

The Initial Impact of Organizational Development Interventions on Leadership, Teamwork, and Reward System upon Employee Satisfaction and Motivation: A Case Study of ABC Sales Co., Ltd.

Manu Leenawong¹

Abstract

This research, based on an Action Research Model, focuses on strengthening employee satisfaction and motivation at a sales and service company in Bangkok, Thailand. An initial analysis of the firm determined that the priority areas to be strengthened in order to achieve higher levels of employee satisfaction and motivation were leadership, teamwork and the reward system. The research was conducted using both qualitative and quantitative methods. A questionnaire was implemented, while focus group interviews as well as in-depth interviews of managers were conducted. An Organization Development Intervention (ODI) program was then designed based on the results of both the quantitative and qualitative data analysis. The impact of the ODI program was analyzed by comparing the Pre- and Post-ODI results using a t-test. The overall results demonstrated higher post-ODI levels of leadership, teamwork and an improved reward system. However, when considered by function group and position level, some showed a higher level whereas some remained the same. These quantitative findings were in line with the qualitative analyses which included a focus group and in-depth interviews. In addition, the relationships between the dependent variables (employee satisfaction and motivation) and the independent ones (leadership, teamwork and reward system) were also tested using a correlation analysis. The results demonstrated significant correlation between each independent and dependent variable.

Key words: *leadership, teamwork, reward system, employee satisfaction, motivation*

Introduction

Sustainable growth is desired by every organization in today's challenging business world. Generally, organizations tend to focus mainly on their financial performance, which they see as their major goal to accomplish. However, financial performance reflects only the past and may not necessarily ensure the future success of the organization (Kaplan & Norton, 1996).

A company needs to be competitive in several areas, including physical resources, financial resources, marketing capability, and human resources (Fisher et al., 2006). However, while the competitive advantages in production, technology, financing, and marketing can all be imitated, the unique strategy for an effective organization to attract, retain, and motivate employees is more difficult to imitate (*Ibid*).

This is why human capital is now believed to be an organization's most important asset (Lawler, 2009). As part of protecting this asset, "employee satisfaction" is one of the main challenging issues facing leaders. The importance of employee satisfaction lies to large extent in its linkage to motivation, efficiency and effectiveness, as well as morale issues (Henkey & Noe, 2004; Ellingenic et al., 2003; Gresham, 2006; and Atkins et al., 1996). This study will tackle these issues in the context of an organizational development intervention (ODI) at ABC Sales Co., Ltd. (ABC Sales), a Bangkok-based company.

ABC Sales is a distributor, installer and after-sales service provider of "ABC" Brand air conditioning systems in Thailand. It is a joint-venture between Japanese and Thai shareholders. The company has been operating in Thailand for approximately 30 years. In the past four years, due to product strength and higher investment in

¹Manu Leenawong is a graduate of the Ph.D. OD program at Assumption University.

advertising to create a strong brand, the company has been growing tremendously with sales increasing by 30-40 percent per year.

The air conditioning market in Thailand is a tough market with many competitors from different countries. In addition, the government's growing concerns with product safety and energy saving efficiency have caused new laws to be passed and regulations to be enforced on air conditioning products. Customers are also very demanding and want quality products and services. However, air conditioning products have no real substitutes given the warm climate all year round in Thailand, which keeps this market growing.

Currently the organization is enjoying a good financial performance and increasing market share. However, this performance does not guarantee success in the future since the company lacks a strong fundamental base as a result of inadequate focus on human capital. Thus, in order to eliminate weaknesses in its low leadership skills, low teamwork level and unsuitable reward system, the firm needs to address these issues and focus on employee satisfaction and motivation which would provide a basis for the company to sustain growth and exploit the new opportunities for providing high technology and energy saving products into the Thai market.

To this end, a SWOT Analysis, Task – OD – People Framework and Employee Satisfaction survey were conducted to analyze the main problems of the company. The Task – OD – People Framework was to consider the suitability of these three dimensions to ensure fitness for a high performance organization. For the other analyses, the researcher utilized the employee satisfaction survey which the company had conducted in 2006 to diagnose the problems in the organization. After reviewing the relevant literature, the methodology, findings, conclusions and recommendations will be presented.

