A STUDY OF THE RELATIONSHIP BETWEEN ORGANIZATIONAL STRUCTURE AND EMPLOYEE READINESS TO CHANGE: A CASE STUDY OF Q. P. INDUSTRIALS COMPANY LIMITED

By

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A Thesis Submitted in Partial Fulfillment
of the Requirements for the Degree of

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Graduate School of Business
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ABSTRACT

This research studies the relationship between the organizational structure and the employee readiness to change in Q.P. Industrials Company Limited investigating how such organizational factors such as job specialization, formalization, unit size, group unit, and centralization & decentralization are related to Q.P. employees readiness to change. The respondents were 102 employees of the organization. Most of the respondents were male, aged between 21-30 years old with lower education background, and an income lower than 5000 baht, and who worked in the production department.

The result of the research show that the perception of respondents on organization structure were mostly "agree". The perception of respondents on readiness to change were mostly "strongly agree". For the study of the relationship between demographic profile and organization structure, it could be concluded that the sub variables in demographic profile have the relationship with organization structure by which income and department were the major concern for management level. Mean while, education background was the minor concern; sex and age were the last consideration for management level to consider about the organization structure.

While the relationship between organization structure and employee readiness to change, could be indicated as there were only two factors that we needed to consider for employee readiness to change. This were

job specialization and unit size. Due to the high level of the employee readiness to change then it was the good opportunity for the management level to provide the training program for the employee.

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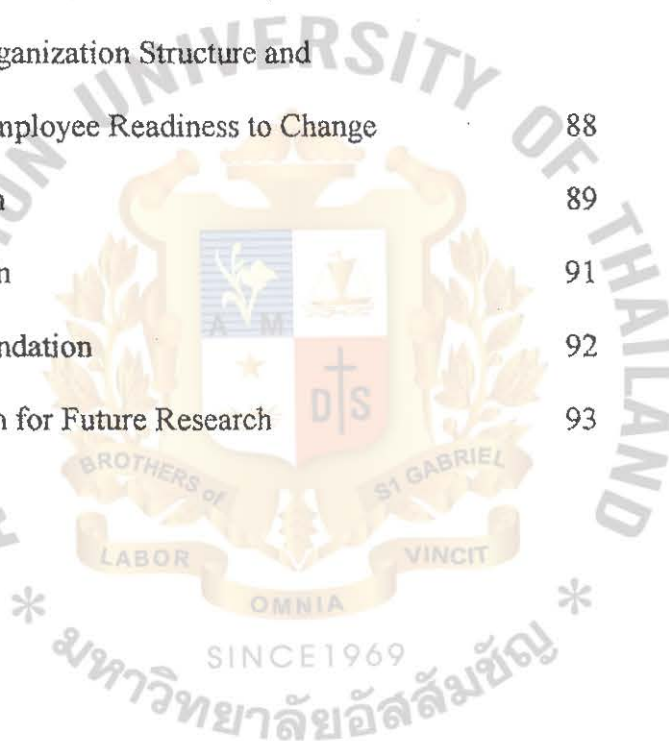
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LIST OF ABBREVIATIONS

A   [use **agree**]

DA   [use **disagree**]

Df   [use **degree of freedom**]

e.g.   [use **for example**]

Q.P.   [use **quality printing**]

&   [use **and**]

SA   [use **strongly agree**]

SD   [use **standard deviation**]

SDA [use **strongly disagree**]

Sig.   [use **significant**]

SOPs [use **standard operating procedures**]

SPSS [use **statistical package for social sciences**]

UND [use **undecided**]

CHAPTER 1

GENERALITY OF STUDY

1.1   Introduction of the study

Change is an integral part of human being's   personal and professional life. The world is constantly rotating;   if you stop from moving forward other people will talk steps forward ahead of you.   In the past,   we were only interested in our immediate surroundings, which is a small society in our district, city and country. But now it is a time for globalization, we cannot stop from stepping forward so we need to learn   new things and up date ourselves to get better things and to survive in this constantly changing world.

Increasing complexity in social life causes people to have more and more tension due to the competition in this world.   The rapid changes in the business environment such as the rapidly expanding information technology, world competition and the economic expansion have made it imperative that organizations be flexible. Flexible organizations would be able to adapt to the rapid changes in the   environment.   The organization needs to continuously seek   new ways of organizing- ways that would fully utilize their human resources to effectively meet the challenges of the environment, Richard Beckhard (1969).

Global Reality

For the real world, the fast moving of the human life seems to be the nature of the people. We could be able to classify the countries in this world into three kinds: (1) Developed countries, (2) Developing countries, and (3) Undeveloped countries. Businesses exist everywhere in the world and every business has its own structure. There are different styles of management and also different perceptions of people in different countries. In this era, we could not manage the business by only our senses or by fate. We need to have real vision to understand the situation and need to have reliable and useful information to analyze and restructure the organization and develop the human asset in the organization to compete effectively in the global market. This is unavoidable actions to survive in this world. In the year 2000, most of the worldwide organizations considered the prescription for improving the goodness of fit between an individual and the organization and between the organization and its environment, French Bell Zawacki(1994). So we need to learn to create the competitive advantages for our organization to compete with other competitors in this world.

National Reality

Thailand is classified as a the developing countries and as such still needs time to learn the new things such new technology or new ways of management. The culture in Thailand shows the way of life of people in this country is the collectivism. Most of the family businesses still use the old generation in the family to manage the business. Some will succeed, others fail. Nevertheless, top management still need to have the vision to manage the

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organization and make it succeed. The 1997 economic crisis in Southeast Asia started in Thailand and , in the year 2001, Thai people elected a new government with a strong mandate to solve the economic crisis. But it 's not only the government sector responsibility; the private sector also have the responsibility to solve it. Therefore, we need to look at ourselves, our organizations which are part of the country, and try to find ways to create and to learn new things which will make our country progress and grow to compete with other countries.

Local Reality

The organization chosen for this study is Q.P. Industrials company limited. Q.P. Industrials is a printing fabric factory. It area of the factory about five rais and located in Samuthasakorn province which is the industrial zone. Most of the employees are the people who lived in this province. The organization consists of the human part (102 employees) and operation part (10 machines). Administrative part can be classified based on the way of dealing with the people in the organization, while the production part can be classified based on production process. As the organization was controlled by a family who decides on everything and every process in the organization – the first generation of the family established this organization in 1995. The head of the family set up all machines which are composed of :

1. Two Bleaching Machines

2. Three Printing Machines

3. One Steaming Machine

4. One Soaping Machine

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5. One Setting and Finishing Machine

6. Two Measurement Fabric Machines

Normally this kind of printing process consisted of six stages as follow:

1. Bleaching

2. Printing

3. Steaming

4. Soaping

5. Setting and finishing

6. Packing

According to the diagnosis on Q.P.Industrials company limited , the top management only has the knowledge in processing of the production part (operation part) but lacks of knowledge in the way to manage the people and to set up the organizational structure. The information in the diagnosis, collected by interview, shows that the company faces many problems. The most serious one is the lack of organizationed. So the researcher needs to find out the way to make the structure suitable for the organization, then it will be related to the employees readiness to change; i.e., whether they are ready to change or not. The researcher knows that the surrounding environment for the employees from the last six years until now was unstructured - no work specialization, no formalization, no span of control and no decision making system. Thus it will be the difficult task for the researcher to change the people from one thing to the others which they have never been familiar with. So this is the researcher's job to find out their readiness to change.

1.2 Statement of Problem

The economic condition and increased competition in business make it necessary for organizations to look into potential sources for competitive advantage. The researcher diagnosed the company and identified areas for improvement. As the diagnosis of organizational structure factors, by interviewing top management in the organization, shows the organization was unstructured. The employees don't have any job description to make them clear about their responsibilities; they don't have designated positions and don't know how many bosses that they need to report to; there are no formalization and standardization in their work processes. They don't know who will be the decision maker in different situations.

As the result of the researcher's diagnosis, it has become an inspiration for the researcher to study about how employees perceived the organization structure and whether they are ready to change or not. This study attempts to answer the following questions:-

- Is the organization well structured?

- What is the perception of the employees toward the organization structure?

- What is the level of the employees readiness to change?

1.3   Research Objectives

According to the researcher's diagnosis of this organization, the objectives for this research are as follows:

1. To identify the perception of the employees on the current organizational structure

2. To examine the level of the employees readiness to change

3. To determine the organization-structure factors that affect to the employees readiness to change

1.4   Research Questions

To meet the above objectives of the study, research questions were formulated as follows:

1) What are the perceptions of the respondents toward the organizational structure in terms of job specialization, formalization, unit size, grouping unit and centralization versus decentralization?

2) What is the correlation between the respondents' demographic profiles and factors of organizational- structure ?

3) What are the relationships between the perception of employees about the organizational- structure factors toward their readiness to change?

4) What is the level of the employees readiness to change?

5) Is there a correlation between respondents' perception of organizational- structure factors toward their readiness to change?

1.5   Scope and Limitation

Scope of the Study

The research focuses on the factors of organizational structure and employees readiness to change. The organizational structure factors consist of job specialization, formalization, group unit, unit size and centralization versus decentralization. The researcher aims to study the employees readiness to change. The respondents for this research are the employees of the organization.   The location for this research is only at Q.P. Industrials Company Limited.

Limitation of the Study

1. Time limitation

2. The problem of the workers' education which will generate incomplete data

3. The employees may give distorted responses that do not reflect their true perception due to the fact that the researcher belongs to the family that owns the business

4. The nature of the company's business is taken as given and not considered in the study

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1.6   Definition of terms

The operational definitions of terms as applied in this study are as follows:

Organizational structure : the way in which it divides the distinct task, authority and responsibility of people among social positions that influence the role relations among these people and they are controlled by the organization

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distribution activities and procedures.(Richard H.Hall 1996, Gareth R.Jones 1993)

Job specialization : breaking job down into simple and repetitive tasks which are relate in two dimensions " breadth" – how many different tasks are contained in each and how broad or narrow is each of these tasks, " depth" – related to the control over the work. The requirement are spelled out in a formal job descriptions for various functions. (Henry Mintzberg, 1979)

Formalization: the extent to which the explicit regulations, procedures to standardize operation and organizational activities. It will be in the written form or bible for the organization.(Gareth R.Jones, 1993)

Grouping unit: coordination of the work within the group and between the groups in the organization. The organization passes through the process of grouping into units with which the system of formal authority is established and the hierarchy of the organization is built. Then the way to control the group activities by considering the differentiation which consist of horizontal differentiation – the way an organization group the tasks by emerge the specialize subunit and vertical differentiation – the hierarchy of authority. (Henry Mintzberg,1979)

Unit size: considered about the size of each unit or work group should be, discussed about span of control – the number of subordinates should report to one manager. (Henry Mintzberg,1979)

Centralization: an organization in which managers at the top of the hierarchy have all power to make important decisions, subordinates take orders from the

top and have no authority to initiate new actions or use resources for purposed that they believe are important. (Patrick M.Wright, Raymond A.Noe,1996)

Decentralization: the authority to make important decisions about the organizational resources and to initiate new projects spread through out the organization. (Pattrick M.Wright, Raymond A.Noe,1996)

Resistance to change: unwillingness of the individuals and groups within an organization to accept the change.(Kurt Lewin,1951)

Readiness to change: if the level of the resistance to change is low, the readiness to change will be high. This means the willingness of the people to accept the change or to do something different and adapt to the situation. (Supaporn Leekhaphen,1999)

Participation: refers to the employees involving in the decision making system and they have to generate their ideas in an aspect of work. (Kotler,JP., and Schlesinger,LA., 1979)

Communication: the exchange or share of information within the group and between groups in the organization by using three directions; two way communication :upward – message directed toward a higher level in the hierarchy , downward – message directed to one or more receivers at a lower level in the hierarchy, lateral – message directed to someone at the same level in the hierarchy. (Stepphen Robbin,1996)

Training: the organization provided the new things or what new requirements of skill, knowledge and abilities which would be able to create the change. (Kotter,J.P., and Schlesinger,L.A., 1979)

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CHAPTER 2

REVIEW OF LITERATURE

2.1   Definition of Organization

An organization is a tool used by people to coordinate their actions to obtain something they desire or value to achieve their goals. Sometimes an individual or a few people believe they possess the necessary skills and knowledge and set up an organization to produce goods and services. The way in which an organization creates value takes place at three stages: input, conversion, and output. Each stage is affected by the environment in which the organization operates.

Input: human resources, information and knowledge, raw materials and money and capital.

Conversion: the way the organization uses human resources and technology to transform inputs into outputs. The amount of value the organization creates is a function of quality of its skills, including its ability to learn from and respond to the environment.

Output: finished goods and services that the organization releases to its environment, where they are purchased and used by customers to satisfy their needs.

The organization uses the money earned from the sale of its output to

obtain new supplies of inputs, and the cycle begins again.

