evidence of the importance of a CEO's managerial ability during an economic crisis. Even under a crisis, they also found that these firms witnessed higher returns on equity than their counterparts. Many firms experienced more financial constraints because of difficulty reaching markets and other factors during this crisis, but other firms were more self-sufficient and less financially constrained. They found that better performance by firms is the financial flexibility that these firms have compared to their counterparts. Therefore, it is very likely that corporate performance will affect the survival of the organization entailing the following assumptions:

- H10:** Firms performance is positively correlated with firms' survival.

2.3.6. Firms Survival

A firm's survival means an increase in operating income and more profit from the investment or the level of flexibility of the company. Based on restaurant operations, this study measures a firm's survival during the COVID-19 pandemic crisis. So, the survival and growth of a restaurant or organization are determined by its resources and capabilities, with both tangible and intangible resources (Shin et al., 2017). Therefore, the utilization of resources is maximized to improve performance and the firm's survival. Boonyachai (2019) looked at the failure rate of SMEs in Nonthaburi province, Thailand; small and medium firms and enterprises that can survive are where entrepreneurs have leadership in both the practice of entrepreneurs and treating employees. This study intended to discuss the concepts of different leadership styles focusing on situational leadership, transformational leadership, and transactional leadership.

From reviewing the literature and presenting all the hypotheses mentioned above, the researcher led to the following conceptual framework, as shown in Figure 1:

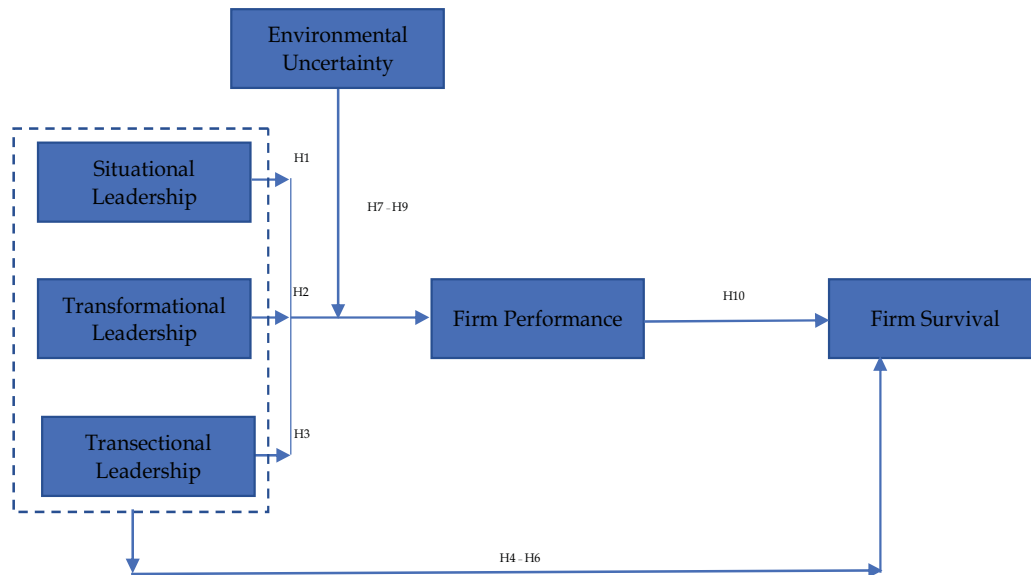


Figure 1: Conceptual Framework

3. Research Methods and Materials

3.1. Samplings

This paper's quantitative research was carried out to collect data. To considerably detect any possible problems from the non-response errors, the non-response bias assessment and investigation were conducted by primarily comparing the first wave data to the second one, as recommended by Struminskaya and Gummer (2022). The population resulting from this included the restaurant businesses in Thailand registered as limited companies, limited partnerships, and ordinary juristic partnerships with the Department of Business Development, amounting to 15,548 businesses. Based on the Taro Yamane table, the population of 15,548 businesses, the number of samples at $\pm 5\%$ error was calculated as 391 businesses. To ensure the accuracy of the data and minimize errors related to the population survey, a sample of 400 businesses was utilized. Using a stratified sampling method, the samples were classified proportionally by province in Thailand.