Literature Review

For the purpose of development, an organization is considered an open system to transform input into output. Katz & Kahn (1978) mentioned that an open system consists of an external and internal environment. The internal environment includes people, tasks, technology and structure, whilst the external one is made up of the task environment, such as, for example, competitors, unions, regulatory agencies, clients and so forth. OD interventions concern the internal environment of the organization.

The literature reviews will cover independent and dependent variables. The independent variables consist of leadership, team work and reward system and the dependent ones, employee satisfaction and motivation. In addition, since the company considered in this research is a joint-ventured company between Japanese and Thai shareholders, the literature review will also cover the topic of cultural differences.

Leadership

“No theory or model of leadership so far has provided a satisfactory explanation of leadership. Indeed there are many definitions of leadership that vary widely.” stated by Gill (2006). It has been defined and discussed in many in terms of traits, process, skills, competency, a relationship and as a construct.

Earlier models of leadership defined leadership based on traits, qualities or characteristics of leaders. These models called trait theories or “great man theories”, which are psychological research by identifying effective leadership characteristics. Trait theory raises the topic of superior intelligence of a leader (Kotter, 1990). The critique of trait theory is that personal qualities of leadership are still not agreed by the researcher. In addition, the identified leadership qualities do not ensure the quality of leadership. Furthermore, imbalances among specific traits can cause weaknesses.

Considering the situation that brings about a leader, emergent leadership (House & Mitchell, 1974) discusses that leaders may emerge who

have the characteristics and skills to meet the needs of their group organization or society at a given time. This also links to servant leadership which mentioned that the servant leader takes on the leadership role because he wants to serve others. However, these emergent leadership theories still do not explain effective leadership.

On the other hand some researchers are classifying leadership by leadership styles. Bass et al. (1975) classify leadership into directive style, consultative style, participative style, negotiation style, and delegative style. Some are classified into “Task” or “People” orientation (Katz & Morse, 1950) and “Managerial Grid” by Blake & Mouton (1964). The weaknesses of leadership style theories are that they neglect the characteristics, qualities and circumstances which create leaders. Building on leadership style theories, contingency or situational theories of leadership emphasizes that there is no best leadership style. Good leaders use different styles according to the situation; they know how to adopt a different style to a new set of circumstances (Fiedler, 1969; Hersey & Blanchard, 1993).

Psychodynamic theory claims that the effectiveness of leaders depends on the psychodynamic exchange occurring between leaders and group members. Amongst this theory is Leader-Member exchange (LMX) (Graen, 1976) which focuses on the characteristics of the leader, the individual followers and the relationship between each pair of leader and follower. The weakness is that it focuses on easily observable behavior and its impact on results and neglects the underlying process that leads to the results.

Another concept is the full range model postulated by Bass & Avolio (1994). They classify leadership into laissez-faire, transactional and transformational leadership.

Laissez-faire leaders are ineffective leaders with the personality of avoiding taking a stand, ignoring problems, not following up, and refraining from making interventions. The second type is transactional leaders who practice

management-by-exception and contingent reward. This means the objectives and performance standards are set and leaders will intervene only when these designated standards are not achieved. In addition, financial and psychological rewards will be given as a result of target achievement.

The more effective leader is a transformational leader. This type of leader is focused on motivating and developing people. In addition, the self-interest of the individual is transcended for the greater benefit of the group organization and society. Transformational leadership consists of these qualifications: individualized consideration, intellectual stimulation, inspirational stimulation, and idealized influence. These qualifications can be summarized as: listening to others opinions and needs; questioning the status quo; encouraging imagination and creativity; providing clear vision; aligning personal values and objectives; confidence in self and others; convincing and persuading. Transformational leadership is the preferred type of leader.

