

Making Total Quality Initiatives Successful in Thailand – The Motivation Theory Effect

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Abstract

In the 1990s Thailand economy grew at nearly double-digit rate until the economic crisis of 1997. This economic growth accompanied foreign capital inflow, increased global trade, strong manufacturing base, burgeoning middle class and a consumer economy. The informed consumers' demand for quality goods and services, and multinationals demand for high quality product (ISO 9000) started driving Thai organizations to start variety of quality initiatives in many sectors of the economy. The success of quality initiatives according to quality scholars is dependent of variety of factors. The quality gurus have indicated that primarily the employees build quality into an organization's goods and services. Hence, the quality of products and services depend heavily on employee commitment, participation, involvement, morale, motivation, performance, job satisfaction etc. In accomplishing these, some organizations have become successful while others have failed. Some scholars argued that it is leadership's development of an environment that is conducive to nurture intrinsic motivation of employees that will support success of total quality initiatives. Many scholars argued that the motivational theories that are based on intrinsic motivation rather than extrinsic motivation that make quality initiatives successful. Authors developed a questionnaire to examine the motivational underpinnings of field applications of TQI and comparatively evaluate major motivational theories. The results of the survey study in the US showed the evidence that Goal Setting Theory and Expectancy Theory if properly deployed, are most likely to bring success to quality initiatives. Whereas, Content theory, Behavior Modification Theory, Equity Theory and Job Design Theory did not show any linkage to successful quality initiatives. In this study, authors translated the same questionnaire (for US study) in to Thai language and surveyed Thai executives. The preliminary analysis shows that Expectancy Theory plays a major role among the tested motivational theories in TQI success in Thailand.

1. INTRODUCTION

It is recognized that worldwide that one of the key factors for companies to be successful in the global market is quality. In a developed country such as USA, the Total Quality Management (TQM) has been a topical issue for many years in all business sectors. However, in a developing country like Thailand that has successfully developed substantial manufacturing industry in the last two decades, TQM has made little impact, but rather ISO 9000 has been the main emphasis. [Krasachol, et al., 1999] [Tannock, et al., 2000]

In the 1990s Thailand economy grew at nearly double-digit rate until 1997 economic crisis. This economic growth accompanied foreign capital inflow, increased global trade, strong manufacturing base, burgeoning middle class and a consumer economy. The economic growth brought in significant growth in manufacturing and service base in Thailand through internal growth and by multinationals presence. The informed consumers' demand for quality goods and services, and multinationals demand for high quality product started driving Thai organizations to ISO 9000 certification and to start variety of quality initiatives in many sectors of the economy. The major investor companies from Japan and USA influenced their Thai subsidiaries and their partners in to practicing Total Quality philosophy.

The success of quality initiatives, according to quality scholars in the USA, is dependent of variety of factors. One particular factor that gained significant attention is that total quality is not a program but a philosophy. According to studies one of the most difficult obstacles for success was achieving total commitment from employees to quality initiatives, a cultural change.

Quality gurus have indicated that primarily the employees build quality into an organization's goods and services. Hence, the quality of products and services depend heavily on employee commitment, participation, involvement, morale, motivation, performance, job satisfaction etc. In accomplishing these, some organizations have become successful while others have failed. Some scholars argued that it is leadership's development of an environment that is conducive to nurture intrinsic motivation of employees that will support success of total quality initiatives.

In motivation literature many theories have been available to management to practice in keeping the employees at high levels of motivation. Many scholars argued that the motivational theories that are based on intrinsic motivation rather than extrinsic motivation that make quality initiatives successful. [Steinberger, 1994]

In their previous study authors developed a questionnaire to examine the motivational underpinnings of field applications of TQI and comparatively evaluate major motivational theories. The results of the survey study in the USA showed the evidence that Goal Setting Theory and Expectancy Theory if properly deployed, are most likely to bring success to quality initiatives. Whereas, Content theory, Behavior Modification Theory, Equity Theory and Job Design Theory did not show any linkage to successful quality initiatives. [Kini, et al. 2002]

In this study, authors translated the same questionnaire (for US study) in to Thai language and distributed it to executives of the largest 750 manufacturing companies in Thailand. The authors' interest is to determine if the results derived in the USA are applicable in a developing country Thailand where the TQI are less common and culture is quite different.