Figure 2.1 Organization Process

ORGANIZATION'S INPUTS

Organization obtains inputs from its environment

- Raw material
- Money and capital
- Human resources
- Information and knowledge
- Customers of services organizations

ORGANIZATION'S CONVERSION PROCESS

Organization transforms inputs and add value to them.

- Machinery
- Computers
- Human skills and abilities

ORGANIZATION'S ENVIRONMENT

Sales of outputs allow organization to obtain new supplies of inputs

- Customers
- Shareholders
- Suppliers
- Distributors
- Government
- Competitors

ORGANIZATION'S OUTPUTS

Organization release outputs to its environment

- Finished goods
- Services
- Dividends
- Salaries
- Value for stakeholders

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2.2 Organization Theories Related to Structures

2.2.1 Theory of Frederick Winslow Taylor (1911)

At the turn of century, Frederick W.Taylor proposed applying scientific methods to discover the most efficient working techniques for manual forms of labor which is called his approach " Scientific Management ". It can be argued that scientific management comprises a subset of the classical school: the latter is mainly concerned with the wider organization and its structure, Taylor argued that " efficiency, standardization and discipline would result from a process of scientific management of work tasks. He suggested that :

- A clear distinction should be made between planning a job, a management role, and conducting tasks, a worker's role.

- A scientific selection process should identify the correct person to perform the task

- Jobs should be standardized and simplified

- Each worker should conduct a minimum of movements, preferably involving just one set of actions

- There was " one best way " of organizing any set of tasks to be performed and it was management's responsibility to conduct exhaustive measurement in order to achieve this desired state.

2.2.2 Theory of Max Weber (1864-1920)

German Sociologist was interested in defining the key characteristics of industrial societies. He developed principles for designing a hierarchy so that it effectively allocates decision making authority and control over resources. Weber's interest was in identifying a system of organization or an

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organizational structure that could improve the way industry and society operated.

Weber's bureaucratic organizing principles offer clear prescriptions for how to create and differentiate organizational structure so that task responsibility and decision making authority are distributed in a way that maximizes organizational effectiveness. There are six bureaucratic principles that, Weber argued:

- Principle one :" A bureaucracy is founded on the concept of rational-legal authority "

  The rational-legal authority is the authority a person possesses because of his or her position in an organization. Weber indicates that choices that affect the design of an organization's hierarchy should be based on the needs of the task, not on the needs of the person performing the task; however, the distinction between positions and the people who hold them must be clear. People are appointed to positions; they do not own them.

- Principle two: " Organizational roles are held on the basis of technical competence, not because of social status, kinship, or heredity "

  In a well-designed hierarchy, roles are occupied by people because they can do the job, not because of who they are or whom they know. Choosing the best person for the job seems an obvious principle to follow. It is important for people to always remember that holding a role in an organization in a legal sense means that their job is to use the

organization's resources wisely for the benefit of all stakeholders, not just for personal gain.

- Principle three: " A role's task responsibility and decision-making authority and its relationship to other roles in the organization should be clearly specified "

    A clear and consistent pattern of vertical differentiation(decision-making authority) and horizontal differentiation (task responsibility) is the foundation for organizational effectiveness. When the limits of authority and control are specified for the various roles in an organization, the people in those roles know how much power they have to influence the behavior of others. At the same time, when the tasks of various roles are clearly specified, people in those roles clearly know what is expected of them. Thus, with those two aspects of a person's role in an organization clearly defined, a stable system emerges in which each person has a clear expectation and understanding of the rights and responsibilities attached to other organizational roles. In a stable system all individuals know how much their supervisor can require of them and how much they can require of their subordinates.

- Principle four: " The organization of roles in a bureaucracy is such that each lower office in the hierarchy is under the control and supervision of a higher office "

To control vertical authority relationships, the organization should be arranged hierarchically so that people can recognize the chain of command. The organization should delegate to each person holding a role the authority needed to make certain decisions and to use certain organizational resources.

- Principle five: " Rules, standard operating procedures, and norms should be used to control the behavior and the relationship between roles in an organization "

  The rules including standard operating procedures (SOPs), are formal, written instructions that specify a series of actions to be taken to achieve a given end. Norms are unwritten standards or styles of behavior that govern how people act and lead people to behave in predictable ways. Rules, SOPs and norms provide behavioral guideline that can increase efficiency because they specify the best way to accomplish the task and also clarify people's expectations about one another and prevent misunderstanding over responsibility or the use of power.

- Principle six: " Administrative acts, decisions and rules should be formulated and put in writing ".

Rules and decisions are written down they become official guides to the way the organization works. A bureaucracy structure provides an organization with memory, and it is the responsibility of members to train successors and ensure that there is continuity in the organizational hierarchy. Written records also

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ensure that organizational history can't be altered and that people can be held accountable for their decisions.

2.3   Definition of Organizational Structure

An organization's structure is the way in which it divides the distinct task, authority and responsibility of people among social positions that influence the role relations among these people and they are controlled by the organization distribution activities and procedures.

2.4   Organization Structure Elements

Normally the organization's structure address the important key elements which are ; work specialization, departmentalization-group unit, chain of command, span of control, centralization and decentralization, and formalization. As Stephen P. Robbins (1998) defined the six key elements for the organization's structure : work specialization – the degree to which tasks in the organization are subdivided into separate jobs; departmentalization – the basis by which jobs are grouped together; chain of command – unbroken line of authority that extends from the top of organization to the lowest level and clarifies who reports to whom; span of control – the number of subordinates a manager can efficiently and effectively direct; centralization – degree to which decision making is concentrated at a single point in the organization; decentralization – decision discretion is pushed down to lower-level employees; formalization – the degree to which jobs within the organization are standardized. In the mean time, Henry Minztberg (1979) also mentioned about the basic elements used in designing organizational structures consist of

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(1) job specialization (2) behavior formalization (3) training and indoctrination (4) unit grouping (5) unit size (6) planning and control system (7) liaison devices (8) vertical and (9) horizontal decentralization. Gregory B. Northcraft & Margaret A. Neale (1994) discussed the organizational structure about job specialization, centralization, span of control, departmentalization. Richard M. Steers (1981) mentioned about the decentralization, specialization and span of control. Ian Brooks noted about the variables which are related to organizational structure: centralization, differentiation (group unit), specialization, formalization and span of control (unit size).

So the way that would be point out is the popularity generic set which most of the authors discussed. It composed of 5 elements which related to organizational structure.

1. Job specialization
2. Formalization
3. Group unit
4. Unit size
5. Centralization VS Decentralization

2.5   Theory of Henry Mintzberg (1979)

Five coordinating mechanisms seem to explain the fundamental ways in which organizations coordinate their works.

<u>Mutual Adjustment</u>   achieves coordination of work by the simple process of informal communication as figure 2.5.1
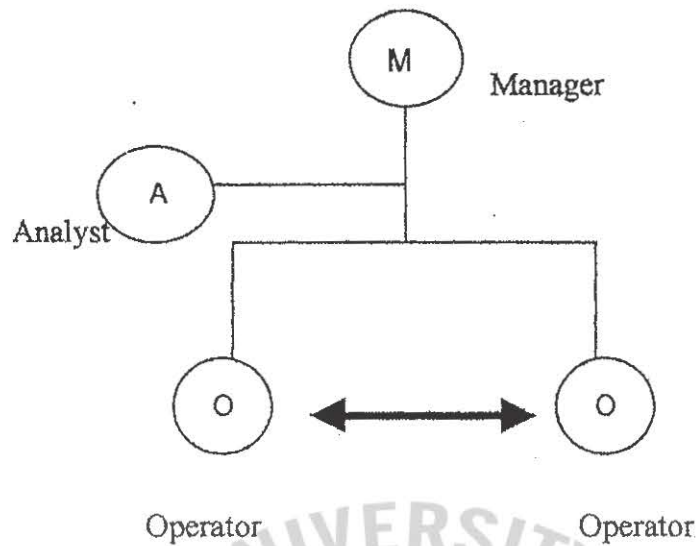
Figure 2.5.1 Mutual Adjustment

Direct Supervision achieves coordination by having one individual take responsibility for the work of others, issuing instructions to them and monitoring their actions as figure 2.5.2
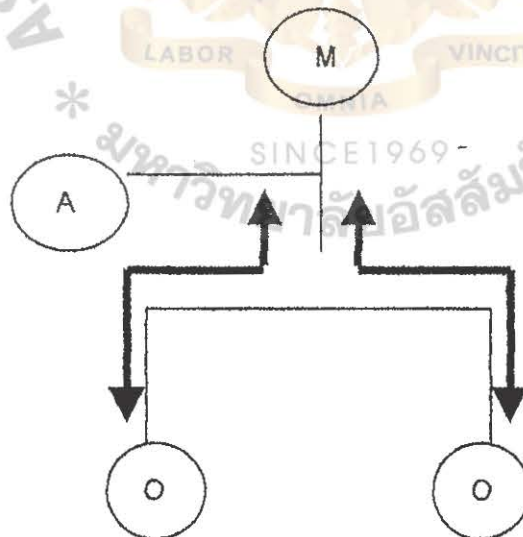
Figure 2.5.2 Direct Supervision

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Standardization of Work Processes: work processes are standardized when the contents of the work are specified, or programmed.

Standardization of Outputs: outputs are standardized when the result of the work such as the dimensions of the product or the performance, are specified.

Standardization of Skills: skill and knowledge are standardized when the kind of training required to perform the work is specified.

As figure 2.5.3
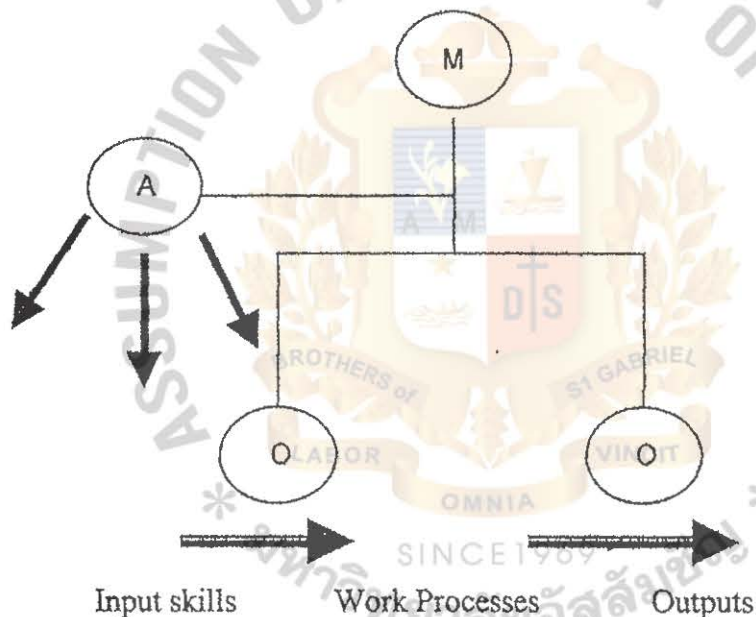
Figure 2.5.3 Standardization

As the organizational work becomes more complicated, the favored means of coordination seems to shift, as figure 2.5.4
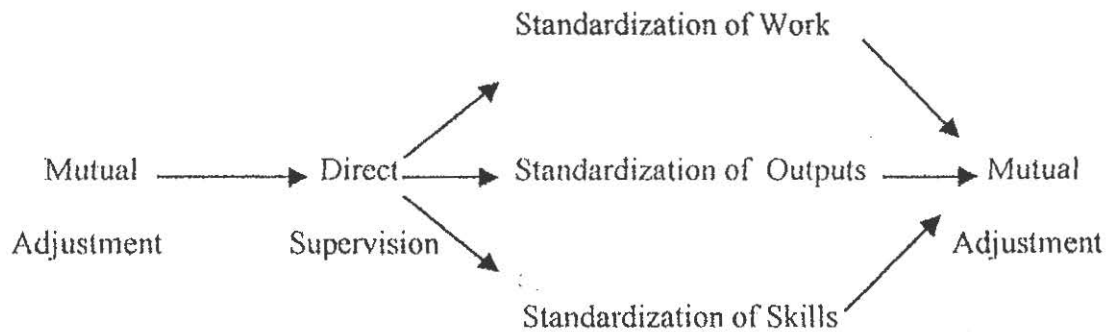
Figure 2.5.4 The Coordinating Mechanisms

From mutual adjustment to direct supervision to standardization, preferably of work processes, otherwise of outputs, or else of skills finally reverting back to mutual adjustment.