Other leadership theories are visionary leadership, strategic leadership and charismatic leadership. Gill, R. (2006) integrates the different models and comes up with a new model called “an integrative, holistic model of leadership”. This model is built on the relationship between the cognitive, emotional, spiritual and behavioral dimensions of leadership. Gill stated that effective leadership is the function of visioning, creating a culture of shared values, strategy formulation and implementation, empowering of people, and influence, motivation and inspiration.

Teamwork

Team and teamwork concepts are now becoming important issues to increase productivity and employee satisfaction in today’s workplace (Stough, et al., 2000). The reason is due to the changes in work environments; increased empowerment, process

re-engineering and greater competition in the market (Goodwin & Johnson, 2000).

In addition, based on Herzberg theory (1959), O'Brien (2003) who conducted research on Thai managers found that Thai employees mentioned "relationships" as a leading factor for both job satisfaction and job dissatisfaction. This is due to the fact that Thai culture is collectivist in nature unlike western culture which individualism is its value. Therefore, teamwork is a crucial factor for employee satisfaction in Thailand.

A team is a group of people with complementary skills who are committed to a common mission, performance goals, and approach for which they hold themselves mutually accountable (Nelson & Quick, 2006). Teamwork is joint action by a team of people in which individual interests are subordinated to team unity (Nelson & Quick, 2006).

For a team to succeed, the key elements of team working are: 1) goal definitions; 2) task definition; 3) clear allocation/ acceptance of roles and responsibilities; 4) effective communication skills; 5) successful relationship skills; 6) sustained supportive behavior; 7) flexibility of thought; 8) adaptability of response; 9) overt prioritization of the collective interest over the individual; 10) joint ownership of the central task (Goodwin and Johnson, 2000). These factors are mostly the same as the eight factors to build collaborative teams by Gratton and Erickson (2007), which includes: 1) signature relationship practices that build bonds among the staff; 2) roles models of collaboration among executives; 3) supporting employees by mentoring and coaching them daily; 4) training in relationship skills – communication and conflict resolution; 5) supporting a strong sense of community; 6) assigning team leaders that are both task and relationship oriented (ambidextrous leadership); 7) building on heritage relationships by populating teams with members who known and trust one another; and 8) understanding role clarity and task ambiguity.

To enhance job satisfaction for members and improve organization productivity, strong group

cohesion should be created in the team. Influenced by time, team size, the prestige of the team, external pressure and internal competition, group cohesion is the interpersonal glue that makes members of a group stick together (Nelson & Quick, 2006).

Reward System

Cummings & Worley, 2005 defined that a reward system is the system of awarding something for worthy behavior. Extrinsic rewards are rewards given by the organization, such as pay, promotion, praise, tenure, and status symbol. Intrinsic rewards are rewards that must originate and be left within the person. Intrinsic rewards include feelings of accomplishment, achievement, and self-esteem. An effective reward system is another important motivational factor in encouraging employee satisfaction and performance (Cummings & Worley, 2005; Brelade & Harman, 2003).

The theories that discuss expectations of employees and their performance included expectancy theory of motivation by Vroom (1964); equity theory by Adams (1963), and goal setting theory by Locke (1968). The expectancy model by Vroom focused on the linkage between individual effort, individual performance, organizational rewards and personal goals. Therefore, if personal goals are achieved with the right reward, each individual will attempt to achieve a high performance by using his full effort.

Equity theory focused on outcome/ input ratio. This theory is based on the idea that each individual will attempt to reach equity with others. Comparing their performance and reward received by others, they will adjust their effort to get equity. In addition, related to performance, goal setting theory also suggested that with a challenging but achievable goal, employees will perform better as they are motivated with a clear target and goal.

According to Cummings & Worley (2005), reward system design features are the consideration of person/job based vs.

performance based; internal and external equity; hierarchy, centralization, rewards mix, security and seniority. The major reward systems are skill-based pay systems, performance-based pay systems, gain-sharing systems and promotion systems. These systems can be used to reward individual, team, or organization performance in order to improve employee performance and satisfaction. For a performance-based pay system, Cummings and Worley (2005) concluded that bonuses should be considered from group and organization performance, while salary increases should be based on individual performance. These plans are quite good at linking pay to performance with moderate employee acceptance. Group and organization plans are good when there is high task interdependence among workers, while individual plans promotes competition and are good when there is little required cooperation among employees, such as in sales occupations.

