



Effects of the Reorganization Factors on Employee Attitude Toward the
Results of Change in Metro Systems Corporation Public
Company Limited: A Case Study

By

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A Thesis submitted in partial fulfillment
of the requirements for the degree of

Master of Management in Organization Development and Management

Graduate School of Business
Assumption University
Bangkok, Thailand

November 2004

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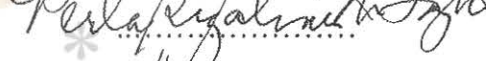
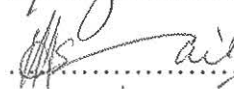

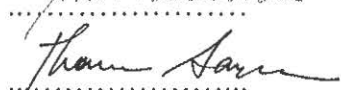
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CHAPTER 1

BACKGROUND OF THE STUDY AND THE PROBLEM

Global Context

Changes in leadership in global industries have been dramatic over the past 20 years. If one looks at the rankings of the largest firms in terms of turnover of performance in the major world industries, the main player may or may not be different, but their relative positions in critical areas have radically changed. The explanation given for global competition and the ability of firms to compete internationally seem to focus on the possession of a basic advantage that gives a firm a leading edge in international markets. Change is avalanching down upon our heads and most people are utterly unprepared to cope with it. Tomorrow's world will be different from today's, calling for new organizational approaches. IBM, once America's premier growth company, is now talking mostly about cutbacks.

To come to grip with a changing market place and nine years of lackluster performance, IBM announced plans to cut an additional 35,000 jobs and carve \$1.75 billion from annual costs. Many industry analysts feel IBM has been slow to react to changes in the computer industry. While rushing to get its first personal computer out quickly, IBM ceded control of the operating system to Microsoft Corp. and the microprocessor standard to Intel Corp. IBM blindly lost architectural control of its own personal computer market and was consequently unable to reap the financial rewards of upgrade rights.

Chief Executive Officer Louis V. Gerstner Jr. has begun implementing measures to hack old IBM bureaucracy, improve product distribution and develop a greater sense of customer needs. Gerstner was appointed to his position shortly after IBM posted its first-ever operating loss under former head John F. Akers. He has set up task forces to explore growth opportunities and promised that IBM will execute its strategies better. (David, 1993)

Due to above case of a top-leading company in the IT industry, it shows that the organizations will need to be adapting to these changing market conditions and at the same time coping with the need for a renewing rather than reactive workforce. Every day managers are confronting massive and accelerating change. As one writer comments, "Call it whatever you like—reengineering, restructuring, reorganizing, transformation, flattening, downsizing, rightsizing, a quest for global competitiveness—it's real, it's radical and it's arriving every day at a company near you." (Thomas, 1993)

Boeing Co., a long time leader in the airplane production field, is experiencing severe problems including declining orders for new planes, increasing competition and the need to downsize by some 40,000 employees. According to Dean Thornton, president of Boeing Commercial Aircraft group, the company is dedicated to avoiding the fate of other major companies – getting to the top and then resting on their laurels. As a result, Boeing is radically reinventing itself, finding ways to change, to do things faster, better and cheaper (Thomas, 1993)

Global competition and economic downturns have exposed a glaring weakness in American organizations: the fact that many organizations have become overstaffed, cumbersome, slow and inefficient (Laura, 1995). To increase productivity, enhance competitiveness and contain costs, organizations are changing the way they are organized and managed.

There are lots of dimension of advantage in the competition that discussed widely in the literature. Essentially, the basic dimension of global competition is the organizational design, organizational structure or the ability of a global firm to differentiate them from the others in order to create the competitive advantages for the organization to compete with other competitors in this world.

Asian Reality

In Asia-Pacific, the total IT market is projected to grow by 9.9 per cent to US \$284.6 billion (Bt12 trillion) with the focus on IT services, telecom and software, according to a Gartner survey. Beside that International Data Corporation (IDC) predicted that the maximum growth here over the past year was seen in the service segment, including with IT consulting, implementation, support services, training and education which those of them would also be key growth driver in e-business in this year of 2003. (www.idc.com - October 8, 2003.)

The Small and Medium Business showed 12% growth in IT Spending in Asia-Pacific. IDC's latest report on "Asia/Pacific Small and Medium-Sized Business IT Spending Forecast, 2004-2008" (Doc# AP383102L), revealed that there are huge opportunities for vendors/manufacturers and channels within the small and medium-sized business (SMB) space where a 12% growth over year 2003 is envisaged. By the end of 2004, IDC expects the SMBs to invest a total of US\$29.7 billion on IT purchases in the Asia/Pacific region (excluding Japan).

"Hardware will continue to be the mainstream expenditure item on SMBs' purchase list during 2004," said Lau Tong-Yen, Senior Analyst, SMB research, IDC Asia/Pacific. "However, looking beyond 2004, expenditure on IT services is expected to surpass hardware and software expenditure, with a projected 15% compound annual growth rate (CAGR) from 2003 to 2008."

Year-on-Year Growth of Asia/Pacific SMB IT Spending by IT Segment, 2004-2006

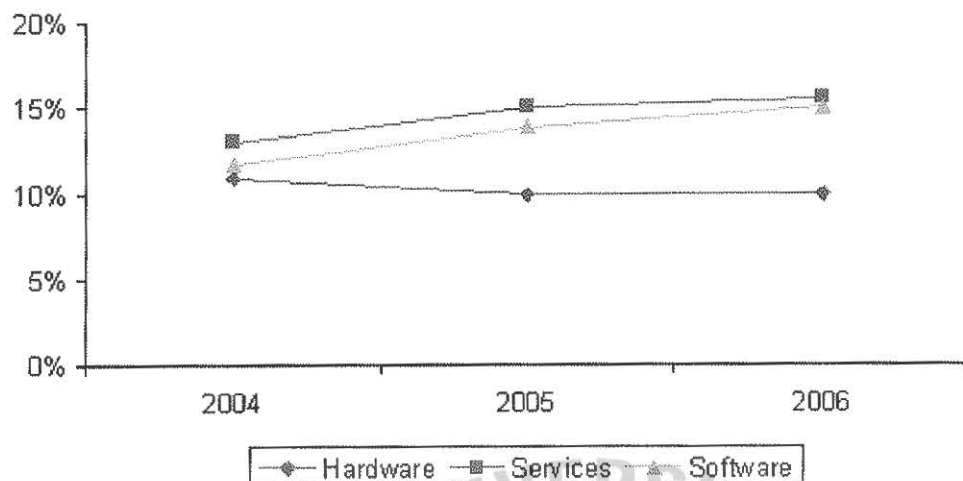


Figure 1.1 : Year-on-Year Growth of Asia/Pacific SMB IT Spending by IT Segment, 2004-2006.

Source: IDC, April 2004

Both the global and Asian's competition are so focusing on IT service that hardware and software expenditures have become mainstream in IT market. Under the continuing economic pressure and increasing competition, the winning companies will be those that respond quickly to make necessary changes.

That's why the organizations are being forced to radically change and reinvent their processes. Reengineering, rightsizing, and downsizing are frequent responses to these pressures in order to make it imperative that organization be flexible. Flexible organization would be able to adapt to the rapid changes in the environment and need to continuously seek new way of organizing ways that would fully utilize their human resources to effectively meet the challenges of the environment.

Thailand – Industry Background and Company Performance

➤ *IT industry remains a high growth sector*

Thailand Information Technology (IT) has registered impressive growth averaging 27% during 2000-2002. According to the Association of Thai Computer Industry (ATCI), the Thai IT market is supported by the Thaksin government which aims to move Thailand towards a knowledge-based economy. Many projects initiated by the government, such as Internet for tambons, schoolnet and e-procurement, are expected to fuel demand for IT products, particularly in the provinces. Private businesses are also putting more emphasis on IT investment to improve operational efficiency.

This year ATCI expects that the Thai IT market will grow by 12% compared to 25% last year. This forecast is conservative as the period covered by the forecast was marked by uncertainties due to the second gulf war.

The government's budget for investment IT system is around Bt 4,700mn this year. Meanwhile private businesses and financial situations have maintained a high level of investment on IT system and networking. An industry, especially the automobile industry that has seen many automakers moving their production bases to Thailand, also has a high potential to investment in IT.

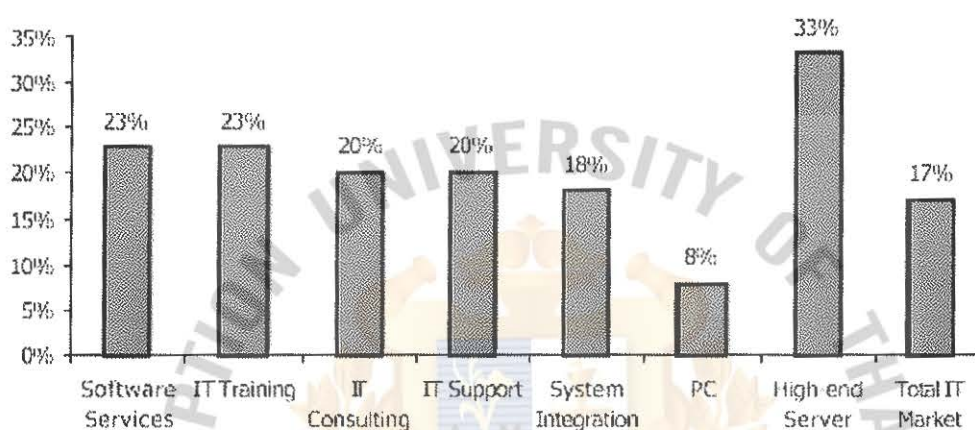
Table 1.1 : Value of Thailand's IT market

Value of Thailand's IT market								
Product	2000 Value	%	2001 Value	%	2002 Value	%	2003F Value	%
Computer system	2,894	7	3,406	18	4,120	11	4,360	6
Personal Computer	24,623	50	26,933	31	35,403	31	38,451	9
Data Communication	3,758	N/A	5,480	N/A	6,540	18	7,520	15
Software	8,378	33	10,141	21	12,530	24	14,129	13
Service	9,486	9	10,993	16	12,560	14	15,260	21
Total	49,139		56,953	15.9	71,153	24.9	79,720	12.04

Source : MSC

The government has worked out an IT master for Thailand which emphasizes government and private sector use of IT to improve efficiency with major projects such as e-Government, e-Commerce, e-Industry, e-Education, and e-Society. The International Data Corporation (Thailand) has estimated that Thailand's IT industry will register average growth of 17% during 2001-2006.

Estimated growth of Thailand's IT market during 2001-2006



Source : International Data Corporation (Thailand) (IDC)

Figure 1.2: Estimated growth of Thailand's IT market during 2001-2006

Looking ahead into the future of the Thai IT market, Manoo Ordeedolchest, the honorary president of ATCI, points out the market trend which he and his colleagues in the industry predict that the IT business in Thailand will grow mainly in service and small NT server sectors. However, the larger in IT service will be interesting such as IT consulting, implementing and support service. The implication of Thai IT Growth is going to the same direction as in Global and Asia-Pacific Reality. It has become one of the hot topics in the business world. More and more businesses either large or small are trying to compete to these changing. Among them, one company named Metro Systems Corporation Public Company Limited is also confronted with this situation.

The Company's Background

Metro Systems Corporation Plc. (MSC) together with a subsidiary and an associated firm offer a comprehensive range of leading international products coupled with top performance to accommodate clients' diversified demands. Its business activities center on information technology and products and services include computers, office automation, printers, cabling & installation service, consulting and training service.

- **Computer:** MSC is one of the largest distributors of midrange systems such as IBM AS/400, IBM RS/6000, and IBM POS as well as personal systems from IBM, Hewlett-Packard and MPP.
- **Software:** MSC is a reliable distributor of highly recognized software products from various companies such as IBM, Lotus, Microsoft, Novell, oracle, Showcase, Infinium, Continimm, HIS etc. Locally- made software is available to meet customers' needs.
- **Office Automation :** MSC distributes various office automation products to meet customers' needs such as printer from IBM, Hewlett-Packard, Lexmark and Canon and scanners from Hewlett-Packard and Canon
- **Supplies:** MSC distributes various brands of office supplies, including IBM, Hewlett-Packard, Lexmark, Canon, 3M, Epson, NEC, Panasonic, Olympia and OKI. Among the products are mainframe computers, printers and typewriters.
- **Network Systems:** In addition to installing Networking Systems, MSC has a counseling service and helps customers design a system to suit particular requirements. The company is also the distributor of uninterrupted power supply system (UPS).

- **Maintenance & Training:** MSC provides after-sales service, maintenance and full training course to customers and the general public.
- **Others:** MSC provides “Alpha Graphics” to operate rapid response printing for its customers and manufacturers such as MDEC and Sauder.

Table 1.2 : Breakdown and forecast of MSC's sales

	2000	2001	2002	2003F	2004F
Sales of goods	2,475.5	3,127.8	3,975.8	5,003.3	5,753.8
- Medium Scale Computer and Peripherals	730.1	996.1	1,354.6	1,706.8	1,962.9
- Personal Computer and Peripherals	886.8	938.8	972.6	1,225.5	1,409.3
- Office Automation & Supplies	553.6	822.7	1,031.7	1,299.9	1,494.9
- Software	305.1	370.1	616.9	771.1	886.8
Revenues from rendering of services	108.0	131.7	169.2	203.1	233.5
Rent Income	21.6	21.4	22.4	26.8	30.8
Total Sales	2,605.1	3,281.0	4,167.3	5,233.2	6,018.2
Percent Change	-10.3%	25.9%	27.0%	25.6%	15.0%
% Portion Sales					
Sales of goods	95.0%	95.3%	95.4%	95.6%	95.6%
- Medium Scale Computer and Peripherals	28.0%	30.4%	32.5%	32.6%	32.6%
- Personal Computer and Peripherals	34.0%	28.6%	23.3%	23.4%	23.4%
- Supplies	21.2%	25.1%	24.8%	24.8%	24.8%
- Software	11.7%	11.3%	14.8%	14.7%	14.7%
Revenues from rendering of services	4.1%	4.0%	4.1%	3.9%	3.9%
Rent Income	0.8%	0.7%	0.5%	0.5%	0.5%
Total Sales	100.0%	100.0%	100.0%	100.0%	100.0%

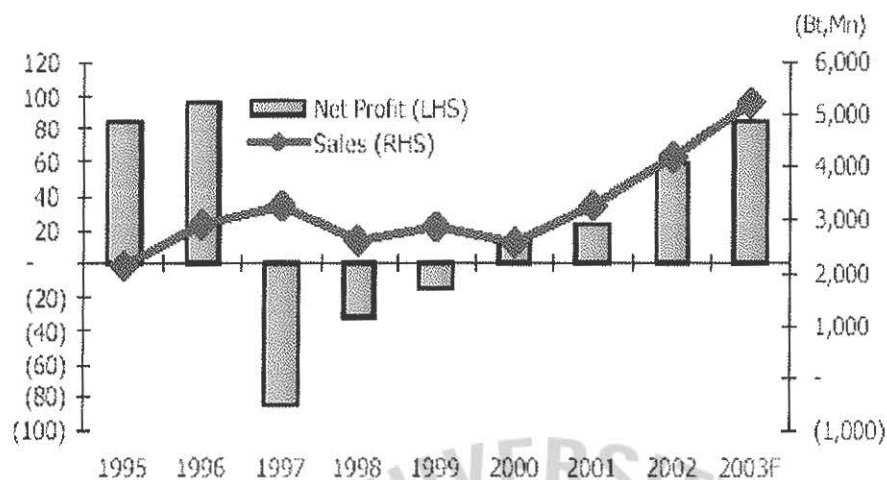
Source : MSC and KELIVE research estimate

Operating results continue to recover

When the economic crisis started 1997, MSC suffered an exchange rate loss of Bt 118mn similar to other companies. MSC's performance was affected during the economic downturn from 1998 to 2000, with losses registered during 1997-1999.

However the recovery of the Thai economy in 2002 led the country's IT market growing by 14%, while MSC sales expanded by 27% to Bt 4,167mn with net profit of Bt59mn (EPS of Bt2.6), an expansion of 157%. This year the management expects MSC's sales to increase by 26% and therefore management estimates that MSC will post a net profit of Bt85mn (EPS of Bt85), an expansion of 44%.

MSC's sales and earnings performance during 1995-2002 and forecast



Source : MSC and KELIVE Research estimate

Figure 1.3: MSC's sales and earnings performance during 1995-2002 and forecast

Recovery expected to continue until year 2005

The strong growth of the overall IT market means MSC will likewise continue expanding strongly. MSC's management expects the company to grow by around 15-20% a year during the next 3 years. Based on the performance during the first 5 months of this year, the management has revised up the year's sales growth estimate to 26% from 20% previously. In the second half, MSC expects to get an order to prepare a banking system that will include the purchase of computers and peripherals from the firm. Some of MSC's old clients are also expanding including Tisco, Isuzu, Toyota, BMW, AEONTS and Siam A&C or Easy Buy.

ATCI estimates that MSC's sales this year will reach Bt5,233 mn, or an expansion of 26% with net profit of Bt85mn (EPS of Bt3.15), an expansion of 44%. Next year we expect sales to grow by 15% to Bt6,018mn and net profit to total Bt112mn (EPS of Bt4.15), an expansion of 32%.

Table 1.3 : Growth of the Thai IT market and MSC's Sales

Growth of the Thai IT market and MSC's Sales						
Growth Rate	2001	MSC	2002	MSC	2003-F	MSC-F
Hardware	14.5%	27.1%	28.6%	21.8%	9.3%	26.0%
Software	20.9%	21.3%	23.8%	66.7%	12.8%	25.0%
Services	15.9%	18.1%	14.3%	25.1%	21.5%	20.0%
Total	15.9%	25.9%	25.0%	27.0%	12.0%	25.6%

Source : MSC

Metro Systems Corporation Public Company Limited is moving into a third era, where ways of doing business are to change and its business structure to be reorganized. The year 2003 is a year of change for Metro Systems. It is a year that the company has to “change for growth”. They came up with a new structure to regroup into business units and develop the company’s new focus- to become a one stop IT service- provider.