Five Basic Parts Of The Organization

As Henry Mintzberg (1979) theory reflects on the five basic parts which consists of a core of operators who do the basic work of producing the products and services and an administrative components of managers and analysts, who take responsibility for coordinating their work as shown in figure 2.5.5

Figure 2.5.5 Five Basic Parts of the Organization
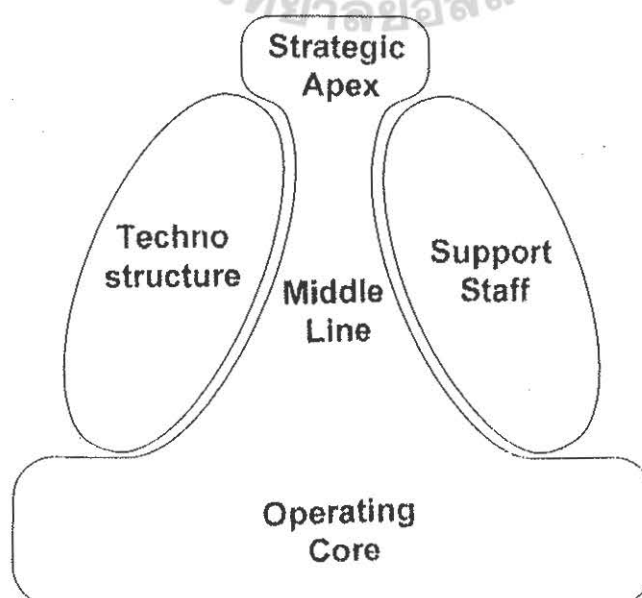
At the base is the operating core, where the operators carry out the basic work of the organization – the input, processing, output, and direct support tasks associated with producing the products or services.

There are three parts which are the administrative components located above the operating core.

First, are the managers, who divided into two groups. Those at the very top of the hierarchy, together with their own personal staff, form the " Strategic Apex " and those below, who join the strategic apex to the operating core through the chain of command, make up the " Middle line ". To their left stands the " Technostructure ", wherein the analysts carry out their work of standardizing the work of others, in addition to applying their analytical techniques to help organization adapt to its environment. To add to the fifth group, the " Support staff ", shown to the right of the middle line. This staff supports the functioning of the operating core indirectly, that is outside the basic flow of operating work. The support staff goes largely unrecognized in the literature of organizational structuring.

As shown in figure 2.5.5 , a small strategic apex is connected by a flaring middle line to a large, flating operating core. These three parts of the organization are shown in one uninterrupted sequence to indicate that they are typically connected through a single line of formal authority. The technostructure and the support staff are shown on either side to indicate that they are separate from this main line of authority and influence the operating core only indirectly.

In the organizational structure, Henry Mintzberg mentioned about the design which means turning the knobs that influence the division of labor and

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the coordinating mechanisms, thereby affecting how the organization functions-how materials, authority, information and decision processes flow through it.

2.6   Job Specialization

Henry Mintzberg determined the specialization in two dimensions, first is the " breadth" or " scope"-how many tasks are contained in each and how broad or narrow is each of these tasks.   The second dimension related to "depth", to control over the work.   The first dimension called " horizontal job specialization" – the predominant form of division of labor – is on inherent part of every organization, indeed every human activity.   The second dimension called   "vertical job specialization"   separates   the performance of the work from the   administration of it.   Organization specialize jobs in the vertical dimension in the belief that a different perspective is required to determine how the work should be done.

According to the theory of Gregory B.Northcraft & Margaret A. Neale (1994), the job specialization was assigning each member of the work force a limited number of component tasks.   Jobs could be specialized along two dimensions; the number of tasks assigned to a role (horizontal specialization) and the amount of responsibility for organizing tasks assigned to a role (vertical specialization). For Stephen P.Robbins (1998), he defined the work of specialization of division of labor as an entire job being done by one individual, it was broken down into a number of steps, each being completed by a separate individual. These was a mean to make the most efficient use of

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its employee's skills. Derak Pugh(1969), Inkson (1970), Child (1972) discussed about the dimension of specialization which is concerned with the division of labor within the organization, the distribution of official duties among a number of position.

Organizations divide the labor – specialize their jobs – to increase productivity. Adam Smith(1776) noted " One Pin Factory, 10 men specialized in their work were able to turn out about 12 pounds of pins in a day, about 4800 pins each. But if they had all wroght separately and independently, and without any of them having been educated to this peculiar business, they certainly could not each of them have made twenty, perhaps not one pin in a day". Smith notes three reasons, the improved dexterity of the workman from specializing in one task, the saving of time lost in switching tasks, and the development of new methods and machines that come from specialization.

By giving each member a particular task to accomplish, the organization directs and limits his attention to his task by (Simon,1957). The organizations need to have the job specialization due to the reason that it allows the individual to be matched to the task.

Credit could be given to Taylor (1856-1915) as Taylor's work – involving everything from standardizing raw materials to minutely programming work processes, in effect, the planning of the production process in detail from beginning to end " went a long way toward bringing production out of confusion in which he found it, and in doing so laid the foundations for a phenomenal increase in the productivity of organizations.

The organizations concerned about job specialization to be one factor of the organizational structure, it could be determined that Mintzberg and

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Gregory B. Northcraft & Margaret A.Neale classified job specialization into two dimensions, the first is horizontal specialization which relates to the scope of each task assigned to a role. Second is vertical specialization which relates to the amount of responsibility to control over the work. Both of them have the same idea about the divided task for each role to make them specialized in the job and give the responsibility to them to control their work. But for Adam Smith and Taylor, they mentioned job specialization as related to productivity. They noted that the employees who are specialized in their tasks and are concerned only with one task would be able to increase productivity in the organization. In the aspects of division of labor, Mintzberg, Derak Pugh, Inkson, Child and Stephen also mentioned that the employees' task was broken down the steps and every task could be able completed by an individual.

In the researchers organization, job specialization is determined by which numbers of tasks are contained in each division of labor and that the organization should be concerned with. Job specialization's dimension consists of two dimensions as mentioned above, so it will be able to clarify the tasks in each division and also increase productivity because all employee understand their extent of the tasks and their responsibility about the tasks.

2.7   Formalization

Henry Mintzberg(1979) discussed about the formalization of behavior by which the work processes of the organization are standardized. It is formalized in three ways,

1. Formalization by job, the organization attaches the behavioral specifications to the job itself, typically documenting it in the formal job description.

2. Formalization by work flow, instead of linking the specification to the job, the organization can instead attach them to the work itself.

3. Formalization by rules, the organization may instead institute rules for all situations, all jobs, all work flow, all workers. These may specify who can or cannot do what , when, where, to whom and with whose permission. They are generally issued in written form and may be collected into a " policy manual " the bible of the formal organization.

No matter what the means of formalization by job, work flow or rules are, the effect on the person doing the work is the same.

Formalization for B.Jork (1975), he involves the three principals. The principles are job simplification, repetition and close control. The worker is viewed as one more interchangeable part, programmed to perform a small task that is precisely specified on the basis of time and motion studies. He also suggested that organizations formalize behavior to reduce its variability, ultimately to predict and control it.

As Max Weber described about the formalization of behavior referred to as bureaucracies which is already mentioned above in Max Weber's theory. In 1960s, Derek Pugh (1969) ; Inkson (1970) and Child (1972) studied formalization which is closely related to Weber's. They defined formalization as " the extent to which rules, procedures, instructions and communications

were written". They mentioned that every process of work could be justified and controlle by the written instruction.

Traditionally, formalization would have included job descriptions and staff manuals detailing the procedures for staff to follow in given situations, many of them trivial in the minds of employees as concluded by Ian Brooks (1999). According to Brooks, formalization in his definition is the tendency of an organization to create and impose written rules and procedures for working. However, there is one theorist who discussed about the same direction " formalization was the degree to which the jobs within the organization were standardized. There were explicit job descriptions, lots of organizational rules, and clearly defined procedures covering work processes in organizations where there was high formalization. Where formalization was low, job behavior were relatively nonprogrammed and employees had a great deal of freedom to exercise direction in their work" Stephen Robbin(1998).

In the reviewing literature of Michel Crozier(1964), described many of the vicious circles of highly formalized structures. He described a kind of "perverse democracy" where everyone is treated more or less equally because everyone is controlled by the same overwhelming set of rules. The workers in need of a special kind of security-protection form the whims of the boss. One of Crozier's findings is that the worker- obsessed with security readily accepted the extreme formalization of behavior as a means of protecting themselves, workers with strong needs of security and with low tolerance for ambiguity prefer jobs that are highly formalized as well as highly specialized.

According to Mintzberg, Weber, Pugh, Inkson, Child and, Ian Brooks, discussed about the formalization behavior is considered as the rules,

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procedure, instructions which the organization created and issued in written form All the employees need to follow the bible of the organization. In the meantime, Crozier commented that in formalization, everyone was treated equally because all workers were controlled by the same set of rules and he also mentioned about the workers obsession. The workers who need security and need to have the clear job description, preferred the formalized organization(Stepphen Robbin,1998) B.Jokk described formalization behavior as one that reduces variation because employees have formal discipline to follow and are already programmed. Thus the degree of job standardization and the organization's preference for clarification of jobs, the rules and procedure covering the process of works, (Stepphen Robbin ,1998).

2.8   Group unit

Grouping is a fundamental means of coordinating work in the organization. it was very important to determine what types and how many positions should be grouped into the first-order units, and then what types and how many units should be grouped into ever-more-comprehensive units until the hierarchy is complete and delineates all the tasks that must be done. Grouping have important effects in that it establishes a system of common supervision among positions and units, Litterer (1973) refers to unit as the "commands groups". Grouping typically requires positions and units to share common resources, creates common measures of performance and also encourages mutual adjustment. But grouping encourages strong coordination within a unit, it creates problems of coordination between units. In the well-known terms of Lawrance and Lorsch (1967), units become differentiated in

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their various orientations, their goals, time perspectives, interpersonal styles of interaction, and degree of formalization of the structures. The way to control and coordinate the activities required for the organization to create value and the organization needs to manage the differentiation to achieve the goals. T.Parson (1960) and J.Child (1977) defined differentiation as an organization allocates people and resources to organizational tasks and establishes the task and authority relationships that allow the organization to achieve its goals. As J.Child (1977) discussed about the " Horizontal differentiation " which refers to the way an organization groups organizational tasks into roles and roles into subunits. Horizontal differentiation establishes the division of labor, which enables people in the organization to become more specialized and productive and increases the organization's ability to create value. In the meantime, vertical differentiation becomes the ingredient of the differentiation which is concerned with how many levels there should be from top to bottom and R.H.Miles (1980) determined " vertical differentiation" as the way an organization designs its hierarchy of authority and creates reporting relationships to link organizational roles and subunits. It establishes the distribution of authority between levels to give the organization more control over its activities and increase its ability to create value.

According to Wilson and Rosenfeld (1990), vertical differentiation is the extent to which an organization structure comprises different level of authority. Horizontal differentiation is the extent to which the organization is divided into specialisms. Thus an organization with many reporting levels in its hierarchy and which is organized into many different product or service areas would be highly differentiated. An organization with a small number of

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employees and which is engaged in a single product area might have three levels of vertical differentiation which are top level, middle level and lower level but little horizontal differentiation.

Horizontal differentiation refers to the ways the tasks performed by the organization are subdivided(Richard H.Hall,1996). The first way tasks can be subdivided is to give highly trained specialists a rather comprehensive range of activities to perform, while the second is to minutely subdivide the tasks so that nonspecialists can perform them, however; he also mentioned the vertical differentiation as the indicators of the depth of the hierarchy. There are many researchers who suggested the way to measure the vertical differentiation. Meyer (1968) uses the " proliferation of supervisory levels" as his measures of the depth of an organization. Pugh et al (1968) suggested that the vertical dimension can be measured by a " count of the number of job positions between the chief executive and the employees working on the output". Hall, Haas, and Johnson (1976b) used the "number of levels in the deepest single division" and the "mean number of levels for the organization as a whole" (the total number of levels in all divisions / number of divisions) as the indicators.

The vertical differentiation indicators involve an important assumption that should be made explicit : authority is distributed in accordance with the level in the hierarchy, that is the higher level, the greater the authority.

According to the importance of the differentiation, then grouping could be applied in two ways by using the bases of grouping by functional and grouping by market, as Mintzberg suggested. Grouping by function means – by knowledge, skill , work process or work function. By grouping on a functional basis, the organization can pool human and material resources

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across different work flows. Functional structure also encourages specialization, such as establishing career paths for specialists within their own area of expertise enabling them to be supervised by one of their own, and bringing them together to encourage social interaction. But there is the effect in the functional structure which lacks a built in mechanism for coordinating the work flow. According to Lawrance and Lorsch (1967), market based grouping is used to set up relatively self contained units to deal with particular work flows. The market structure is a less machine like structure, less able to do a specialized of repetitive task well. But it can do more tasks and change tasks easily so the market structure is more wasteful of resources than the functional structure. Moreover, the market structure, because of less functional specialization cannot take advantage of economies of scale the way the functional structure can.

2.9 Unit size

It concerned about how large each unit or work group should be. Unit size can be rephrased in two important ways : span of control – how many individuals should report to each manager and shape of the structure : tall or flat structure (Henry Minztberg,1979).