Employee Satisfaction

Employee satisfaction is a combination of psychological, physiological and environmental circumstances that make a person to be satisfied with their job (Hoppock, 1935). Job satisfaction is not how hard one works or how well one works, but rather how much one likes a specific kind of job or work activity. Job satisfaction deals with one attitudes or feelings about the job itself, pay, promotion or educational opportunities, supervision, co-workers, workload, and so on (Saal & Knight, 1988). For this research, the focus is on employee satisfaction, as a whole company, which is broader than job satisfaction for one or more employee.

Many researchers (Henkey & Noe, 2004; Ellingenic et al., 2003) and practitioner (Gresham, 2006; Atkins et al., 1996) believe that employee satisfaction contributes to employee performance. Therefore, many researches (Herzberg, 1959; Somkao et al., 1986; O'Brien, 2003) have been done to ensure that the

employee is reasonably satisfied working in the organization.

Since needs vary depending on demographics, preferences, culture and necessities, the understanding of needs in each specific organization is crucial for creating plans to improve employee satisfaction. Matzler et al. (2004) adjusted Kano's model of customer satisfaction (Kano, 1984) to use with employee satisfaction. With this model, factors that have a different impact on employee satisfaction were segregated into two basic factors; excitement factors and performance factors. From the result of this model, leaders can focus their limited resources on performance factors and excitement factors which have impacts on employee satisfaction, while the basic factor must be to prevent employee dissatisfaction.

Understanding needs to ensure employee satisfaction is not the only issue that researchers are interested in. Another major study in this motivational field is the effect of employee satisfaction on their performance. One of the widely accepted researches in this field was from Elton Mayo (1945). He conducted the "Hawthorne Experiment" which proved that motivation will increase performance and productivity. In addition, satisfaction builds confidence, loyalty and finally improved output quality of the employees, Tietjen & Myers (1998). On the contrary, Porter & Lawler (1968) perceived the opposite direction which is performance leads to satisfaction, rather than the opposite. This model is in-line with Kiewitz (2004) and Miles (1965). Since when a company has a good performance, it can give back to employees in terms of welfare and benefits. However, a more recent study was by Vora (2004). He looked at the relationship between a firm's financial performance and employee satisfaction. He found a circular loop which means not only satisfaction brought up a firms' performance and vice versa firm's performance also brought satisfaction.

Motivation

Cummings and Worley (2005) defined motivation as the conditions responsible for variations in the intensity, quality, and direction of ongoing behavior. Motivation can also be classified into internal and external motivations (Mitchell & Daniels, 2002). Internal motivation is more about the sub-areas that emphasize internal attributes of the individual such as; genes, personality, individual differences, expectancy, self-efficacy, goal setting and etc. On the other hand, external motivation is on external aspects of the task or situation, job design and social context approaches

Motivation theories are wide and varied concepts, one way to understand them is to classify them into two general groups of theories; content theories and process theories (Porter et al., 2003). Content theories assume that there are factors within each individual that energize, direct and sustain behavior. The focus is identifying the right element at the right time and prioritized them accordingly in order to be efficient in promoting motivation. The major content theories consist of Maslow's hierarchy of needs, Alderfer's existence-relatedness growth (ERG), Herzberg's motivator-hygiene, and McClelland's learned needs. While process theories on the other paradigm describes how behavior is energized, directed and sustained. The major ones are Vroom's expectancy theories, the Porter-Lawler model, Adams's equity theory and Locke's goal setting theories.

Employee satisfaction and motivation may be perceived as the same concept by practitioners; however, they are different but related concepts. Motivation was defined by Westwood, (1992) as "an internal stage giving rise to a desire or pressure to act. On the other hand, job satisfaction is defined as "the extent to which people are satisfied with their work" (War, 2002). The relationship is that a higher level of motivation will result in a higher level of satisfied workforce which is eventually linked to the performance of the organization (Furnham, 1992). In addition, job satisfaction and

motivation can be led by the same factors. The other comment is that motivation is forward looking with concerns about performance and reward, while employee satisfaction is the consequence of past events of people's feeling about the reward they have received. Porter and Lawler (1968) noted that performances which are rewarded will generate satisfaction with the work and also lead the expectation that future performance will also lead to reward.

