Center for Program Evaluation and Social Development

Social
Research
ReportsVolume 21

Expert Projects, 2012

SOCIAL RESEARCH REPORTS

ISSN: 2066-6861 (print), ISSN: 2067-5941 (electronic)

THE ODI IMPACT OF A STRATEGIC MANAGEMENT PLANNING PROCESS ON EMPLOYEE MOTIVATION, SATISFACTION, ENGAGEMENT, AND INNOVATIVE BEHAVIORS: A CASE STUDY OF A FAMILY-OWNED SME IN THAILAND

Sawat KENGCHON

Social Research Reports, 2012, vol. 21, pp. 47-66

The online version of this article can be found at:

www.reasearchreports.ro

Published by:

Expert Projects Publishing House

Covered by Index Copernicus International

www.indexcopernicus.com

Directory of Open Access Journals

www.doaj.org



Additional services and information about Social Research Reports can be found at:

www.reasearchreports.ro

THE ODI IMPACT OF A STRATEGIC MANAGEMENT PLANNING PROCESS ON EMPLOYEE MOTIVATION, SATISFACTION, ENGAGEMENT, AND INNOVATIVE BEHAVIORS: A CASE STUDY OF A FAMILY-OWNED SME IN THAILAND.

Sawat KENGCHON¹

Abstract

This action research study examines the organizational development intervention (ODI) impact of a strategic management planning process (SMPP) on motivation, satisfaction, engagement and innovative behaviors as well as its impact on the relationship of motivation, satisfaction, and engagement with innovative behaviors in a SME firm. This study provides clear evidence that SMPP can also change or improve behavior of people in the organization and indicates that there are some influence on motivation, satisfaction, engagement and innovative behaviors. The results further indicate that the introduction of SMPP strengthen relationships between motivation and innovative behaviors, satisfaction and innovative behaviors, and engagement and innovative behaviors.

Keywords: ODI, strategic management planning process, employee motivation, satisfaction, engagement and innovative behaviors.

Introduction

Change is greater and happens faster than ever before; it can create huge opportunities or threats to organization. Therefore, the way organizations response to change can't be the same as before. Countries must strengthen their competitive advantages by having policies and structures promoting innovation, establishment of large, medium and small enterprises and accessibility to capital.

In Thailand, SMEs represent over 95% and contribute a lot to the national economy as they are important driving force to keep national economies running;

¹ Ph.D. lecturer at Assumption University, Graduate School of Business, business consultant and trainer.

they are of great importance to the growth of employment. SMEs competitiveness enhancement model has shifted from manufacturing and selling cheap products to offering customized and innovative products to market to their customers. It is very critical for SMEs to think strategically, strengthen their business model and improve innovation to be able to be competitive under the dynamic changes.

This is a case study on YUKI Company (not real name of the company), a family owned SME. Main businesses of YUKI are construction equipments and tools, corrugated iron, zinc-coated steel water tank and septic tank. The study aims to examine impact of SMPP on employee motivation, satisfaction, engagement and innovative behaviors and its impact on the relationship of motivation, satisfaction, and engagement with innovative behaviors on YUKI.

Organizational Assessment

Assessment tools were McKinsey 7's Model, Darden's Organization Structure and Design Framework and SWOT analysis. The results of all assessments were consistent and are summarized in SWOT analysis, as shown in Table 1.

Table 1 Summary of SWOT analysis

Strengths	Opportunities
1. CEO has strong determination and	1. Government's policy supporting
commitment to business growth	housing industry
2. Financial soundness	2. Lower interest rate
3. Leader in cement mixer category	3. Opportunity for innovative products
4. Strong customer service and logistics	
5. Good return policy.	
Weaknesses	Threats
1. Lack of business vision, mission goal	1. Decline in housing industry
and implement process	2. Big construction manufacturers set up
2. Lack of motivation and innovative ideas	own distribution outlets
and new product launches	3. Economic crisis
3. There are no new business ideas and processes	
in place to strengthen competitiveness	
4. Most of key employees are old and not	
Motivated and lack of innovative behavior	
5.Short-term focus and no strategic plan	
6.Most employees are in comfort zone	
7. No clear career advancement	

Implications and Challenges

YUKI has to strengthen its business model by being more innovative with value added products and process, and create an environment that keeps its people motivated, satisfied and engaged. To overcome the challenges, YUKI needs a shared vision and goal and has to shift its perspective from short-term to long-term focus by having a strategic management plan to ensure that it can be sustainable in the longer term.