3.2. Measurements

Factor loadings were statistically significant and greater than the 0.40 cut-off. Additionally, the scale reliability of the measurements was validated by Cronbach alpha coefficients, and the coefficients were found to be higher than 0.70 (DeVellis & Thorpe, 2021). Table 2 below presents the results of factor loadings and Cronbach alpha coefficients from the multiple-item scales used in this study.

Table 2: Results of Measurement Validation

Item	Factor Loading	Cronbach Alpha
Situational Leadership	0.798 – 0.899	0.950
Transformational Leadership	0.766 - 0.802	0.857
Transactional Leadership	0.715 – 0.874	0.926
Environmental Uncertainty	0.756 – 0.904	0.753
Firm Performance	0.809 – 0.899	0.751
Firm Survival	0.865 – 0.936	0.932

3.3. Data Analysis and Result

Four hundred questionnaires were distributed to the restaurant businesses in Thailand registered as a limited company, limited partnership, and ordinary juristic partnership with the Department of Business Development (2021).

3.4. Qualitative

3.4.1. Sampling (Quantitative)

Regarding the questionnaire mailing list, 400 surveys were sent via valid emails, and 153 pieces of the fully completed and usable surveys were returned. However, the t-test was utilized to find the difference between the early and late responses from firms of different sizes and ages. None of the significant differences between the two groups were found. Thus, the non-response bias was affirmed to cause no significant problems in this study.

3.4.2. Sampling (Qualitative)

The qualitative sampling is in the form of a limited company of 5 persons, a limited partnership of 5 persons, and an ordinary partnership with a juristic person of 5 persons. Moreover, qualitative data processing software as NVivo is included in the research paper to ensure scientific validity of the paper.

3.5. Statistical Techniques

The ordinary least squares (OLS) regression analysis resulted from this adopted to verify all hypotheses as expected in the conceptual model firmly. Remarkably, all the above variables were crucial in describing the research relationships. Since all of this study's dependent, independent, moderating, and control variables were neither nominal data nor categorical data, OLS was a practical approach to comprehending the hypothesized relationships.

4. Results and Discussion

Table 3 below explains the descriptive statistics and correlation matrix derived from all variables. For the potential problems concerning the multicollinearity, variance inflation factors (VIFs) were applied to grant the data to the extent where the non-orthogonality within the independent variables magnified the standard errors. These VIFs ranged from 1.007 to 1.231, which were lower than the 10 cut-offs introduced by (Neter, Wasserman, & Kutner, 1985), implying that none of the correlations were found among those independent variables. Accordingly, no substantial multicollinearity problems existed while this study was being conducted.

Table 3: Descriptive Statistics and Correlation Matrix

	SL	TL	TS	EU	FP	FSV
Mean	4.15	4.47	3.99	4.18	2.57	3.34
S.D.	0.52	0.27	0.42	0.36	0.46	0.66
SL						
TL	.607**					
TS	.240**	.249**				
EU	.349**	.436**	.198**			
FP	.382**	.405**	.367**	.362**		
FSV	.240**	.382**	.109	.346**	.262**	
FA	.106	.012	.131	-.057	.019	.123
FS	.165**	.041	.051	.152	.087	.189**

Note: *** p < 0.01, ** p < 0.05, *p<0.1

Tables 4 and 5 from the following demonstrated the results after OLS regression analysis on three styles of relationships, including situational, transformational, transactional leadership, and firm performance. These tables also presented the results from the relationships between

those three leaders and the firm performance under the moderator effect of environmental uncertainty. The relationship between firm performance and firm survival was explained by the last model in Table 4 explained. Based on these results, situational leadership significantly positively affected the firm performance ($b1=0.346$, $p<0.01$). Hypothesis 1 was affirmed. Besides, the results were consistent with the previous studies by several researchers (Riyanto et al., 2021; Chen & Sriphon, 2021; Khalil, Bernard, & Radwan, 2017) whose results affirmed the significant and positive relationship between situational leadership and the firm's performance—especially relating to Mulyana, Ridaryanthi, Faridah, Umbrella and Endri (2022) that the situational leadership style can relate to the role of restaurant leaders to change their strategy based on the current situation adaptively. These results were like this because the restaurant leaders have identified the prevailing situation and tried adapting to changes in the culture or atmosphere in the organization due to the COVID-19 pandemic with a participative approach, such as discussing and negotiating with the employees.