Cross-cultural Differences

Culture is defined as a learned, shared, compelling, interrelated set of symbols whose meaning provides a set of orientations for members of a given society (Terpstra & David, 1985). In an organization that has a diverse workforce or shareholders whose nationalities or cultures are different, the issue of cross-cultural difference is one of the major concerns to manage. Cross-cultural difference refers to the difference between home and host cultural backgrounds (Weiss, 2001). The management of a multinational corporation needs to understand the differences in cultures which directly impact the way that their workforce is behaving, and to manage it to get peak efficiency.

Researchers (Kluckhohn & Strodtbeck, 1961; Hall, 1976; and Hofstede, 1991) had explained cultural differences in different dimensions. Kluckhohn & Strodtbeck (1961) explained cultural differences in six dimensions: basic human nature, relation to nature, relationships among people, activity orientation, time orientation, and space orientation. On the other perspective, Hall (1976) focused on the communication styles among cultures; high-context communication versus low-context communication. Asian countries are classified as using high-context communication, in which not only verbal but also physical contexts are used for communication. On the other hand, the United States and European countries use low-context communication, which depends on the use of words to convey meaning.

Hofstede Model (1991) is one of the most well-know models explaining value differences across national cultures including power distance, uncertainty avoidance, individualism/collectivism and masculinity/ femininity. According to Hofstede’s research, Japanese cultures have significantly higher scores on individualism, masculinity (assertiveness), uncertainty avoidance, and long-term orientation than in the Thai culture, while for power distance both Thai and Japanese culture are on the high side.

To study Thai and Japanese cultural differences, Swierczek & Onishi (2003) researched the managerial culture and human resource management of Japanese when applied to Thai subordinates in Thailand. The study used Hofstede’s conceptual framework as the base for analysis. The research method was a field study including a detailed case analysis, in-depth interviews and a survey design. Samples were a hundred employees (fifty Japanese managers and fifty Thai subordinates) from ten Japanese-Thai international joint ventures in Thailand. The findings revealed that there were significant differences in organizational and work behaviors; they were focused on different issues which resulted in conflicts. Japanese managers expected their subordinates to work overtime, rigorously practice a quality cycle and would evaluate subordinates on ability. They also expected a committed team player. Thai subordinates expected more opportunities, direction, training, freedom, and involved decision making. Results also showed that they were both adapting themselves to each other’s cultures. Swierczek & Onishi (2003) recommended more management development and cross cultural training programs to promote mutual understanding, better communication, valid consensus decision making and participation.

Conceptual Framework

The conceptual framework as shown in Figure 1 is derived from the organization analysis.

Figure 1: Conceptual framework

Phase I : Pre ODI	Phase II : ODI	Phase III : Post ODI
- Low Leadership Skills of Mgt	- Leadership Development Program - Self-designed LD Enhancement Plan - Empowerment by establishing level of authority authorization - Cross-functional Assignment	- Adequate Leadership Skills of Mgt
- Ineffective Teamwork	- Japanese Cultural Training - Team Building Activities and "Share Valued" Creation - Team Encouragement Activities - Planned Activities by teams - Team Coordination Score	- Effective Teamwork
- Notmotivating Reward System	- Salary Structure change for P.C. - Commission Scheme Change - Bonus System Change - Company Outing - P.C. Party - Top P.C. Award	- Motivating Reward System

Source: Created by the author for this study

The conceptual framework focuses on the independent variables which the researcher articulated and implemented in the ODIs.

