

**DOWNSIZING AND PUBLIC PRODUCTIVITY: A CASE STUDY OF  
THE METROPOLITAN WATERWORKS AUTHORITY,  
THAILAND**

**By**

**Song Jinzhou**

**A Dissertation Submitted in Partial  
Fulfillment of the Requirements for the Degree of  
Doctor of Philosophy (Development Administration)  
School of Public Administration  
National Institute of Development Administration**

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## **ABSTRACT**

**Title of Dissertation :**     **Downsizing and Public Productivity: A Case Study of The Metropolitan Waterworks Authority, Thailand**  
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The economic crisis, the huge foreign loans, the dramatic project investment and personnel costs in the past years have forced Thai state-owned enterprises to streamline operations through downsizing.

The relationship between downsizing and public productivity has not been studied in Thailand despite the prevalence of downsizing practices. It has not been clear whether downsizing does indeed improve public productivity. The purpose of this study is 1) to develop and test the models between downsizing and the public productivity; 2) to explain the reasons, benefits and suggestions of downsizing for enhancing public productivity.

The methodology in this study mainly utilizes quantitative research. Some qualitative research is also adopted. The unit of analysis is the section level. Data are collected from samples that represent all 550 sections in the Metropolitan Waterworks Authority (the MWA), Thailand. The analysis methods use factor analysis and path analysis, which are incorporated to test the hypotheses.

Correlation between downsizing factors and public productivity is presented in the data analysis. The estimated model and the revised model for downsizing and public productivity are constructed. Downsizing patterns among three different groups in the MWA are compared with correlation and the multiple regression.

Based upon the statistical analysis, the main findings include: First, the factors of management culture change, employee morale and reduction of employee have a direct effect on public productivity. Second, the factors of management culture change, employee morale, work process redesign and reduction employee have a direct effect on quality of service. Third, management culture change and employee morale have a direct effect on timeliness. Fourth, reduction of employee has a direct effect on operating

efficiency. Fifth, Employee morale has a direct effect on work efficiency.

For qualitative data, all three groups believe that downsizing is resulted from overstaffing, high costs, inefficiency and redesigning work process necessity. They all think that the benefits of downsizing include saving the budgets, improving efficiency, and work process change. Some suggestions of downsizing from respondents are also presented.

The recommendations of this study for Thai government include: the necessity of workforce downsizing in the MWA; eliminating unnecessary work; the incremental approach of downsizing implementation; the proactive implementation of the downsizing program; and considering the side effect on survivors after downsizing.

The recommendations of the study for Human Resource Management of Thai stated-owned enterprises include: the importance of communicating employees during downsizing; the necessity of training after downsizing; the importance of rebuilding employee loyalty; considering just-in-time employment perspective and the new employee contract; and maintaining both high organization adaptability and high workforce commitment.

Finally, some suggestions for further study are presented for better contacting a downsizing research.

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