

## The Change in Automotive Industry of Thailand

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### Abstract

The objectives of this research were to evaluate the curriculum of the Bachelor of Liberal Arts in Thai Language for Foreigners, Faculty of Liberal Arts, Kasem Bundit University, Thailand regarding Stufflebeam's CIPP Model as 1) Context Evaluation (C) 2) Input Evaluation (I) 3) Process Evaluation (P) and 4) Product Evaluation (P). The key informants in the research were 32 current, 8 graduated students and 5 instructors. The research instruments were questionnaires. The statistical procedures for data analysis were percentage, mean, standard deviation and content analysis. The research found that overall the curriculum was evaluated at a highest level (Mean = 4.42). The students meet the curriculum objectives. They like the environment that encourages them to learn Thai language and culture. They can apply the knowledge which they gained in the workplace. The students were satisfied with instructors as input of the program. They appreciate the learning management process that combines both theories and practice, including Thai language and cultural activities. In the output, the graduated students rated at the highest level. They informed that they could use the knowledge of Thai language in workplaces in both Thailand and China.

**Keywords:** Curriculum Evaluation, Thai Language for Foreigners, CIPP Model

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## Introduction

Globalization drives all countries have to change a way of thinking to be more creative and develop a major strategy of the country to build an economic strength and continuous growth, so they have to define create a clear strategy and vision for the global arena. In this respect, organizations need to be adjusted and developed to become a dynamic organization that is constantly driven by the breakthrough of technology and modern innovations.

When the organization is required to change, it is important to change the following components, the structure, process, culture, technology, and staff. These changes may affect the performance of the organization and the living of the human in the future. The automobile assembly industry is considered as a main industry in Thailand that creates an economic value and makes the country ranked at the 12th major car manufacturer to the world markets, so the change is very important to the development of organizations in this industry. Additionally, this industry also push up Thailand to be a leader in the region and the world with the highest volume of car production in ASEAN, and the country becomes attractive for being a manufacturing base for automobiles and parts in the regional level as well (Automotive Institute, 2015).

For the abovementioned reasons, the researchers realized the importance of this issue and were interested to study about the

change management that would be useful to current entrepreneurs and start-up ones as well as people who have an interest. The research results can be applied to develop the organization and improve the organization management pattern to increase effectiveness and efficiency and will bring about the success in sustainable management of the automotive industry in Thailand.

## Objectives of the Study

1. To explore causes of the changes in automotive industry of Thailand
2. To study types of the changes in automotive industry of Thailand
3. To study impacts resulted from the changes in automotive industry of Thailand

## Scope of the Study

1. Defining population consisting of samples who were working in 18 automobile assembly plants
2. Using an analytical framework of change management by studying types, causes and impacts derived from the change management of the automotive assembly industry in Thailand

## Concepts and Theories

### Concepts on Major Causes of Change

A change occurs all times and is inevitable. Changes in every organization occur under the following circumstances.

1. Internal change – it is the changes that occur within the organization, for example, creating a new vision, changing the positions, changing the heads, expanding the business, etc. The internal changes can be controlled because they depend on the administration of individual organization that includes a structure, process, culture, technology, and personnel.

2. External change – it is generated by factors surrounding the organization, for instance, the variation of the money value, the fluctuation of the oil price, the strategic change of competitors in the domestic markets, and the international marketing situation. These factors are hardly controlled.

### Concepts on Types of Change

Michael Beer (2000) indicated that an organization has designed programs to remove barriers and increase performance outputs. Types of the organization change can be categorized as follows:

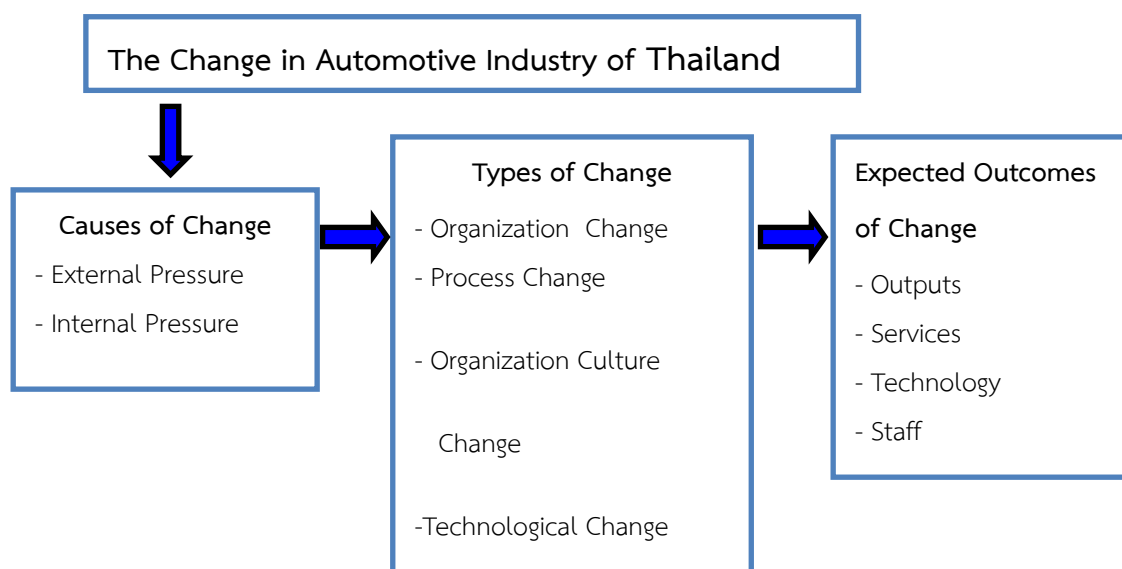
. Organization Structure Change – an organization is considered as a group of different components of a car working together. During the change of organization structure, the highest level of management is ready to improve these components to gain better outputs.

2. Cost Cutting – this organization change is to reduce costs by setting the goal of organizational changes to reduce the operating steps that are not necessary or any other method to reduce the cost of operations.

3. Process Change – it focuses on changes to the operation or the decision making process to make the processes faster, more efficient, more reliable, and lower costs.

4. Organization Culture Change – this change is focused on the relationship between the executives and the members in the organization by changing the administration from command and control of the operation to participative administration.

### Conceptual Framework



### Research Methodology

The mixed research methods were adopted in this research project including qualitative research and quantitative one. The study was divided into two steps. The first step was the main research, which was done by the in-depth interview, and the results were analyzed with the quantitative research method in order to affirm the confidence and accuracy of the research. The research process consisted of the following steps.

- 1) Documentary research
- 2) Qualitative research by the in-depth interview with 18 executives from 18 automobile assembly plants
- 3) Quantitative research by collecting the questionnaire from 400 workers in automobile assembly plants across the country

#### Statistics for Quantitative Data Analysis

The data gained from the questionnaire was analyzed with a computer processing program according to the study objectives. The descriptive statistics was used for the data analysis that includes a frequency distribution, average, percentage, and standard deviation, and the inferential statistics means the hypothesis testing by using the one-way-anova.

### Analysis Results

#### 1. Causes of The Change in Automotive Industry of Thailand

It was found that the change in the organization came from the internal factors and was often caused by intention and by accident depending on several reasons, for example, creating a new vision, a change of job positions and department heads, and business growth. The internal change is controllable because it depends on the ways of management of each organization, which is composed of a structure, process, culture, technology, and personnel.

#### 2. Types of The Change in Automotive Industry of Thailand

The automotive industry is a for-profit organization or business organization created to generate revenue and profits from the sale of goods and services. The management teams of automotive assembly industry had the same opinion. Due to the economic crisis and high competition, the relevant external environment factors had a high impact on the organizational change. The organization must improve and change in terms of structure, process, technology, and personnel for organizational survival. The employees' opinions were at a high level as shown in Table 1.1:

### Levels of Change by Types

Change by Types	$\bar{X}$	S.D.	Level
Structure	3.64	0.58	Very much
Process	4.09	0.64	Very much
Culture	3.93	0.59	Very much
Technology	3.43	0.60	Moderate
People	3.44	0.82	Moderate
Total	3.71	0.65	Very much

#### 1. Structure

An organization structure was newly designed so there were changes in duties and responsibilities of staff to put them to proper jobs. Then, they would be monitored and followed for their performance according to the organization structure defined.