Methodology

The research was conducted using both qualitative and quantitative methods. The main research methodology was a qualitative method by using action research as a methodology for studying leadership, teamwork, reward system, employee satisfaction and motivation during pre- and post- OD Intervention program. The action research was implemented to staff, section, department and general managers. This was due to the fact that these groups of employees pay significant roles in the business operation. The quantitative analysis was implemented by a questionnaire survey of 205 employees (62.12% of total employees). In addition, the qualitative method of In-depth interviews with five general managers and focus group interviews with thirteen section and department managers were also utilized so that the researcher could get the detailed opinions of the employees to fully understand the company situation before and after ODI by incorporating the result from the

survey with the interviews. The research methodologies implemented to each group of employees were summarized in Table 1 (see Appendix A).

Results and Discussion

Leadership

The quantitative analysis of leadership revealed that the issues that had a high priority for development were the communication of vision, creation of share values, confidence in subordinates, and inspiring subordinates. In addition, when asked about the level of management that needed most improvement, the respondents indicated that section managers were the level of management that most needed to develop leadership. In addition, the qualitative analysis by an in-depth and focus group interviews reported the lack of leadership skills of the newly promoted managers, the absence of training and development of the staff by supervisors. And there was inefficient communication of corporate objectives and a fear of implementing new ideas and processes.

Considering these urgent needs, the researcher focused on the four main ODI objectives; to provide basic knowledge about leadership, encourage supervisors to coach their subordinates, empower managers in each level, and provide opportunities for them to lead.

With regard to the whole organization, the ODI made a significant difference on the levels of leadership by positively impacting all three research methods: questionnaire survey, in-depth interview and focus group interview. However, the impact was strong on the Sales and Support groups but for Service & Installation, no significant improvement was noted. The quantitative results of the Service & Installation group were also confirmed by the in-depth interviews of general managers who recommended a continuous ODI program to maintain the momentum of the trained managers. This could be explained by the fact that this program focused mainly on section managers

which was the level prioritized for leadership development as indicated in the questionnaire survey. Department managers who were at a higher level might already have this competency.

In terms of position levels, only the staff was found to have a significant difference in the perception of leadership of their supervisors at 95% confident interval with Sig. at 0.002, which was lower than 0.05. Therefore, staff had a higher appreciation of the levels of leadership of their supervisors with higher Post-ODI's Mean, while section managers and department managers showed no significant differences between Pre-ODI and Post-ODI in terms of the level of leadership of their supervisors. This could mean that the leadership of section managers improved due to the direct supervision of staff level by section managers.

Teamwork

The results of the Quantitative analysis on teamwork indicate that the issues that had a high priority for development were the communication of the company policy, clear assignment of tasks, role models cooperation, and teamwork among the divisions at ABC Sales. The in-depth and focus group interviews also provided additional information on the poor coordination between divisions, lack of personal glues within teams and understanding of the Japanese culture. The researcher summarized the most pressing needs into four objectives: make managers understand cultural differences; make them realize the importance of teamwork and create shared values; create personal glues; and motivate everyone to act as a good team player.

From the perspective of the whole organization, the ODI made a significant difference on the teamwork system. However, the impact was strong only on the Sales group since the Service and Installation and the Support groups showed no significant pre- and post ODI difference. This could be explained by the fact that this cycle of ODI focused on the supervisory level. Therefore, in the divisions which had a higher ratio of manager to staff,

such as the Service & Installation and Support groups (average one manager to ten staff members), it would be harder to strengthen the levels of teamwork within each section, department and division than in the Sales group which had a lower ratio of manager to staff (on average one manager to five staff members).

In addition, the impact was considered significant only at the staff level due to the higher perception of the level of teamwork. For department and general managers, the impact of ODI on the level of teamwork was not substantial. This could be explained by the fact that the staff members are younger and have lower resistance to change. It is easier to cultivate a teamwork spirit with this group. In addition, staff was the largest group of employees (85.9%).

Reward System

The results of the Quantitative analysis of the reward system show that the issues with a high priority for development were: non-financial rewards, short-term rewards, fairness of rewards internally, and appropriate use of individual rewards. The results from in-depth and focus group interviews were also in line with the questionnaire results which reported conflicts of individual KPI with actual job responsibilities, pool commission, low salary level of P.C., and non-cash rewards.