For span of control, Richard M.Steers (1981) referred to the average number of subordinates per supervisor. For Gregory B.Northcraft & Margaret A.Neale (1994), determined the span of control is the number of people reporting to a manager and it was directly related to the number of levels in an organization. The greater the span of control, the fewer the number of hierarchical levels. Stephen Robbin (1998), discussed span of control in the

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way of the number of subordinates a manager could efficiently and effectively direct. For Ian Brooks (1999), span of control refers to the number of employees that a manager has reporting to him or her and increasing the span of control could affect the control and coordination problems. In the classical view of Henry Fayol (1919), span of control is the number of subordinates that can be overseen by one manager. The other classicists such as L.Urwick (1994) suggested span of control as the number of subordinates a manager can efficiently and effectively direct. Most classical theorists favored small span , typically no more than six, in order to maintain close control.

Most of the theorists discussed about the number of subordinates that should report to a manager. But there are two theorists which are L.Urwick (1994) and Stephen Robbin (1998), who suggested that the number of subordinates that one manager should have and that the manager can efficiently and effectively direct to the subordinates.

But the way to determine the number of subordinates under one manager should be related to the tall versus flat structures which relate unit size to the coordination.

Tall structure has a long chain of authority with relatively small group at each hierarchy level, while flat structure has few levels with relatively large work groups at each unit (Henry Mintzberg ,1979). While Carzo and Yanouzas (1969) found no significant difference in how the two structures went about doing them. The greater the number of levels in the tall structure interrupted the vertical flow of information more frequently. However, the flat structure required more discussion and consultation. In effect, the greater time required for discussions to pass through several levels of a tall structure is

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offset by the time required to resolve differences and coordinate the efforts of many subordinates in a flat structure. They also found evidence of greater status differences in the tall structure, which impeded information flow and so required the manager to be more careful in their data collection. The narrow span of supervision in the tall structure permitted a much more orderly decision and communication process. A small unit can reduce the time the manager must spend on direct supervision and so provide more time for his other roles. Joan Woodward (1965) found that very high span of control is encountered in the mass production firms. Unit size was the largest where the work was the most standardized.

Thus unit size must concern the number of hierarchical levels and the span of control determines the shape of the organization which can lose control of its activities.

2.10 Centralization And Decentralization

The issue of centralization and decentralization is discussed exclusively in terms of power over the decisions made in organization. Henry Mintzberg (1979) said that when all the power for decision making rests at a single point in the organization – ultimately in the hands of a single individual called the structure centralized; to the extent that the power is dispersed among many individuals, called the structure decentralized. For Richard M.Steers (1981) decentralization referred to the extent to which power and authority were extended throughout the organization hierarchy. The greater the decentralization, the greater the extent which ranked and field employees could participate in decisions concerning the jobs and the future of the organization.

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In the Gregory B.Northcraft & Margaret A.Neal (1994) identified centralization was based on dual needs of division and coordination of labor. An organization was centralized to the extent that its decision making power rested with one or few individuals. On the other hand, if decision making was being pushed to a lower and lower level in the organization, it was a decentralized organization. By Ian Brooks (1999), centralization is the extent to which authority for decision making in the organization is centralized so that its rests with top management. In a heavily centralized organization a head office typically keeps tight control over all important decisions. In a heavily decentralized organization, top management give substantial decision making autonomy to employees. The term centralization of Stephen Robbin (1998) is the degree to which decision making is concentrated at a single point in the organization. The concept includes only formal authority; that is the rights inherent in one's position. Normally it is said that if tip management makes the organization's key decisions with little or no input from lower level personnel, then the organization is centralized. In contrast, the more lower level personnel provides input or is actually given the discretion to make decisions, the more decentralized the organization is.

2.11   Readiness to Change

Any time an organization attempts to change, individuals and groups within the organization are such a difficult process, so the organization needs to know where it is, where it wants to go and find out the direction for change. There is a model of change theories which considered about Kurt Lewin (1951)'s three stages of changing process, using the resistance to change

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factors to measure the level of resistance (Kotter and Schlesinger,1979), assuming that if the level of resistance to change is low, the readiness to change will be high, and lastly the way of reducing the drag that resistance to change can have on effective implementation by participation, communication, and training (D E.HUSSEY,1995).

2.11.1 A Definition of resistance to change is a reluctance or unwillingness among individuals and groups within an organization to accept the change process.

2.11.2 Changing Process

Kurt Lewin(1951), a social psychologist noted for his work in organizational theory, proposed the three-step model of change : unfreezing, change (also called movement or transformation) and refreezing.

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.

The transformation 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.

2.11.3 Reducing the resistance to change method

Kotter and Schlesinger (1979) identified and discussed six approaches to managing change, using resistance to change as the key variable whereby the context for the use of each is described. The six approaches are as follows:

Education and communication : resistance can often be overcome, or at least reduced, if the need for and logic behind the change is made clear. This approach is most useful where the resistance is due to uncertainty or misinformation. There is, however, no guarantee that the interpretation of events being presented will be that adopted by the recipients. This may be because there is not a high level of trust between the initiators and the resisters.

Participation and involvement : resistance may be reduced if the potential resisters have some say in the change process. Certainly, a feeling of being ignored is more likely to lead to resistance than to compliance. Participation may lead not just to compliance but to some degree of commitment to the change. Participative practices can be time consuming, but

this may be preferable to a speedier non-participative approach that involves much greater resistance to the change. The extra time spent in participation may be time well spent.

Facilitation and support: resistance may be reduced by providing training and development so that employees feel better equipped to handle the new situation. Providing emotional support may also help. Both these approaches are likely to be most helpful where anxiety and uncertainty provide the reason for most of the resistance.

Manipulation and co-optation: manipulation normally involves the selective use of information and the setting up of situations so that potential resisters are given a possibly exaggerated or artificially constructed sense of the need for the proposed change. Co-optation occurs when key individuals who might be expected to be the focal point for resistance are somehow made part of the change team.

Explicit and implicit coercion: change may be forced through by threatening resisters with penalties such as job loss or loss of promotion. Such an approach may be used where speed is essential and or where the proposed change will be unpopular regardless of how it is introduced. However, any ill – will engendered by this approach may have significant but unpredictable consequences further down the track.

Mean while, there is the other author D E. Hussey(1995) who has given the potential way to reduce the resistance to change which consisted of participation – can create ownership of the proposed change, and because it creates a better awareness of the change, and the reasons for it, it can remove uncertainties and enable those involved to identify with the benefits.

Communication – good communication can help to reduce resistance, by ensuring that the reasons for the change are clear, the degree of urgency is understood and that all concerned know what the change means. Training – is rarely considered as a means of reducing resistance to change, because too few organizations consider what new requirements of skills, knowledge and abilities are being created by the change. It is already seen that fear of being unable to cope with a new situation may be one reason for resistance. A training approach designed specifically to help the implementation of the change can also serve as a means of communication and provide a measure of participation.

Kotter & Schlesinger(1979) and D E. Hussey(1995) discussed about the method to reduce the resistance to change and measurement level by being concerned about communication, participation and training. There is only two differences which are the manipulation and co-optation, explicit and implicit coercion. that Kotter & Schlesinger pointed out. The three elements of communication, participation and training can be used as the measurement of the employees readiness to change by pointing out the degree or level of these three elements.

Theorist / Theoretical	Job Specialization	Formalization	Group Unit	Unit Size	Centralization And Decentralization	Rank
Henry Mintzberg (1979)	●	●	●	●	●	1
Stephen P. Robbin (1998)	●	●		●	●	2
Gregory B.Northcraft & Margaret A.Neale (1994)	●			●	●	3
Ian Brooks (1999)		●		●	●	4
Richard M.Steers (1981)				●	●	5
Derek Pugh (1969)	●	●				6
Adam Smith (1776)	●					7
Frederick W.Taylor (1911)	●					8
Joan Woodward (1965)				●		9
Lawrance and Lorsch (1967)			●			10
L.Urwick (1994)				●		11
Max Weber (1864-1920)		●				12
Michel Crozier (1964)		●				13
Wilson and Rosenfeld (1990)			●			14

Figure 2.12 Theoretical Description

CHAPTER 3

RESEARCH FRAMEWORK

This chapter presents the theoretical framework and the relevant variables identified from the related literature discussed and presented in Chapter 2. This chapter then this also mentions about the theoretical framework and conceptual framework that determined the whole concept of this research study.

Consequently, the research hypotheses identify both independent variables and dependent variables which are also presented in this chapter.

3.1 Theoretical Framework

3.1.1 A Framework for Organizational Structure Factor

Stephen P. Robbins (1998), identified six key elements that the manager needs to understand to design a proper organizational structure, which consisting of job specialization, departmentalization (group unit), formalization, span of control (unit size), centralization and decentralization, and chain of command. Similarly, Henry Mintzberg (1979) defined a small strategic apex connected by a flaring middle line to a large, flating operating core. These three parts of the organization are shown in one uninterrupted

sequence to indicate that they are typically connected through a single line of formal authority. The technostructure and the support staff are shown off to either side to indicate that they are separated from this main line of authority, and influence the operating core only indirectly as shown in figure3.1.1.

THEORETICAL FRAMEWORK
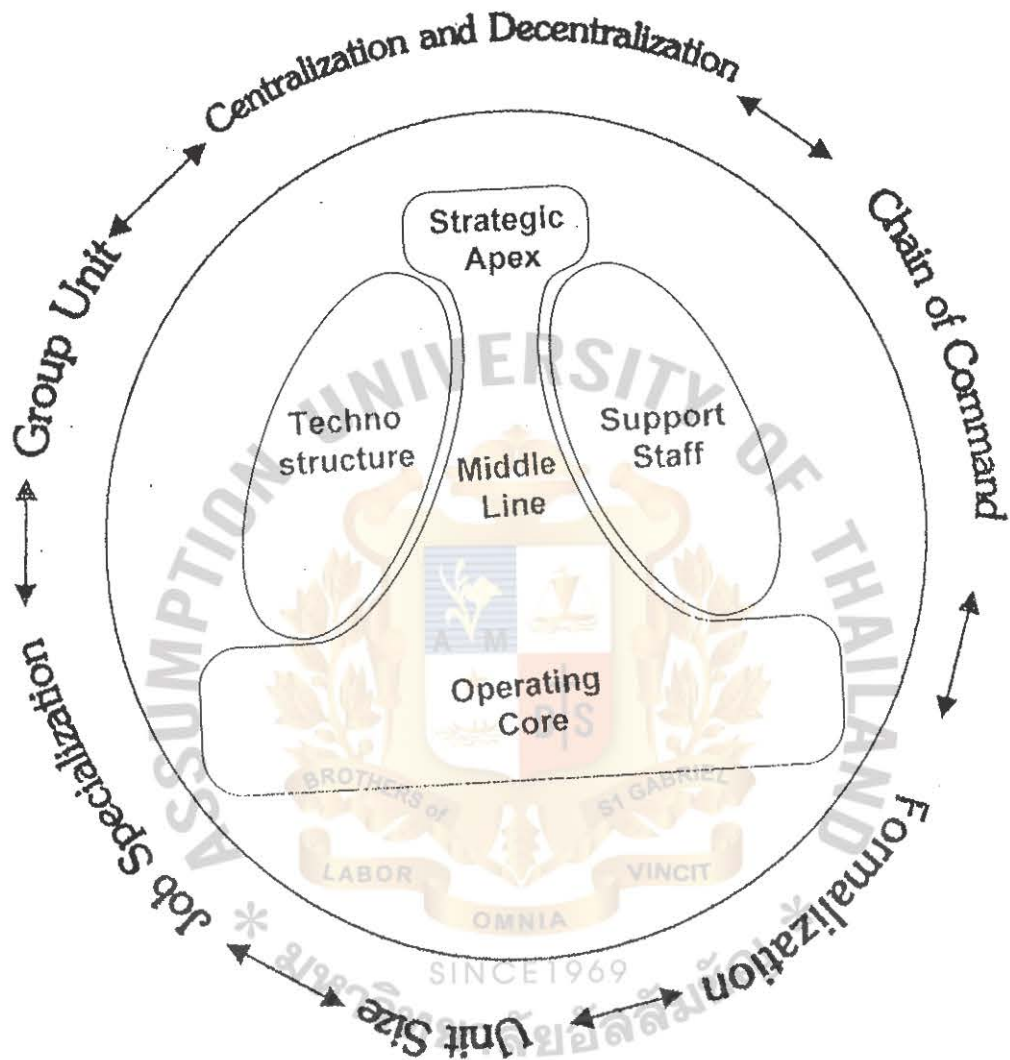
Figure 3.1.1 Organizational Structure Factors, Henry Mintzberg (1979)

Figure 3.3.1 highlights all the relevant variables of this study. These variables are taken as the factors necessary for the design of an organizational structure. Indeed, organizations have been described in five basic parts. All six key elements could be able to generated in all areas in five basic parts and each elements is related to another in the organization.

