

b150503

**Factors Affecting the Transformed State  
Owned Enterprises' Effectiveness**

**By**

**Nantnach Rungrusamiwatanakul**

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

**ISBN 974-231-730-5**

**2006**

**FACTORS AFFECTING THE TRANSFORMED STATE  
ENTERPRISES' EFFECTIVENESS**  
**Nantanach Rungursamiwatanakul**  
**School of Development Administration**

---

The Examining Committee Approved This Dissertation Submitted in  
Partial Fulfillment of The Requirements for the Degree of Doctor of Philosophy  
(International Development Program)

Associate Professor.....*Nisada Wedchayanon*.....Committee Chairman  
(Nisada Wedchayanon, Ph.D.)

.....*Pichit Pit*.....Committee  
Professor.....  
(Pichit Pitaktepsombat, Ph.D.)

.....*W. Pun*.....Committee  
.....  
(Werawat Punnitamai, Ph.D.)

## ABSTRACT

**Title of Dissertation** : Factors Affecting the Transformed State Enterprises' Effectiveness  
**Author** : Ms. Nantanach Rungrusamiwatanakul  
**Degree** : Doctor of Philosophy in Development Administration  
**Year** : 2006

---

This research attempts to study the dynamic of the organization effectiveness in a context of transformed state enterprises. The objectives of this research are to explain the extent of the transformed enterprises' effectiveness and the factors affecting the state enterprises' effectiveness. It also aims to investigate to identify the dominant features of the enterprises' core activities that designed to enhance the enterprises effectiveness. In addition, the study proposed the strategies and solution to the policy makers and management practices for the further development.

To make the analysis meaningful, this research covers a series of independent variables based on the concepts of organization theory and management theories. The conceptual framework is developed on the basis of the organization effectiveness theory, in which perceived as an enigma and evolving concept that challenges the development of multiple models.

Research methodology, employed to assess overall organizational effectiveness, are quantitative statistic survey and qualitative approach of a case study. While, the survey is conducted to measure the perceptions of the state enterprises' employee toward the effectiveness, two case studies are complimentarily articulated to reify the PTT's and TOT's effectiveness.

The research results showed that the dynamics of organizational effectiveness can be examined in the contexts of the State Owned Enterprises (SOE's Effectiveness), four constructive domains are proposed and identified—social, economic, people, and process concerns—and eight causal variables of the proposed nine variables are found to be

factors affecting the SOE's effectiveness. The affecting internal factors to the effectiveness are the environment interaction, the transformational leadership, learning culture, business strategy, good governance, flexible structure, management practices and corporate social responsibility respectively.

The Affecting factors of the effectiveness are also further shown by the analysis of each enterprise's perception across the different management level. The results found that PTT (Public Co., Ltd.) ranked the most effective company in regard to the compromise of social, economic, process and people concerns. The second and the third runner up of effectiveness are KTB and AOT. In addition, the results also show that affecting factors are perceived differently among the employees at different levels. They found that at the management level, the perceived affecting factors are environment, strategy and leadership, while at the managerial level, those are environment, structure, strategy management practices, good governance and corporate social responsibilities. At the staff's view, the affecting factors also include culture, in addition to the environment, strategy, leadership and corporate social responsibilities. Last but not least, the fact findings of the qualitative methods help spell out not only the characteristics of the affecting factors, but also reveal the issues that they should reconsidered to improve their level of effectiveness.

This research finally suggests that to become effective, the transformed state enterprises would have to allocate time and spending on the followings: 1) monitoring and corresponding to the external pressures; 2) grooming transformational leadership; 3) creating innovative learning organization culture; 4) embedding the business strategy to cope up with the competition; 5) implementing transparency and accountability throughout the business processes; 6) redesigning to facilitate a flexible organizational structure; 7) improving management practices in terms of participation and empowerment; 8) investing in a project of corporate social responsibility to build up the enterprises' image.

## ACKNOWLEDGEMENTS

I would like to express my indeed appreciation to Associate Professor Dr. Nisada Wedchayanon, Chairperson, Professor Dr. Pichit Pitaktepsombat and Dr. Werawat Punnitamai, Methodologist, for their valuable suggestions and supports throughout the period of conducting and writing the dissertation. Impossible would it be, without their constructive comments and critical critiques. Inanimate would it be, without their censorious calibers, and considerate counsels. This dissertation would not exist without their valuable time and effort of grooming desires.

I wish to also convey my gratitude to PTT, AOT, TOT, CAT, KTB, TG and MCOT, all the transformed state enterprises in Thailand, particularly to the PTT (Public) Co. Ltd.'s management and staffs and those of TOT (Public) Co., Ltd., who were very conducive to reveal the relevant information and very cooperative to be key informants of the interviews. The journey of my dissertation would be invigorated, without their energetic and empathetic collaboration.

Aside from those who contributed and granted assistance by giving knowledge and expertise, there are many others who did so through the more subtle yet invaluable gifts of buoying my strength and perseverance as I attempted to finish this dissertation. Their special contribution, counsel, and concerns for my achievement will always be remembered and cherished. To this, I want to acknowledge my former Professor, Associate Professor Dr. Sombat Thamrongthanyawong, Dean of School of Public Administration at NIDA and encouragement and energetic support of Dr. Arpapat Boonrod and Dr. Ploy Seubsiri, and Dr. Jirayut Poomontre colleagues at NIDA.

Finally, I am thankful to my beloved parents and brothers for being so supportive, patient and understanding to my ignorant time, while I was writing this dissertation. To them this work is humbly dedicated with love and respect.

Nantanach Rungrusamiwatanakul

June, 2006