



**FACTORS INFLUENCING STAKEHOLDERS' PERCEPTION OF
FINANCIAL DISTRESS AND RECOVERY AT THAI AIRWAYS:
AN APPLICATION OF THE ALTMAN Z-SCORE FRAMEWORK**

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**AN INDEPENDENT STUDY SUBMITTED IN PARTIAL
FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF
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This Independent Study Has Been Approved as a Partial Fulfillment of the
Requirements for the Degree of Master of Business Administration

Advisor.....

(Dr. Zhang Li)

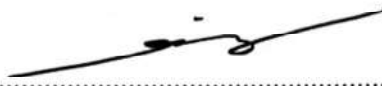
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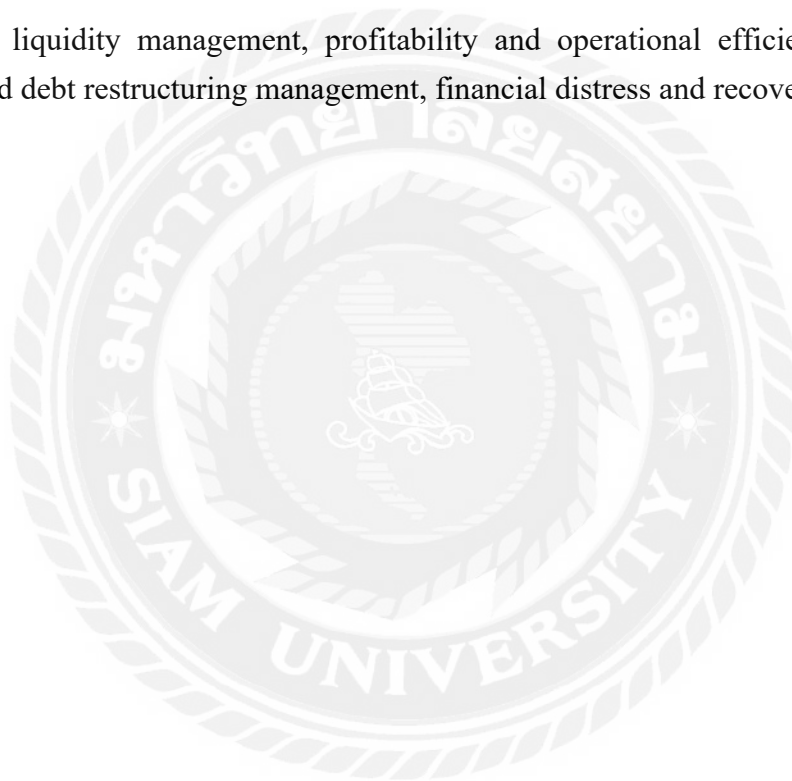
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ABSTRACT

Hit hard by the COVID-19 pandemic, Thai Airways underwent formal business rehabilitation starting in 2020 amid severe financial distress. Thai Airways has experienced substantial financial challenges that have required extensive financial restructuring and operational recovery. Understanding the organizational factors associated with financial recovery is important because sustainable recovery depends not only on reducing financial obligations but also on strengthening liquidity and improving operating performance. This study therefore examined the factors associated with employees' perceptions of financial distress and recovery at Thai Airways based on the Altman Z-Score framework. The objectives were to examine the relationships between liquidity management, profitability and operational efficiency, and capital structure and debt restructuring management and financial distress and recovery at Thai Airways. A quantitative research approach and cross-sectional survey design were employed. The population consisted of Thai Airways employees in Thailand, particularly those working in finance, accounting, operations, and management. Purposive sampling was used to select respondents with relevant organizational knowledge, and 361 valid questionnaires were obtained from the distributed questionnaires. Data were collected using a structured questionnaire with five-point Likert-scale items measuring the three independent variables and financial distress and recovery. The data were analyzed using frequency, percentage, mean, standard deviation, Cronbach's alpha, KMO and Bartlett's test, Pearson correlation analysis, and multiple linear regression. The findings showed that liquidity management had a significant positive relationship with financial distress and recovery ($r = .681$, $\beta = .314$, $p < .001$). Profitability and operational efficiency also demonstrated a significant