In the first era, 18 years ago, Metro Systems used a survival strategy to build up the company and develop market share. By selling product at low margin with good quality until the company become well known. That strategy proved a success, moving the company from a millions- revenue company to a billion-revenue company. In the second era, the company shifted to a “leadership” strategy by focusing on expanding its business umbrella through many joint-venture projects.

Now, it is a time for another change. Since the market environment has dramatically altered, the company cannot stick with the old model even though it has brought success. In the third era, Metro Systems is reshaping itself under a “change for growth” concept with a clear focus that customers come first. It has restructured its organization by consolidating seven scattered business units into three main groups: an Enterprise Server Group taking care of all levels of IT hardware products, an Office Supply Group overseeing printers and peripheral products, and a Solution Integration Group looking after all software products, systems integration, IT services and training.

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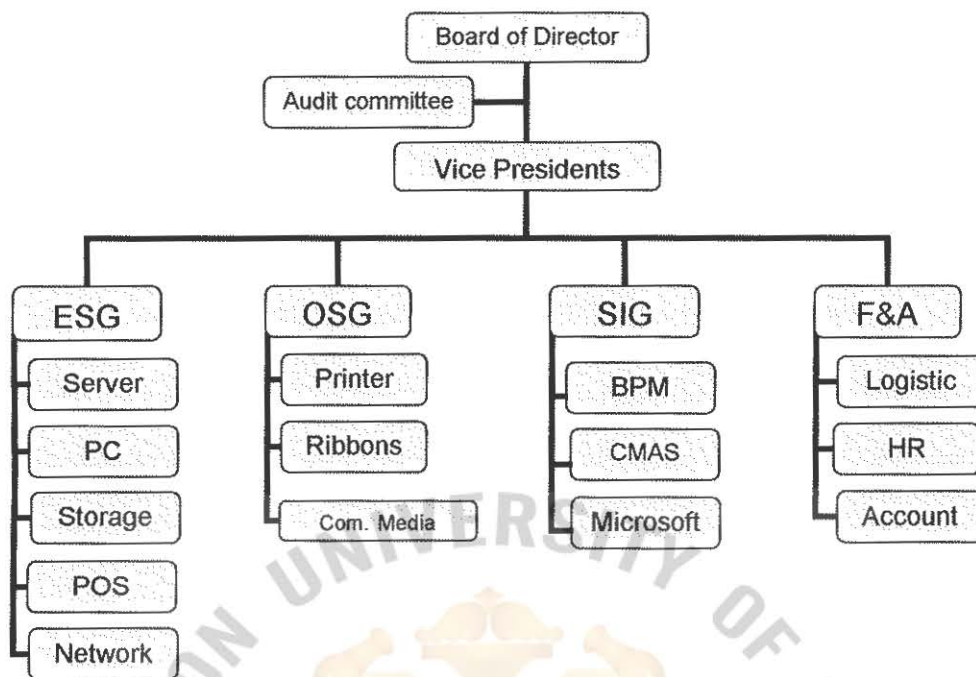


Figure 1.4 : MSC's Organization Chart

Source : Pongpen Sutharoj, January 15, 2003 (THE NATION)

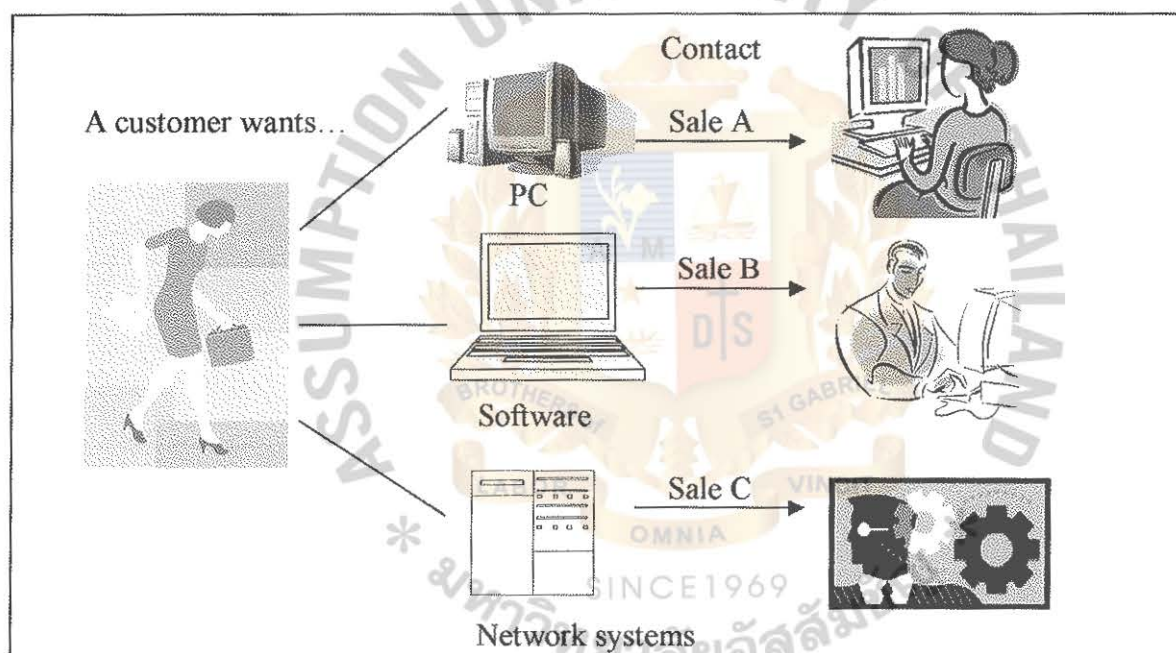
Only these three main groups would allow the company to better offer IT products and services to customers. One key strategy for the new structure is that the company must differentiate itself from others, and that's why the company's policy is to offer value-added products and one-stop services to customers.

Metro Systems Corporation Public Company Limited initiated its reorganization program in year 2003 and is in the process of implementing it. However, during the reorganization program the concurrent of downsizing occurred and effected to employee's attitude toward this changes.

Since the most serious challenges to improvement programs have common focus: people, unless members prepare themselves emotionally for change, the sheer speed with which change occurs can be overwhelming.

Although many potential problems may emerge while initiating organizational change programs, the problem most likely to be encountered is associated with human resistance to changing pattern of work and behavior. That is why verifying and realizing their attitudes are needed.

Conflicts that the researcher always found in the organization are the confusing of the customer with the company's structure. One customer needs to contact a lot of sales representative per one time caused from unclear job functioning in the company. It has less degree in flexibility in work and it results of delay in the service delivery.



The researcher has observed the organization conflict that causes delay and dissatisfaction of customers. Due to the diagram shown, the researcher would like to describe the detail as following:

For example the situation that customer "A" call a sale representative for quoting price of hardware systems at ESG (Enterprise Systems Group) .In addition, this customer wants that sale representative to quoting the price of networking systems but the sale representative cannot give the quotation for the customer.

Then, he transfers the line to the networking systems department in order to get quotations. The customer has to explain all details again and this makes the customer waste of time. As a result, it creates customer's dissatisfaction. Moreover, if this customer wants to know more detail about software systems then the line has to transfer again. It shows the complexity of internal process of its organization. From above situation, it caused to the reorganization plan at this time.

After the reorganization, all group of hardware systems combined into one group. The aim of this reorganization was to offer one stop service delivery for customer's satisfaction. However, the sale representatives and all administration staffs had to adjust themselves into multi-skilled person. Since, this change occurred, there were many circumstance follow of this reorganization.

As the circumstance occurred, there were many unsatisfied employees who cannot adjust themselves to be multi-skilled persons. Moreover, there were different organization cultures of their departments. When they had to be together, there were many conflicts among them. Moreover, it caused the rapid turnover of this change which became the performance indicators that assisted the researcher for organizational diagnosis. The turnover rate of the organization can be used as an organization data in identifying the problem areas at this stage.

From this highlighting situational problem as a need for the conduct of research, the researcher intended to study on this topic in order to learn the effect of Reorganization on Employee attitude towards the results of this change in this company.

Statement of Problem

The economic condition and increased competition in the business make it necessary for organizations to look into potential sources for the competitive advantage. The researcher diagnosed the company and identified areas for improvement, as the diagnosis of reorganization structure would explore what effects on the employee's attitudes. The main focus of this study is to find out the effects of the reorganization on attitudes of employees toward this change. Thus, in this study, the researcher intends to determine the effect of these relevant factors of change in the Metro Systems Corporation Public Company Limited.

Research Objectives

1. To examine the perceptions of employee toward the reorganization factors in terms of service delivery, autonomy and flexibility.
2. To identify the employees' attitude in terms of work, authority and objective.
3. To study the effect of reorganization factors on employee's attitude toward the results of this change.
4. To develop recommended Organization Development Intervention (ODI) to enable the top management and employees to work more effectively.

Research Questions

Specifically, this study sought to answer the following questions:

1. What is the perception of employees on the reorganization factors of the company in terms of service delivery, autonomy and flexibility?
2. What is the attitude of employee towards the changes in terms of work, authority and objectives?
3. Do the reorganization factors in terms of service delivery, autonomy and flexibility have effects in the employee attitude towards the results of change in terms of work, authority and objectives?
4. What are the appropriate interventions based on the diagnostic findings of this study?

Research Hypothesis

This research study involves the validation of the hypothesis on the relational effects between the reorganization factors and the employee's attitude toward the results of changes as follow:

H₀₁ : Reorganization factors in term of service delivery, autonomy and flexibility have no significant in effect on the employee's attitude toward the results of change in term of work, authority and objectives

H_{a1} : Reorganization factors in term of service delivery, autonomy and flexibility have significant in effect on the employee's attitude toward the results of change in term of work, authority and objectives

Significance of the Study

The findings of this study would contribute to the enhancement of the field of human resource development in Metro Systems Corporation PCL including any other organizations that wishes to apply this study in their organization. Besides, this study would also provide insights for all organizations into finding and acknowledging the differences among their employees, therefore, giving those better ideas about change management in their organization.

Scope and Delimitation of the Study

The respondents for this research are the employees of the organization namely Metro Systems Corporation Public Company Limited. Specifically, employees who are in the Enterprise Systems Group (Department) would be the subject of the study in this research.

The study is limited to Metro Systems Corporation PCL only.

The study is limited to the structure change in the company only.

Respondents may be reluctant to express their opinion and give distorted responses that do not reflect their true perception as they may perceive that it may affect their job.

This study followed an OD action research model focus on the first stage which called the Diagnosis Stage only.

Lastly, business process changes are not included in this study.

This study would assist the company clearly understanding the effect of reorganization and employees' attitude towards change. Implementing to the company policy in term of differentiate itself from others by offering value-added to customers on the basis of one-stop services at one place.

Assisting the top management in verifying the feedback of employee's attitude toward changes after reorganization would by itself be a service to the organization.

Understanding employees' perception and evaluate the current quality of service which management should focus on or develop is a key function in human resource and organization development.

Definition of Terms

For clarify and uniformity of understanding throughout this research, basic terms is defined as follows;

- Attitudes: are evaluative statements or judgments concerning objects, people, or events. (Stephen P. Robbins, 1998)
- Autonomy: means the freedom to set goals, make work schedules, discipline and reward team member, and decide work methods.
(Harvey & Brown, 1996)
- Authority: the rights inherent in a managerial position to give orders and to expect the orders to be obeyed. (Hammer and Stanton, 1995)
- Flexibility: Teams made up of flexible individuals have members who can complete each other's tasks. This is an obvious plus to a team because it greatly improves its adaptability and makes it less reliant on any single member. Selecting members who have value flexibility and then cross-training them to be able to do each other's jobs should lead to higher team

- Objectives: are simply the desired outcomes. Effective planning must begin with a set of objectives that are to be achieved by carrying out plans. (Etzel, Walker, and Stanton , 1997)
- Reorganization: The term for a fundamental rethinking and radical redesign of a business structure. (Don & Donald R., 1996)
- Work: refers to the extent to which the job provided the individual with interesting tasks, opportunities for learning, and the chance to accept responsibility (Smith, Kendall, and Hulin 1969)



CHAPTER 2

REVIEW OF RELATED LITERATURE AND CONCEPTUAL FRAMEWORK

Rapid change is a pervasive part of our lives as human beings and as social systems. Therefore, it is no surprise that change is also a fact of life within the human systems. Recent development in the global economy has captured this fact to the forefront of management concerns as well as the employee because both of them would face to a newly proposed organizational change. Change is further complicated as it does not always produce a direct adjustment. Each employee's attitude produces a different response that is conditioned by feelings toward the change.

For the past decade or so, organizations both large and small, whether in the private, public or voluntary sectors, have been subjected to enormous environmental pressures and forces of change, which have led to major transformations in organizational structures and contexts in which management has had to operate and succeed. Such changes are increasing in frequency, pace, complexity and turbulence, and there appears to be no sign of abatement. Hence one of the major challengers facing managers and also trainers and developers is how to help people through the transitions of change, and how to survive in working environments that are in a constant state of flux. (Hamlin, 2001)

That's why to study on the relevant factors of organizational change and how these factors relate to and affect employees who are going through revolutionary change is very important since the understanding of employee's attitude toward change is very useful for the organization in order to implement that change as well.

Organizations as Systems

A useful way to understand how the different parts of organizations function together and ultimately change is to view organizations as **systems**.

Systems are organized units composed of two or more interdependent parts that exist within a large environmental system or suprasystem. (Robert, John and Sandra, 1996)

Systems can generally be classified on a continuum from closed to open. A **closed system** subsists completely on its own and is completely insulated from its environment. Since closed systems cannot interact with the environment, they cannot take in material (inputs) or produce products (outputs). In contrast, an **open system** can be defined as a set of interrelated and interconnecting elements that acquires inputs from the environment, transforms them, and discharges outputs to the external environment (Daft, 1989)

In the simplest sense, a system is a series of interdependent components (Burke, 1980). For example, organizations may be viewed as social systems because they depend on interactions among people (Katz & Kahn, 1978). In addition, any organization that receives information from the environment is an open system. Organizations take in inputs (raw materials, capital, information, or people), act on them through a transformation process (production or service – delivery methods), and release them into the environment as outputs (finished goods, services, information, or people). (See Figure 2.1)

This transformation cycle must continue if an organization is to survive.

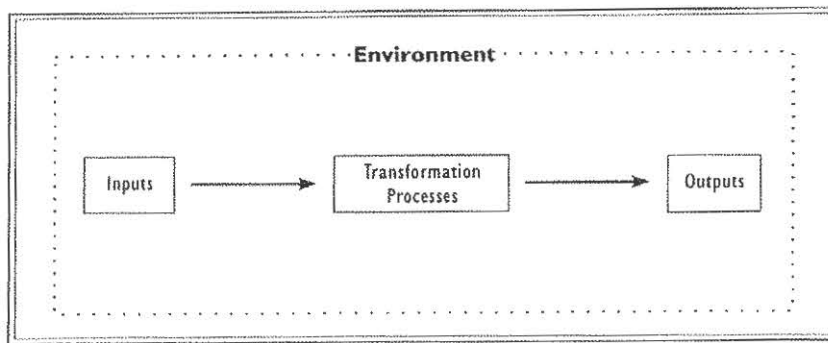


Figure 2.1 : A model of a System

Source: William J.Rothwell, Roland Sullivan and Gary N.Mclean (1995). "Practicing Organization Development". *A Guide for Consultants*. : Published by Pfeiffer & Company.

From the "Systems theory" perspectives the following terms are defined as:

- **Organization:** A hard system of variables (within and across functions) interacting with soft variables (people) in the organizations.
 - **Analysis:** Analyse the organizational systems but understand that any part of the system analysed will be affected by the other parts, systematically.
 - **Change:** Change parts of the system but understand that this change will have systematic effects on the other parts of the organization making up the whole.
- (Hamlin, Keep, and Ash, 2001).

Organizational understanding, or making sense of an organization, is regarded as being of crucial importance because structure, function and their relationship to the core activity of the organization (the culture) need to be analysed in depth before effective strategies for change can be devised.

The above theory relates to the subject of the study such the organization that is considered as a hard system that interacting with soft system, people in the organization. To reorganize the organization structure in MSC, it means to change and change for better but the organization have to analyze what will be affected to this change.

Absolutely, this change is directly effected to the people in this organization or this system. That's why the manager must recognize when changes are occurring in the external environment and possess the necessary competence to bring about change when it is needed. The manager must also be aware of the internal system and recognize that the major element in planned change is the attitude of the members in the organization as well.

Definition and Concepts of Organizational Development (OD)

Organization development or *OD* is the theory and practice of bringing planned and change to organizations. These changes are usually designed to address an organizational problem or to help an organization prepare for the future. (Robert, John and Sandra ,1996).

