

Exploring the State Enterprise Performance Appraisal:

A Case Study of Metropolitan Electricity Authority

การศึกษาระบบประเมินคุณภาพรัฐวิสาหกิจ: กรณีศึกษาการไฟฟ้านครหลวง

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Abstract

Every state enterprise is currently wrestling with the quality demands that are placed upon them because of the criteria and standards of Thailand's State Enterprise Policy Office (SEPO) for its annual performance evaluation. The SEPO is aware of this situation and are looking for a technique which can help state enterprises create higher quality organizations and achieve sustainable high performance in the Thai context. The SEPO has applied the ideas and criteria from the Malcolm Baldrige National Quality Award (MBNQA) and the Thailand Quality Award (TQA) into the State Enterprise Performance Appraisal (SEPA) which can be used as a tool for self-assessment, and is widely accepted as an integrated framework for an organization development. We conducted the study for the Metropolitan Electricity Authority (MEA) under the SEPA guidelines. Adopting the triangulation method, research teams supplemented case study data with workshop conducting for employees involving in the SEPA process and these employees were also interviewed in semi-structure interviews. Documentation published about the MEA was used to cross check the findings. Some experiences and effects were recognized, such as a perceived improved customer orientation, a comprehensive view of the business, a degree of participation by all parties, and systematic work improvements. The research showed that the SEPA framework was recognized as a valuable technique for the MEA to improve all dimensions in a sustainable way.

Keywords: State Enterprise Performance Appraisal, Self-Assessment, Total Quality Management

Paper type: Academic

บทคัดย่อ

สำนักงานคณะกรรมการนโยบายรัฐวิสาหกิจ (สคร.) ได้วางมาตรฐานและเกณฑ์ซึ่งกำหนดให้ทุกรัฐวิสาหกิจต้องเน้นระบบคุณภาพในการประเมินผลการดำเนินงานประจำปี โดย สคร. แสวงหาแนวทางที่จะสนับสนุนให้รัฐวิสาหกิจไปสู่องค์กรสมรรถนะสูงและมีผลการดำเนินงานที่ยั่งยืนในบริบทสำหรับประเทศไทย สคร. ได้ประยุกต์แนวความคิดและเกณฑ์การประเมินจากรางวัล Malcolm Baldrige National Quality Award และรางวัลคุณภาพแห่งชาติมาสู่ระบบประเมินคุณภาพรัฐวิสาหกิจเพื่อที่จะเป็นเครื่องมือสำหรับการประเมินตนเองและเป็นกรอบการพัฒนาองค์กรอย่างบูรณาการ คณะผู้วิจัยได้ทำการศึกษาการดำเนินงานของการไฟฟ้านครหลวง (กฟน.) ภายใต้แนวทางระบบประเมินคุณภาพรัฐวิสาหกิจด้วยการตรวจสอบข้อมูลแบบสามเส้าโดยเสริมข้อมูลกรณีศึกษาด้วยการประชุมเชิงปฏิบัติการและการสัมภาษณ์แบบกึ่งโครงสร้างจากพนักงานที่มีส่วนเกี่ยวข้องกับการประเมิน และทำการตรวจสอบผลการศึกษากับข้อมูลเอกสารพบว่า กฟน. ให้ความสำคัญในการมุ่งเน้นลูกค้า มุมมองทางธุรกิจ การมีส่วนร่วมของทุกภาคส่วน และการปรับปรุงงานอย่างเป็นระบบจากงานศึกษาพบว่าระบบประเมินคุณภาพรัฐวิสาหกิจเป็นกรอบแนวทางที่สำคัญสำหรับ กฟน. เพื่อการพัฒนาองค์กรในทุกมิติอย่างยั่งยืน

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1. Introduction

In Thailand, state enterprises have to perform efficiently to be financially viable and provide public services according to government policies. However, state enterprises are often constrained by limited budget and red-tape procedure (Kantabura and Rungruang, 2013). More specifically, state enterprises are often described as bureaucratic and authoritarian (Chulajata and Turner, 2009). In order to assist state enterprise to overcome these barriers, the State Enterprise Policy Office (SEPO) introduced the criteria and standards for evaluating annual performance of every state enterprise. A State Enterprise Performance

Appraisal Committee was first established in 1995 to supervise all the state enterprises under control of the SEPO. In 2004, the SEPO proposed assessment criteria for organizational development in order to align management practices with global standards. The Ministry of Finance also introduced the corporate governance practices in 2004 to formulate strategies and monitor the performance of the state enterprise (Khongmalai, 2010).