Theoretical Frameworks and Literature Review

Frederick W. Taylor's Principles of Scientific Management

In 1911, Frederick Winslow Taylor published his work, The Principles of Scientific Management (Taylor, 1911), in which he described how the application of the scientific method to the management of workers greatly could improve productivity. Taylor's system focused on financial incentives, tools design and workplace layout. He believed that man was rational and would make economic choices based on the degree of monetary reward. This led him to devise payment systems that closely related the kind of effort he sought with the level of reward offered. He also developed a concept of work design, work-measurement, productivity and performance. The implication was that the best way to control productivity and performance. The implication was that the best way to motivate workers was to provide financial incentives, well designed tools, a well laid out work place and a comfortable work environment. Taylor believed that man was rational and would make economic choices based on the degree of monetary reward being offered

The Hawthorne Effect: The Role of Social Factors

In the spirit of Scientific Management, a team of researchers conducted the Hawthorne Studies (also known as the Hawthorne Experiments) from 1927 to 1932 at the Western Electric Hawthorne Works in Cicero, Illinois (a suburb of Chicago). This series of research first led by professor Elton Mayo started out by examining the physical and environmental influences of the workplace (e.g. brightness of lights, humidity) and later, moved into the psychological aspects (e.g. breaks, group pressure, working hours, managerial leadership) and their impact on employee motivation as it applies to productivity (Franke & Kaul 1978). The researcher discovered that whatever changes they made in the environment, the performance of the workers in the study always improved. One reasonable conclusion is that the workers were pleased to receive attention from the researchers who expressed an interest in them and are more productive because they know they are being studied. Obviously, something other than the physical conditions of the work was motivating their performance. Most explanations for the "Hawthorne effect" attribute it to the social rewards of being part of a small group and singled out for special attention. This led to a more complex view of human nature which include social factors (e.g., need for acceptance and social support), as well as the factors identified by Taylor.

Higher Level Needs: Herzberg's Two-Factor Theory

The next step in the evolution of employee motivation theories was recognition of the role of higher needs such as achievement, responsibility, and challenge. One of the most popular versions of this approach was the two factor theory of Frederick Herzberg. Herzberg *et al.* (1959) describes in his two-factor theory that there are two distinct lists of factors that affect motivation (Table 2). One set of factors caused happy feelings or a good attitude within the worker, and these factors were task-related. The other set of factors was primarily present when feelings of unhappiness or bad attitude were evident, and these factors were not directly related to the job itself, but to the conditions that surrounded doing that job.

Motivators Factors (Job Factor)	Hygiene Factors (Extra-Job Factor)
、 <i>, ,</i>	, , ,
-Recognition	-Salary
-Achievement	-Interpersonal Relations:
-Possibility of Growth	- Supervisor
-Advancement	-Subordinates
-Responsibility	-Peers
-Work itself	-Supervisors – Technical
	-Company Policy and
	Administration
	-Working Conditions
	-Factors in Personal Life
	-Status
	-Job Security

Table 2: Two-Factor Theory, Herzberg et al., (1959)

Equity Theory (Adams)

The Adams' Equity Theory model (Adams, 1963) is different from other motivation theories as it looks beyond the individual self, and incorporates influence and comparison of other people's situations such as colleagues and friends in term of fairness. Equity theory suggests that people are concerned not only with the absolute amount of rewards they receive for their efforts, but also with the relationship of this amount to what others receive. Based on one's inputs, such as effort, experience, education, and competence, one can compare outcomes such as salary levels, increases, recognition and other factors. When people perceive that there is an imbalance in their outcome-input ratio compared to others, tension is created. Adams' equity theory (Adams, 1963) is perhaps the most rigorously developed statement of how individuals evaluate social exchange relationship (Steers, 1983). The major components of exchange relationships in this theory are inputs and outcomes. The most important outcome is likely to be pay; however, other outcomes such as supervisory treatment, job assignments, fringe benefits, and status symbols are also taken into consideration.

Goal Setting (Locke)

Goal setting theory (Locke, 1968) was pioneered and established by Dr.Edwin Locke in the late 1960s. He proposed that working toward a goal provided a major source of motivation to actually reach the goal. Goals are the source of motivation because they indicate what has to be done and how much effort should be used. The idea is that when people are trying to reach the goal, they are strengthening their motivation to achieve it. Locke (1968) found that difficult and specific goal had a direct impact on an individual's performance of a task. Non-specific or easy goals didn't motivate people to try very hard, while clearly defined goals motivated them to achieve. It's about an accomplishment to reach a harder goal, so people get a greater feeling of accomplishment.

Expectancy Theory (Vroom)

Vroom (1964) suggests that the motivational force is the product of the three perceptions i.e. valence, instrumentality and expectancy. He pointed out that individuals will be motivated if they meet all three criteria. First, they must value the behavioral outcome. Second, they must expect that if they behave in a certain way, they will receive certain outcomes. Finally, they must expect that they are capable of performing the behavior that leads them to achieve the outcome. In summary, employees work hard because they think that working hard leads to highly valued rewards. Despite the fact that satisfaction and performance came from different factors, they do have some relationship to each other. Obviously, rewards cause satisfaction and in some case performance produce rewards, and then it is possible that the relationship between satisfaction and performance comes through rewards. In the other words, good performance leads to rewards, this in turn leads to satisfaction.