In the same perspective, Thomas and Christopher also state that OD in one special set of organizational change methods; it has been defined as “a systemwide application of behavioral science knowledge to the planned development and reinforcement of organizational strategies, structures, and processes for improving the organization’s ability to solve its own problem. (Cummings and Worley, 1993)

In the language of organization development, *interventions* are the techniques that OD practitioners use to bring about change. Most successful interventions have three key characteristics: (1) they are based on “valid information about the organization’s functioning,” usually collected by the employee themselves, or with their assistance; (2) the intervention provides employees with opportunities to make their own “free and informed choices” regarding the nature of the problems and their preferred solutions; (3) interventions are aimed at gaining the employees’ personal commitment to their choices. (Cumming & Worley, 1992) –p.536 in the Managing Organ. (Green one)

Evaluating Organization Development Interventions

Assessing organization development interventions involves judgments about whether an intervention has been implemented as intended and, if so, whether it is having desired results. Managers investing resources in OD efforts increasingly are being held accountable for results- being asked to justify the expenditures in terms of hard, bottom-line outcomes. More and more, managers are asking for rigorous assessment of OD interventions and are using the results to make important resource allocation decisions about OD, such as whether to continue to support the change program, to modify or alter it, or to terminate it and try something else.(Cummings & Worley , 2001)

Table 2.1: Examples of OD Interventions

Interventions	Primary Organizational Level Affected		
	Individual	Group	Organization
Human Process			
T-Group	x	x	
Process consultation		x	
Third-party intervention	x	x	
Team building		x	
Intergroup relations		x	x
Technostructural			
Formal Structural change			x
Differentiation and integration			x
Cooperative union-management projects	x	x	x
Quality circles	x	x	
Total quality management		x	x
Work design	x	x	
Human Resource Management			
Goal setting	x	x	
Performance appraisal	x	x	
Reward systems	x	x	x
Career planning and development	x		
Managing workforce diversity	x		
Employee wellness	x		
Strategic			
Integrated strategic management			x
Culture change			x
Strategic change			x
Self-designing organizations		x	x

Source : Cummings & Worley (1993)

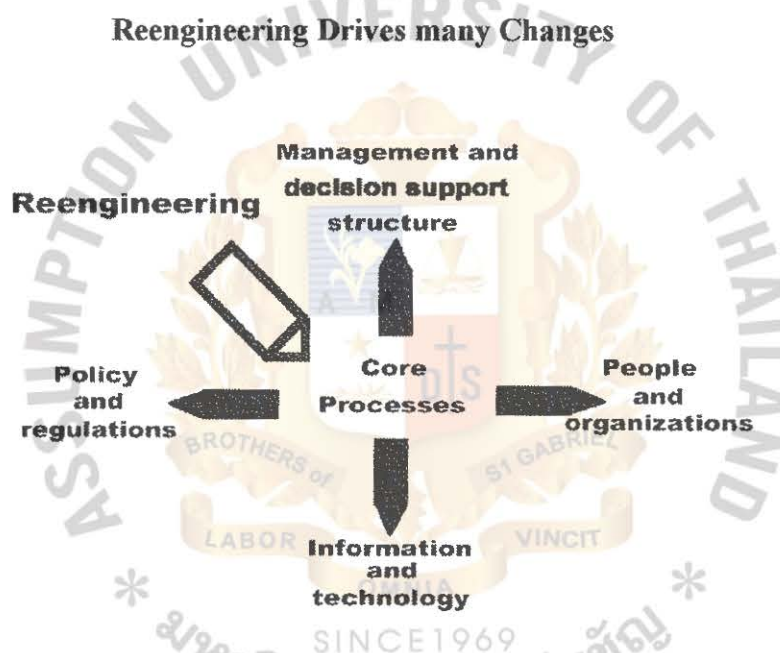
In the Table 2.1 it's concerning of examples of OD interventions and the Organizational Levels They Impact. OD interventions or change efforts may be classified as human process, technostuctural, human resource, or strategic; however, they generally all rely on action research, in other words, on letting the employees develop solutions based on their review of the data on the organization. (Cummings & Worley, 1993)

Definition and Concepts of Organizational Changes

Nadler (1988) states that the scope of change can vary from small to quantum. Change can be of a relatively small scope, such as a modification in a work procedure (an *incremental change*). Such changes, in essence, are a fine-tuning of the organization, or the making of small improvements. Change also can be of a larger scale, such as the restructuring of an organization (a *strategic change*). In strategic change, the organization moves from an old state to a known new state during a controlled period of time. Whereas the most massive scope of change in *transformational change*, in which the organization moves to radically different, and sometimes unknown, future state. (Ackerman, 1986)

A review of the literature on change oriented processes refer to the scope of change into three categories: *structural, task and technological, and human asset*. Matteson had mentioned that the structural approaches to organizational change refer to managerial actions that attempt to improve effectiveness by introducing change through formal policies and procedures.

Task and Technological approaches to organizational change both focus directly on the work itself that is performed in the organization. A task focus emphasizes job design changes, job enlargement or job enrichment including with the technological approaches which emphasize changes in the flow of work. Lastly approach according to view of Matteson is human asset approach. Directly or indirectly, all organizational change efforts involve the human assets of the organization. (Matteson, 2002)



Source: <http://www.gao.gov/special/pubs/bprag/frame1set.htm> on September, 2004

Figure 2.2: Reengineering Drives many Changes

The new management for strategic change has been defined by Tichy's model. This model seeks an alignment among an organization's strategy, structure, and human resource systems, and a fit between them and the organization's environment. Strategic change is a function of how well an organization manages these alignments. (Tichy, 1993)

More recently, Champy and Nohria (1996) claimed that the three major drivers stirring organizational change are technology, government and globalization.

- Technology: Particularly IT, which is transforming businesses in dramatic ways.
- Government: rethinking its role in business, with all governments on a world wide basis initiating deregulation, privatization and increasing free trade.
- Globalization: where companies from all parts of the globe are competing to deliver the same product or service, anytime, anywhere at increasingly competitive prices, which is causing organizations and companies to organize themselves in radically different ways.

Hammer (1993) states that the term *reengineering* may be defined as the fundamental rethinking and radical redesign of business processes to achieve drastic improvements in performance. He realized that the same principles could be applied to business. So, as applied to organizations, reengineering means that management should start with a clean sheet of paper- rethinking and redesigning those processes by which the organization creates value and does work, ridding itself of operations that have become antiquated in the computer age.

Since the market environment has dramatically altered, the company cannot stick with the old model even though it has brought success. Previously, the company separate department according to the products that are varies too much and before the reengineering organization to be ESG department, the company ever separated the hardware product between Personal Computer and Server into two departments even they are the same of hardware product.

Management in Metro Systems Corporation PCL also needs to assess the core processes that clearly add value to the organization's distinctive competencies. These are the processes that transform materials, capital, information, and labor into products and services that the customer values. When the organization is viewed as a series of processes, ranging from strategic planning to after-sales customer support, management can determine to what degree each adds value. Not surprisingly, this process value analysis typically uncovers a whole lot of activities that add little or nothing of value and whose only justification is "we've always done it this way."

Reengineering requires management to reorganize around horizontal processes. This means cross-functional and self-managed teams. It means focusing on processes rather than functions. Some, for instance, the vice president of marketing might become the process owner of finding and keeping customers. And it also means cutting out levels of middle management. As Hammer pointed out, "Managers are not value-added. A customer never buys a product because of the caliber of management. Management is, by definition, indirect. So if possible, less is better. One of the goals of reengineering is to minimize the necessary amount of management. Reengineering seeks to make all processes more efficient by combining, eliminating or restructuring tasks without regard to traditional methods: the way things have always been done around here. The idea is to gain a large or quantum leap in performance, improvements of 100 percent or more. (Hammer, 1994)

Studies Related to Factors of Reorganization

➤ *Autonomy, Flexibility and Service Delivery*

Some people want jobs that provide them with the right and privilege to make decisions and operate without being closely supervised. A feeling of autonomy could result from the freedom to do what the employee considers best in a particular situation. In jobs that are highly structured and controlled by management, it is difficult to create tasks that lead to a feeling of autonomy. That is why to focus on the organization structure is very important.

Cincinnati, OH:Thomsen (1998) defines the organizational structure in terms of how job tasks are formally divided, grouped, and coordinated. There are six key elements that managers need to address when they design their organization's structure. These are work specialization, departmentalization, chain of command, span of control, centralization and decentralization, and formalization. Six key questions that managers need to answer in designing the proper organizational structure which have effect both on Autonomy and Flexibility that lead to the improvement in Service Delivery.

The Key Question

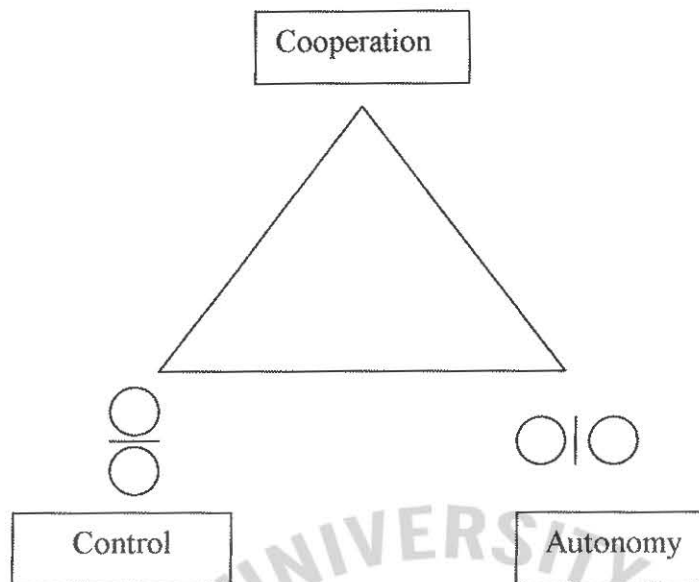
The Answer Is Provided By

- | | |
|---|---------------------|
| 1. To what degree are tasks subdivided into separate jobs? | Work specialization |
| 2. On what basis will jobs be grouped together? | Departmentalization |
| 3. To whom do individuals and groups report? | Chain of command |
| 4. How many individuals can a manager efficiently and effectively direct? | Span of control |

<u>The Key Question</u>	<u>The Answer Is Provided By</u>
5. Where does decision-making authority lie?	Centralization and Decentralization
6. To what degree will there be rules and regulations to direct employees and managers?	Formalization

In order to implement the reorganizing the company by flattening the level of structure, MSC also formally divided or grouped on the basis of jobs known as Departmentalization. Focusing on the ESG department as the target department in this research has to divide jobs up through work specialization such as AS/400 server, Training, Technical and etc. based on their specialization. The type of product the organization produces can also departmentalize tasks. MSC, for instance, recently reorganized along these lines as well. Each major product- such as Servers, Personal Computer, and Software will be placed under the authority of an executive who will have complete global responsibility for that product. And the major advantage to this type of grouping is increased accountability for product performance, since all activities related to a specific product are under the direction of a single manager. If an organization's activities are service rather than product related, each service would be *autonomously* grouped. That's the first reason behind that for reorganizing the organization of MSC in this time.

Whereas the other literature also concentrating on the autonomy in working place is one of the important variable in the organization, Keidel (1995) proposed the triangles shape counter poses three critical organizational variables: Autonomy, Control, and Cooperation



Source: Robert W. Keidel, *Seeing Organizational Patterns* 1995 "The Triadic Nature of Organization" by Berrett-Koehler Publisher, Inc.

Figure 2.3 : Three critical organizational variables.

He explained that most organizational issues are a balance of three variables: individual autonomy, hierarchical control, and spontaneous cooperation. As many of these countries have yet to discover—and as established democracies, including the United States, often have to rediscover—successfully managing the transition will require triangulating an informed, self-starting *electorate* (autonomy), a sound governmental structure of checks and balances (control), and collaborative spirit on the part of both officials and citizens (cooperation). To the extent that all three requisites are met, then a nation will boast three healthy sectors: private (autonomy), public (control), and voluntary (cooperation). (Keidel, 1995)

Organization Flexibility:

Organization performance is a function of three variables: differentiation (how distinctive a product/service is); cost (how affordable it is); and flexibility (how adaptable it is). (Maister, 1993)

In general, differentiation derives from organizational/unit/individual autonomy, cost is a function of hierarchical control, and flexibility turns on spontaneous cooperation. (Porter, 1985)

Flexibility usually encompasses (1) responsiveness to customer/client/consumer initiatives; (2) “throughput” speed—loosely, the amount of time it takes for product development or production/service; and (3) malleability—the capacity to change as problems/opportunities emerge. (Maister, 1993)

Table 2.2 : Major differences between mechanistic and organic organizations

<i>Mechanistic</i>	<i>Organic</i>
Specialized tasks	Employee contributions to a common task
Hierarchy of authority	Less adherence to formal authority and control
Hierarchical communication	Network Communication
Centralized knowledge & control	Decentralized knowledge & control
High degree of formality	High degree of flexibility and discretion

Source: “*Features of Mechanistic and Organic Organizational Forms*” by T. Burn and G.M. Stalker, *The Management of Innovation* (London: Tavistock, 1961)

Burns and Stalker (1963) examined the relationships between external environments and the nature of internal organizational structure. Central to Burns and Stalker’s contribution to the area of organizational design is the notion that these two extreme forms of organizational system are most appropriate for different environments: Organic systems are more capable of adapting to change, while mechanistic systems are appropriate to relatively static settings.

Theories and Studies Related to Employees' Attitudes

➤ Work, Authority and Objective

Attitude can be defined as an individual's general affective, cognitive, and intentional responses toward objects, other people, themselves, or social issues. (Petty and Cacioppo, 1981). While the other literature defined attitude as evaluative statements or judgments-either favorable or unfavorable-concerning objects, people or events, they reflect how one feels about something. (Robbin, 1998).

Attitudes are linked with many other aspects of behavior. They have traditionally been considered to be relatively stable disposition to behave in particular ways towards objects, institutions, situations, ideas or other people. They are also usually considered to develop as a result of experience. In other words they influence an individual's response to something or someone. All people have attitudes towards things- School, university, parents, work, politics, sport, religion and other people (martin, 2002). In organizational behavior, an **attitude** is an idea charged with emotion that predisposes a set of actions to a specific group of stimuli. This definition covers the three essential components of an attitude: the cognitive, the affective, and the behavioral. (Eagly, 1992).

M.J. Rosenberg, C.I. Hovland, W.J. McGuire, R.P. Abelson, and J.H.Brehm (1960) had suggested the three components of attitude which are affect, behavioral intentions and cognition that they call the ABC model of attitude.

Table 2.3 : ABC model of attitude

	COMPONENT	MEASURED BY
A	Affect	Physiological indicators
B	Behavioral intentions	Observed Behavior
C	Cognition	Attitude scales

Source : Adapted from M.J.Rosenberg and C.I. Hovland, "Cognitive, Affective, and Behavioral Components of Attitude," in M.J. Rosenberg, C.I. Hovland, W.J. McGuire, R.P. Abelson, and J.H.Brehm, *Attitude Organization and Change* (New Haven: Yale University Press, 1960).

Affect is the emotional component of an attitude. It refers to an individual's feeling about something or someone. Statements such as "I like this" or "I prefer that" reflect the affective component of an attitude. The second component is the intention to behave in a certain way toward an object or person. The behavioral component of an attitude is measured by observing behavior or by asking a person about behavior or intentions. The statement "If I were asked to speak at commencement, I'd be willing to try to do so, even though I'd be nervous" reflects a behavioral intention.

The third component of an attitude, cognition (thought), reflects a person's perceptions or beliefs. Cognitive elements are evaluative beliefs and are measured by attitude scales or by asking about thoughts. The statement "I believe Japanese workers are industrious" reflects the cognitive component of an attitude.

Attitude and Perception

Attitudes are determinants of behavior because they are linked with perception, personality, feelings, and motivation. (Ivancevich, 2002). As well as one of the literature given the definition of "perception" as the cognitive process by which an individual selects, organizes, and gives meaning to environment stimuli. Because each person gives his or her own meaning to stimuli, different individuals will "see" the same thing in different ways. (Mary Ann Von Glinow, 1996)

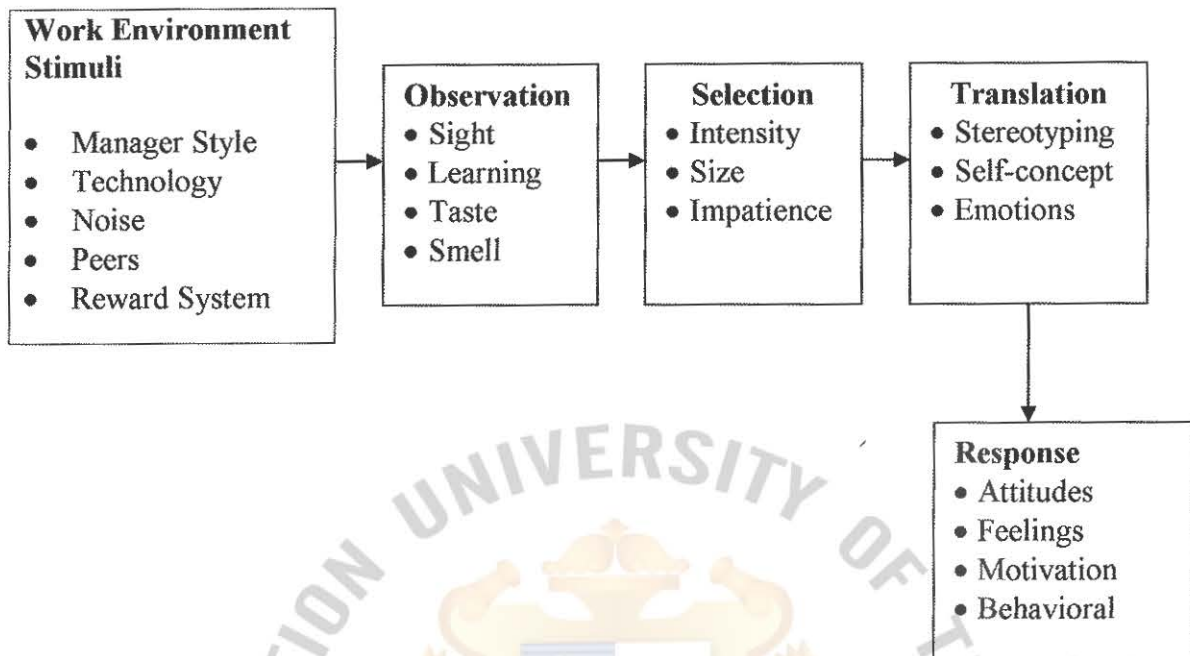
The Perceptual Process: An Individual Interpretation

Figure 2.4 : The Perceptual Process: An Individual Interpretation

Source: "The Perceptual Process: An Individual Interpretation" by Michael T. Matteson, John M. Ivancevich (2002). Organizational Behavior and Management. McGraw-Hill Irwin. Page 113

The basic framework and elements of perception operating as a cognitive process. Each one makes personal/individual choices and responds differently. Understanding perceptual interpretation helps managers explain why individual differences must be considered at work.

Any attempt to learn why people behave as they do in organizations requires some understanding of individual differences. Managers spend considerable time making judgments about the fit between individuals, job tasks, and effectiveness. Matteson and Ivancevich make a highlight on some of the important individual differences that can help explain why one person is a significantly better or poorer performer than another person. (Matteson and Ivancevich, 2002).