2. THAI CULTURE

The social structure in Thailand and the U.S. are quite different. In Thailand, the society respects its elders, superiors, and patrons more so than in the U.S. The social status, seniority, and personal connections govern the social relationships in Thailand, creating moderately high gap between people with power and people without power [Stage, 1999; Pornpitakpan, 2000]. The U.S. society however, is horizontal with a strong principle of equality and egalitarianism. This in turn creates a moderately low distance gap between people with power and ones without power.

The values form the core of culture. The Thais are considered to be collectivistic, fatalistic, and with external locus of control. Because of these traits, for a collectivist Thai, approval and compliance of his/her behavior with others' is more important than his/her own attitude toward certain behavior. The people in the U.S. on the other hand being individualistic, and with strong internal locus of control, believe that they have the dominion over the nature, and feel their own attitude toward the behavior is more important than others. As a result, while a Thai may be easily convinced on a concept through the use of an expert as a messenger, the U.S. counterpart evaluates the message and applies his/her own judgment.

Typically Americans are self-assertive and strive for personal achievement. They are materialistic, and material rewards such as salary, promotion and rewards enhance their motivation. Thais, on the other hand, give priority to maintaining good relationships since loyalty and trust to seniors are important to them, rather than task achievement and material rewards. Thais' dominant values are caring for others and the quality of life, while Americans' dominant values are success, money, and material things.

The implication of the value systems discussed above for our study is that Thais may be more influenced by their immediate community; especially seniors and superiors. Thais may be less likely to be affected by the material benefits to be gained by the action. Whereas an American may be more influenced by his peers, task performance, and material benefits.

In the above discussion, we have summarized some of the important cultural differences between the U.S. and Thailand. We expect these differences to affect the adoption, practice and success of contemporary motivation theories.

3. MOTIVATION THEORIES

3.1 Motivation

Motivation has been defined in variety of ways. One of the most widely accepted definitions is summarized by Geenberg, et al. [1993]:

"...is the set of processes that arouse (-drive behind behavior), direct (-directed behavior), and maintain (-maintaining the behavior in meeting the goal) human behavior toward attaining a goal

In motivating employees to focus on organizational goals, many theories have been formulated. These theories fall into basically two categories, Content and Process Theories. In the next section these two categories of theories and Job Design Theory are briefly summarized based on their discussion in Robbins [1993], Staw [1995], Steers [1996], Ouchi [1981], and Vroom [1964].

3.2 Content Theories (CT)

These theories assume that factors exist within the individuals that energize, direct, and sustain behavior. They are concerned with the identification of important internal elements and the explanation of how these elements may be prioritized within the individual.

Content theories used in this study:

Maslow's Hierarchy of Needs Theory: There is a hierarchy of five needs - physiological safety, social, esteem, and self-actualization - and as each need is sequentially satisfied, the next need becomes dominant.

Alderfer's ERG theory: This theory posits a set of three core needs – Existence; Relatedness; and, Growth, arranged in a hierarchical manner.

McClelland's Theory of Needs: Achievement Need - the drive to excel, to achieve in relation to a set of standards, to strive to succeed; Power Need - the desire to make others behave in a way that they would not otherwise have behaved in; and, Affiliation Need - the desire for friendly and close interpersonal relationships, are three important needs that help to understand motivation.

McGregor's Theory X and Theory Y: Theory X - the assumption that employees dislike work, are lazy, dislike responsibility, and must be coerced to perform; Theory Y - the assumption that employees like work, are creative, seek responsibility, and can exercise self-direction.

Ouchi's Theory Z: With egalitarianism as a central feature - this theory implies that each person can apply discretion and can work autonomously without close supervision, because they are to be trusted. Trust - the belief that individual and organizational goals correspond, accounts for the high levels of commitment, of loyalty, and of productivity.

3.3 Process Theories

These theories of motivation attempt to describe how behavior is energized, directed, and sustained. They focus on certain psychological processes underlying action and place heavy emphasis on describing the functioning of the individual's decision system as it relates to behavior.

Process Theories used in this study:

Expectancy Theory (EX): The strength of a tendency to act in certain way depends in the strength of an expectation that an act will be followed by given outcome and on the attractiveness of that outcome to the individual. That is, motivation is the product of three types of beliefs: expectancy (effort will result in performance) X instrumentality (performance will result in rewards) X valence of rewards (the perceived value of the rewards).