3.1.2 A Framework for Readiness to Change

The degree of employees readiness to change is related to the degree of resistance to change. The measurement level for readiness to change consists of three sub variables, which are participation, communication and training as figure 3.1.2 below shows.
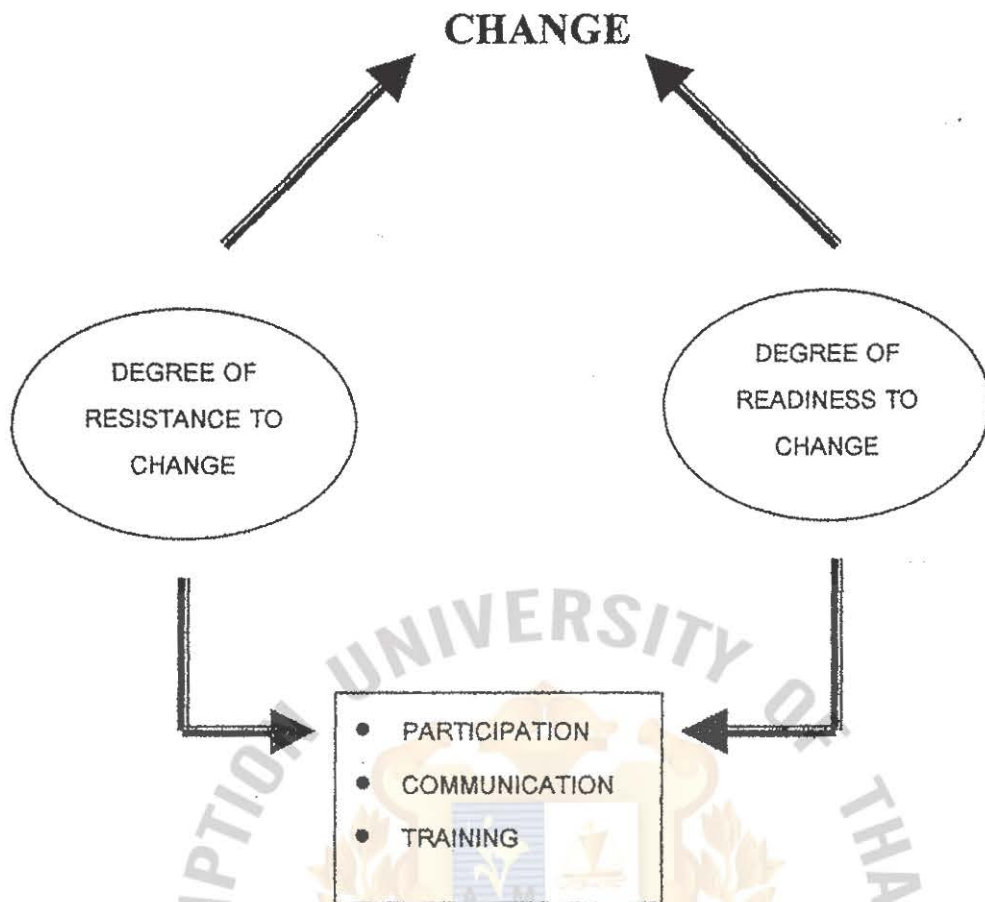
CHANGE

Figure 3.1.2 A Theoretical Framework of Readiness to Change

3.2   Conceptual Framework

The conceptual framework consists of independent variables and dependent variables. The independent variables are demographic profile, and organizational structure factors; while the dependent variable is readiness to change, as measured by three factors: participation, communication and training. (see in figure 3.2 below)

CONCEPTUAL FRAMEWORK

Independent Variables   **Independent Variables**

Figure 3.2 Independent and Dependent Variables of Conceptual Framework

3.2.1 Explanation of Variables

3.2.1.1 Demographic Profile

The profiles of employees include such factors as age, gender, income, education , and work area or department.

3.2.1.2 Organizational Structure

Job Specialization . It will clarify the employee's perception about their specific task in the organization.

Formalization. It is the perception of the employees about the degree of standardization in work processes, outputs and skill and also identify the rules and procedures in the organization.

Group Unit. It defines the work coordination and the way to grouping the tasks and the hierarchy of authority.

Unit Size. It is the numbers of subordinates under one manager to control in efficiently and effectively.

Centralization and Decentralization. It is the degree of the power in decision making process.

3.2.1.3 Readiness to Change

Participation. It is the degree of the involvement and sharing the idea in the decision making system.

Communication. It is the exchange and share the information in the organization.

Training. It is the new way of learning or improving the employee's skill and knowledge which providing by the organization.

3.3   Research Hypotheses

This research study involves the validation of two hypotheses on the relationships between respondents' demographic profiles and organizational structure, on one hand, and between organizational structure and employee readiness to change, on the other hand as follow:

Ho1 : There is no significant relationship between respondent's demographic profile and organizational structure.

Ha1 : There is a significant relationship between respondent's demographic profile and organizational structure.

Ho2 : There is no significant relationship between organizational structure and employee readiness to change.

Ha2 : There is a significant relationship between organizational structure and employee readiness to change.

3.4 Operationalization of the Independent Variables and Dependent Variables

3.4.1 Operational definition of Organizational Structure

Job Specialization	-Extent of the responsibility in a specific task
	-Holding limited responsibility
	-Repetitive work which increase productivity by specialized in that work
Formalization	-Identify work duties and responsibilities
	-Clarify organizational rules and procedures
	-Access standardization
	• work processes
	• outputs
	• skill
Group Unit	-Work coordination
	-Grouping the task into roles which they were specialized in that unit
	-Hierarchy of authority

Factors	Operationalized by
Unit Size	-Number of employees report to manager -Shape of organization by consider tall as the long chain of authority or flat as few levels of hierarchy but large work groups at each
Centralization And Decentralization	-Decision making power -Have the right to participate in decision making process

3.4.2   Operational definition of Readiness to Change

Factors	Operationalized by
Participation	-Involving of employee in changing program -Sharing the ideas in one specific decision -Respecting the colleague's opinion

Factors	Operationalized by
Communication	-Exchange the information within the organization
	-Have two way communication throughout all levels
Training	-Except the new ways of learning And improve skill and knowledge

CHAPTER 4

RESEARCH METHODOLOGY

4.1   Method of Research Used

This part presents the research methodology applied for this study. This research uses descriptive and correlational research methods to describe, in quantitative terms, the degree to which the variables are related. Descriptive method is a convenient way to describe the data gathered and correlational research is the way to describe how one variable is related to other variables. It is composed of independent variables and dependent variables.

4.2   Respondents and Sampling Procedures

4.2.1   Respondents of the Study

The respondents for this study are all the 102 employees in Q.P. Industrial Co.,Ltd.   Thus, the sampling frame for this study is the entire population of this organization.

4.2.2   Sample Size

Sample is part of the population that is used to represent the entire set of the population of interest. The researcher has to select the sample that best describes the parameter of the whole unit. The criteria which indicate the sample size as to whether the sample could achieve a certain degree of

accuracy for estimation of the population consists of precision, confidence and variability(Agresti & Finlay,1997).

The researcher aims to have 95 percent confidence interval (0.95 probability) of the sample size with 5 percent margin of error.

The sample size equals the size of the population, which is 102 people in the organization.

4.3   Research Instruments / Questionnaires

Data will be gathered by using survey questionnaires. The questionnaire contains the questions to be asked the respondents and all questions will be presented in three parts as follows. (see table 4.3.1)
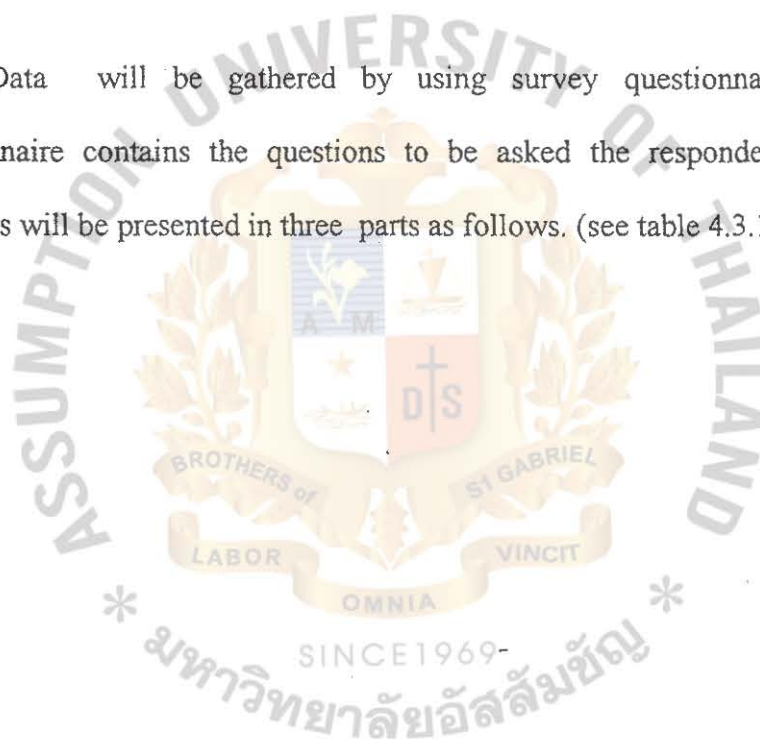
Table 4.3.1 The Outline of Questionnaires' Arrangement

Part	Main Variables	Sub Variables	Questions No.
I	Demographic profile		1-5
II	Perception of employee to organizational structure factors	Job specialization	6-8
		Formalization	9-12
		Group unit	13-17
		Unit Size	18-21
		Centralization and Decentralization	22-24
III	Readiness to Change of the employees	Participation	25-27
		Communication	28-30
		Training	31-32

Through the use of the questionnaire design, the researcher would be able to translate the questions into items by using multiple choice and filling in the blanks in the part of demographic profile. Likert scale will be used in the part of perception of employees to the organizational structure factors and

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employee readiness to change. This questionnaire will used first in a pilot test with a group of ten respondents and will be revised.

4.4   Collection Data / Gathering Procedures

The questionnaire will be translated into the Thai language. The primary data is gathered through the questionnaire.

The planning for collecting the data is as follows:

DESCRIPTION	DAYS
PILOT TEST	7 DAYS
QUESTIONNAIRES	30 DAYS
EDITING AND ENCODING THE DATA	15 DAYS
ANALYZE THE DATA	10 DAYS

The researcher will be the person who will do both the editing and encoding and also analyzing the data.

4.5   Statistical Treatment of Data

This research uses the Statistical Package for Social Sciences (SPSS). Four kinds of statistical treatment are applied. The first is Descriptive analysis test   means , standard deviation and the norminal data. The second is Independent Sample T- test- the statistical test of significance used to determine whether or not the frequency differences of two variables have occurred on the basis of chance. The third is One -Way ANOVA- the test is designed to established whether a significant difference exists among several

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sample means. The forth is Pearson r-statistical technique introduce by Karl Pearson for showing the degree of linear relationship between two variables. The product-moment correlation coefficient is used to test the hypothesis of association That is, whether there is a relationship between two sets of measurements.

CHAPTER 5

RESEARCH FINDINGS, ANALYSES AND DISCUSSION

In this chapter, the research findings and analyses of the hypotheses of the study are presented. The researcher distributed 102 questionnaires to 102 employees of Q.P.Industrials Company Limited but only 82 duly completed and returned the questionnaires. The data will be presented as follows:

Part I   Demographic Profile (Table 5.1.1 – 5.1.5)

Part II   Perception of the employees to the Organization Structure

                 (Table 5.2.1-5.2.6)

Part III   Readiness to change of the employees (Table 5.3.1-5.3.3)

Part IV   Relationship between demographic profile and organization

                 structure(Table 5.4.1-5.4.25)

Part V   Correlation between organization structure and employee

                 readiness to change (Table 5.5.1-5.5.6)

5.1 Demographic Profile of Respondents

The demographic profile of the respondents in this research consisting of gender, age, education, income and work status.

Table 5.1.1 Description of Gender

Gender

		Frequency	Percent
Valid	Males	48	58.5
	Females	34	41.5
		82	100.0

Table 5.1.1 shows the percentages of all the respondents categorized by gender; male and female. It shows that there are 48 males or 58.5 % of the total and 34 females at 41.5%.

Table 5.1.2 Description of Age

Age

		Frequency	Percent
Valid	Less than 21	11	13.4
	21-30	43	52.4
	31-40	23	28.0
	More than 40	5	6.1
	Total	82	100.0

Table 5.1.2 shows the percentages and frequencies of the age categories of the respondents. The largest group, 43 respondents or 52.4% are in the age bracket of 21-30 which was the highest percentage of all respondents. In the second group, 23 respondents were 31-40 at 28% , in the third group, 11 respondents were less than 21 at 13.40% and in the smallest group, 5 respondents were more than 40 at 6.1%

Table 5.1.3 Description of Education

Education

		Frequency	Percent
Valid	M3 or below	58	70.7
	Diploma or certificate	1	1.2
	M6	10	12.2
	Bachelor degree or higher	13	15.9
	Total	82	100

Table 5.1.3 indicates that 58 respondents were the highest group of educational background in the organization who got Mathayom3 or below at 70.7%. The second group was 13 respondents who got Bachelor degrees or higher at 15.9%. There were 10 respondents of Mathayom6 at 12.2%. While the lowest percentage was diploma or certificate at 1.2%

Table 5.1.4 Description of Income

Income

		Frequency	Percent
Valid	Less than 5000	39	47.6
	5000-10000	30	36.6
	10001-15000	2	2.4
	More than 15000	11	13.4
		82	100.0

Table 5.1.4 shows that 39 respondents, the largest group, earn a monthly income of less than 5,000 baht at 47.60%; 30 respondents with income 5,000-10,000 baht at 36.6%, 11 respondents with income more than 15,000 at 13.4% and the smallest group of 2 respondents who has income 10,001-15,000 at 2.4%.