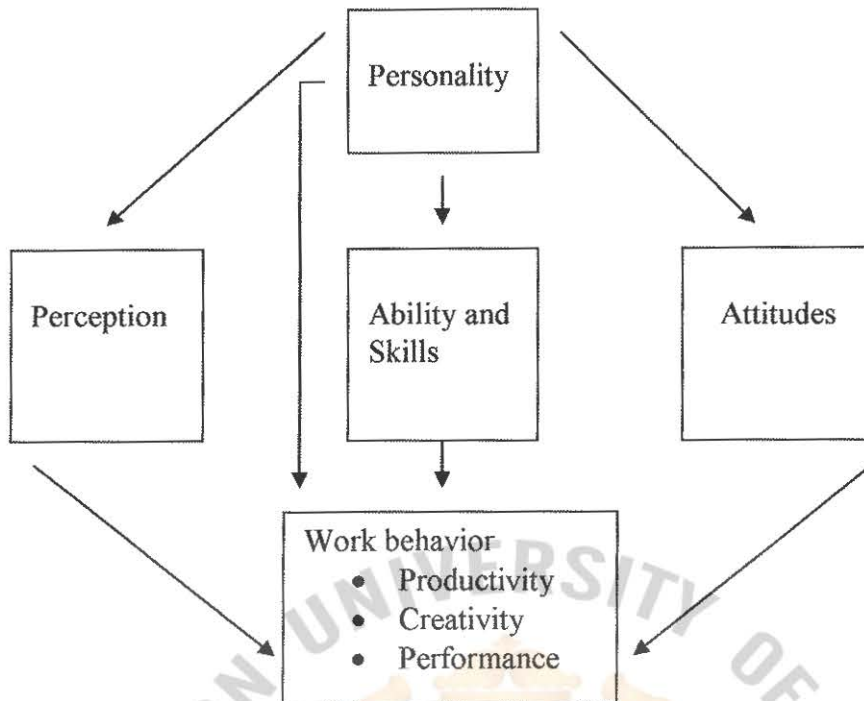


Figure 2.5 : Individual Differences in the Workplaces

Source: Michael T. Matteson, John M. Ivancevich (2002). "Individual Differences in the Workplaces". in the *Organizational Behavior and Management*. McGraw-Hill Irwin. Page 113

Differences among people require forms of adjustment for both the individual and those for whom she or he will work. Managers who ignore such differences often become involved in practices which hinder achieving organizational and personal goals.

Work-related Attitudes

The definition of work in an organization means effortful, productive activity resulting in a product or a service. Work is one important reason why organizations exist. A job is composed of a set of specific time period. Work is an especially important human endeavor, according to Sigmund Freud,⁰ because it has a more powerful effect than any other aspect of human life in binding a person to reality. (Freud, 1930)

Work attitudes are defined as feeling, beliefs, values and behavioral tendencies towards various aspects of the job, the setting in which the work is conducted, and/or the people involved. They are evaluative statements, either favorable or unfavorable. Theories/Studies related to work attitudes are direct experience and social learning. Research has shown that attitudes that are received from the direct experience are stronger. They are held more firmly and more difficult to change than the attitudes formed through indirect experience. (England and Harpaz, 1990)

Based on the review of R. Tett and J. Myer (1993) in the point of view of attitude, they focus on employee job satisfaction. Two attitudes that receive a fair amount of attention in the organizational literature are ***organizational commitment*** and ***job involvement***. Although these two attitudes have not been studied for nearly as long as job satisfaction, they are the focus of a great deal of recent interest. (Tett and Myer, 1993)

Organizational Commitment refers to an employee's degree of identification with an organization and its goals, as well as the employee's desire to maintain membership in the organization. From this definition, organizational commitment is a fairly useful predictor of employee turnover, as well as a predictor of performance, absenteeism, and tardiness.

Job involvement refers to the extent to which an employee identifies with his or her job and relies on evidence of job performance as an indication of personal self-worth. (Tett and Myer, 1993)

A.W. Wicker (1969) assumed the relationship between attitudes and behavior (A-B) was challenged by a review of the research that they were casually related behavior; that is, the attitudes that people hold determines what they do. Most recent research has demonstrated that attitudes significantly predict future behavior and confirmed Festinger's original belief that the relationship can be enhanced by taking moderating variables into account.

Moderating Variables: The most powerful moderators have been found to be importance of the attitudes; its specificity, its accessibility, whether social pressure exists, and whether a person has direct experience with the attitude. The more specific the attitude and the more specific behavior, the stronger the link between the two. Attitudes that are easily remembered are more likely to predict behavior than attitudes that are not accessible in memory. Interestingly, people are more likely to remember attitudes that are frequently expressed. Thus the more people talk about their attitudes on a subject, the more they are likely to remember it, and the more likely it is to shape their behavior.

Further that, Hackman and G.R. Oldham (1980) also argues through the social information processing (SIP) model that the employees adopt attitudes and behaviors in response to the social cues provided by others with whom they have contact. These others can be co-workers, supervisor, friends, family members, or customer.

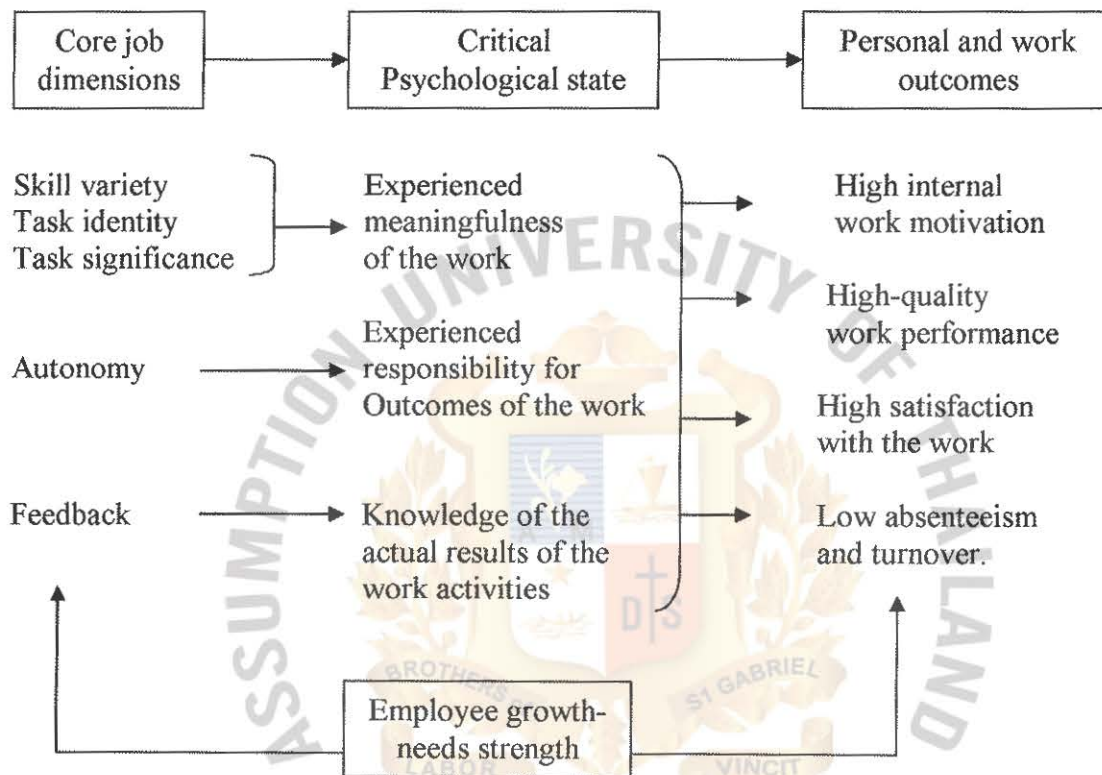


Figure 2.6: Work design

Source: J.R. Hackman and G.R. Oldham, *Work Design* (excerpted from pages 78-80) 1980 by Addison-Wesley Publishing Co., Inc. Reprinted by permission of Addison-Wesley Longman Inc.

The Job Characteristics Model

Notice how the first three dimensions skill variety, task identity, and task significance which are combine to create meaningful work. That is, if these three characteristics exist in a job, we can predict that the incumbent will view the job as being important, valuable, and worthwhile. Notice, too, that jobs that posses autonomy give job incumbents a feeling of personal responsibility for the results and that, if a job provides feedback, employees will know how effectively they are performing. From a motivational standpoint, the model says

that internal rewards are obtained by individuals when they learn (knowledge of results) that they personally (experienced responsibility) have performed well on a task that they care about (experienced meaningfulness). The more that these three psychological states are present, the greater will be employees' motivation, performance, and satisfaction, and the lower their absenteeism and likelihood of leaving the organization.

As the model shows the link between the job dimensions and the outcomes are moderated or adjusted by the strength of the individual's growth need, that is, by the employee's desire for self-esteem and self-actualization. This means that individuals with a high growth need are more likely to experience the psychological states when their jobs are enriched than are their counterparts with a low growth need. Moreover, they will respond more positively to the psychological states when they are present than will individuals with a low growth need. (Hackman and G.R. Oldham, 1980)

P.P. Brooke Jr., D.W. Russell, and J.L. Price, 1988 had suggested through these three type of attitudes; job satisfaction, job involvement and organization commitment.

- Job satisfaction refers to an individual's general attitude toward his or her job. A person with a high level of job satisfaction holds positive attitudes toward jobs, while a person who is dissatisfied with his or her job holds negative attitudes.

This definition is clearly a very broad one (R.Hodson, 1991). Yet this is inherent in the concept since a person's job is more than just the obvious activities of shuffling papers, waiting on customers, or driving a truck. Jobs require interaction with co-workers and bosses, following organizational rules and policies, meeting performance standards, living with working conditions that are often less than ideal, and the like. The main reason that the researcher is interested in job satisfaction because this issue tends to center on its effect on employee performance in order to assess the impact of job satisfaction on employee productivity, absenteeism, and turnover.

- Job involvement is the degree to which a person identifies with his or her job, actively participates in it, and considers his or her performance important to self-worth.

For this point, the researcher would like to add some new topic under the issue of job involvement. Instead of focusing only on the job involvement, it should be added up with the new knowledge of employee involvement. Employee involvement has become a convenient catchall term to cover a variety of techniques. J.L. Cotton (1993) states that it encompasses such popular ideas as employee participation or participative management, workplace democracy, empowerment, and employee ownership. But what specifically do we mean by employee involvement? And does that mean that participation and employee involvement are synonyms to each other? No. Participation is a more limited term; It's a subset within the larger framework of employee involvement. Thus, in order to reach the goal of the organization (MSC) by reorganizing the company, the managements have to concentrate on this point to encourage increased commitment to the organization's success as well.

- Organizational commitment; the third job attitude which is defined as a state in which an employee identifies with a particular organization and its goals, and wishes to maintain membership in the organization. So, high job involvement means identifying with one's specific job, while high organizational commitment means identifying with one's employing organization.

Attitudes are linked with many other aspects of behavior. They have traditionally been considered to be relatively stable disposition to behave in particular ways towards objects, institutions, situations, ideas or other people. They are also usually considered to develop as a result of experience. In other words they influence an individual's response to something or someone. All people have attitudes towards things- School, university, parents, work, politics, sport, religion and other people (martin, 2002).

Robbin (1998) defined attitude as evaluative statements or judgments-either favorable or unfavorable-concerning objects, people or events. They reflect how one feels about something.

The impact of organizational change management on employees

Major change efforts have helped some organizations adapt significantly to shifting conditions, have improved the competitive standing of others, and have positioned a few for a better future. But in too many situations, the improvements have been disappointing and the carnage has been appalling, with wasted resources and burned-out, scared, or frustrated employees (Kotter, 1996).

According to the Kurt Lewin (1951)'s classic three-step model of the change process; action research; and organizational development and illustrated in the form of a framework as follow: (See Figure 2.7)

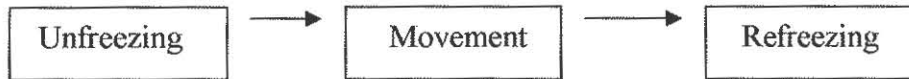


Figure 2.7 Lewin's Three-Step Change Model

(Source: Organizational Behavior by Stephen P. Robbins, 1998, p.551)

Kurt Lewin argued that successful change in organizations should follow three steps: unfreezing the status quo, movement to a new state, and refreezing the new change to make it permanent. Unfreezing means melting resistance to change; the people who will be affected by the change come to accept the need for it. People tend to resist change because it increases anxiety and stress, and it may threaten their self-interests. Also, because it entails giving up old ways, change often creates a feeling of loss. Resistance to change melts when events or information cause people to conclude that the status quo is unacceptable and that change is worth the effort. If unfreezing succeeds, people want to make a change, but they still need to see a path to a better state. That path is the second stage of Lewin's model.

Refer to the limitation of the study that the researcher intends to focus only in the ESG department, the reason behind that is the department that seems to have a greater effect by this changing in the company. Thus, it's very suitable to learn their attitude as the target group of respondent. Absolutely, the responses of employees to the proposed organizational change might be both desirable and undesirable so it is important to examine the employee responses to this change and the need to understand responses to the change. Within this view, resistance to change is represented by the set of responses to change that are negative along all three dimensions of cognitive, affective and behavioral.

Whereas the support for a change is represented by the set of responses that are positive along all three dimensions, the understanding of the attitude of employee toward this changing is very useful for the organization in order to implement that change. The transforming stage requires altering one or more characteristics of the work setting: the structure and systems of the organization, social factors, the organization's technology and the physical setting. The implication is that changes in the work setting will lead to changes in individual behavior, which in turn will improve the organization's outcomes.

Refreezing, for the change to endure, it must be reinforced as part of a new system. The resulting benefits will in and of themselves reinforce the change.

The study of Lester B. Korn (1989) toward the Change Model is focus on the two major considerations in making changes in an organization are the degree of change and the impact on the culture. Evidence suggests that change involves a significant impact on the traditional behavior, power, culture, and structure within an organization. Further that, the conceptions of planned change have tended to focus on how change can be implemented in organization (Bennis, 1966)

From this changing, it is considered to be a major change either in the degree of change or the impact of change because the employee becomes resistant to the new culture. The most important evidence that supports this belief is the quitting of 27 employees after restructuring organization within 3 months.

The degree of change and the impact on the existing culture is shown in The Change Model in Figure 2.8. The areas in the divisions of the figure show the relative resistance encountered to four possible change situations.

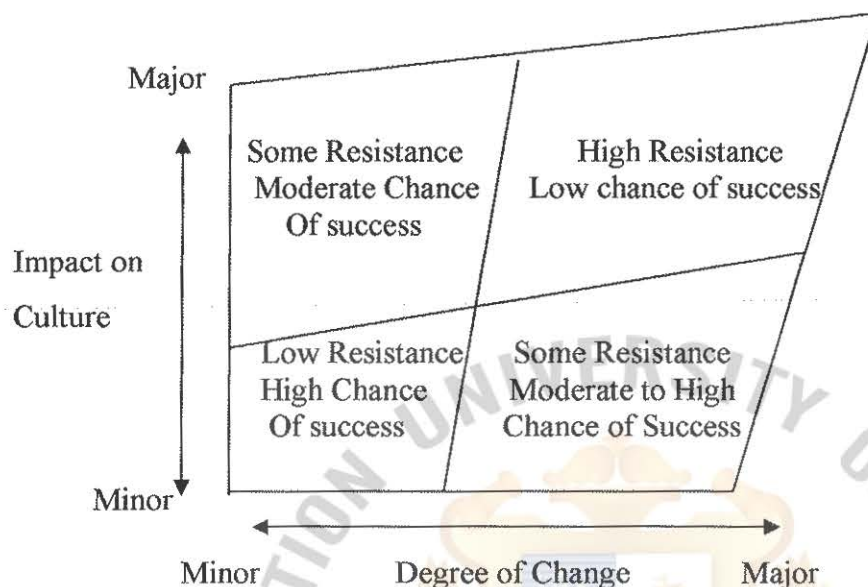


Figure 2.8 The Change Model

(Source: An experiential approach to Organization Development by Donald F. Harvey & Donald R. Brown, 1996, p.157)

1. Minor change, minor impact on culture. Where the change to be introduced is relatively minor and the impact on the existing culture small, there will predictably occur the lowest level of resistance and the highest probability of a successful change.

2. Minor change, major impact on culture. Where the change is minor, but has a large impact on the culture, some resistance can be expected, depending on the size of the threat, and the speed of the change.

3. Major change, minor impact on culture. Here the change is major, but the impact on existing culture is minor, so while some resistance is likely, good management can probably overcome resistance.

4. Major change, major impact on culture. When the degree of change is large and the impact on the existing culture is high, the greatest resistance can be predicted. In this situation, the probability of success is low.