Job Characteristics Model

The most current and widely used expectancy approach is job characteristic model of Hackman and Oldham (1980). The model is similar to Herzberg's as it refers to a set of features that should be included into jobs to make employees are satisfied and motivated. They suggest that an employee will have internal motivation when their job generates three critical psychological states. First, the employee must feel personal responsibility for the outcomes of the job. Second, the employee must feel that the work is meaningful. Third, the employee must be aware of individual's effectiveness in converting effort into performance. Pinder (1984) commented that jobs should be designed to generate meaningfulness experiences for the employee, responsibility, and knowledge of the results of one's effort. Hackman and Oldham (1980) proposed that meaningful jobs require the use of multiple talents. Therefore, meaningful jobs are more intrinsically motivating than jobs that require the use of only one or two types of skills.

Strategic Management Planning Process

The strategic management planning process is also a foundation for this study. According to Tulloch, (1993), the strategic management planning process is critical for the effective implementation of change. Strategic management focuses on analyzing where the organization stands, where it needs to be and on determining how it is to be taken from where it is to where it needs to be. This is all about change and changing, and the processes need to be managed successfully. It is very crucial to take this approach into account; otherwise the organization and its people merely go through the actions and all either remain in or quickly revert to the old state. According to Wheelen and Hunger (2008), strategic management is the set of managerial decisions and actions that determines the long-run performance of a corporation. It includes environmental scanning (both external and internal), strategy formulation (strategic or long-range planning), strategy implementation, and evaluation and control

Employee Innovation

To promote innovation, the organization needs to have a culture that minimizes character leaning on self-preservation and promotion. This is because an innovation organization does not depend on few star employees (Brooke, 2008).

Martins' (1987) model well describes organizational culture based on the typical ideal organization and the importance of leadership in creating an ideal organization culture. The model was used as a platform for developing a model of the determinants of organization culture that influence creativity and innovation, as illustrated in figure 1.

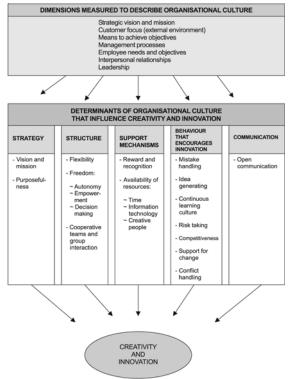


Figure 1: Influence of organizational culture on creativity and innovation

Strategy: According to Convey (1993), creativity and innovation originated from a shared vision and mission, which are focused on the future. It is also important that employees should understand the vision and mission.

Structure: The structure emphasizes certain values influencing promotion or restriction of creativity and innovation in organization.

Support mechanisms: It should be included in the culture of an organization to create an environment that will promote creativity and innovation.

Behavior that encourages innovation: Values and norms that encourage innovation behavior in specific forms that promote or demote creativity and innovation.

Communication: An organizational culture that supports open and transparent communication, based on trust, will have a positive influence on promoting creativity and innovation (Barret, 1997; Robbins, 1996).

The article on "Leading Employee Toward Innovation" (American Management Association, 2008), reveals that it might be more appropriate to get innovation ideas from employees rather than from the laboratory alone. Key ideas of this articles support Martin's model that management can promote innovation among their employees with the following approaches:

Demonstration: management must be innovative role-model for their employees. According to (de Jong & Den Hartog, 2007), leadership behaviors of innovative role-modeling and providing vision influenced both idea generation and the application of new ideas by employees. This approach is in line with strategy factor described in Martin's model.

Communication: accordingly to de Jong & Den Hartog (2007), communication from both outside and inside the organization is another key factor in increasing employee innovation. Leaders can encourage internal communication through a variety of channels. Communication strategies that can encourage creative thinking in the workplace include cross-department meeting, informal lunch sessions hosted by a named "chief creative officer," unstructured meetings that encourage playful thinking and etc. Communication is also one of influence factors in Martin's model.

Rewards: an innovative behavior is unlikely to sustain if rewards are absent. Acknowledging innovative employee performance by giving rewards, providing employees with recognition, and ensuring that sufficient time and money are available to implement new ideas will help sustain an innovative behavior of employees. Reward is another influence factor which Martin's (1987) categorized under support mechanism.

Role of Communication in SMPP

Johansson & Heide (2008), find that there are 3 different approaches to communication during organizational change processes like SMPP:

(1) communication as a tool;

(2) communication as a socially constructed process; and

(3) communication as social transformation

Communication as a tool: Kotter (1990, 1996) and Lewis et al. (2006) stress the vital role of communication in change processes for the following reasons:

(1) wide participation in the change process make employees feel more included, committed and in control of the situation;

(2) wide dissemination of information together with openness gives early notification and discussion possibilities; and

(3) communication about vision and purpose of the change process provides justification.

Communication as a socially constructed process: When an organizational change plan is presented to employees, they immediately try to make sense of it and understand what will impact themselves, their colleagues and department, and for the organization as whole. Therefore, sensemaking processes ensue and might resolve uncertainties and ambiguities following a planned change program (Balogun and Johnson, 2005). When there is a new complex situation, people immediately start to talk among themselves in order to understand it, make sense of the situation and come up with the reason. Dixon (1997) emphasizes that the most powerful change interventions occur at the level of everyday communication.