In 2007, the appraisal system was upgraded so as to be consonant with the direction of national development and as a means to promote genuine excellence of performance among state enterprises. A subcommittee was appointed to improve the work performance appraisal system. The subcommittee proposed the use of a Self-Assessment Report (SAR) for the new system which came into operation in 2008, under the name of State Enterprise Performance Appraisal (SEPA) modelled on a process-orientated, total quality management-inspired approach placing considerable emphasis on organisational self-assessment (Chiwamit et al., 2014).

The SEPO has applied the ideas and criteria from the Malcolm Baldrige National Quality Award (MBNQA) and the Thailand Quality Award (TQA) into the SEPA criteria which can be used as a tool for self-assessment, and is widely accepted as an integrated framework for organizational development. During the implementation, various quality approaches have been adopted in state enterprises across the country and quality management has become an important organizational trend in the context of change management. The main target of the SEPA is state enterprise development to improve the quality of work of all aspects to finally become a High Performance

Organization (HPO). However, there are at present around 10% of state enterprises in Thailand that fully accepted the SEPA framework while 30% attempting to fully apply in their agencies. There is a significant proportion of 60% that are challenge to understand the framework. Hence, an investigation of practical appraisal management would support others as a guideline for their business excellence movement.

Since the concept of business excellence framework is incongruous to Thai state enterprise institutional paradigm, an investigation of appraisal performance practice can provide a practical approach for other organizations to learn and follow. This study aims to explore how one of the largest state enterprises in Thailand, Metropolitan Electricity Authority (MEA) has suitably designed its management mechanisms, structures and environment to respond to the SEPA's performance evaluation initiative and also aims to explore the effectiveness of the SEPA framework in advancing the quality of Thailand's state enterprises. To the authors' knowledge, there has been no study on the implementation of SEPA framework in Thai public enterprise. The present study fills in the gap in the business excellence literature by exploring the effectiveness of the SEPA framework in a state-owned, energy-providing enterprise in Thailand.

2. Literature Review

2.1 Framework of Excellence Models

The organizational quest for excellence has resulted in various conceptualizations and paradigms, and a global perspective is emerging through the integration of various aspects of quality in excellence models. The first globally known excellence model was the Deming Prize, introduced by Union of Japanese Scientists and Engineers (JUSE) in 1951 (JUSE, 2010). The Canada Awards for Excellence was the next, being introduced in 1984 in Canada (National Quality Institute, 2007). This was followed by the introduction of the Malcolm Baldrige National Quality Award (MBNQA) in the United State of America (USA) in 1987 (National Institute of Standards and Technology, 2009) and the Australian Quality Awards in 1988. The European Quality Award (previously known as "European Excellence Award" prior to 2004), based on the European Foundation for Quality Management (EFQM) model, was established in 1991 (European Foundation for

Quality Management, 2010).

The framework of the excellence model displays critical linkages amongst various criteria and presents a roadmap to realizing excellence. The Malcolm Baldrige National Quality Award (MBNQA) from the USA is another most commonly used framework. The Thailand Quality Award (TQA) uses this framework, but gives different scores of each criterion. The TQA was developed for improving quality and productivity of all kinds of organizations, which are public sectors, state enterprises and business sectors in Thailand.

The MBNQA framework has been proven to be very effective in all sized organizations. Three specific objectives are presented within this framework which are: 1) to increase awareness of quality as an ever more important element in competitiveness; 2) to share information of successful quality strategies and the benefits derived from implementation of these strategies; and 3) to promote understanding of the requirements for quality excellence (Flynn and Saladin, 2001). The MBNQA helps an organization achieve a balance between the needs of customers, employees, stockholders, suppliers, neighbors, the public and government (Deliz, 1997).

The Singapore Quality Award has its individual independent framework, but its focus remains similar to the EFQM and MBNQA models. The Prime Minister Quality Award of Malaysia (NPC, 2005) adds yet another dimension to the ultimate goal of business excellence. Although its framework starts with leadership, albeit defined differently ("Top management leadership" and "Management of quality"), its ultimate goal is with respect to corporate responsibility, quality and operational business results. In many countries, however, the development of national quality awards is still new or non-existent.