In managing change, experience suggests that both the level of resistance and the time it takes to implement change tend to be underestimated. An alternative plan, assuming the organization has the time, is to break the change into smaller components that will be introduced over a longer time. Each component will encounter low resistance by representing a small degree of change and small impact on the culture. Changing culture is as important part of reengineering as changing process. It consists of value, norms, attitudes and beliefs shared by entire staff through their behaviors, their habits, and their ritual. (Donald F. Harvey & Donald R. Brown, 1996)

In reengineering process, it required organizational members in deeply believe that they worked for their customers, not for the bosses. It also requires employees to be productive and proactive to see change as real opportunity for growth and willing to learn and adopt an open-minded. Also the transformation of culture should be aligned with the new business objective. Lastly, all members including leader should get involved in the changing process. (Donald F. Harvey & Donald R. Brown, 1996)

Managing Organizational Change

The process of managing change through reeducation approaches can be approached logically. The several steps of this logical process are suggested in Figure 2.8 The model consists of specific steps generally acknowledged to be essential to successful change management. (Donald, 1985)

A manager considers each of them, either explicitly or implicitly, when undertaking a change program. Prospects of initiating successful change can be enhanced when managers actively support the effort and demonstrate that support by implementing systematic procedures that give substance to the process. (Kotter, 1999)

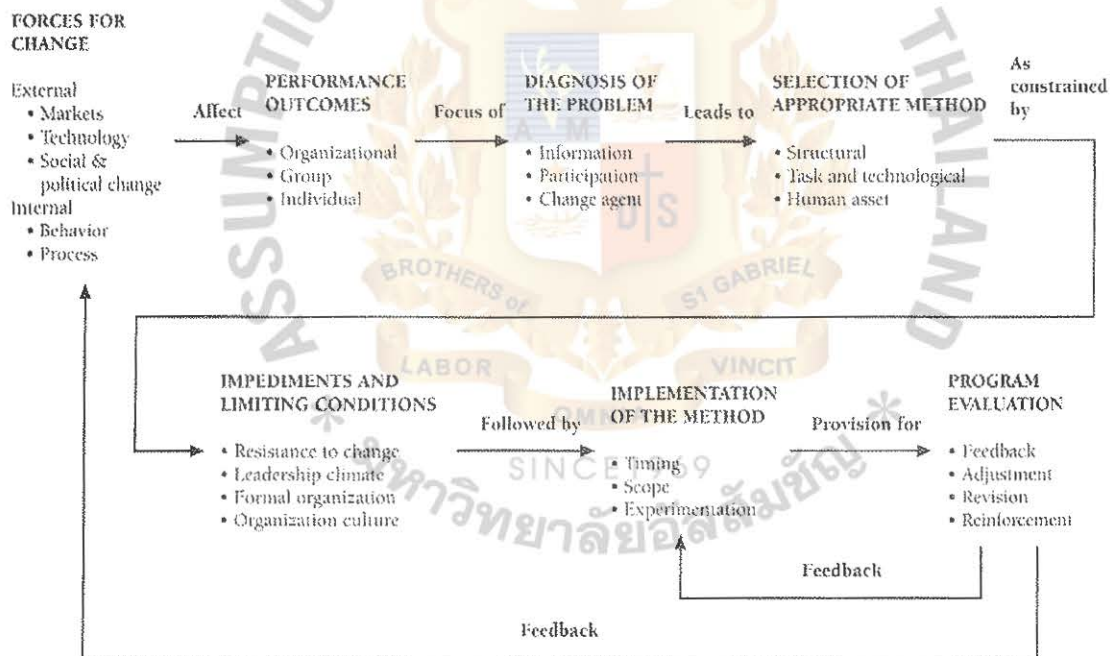


Figure 2.9 : A Model for the Management of Organizational Development

Source: Kilmann (1989)

The model indicates that forces for change continually act on the organization; this assumption reflects the dynamic character of the modern world. At the same time, it's the manager's responsibility to sort out the information that reflects the magnitude of change forces. (Kilmann, 1989)

The information is the basis for recognizing when change is needed; it's equally desirable to recognize when change isn't needed. But once managers recognize that something is malfunctioning, they must diagnose the problem and identify relevant alternative techniques. Finally, the manager must implement the change and monitor the change process and change results. The model includes feedback to the implementation step and to the forces-for-change step. These feedback loops suggest that the change process itself must be monitored and evaluated. The mode of implementation may be faulty and may lead to poor results, but responsive action could correct the situation.

Moreover, the feedback loop to the initial step recognizes that no change is final. A new situation is created that will itself become subject to change. The model suggests no final solution; rather, it emphasizes that the modern manager operates in a dynamic setting wherein the only certainty is change itself.

Reducing the resistance to change method

After reviewing many authors on the basis of factors that effect to the reorganizing company, the researcher also has to talk about learning how to overcome the resistance to change in order to implement the restructuring successfully. Resistance to change doesn't necessarily surface in standardized ways. Resistance can be overt, implicit, and immediate. It is easiest for management to deal with resistance when it is overt and immediate. There are two sources of resistance that are composed of an individual resistance and organizational resistance.

Individual resistance

According to this type of resistance, individual sources of resistance to change reside in basic human characteristics such as perceptions, personalities, and needs. The following summarizes five reasons why individuals may resist change.

Habit: As human being, everybody creatures of habit. Life is complex enough; they don't need to consider the full range of options for the hundreds of decision they have to make every day. To cope with this complexity, they all reply on habits or programmed responses. But when confronted with change, this tendency to respond in their accustomed ways becomes a source of resistance.

Security : People with a high need for security are likely to resist change because it threatens their feelings of safety.

Economic Factors: Another source of individual resistance is concern that changes will lower one's income. Change in job tasks or established work routines also can arouse economic fears if people are concerned that they won't be able to perform the new tasks or routines to their previous standards, especially when pay is closely tied to productivity.

Fear of the Unknown: Changes substitute ambiguity and uncertainty for the known. The transition from high school to college is typically such an experience. Employees in organizations hold the same dislike for uncertainty. If, for example, the introduction of Reorganizing means the whole workers will have to change and learn more, some may fear they'll be unable to do so. They may, therefore, develop a negative attitude toward reorganizing or behave dysfunctionally during this changing.

Selective Information Processing : Individuals shape their world through their perceptions. Once they have created this world, it resists change. They hear what they want to hear. They may ignore information that challenges the world they've created.

Organizational resistance

Six major sources of organizational resistance have been identified;

Structural Inertia : Organizations have built-in mechanisms to produce stability. For example, the selection process systematically selects certain people in and role requirements and skills. The people who are hired into an organization are chosen for fit; they are then shaped and directed to behave in certain ways. When an organization is confronted with change, this structural inertia acts as a counterbalance to sustain stability.

Limited Focus of Change : Organizations are made up of a number of interdependent subsystems. They can't change one without affecting the others. For example, if the reorganizing changes the business process without simultaneously modifying the organization's structure to match, these changes are not likely to be accepted. So limited changes in subsystems tend to get nullified by the larger system.

Group Inertia : Even if individuals want to change their behavior, group norms may act as a constraint.

Threat to Expertise : Changes in organizational patterns may threaten the expertise of specialized groups. The introduction of decentralized personal computers, which allow managers to gain access to information directly from a company's mainframe, is an example of a change that was strongly resisted by many information systems departments in the early 1980s. Why? Because decentralized end-user computing was a threat to the specialized skills held by those in the centralized information systems departments.

Threat to Established Power Relationship : Any redistribution of decision-making authority can threaten long-established power relationships within the organization. The introduction of participative decision making or self-managed work teams is the kind of change that is often seen as threatening by supervisors and middle managers.

Threat to Established Resource Allocation : Those groups in the organization that control sizable resources often see change as a threat. They tend to be content with the way things are. Will the change, for instance, mean a reduction in their budgets or a cut in their staff size? Those that most benefit from the current allocation of resources often feel threatened by changes that may affect future allocation.

Overcoming Resistance to Change

Six tactics have been suggested for use by change agents in dealing with resistance to change

Education and Communication : Resistance can be reduced through communicating with employees to help them see the logic of a change. This tactic basically assumes that the source of resistance lies in misinformation or poor communication. If employees receive that full facts and get any misunderstandings cleared up, resistance will subside. Communication can be achieved through one-on-one discussions, memos, group presentations, or reports. Does it work? It does, provided that the source of resistance is inadequate communication and that management- employee relations are characterized by mutual trust and credibility. If these conditions don't exist, the change is unlikely to succeed.

Participation : It's difficult for individuals to resist a change decision in which they participated. Prior to making a change, those opposed can be brought into the decision process. Assuming that the participants have the expertise to make a meaningful contribution, their involvement can reduce resistance, obtain commitment, and increase the quality of the change decision. However, against these advantages are the negatives: potential for a poor solution and great time consumption.

Facilitation and Support : Change agents can offer a range of supportive efforts to reduce resistance. When employee fear and anxiety are high, employee counseling and therapy, new-skills training, or a short paid leave of absence may facilitate adjustment. The drawback of this tactic is that, as with the others, it is time consuming. Additionally, it's expensive, and its implementation offers no assurance of success.

Negotiation: Another way for the change agent to deal with potential resistance to change is to exchange something of value for a lessening of the resistance. For instance, if the resistance is centered in a few powerful individuals, a specific reward package can be negotiated that will meet their individual needs. Negotiation as a tactic may be necessary when resistance comes from a powerful source. Yet one cannot ignore its potentially high costs. Additionally, there is the risk that, once a change agent negotiates with one party to avoid resistance, he or she is open to the possibility of being black-mailed by other individuals in positions of power.

Manipulation and Co-optation : Manipulation refers to covert influence attempts. Twisting and distorting facts to make them appear more attractive, withholding undesirable information, and creating false rumors to get employees to accept a change are all examples of manipulation.

Coercion: Last on the list of tactics is coercion; that is, the application of direct threat or force upon the resisters. If the corporate management mentioned in the previous discussion really is determined to close a manufacturing plant if employees don't acquiesce to a pay cut, then coercion are threats of transfer, loss of promotions, negative performance evaluations, and poor letters of recommendation. The advantages and drawbacks of coercion are approximately the same as those mentioned for manipulation and co-optation.

From the above of all the themes that the researcher have discussed is mainly concerning to the organizational change and attitude concept. One of the core in changing organization is clarified in the reorganization aspect. The variables of reorganization factors that the researcher studies are service delivery, autonomy and flexibility, whereas ,the variables of the attitude are work, authority and objective become the area of the problem that the researcher attempted to study in.

Simply stated that a source of those sub-variables is come from the problem area that the organization is now confronting. As long as the top management announced in shifting organizational structures, these area of problems are expected to increase in the performance. While these factors are implementing, the result is affected to the attitude of employee directly because those changing becomes a part of the people who perform the work. Employee must alter not only their perception and attitude but also their behavior, values and view of themselves. The organization structure, procedures, and relationships continue to reinforce prior patterns of behavior and to resist the new ones. As a result, organization change results in upheaval and dissatisfaction, and finally resignation, dismissals, or transfers.

From this aspect, it leads to the conceptual framework that the researcher would like to introduce is as follows;

Conceptual Framework

After studying from many literatures on frameworks and related studies, which were conducted by many researchers, a specific map ideas, is drawn to construct the conceptual framework on this study. The design of conceptual framework was drawn from an integration of specific sub-variables needed to study further the research topic. It was useful as a part of a process of planning and clarifying the research problem and conducting the analysis.

The conceptual framework shows the relationships between two main variables which are the reorganizing factor and the attitude of employee toward this changing. The sub-variables of each variable were selected to determine the influence and affect on both variables (See Figure 2.10)

This diagram represented the conceptual framework of the research study, which integrated different variables discussed below.

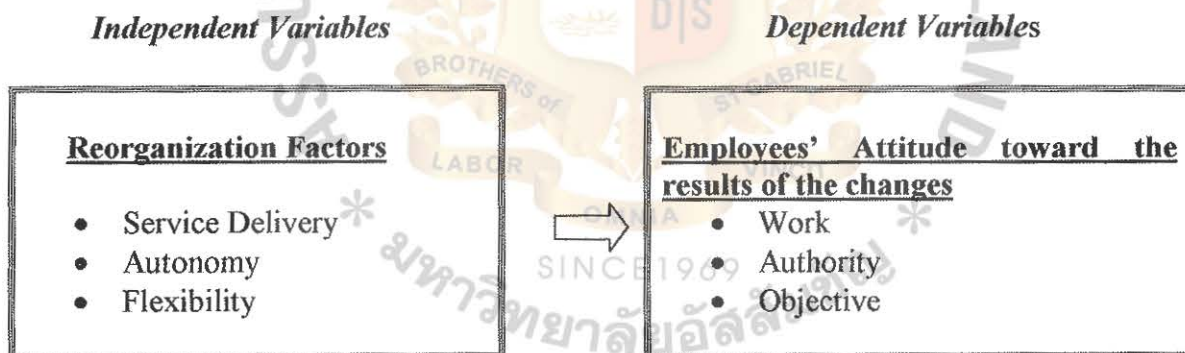


Figure 2.10 The Conceptual Framework of the study on effect of Reorganization Factor on Employee Attitude toward the results of the changes

The conceptual framework as shown in this chapter has been developed from generic ideas of variables for the independent variables, which are the factors relevant in creating change management, whereas the dependent variable of this study focuses on employees' attitudes toward the new structure of the organization. The framework shows the relationship of sub variables of each main variable that plays important roles in making change in an organization.

CHAPTER 3

RESEARCH METHODOLOGY

This chapter covers the research methodology, explaining the research design for conducting of this research, including research method by using the population of respondents to answer through research questionnaires. Collecting data or gathering of data based on secondary data and observation would be analyzed, and statistical treatment of data would be presented as following;

3.1 Research Design and Method:

The action research model is used as the basis for the design of the research. There are three phases in the conduct of an action research in a particular organization. This study is done only for the first phase called Diagnosis.

Diagnostic Stage

The researcher would diagnose the current situation of the company according to research objectives in order to;

- Examine the perceptions of employee toward the reorganization factors in terms of service delivery, autonomy and flexibility.
- Identify the employees' attitude in terms of work, authority and objective.
- Study the effect of reorganization factors on employee's attitude toward this change.
- Design the Organization Development Intervention (ODI).

Those are the diagnosis process of understanding how the organization is currently functioning, and it also provides the information necessary to design for OD intervention.

To describe the organization based on the objectives and research questions, the research made use of descriptive statistics and Chi-Square analysis in order to determine the quantitative terms and the degree in which variables were related.

- Descriptive methods made use of describing respondents' primary data
- Chi-Square analysis was used to describe the variables and measure their effect between each other.

The ultimate purpose was to examine the effect between only two sets of variables namely Reorganization Factor and Employee Attitudes toward changes. Research by questionnaires is used to describe and analyze the data collected in quantitative terms. The survey technique is rather convenient for the research, ever since it is easier and faster to collect the data. After the data had been collected from the target respondents, they were encoded through using of SPSS program later on.

3.2 List of Respondents

Those at top management level are responsible for the change plan and they set the criteria of changes in the organization. Thus in order to prevent the bias from the answer of top and middle management level they were excluded in the conduct of the research. Thus, the respondents of the study were only the staffs who are at the lower management level as they are directly affected by the change in the organization.

Table 3.1 List of respondents

Sales Department	Number of People
SMB Group	88
Dealer	65
Network	37
Technical & Training	28
Marketing & Admin.	15
<u>Total</u>	233

3.3 **Research Instrument**

The researcher use closed-ended alternative questionnaire because the advantages of closed-ended questions are that they can control possible answers, and help respondents make rapid decisions by making a choice among the several alternatives and need not spend a lot of time. Furthermore, collecting relevant data from setting questions enable researchers to easily analyze the replies of respondents by minimizing bias.

Table 3.2 : Advantages of Data Collection

Method	Major Advantages
<u>Questionnaires</u>	<ul style="list-style-type: none"> • Responses can be quantified and easily summarized • Easy to use with large samples • Relatively inexpensive • Can obtain large volume of data
<u>Observations</u>	<ul style="list-style-type: none"> • Collects data on behavior, rather than reports on behavior • Real time, not retrospective • Adaptive

Source : D.Nadler, Feedback and Organization Development : Using Data-Based Methods, page 119. O 1977 by Addison-Wesley Publishing Co.,Inc. Reprinted by permission of Addison Wesley Longman.

Questionnaires : One of the most efficient ways to collect data is through questionnaires. Because they typically contain fixed-response queries about various features of an organization, these paper-and-pencil measures can be administered to large numbers of people simultaneously. Also, they can be analyzed quickly, especially with the use of computers, thus permitting quantitative comparison and evaluation. As a result, data can easily be fed back to employees. Numerous basic resource books on survey methodology and questionnaire development are available. (Rea, Parker and Shrader , 1997)

Observations: Since the researcher is one of the members in this organization, this method is created more effectively in the data gathering. The researcher directly in touch with the behaviors and perceptions of the respondent. Observations also involve real-time data, describing behavior or effect occurring in the present that will be described in Chapter 4.

Pilot study

To validate the instrument the researcher did the pilot study to examine the reliability of the questionnaire by giving respondents pre-test and the number of questionnaire should be at least 25. It is essential for the researcher to look for evidence of corrected questions, inappropriate wording, and so forth. Therefore, mistakes were corrected and adjusted to fit the respondents' understanding and to make sure that the questions are not bias or lead the respondents to certain answers. After presetting the questionnaire, and correcting all wordings, the adjusted form of questionnaire will be distributed to the respondents. All respondents are Thai natives, so the questions were translated into Thai language for ease of understanding and interpreting.

Reliability Test Result

As the first step of measurement validation, the reliability of each construct variable was examined by using SPSS Reliability Test's coefficient alpha. As shown in Table 3.4 all constructs exhibited relatively high alpha values, falling within the acceptable range.

A low value of alpha (close to 0) indicates that the sample of items is poor representation of underlying variable; while a high value of alpha (close to 1) indicates that the items are internally related in the manner expected. In this study, all the reliability tests produced relatively high alpha values that are acceptable. (Seashore, Lawler III, Mirvis, and Cammann, 1983)

Table 3.3 : Reliability of the variance of the questionnaires

Variance	Reliability Value
Service Delivery	.7724
Autonomy	.8024
Flexibility	.8474
Work	.6641
Authority	.8322
Objective	.7973

The questionnaire was prepared in English, and translated into Thai for better understanding. The questionnaire is composed of three parts as follows:

Part I: The relevant factors of reorganization

There are questions in the first part; the questions are designed by using likert scale. Likert scale is designed to examine how strongly employees agree or disagree with the statement in each relevant factor: service delivery, autonomy and flexibility.

where,

1 = Strongly disagree 2 = Disagree
3 = Neutral 4 = Agree 5 = Strongly agree

Part II: Employee's attitude

This part has provided the questions that ask the respondents to express their attitudes toward the reorganization factors. The respondents have to rate on a 5 point scale from strongly agree to strongly disagree

where,

1 = Strongly disagree 2 = Disagree
3 = Neutral 4 = Agree 5 = Strongly agree

Part III: Respondents' Demographic Profile

There are 4 questions that are included in the demographic part such as gender, age, education level, and years of working. Multiple choices are used in this part

3.4 Collection of Data / Techniques, Procedure

Techniques

The researcher collects both primary data and secondary data. The researcher originates primary data for the specific purpose of the research problem. Self-administered questionnaire is easy to provide information and be interpreted. In addition, it is a less time consuming method to collect information.