Communication as social transformation: Because people create their knowledge and understanding of the change plan, therefore, it is very critical to have comprehensive communication process in place (Francis and Sinclair, 2003; Ashcraft, 2005; Chreim, 2006; Coupland et al., 2005; Garrety et al., 2003). Francis found two coexisting and overlapping managerial discourses, namely "control" and "empowerment". The creative use of metaphors of the HR director helped to build a new language in the way that created an emotional and positive response during change process. However, different communication style of line managers who favored a "command and control" challenged the logic of generating enhanced worker participation.

Communication is very crucial during change process as it is one of important tools during the process. Regular communication facilitate change process by helping members clearly understand the change plan, this to ensure that members will try to make sense of the plan change by themselves. Lastly, communication creates a positive response toward change.

Conceptual Framework

The assumption of this study is that SMPP has an impact on motivation, job satisfaction, engagement and innovative behaviors and SMPP will also strengthen the relationships between motivation and innovative behaviors, satisfaction and innovative behaviors, as shown in figure 2.

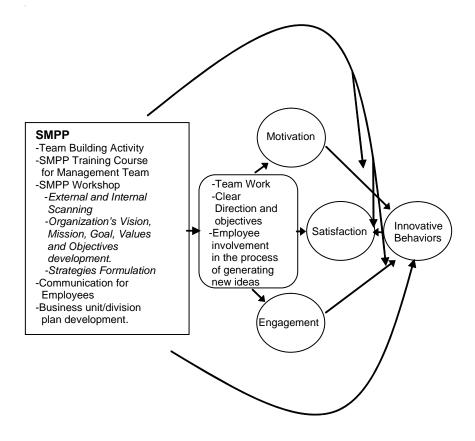


Figure 2: Conceptual Framework

It is believed that team building activity creates team cohesion and team work which will increase motivation, satisfaction and engagement. Increased motivation will, in turn increase innovative behaviors. Engagement, by encouraging and enabling employees to generate ideas for improvements, will have a similar effect. SMPP training course help management to fully understand importance and concept of SMPP concept so that they can effectively drive the project. Once the management clearly understands the SMPP concept, together they have to develop plan for the organization. It is very important process as management has opportunity to share and express their view; this will increase motivation, satisfaction, engagement and innovative behaviors. Final plan will be communicated to all employees through communication campaign; this makes employees aware of organization's direction and their objectives as well their future. Consequently, their motivation, satisfaction and engagement will increase. Increased motivation and engagement will, in turn increase innovative behaviors. Business unit / division plan development further enhance motivation, satisfaction, engagement and innovative behaviors because it allows employees to participate in their unit plan development process.

Relationship between motivation and innovative behavior will be strengthened because after the introduction of SMPP, employees will be motivated and generating new ideas, and of course they are expecting rewards from the new ideas that they generated. And after learning about the direction and objectives of the organization, and they want to be creative and competent in order to achieve organization's goals and objective. Once they feel that they are being creative and competent they will then be satisfied. The SMPP will also strengthen relationship between engagement and innovative behavior because it drives the whole organization to think strategically and objectively and gives them opportunity, encouragement, and incentives to come up with new ideas. Employees will not only come up with new ideas but also feel engaged in the process.

Action Research Framework

The action research process in three stages includes Pre ODI, ODI and Post ODI. Current situation and problems were diagnosed in pre-ODI stage, while the ODI stage was the stage when the intervention took place. Post-ODI was the last stage when an evaluation of ODI results was made, as described in figure 3.

Research Design

Action research design was applied using both quantitative and qualitative methods to collect and analyze data while focus group interviews were used as supplementary information. In addition, a one-on-one CEO interview was arranged at the final stage to seek feedback and comments from the CEO to support both quantitative and qualitative results. The planned change model in an action research process implemented the OD process. The first round of research was conducted at pre-ODI stage to understand the situation through quantitative and qualitative methods. Second round of research was conducted after the ODI to gather research data on motivation, job satisfaction, engagement and innovative behaviors of the employees and compared with data collected at pre-ODI stage to evaluate changes and improvement on these variables.

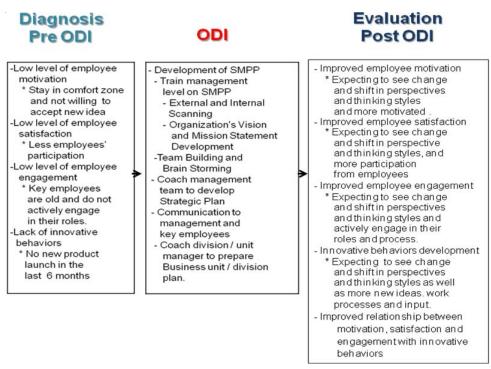


Figure 3: Organization Development Intervention Framework

Quantitative Method

Survey: This instrument was used as a primary tool to gather employees' perceptual data on motivation, satisfaction, engagement and innovative behaviors. Ten-Point Likert Scale was used to indicate the level of agreement, to the statements stated in the questionnaire, 1 = completely disagree and 10 = completely agree.