Additionally, the business excellence framework has been developed and proved to provide significant support to organizational performance (Rodney et al., 2002). However, the success of applying such a framework requires creative thinking to design mechanisms, structures and environments that can enable organizations to respond to such concepts (Kanuff et al., 1991; Pun et al., 1999; Thomas Pollock et al., 1999). This study is to portray the way Thai state enterprise creates management solutions to comply with the SEPA framework.

2.2 State Enterprise Performance Appraisal

In Thailand, the development of quality management in organizations started with the Thailand Quality Award (TQA) aiming to promote a business excellence framework for the private sector. The Thailand Quality Award (TQA), positioned to be the most prestigious quality award in Thailand, was established to promote an understanding and implementation of the requirements for performance excellence, recognize world-class quality achievement, and facilitate sharing of information about best practices. The creation of the Thailand Quality Award (TQA) was a strategic plan to increase the productivity of the country, strengthen the capabilities of the private sector, and to implement an excellence of management system of world class standards. The criteria of the TQA framework are based on the techniques and procedures as similar as the MBNQA which is implemented to develop competencies in management, practices and operations into world class standards. When the TQA framework is widely implemented to companies in Thai companies, the competitive capabilities within Thailand will be developed and enhanced (Sirisamphan, 2006).

For the public sector, an initial movement of applying the excellence framework to improve public organizational performance was initiated by the Office of Public Development Commission (OPDC). First, the OPDC introduced Total Quality Management concepts to public sectors by using the quality circle, which was derived from the concept of PDCA (Plan, Do, Check, Act), so that government agencies could focused on effecting a seamless integration of planning, implementation, measurement, and extension. To encourage continuous TQM implementation in the public sector, the OPDC created the Public Sector Management Quality Award (PMQA) which promotes understanding of the requirements for performance excellence, competitiveness improvement, and sharing of learning of successful performance strategies (OPDC, 2008). The PMQA criteria are created from a set of core values and concepts consisting of visionary leadership, client-centered excellence, organizational and personal learning, valuing staff and stakeholder, agility, focus on the future, managing for innovation, management by facts, social responsibility, focus on results and creating value, and systems perspective (OPDC, 2009). With the Cabinet of Thailand approval in June 2005, all Thai public sector organizations started using the PMQA framework as

guidelines and criteria evaluate their own quality improvement efforts.

With the experience from the PQMA movement in the public sector, the SEPO declared that every state enterprise should implement the SEPA criteria in 2007 as guidelines that can be used by state enterprises to evaluate their own quality improvement efforts. The seven categories of the SEPA are composed of the organizational leader (Chief Executive Officer and Director for governance and corporate social responsibility), strategic planning (strategy formulation and strategy implementation), customer-oriented (the complaint of the customers and customer commitment), knowledge

management (measurement, analysis, corporate results improvement, information technology management), people-oriented (people ,environment and employee commitment), operations-oriented (process system), and results (products and processes, customer-oriented, people-oriented, direction of organization, corporate governance, financial and marketing). The merit of self-assessment is that it involves employee to evaluate a regular and systematic review of their inputs (leadership, strategic planning, and customer and market focus), processes (human resource focus and process management), and outputs (results) as shown in Figure 1 (Pratuckchai and Patanapongse, 2012).

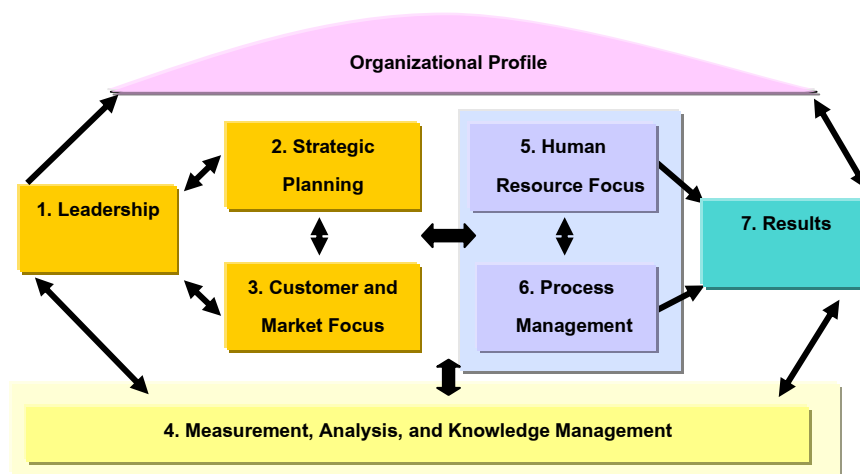


Figure 1: Interrelationships among Various Categories of SEPA Criteria.