Secondary data is any data originally generated for some purposes other than the present objectives. The information from primary data can be rapidly and inexpensively obtained. Most of the secondary data used in this research were gathered from the journals, articles, textbooks, and thesis, report of the company, which are acquired prior to the primary data.

Procedure

Before collection of data, the researchers have to contact and discuss the purpose of the study with ESG department of Metro Systems Corporation Public Company Limited in order to ask for permission.

The researcher was at Metro Systems Corporation Public Company Limited during the period of data collection for observation in order to provide the additional information including the resolving the problems of data collection that might occur.

The step for gathering information for primary data as follows:-

1. The questions are developed for questionnaire data collection.
2. The questionnaire were distributed to the respondents
3. The researcher collected the questionnaire 3 days after distribution.

3.5 **Data Analysis**

Once the data is collected, the data is analyzed and summarized in a readable and easily interpretable form. The Statistical Package for Social Science (SPSS) is utilized to summarize the data where needed. All statistical manipulations of data will follow commonly accepted research practices. The form of data presentation from these procedures would also be presented in an easy interpretative format, using computer to ensure accuracy and to minimize costs for performing all statistical procedures.

To collect data, the researcher has proceeded the coding of 233 questionnaires into a symbolic form in SPSS software. The demographic characteristics were summarized in the form of simple frequency and descriptive statistics. The descriptive statistic consists of the frequency and percentage in order to describe each characteristic that is associated with respondent's personal data.

Part I – Frequencies and Percentage are used to determine demographic profile.

Part II, III – Chi-Square Analysis will be used to determine the reorganization factors effect on employees' attitude.

By using weighted average mean, it applied for analysis in examining the perception of employee in the company in order to see how their feeling can effect to the reorganization factor.

Chi-Square Test

Chi-Square (X^2) test is that of comparing the observed frequencies (O_i) with the expected frequencies (E_i). It tests the “goodness of fit” of the observed distribution with the expected distribution. The chi-square distribution provides a means for testing the statistical significance of contingency tables. (Zikmund, 2000) This allows the researcher to test for differences in two groups' distributions across categories. The formula of Chi-Square is shown below.

$$X^2 = \frac{\sum (O_i - E_i)^2}{E_i}$$

Where :

O_i = Observed Frequencies

E_i = Expected Frequencies,

X^2 = Chi-Square statistic.

Table 3.4 : Decision Rules for Hypothesis Testing

Hypothesis Statement	Statistical Testing	Question
service delivery and attitude toward change in term of work	Chi-Square Test	Part I Q.1-6 and Part II Q.1-6
service delivery and attitude toward change in term of authority	Chi-Square Test	Part I Q.1-6 and Part II Q.7-12
service delivery and attitude toward change in term of objectives	Chi-Square Test	Part I Q.1-6 and Part II Q.13-18
autonomy and attitude toward change in term of work	Chi-Square Test	Part I Q.7-12 and Part II Q.1-6
autonomy and attitude toward change in term of authority	Chi-Square Test	Part I Q.7-12 and Part II Q.7-12
autonomy and attitude toward change in term of objectives	Chi-Square Test	Part I Q.7-12 and Part II Q.13-18
flexibility and attitude toward change in term of work	Chi-Square Test	Part I Q.13-18 and Part II Q.1-6
flexibility and attitude toward change in term of authority	Chi-Square Test	Part I Q.13-18 and Part II Q.7-12
flexibility and attitude toward change in term of objectives	Chi-Square Test	Part I Q.13-18 and Part II Q.13-18

Chapter 4

Presentation and Analysis of Research Findings

This chapter provides the data analysis and findings of collected data from the research questionnaire. The primary data were collected from 233 sets of questionnaire during September 2004. The presentation and interpretation of the findings are divided into four main sections: Demographic Profile of Respondents, Reorganization Factors Perception and Employee's Attitude. Finally, the researcher would show the results on testing of hypotheses which determine the effect of reorganization factors on employees' attitude toward change in the organization.

The researcher presents the data by following an OD action researcher model focus on the 1st stage that the researcher studies called: Diagnostic Stage

4.1 Demographic Profile of Respondents

The respondents' characteristics include gender, age, income, status, education level and the length of period that the respondents have worked in the company. Demographic characteristics of all respondents are shown in Table 4.1-4.6 and Figure 4.1-4.6

4.1.1 Gender

Table 4.1: Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	180	77.3	77.3	77.3
	Female	53	22.7	22.7	100.0
	Total	233	100	100	

Table 4.1 shows that 180 respondents are male while 53 respondents are female, which represents 77.3% and 22.7% respectively. Most of the respondents are male due to the nature of work as Sales representative. This position requires person who can give service to the customer as no time limit such as the Sales need to look around in the process for setting up the product until the system is running well. Beyond that, this department is combination of technicians, system engineers and network officers. On the whole, the nature of the work determines the gender and most of the respondents in this kind of company are males as shown in figure below;

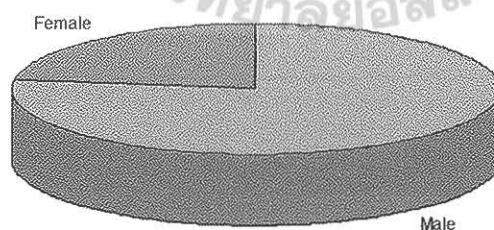


Figure 4.1: Gender

4.1.2 Age

From the result, the majority of respondents are new graduated who age 25 years or below that shown as the following table;

Table 4.2: Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	25 or below	87	37.3	37.3	37.3
	26-30	86	36.9	36.9	74.2
	31-40	60	25.8	25.8	100.0
	Total	233	100.0	100.0	

The maximum percentage of respondents, 37.3% goes to those with 25 years of age and below whereas the minimum percentage of respondents, 25.8%, represents those age group of between 31 and 40 years. The rest respondents with 36.9% come from the age group of 26-30 years. This results from the job requirement that need a group of new generation who eager to learn the new technology and be prompted to adaptive toward the radical changing in this industry.

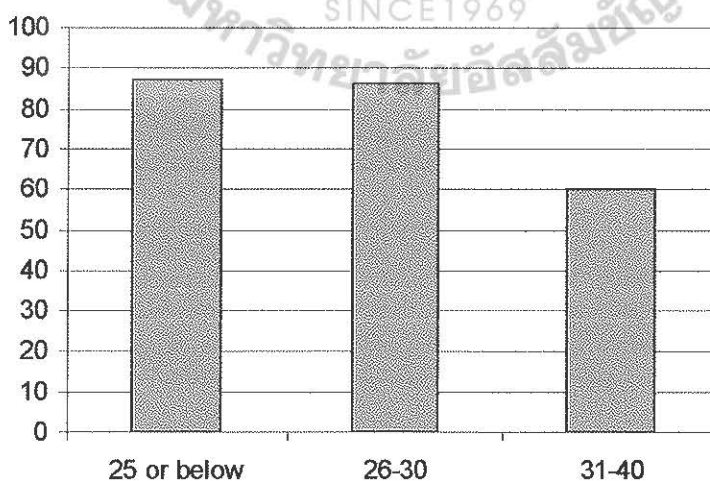


Figure 4.2: Age

4.1.3 Income

The maximum percentage of respondents, 73% have monthly income range of (Baht 10,000-20,000) while the minimum percentage of respondents 7.7% come from monthly income range of (Baht 20,000-30,000). Those with the monthly income of Baht 50,000 and above take 19.3% as shown in the table below;

Table 4.3: Income

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	10,001-20,000	170	73.0	73.0	73.0
	20,001-30,000	18	7.7	7.7	80.7
	More than 50,001 Baht/Month	45	19.3	19.3	100.0
	Total	233	100.0	100.0	

For this result, it is unsurprisingly to the most respondents have income around ten thousand baht per month since most of them are newcomers who has work experience less than 1 year. Due to figure below shown 73% of respondents would have the salary rate as the new employee.

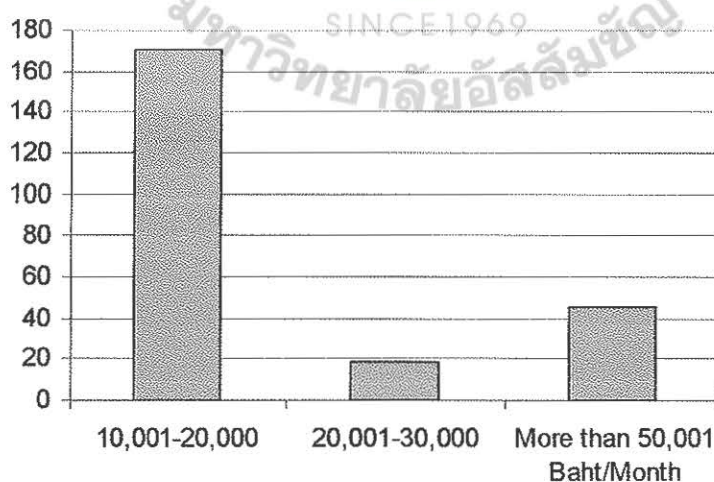


Figure 4.3: Income

4.1.4 Status

Table 4.1-4 shows that 79.8% of respondents are single, 14.6% married without children and 5.6% married with children. This data come out from the top management's policy by referring to the nature of work and the activities that Sales persons should devote themselves to take care of the customers.

Table 4.4: Status

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Single	186	79.8	79.8	79.8
	Married without children yet	34	14.6	14.6	94.4
	Married with children	13	5.6	5.6	100.0
	Total	233	100.0	100.0	



Figure 4.4: Status

4.1.5 Education

Table 4.5 shows that 1 respondent was graduated from Commercial institution, 180 respondents were Bachelor's Degree holders and 52 respondents were holders of Master's Degree or Higher, which represents 0.4%, 77.3% and 22.3% respectively. Notice that most of the respondents held the Bachelor's Degree as the basis requirement of the Sale's position here. Those graduated from Assumption University are preferable because all the Sales in ESG department have to pass the certification from IBM and the textbooks are in English.

Table 4.5: Education

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Commercial Graduate	1	0.4	0.4	0.4
	Bachelor's Degree	180	77.3	77.3	77.7
	Master's Degree or Higher	52	22.3	22.3	100.0
	Total	233	100.0	100.0	

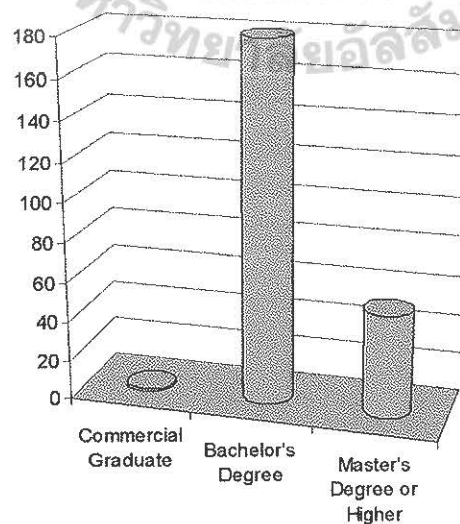


Figure 4.5: Education

4.1.6 Working time

Table 4.6 shows that 82 respondents have less than 1 year working experience, 52 respondents with (1 to 3 years) experience, 30 respondents with (4 to 6 years) experience, 17 respondents with (7 to 9 years) experience and 45 respondents with more than ten years experience. The percentages of the above mentioned respondents are 35.19%, 25.32%, 12.88%, 7.30% and 19.31% respectively. Maximum percentages of respondents have the least working experience and it is because of the high turnover rate during the reorganization.

Table 4.6: Working time in company

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	less than 1 year	82	35.19	35.19	35.19
	1 - 3 years	59	25.32	25.32	60.52
	4 - 6 years	30	12.88	12.88	73.39
	7 - 9 years	17	7.30	7.30	80.69
	more than 10 years	45	19.31	19.31	100.00
	Total	233	100	100	

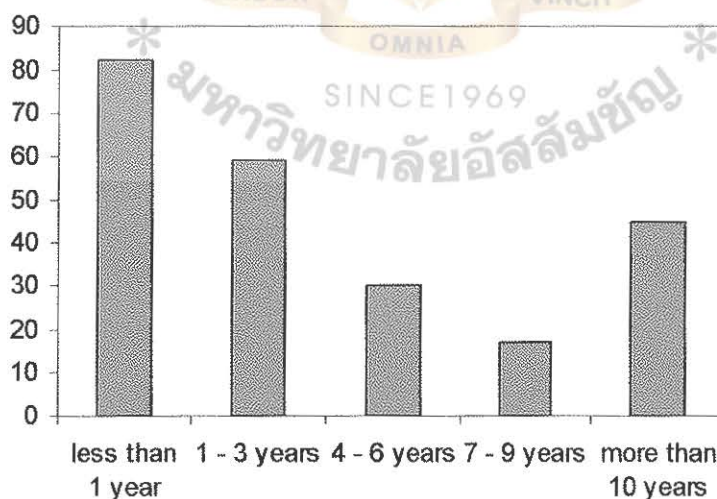


Figure 4.6: Working time in company

Decision rule for data coding

Saunders et al. (2003) mentioned that data have been collected and coded using precise numerical measurements can also be regrouped into less precise level where they can be analyzed. Due to data type, the attitude toward the Reorganization Factor Perception and Employee's Attitude toward changes should be modified from discrete data to be the continuous data. Thus, the level of measurement of the employees' attitude toward the results of changes are divided into three levels, consisting of level 1, 2, and 3, which represents the negative, neutral and positive attitude toward the Reorganization Factor Perception and Employee's Attitude toward the results of changes respectively. Each level of measurement should be recoded in order to set the range of level equally. From the questionnaire, the attitude toward the Reorganization Factor Perception and Employee's Attitude toward the results of changes are set as five-point Likert scales from 1 to 5. Therefore, each level of measurement can be calculated as:

$$\begin{aligned}
 \text{Range of each level} &= \frac{(\text{highest scale} - \text{lowest scale})}{\text{No. of expected range}} \\
 &= \frac{(5-1)}{3} \\
 &= 1.33
 \end{aligned}$$

MEAN SCORE	LEVEL
1.00-2.33	1
2.34-3.67	2
3.68-5.00	3

The attitude toward the Reorganization Factor Perception and Employee's Attitude toward the results of changes is collected from 233 respondents. Therefore, it could be calculated as the mean for each question.

Mean represents the opinion of the respondents toward the Reorganization Factor Perception and Employee's Attitude toward the results of changes. Level 1 represents the value of the 1.00 to 2.33, which indicates the negative attitude toward the Reorganization Factor and, Level 2 represents the value 2.34 to 3.67, indicating the neutral attitude, and Level 3 represents the value 3.68 to 5.00, indicating the positive attitude of employee this change as follows;

4.2 Reorganization Factor Perception

The first research question is on: What is the perception of employees regarding the reorganization factors of the company in terms of service delivery, autonomy and flexibility. In the table 4.7 is the finding on the attitude towards reorganization factors perception according to using of decision rule of data coding.

Table 4.7 Perception of respondents toward Service delivery, Autonomy and Flexibility

	N	Mean	Std. Deviation	Level
Perception of Respondents toward Service Delivery	233	3.47	0.65	2
Company does a good job of recognizing the efforts of employees to improve customer service	233	3.28	0.59	2
I have the freedom I need to meet customer needs.	233	3.28	0.69	2
In my area we are rewarded for efforts to improve external/internal customer service.	233	3.79	0.72	3
Reorganization create "a customer/client driven "toward service delivery	233	3.40	0.60	2
The work policies are well developed and organized in service delivery.	233	3.41	0.60	2
I am satisfied with the increases in service delivery to customer after reorganization.	233	3.68	0.68	3

Perception of Respondents toward Autonomy	233	3.35	0.96	2
I am involved in decisions that affect my work.	233	2.86	1.03	2
I am able to balance work priorities with my personal life	233	3.67	0.80	2
I have enough freedom in my position to do what is right for the customer.	233	3.54	0.69	2
I am treated with respect by others with whom I work.	233	3.65	0.89	2
At MSC, my suggestions are given serious consideration	233	3.30	1.20	2
People generally feel appreciated where I work	233	3.11	1.17	2
Perception of Respondents toward Flexibility	233	3.20	0.89	2
I am able to contact Senior Management as needed.	233	3.65	0.90	2
Procedures necessary to do my job often involve unnecessary steps.	233	2.82	0.85	2
New organization support to flexible working arrangement.	233	3.01	0.84	2
I am involved in decisions that affect my work.	233	3.03	1.06	2
MSC policies and procedures for employees make sense to me.	233	3.36	0.85	2
I feel free to express my opinions without worrying about negative consequences	233	3.31	0.82	2

The result indicated that most of respondents feel neutral towards these change. Moreover, the majority of respondents seem to have positive attitude toward the rewarded for efforts to improve either external or internal for customer service. Further that they are also satisfied with the increase in service delivery to the customer after reorganization. These mentioned the reorganization created the more efficient service delivery to their customer nevertheless; they need a reward for their efforts in order to increase their potential to deliver the service, whereas in the perception factors toward autonomy and flexibility after reorganization seems to be neutral in all factors.

It means that these two variables did not have much effect on this change. The reason behind that because this change do not give fully autonomy in making decision, anyhow the process and all necessary steps have to approve from the top management as the past. That is why the attitude of the respondents towards flexibility is still neutral.