Qualitative Method

Focus Group Interview: This instrument was used to understand employees' opinions on their state of motivation, job satisfaction, engagement and innovative behaviors both before and after the ODI.

One-on-one Interview: One-on-one interview with the CEO was used to seek insight and feedback from the CEO about the implementation of SMPP in the organization as supplementary data.

Subjects

Subjects for the quantitative survey are all YUKI's employees except the managing director and deputy managing director, totally 101 people.

Subjects for the focus group interview are representatives from each department, and the CEO is the subject for one-on-one interview.

Design/Development of ODI

ODI is the process of Strategic Management Planning in the organization including sharing common organization's vision, mission, values, goals, and its long term objectives and strategies to all employees.

The intervention stage lasted for 5 months. There were 2 change approaches in this study- i.e., individual and interpersonal, and group process approaches. Coaching, training, teambuilding and communication tools were used at different stage and occasion as described below.

Month 1: Training tool was applied to this stage. The very first program was to train all management members including managing director and deputy managing director on the Strategic Management Planning Process concept. They have to understand why the Strategic Management Planning was so important to the growth of the organization under current and future competitive environment and the concept, process and flow of the plan, and how to formulate strategy.

Month 2: Teambuilding tool was applied to this stage. There were 2 parts — i.e., brainstorming and discussion, and team building activity. The outcomes were digested and some of them were recognized by the management and became part of the discussion topics in the management workshop arranged in the later stage.

Month 3-5: The MD and management were coached to develop and formulate strategies at this stage. Tentative plan was discussed and initiated in the workshop; however, each manager went back to further complete individual plan in detail.

Communication tool was also applied to this stage. There were 2 major activities i.e. official meeting with the CEO and internal communication campaign. Both activities focused on the organization's vision, mission, core values, goal, objectives and strategies.

Data Analysis

The combination of X Bar mean score and Paired Sample T-Test analysis were used as statistic tools to analyze the ODI impact on variables at both pre and post-ODI, and level of significance for this analysis was 0.05. The analysis mainly focuses on mean difference between pre and post-ODI for individual opinion and total variable means. The positive mean difference illustrated that there was an impact in particular opinion after the ODI. Non-parametric correlations were used to examine the relationships between motivation and innovative behaviors, satisfaction and innovative behaviors, and engagement and innovative behaviors. The analysis was to identify and compare number of correlations between motivation and innovative behaviors, satisfaction and innovative behaviors, and engagement and innovative behaviors at both pre and post-ODI. Increase in the number of correlations after the ODI implied that the relationship between each pair of variables has strengthened.

Qualitative research assessment was based on findings probed from the focus group interview at pre and post-ODI stages. The assessment was based on the four perspectives/thinking styles suggested by The BrainMap Framework (Lynch, 1987). The BrainMap model suggests four different thinking styles: I-Control perspective (precision thinking); I-Explore perspective (open-ended thinking); I-Pursue perspective (aim/act thinking); I-Preserve perspective (feelings-powered thinking). The model suggests that most people have access to all four of the major styles of functioning but they tend to prefer one thinking style to others. However, individuals can rethink how they think and to think differently with all the four different thinking styles in order to better see reality. Any shift or wider coverage of perspectives imply a change of person's viewpoint from narrow view to broader, multiple views or the ability to see more things at the same time, from loose changes one at a time to multiple links all at once. This indicates more insight, higher wisdom, better connectivity, and emerging of synergy or "the whole is greater than the sum of each part".

Therefore, this tool measure changes in perspective and thinking styles of respondents on each variable after the ODI. Increase in perspective and the use of different thinking styles implies that respondents have broadened and shifted their perspectives and thinking styles and are ready to accept new ideas and processes. Furthermore, it was also used to assess shifts and changes of opinions and attitudes on innovative behavior after the ODI in relation to the ODI impact on motivation, satisfaction and engagement.

The Findings, Analysis and Interpretations

Quantitative Data

There are some indicators of impact from the introduction of SMPP on motivation, satisfaction, engagement and innovative behaviors in this study. The impact on motivation and satisfaction variables is weak, supported by a few changes in opinion from pre to post-ODI. However, engagement and innovative behaviors were moderately impacted by the SMPP.

The reason for the moderate impact on engagement is because employees had the opportunity to get involved in the process by contributing their ideas during the team building activity arranged at the beginning of the ODI process. And some of their ideas were reviewed by management and incorporated into the plan.

Toward the final stage of the process the CEO directly communicated the final strategic plan, company direction, vision, mission, goals, values and objectives directly to the employees. Their supervisors also directly communicated department strategy and goals.

The opportunity to contribute ideas coupled with having clear goals and objectives encouraged a sense of ownership and engagement among employees and possibly motivated them to work independently toward agreed objectives.