Behavior Modification or Reinforcement Theory (BM): This theory argues that reinforcement pattern condition behavior, and, that behavior is environmentally caused. What controls behaviors are not internal cognitive events but rather reinforcers - any consequence that, when immediately following a response increases the probability that the behavior will be repeated?

Goal Setting Theory (GS): The theory posits that goals directly impact behavior that the goals lead to higher performance. The theory purports that specific goals increase performance; that difficult goals, when accepted result in higher performance than do easy goals; and, that feedback leads to higher performance than does no feedback.

Equity Theory (EQ): This theory views motivation from the perspective of the social comparisons people make among themselves. It proposes that individuals are motivated to maintain fair, or "equitable" relationship between them and to change those relationships that are unfair, or "unequitable."

3.4 Job Design Theory

Task Characteristics theory (Job Design) (JD): Seek to identify task characteristics of jobs, how these characteristics combined to form different jobs, and their relationship to employee motivation, satisfaction, and performance.

Job Characteristic Model: Job Characteristic Model - a derivative of this theory identifies five job characteristics and their relationship to personal and work outcomes: *Skill Variety, Task Variety, Task Significance, Autonomy, and Feedback.*

4. STUDY

From the constructs of the above theories we designed a survey instrument that we used in the previous study in the US. Since many of the theories have overlapping constructs, many of our questions also have relevance and implicit application to several theories simultaneously. In Table 1 we show the questions and the theories they are applicable to.

5. RESULTS

The total 62 responses were resulted from the 750 questionnaires distributed to quality executives of largest Thai companies.

All statistical analyses are performed using SPSS for PCs. Table 2 shows all the results.

The stepwise regression on all factors showed a significant model with following factors: Q16 – Opportunities for additional or remedial TQI training for everyone involved, Q8 – Clearly communicated benefits of TQI for individual employees, Q29 – Monetary bonuses/incentives for individuals.

Only Q16 - Opportunities for additional or remedial TQI training for everyone involved, was significant with TQI success among **Content Theory** factors.

Q16, Q8, and Q29 factors were significant among **Expectancy Theory** factors with TQI success.

All factors of **Behaviour Modification Theory** loaded and the model was significant; however, stepwise regression yielded a model with Q10 – A clear explanation of TQI and how it works, Q8 – Clearly communicated benefits of TQI for individual employees, Q30 – Monetary bonuses/incentives for individuals.

Similarly, all factors of **Goal Setting Theory** loaded and the model was significant; whereas, stepwise regression yielded a model with Q18 – Goal setting to establish specific performance objectives for the TQI.

Both **Equity Theory** factors and **Job Design Theory** factors did not show any relationship with TQI success factors.

Based on the above results, it is clear that Q16, Q8 and Q29 are strongly related to the TQI success, and also that **Expectancy theory** seems to be the most influencing theory among the motivation theories studied in this research. Although the Q10, Q8 and Q30 from **Behaviour Modification Theory** indicated relationship TQI success factor the dominance of **Expectancy Theory** is evidenced by the results of stepwise regression model of all factors.

It is interesting that even though three different factors from **Expectancy Theory** showed strong relationship with perception of TQI success these are not the same factors that loaded in the authors study in the US. However, like in the US study the Thai data did not present a strong relationship with other motivation theories.

6. CONCLUSIONS AND COMMENTS

The conclusions and comments will be presented at the conference.