Table 4: Results of Regression Analysis

Independent Variables	Dependent Variable			
	Model 1 FP	Model 2 FP	Model 3 FP	Model 4 FP
SL	.346*** (-0.077)	.345*** (-0.076)		
TL			.433*** (-0.074)	.415*** (-0.07)
EU		0.03 (-0.047)		0.028 (-0.032)
SL*EU		-.020*** (-0.039)		
TL*EU				-.018*** (-0.037)
FS	-0.088 (-0.308)	-0.189 (-0.453)	-0.168 (-0.293)	-0.153 (-0.268)
FA	0.231 (-0.309)	0.25 (-0.33)	0.309 (-0.295)	0.26 (-0.259)
Adjust R ²	0.511	0.667	0.682	0.573

Note: *** p < 0.01, ** p < 0.05, *p<0.1

Table 5: Results of regression analysis

Independent Variables	Dependent Variable		
	Model 5 FP	Model 6 FP	Model 7 FSV
TS	.191** (-0.081)	.190** (-0.079)	
EU		0.032 (-0.04)	
TS*EU		-.021*** (-0.041)	

Independent Variables	Dependent Variable		
	Model 5	Model 6	Model 7
	FP	FP	FSV
FP			-0.089
			(-0.081)
FS	-0.259	-0.243	-0.563
	(-0.319)	(-0.405)	(-0.323)
FA	0.354	0.362	0.596
	(-0.321)	(-0.249)	(-0.326)
Adjust R ²	0.52	0.628	0.513

Note: *** p < 0.01, ** p < 0.05, *p<0.1

Furthermore, in the relationship between transformational leadership and firms' performance, transformational leadership significantly had a positive effect on the Firm's performance ($b_9=0.433$, $p<0.01$) which was similar to the study of Meng and Berger (2019), Hapsari et al. (2021), and Winastiani et al. (2022) where it was revealed that transformational leadership provided a positive effect on the business' performance with essential management functions that help maximize efficiency and achieve organizational goals. So, these findings proved that Hypothesis 2 was true. As a result, these results also confirmed that transactional leadership had a significant and positive effect on the Firm's performance ($b_{17}=0.191$, $p<0.05$). The scores were like this because this leadership involves the use of rewards to align employees' self-interest with the restaurant or organizational goals but tends to promote follower dependency, which can harm follower creativity while working (Thompson & Glaso, 2018). Transactional leaders usually approach employees by controlling and directing, which leads to an uncomfortable team environment and reduces their motivation level for work. As a result, employees will have a limitation in terms of yearly performance and risk mitigation abilities during the crisis.

Hypothesis 4, 5, and 6 proposed that situational, transformational, and transactional leadership could positively correlate with firm survival. However, it was finally found, as discussed in the table, that those three leadership styles were not positively and significantly related to the firm survival ($b_{28}=-0.27$, $p>0.1$; $b_{31}=-0.052$, $p>0.1$; $b_{34}=0.33$, $p>0.1$) so that Hypothesis 4, 5, 6 were proved to be incorrect. These results helped explain that although those three styles of leadership, i.e., situational, transformational, and transactional leadership, were implemented in the restaurant businesses during the COVID-19 pandemic, it was insufficient to support the firm's survival (Table 6).

Table 6: Results of regression analysis

Independent Variables	Dependent Variable		
	Model 8	Model 9	Model 10
	FSV	FSV	FSV
SL	-0.027		
	-0.082		

Independent Variables	Dependent Variable		
	Model 8	Model 9	Model 10
	FSV	FSV	FSV
TL		-0.052	
		-0.081	
TS			0.033
			-0.082
FS	-0.554	-0.552	-0.537
	-0.326	-0.323	-0.323
FA	0.574	0.571	0.553
	-0.328	-0.325	-0.326
Adjust R ²	0.528	0.53	0.612