Organizational profile, as shown in the figure 1, gives a snapshot of the context for the way the organization operates. It examines two issues: organization profile, showing the general characteristic such as vision, mission, service offering and key working relationships; organization challenges, which explore competitive condition, strategic challenges, and improvement system

The SEPA criteria provide a system perspective for managing organizations and achieving performance excellence which represents synthesis and alignment. Synthesis means determining organization as a whole and concentrating on crucial issues. The SEPO provides the performance agreement to track the operational assessment system for state enterprises. The motivational system is linked with the efficiency of state enterprises. The performance of state enterprises are followed-up and controlled for organizational development. The SEPO aims to push forward the implementation of the SEPA in all state

enterprises. However, there are a majority of state owned enterprises in Thailand that perceive the SEPA framework as an alien concept.

Bozeman and Kingsley (1998) mention that there are strong institutional issues inhibiting public organizations to accept new managerial practices. For business excellence framework, the achievement is based on the ability to design structure, managerial issues and activities that are aligned with the framework yet suitable to organization environment, structure, management activities, tools and techniques (Kanuff et al., 1991; Pun et al., 1999; Thomas Pollock et al., 1999).

The effectiveness of the organizational performance based on the business excellence model is dependent upon multiple issues. A summarization of critical factors for the business excellence framework is shown in table 1.

It is critical for organizations intending to employ the business excellence framework as performance appraisal

to formulate structure, managerial practices and activities that coincide with the critical factors based on their

existing profile. This can not only avoid potential conflict and resistance, but also ensure continuous improvement.

Table 1 Critical Success Factors for Business Excellence Framework

Business Excellence Framework	Critical Factors of Success
Leadership	Senior Management Commitment Senior Management Involvement Shared Vision and Values / Public Responsibility
Policy and Strategy	Strategic Direction / Strategic Deployment Performance Monitoring and Tracking Quality Responsible Unit
Customer Focus	Customer Relationship Management Customer Research / Market Research Customer Satisfaction Measurements
Information and Analysis	Information Management / Knowledge Sharing Business Analysis for Decision Making
Human Resource Focus	Human Resource Development Employee Satisfaction Participative Environment
Process Management	Process Management Process Implementation / Process Review Product and Service Processes
Business Results	Stakeholders Satisfaction Customer Focused Results Financial and Market Results Organizational Effectiveness Results

Sources: (Kumar et al., 2011; Mirespasi et al., 2013; Sila and Ebrahimpour, 2003)

3. Methodology

This study is based on a qualitative research methodology using a single case study method to explore one of Thailand's state enterprises, namely the Metropolitan Electricity Authority (MEA) which belongs to a public facility type in the energy sector. It is classified as state enterprise group A by the SEPO according to its performance appraisal because its score is higher than 80% in all dimensions. It has also received many awards including "Outstanding Organization Management" and "Innovation Excellence" awards in 2012 (SEPO, 2012). Moreover, the MEA is a leading organization of the region that meets the international standard and has competitive competency in operating power and service businesses. The MEA realized that to operate a business in pursuit of sustainability focusing on distribution systems quality and excellent service, not only ensures continuous and sufficient supply of electrical power with stable

and reliable distribution systems, but also to develop an excellent service for promoting customer satisfaction to maintain revenue. The MEA has been adopting the SEPA framework since 2007. For the last five years, the MEA has developed both technical and managerial tactics to better align with the SEPA elements and gain continuous improvement.