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TABLE 1 - Questionnaire

FACTOR	CT	EX	BM	GS	EQ	J D
Q1. <u>Only</u> senior management input in decision to implement Total Quality Initiative (TQI).	X	X				
Q2. <u>Only</u> senior management input into design and implementation of the TQI.	X	X				
Q3. Consultation with employees prior to commitment to TQI.	X	X				
Q4. Employees input into decision to begin TQI.	X	X		X		
Q5. Employees input into design and implementation of TQI.	X	X		X		
Q6. Employee input concerning incentives for TQI participation.	X	X		X		
Q7. An emphasis on TQI as essential to organizational survival.		X	X			
Q8. Clearly communicated benefits of TQI for individual employees.		X	X			
Q9. A focus on TQI as a way to improve job security.		X	X			
Q10. A clear explanation of TQI and how it works.		X	X			
Q11. Extensive training in total quality for all managers and employees.		X	X			
Q12. Clear communication of performance expectations for everyone involved.		X	X	X		
Q13. Clear communication of incentives for good performance to everyone involved.		X	X			
Q14. Clear communication of disincentives for poor performance to everyone involved.		X	X			
Q15. Opportunities for cross-training in TQI skills to everyone involved.	X	X				
Q16. Opportunities for additional or remedial TQI training for everyone involved.	X	X				
Q17. Opportunities for assistance or help on TQI-related issues for everyone involved.	X	X				
Q18. Goal setting to establish specific performance objectives for the TQI.		X		X		
Q19. An effective system to monitor TQI progress.		X		X		
Q20. A performance appraisal system for employees that emphasizes TQI activities.		X		X		
Q21. TQI assignments for individual employees that require a variety of skills and abilities.						X
Q22. TQI assignments for individual employees that are clearly significant and impact others.						X
Q23. TQI assignments for individual employees that involve completing a whole identifiable task from beginning to end.						X

Q24. TQI assignments for individual employees that provide steady performance feedback from observing the work they have completed.						X
Q25. TQI assignments for employees that provide autonomy in choosing how to do the job.						X
Q26. Regular performance feedback from supervisors.	X	X	X			
Q27. Recognition opportunities for top performing individuals.	X	X	X			
Q28. Recognition opportunities for top performing teams.	X	X	X			
Q29. Monetary bonuses/incentives for individuals.		X	X			
Q30. Monetary bonuses/incentives for individuals.		X	X			
Q31. Opportunities for top performers to upgrade their job classification or be promoted.	X	X	X			
Q32. An emphasis on TQI as a means for personal growth and professional development.	X	X				
Q33. Follow-through on promised incentives.		X				
Q34. Follow-through on promised disincentives.		X				
Q35. Equitable distribution of incentives based upon relative contributions.					X	
Q36. Empowerment of individual employees in making TQI decisions.	X			X		X
Q37. Empowerment of work teams in making TQI decisions.	X			X		X
Q38. Organizational commitment to employee morale and well-being.	X					

Table 2 - Descriptive statistics of all factors**Descriptive Statistics**

	N	Minimum	Maximum	Mean	Std. Deviation
Q1	62	0	10	7.37	2.818
Q2	62	0	10	6.61	2.511
Q3	62	0	10	6.42	2.895
Q4	62	0	10	5.66	2.845
Q5	62	0	10	6.53	2.678
Q6	62	3	10	8.40	1.624
Q7	62	5	10	8.85	1.304
Q8	62	0	10	6.13	2.308
Q9	62	0	10	6.53	2.156
Q10	62	3	10	8.02	1.645
Q11	62	1	10	8.45	1.743
Q12	62	3	10	7.34	1.837
Q13	62	2	10	7.61	1.633
Q14	62	0	10	5.19	2.495
Q15	62	2	10	8.03	1.717
Q16	62	1	10	8.16	1.830
Q17	62	2	10	8.32	1.597
Q18	62	3	10	8.58	1.816
Q19	62	3	10	8.35	1.537
Q20	62	0	10	7.35	1.976
Q21	62	0	10	6.61	2.138
Q22	62	0	10	6.58	2.131
Q23	62	0	10	7.11	2.166
Q24	61	0	10	6.41	2.341
Q25	61	0	10	4.77	2.283
Q26	61	3	10	7.95	1.575
Q27	62	4	10	7.77	1.712
Q28	62	0	10	7.66	2.111
Q29	62	0	10	6.61	2.938
Q30	62	0	10	6.13	3.236
Q31	62	0	10	7.44	2.474
Q32	62	2	10	7.32	2.071
Q33	62	0	10	6.95	2.068
Q34	60	0	10	5.93	2.616
Q35	62	0	10	6.42	1.963
Q36	61	0	10	6.11	2.353
Q37	62	0	10	7.21	1.951
Q38	62	2	10	7.92	1.936
DA3	62	3	9	6.44	1.616
Valid N (listwise)	59				

Stepwise Regression All factors**Factors Entered/Removed**

Model	Factors Entered	Factors Removed	Method
1	Q16		Stepwise (Criteria: Probability-of-F-to-enter ≤0.050, Probability-of- F-to-remove ≥0.100
2	Q8		
3	Q29		