Table 5.1.5 Description of Department

Department

		Frequency	Percent
Valid	Administrative	39	47.6
	Production	43	52.4
		82	100.0

For the department, which is divided into production and administration , as table 5.1.5 indicates, the highest respondents worked in the production part which represent 43 respondents or 52.4%. 39 respondents or 47.6% worked in the administration department.

5.2 Perception of the respondents to the Organization Structure

5.2.1 Perception of the employee of the organization structure

Table 5.2.1

Organization Structure	MEAN	SD	RATING
Job specialization	3.63	0.64	A
Formalization	3.49	0.85	A
Group unit	3.70	0.56	A
Unit Size	2.90	0.77	UND
Centralization and decentralization	3.71	0.73	A
Total	**3.48**	**0.46**	Agree

The respondents had the perceptions on organization structure according to the job specialization, formalization, group unit, unit size, centralization & decentralization. As the whole picture, the respondents agree with the organizational structure especially with respect to centralization & decentralization. The respondents were undecided with respect to the unit size.

5.2.2 Perception on Job Specialization

JOB SPECIALIZATION	MEAN	SD	RATING
6. I have the limited responsibility in a specific task.	3.90	1.16	A

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	MEAN	SD	RATING
7. The employees in the organization specialized in their work which could be able to increase productivity.	3.60	0.87	A
8. I can identify my work duties and responsibility.	3.38	0.99	UND
Total	**3.63**	**0.64**	**Agree**

Table 5.2.2 indicated that the respondents have limited responsibilities and specific jobs but may or may not know their own work duties and responsibilities.

5.2.3 Perception on Formalization

FORMALIZATION	MEAN	SD	RATING
9. The organization rules and regulations are clearly defined since the first day I started to work here.	3.46	1.34	A
10. The organization has the standardization in work process.	3.61	1.15	A
11. There are the quality control for the output in this organization.	3.60	1.20	A
12. Every employees in the organization have the standardization skill in their work.	3.29	1.08	UND
Total	**3.49**	**0.85**	**Agree**

Table 5.2.3 shows that the respondents know the organization's rules and regulations. The organization also has the standardization in work process and outputs but some employees still didn't have the standardization skill in their work.

5.2.4 Perception on Group Unit

GROUP UNIT	MEAN	SD	RATING
13. There is the coordination of work in my unit.	3.76	1.01	A
14. The organization has grouping unit of work.	3.96	1.12	A
15. The organization has grouping of work into roles which they were specialized in that unit.	3.30	1.04	UND
16. I was assigned my work by directed from my boss.	4.49	0.59	SA
17. There are some employees in other units received the work assignment from my direct boss.	2.98	1.43	UND
Total	3.70	0.56	Agree

Table 5.2.4 indicates that the way of the grouping unit in to roles and directed assignment in the organization needed to be concerned for employees were undecided on these issues.

5.2.5 Perception on Unit Size

UNIT SIZE	MEAN	SD	RATING
18. In the department, I think the number of task is equivalent to the number of workers.	4.02	1.27	A
19. There are many employees under my boss.	2.56	1.34	DA
20. Sometimes my boss cannot finish reading my report on time which make the other jobs pending.	2.43	1.21	DA
21. There are many level of authority in my unit.	2.62	1.44	UND
Total	2.90	0.77	Undecided

Table 5.2.5 indicates that the span of control is suitable in the organization but it needed to adjust the shape of organization by considering the chain of authority which made the longer time in managing work

5.2.6 Perception on Centralization and Decentralization

CENTRALIZATION & DECENTRALIZAION	MEAN	SD	RATING
22. The representative of employees in every level can join in the decision making process.	3.68	1.02	A

23. Employees have the right to share the ideas in decision making process.	3.88	1.09	A
24. There are some delegations for the middle or lower level to make decision in a limited extent of specific task.	3.56	1.31	A
Total	**3.71**	**0.73**	**Agree**

Table 5.2.6 shows that the employees have the right to join in decision making process but to a limited extent and in relation to their tasks.

5.3 Perception of the respondents on Readiness to Change

5.3.1 Perception of the employees on readiness to change

READINESS TO CHANGE	MEAN	SD	RATING
Participation	4.43	0.57	SA
Communication	4.37	0.63	SA
Training	4.82	0.32	SA
Total	**4.51**	**0.45**	**Strongly agree**

As a whole picture, the respondents strongly agree with the readiness to change, which is composed of participation, communication and training. It could be concluded that training was the most important variable for employee readiness to change.

5.3.2 Perception on Participation

PARTICIPATION	MEAN	SD	RATING
25. Employees always sharing the idea and participate in grapevine.	3.99	1.19	A
26. I am the one who always have the open-minded.	4.71	0.53	SA
27. I am the one who respected my colleague's ideas.	4.62	0.49	SA
Total	4.43	0.57	Strongly agree

Table 5.3.2 indicates that the employees strongly agree in participation with the colleagues and also within the organization.

5.3.3 Perception on Communication

COMMUNICATION	MEAN	SD	RATING
28. I always communicated with my boss.	4.46	0.85	SA
29. I always communicated with my colleagues in the organization.	4.48	0.74	SA
30. My boss always discussed with the subordinated who under his control.	4.20	0.95	SA
Total	4.37	0.63	Strongly agree

Table 5.3.3 indicates that the employees always have upward, downward and lateral communication in the organization.

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5.3.4 Perception on Training

TRAINING	MEAN	SD	RATING
31. I will accept the training program which provided by the organization.	4.89	0.31	SA
32. I would like to learn the new knowledge and skill to improve my competency.	4.76	0.51	SA
Total	4.82	0.32	Strongly agree

Table 5.3.4 indicates that the employees are ready to accept the training program and learning the new things, which are provided by the organization.

5.4 Relationship between Demographic Profile and Organization Structure

The proposed hypothesis was :

Ho1 : There is no significant relationship between respondent's demographic profile and organization structure.

Ha1 : There is a significant relationship between respondent's demographic profile and organization structure.

5.4.1 Relationship between Gender and Job Specialization

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means				
		F	Sig.	t	df	Sig.(2-tailed)	Mean Difference	Std.Error Difference
Job specialization	Equal variances assumed	2.905	.092	-1.252	80	.214	-.2243	.1791
	Equal variances not assumed			-1.190	57.399	.239	-.2243	.1884

At $\alpha = 0.05$, null hypothesis Ho1 cannot be rejected because the significance value is 0.214. Therefore, there was no significant relationship between gender and job specialization at 95% confidence interval as shown in table 5.4.1. This shows that the respondents, when classified by gender- male or female, didn't have any different perception on job specialization.

5.4.2 Relationship between Gender and Formalization

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means				
		F	Sig.	t	df	Sig.(2-tailed)	Mean Difference	Std.Error Difference
Formalization	Equal variances assumed	23.751	.000	3.906	80	.000	.9118	.2334
	Equal variances not assumed			3.608	50.201	.001	.9118	.2527

At 5% level of significance ($\alpha = 0.05$), the null hypothesis is rejected since the level of significance is less than 0.05.

There was a significant relationship between gender and formalization at 95% confidence interval as the table 5.4.2 which shown that significant value is lower than 0.05. It shows that gender have different perception on formalization.

5.4.3 Relationship between Gender and Group Unit

Independent Sample Test

		Levene's Test for Equality of Variances		t-test for Equality of Means				
		F	Sig.	t	df	Sig.(2-tailed)	Mean Difference	Std.Error Difference
Group Unit	Equal variances assumed	17.488	.000	1.787	80	.078	.2917	.1632
	Equal variances not assumed			1.642	48.948	.107	.2917	.1777

The null hypothesis cannot be rejected at 5% level of significance. Therefore, there was no significant relationship between gender and group unit which is the significant value is greater than 0.05. It shows that gender didn't have any different perception on group unit.

5.4.4 Relationship between Gender and Unit Size

		Levene's Test for Equality of Variances		t-test for Equality of Means				
		F	Sig.	t	df	Sig.(2-tailed)	Mean Difference	Std.Error Difference
Unit Size	Equal variances assumed	6.901	.010	.020	80	.984	4.902E-03	.2409
	Equal variances not assumed			.021	78.701	.983	4.902E-03	.2320

At 5% level of significance, the null hypothesis cannot be rejected. There was no significant relationship between gender and unit size which the significant value is greater than 0.05. It shows that gender didn't have any different perception on unit size

5.4.5 Relationship between Gender and Centralization & Decentralization

		Levene's Test for Equality of Variances		t-test for Equality of Means				
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std.Error Difference
Centraliz ation & Decentral ization	Equal variances assumed	2.327	.131	-.495	80	.622	-9.0686E-02	.1832
	Equal variances not assumed			-.504	75.223	.616	-9.0686E-02	.1801

According to the above table, the null hypothesis cannot be rejected for alpha is greater than0.05, there was no significant relationship between gender and centralization & decentralization as shows in table 5.4.5 which the significant value is greater than 0.05. No matter male of female, it didn't have any different perception on centralization & decentralization.

5.4.6 Relationship between Age and Job Specialization

	Sum of Squares	Df	Mean Square	F	Sig
Between group	7.709	3	2.570	4.521	.006
Within group	44.340	78	0.568		
Total	52.049	81			

At 5% level of significance (at $\alpha=0.05$), the null hypothesis is rejected because the level of significance is less than 0.05 there was significant relationship between age and job specialization at 95% confidence interval as the table 5.4.6 which shown that significant value is lower than 0.05. It shows

that respondents in different age have different perception on job

specialization.

5.4.7 Relationship between Age and Formalization

	Sum of Squares	Df	Mean Square	F	Sig
Between group	1.926	3	.642	.494	.687
Within group	101.354	78	1.299		
Total	103.280	81			

At α=0.05, the null hypothesis Ho1 cannot be rejected because the

significance value is 0.687. Therefore, there was no significant relationship

between age and formalization as show in table 5.4.7 which is the significant

value is greater than 0.05. It shows that the different age of the respondents

didn't have any different perception on formalization.

5.4.8 Relationship between Age and Group Unit

	Sum of Squares	Df	Mean Square	F	Sig
Between group	1.139	3	.380	.689	.561
Within group	42.971	78	.551		
Total	44.110	81			

At α=0.05, the null hypothesis Ho1 cannot be rejected because the

significance value is 0.561. Therefore, there was no significant relationship

between age and group unit as shows in table 5.4.8 which the significant value

is greater than 0.05. It shows that the different age of the respondents didn't have any different perception on group unit.

5.4.9 Relationship between Age and Unit Size

	Sum of Squares	Df	Mean Square	F	Sig
Between group	5.367	3	1.789	1.603	.195
Within group	87.036	78	1.116		
Total	92.402	81			

At α=0.05, the null hypothesis Ho1 cannot be rejected because the significance value is 0.195. Thus there was no significant relationship between age and unit size as shows that the significant value is greater than 0.05. It shows that the different age of the respondents didn't have any different perception on unit size.

5.4.10 Relationship between Age and Centralization & Decentralization

	Sum of Squares	Df	Mean Square	F	Sig
Between group	3.673	3	1.224	1.913	.134
Within group	49.936	78	.640		
Total	53.610	81			

The null hypothesis is cannot be rejected at 5% level of significance. Therefore, there was no significant relationship between age and centralization & decentralization as shows in table 5.4.10 that the significant value is greater

than 0.05. It shows that the different age of the respondent s didn't have any different perception on centralization & decentralization.

5.4.11 Relationship between Education and Job Specialization

	Sum of Squares	Df	Mean Square	F	Sig
Between group	6.035	3	2.012	3.410	.022
Within group	46.014	78	0.590		
Total	52.049	81			

At 5% level of significance (α=0.05), the null hypothesis is rejected since the level of significance is less than 0.05. Therefore, there was significant relationship between education and job specialization at 95% confidence interval as table 5.4.11 which shown that significant value is lower than 0.05. It shows that different education background of the respondents have different perception on job specialization.

5.4.12 Relationship between Education and Formalization

	Sum of Squares	Df	Mean Square	F	Sig
Between group	20.874	3	6.958	6.586	.001
Within group	82.407	78	1.056		
Total	103.280	81			

At 5% level of significance (α=0.05) , the null hypothesis is rejected since the level of significance is less than 0.05.

There was significant relationship between education background and formalization at 95% confidence interval as table 5.4.12 which shown that significant value is lower than 0.05. It shows that different education background of the respondents have different perception on formalization.