Note: *** p < 0.01, ** p < 0.05, *p<0.1

In addition, Table 4 and Table 5 presented the results of the OLS regression analysis on the moderate effect of environmental uncertainty on situational, transformational, and transactional leadership and firm performance. In contrast, hypotheses 7, 8, and 9 assumed that environmental uncertainty influences the relationship between the three leadership styles and firm performance. Explicitly, these results affirmed that the environmental uncertainty provided a moderate effect that further caused the negative relationship between those leadership styles and the firm performance in the context of restaurants in Thailand ($b_6=-0.20$, $p<0.01$; $b_{14}=-0.018$, $p<0.01$; $b_{22}=-0.021$, $p<0.01$). Hence, hypotheses 7, 8, and 9 are supported. These can explain that under the environmental uncertainty of COVID-19, the increase in leadership leads to a decrease in firm performance. In this concept, the environmental uncertainty of COVID-19 is the cause of the lower performance of restaurant firms in Thailand despite the presence of situational leadership, transformational leadership, and transactional leadership of their administrators.

Moreover, Table 5 indicated that the firm performance showed no significant and positive correlation with firm survival ($b_{25}=-0.089$, $p>0.1$); therefore, Hypothesis 10 was not true in COVID-19.

In addition, the in-depth interview with restaurant entrepreneurs or administrators of a limited company of 5 persons, in the form of a limited partnership of 5 persons, and in the form of an ordinary partnership with a juristic person of 5 persons, revealed that "the policy and action from the Thai government is the main effect to destroy restaurant businesses immediately in wave one and repeatedly in waves 2 and 3 of Covid-19 spread within Thailand." "If the Covid-19 spread out does not stop, most businesses and restaurants have to stop their business completely" "There were no customers," "This is an abnormal situation. A better way for a restaurant to survive is to transition to product manufacturing to enter the consumer market. That is not the definition of a restaurant." "My employees are in better spirits following my coaching,

rewards, and empowerment, leading to better performance. However, during the uncertain environment of Covid-19, we cannot survive our business.” For the main question following the conceptual model, most administrators revealed that every type of this leader could improve the restaurant’s performance. However, it is insufficient to keep the business alive or survive consistently with quantitative data.

5. Conclusions

Based on the analytical results, some things should be discussed about the effect of situational, transformational, and transactional leadership on a firm's survival during the COVID-19 crisis applicable to restaurants in Thailand. A few studies, including Han et al. (2017), have been concerned with applying or developing the concept of transformational, transactional, and situational leadership theories for restaurants or organization leaders on a firm's survival. This is because transactional and transformational theories can be used together to approach leadership.

In contrast, situational leadership theory characterizes leader behavior as a task or people-centered (Woods, 2019). This research aims to understand how these three leadership styles were related to the Firm’s survival, mainly focusing on the Firm’s performance and the moderate effect of environmental uncertainty on the relationship that these leadership styles could have with the Firm’s performance. Interestingly, the study outcome revealed that situational, transformational, and transactional leadership significantly positively affected the Firm's performance. However, the Firm's performance showed neither a significant nor positive relationship with the Firm's survival. On the other hand, the uncertain environment around the COVID-19 situation surprisingly had a significant negative effect, at a moderate level, on the relationship of situational leadership, transformational leadership, and transactional leadership with the restaurant's performance in Thailand.

6. Theory and Restaurants Distribution Implications

This study supports further development and introduces a clear insight into the relationship between situational, transformational, and transactional leadership and a firm's survival. Considering the firm’s performance and the moderate effect of any uncertain environment affecting the relationship between those three leadership styles and the firm's performance should also be studied in more detail. Although the research suggests the need for more comprehensive studies involving a wider range of samples

from different sectors to establish a more dependable and precise framework, it has provided valuable insights that can help managers, particularly those in Thailand's restaurant industry. By implementing situational, transformational, and transactional leadership, administrators can improve their company’s performance and achieve success. Hereafter, these three styles of leadership have lately become a critical issue for the executives in restaurant businesses since it was affirmed in this study that situational leadership, transformational leadership, and transactional leadership had been firmly proven to be significantly correlated with the firms’ performance of the restaurants in Thailand during the COVID-19 situation. Nevertheless, the COVID-19 pandemic is rare for firms to endure & survive, including restaurants in Thailand.

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