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.750	.823		3.342	.001
	Q16	.445	.099	.511	4.493	.000
2	(Constant)	3.877	.863		4.494	.000
	Q16	.473	.094	.543	5.058	.000
	Q8	-.227	.077	-.316	-2.939	.005
3	(Constant)	3.644	.836		4.359	.000
	Q16	.432	.092	.497	4.716	.000
	Q8	-.286	.078	-.399	-3.646	.001
	Q29	.141	.060	.260	2.338	.023

a. Dependent Variable: DA3

Content Theory**All factors are entered** – No significant results**Stepwise Regression -****Factors Entered/Removed**

Model	Factors Entered	Factors Removed	Method
1	Q16		Stepwise (Criteria: Probability-of-F-to-enter <=0.050, Probability-of-F-to-remove >=0.100)

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.703	.814		3.321	.002
	Q16	.453	.098	.520	4.636	.000

a. Dependent Variable: DA3

Expectancy Theory**All factors are entered** – No significant results**Stepwise Regression -****Factors Entered/Removed**

Model	Factors Entered	Factors Removed	Method
1	Q16		Stepwise (Criteria: Probability-of-F-to-enter <=0.050, Probability-of-F-to-remove >=0.100)
2	Q8		
3	Q29		

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.750	.823		3.342	.001
	Q16	.445	.099	.511	4.493	.000
2	(Constant)	3.877	.863		4.494	.000
	Q16	.473	.094	.543	5.058	.000
	Q8	-.227	.077	-.316	-2.939	.005
3	(Constant)	3.644	.836		4.359	.000
	Q16	.432	.092	.497	4.716	.000
	Q8	-.286	.078	-.399	-3.646	.001
	Q29	.141	.060	.260	2.338	.023

a. Dependent Variable: DA3

Behaviour Modification Theory

All factors entered -

Factors Entered/Removed

Model	Factors Entered	Factors Removed	Method
1	Q31, Q7, Q14, Q28, Q12, Q9, Q11, Q8, Q30, Q26, Q10, Q13 Q27, Q29		Enter

All requested factors entered.

Dependent factor is DA3.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.666 ^a	.443	.274	1.387	.443	2.617	14	46	.007

a. Predictors: (Constant), Q31, Q7, Q14, Q28, Q12, Q9, Q11, Q8, Q30, Q26, Q10, Q13, Q27, Q29

Stepwise Regression -

Factors Entered/Removed

Model	Factors Entered	Factors Removed	Method
1	Q1		Stepwise (Criteria: Probability-of-F-to-enter <=0.050, Probability-of-F-to-remove >=0.100)
2	Q8		
3	Q30		

Coefficients ^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.200	.993		3.223	.002
	Q10	.400	.121	.396	3.312	.002
2	(Constant)	3.781	.973		3.885	.000
	Q10	.494	.121	.489	4.091	.000
	Q8	-.219	.084	-.312	-2.609	.012
3	(Constant)	3.384	.942		3.591	.001
	Q10	.471	.116	.466	4.069	.000
	Q8	-.269	.083	-.382	-3.257	.002
	Q30	.145	.057	.291	2.565	.013

a. Dependent Variable: DA3

Goal Setting Theory**All factors entered -****Factors Entered/Removed**

Model	Factors Entered	Factors Removed	Method
1	Q37, Q19, Q4, Q20, Q36, Q12, Q6, Q18, Q5		Enter

All requested factors entered.

Dependent factor is DA3.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.519 ^a	.270	.141	1.478	.270	2.094	9	51	.047

a. Predictors: (Constant), Q37, Q19, Q4, Q20, Q36, Q12, Q6, Q18, Q5

Stepwise Regression -**Factors Entered/Removed**

Model	Factors Entered	Factors Removed	Method
1	Q18		Stepwise (Criteria: Probability-of-F-to-enter ≤0.050, Probability-of-F-to-remove ≥0.100)

All requested factors entered.

Dependent factor is DA3.

Coefficients ^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.572	.923		3.868	.000
	Q18	.330	.106	.377	3.122	.003

a. Dependent Variable: DA3

Equity Theory**All factors entered –** No significant results.

Stepwise Regression – No significant results.

Job Design Theory

All factors entered – No significant results.

Stepwise Regression – No significant results.