However, the SMPP introduced at YUKI did not focus on compensation and rewards for employees. They could not see much in the way of tangible benefits from the plan, so their possibly modest initial improvements in motivation were not reinforced. As a result, the ultimate impact of the SMPP on both motivation and satisfaction was not as great as it could have been.

The SMPP also improved innovative behaviors because employees had clear goals and objectives and sense of ownership that encouraged them to look for new ideas and ways to improve the quality of their work and achieve their objectives. Furthermore, along the SMPP process employees both management and staff level were encouraged to think differently via team building, brainstorming, and SMPP workshop. They are now aware of the value of innovation in the work place and continual exploration of new ideas to improve work quality and efficiency. But without a compensation system that rewards this innovative behavior, it is possible that these improvements may not be sustained over the long run.

After the ODI the relationships between motivation and innovative behaviours; and the relationships between satisfaction and innovative behaviour have strengthened considerably while relationship between engagement and innovative behaviour has strengthened at a lesser degree.

The relationship between motivation and innovative behavior has strengthened across all questions. The SMPP shows how important innovation is to the future success of YUKI.

The relationship between satisfaction and innovative behavior has strengthened across all questions. Employees learned about the direction and objectives of the organization, and they want to be creative and competent in order to achieve organization's goals and objective. Once they feel that they are being creative and competent they will then be satisfied.

The relationship between engagement and innovative behavior has strengthened in most questions. The SMPP drives the whole organization to think strategically and objectively. This gives them opportunity, encouragement, and incentives to come up with new ideas. Employees would not only come up with new ideas but also feel engaged in the process.

Qualitative Data

The assessment was based on findings probed from the focus group interviews at pre and post-ODI stages. There were 2 focus group interviews, one for office staff and another one for general worker.

This assessment also helps to identify the correspondence between qualitative results and the quantitative survey findings. Perspectives and thinking style of each variable at pre and post-ODI stages were summed up and compared. Increases in perspectives and thinking styles could suggest that the respondents have broadened their perspectives and views, and thought differently after the introduction of SMPP. In other words, the introduction of SMPP has improved their abilities to see more things with broader and from different perspectives/lenses. This could also eventually encourage their innovative behaviours and help them better connect to each other and work together as team.

Since the quantitative research shows that the SMPP had the most impact on engagement and innovative behavior, at 0.05 significant level, the assessment in the following sections of shifts and changes in perspective and thinking styles are limited to engagement and innovative behaviors variables.

Perspectives and thinking styles of office staff group on engagement at pre-ODI and post-ODI stages.

Number of perspective and thinking styles on engagement of office staff group on engagement variable at pre-ODI cover all four perspectives mainly I-Control perspective. This implies that they are engaged with the organization because they feel in charge of their role and responsibilities. However, after the ODI their perspectives and thinking styles has broadened and shifted. I-Preserve perspective has increased suggesting that they are mentally and emotionally committed to conserving — i.e., identifying and safe-guarding values, cultures, traditions, ideals. Total perspectives of the group have increased from 23 to 33.

Perspectives and thinking styles of office staff group on innovative behaviors at pre-ODI and post-ODI stages.

Number of perspective and thinking styles on innovative behaviors of office staff on innovative behaviors at both pre and post-ODI only cover three perspectives. However, after the ODI the coverage of perspectives remain the same with increases in I-Control and I-Explore perspectives. This suggests that after the introduction of SMPP the respondents have broadened their perspectives and thinking styles, and ready to explore new ideas and opportunities and experiment with them. Total perspectives of the group have increased from 17 to 26.

Perspectives and thinking styles of general worker group on engagement at pre-ODI and post-ODI stages.

Number of perspective and thinking styles on engagement of general worker group on engagement variable at pre-ODI cover all four perspectives mainly I-Preserve perspectives. This implies that at pre-ODI they tend to engage with the organization because of relationship within the organization and boss. But after the ODI their perspectives and thinking styles has broadened and shifted, perspectives coverage remain the same but with a higher weight on I-Control perspectives. This suggests that they feel more engaged with the organization partly because they feel in charge of their role and responsibilities. Total perspectives of the group have increased from 23 to 25.

Perspectives and thinking styles of general worker group on innovative behaviors at pre-ODI and post-ODI stages.

Number of perspective and thinking styles on innovative behaviors of general worker group on innovative behaviors at pre-ODI cover all four perspectives evenly with slightly high I-Preserve. And after the ODI, their perspectives have shifted and broadened but the coverage of perspectives remains the same with increases in I-Control and I-Pursue perspectives. This change suggests that after the introduction of SMPP they tend to focus on their achievement and goal, but both I-Control and I-Pursue are at minimal level, meaning that their new ideas and opportunities for exploration are limited. However, level of I-Preserve is not much different from I-Control and I-Pursue suggesting that they can live with current environment and work process. Total perspectives of the group have increased from 13 to 19.

In summary, office staff group has high level of ODI impact as their perspectives and thinking styles at ODI stage have increased significantly, especially I-Control. This implies that after the introduction of SMPP office staff group tends to be in charge and have control. At post-ODI, perspectives and thinking styles of this group has shifted and broadened across all four variables. They open their mind and are ready to explore new opportunity and to experiment and try alternative approaches, as indicated by the increase in their I-Explore and I-Pursue perspectives.