5.4.13 Relationship between Education and Group Unit

	Sum of Squares	Df	Mean Square	F	Sig
Between group	3.885	3	1.295	2.511	.065
Within group	40.225	78	.516		
Total	44.110	81			

The null hypothesis cannot be rejected at 5% level of significance. Therefore, there was no significant relationship between education and group unit as shows in table 5.4.13 that the significant value is greater than 0.05. It shows that different education background of the respondents didn't have different perception on group unit.

5.4.14 Relationship between Education and Unit Size

	Sum of Squares	Df	Mean Square	F	Sig
Between group	8.610	3	2.870	2.672	.053
Within group	83.792	78	1.074		
Total	92.402	81			

According to the above table, the null hypothesis cannot be rejected because the significance value is 0.053. Therefore, there was no significant relationship between education and unit size as shows in table 5.4.14 that the significant

value is greater than 0.05. It shows that different education background of the respondents didn't have the different perception on unit size.

5.4.15 Relationship between Education and Centralization & Decentralization

	Sum of Squares	Df	Mean Square	F	Sig
Between group	10.587	3	3.529	6.398	.001
Within group	43.023	78	0.552		
Total	53.610	81			

At 5% level of significance ($\alpha=0.05$), the null hypothesis is rejected since the level of significance is less than 0.05.

There was significant relationship between education background and centralization & decentralization at 95% confidence interval as shown in table 5.4.15 that significant value is lower than 0.05. It shows that the different education background of the respondents have the different perception on centralization & decentralization.

5.4.16 Relationship between Income and Job Specialization

	Sum of Squares	Df	Mean Square	F	Sig
Between group	7.534	3	2.511	4.400	.007
Within group	44.515	78	0.571		
Total	52.049	81			

At 5% level of significance (α=0.05), the null hypothesis is rejected since the level of significance is less than 0.05.

There was significant relationship between income and job specialization at 95% confidence interval as shown in table 5.4.16 that the significant value is lower than 0.05. It shows that the different income of the respondents have different perception on job specialization.

5.4.17 Relationship between Income and Formalization

	Sum of Squares	Df	Mean Square	F	Sig
Between group	27.645	3	9.215	9.503	.000
Within group	75.635	78	0.97		
Total	103.280	81			

At 5% level of significance (α=0.05), the null hypothesis is rejected since the level of significance is .000

There was significant relationship between income and formalization at 95% confidence interval as shown in table 5.4.17 that the significant value is lower than 0.05. It shows that the different income of the respondents have different perception on formalization.

5.4.18 Relationship between Income and Group Unit

	Sum of Squares	Df	Mean Square	F	Sig
Between group	14.038	3	4.679	12.137	.000
Within group	30.072	78	0.386		
Total	44.110	81			

At 5% level of significance (α=0.05), the null hypothesis is rejected since the level of significance is .000.

There was significant relationship between income and group unit at confidence interval at 95% as shown in table 5.4.18 that the significant value is lower than 0.05. It shows that the different income of the respondents have different perception on group unit.

5.4.19 Relationship between Income and Unit Size

	Sum of Squares	Df	Mean Square	F	Sig
Between group	4.247	3	1.416	1.252	.297
Within group	88.156	78	1.130		
Total	92.402	81			

The null hypothesis is cannot be rejected at 5% level of significance. Therefore, there was no significant relationship between income and unit size as shows in table 5.4.19 that the significant value > 0.05. It shows that the different income of the respondents didn't have different perception on unit size.

5.4.20 Relationship between Income and Centralization & Decentralization

	Sum of Squares	Df	Mean Square	F	Sig
Between group	14.038	3	4.679	12.137	.000
Within group	30.072	78	0.386		
Total	44.110	81			

At 5% level of significance ($\alpha=0.05$), the null hypothesis is rejected since the level of significance is less than 0.05.

There was significant relationship between income and centralization & decentralization at 95% confidence interval as shown in table 5.4.20 that the significant value is lower than 0.05. It shows that the different income of the respondents have different perception on centralization & decentralization.

5.4.21 Relationship between Department and Job Specialization

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means				
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std.Error Difference
Job Specializ ation	Equal variances assumed	.066	.797	-2.703	80	.008	-.4615	.1707
	Equal variances not assumed			-2.720	79.942	.008	-.4615	.1697

At 5% level of significance ($\alpha=0.05$), the null hypothesis is rejected since the level of significance is less than 0.05.

There was a significant relationship between department and job specialization at 95% confidence interval as shown in table 5.4.21 and that the significant value is .008 which is lower than 0.05. It shows that the respondents who worked in the different departments have different perception on job specialization.

5.4.22 Relationship between Department and Formalization

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means				
		F	Sig.	T	df	Sig. (2-tailed)	Mean Difference	Std.Error Difference
Formaliz ation	Equal variances assumed	4.095	.046	-6.588	80	.000	-1.3327	.2023
	Equal variances not assumed			-6.502	70.815	.000	-1.3327	.2050

At 5% level of significance (α=0.05), the null hypothesis is rejected since the level of significance is less than 0.05.

There was significant relationship between department and formalization at 95% confidence interval as shown in table 5.4.22 that the significant value is only .000 which is lower than 0.05. It shows that the respondents who worked in the different department have the different perception on formalization.

5.4.23 Relationship between Department and Group Unit

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means				
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std.Error Difference
Group Unit	Equal variances assumed	.013	.908	-8.098	80	.000	-.9857	.1217
	Equal variances not assumed			-8.113	79.687	.000	-.9857	.1215

At 5% level of significance ($\alpha=0.05$), the null hypothesis is rejected since the level of significance is less than 0.05.

There was significant relationship between department and group unit at 95% confidence interval as shown in table 5.4.23 that the significant value is .000 which is lower than 0.05. It shows that the respondents who worked in the different department have the different perception on group unit.

5.4.24 Relationship between Department and Unit Size

		Levene's Test for Equality of Variances		t-test for Equality of Means				
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std.Error Difference
Unit Size	Equal variances assumed	3.189	.078	1.965	80	.053	.4562	.2321
	Equal variances not assumed			1.980	79.733	.051	.4562	.2303

The null hypothesis cannot be rejected at 5% level of significance. Therefore, there was no significant relationship between department and unit size as shows in table 5.4.24 that the significant value > 0.05. It shows that the respondents who worked in the different department didn't have the different perception on unit size.

5.4.25 Relationship between Department and Centralization & Decentralization

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means				
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std.Error Difference
Centraliz ation & Decentral izarion	Equal variances assumed	.758	.386	-2.630	80	.010	-.4568	.1737
	Equal variances not assumed			-2.652	79.651	.010	-.4568	.1723

At 5% level of significance (α=0.05), the null hypothesis is rejected since the level of significance is less than 0.05.

There was significant relationship between department and centralization & decentralization at 95% confidence interval which shown in table 5.4.25 that the significant value is lower than 0.05. It shows that the respondents who worked in the different department have the different perception on centralization & decentralization.

5.5 Correlation on Organization Structure and Readiness to Change

Ho2 : There is no significant relationship between organization structure and employee readiness to change.

Ha2 : There is a significant relationship between organization structure and employee readiness to change.

Table 5.5.1 Correlation between Job Specialization and Employees Readiness to Change

		Readiness to Change
Job Specialization	Pearson Correlation	.254
	Sig. (2-tailed)	.021

At 5% level of significance (α=0.05), the null hypothesis is rejected since the level of significance is .021. Sig < 0.05, there was significant relationship between job specialization and readiness to change as shows in table 5.5.1 at the positive direction. It shows that the perception of the respondents on job specialization which related to the employee readiness to change. The result indicated in the positive direction. It concluded that job specialization increase, the employee readiness to change will increase.

Table 5.5.2 Correlation between Formalization and Employees Readiness to Change

		Readiness to Change
Formalization	Pearson Correlation	.178
	Sig. (2-tailed)	.110

The null hypothesis is cannot be rejected at 5% of significance.

Sig. > 0.05 , there was no significant relationship between formalization and employees readiness to change as shows in table 5.5.2. It shows that the

perception of the respondents on formalization didn't related to the employee readiness to change.

Table 5.5.3 Correlation between Group Unit and Employees Readiness to Change

		Readiness to Change
Group Unit	Pearson Correlation	.191
	Sig. (2-tailed)	.086

At 5% level of significance, the null hypothesis cannot be rejected because the significance level is greater than 0.05 (Sig.> 0.05) , there was no significant relationship between group unit and employees readiness to change as shows in table 5.5.3. It shows that the perception of the respondents on group unit didn't related to employee readiness to change.

Table 5.5.4 Correlation between Unit Size and Employees Readiness to Change

		Readiness to Change
Unit Size	Pearson Correlation	.344
	Sig. (2-tailed)	.002

At 5% level of significance (α =0.05), the null hypothesis is rejected since the level of significance is less than 0.05 (Sig. < 0.05) ,there was significant relationship between unit size and employees readiness to change in the positive direction as shows in table 5.5.4. It shows that the perception of the respondents on unit size related to the employee readiness to change in the

positive direction. The increasing in unit size effected the increasing in the employee readiness to change.

Table 5.5.5 Correlation between Centralization & Decentralization and Employees Readiness to Change

		Readiness to Change
Centralization & Decentralization	Pearson Correlation	.177
	Sig. (2-tailed)	.113

At 5% level of significance, the null hypothesis cannot be rejected because the significance level is greater than 0.05 (Sig. > 0.05), there was no significant relationship between centralization & decentralization and employees readiness to change as shows in table 5.5.5. It shows that the perception of the respondents on centralization & decentralization didn't related to the employee readiness to change.

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Table 5.5.6 Correlation between Organization Structure and Employees Readiness to Change

Organization Structure		READINESS TO CHANGE
JOB SPECIALIZATION	Pearson Correlation	.254
	Sig. (2-tailed)	.021
FORMALIZATION	Pearson Correlation	.178
	Sig. (2-tailed)	.110
GROUP UNIT	Pearson Correlation	.191
	Sig. (2-tailed)	.086
UNIT SIZE	Pearson Correlation	.344
	Sig. (2-tailed)	.002
CENTRALIZATION & DECENTRALIZATION	Pearson Correlation	.177
	Sig. (2-tailed)	.113

Referring to the research, the researcher could find that there were job specialization and unit size which related to the employee readiness to change. As the table 5.5.6, for job specialization as the significant correlation was lower than 0.05 at significant level of 0.05 (95%) and it was positive correlation with r = 0.254. Mean while, unit size as the significant correlation also lower than 0.05 at significant level of 0.05 (95%) and it was positive correlation with r = 0.344.

CHAPTER 6

SUMMARY FINDING, CONCLUSION AND RECOMMENDATIONS

In this chapter, a summary of the results of the data analyses, the conclusion and recommendation are presented.

Section 6.1 presents the information on the most important and highest percentage of respondent demographic profiles, perceptions and answered each of the statement problems and research hypothesizes. Then the recommendation for the area of the main problem is presented in the last section.

6.1 Summary Findings

All of the results were summarized from the questionnaires. The descriptive statistics on frequency in demographic profile and the perception of respondents had been concluded. The relationship between demographic profile and organization structure also had been stated. The correlation between the organizational structure and employee readiness to change had been analyzed and finalized.

6.1.1 Frequency in Demographic Profile

The result of the data analysis suggests that the respondents could be described, according to their demographic profiles, as mainly male employees

of age between 21-30 years old with Mathayom three or below education, earning less than 5000 baht and working in the Q.P's production department.

6.1.2 Summary of respondent's perception on the Organization Structure

As the result from the research, the highest average was on the respondent's perception of the centralization & decentralization at 3.71. This was concerned about the right of the employee's to share ideas in the decision making process in accordance with the theory of Richard M.Steers (1981). Authority were extended throughout the organization hierarchy, referred to the decentralization. Meanwhile, the employees also have the right to make the decision to a limited extent of specific task according to Stephen Robbin(1998), who talked about the degree of the decision making at a single point in the organization.

Group unit became the second place of the respondent's perception on organization structure at the average of 3.70, which the employees also tend to agree with the coordination of work in the organization. Hall, Hass and Johnson (1976b) used the number of levels in the deepest single division and the mean number of levels for the organization as the hierarchy of authority which the result showed the highest figure at 4.49. It indicated that the respondents strongly agree with the hierarchy of authority in the organization. On the other hand, Henry Mintberg's theory described that the organization was grouped by function, by knowledge, skill, work processs or work function but on the contrary the respondent's perception on grouping by function wa still undecided.

Job specialization became the third place at 3.63, which related to the most important aspect of the limited number of components task or limited responsibility in a specific task. Formalization was in the forth place, which consisted of the rules and regulations in the organization, standardization in work process, skill and quality control. As Henry Mintzberg (1979) discussed about formalization by work processes which indicated the highest average at 3.61. Unit size showed the lowest average at 2.90, which undecided for the perception of the respondents. The result shows that the organization has a tall structure as Henry Mintberg said tall structure has a long chain of authority with relatively small group at each hierarchy level. Carzo and Yanouzas said that the greater the number of levels in the tall structure interrupted the vertical flow of information which could be able to create the problem.