A single case study, instead of a multiple case study, was chosen due to a restriction of resources and because the case study will also serve as a prelude to further studies on the research topic. The case study was performed to define the operational practices of the SEPA framework that was implemented by the MEA. According to Feagin et al. (1991), a case study is suitable for a holistic, in-depth investigation. Data collection of this study is based on the triangulation approach (Denzin, 1984), using multiple sources of data to ensure validity of the findings. The data collection

methods for this study include documentation, interview, and workshops. While, the interview and workshop methods are employed to collect primary data, secondary data is gained from documentation. The relevant documents were examined including annual reports and organization study reports. This secondary data is useful in supporting the primary data collection process, and can also be used to cross check the findings (Merriam, 2002). To better understand the experiences and to obtain a broader picture of the work connected with the SEPA framework, workshops were conducted for employees who had different levels of involvement in the self-assessment process, and different levels of responsibility on the basis of which perspective they possessed. Each discussion group, typically consisting of between eight and ten people from different departments, was given specific issues to discuss relating to business excellence. The key findings were written down in discussion notes. Semi-structured interviews were held with employees to capture the experiences, rationale and consequences of the implementation of the SEPA framework.

4. Results

The MEA commenced the performance appraisal regarding the SEPA framework with assigning the Business Strategic unit with representatives from other units involved with each dimension to work as a responsible team. Involvement with relevant stakeholders ensures commitment and continuation of the appraisal activities. The SEPA's responsible unit works under the MEA's governor supervision and reports directly to managerial board. Thus, the activities and concerns of the SEPA framework are monitored and discussed continuously. Furthermore, members of the organizational development unit act as facilitators to promote understanding of the SEPA framework. They also encourage employees in different units to initiate activities regarding the criteria in each dimension. Criteria 1 through 6 are evaluated on the basis of the organization's approach, deployment, learning, and integration (ADLI) with respect to the best practices for each category. The seventh criterion is assessed using the LeTCI (level of performance, trends, comparisons, and integration) convention. The results of the analysis of performance in the SEPA report are divided into seven categories according to the SEPA criteria. In the following, we discuss the self-assessment issues in the seven categories of criteria.

4.1 Leadership

This category addresses how executives guide and sustain the organization, address direction, values, and performance expectations. It focuses on executives' actions to create and sustain an environment that is conducive for empowerment, innovation, and learning. How the organization addresses the good governance and public responsibilities is also examined.

The governor of the MEA emphasized the objectives and the development direction under the slogan, "Designing the system to ensure its security; designing humans to become specialists and designing services to satisfy customers". The corporate culture involves 5 parts: - being number 1 in business; being friendly with customers; high quality of employees; commitment to organization; and teamwork. These are the characteristics of transformational leaders who inspire those around them to change expectations, perceptions, and behavior, and work together towards a common goal.

The MEA's commitment to corporate social responsibility is based on the notion of sustainable development; its master plan combines social and environmental development, and is designed under the concept of "Green Spirit" in 4 key areas: MEA CSR & Green Spirit; Young Green Spirit; Green Environmental Spirit; and Community and Society Green Spirit.

4.2 Strategic Planning

Strategic planning is important to the public enterprise's ability to fulfill missions. This category stresses the key strategic issues that need to be integral parts of the organization's overall planning. It examines how the organization sets strategic directions, determines strategic objectives and develops action plans, and also examines how chosen strategic objectives and action plans are deployed and how progress is measured. The MEA operates a robust and systematic planning process that enables visionary long-term planning as illustrated by the consistent use of a four-year enterprise plan in supporting strategic management. The Principal Strategic Key Performance Indicators (KPIs) have been utilized to monitor the plan's achievements and progress consisting of the Economic Profit, the Customer Satisfaction Index, and the score level from the development of the organization to become a high performance organization.

Moreover, the MEA implemented a Balanced Scorecard with a Strategy Map to develop the performance management system. The Balanced Scorecard enables managers to assess how well organizational strategies are being implemented and strategic goals are being achieved (Kaplan and Norton, 1996). A strategy map is a logical and comprehensive tool for describing strategy by identifying the critical elements and their linkages within an organization's strategy (Kaplan and Norton, 2001). The graphic presentation of the strategy map may contribute to rapid adoption and implementation of the balanced scorecard through its flexibility, rationalizing management processes and empowering management action (Free and Qu, 2011).

The MEA applied both the Balanced Scorecard and Economic Value Management (EVM) for developing and reviewing the strategic plan at both the corporate level and management level, then the corporate strategic plan and strategic KPIs cascade down to line management levels and EVM centers in order to promote mutual accountability to drive and maximize its Economic Profit via strategic KPIs and risk management system.