At pre-ODI stage, general worker group tend to be good listener and follower and view issues in "black and white", as indicated by the very high level of their I-Preserve perspective. They are conservative and living in the comfort zone, in line with most of their responses that they are motivated by their boss, because he is friendly and kind. At post-ODI stage, they have shifted and broadened their perspective; however, number of I-Preserve perspective is the highest while I-Explore remain the least. This suggests that ODI has less impact on general worker group compared to the office staff group. Their innovative behavior level does not change much.

Summary of feedback from the CEO

One-on-one interview with the CEO was arranged to understand his feedback and perspective toward the Strategic Management Planning Process launched in his organization. Overall, the CEO has very positive feedback and perspective toward the SMPP intervention.

He suggests that the success of SMPP was due to the commitment of top management.

He has seen changes among managers and office staff, but not in general worker group. He comments that it may be because office staff and manager worked very closely and inter-communication between these 2 groups is effective whereas there is a gap between management and general worker group. He adds that in order to change general worker group, the organization has to improve internal communication campaign and extend campaign period longer.

One big benefit he obtains from the SMPP is that he now has more time to look and plan for new business opportunities. He also finds that SMPP helps encourage him to begin basic budgeting, it is very helpful to the organization as his people now can work toward approved budget and can make initial judgment based on given budgets by themselves.

He clearly sees that the organization is now well organized whereas in the past there was no clear direction for the organization, his team only ran the business and handled the problems on day-to-day basis without proper and long-term planning/strategy. He admits that his past success was mainly due to luck, he is now concerned about the future because it is getting competitive.

Summary, Conclusion and Recommendations

Summary of Findings

Quantitative results illustrate weak impact on motivation and satisfaction while impact on engagement and innovative behaviors are moderate. This could be summarized that the level of motivation and satisfaction improved but at marginal level because the SMPP did not effectively communicate a sufficient level of rewards and benefits that employees will earn after achieving the set goals and objectives. The plan did not show how the reward and benefit scheme would be improved for the whole organization. Engagement and innovative behaviors improved at moderate level because the plan involved the employees in generating new ideas and focused on direction, goal and objectives. The plan also focuses on future plan and achievement of the organization in creating hope for the employees. They have their own goal and objectives to achieve; they tried to think of new way to improve work quality and process therefore, level of their innovative behaviors improved.

In terms of relationship, it could be summarized that motivation will lead to innovation if there are incentives for generating new ideas and employees expect that their new ideas will lead to those rewards. When employees learned about the direction and objectives of the organization, and they want to be creative and competent in order to achieve organization's goals and objective. Once they feel that they are being creative and competent they will then be satisfied. With the introduction of SMPP, employees can now work toward the agreed direction and objectives independently with support and guidance from supervisor in various departments. This gives them opportunity, encouragement, and incentives to come up with new ideas. Employees will not only come up with new ideas but also feel engaged in the process.

Qualitative results The findings on the impact of ODI are in line with the quantitative data analysis. In addition, number of perspective and thinking styles of respondents have increased and shifted to cover all four thinking styles and perspective after the ODI. Responses at post-ODI stage were constructive and are focusing on self-improvement compared to the responses at pre-ODI stage. The ODI mostly impacted the office staff group as it showed improvement across all opinions at post-ODI stages especially on the innovative behaviors variable. Although the ODI has less impact on the general worker group, all respondents of general worker group have changed their opinions positively towards innovative behaviors after the ODI.

One-on-one interview with the CEO.

The interview reveals that ODI has impact on staff and management level especially on the CEO himself. He has seen changes in some of his people especially those who work in the office in that they can work independently and initiate new ideas for discussions. He now has more time to look for other opportunities because his people can work independently and need just little guidance from him.

Conclusions

The SMPP is not new to multinational or large firm and it is no doubt that it could improve organization performance. This study provides clear evidence that SMPP can change or improve behavior of people in the organization. To survive and sustain in the competitive environment, SME must start implementing the strategic planning. It is very challenging to introduce SMPP to SME because it is rather new and too systematic for them. To successfully implement SMPP, SME has to adapt and localize the process to fit its nature and limitation such as people quality, internal system and mind set of management etc. However, findings from the study show that it is possible to do so. The SMPP positively impact motivation, satisfaction, engagement and innovative behaviors of people in the organization. Importantly, innovative behavior of the organization has been strengthened relating to the improvement of motivation, satisfaction and engagement. It is found that the intervention applied to YUKI is practical and it could extend to other SME in the country. It is confirmed by the CEO that strategic planning is very important for Thai SME. Past successes depend on luck, but further success must be planned - SME therefore need the right tools and the SMPP is clearly one of those tools.

Recommendations

Based on the assessment of the findings and conclusions of this research, there are recommendations as useful guidelines for in depth study on this subject and for further research related to this study.