6.1.3 Summary of respondent's perception on Readiness to Change

It is concluded that the respondent's perception on readiness to change in the view of training was the highest average at 4.82. The respondents concerned about the new knowledge , skill and abilities to improve their competency. There existed willingness to change. Participation, communication and training were the good components to reduce the resistance to change for the respondents.

6.1.4. Summary of relationship between demographic profile and organization Structure

The result of the research shows that gender was the main criterion to consider in formalization as Max Weber described about the formalization referred to the bureaucracy characteristic which stated that the candidates for

the organization are selected on the basis of technical qualification. Male was the major gender in the studied and worked in the technical sector, then gender was the main concern for formalization. In the mean time, gender was not effected to the job specialization, group unit, unit size and centralization & decentralization.

Interestingly, the result shows that age was related only through the job specialization. The respondents in different age categories, also had the different perception about responsibility on the specific task. Meanwhile, age didn't have the effect on formalization, group unit, unit size and centralization & decentralization.

Education levels are critical, especially as organizations automate simple, the research shown the relationship between education background and job specialization which was the repetitive work, formalization which was the standardization of work process, and centralization & decentralization which empower the employees to make many types of decisions. Normally, income is the indicator that shows the education background and experience of work of the respondents, so the criteria for income as the result shows that job specialization, formalization, group unit and centralization & decentralization were related to it. The employees who were hired in the higher or lower income also have the different perception on the responsibility, rules and regulation, the hierarchy of authority and the decision making process in the organization.

It was also shown that the department in the organization which the respondents' working area had the same relationship as the income , only unit size was not related to them. The respondents who worked in the production

part and administrative part have the relationship with job specialization, formalization, group unit and centralization & decentralization. Meanwhile, unit size which described about the number of employees report to manager did not have the relationship with any variables in demographic profile.

6.1.5 Summary of relationship between Organization Structure and Employee Readiness to Change

The result from the research shown that there were only two factors of organization which related to the employee readiness to change; job specialization and unit size.

As Burke (1988,1990) described about managing the organizational side concerning the shape of the organization and structural issues of systemic and long term change efforts. Henry Mintzberg (1974) also the major theorist who described about the unit size by considering about the level of the hierarchy and job specialization that related to the employee readiness to change. D E Hussey (1995) has given the way to reduce the resistance to change by these three factors; participation, communication and training.

According to the theories, described above the readiness to change which needed to be occurred in these three variables: participation, communication and training. The result of the research shows the positive direction of the relationship between unit size, job specialization and readiness to change. As Paul Hersey, Kenneth H. Blanchard and Dewey E.Johnson said that the participation for change implemented when new knowledge is made available to the individual or group. In the studies also designed to understand

the meaning of communication and training to the employees that gave the same direction of the result.

6.2 Discussion

Referring to the perception of respondents on organization structure and readiness to change, the researcher had discussed that the respondents had the good perception on organization structure and strongly agree on readiness to change.

Among the five variables of organization structure, unit size would be the only factor that the respondents were unsatisfied with the number of employees reported to a manager and the level of authority seemed likely to be the criterion that the organization need to consider. The respondents may think that unit size was the major criterion that needed to be adjust in terms of the level of authority and shape of the organization. Cummings and Berger (1976), reviewed the impact of the organizational structure on attitude and perception and note that the higher level who do the controlling report being more satisfied in tall structure while lower level they are happier in flat ones. According to Joan Woodwards (1965), finding about the high span of control or flat structure encountered in the mass production firm but Q.P.Industrial seemed to have the low span of control or tall structure. As Ivancevich and Donnelly (1975), argue that tall structures lead to supervision that can be close, creating a frustrating situation for the employees. James L. Gibson, John M.Ivancevich and James H.Donnelly (1997) said that the critical consideration in determining the manager's span of control is not the number of potential relationships. Rather it's the frequency and intensity of the actual relationships

that are important. Not all relationships will occur, and those that do will vary in importance. If we shift our attention from potential to actual relationships as the bases for determining optimum span of control, at least 3 factors appear to be important : required contact , degree of specialization and ability to communicate. It could seen that the degree of specialization also the one factors of the organization structure which had the significant relationship with readiness to change. The degree to which employees are specialized is a critical consideration in establishing the span of control at all levels of management.   It is generally accepted that a manager at the lower organizational level can oversees more subordinates because work at the lower level is more specialized and less complicated that at higher levels of management.   . The way of grouping work and directed assignment which were unsatisfied by the respondents. The decision making process and right to share the idea in the organization would be the only one factor that the respondents were satisfied. The most of the respondents came from the production part then limited decision making in the specific task would be sufficient for the employees.

The respondents have strongly agreed on readiness to change in all variables; participation, communication and training. Most of the respondents have the right to participate in their organization. Three kinds of communication process ; upward, downward and lateral communication were satisfied by the respondents. Learning the new knowledge and training program were accepted by the respondents.   They liked to have the new knowledge and skill to improve their competency to compete in the market.,

then training program was needed to set up in the organization and provided the new things for the employees.

6.3 Conclusion

From the study of the relationship between organization structure toward employees readiness to change of Q.P.Industrial company limited suggests the following:

The major respondents were male, with age between 21-30 years old , with the education background was Mathayom 3 or below ,earning income less than 5000 baht and worked in the production part in the organization.

Among five demographic variables; education background, income and department were the main concerned in the relationship with organization structure. While, gender was the only one that needed to consider for formalization and age was the only one factor that needed to concern for job specialization.

The education background have the significant relationship with job specialization, formalization and centralization & decentralization . It could be able to described that education background of the employees would be the consideration factors for the management level to describe the job description , set up the organization policies and the way to empower to the lower level.

For income and department in the organization have the significant relationship with organization structure factors same as education background but there was only the group unit which was the special concerned for the management level to consider about the group working into roles and directed assignment.

On the contrary, the result shown that there were no significant relationship between five demographic variables with unit size. It could be able to conclude that the demographic profile didn't have the effected to the unit size.

The perception of the employees about the organization structure toward readiness to change seemed to be the good opportunity for the management level to change some parts of the structure in the organization which composed of job specialization and unit size. The employees shown the good direction of their perception toward readiness to change.

From the above information, it could be able to conclude that age, education background, income and department were significant relationship to job specialization , while job specialization also had the relationship with employees readiness to change. On the other hand, the demographic variables didn't necessary to consider in unit size even unit size had the relationship with employee readiness to change.

6.4 Recommendation

This research has discussed a variety of theoretical approaches and result findings from the study of the relationship between organization structure toward employee readiness to change of Q.P. Industrial company limited. Based on the results described above, it could be able to present the recommendation as follows;

6.4.1 Management level needed to visualize the shape of the organization , revise all the level of the authority and the amount of the subordinates under one manager.

6.4.2 Training program would be the major thing that management level needed to provide for the employees due to the total average of the readiness to change were strongly agree.

6.4.3 Job specialization and unit size were the two main areas to concern for employee readiness to change. The strategy may be to involve the individual or group directly in helping to select or formalize the new methods for obtaining the desired goals and will be to attempt to translate this commitment into actual behavior.

6.5 Suggestion for Future Research

The researcher would like to suggest some issues for potential future research as follows :

1. This research just emphasized on one manufacturing business so the research for the other kinds of business will be useful.

2. The employees of the organization that the researcher has chosen are in almost the lower level thus the other groups of the respondents could be able to generate the different kind of result and the strategy for using in the organization will be change.

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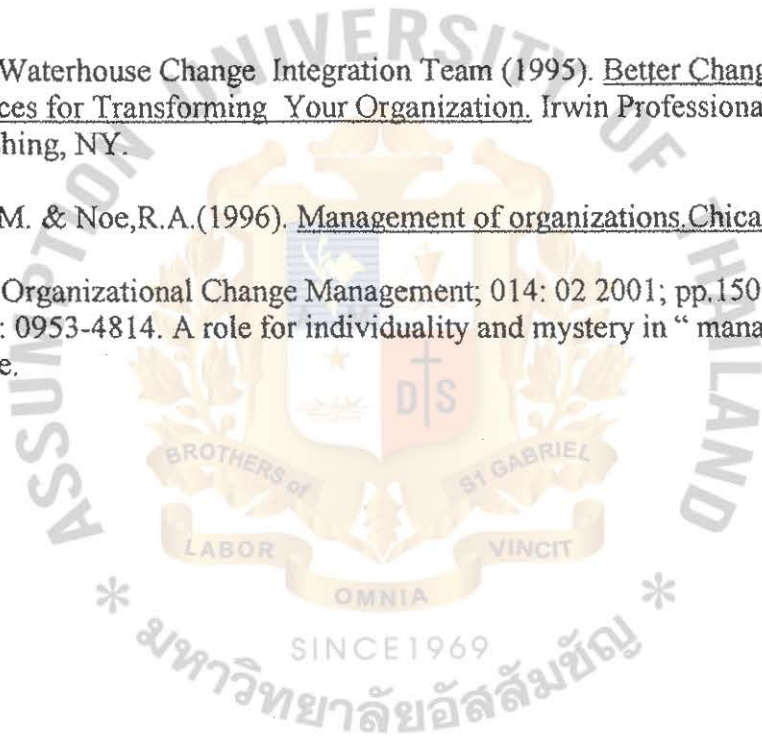
A STUDY OF RELATIONSHIP BETWEEN THE ORGANIZATIONAL STRUCTURE AND EMPLOYEE READINESS TO CHANGE IN Q.P.INDUSTRIALS COMPANY LIMITED

QUESTIONNAIRE

This survey is designed to study about the relationship between the employee's perception to organizational structure toward the their readiness to change in Q.P.Industrial Company Limited.

Please understand that there are no right or wrong answers, the researcher is interested in the most thoughtful and valuable responses that truly reflect your feelings. *All the responses will be absolutely kept confidential.*

Part I : Demographic Profile

Directions: Please completes the following information about yourself by making the (X) mark in the blank relating to your own profile. It is necessary to gather this data for research analysis.

1. Gender

   ☐ Male

   ☐ Female

2. Age

   ☐ 20 or below   ☐ 21-30

   ☐ 31-40   ☐ 41 and above

3. Education

   ☐ M.3 or below   ☐ Diploma or certificate

   ☐ M.6   ☐ Bachelor Degree or Higher

4. Income

☐ Less than 5,000   ☐ 5,000-10,000

☐ 10,001-15,000   ☐ More than 15,001

5. Department

☐ Administrative   ☐ Production

Directions : Please fill the information in the blank about your self

Part II : The perception of employees to Organizational structure factors

Directions : The following statements are indicate your own perception to the organizational structure factors. Please kindly circle the most represent the extent to which you perceive on the following questions.

There are 5 scales:
5	=	Strongly Agree
4	=	Agree
3	=	Undecided
2	=	Disagree
1	=	Strongly Disagree

6. I have the limited responsibility in a
   specific task.   1   2   3   4   5

7. The employees in the organization
   specialized in their work which could be
   able to increase productivity.   1   2   3   4   5

8. I can identify my work duties and
   Responsibility.   1   2   3   4   5

2

9. The organization rules and regulations

are clearly defined since the first day

I started to work here.   1   2   3   4   5

10. The organization has the standardization

in work process.   1   2   3   4   5

11. There are the quality control for the

output in this organization   1   2   3   4   5

12. Every employees in the organization

have the standardization skill in

their work.   1   2   3   4   5

13. There is the coordination of work in

my unit.   1   2   3   4   5

14. The organization has grouping unit of

work.   1   2   3   4   5

15. The organization has grouping of work

into roles which they were specialized

in that unit.   1   2   3   4   5

16. I was assigned my work by directed

from my boss.   1   2   3   4   5

17. There are some employees in other units

received the work assignment from my

direct boss.   1   2   3   4   5

18. In the department, I think the number of

task is equivalent to the number of

workers.   1   2   3   4   5

3

19. There are many employees under

my boss.   1   2   3   4   5

20. Sometimes my boss cannot read

my report on time which

make the others jobs pending.   1   2   3   4   5

21. There are many level of authority

in my unit.   1   2   3   4   5

22. The representative of employees in

every level can join in the decision

making process.   1   2   3   4   5

23. Employees have the right to share

the ideas in the decision making

process.   1   2   3   4   5

24. There are some delegations for the

middle or lower level to make decision

in a limited extent of specific task.   1   2   3   4   5

Part III : The employee readiness to change

25. Employees always sharing the

idea and participate in grapevine .   1   2   3   4   5

26. I am the one who always have the

open-minded.   1   2   3   4   5

4

27. I am the one who respected my

colleague's idea.   1   2   3   4   5

28. I always communicated with my boss.   1   2   3   4   5

29. I always communicated with my

colleagues in the organization.   1   2   3   4   5

30. My boss always discussed with the

subordinates who under his control.   1   2   3   4   5

31. I will accept the training program

which provided by the organization.   1   2   3   4   5

32. I would like to learn the new knowledge

and skill to improve my competency.   1   2   3   4   5

THANK YOU FOR YOUR KIND ASSISTANCE IN FILLING IN THIS QUESTIONNAIRE.