4.3 Employee's Attitude toward changes

The second research question is on: What is the attitude of employee towards the changes in terms of work, authority and objectives? The findings on the attitude towards work shown as in the table 4.8;

Table 4.8 Attitude of Employees toward Work, Authority and Objective

	N	Mean	Std. Deviation	Level
Attitude of Respondents toward Work	233	3.28	0.75	2
I can leave work to take care of personal matters if I need to.	233	2.60	0.84	2
People get ahead as fast here as they do in other places.	233	3.08	0.79	2
The work policies are well developed and organized.	233	3.15	0.71	2
If I do a good job I have a better chance of getting ahead.	233	3.68	0.83	3
I believe that all the divisions in the company interact and work together to achieve a common goal	233	3.77	0.74	3
The people I work with cooperate to get the work done.	233	3.42	0.58	2
Attitude of Respondents toward Authority	233	3.56	0.88	2
I am able to balance work priorities with my personal life.	233	3.91	0.85	3
I am treated with respect by others with whom I work with and I have authority to decide in my work area.	233	3.59	0.71	2
The people I work with cooperate to get the work done and respect my decision.	233	3.51	0.85	2
I have enough freedom in my position to do what is right for the customer.	233	3.35	1.10	2
I have the freedom which in order I need to meet customer needs	233	3.22	0.75	2
The meetings that I have with my co-workers and supervisors help me to get my job done.	233	3.78	1.02	3

Attitude of Respondents toward Objectives	233	3.36	0.85	2
I believe that rewards are given fairly where I work.	233	3.54	0.98	2
I know what is expected of me in my job.	233	3.56	0.72	2
I feel the company's benefits meet my needs.	233	3.08	0.79	2
I believe there are adequate ways for me to develop my career at MSC.	233	3.35	0.86	2
I have the opportunity to progress within the MSC system	233	3.19	0.99	2
Overall, I enjoy working at MSC and intend staying for the foreseeable future after reorganization.	233	3.44	0.76	2

The researcher diagnoses the results of the employee's attitude toward organization change that the majority of respondents seem neutral towards their objectives in career path and their benefits. These indicate the respondents feel that this reorganization did not serve their objective as they expected. Anyhow, factors of attitudes of respondents towards work and authority became the main issue in their point of view.

The researcher found that Attitude of Respondents toward Work in the factors of the belief of doing good jobs leads to better chance of getting a head in return. Including the belief of the divisions in the company interact and work together can help achieving a common goal that can create the positive feeling of the respondents toward this change. In addition, these changes affect the authority factors which increase their power in decision making. This change create the positive feeling toward their balance work priorities with their personal life as well as it increase chance of the meetings with their co-workers and supervisors help them to get their job done.

4.4 Hypothesis Testing

Chi-Square test was employed in this study in order to examine on the effect between the reorganization structures and the employee's attitude toward changes as follow: -

Hypothesis 1

H₀₁: Reorganization factors in term of service delivery, autonomy and flexibility have no significant in effect on the employee's attitude toward the results of change in term of work, authority and objectives

H_{a1}: Reorganization factors in term of service delivery, autonomy and flexibility have significant in effect on the employee's attitude toward the results of change in term of work, authority and objectives

Table 4.9: Chi-Square Test between service delivery and employees' attitude toward the results of change in term of work

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	138.250 ^a	4	.000
Likelihood Ratio	123.475	4	.000
Linear-by-Linear Association	98.266	1	.000
N of Valid Cases	233		

a. 3 cells (33.3%) have expected count less than 5. The minimum expected count is .27.

The results from table 4.9; A two-tailed significance of 0.000 is less than 0.05 ($0.000 < 0.05$). It means that the null hypothesis is rejected, which means that there is a significant in effect of service delivery on the attitude toward the results of change in term of work at the 0.05 level of significance. This indicated that the employees attitude towards work have significant effect toward service delivery .Which mean that if the organization want to enhance the ability of employees in service delivery areas then they have to fulfill the satisfaction of its employees in work attitude factors first.

Table 4.10: Chi-Square Test between service delivery and employees' attitude toward the results of change in term of authority

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	85.527 ^a	6	.000
Likelihood Ratio	57.582	6	.000
Linear-by-Linear Association	29.368	1	.000
N of Valid Cases	233		

a. 4 cells (33.3%) have expected count less than 5. The minimum expected count is .26.

The results from table 4.10 indicate that there is a statistical dependence of service delivery on the employees' attitude toward the results of change in term of authority. A two-tailed significance of 0.000 is less than 0.05 ($0.000 < 0.05$). It means that the null hypothesis is rejected, which means that there is a significant in effect of the service delivery and the employees' attitude toward the results of change in term of authority at the 0.05 level of significance. From the above findings, it can diagnose that the more authority they have, the more efficient service delivery provided.

Table 4.11: Chi-Square Test between service delivery and employees' attitude toward the results of change in term of objectives

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	68.919 ^a	4	.000
Likelihood Ratio	47.756	4	.000
Linear-by-Linear Association	23.449	1	.000
N of Valid Cases	233		

a. 3 cells (33.3%) have expected count less than 5. The minimum expected count is .29.

The results from table 4.11 indicate that there is a statistical dependence of service delivery on the employees' attitude toward the results of change in term of objectives. A two-tailed significance of 0.000 is less than 0.05 ($0.000 < 0.05$). It means that the null hypothesis is rejected, which means that there is a significant effect of the service delivery on the employees' attitude toward the results of change in term of objectives at the 0.05 level of significance. The researcher diagnoses this hypothesis that their objective can be achieved since the service delivery has been fulfilled.

Table 4.12: Chi-Square Test between autonomy and employees' attitude toward the results of change in term of work

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	90.424 ^a	6	.000
Likelihood Ratio	114.846	6	.000
Linear-by-Linear Association	78.044	1	.000
N of Valid Cases	233		

a. 3 cells (25.0%) have expected count less than 5. The minimum expected count is 1.65.

The results from table 4.12 indicate that there is a statistical dependence of autonomy on the employees' attitude toward the results of change in term of work. A two-tailed significance of 0.000 is less than 0.05 ($0.000 < 0.05$). It means that the null hypothesis is rejected, which means that there is a significant in effect of the autonomy on the employees' attitude toward the results of change in term of work at the 0.05 level of significance. This also mentions that the fulfillment in autonomy at their work can help to enhance their attitude towards work more positively.

Table 4.13: Chi-Square Test between autonomy and employees' attitude toward the results of change in term of authority

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	161.484 ^a	9	.000
Likelihood Ratio	186.497	9	.000
Linear-by-Linear Association	61.832	1	.000
N of Valid Cases	233		

a. 6 cells (37.5%) have expected count less than 5. The minimum expected count is 1.55.

The results from table 4.13 indicate that there is a statistical dependence of autonomy on the employees' attitude toward the results of change in term of authority. A two-tailed significance of 0.000 is less than 0.05 ($0.000 < 0.05$). It means that the null hypothesis is rejected, which means that there is a significant in effect of the autonomy and the employees' attitude toward the results of change in term of authority at the 0.05 level of significance. This can be diagnose that if they have more authority in their work, it means that they have the more right to influence another person which can lead to be more autonomy in their work as well.

Table 4.14: Chi-Square Test between autonomy and employees' attitude toward the results of change in term of objectives

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	135.702 ^a	6	.000
Likelihood Ratio	152.917	6	.000
Linear-by-Linear Association	3.726	1	.054
N of Valid Cases	233		

a. 2 cells (16.7%) have expected count less than 5. The minimum expected count is 1.75.

The results from table 4.14 indicate that there is a statistical dependence of autonomy and the employees' attitude toward the results of change in term of objectives. A two-tailed significance of 0.000 is less than 0.05 ($0.000 < 0.05$). It means that the null hypothesis is rejected, which means that there is a significant effect of the autonomy and the employees' attitude toward the results of change in term of objectives at the 0.05 level of significance.

The researcher simply says that if they have more autonomy in their work it leads to fulfill their objectives in their career path.

Table 4.15: Chi-Square Test between flexibility and employees' attitude toward the results of change in term of work

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	63.408 ^a	6	.000
Likelihood Ratio	70.108	6	.000
Linear-by-Linear Association	50.811	1	.000
N of Valid Cases	233		

a. 4 cells (33.3%) have expected count less than 5. The minimum expected count is .21.

The results from table 4.15 indicate that there is a statistical dependence of flexibility and the employees' attitude toward the results of change in term of work. A two-tailed significance of 0.000 is less than 0.05 ($0.000 < 0.05$). It means that the null hypothesis is rejected, which means that there is a significant effect of the flexibility on the employees' attitude toward the results of change in term of work at the 0.05 level of significance.

The flexibilities of the working process can increase in both either positive or negative point of view in term of work attitude in this organization.

Table 4.16: Chi-Square Test between flexibility and employees' attitude toward the results of change in term of authority

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	67.043 ^a	9	.000
Likelihood Ratio	77.079	9	.000
Linear-by-Linear Association	47.413	1	.000
N of Valid Cases	233		

a. 6 cells (37.5%) have expected count less than 5. The minimum expected count is .19.

The results from table 4.16 indicate that there is a statistical dependence of flexibility on the employees' attitude toward the results of change in term of authority. A two-tailed significance of 0.000 is less than 0.05 ($0.000 < 0.05$). It means that the null hypothesis is rejected, which means that there is a significant effect of the flexibility and the employees' attitude toward the results of change in term of authority at the 0.05 level of significance.

Clearly simplified that if they have more authority at work then they also increase the flexibility in work process. This result shows the effect that lead to the same direction.

Table 4.17: Chi-Square Test between flexibility and employees' attitude toward the results of change in term of objectives

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	30.693 ^a	6	.000
Likelihood Ratio	45.256	6	.000
Linear-by-Linear Association	22.559	1	.000
N of Valid Cases	233		

a. 4 cells (33.3%) have expected count less than 5. The minimum expected count is .22.

The results from table 4.17 indicate that there is a statistical dependence of flexibility and the employees' attitude toward the results of change in term of objectives. A two-tailed significance of 0.000 is less than 0.05 ($0.000 < 0.05$). It means that the null hypothesis is rejected, which means that there is a significant effect of the flexibility on the employees' attitude toward the results of change in term of objectives at the 0.05 level of significance.

Simply stated that flexibility at work has the same direction towards the change in term of their objective. As long as the respondents have the flexibility in their work procedure, the employee's objective could be reached more easily.

Table 4.18 : Summary of Hypothesis Testing Result

Hypothesis	Statistical Testing	Sig. (2-tailed)	Analysis Result
H₀₁: Reorganization factors in term of service delivery, autonomy and flexibility have no significant in effect on the employee's attitude toward change in term of work, authority and objectives			
• service delivery and attitude toward change in term of work		0.000	Accept Ha
• service delivery and attitude toward change in term of authority		0.000	Accept Ha
• service delivery and attitude toward change in term of objectives	Chi-Square	0.000	Accept Ha
• autonomy and attitude toward change in term of work		0.000	Accept Ha
• autonomy and attitude toward change in term of authority		0.000	Accept Ha
• autonomy and attitude toward change in term of objectives		0.000	Accept Ha

Table 4.18 : Summary of Hypothesis Testing Result (continue)

Hypothesis	Statistical Testing	Sig. (2-tailed)	Analysis Result
<ul style="list-style-type: none"> flexibility and attitude toward change in term of work 	Chi-Square	0.000	Accept Ha
<ul style="list-style-type: none"> flexibility and attitude toward change in term of authority 		0.000	Accept Ha
<ul style="list-style-type: none"> flexibility and attitude toward change in term of objectives 		0.000	Accept Ha

Source: Applied from Table 4.9 - 4.18

Table 4.18 shows that the alternative hypothesis is accepted. It means that the reorganization factors in term of service delivery, autonomy and flexibility **have significant in effect on** the employee's attitude toward change in term of work, authority and objectives.

The researcher has been diagnosing the company situation based on the result of hypothesis test which found that all the reorganization factors have an effect on all factors employees attitude. According to the study of Cincinnati OH: Thomsen (1998), he said that some people want jobs that provide them with the right and privilege to make decisions and operate without being closely supervised. A feeling of autonomy could result from the freedom to do what the employee considers best in a particular situation. In jobs that are highly structured and controlled by management, it is difficult to create tasks that lead to a feeling of autonomy.

By this idea link to the study of (Kotter, 1996), he said that “Major change efforts have helped some organizations adapt significantly to shifting conditions, have improved the competitive standing of others, and have positioned a few for a better future. But in too many situations, the improvements have been disappointing and the carnage has been appalling, with wasted resources and burned-out, scared, or frustrated employees”. Since the company reorganization, there are many effecting in term of service delivery towards many factors of employee’s attitudes. Whereas company merge all hardware department into one group, many employees who have different organization cultures and background in product knowledge. They have to adjust themselves in order to serve all requests of customers. Service delivery might be improve in term of fast response to customers, decrease delay time and increase customer satisfaction in term of one stop service.

Nevertheless, there are many factors which impact on employee’s attitudes. For example ,in case of increase in service delivery ,they have to work more and learn more in order to meet the company’s goal , whereas the aim of employees objective in term of benefit and pay have to be increasing followed by the increasing in work and additional products knowledge study. Even the autonomy in decision making have been changed by decentralization in term of making decision for customer service ,this has effect on employee’s attitude in term of authority .If they have more authority in making decision ,they will have more autonomy in their work as well.

Moreover, the flexibility in work also has effect on the employee’s attitude in term of work and their personal life. If they can adjust themselves for further study all products knowledge then they may have to use their personal time in the evening to study more products knowledge in order to meet the company objective in service delivery to the customers.

CHAPTER 5

SUMMARY, CONCLUSION AND RECOMMENDATION

This chapter includes summary of findings, conclusion of the research results of the effect of reorganization factors on employee's attitude of Metro Systems Corporation Public Company Limited (MSC) and recommendations as an OD Proposal.

5.1 Summary of the Findings

5.2.1 Demographics

Most of the respondents are male, as the nature of sale and engineering who tasks are generally suited to the men. This position requires person who can offer service to the customer. Moreover, the nature of the work calls for a person with the age ranging from 25 years old or below. Furthermore, the majority group of the respondents is singles who held the Bachelor's Degree as the basis requirement and they are working less than 1 year. In addition, most of the respondents have (10,000-20,000 Baht) income per month as it is the salary rate for newcomers.

5.2.2 Reorganization Factors Perception

Refer to the research result of employees' perception toward the reorganization factor is mostly neutral. The reorganization factors that the researcher study is composed of service delivery, autonomy and flexibility that considered as the problem area till it leads to this reorganization plan at this time. However, the result showed no any affect to the employee at these three areas.

5.2.3 Employees' Attitude toward change

In this section, the attitudes of employees are determined based on the factors of their work, authority and objective. The result showed that most of the employees feel neutral to these three variables.

5.2.4 Finding from Hypothesis

Overall, it can be said in conclusion that there is an effect of Reorganization Factor on Employee's attitude in Metro Systems Corporation Plc. Therefore, the study accept the hypothesis: *Reorganization factors in term of service delivery, autonomy and flexibility have significant in effect on the employee's attitude toward change in term of work, authority and objectives*

5.2 Conclusion

Specifically, the study has come to the following conclusions based on the sequence of research objectives, questions and hypotheses.

- The perception of employees on the reorganization factors of the company in terms of service delivery, autonomy and flexibility is mostly fair. This result can indicate that most of respondents feel neutral towards these changes.
- Most of respondents have neutral feeling towards their attitude towards change in terms of work, authority and objectives.
- The reason for why most of the respondents feel neutral to all factors that connecting such discussion to what was identified as issues and concerns in Chapter 1 and Chapter 4. High turnover rate in MSC became the point that made company to recruit a lot of new employee to replace the one who quitted. Therefore, most of them were newcomers or new employees who still have neither positive nor negative feeling to all those factors.

- In addition, this cause of minor reorganization in several times and unstable since then. All these particular factors create unsecured in career path and unfulfilled of their objectives in term of pay, benefit and promotion. As a result they decided to end of their career at this company and begin in a new place or find others alternatives for fitting their life. Based on these findings, the researcher would like to propose the ODI as the recommendation in the next section.

5.3 Recommendation with an ODI proposal

5.3.1 Importance of Intervention

In today's rapidly changing and highly competitive environments, top managers are continually seeking ways to adapt their organizations to their environment and to design high-performance work organizations. Interventions help organizations meet the competitive demands of increasingly complex and dynamic world. As the company in this research (MSC), which is moving into a third era, where ways of doing business are to change and its business structure has to be reorganized.

The result is there are a number of employees who had resistance to change and they decided to quit the job. Recalling from the turnover rate table in Chapter 1 is an indicator for the statement. Based on this result, there is a need to develop the intervention in order to plan the activities that is intended to resolve difficulties and build on strengths to improve the effectiveness and efficiency of the organization.

5.3.2 Purpose & Objective of OD intervention

The main purpose of Organization Development Intervention (ODI) refers to the range of actions designed to improve the health or functioning of the client system. An awareness of the range of diverse intervention techniques available to be applied to a given target system is important to the researcher. All the OD interventions are aimed at changing some specific aspect of an organization: its climate, members, structure, or procedures. An organization practice is inefficient if it fails to further organization objectives; however, inefficiency may emerge slowly and become ingrained in the climate of the organization and the behaviors of the members.

Based on the findings of the research, the employees with attitude in the factor of work, authority and objective need attention. Although the data shown the neutral feeling to these variables, the turnover rate of employee is still higher. This informed that the Reorganization Factor actually has an impact on those variables. MSC's top management should not concentrate to solve the problem area only –such as to improve in the service delivery, or to give more autonomy in work without considering the importance of the employee's attitude.