Based on the Pre-ODI results, the researcher had analyzed and decided to focus on urgent needs to achieve a motivating reward system, which had four objectives: to review the salary structure; revitalize the commission scheme; balance group and individual performance on bonus payments; and strengthen non-financial rewards.

In terms of the whole organization, the ODI made a significant difference on the reward system. The impact was strong on the Sales group due to the changes in the Sales Commission Scheme and financial reward system and motivation. However, the Service and Installation and Support groups showed no

significant difference. This may be due to the fact that during the OD intervention, there was a cost reduction policy from management which was not part of the ODI plan. Launched during the 2009 Thai economic recession, this policy was aimed to reduce selling, general, and administrative costs; which had a direct effect on the welfare and benefits of employees. This limitation was mentioned as a negative effect in the in-depth interviews. As a result, the ODI did not fully achieve its effectiveness for the Service & Installation and Support groups. More OD interventions with the Sales groups had an immediate effect on them, while for the Service & Installation and Support groups, the effect of the OD intervention would only be clearly seen when actual bonuses were paid at the year end.

In addition, the impact was considered significant only at the staff level as shown by the higher means of Post-ODI on the perception of the reward systems. For the department managers and general managers, there was no significant impact of the ODI on the perception of the reward system. This was due to the fact that the ODIs were at every employee level and focus on all staff levels. Specifically arranged ODIs for managers were not available.

Correlation Analysis of Leadership and Employee Satisfaction

From the correlation analysis, using t-test at confidence interval 95%, each of the three independent variables (leadership, teamwork and reward system) had a significant correlation to each dependent variable (employee satisfaction and motivation). In addition, when testing the correlation using Pearson's correlation, the result revealed that each independent variable had a positive correlation to each dependent variable. This meant that if any independent variable increased, the dependent variable would be increased due to the high correlation between the dependent and independent variables.

Conclusions and Recommendations

The OD interventions on this cycle significantly increased the overall leadership, teamwork and reward system in the company with higher means when comparing pre- and post-ODI results. However, when considered by group functions and position levels, the impact of the ODIs was not significant across the board (see Tables 1 and 2 in Appendix A).

As Table 3 shows, the ODIs have had no impact on some group functions and position levels. This can be attributed to the following factors: attribute of people, level of engagement, functional/ position focus, and impact time of ODI.

Table 3 - Group Functions which Have no ODI Impact

Independent Variables	Service & Installation	Support	Manager
Leadership	Attribute of people	n.a.	Position Focus (Department Manager)
Teamwork	Level of engagement	Level of engagement	Attribute of People
Reward System	Functional Focus, Impact time	Functional Focus, Impact time	Position Focus, Impact time

Recommendations

For the next cycle of OD interventions, the company should possibly further focus on the issues considered during this cycle of OD interventions: arranging additional ODIs specially focused on Service & Spare parts and Support groups; arranging additional ODIs on intrinsic rewards and continuing ODIs on leadership to maintain the momentum.

Furthermore, even though the company has a motivated and satisfied workforce, another priority issue for future research could be creativity for a quantum leap of corporate performance. Also, the issue of training related to performance coaching and performance assessment could be revitalized to strengthen the current performance management system, as well as supporting the manager’s leadership competency which had already been developed. In addition, the issue of stress at workplace

could be tackled to ensure a healthy workforce in this competitive world and the sustainable growth of the firm.

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Appendix A

Table 1- Impact of ODI by Group Function

Independent Variables	Total Company	Sales	Service & Installation	Support
Leadership	Higher	Higher	Unchanged	Higher
Teamwork	Higher	Higher	Unchanged	Unchanged
Reward System	Higher	Higher	Unchanged	Unchanged

Table 2 - Impact of ODI by Position Level

Independent Variables	Total Company	Staff	Section manager	Department manager
Leadership	Higher	Higher	Unchanged	Unchanged
Teamwork	Higher	Higher	Unchanged	Unchanged
Reward System	Higher	Higher	Unchanged	Unchanged