This study only collected information from a single traditional family-owned SME firm within a certain industry, and located in the Greater Bangkok, so it might not be able to represent the whole country. And the sample size of the quantitative survey in this study was small. Further study can extend the research to other organizations in different industries, with different organizational structures, sizes etc.

It is recommended to further study on this subject with wider coverage meaning that the SMPP should give decent weight on human resource management — i.e., a reward and compensation plan. This will help employees, especially general workers, feel that they are part of the plan and pay more attention to the plan.

It is recommended to spend little more time with most of employees in the organization especially employees at lower level at pre-ODI stage. This would make the employees feel more comfortable about the program. When then are relax and comfortable they will give straight forward opinion and this will help improve engagement level of all employees especially from lower level group.

Qualitative assessment – i.e. The BrainMap framework — suggests ways in which the ODI may change participants' attitudes and perspectives and this finding could be subject of future research. Therefore, it is recommended that further research take into consideration in-depth assessment on attitude and perspectives survey and the use of BrainMap framework as part of the intervention.

References

- Adam, J.S. (1965). Inequity in social exchange. *Advances in experimental social psychology*, 2, 267-299.
- American Management Association. (2008). White paper on Leading Employees Toward Innovation.
- Ashcraft, K.L. (2005). Resistance through consent? Occupational identity, organizational form, and the maintenance of masculinity among commercial airline pilots, *Management Communication Quarterly*, 19, 67-90.
- Balogun, J. and Johnson, G. (2005). From intended strategies to unintended outcomes: the impact of change recipient sensemaking, *Organization Studies*, 26, 1573-1601.
 Brooke, C.D. (2008). The DNA of Innovation. *Journal of Business Strategy*, 29(2), 43-49.
- Barret, R. (1997). Liberating the corporate soul, HR Focus, 74(4), 15-16.
- Chreim, S. (2006). Managerial frames and institutional discourses of change: employee appropriation and resistance. *Organization Studies*, 27, 1261-1287.

- Coupland, C., Blyton, P. & Bacon, N. (2005). A longitudinal study of the influence of shop floor work teams on expressions of 'us' and 'them. *Human Relations*, 58, 1055-1081.
- Darden C. (2008). Organization Structure and Design Framework, designed for PhD Organization Development Program, Assumption University.
- De Jong, J & Den Hartog, N. D. (2007). How leaders influence employees' innovative behavior. *European Journal of Innovation Management*, 10(1). 41–63.
- Dixon, N.M. (1997). The hallways of learning. Organizational Dynamics, 25, 23-34.
- Francis, H., & Sinclair, J. (2003). A processual analysis of HRM-based change. Organization, 10, 685-706.
- Franke, R. H. & Kaul, J. D. (1978). The Hawthorne experiments: First statistical interpretation. American Sociological Review, 1978, 43, 623-643.
- Garrety, K., Badham, R., Morrigan, V., Rifkin, W.D. and Zanko, M. (2003). The use of personality typing in organizational change: discourse, emotions and the reflexive subject, *Human Relations*, 56, 211-35.
- Hackman, J.R., & Oldham, G.R. (1980). Work redesign, Mass: Addison-Wesley.
- Herzberg, F., Mausner, B. & Snyderman, B.B. (1999). *The Motivation to Work, John Wiley & Sons, Inc.*, New Brunswick, NJ.
- Johansson, C. & Heide M. (2008). Speaking of change: three communication approaches in studies of organizational change. *Corporate Communications: An International Journal*, 13(3), 288-305.
- Locke, E.A. (1976). The nature and causes of job satisfaction, in Dunnette, M.D. (Ed.), *Handbook of Industrial and Organizational Psychology*, Rand McNally, Chicago, IL, pp. 1297-349.
- Lynch, D. (1987). The Brain Map Workbook: A guide to how your brain creates your personal and professional worlds. Fort Collins, Colorado: Brian Technologies Corporation.
- Martins, N. (1987). Organisasiekultuur in 'n finansiele instelling/Organizational culture in a financial institution, *DPhil thesis*, University of Pretoria, Pretoria.
- Pinder, C. (1984). *Work Motivation: Theory, Issues, and Applications*, Glenview: Scott, Foresman and Company.
- Robbins, S.P. (1996). Organizational Behavior: Concepts, Controversies, Applications, (7th ed.), Prentice-Hall, Englewood Cliff, NJ.
- Steers, R., & Porter, L. (1983). *Motivation & Work Behavior* (3rd ed.), New York: McGraw-Hill Book Company.
- Taylor W. Frederick Winslow (1911). The Principles of Scientific Management, New York, by arrangement with Harper & Row, Publishers, Incorporated, by W. W. Norton & Company, Inc.
- Tulloch Alexander, (1993). The Strategic Management of Change. *Management Decision*, 31(3), 62-64.
- Vroom, V.H. (1964). Work and motivation, New York: Wiley.
- Wheelen L.T., & Hunger J.D., (2008). *Strategic Management and Business Policy*, (11th ed.).