This changing will have systematic effects on the other parts of the organization making up the whole. To improve performance of the organization, the top management should recognize what changes will be effected as shown in Figure 5.1 below;

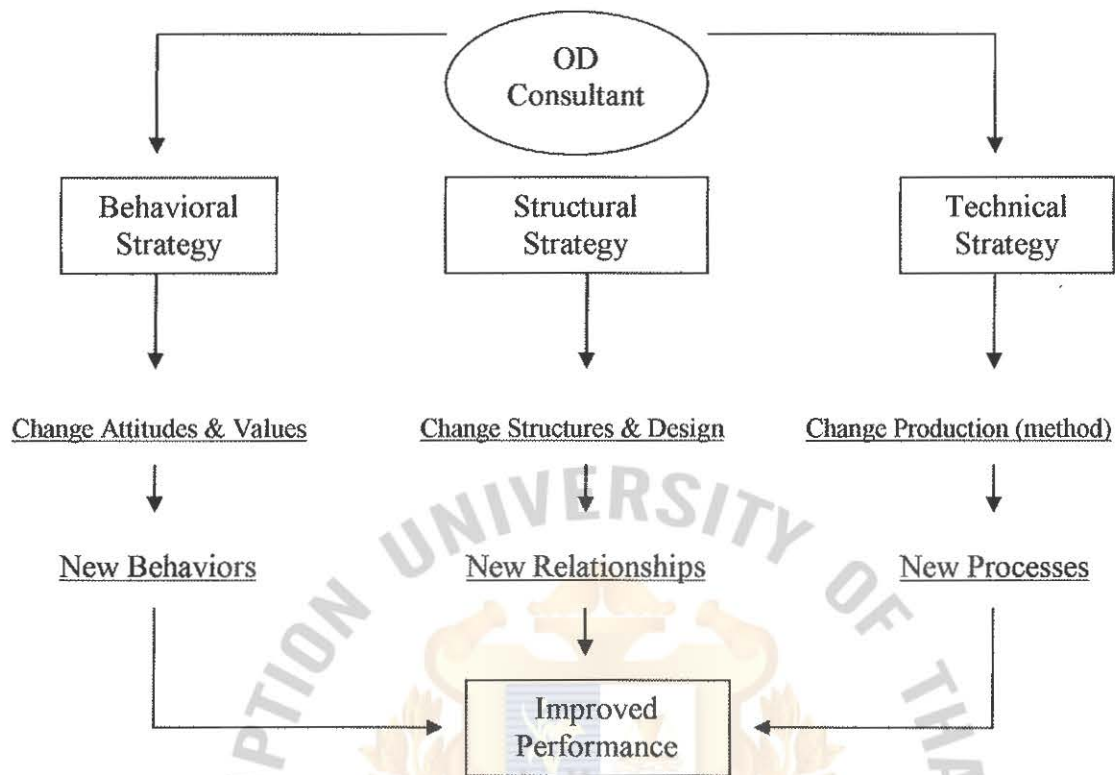


Figure 5.1 : An Integrated Approach to Change.

Source ; Jyotsna Sanzgiri and Jonathan Z. Gottlieb (1992). "Philosophic and Pragmatic Influences on the Practice of Organization Development, 1950-2000," *Organizational Dynamics*, Autumn 1992, pp. 57-69

Throughout all the businesses which introduced changes successfully, the researcher believes that there was only one constant factor- a senior member of the organization (senior enough to influence major decisions) who not only had the respect and confidence of his-her peers but also the personality and communication skills to allow everyone in the organization to share his/her vision of the future. To enable everyone to *see* what it would like to be, to *hear* how people would be talking about, to *feel* the satisfaction of working in this new organization in MSC.

Since the organizational change involves moving from the known to the unknown, the future is uncertain and it may adversely affect employee's competencies, worth, and coping abilities. Organization members generally do not support change unless compelling reasons convince them to do so. Thus, the organization must be sensitive to this issue before it reached disastrous levels. Due to the above discussion, it has become the purpose and objectives of the Proposed ODI for this organization.

5.3.3 OD intervention Framework

: (a refinement of conceptual framework of the research)

The last research question is on: *What are the appropriate interventions of this study?*

The researcher attempt to answer this question by creating the ODI framework as follows;

The Conceptual Framework of the study on effect of Reorganization Factor on Employee Attitude toward the results of Change

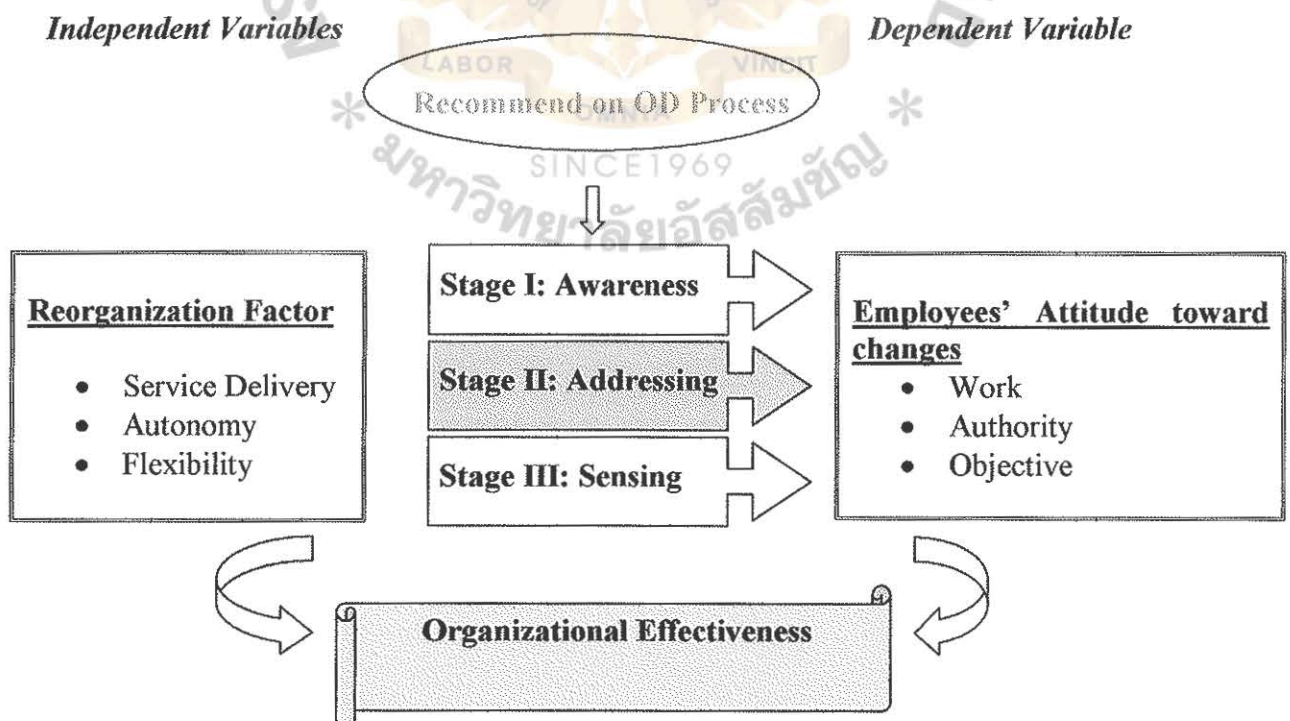


Figure 5.2 : Organizational Development's Intervention framework

5.3.4 Description of OD intervention activities

This is a list and a description of each of the Intervention or activities that researcher intends to propose for the Organization, as needed and supported by the findings in the research.

Stage	Intervention Activities	Process
I : Awareness	Objectives Policies Forecasts Proposals Projects	Preliminary discussion
II: Addressing	Controlling Training Reporting Progress Chasing	Monitoring
III: Sensing	Analysis Evaluation Problem Solving	Evaluation

Stage I : Awareness

The problems are recognized, awareness raising begins, diagnostic studies are undertaken, and feasibility studies are begun. This begins to create a new perception of achievable performance of employee in MSC at this stage. The main focus of this stage therefore is that of creating awareness as well as awareness building continues long into the next stage. The top management should think about how thoroughly dose everyone affected after reorganization not just let them know but they have to know what is the objective (or) policy for this change in order to let them prepare themselves for this change.

For change to be successful those involved must aware the change and understand its objectives, their role and so on. This is the first stage that the researcher would like to propose on.

Stage II : Addressing

At this stage, the researcher suggests the question that top management should address is: How completely have the resources required been identified and provided, including employee's skill and time?.

After everyone realized the responsibility for the "problem" and aware of them, here effort at building awareness continues but also employees are moving towards decision and action. Task forces may be established. If new skills are needed then the first attempts to seek them or to attempt to create them internally will begin as long as the training-focused. Due to this new organization, sales need to enhance their abilities in the product knowledge in order to achieve the objective of this reorganization by emphasizing on the product training as well.

Stage III : Sensing

The last stage of ODI proposal is concerning about the importance of an effective evaluation. Specifically, in Sale Department (ESG) the performance indicator that best to measure the Sales is the Sale Volume. Rapid response in service delivery is achieved so the performance in Sale Volume will also be reached. In contrast, if there is a limitation in making decision such as approval of pricing so it decreases the flexibility in work flow. This resulted in delaying of service delivery which leads to the increasing of customer's dissatisfaction. Lastly, the researcher wants to see this organization be more sensitive to this aspect as said earlier.

Simply stated that the top management should be aware of this changing as well as the employee by listening to what they did not talk and be sensitive to the continuation of turnover rate.

5.3.5 Management Support

One important thing the researcher discovered during the proposing of ODI is that all the steps required management support.

In addition to managing change, contemporary and future managers will have to develop approaches for adopting and implementing innovation. Innovative products, processes, and practices have become the rule rather than the exception, and managing change and innovation have become interwoven as the significant management responsibility of the 21st century. That's why to get the management support and endorsement of the ODI that the researcher is proposing is important as the followings;

- Often management puts the responsibility for change onto the “change” itself. This may be in the form of a new policy or new initiatives, without taking personal responsibility for the effects they have themselves. It is often heard in an organization “we have a new structure so the problem is solved”. We have a new objective, so we have sorted out this issue. This is only the beginning of change; the questions to ask are “we have a new structure – so what is my part or role in this? What can I do to enable change?”. This in itself can be seen as a “gap” to be bridged by the practitioner.
- Management by its nature has a controlling aspect. In a “change” situation it would do well to move into the mode of enabling and facilitating or ‘letting go’ of control sometimes. It also often forgets the human aspect of change. Content or process without a focus on the human or behavioral elements is potentially destructive. This is also cited in some of the case histories.

- Management must give the skills and the environment to allow it to ‘let go’ of items such as information, authority, resources and accountability. In other words, management needs to empower its people and this often requires focused training especially the training for product knowledge for Sales. This is a dichotomy, as we require management commitment and support for change, but we require those in management to have a light touch in many change management scenarios rather than a heavy ‘hands on’. Involving all those affected by the change itself creates more learning and potentially more sustainability of the change in the future.

5.4 Suggestion for Further Study

This research represents only the attitude of employee toward the reorganization factors including to test whether they have the significant effect between independent variable and dependent variable. The result shows that there is an effect between those variables so the next question is how to deal with those effects.

Therefore, the researcher attempts to propose for the OD intervention in order to help the organization to become more effective. However, the critical test of these alternative change interventions is whether they really help to improve organizational effectiveness. This can only be determined through research to answer “How Effective Are Change Interventions?”

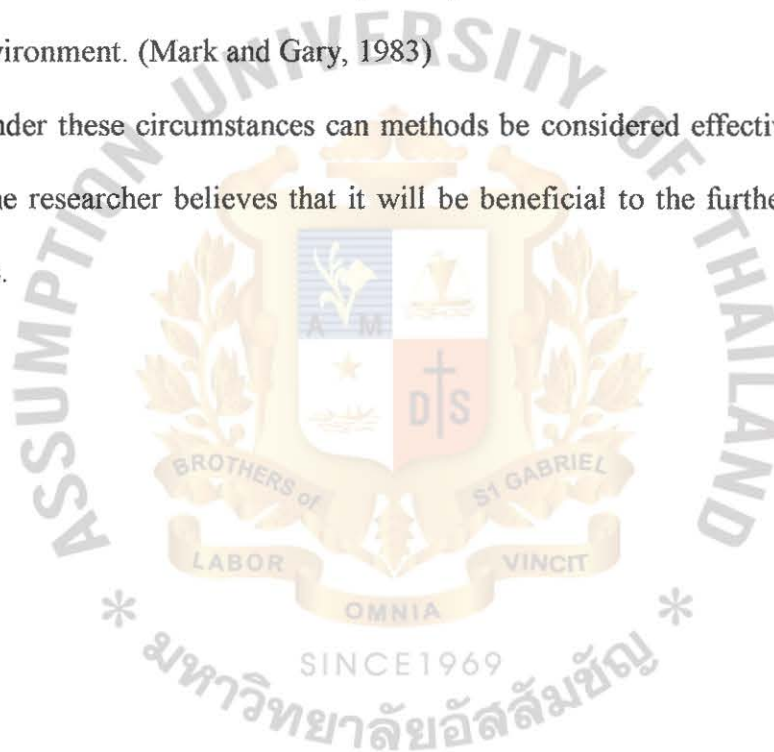
Research reviews of the record-of-change efforts conclude that multi-method approaches have better success than single-method one. Nicholas, for example, compared effects of sensitivity training, team building, job enrichment, and job redesign and concluded that no single method is successful in all instances. But he also found that significant changes occur when several methods combine.

One such combination includes three discrete steps involving all levels of the organization. The three steps are:

- (1) All employees participate in goal setting, decision making, and job redesign.
- (2) Employee collaboration is developed through team building.
- (3) The organizational structure is reorganized to accommodate the new levels of participation and collaboration.

Application of these three steps can go a long way toward meeting some arguments specific methods. The overriding managerial concern is transfer of learning to the work environment. (Mark and Gary, 1983)

Only under these circumstances can methods be considered effective. That is the idea that the researcher believes that it will be beneficial to the further research under this topic.



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Part I: Reorganization Factor Perception

Direction: The following statements are indicated your own attitude toward the reorganization factors. Please mark the checkmark (X) on only one scale in each statement that best fit to you.

Reorganization Factors

*** Service Delivery**

1 = strongly disagree, 2 = disagree, 3 = neutral,
4 = agree, 5 = strongly agree

1	2	3	4	5
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1. My Company does a good job of recognizing the efforts of employees to improve customer service delivery.

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2. I have the freedom I need to meet customer needs.

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3. In my area we are rewarded for efforts to improve external/internal customer service.

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4. Reorganization creates "a customer/client driven" toward service delivery.

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5. The work policies are well developed and organized in service delivery.

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6. I am satisfied with the increases in service delivery to customer after reorganization.

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*** Autonomy**

1 = strongly disagree, 2 = disagree, 3 = neutral,
4 = agree, 5 = strongly agree

1	2	3	4	5
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7. I am involved in decisions that affect my work.

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8. I am able to balance work priorities with my personal life

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9. I have enough freedom in my position to do what is right for the customer.

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10. I am treated with respect by others with whom I work.

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11. At MSC, my suggestions are given serious consideration

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12. People generally feel appreciated where I work.

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*** Flexibility**

1 = strongly disagree, 2 = disagree, 3 = neutral,
4 = agree, 5 = strongly agree

13. I am able to contact Senior Management as needed.

14. Procedures necessary to do my job often involve unnecessary steps.

15. New organization support to flexible working arrangement.

16. I am involved in decisions that affect my work.

17. My Company policies and procedures for employees make sense to me.

18. I feel free to express my opinions without worrying about negative consequences.

1	2	3	4	5
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Part II: Attitude of Employees' toward Changes

Direction: The following statements are indicated your own attitude toward the reorganization factors. Please mark the checkmark (X) on only one scale in each statement that best fit to you.

Employees' Attitude

*** Work**

1 = strongly disagree, 2 = disagree, 3 = neutral,
4 = agree, 5 = strongly agree

1. I can leave work to take care of personal matters if I need to.
2. People get ahead as fast here as they do in other places.
3. I like my work because work policies are well developed and organized.
4. If I do a good job I have a better chance of getting ahead.
5. I believe that all the divisions in the company interact and work together to achieve a common goal.
6. The people I work with cooperate to get the work done.

1	2	3	4	5
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*** Authority**

1 = strongly disagree, 2 = disagree, 3 = neutral,
4 = agree, 5 = strongly agree

7. I am able to balance work priorities with my personal life.
8. I have authority to making decision in my work area.
9. The people I work with cooperate to get the work done and respect my decision.
10. I have enough freedom in my position to do what is right for the customer.
11. I have the freedom which in order I need to meet customer needs.
12. The meetings that I have with my co-workers and supervisors help me to get my job done.

1	2	3	4	5
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*** Objective**

1 = strongly disagree, 2 = disagree, 3 = neutral,
4 = agree, 5 = strongly agree

1	2	3	4	5
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13. I believe that rewards are given fairly where I work.

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14. I know what is expected of me in my job.

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15. I feel the company's benefits meet my needs.

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16. I believe there are adequate ways for me to develop my career at MSC.

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17. I have the opportunity to progress within the company system.

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18. Overall, I enjoy working at Metro and intend staying for the foreseeable
future after reorganization.

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Part III: Personal Data

Direction: Please complete the following information about yourself by marking the checkmark (x) that related to your own profile.

1. Gender

- ☐ Male
- ☐ Female

2. Age

- ☐ Under 24 years or below
- ☐ 25-30
- ☐ 31-40
- ☐ 41-50

3. Income

- ☐ Below 10,000 Baht/Month
- ☐ 10,001-20,000 Baht/Month
- ☐ 20,001-30,000 Baht/Month
- ☐ 30,001-50,000 Baht/Month
- ☐ More than 50,001 Baht/Month

4. Status

- ☐ Single
- ☐ Married with children
- ☐ Married without children
- ☐ Widow
- ☐ Divorce

5. Education

- Commercial Graduate
- Bachelor's Degree
- Master's Degree or higher

6. Working time in the company

- Less than 1 year
- 1-3 years
- 4-6 years
- 7-9 years
- More than 10 years



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Amphur Muang, Samutprakarn

20 September 2004

CURRICULUM VITAE

June 2001 to present . Account Executive : Metro Systems Corporation Public Company Limited, Sukhumvit 103 Road, Bangkok, Thailand.

Sold hardware and software to the customer where my analytical, organizational, and communication skills are utilized. Responsible to offer a comprehensive range of leading international products coupled with top performance to accommodate clients' diversified demands. Dealing to business activities center on information technology and products and services include computers, office automation, printers, cabling & installation service, consulting and training service.

Reference available on request.

Education

- 2002-2004 Assumption University
Master Degree in faculty of Organization Development & Management,
Major Organization Management
- 1996-2000 Assumption University
Bachelor of Business Administration, Major Hotel Management and
Minor Business English.

Other points

Clean driving license.

Certificate in IBM Server Certified Specialist—iSeries Solution Sales V5R2.

Certificate in Microsoft Licensing Sales Training Gen2.

Personal

Age : 27

Nationality : Thai

Marital Status : Single

Good health

Personal interests: Participate in sport: Swimming, Jogging, Table Tennis, and Aerobic.