Risk management is recognized as a vital management tool to enhance sustainable value to organizations and stakeholders. The risk management process is developed to comply with enterprise risk management. The MEA set the risk management practices for all concerned parties including the Board of Directors, Executive Management and staff. Additionally, the MEA have developed a risk management plan to ensure the achievement of strategic implementation. The planning process of risk management consists of identifying key risk indicators at the corporate level, aligning the risk management plan with corporate strategy, and cascading key risk indicators to the relevant departments.

4.3 Customer and Market Focus

Customer and Market Focus defines how the organization determines requirements, expectations and customer performance, and investigates the procedures undertaken by the firm to acquire information about current and future customers (Lee et al., 2003). The MEA is required to be aware of customer requirements, have activities designed to increase customer satisfaction and build relationships with them as well as handling their complaints. Annually, it has conducted a survey of customer satisfaction.

The MEA added communication channels for customers by the development of the MEA e-service to enable customers to check and pay electricity bills, and to be notified of their electricity bills through the MEA e-invoice. In addition, the MEA emphasizes Customer Relationship Management (CRM) by organizing activities to disseminate knowledge and create a good relationship with customers. The MEA Ambassador Teams visit customers in their workplace to listen to their problems and opinions, so as to improve efficiency of the power distribution system and the service quality.

4.4 Measurement, Analysis, and Knowledge Management

The aim of measurement and analysis is to guide the organization's process management toward the fact-based and knowledge-driven approach. The category examines how the organization selects, gathers, analyzes, manages, and improves its data, information, and knowledge assets. It also addresses the path from knowledge management to becoming a learning organization. The MEA has relied on technological advancements to introduce many information and communication technologies (ICT) covering a wide spectrum of operation. The Metropolitan Electricity Operation Center (MEAOC) was developed for managing information for executives and coordinating and exchanging information with other public sectors, for example, the Ministry of Interior and Ministry of Energy. In order to enhance the success of the implementation of ICT, the MEA executives expressed that important policies include, collaborating in developing ICT applications and providing an adequate number of ICT training programs for employees.

Moreover, the MEA has followed the Learning Organization Master Plan to become a learning organization by appointing the Committee for Screening and Expanding Learning in the Organization and a working group to manage knowledge in the organization. The ICT system was developed to support learning and manage knowledge in the organization, for example, the e-learning courseware and the community of practices (COP) website to exchange knowledge and share the learning experience among practitioners.

4.5 Human Resource Focus

A common characteristic of successful organizations is having talented and motivated workforces that have to be

aligned with the organization objectives and strive to meet the requirements. This category addresses key human resource practices which are directed toward creating and maintaining work environments. In particular, the category examines the organization's compensation package, career path, employee performance management, recognition, and employee's education and training.

Currently, the strategic objectives of the Thai state enterprises are to enhance customer satisfaction and added economic value. All employees are required to increase their strategic performance and to be adaptive to change (Khongmalai, et al., 2010). To cope with such a difficult mission, the MEA formulates the Human Resources (HR) Master Plan as a guideline for work operations in manpower. The HR scorecard has been applied to assess the success of the human resource management. In addition, the MEA adopts the competency model in the selection of new employees to align with the competency requirement in each position. An Individual Development Plan (IDP), both short term and long term, has been launched to promote employee work capacities. The MEA prefers to promote from within wherever possible rather than appoint outsiders to executive positions, which is a practice unusual among Thai public enterprises where outsider appointments tend to be preferred. The MEA also conducts a survey of employee satisfaction where the results will be utilized for the improvement of the guidelines in creating motivation for employees and preparing career paths for them. Employee competency can fully support the implementation of the strategies when it is the result of effective manpower planning and career development. In addition, employee satisfaction can be raised through actually implementing performance-based pay. Finally, appropriate competency and satisfaction will drive employees to increase their strategic productivity.

4.6 Process Management

This category examines the organization's value creation processes for missions accomplished, with the aim of creating value for clients and other key stakeholders. It also addresses the organization's support processes, with the aim of improving overall operational performance. Therefore, the category assesses how value creation and support processes are designed, managed, and improved. The MEA develops and installs work systems to support the internal management of the organization for convenience, speed and reduction of paper use. The systems are, for

example, the Enterprise Resource Planning (ERP) system, the MEA Fleet System, and the Contracted Service System. The MEA has also remained successful and has been accredited the International Standard Systems e.g. ISO 9001:2008, ISO/IEC 17025:2005, ISO/IEC 27001:2005, and OHSAS 18001.