#### 2. Process

The steps and processes were shortened to save costs during the economic recession. The objectives of the change were determined, and the working processes were re-planned, checked, monitored, tracked, improved, and changed.

#### 3. Culture

The opinions of staff were perceived, and they would be explained about the reasons when an anti-change

occurred to create the good relationship with the staff and work together effectively.

#### 4. Technology

The technology was widely applied, so the organization needs to be changed to the various technologies for the modernization and the survival of the business. The change occurred from the low level to the high level such as the adjustment to the technology-based management. This meant the use of technology or new and modern computer programs in the organization and the promotion of the staff to learn about these technologies.

#### 5. Personnel

A number of personnel were reduced owing to the application of technologies to shorten the steps and

work processed. There were a job rotation and transfer among different departments and recruitment to suitable jobs. The guiding information on the change was publicized to adjust the staff's attitude and behavior to accept the change.

### 3. Impacts of The Change in Automotive Industry of Thailand

#### 1. Production

There were shortened steps of the manufacturing process. It could be seen from the production management, manufacturing machines, marketing, and channels of distribution and delivery. These activities were entirely different. The modern technology was used more in the industry, so the employees need to have the skills and expertise. The technology-based production run quickly and was up to the demand. The production factors were calculated effectively and complied with the features of the jobs. The inventory and production control departments needed to have the knowledge and expertise.

#### 2. Services

The services were faster and more convenient because the channel of communication was provided, and the customers could access the multiple channels easier due to the use of technology and modern services in the organization.

#### 3. Technology

The impact of technology on the performance of the organization was divided into 5 aspects including (1) improving the working pattern of the organization (2) supporting the strategic implementation (3) the operating tools (4) increasing productivity of the task by the technology, and (5) technology for communication making the operations faster.

#### 4. Personnel

The staffs needed to adjust their working methods and systems to attain the objectives defined by the executives such as matching the staff with the duties and responsibilities and working as a team. The employees were trained to develop the skills, knowledge and capabilities to develop their performance appropriately. Thus, the changes made the staffs need to change

their working behavior from the old system to the new one. However, the acceptance of each employee was varied.

#### 5. Budget

The change made some alterations in few items of the expenditure budget. Using the technology or modern computer software caused an effect on the personnel budget. There was a reduction in employment and a number of staff. The full-time employees were replaced by the outsourced staff.

### Discussion

#### 1. Causes of The Change in Automotive Industry of Thailand

The main causes of changes are caused by internal and external forces. The management teams need to prepare and adapt their business to support the internal and external changes for the organizational survival and competitive performance. The automotive industry is highly competitive, so the administrative teams need to focus on the organizational change to create effective performance and generate incomes and profits.

The organizational change is a consequence of the economic crisis and high competition. The environmental factors outside the organization are highly relevant to the internal improvements and changes in the organization. Therefore, the changes will succeed or fail depending on the types of changes and the context of the organization. Besides, the changes require the understanding of the nature of the organization and situations that each organization faces.

#### 2. Types of The Change in Automotive Industry of Thailand

##### 2.1 Structure

It is found that there are the new organization structure and a change of duties and responsibilities of the staff. This is in accordance with the research of Thippawan Lertthaworntham (2007) that mentioned that the change in the organization has an effect on the behavior of the workers. Consequently, the organization structure has a connection with the overall working behavior of the employees in the same direction according to the principles of change management by using the

decentralization by Kotter (1996). Kotter asserted that the change of the organization must comply with the reason such as the restructure and the relationship, the communication to increase the capacity of the team and more. In addition, it also get along with the concept of Michael Beer (2000). Michael Beer said about the organization structure change that an organization is considered as a group of different components of a car that work together. During the change, the executives will try to improve the organization structure, for example, the allocation of the workers to match with the tasks and to work together for better overall performance.