positive relationship ($r = .714$, $\beta = .337$, $p < .001$) and represented the strongest predictor among the three independent variables. Capital structure and debt restructuring management likewise had a significant positive relationship with financial distress and recovery ($r = .697$, $\beta = .302$, $p < .001$). The three predictors collectively explained 55.9% of the variance in financial distress and recovery. The study concludes that Thai Airways' financial recovery is associated with the combined improvement of liquidity management, operating performance, and debt restructuring management. Thai Airways should therefore adopt an integrated recovery strategy that strengthens short-term liquidity, improves profitability and operational efficiency, and maintains effective long-term debt and capital structure management.

Keywords: liquidity management, profitability and operational efficiency, capital structure and debt restructuring management, financial distress and recovery



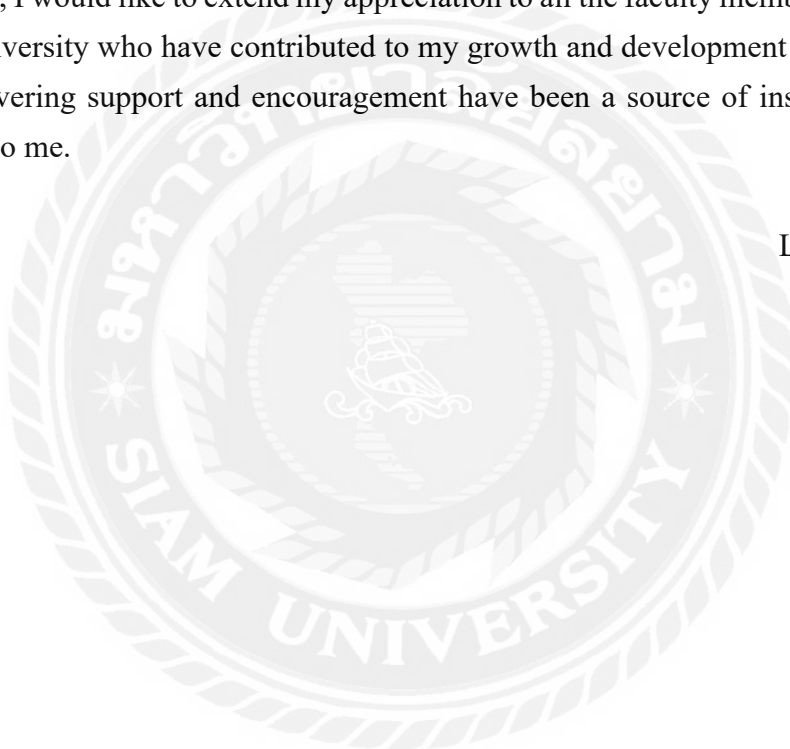
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Li Yongshen



DECLARATION

I, LI YONGSHEN, hereby declare that this Independent Study entitled “Factors Influencing Stakeholders' Perception of Financial Distress and Recovery at Thai Airways: An Application of the Altman Z-Score Framework” is an original work and has never been submitted to any academic institution for a degree.

(LI YONGSHEN)

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CONTENTS

ABSTRACT	I
ACKNOWLEDGEMENT.....	III
DECLARATION.....	IV
CONTENTS.....	V
LIST OF TABLES	VII
LIST OF FIGURES	VIII
Chapter 1 Introduction.....	1
1.1 Background of the Study	1
1.2 Questions of the Study	3
1.3 Objectives of the Study	5
1.4 Scope of the Study	5
1.5 Significance of the Study	6
1.6 Definition of Key Terms	7
Chapter 2 Literature Review	10
2.1 Liquidity Management.....	10
2.2 Profitability and Operational Efficiency	13
2.3 Capital Structure and Debt Restructuring Management	16
2.4 Financial Distress and Recovery.....	19
2.5 Conceptual Framework.....	22
Chapter 3 Research Methodology	25
3.1 Research Design.....	25
3.2 Population and Sample	28
3.3 Hypotheses.....	29
3.4 Research Instrument.....	29
3.5 Reliability and Validity Analysis.....	32
3.6 Data Collection	35
3.7 Data Analysis	38
Chapter 4 Findings and Discussion	42
4.1 Findings.....	42
4.1.1 Demographic Characteristics of Respondents	42
4.1.2 Descriptive Statistics of Research Variables	46