For continually providing services to customers in all situations, the MEA has prepared a Business Continuity Management (BCM) System covering all critical processes effectively by referring to the BS25999 and TIS 33201 standards. The business continuity plans (BCP) and the Disaster Recovery Plan has been continuously reviewed in order to cope with a changing circumstances from both internal and external factors. Moreover, the emergency plans and procedures have been rehearsed to ensure the mitigation of damage and resilience of the facilities.

4.7 Results

The performance results from public enterprises play an important role in their success. This category examines the organization's actual performance including six dimensions: Product & Service Outcome, Customer-focused Outcomes, Financial and Market Outcomes, Workforce-focused Outcomes, Process Effectives Outcomes, and Leadership Outcomes. The MEA implements results-based management (RBM) integrated with performance agreement and measurement from which a series of key performance indicators were used to set target goals. Organizational strategy implementation is supported by RBM, which plays a significant role in giving targeted results at various levels of successful organizational strategy implementation. These are the results for the overall strategy outcomes, the results at each strategy outcome, and the results at the level of project or action plan outcome. (Col et al, 2006).

5. Managerial Implications

The MEA has attempted to build a culture of performance excellence through institutionalization of the performance management strategy. The MEA's business excellence journey has been involved with a combination of strategies focusing on three main elements including people, process and technology. It commences its SEPA journey with an explicit message from the governor to build corporate culture that fosters employees to focus on initiating creative design to satisfy customers. To ensure social change and human capability development working in line

with corporate strategic directions, the MEA has conducted human resource strategic alignment plan. A HR scorecard and an individual scorecard are employed to support and monitor employee working capacity enhancement. Furthermore, knowledge management activities are operated through both physical and virtual platform. Knowledge management committee is formed to promote knowledge sharing and knowledge utilization. Although the MEA has placed important on the human aspect, it is a managerial process design that serves as a backbone for its performance excellence movement. The combination of corporate, human, and ICT strategic management allows the MEA to gain a holistic view of organizational development. Moreover, the MEA has employed various performance indicators, at different levels, to drive the entire organizational performance as well as to constantly ensure effective customer relationship management and customer satisfaction. Finally, the MEA has an interesting usage of ICT which has not only been employed as a business enabler, but has also been utilized for communication, knowledge sharing and service platforms to connect both internal and external customers. In addition, creating an organizational culture that fosters constant learning and knowledge acquisition, so as to respond adequately, was also a critical success factor for the MEA.

In summary, the MEA has focused on management design with cultural issue aiming to foster customer-oriented mindset to employees. Strategic and performance management has been tailored to ensure employee participation, organizational achievement, human capacity development and customer satisfaction. Finally, ICT has played a vital role in providing essential information to both internal and external customers. To advance the quality movement in state enterprises, quality assurance managers and professionals should be appointed to take a leading role in promoting contemporary, strategic quality management concepts and practices. Also, the SEPA framework should no longer be seen and practiced as a top-down approach, but more bottom-up in which front-line employees are encouraged to propose quality improvement ideas. The evidence of MEA's movements on the SEPA Framework can serve as a foundation for other state enterprises to formulate suitable and effective activities that can support them to leverage their business competencies. However, for the MEA to achieve continuous improvement it is crucial that the MEA should formulate the learning platform to capture

lessons learned for the creation of a better performance appraisal.

6. Summary and Conclusion

This study reports the current state of quality management and practices in the MEA using the SEPA framework. The study is the first of its kind to explore the SEPA criteria in evaluating the quality practices and performance of state enterprises. From the discussion, the findings of the study are presented, providing insights of the MEA's implementation of the SEPA framework which is worth highlighting here.

The criteria and standards in the SEPA framework can provide references to other state enterprises when pursuing, a perceived improved customer orientation, a comprehensive view of the business, a degree of participation by its stakeholders, and a systematic work improvement. We believe the SEPA is a promising framework for Thailand's state enterprises to employ in improving their overall quality as illustrated in this MEA's case. Nevertheless, since this research is exploratory focusing on a single case study; therefore, the generalizability of the results may be limited as this MEA's case may not be representative of all Thai public enterprises. Further research is required to explore the SEPA framework in practice in the context of other institutions. In addition, future research could look into the degree in which the characteristics of the SEPA framework itself are suited to the Thai context, in comparison to other quality management frameworks.

7. References

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