## 2.2 Process

It was found that the work processes and procedures were shortened. This is the change to get the job done in a shorter period and to save the budget. This change is required for all organizations. Working by steps is changed to working as a team until they accomplish. The continuous development in terms of the process is in consistent with the concepts and theories of Michael Beer (2000). In his

study, Michael Beer said that the process change focuses on the change in the steps of operation or the decision making process to speed up the processes and increase the efficiency, more reliable and lower costs.

## 2.3 Culture

It was found that there was a change in the important working values, which were the cooperation and the authorization. Managers need to work and perform the same tasks as other staffs to build the relationship, friendship and customer service. It is also to create the relationship with customers, the cooperation and team working, and a relationship among departments in the organization. This complies with the concepts and theories of Michael Beer (2000) that explained that the organization culture change is stressed on the relationship between the executives and members of the organization by changing the command and control of the operation to the participative management.

## 2.4 Technology

It was found that the management was improved by using technologies to



make it faster. With the new technology or new programs, it causes the impact on the performance of the organization in five aspects including (1) improving the working pattern of the organization (2) supporting the strategic implementation (3) the operating tools (4) increasing productivity of the task by the technology, and (5) technology for communication making the operations faster. The results are in line with the concepts and theories of Alvesson (2002) mentioning the change in technology in the organization both inputs and outputs. The technology plays role in the working process and methods of the organization. The change in technology has the high cost and difficulties, and it must be associated with several departments in the organization. Therefore, training is required for the members in the organization for such change so that they have become familiar with how to operate the new work systems to comply with the technology in the organization.

## 2.5 Personnel

It was found that the organization would be able to adjust to the

environment when the employees were trained to develop the skills, knowledge and capabilities and to properly develop the performance of the staffs in the organization. Although the effect of change is different, having skilled workers makes the organization take advantage over the competitors, high quality of performance, and the most efficient productivity. It would be possible that the employees may accept such changes more or less such as the changes in technology, management process and others. They will have the protest immediately as the employees do not understand the big picture, but most of them are thinking about the personal matter only. The findings also coincide with the concepts and theories of Alvesson (2002). The research disclosed that the culture and people change is the change of behavior of the members in the organization. It is a sensitive matter and takes time. It is difficult to change and needs the consistency in practice. Hence, the organization culture change is very important.

### 3. Impact of the changes in The Change in Automotive Industry of Thailand

The changes require the understanding of the nature of the organization and the situations that each organization faces regarding the impacts on the organization in terms of production, services, technology, personnel, and budget. The management teams have studied and understood the organization's status and business status, so they have planned to minimize the impacts on the organization. Such changes do not affect their performance after encountering the economic crisis. It can be seen from the level of restructuring the organization in many aspects. The improvements and changes were made with the new processes and organizational structure and other internal changes. They are in accordance with the results of the analysis determining the business position from the analysis of competitiveness, market share and managerial ability.

### Recommendations

1. From the study results, the organizations mostly have a change in the process. They reduced the steps and the process for short to cut costs. Accordingly, there should have a training program for the staff to explain clearly the procedures and to make them understand the process of working together to develop the organization to achieve the objective.

2. The change of culture should be opened to listen to the opinions of the employees. The Human Resources Department should present a project to create the relationship of the staffs, to coordinate the cooperation and to eliminate problems or conflicts in the organization as well as to prevent the anti-from personnel.

3. Under the change in the organization structure, there was the improvement in the organization structure, the duties and responsibilities to put the staffs with the proper tasks. The supervisors must learn and manage the manpower by starting to learn seriously with the employees in each group and classify the workers into

groups by levels of capabilities. Afterwards, they have to place the staffs in the right positions. Even though learning the ability of the employees will waste time, but it is worth

for the returns. It is not good enough to have a great deal of employees, but they are unable to do things to meet the expectations of the organization

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