4.1.3 Relationship Between Liquidity Management and Financial Distress and Recovery	48
4.1.4 Relationship Between Profitability and Operational Efficiency and Financial Distress and Recovery	51
4.1.5 Relationship Between Capital Structure and Debt Restructuring Management and Financial Distress and Recovery	54
4.2 Discussion	57
4.2.1 Discussion on H1: Liquidity Management and Financial Distress and Recovery	57
4.2.2 Discussion on H2: Profitability and Operational Efficiency and Financial Distress and Recovery	59
4.2.3 Discussion on H3: Capital Structure and Debt Restructuring Management and Financial Distress and Recovery	60
Chapter 5 Conclusion and Recommendation.....	63
5.1 Conclusion	63
5.2 Recommendation	64
5.3 Further Study	67
References.....	69
Appendix.....	72
Questionnaire	72

LIST OF TABLES

Table 3.1 Kaiser-Meyer-Olkin and Bartlett's Test of Sphericity	34
Table 3.2 Cronbach's Alpha Reliability Analysis	35
Table 3.3 Questionnaire Distribution and Responses	38
Table 4.1 Demographic Characteristics of Respondents (N = 361)	43
Table 4.2 Descriptive Statistics of Research Variables (N = 361)	47
Table 4.3 Pearson Correlation Between Liquidity Management and Financial Distress and Recovery	50
Table 4.4 Multiple Regression Analysis of Liquidity Management and Financial Distress and Recovery.....	50
Table 4.5 Pearson Correlation Between Profitability and Operational Efficiency and Financial Distress and Recovery.....	52
Table 4.6 Multiple Regression Analysis of Profitability and Operational Efficiency and Financial Distress and Recovery.....	53
Table 4.7 Pearson Correlation Between Capital Structure and Debt Restructuring Management and Financial Distress and Recovery	56
Table 4.8 Multiple Regression Analysis of Capital Structure and Debt Restructuring Management and Financial Distress and Recovery	57

LIST OF FIGURES

Figure 2.1 Conceptual Framework	25
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Chapter 1 Introduction

1.1 Background of the Study

Financial distress is a critical topic in corporate financial management. Deteriorating corporate finance harms profitability and solvency and also threatens business continuity as well as the interests of employees, creditors and investors. Firms fall into financial distress when they repeatedly fail to meet financial obligations, maintain liquidity, generate operating income or sustain reasonable capital structure. Importantly, financial distress does not equal immediate corporate failure. Timely financial and operational interventions may help organizations regain financial health. Therefore, predicting and assessing financial distress draws wide attention in finance research. The Altman Z-Score Model is a well-known tool for evaluating corporate financial distress and bankruptcy risk, as it combines multiple financial dimensions into one composite indicator (Altman, 2018; Altman et al., 2017).

A firm's financial status depends on short-term liquidity, operating profitability, resource efficiency and the balance between equity and debt. Poor liquidity limits a company's capacity to cover current liabilities. Weak profitability and low operational efficiency reduce internally-generated funds. Meanwhile, high leverage and unsustainable debt raise financial risk and limit managerial flexibility. These elements constitute the core financial ratios of the Altman Z-Score framework. Altman et al. (2017) noted that Z-Score models offer valuable warning signals across national contexts, though prediction performance varies with institutional and economic environments. Domestic Chinese studies also highlight the value of financial indicators for distress identification. For instance, Liang et al. (2023) constructed a distress measurement for Chinese listed firms based on special-treatment status prediction, confirming that financial distress can be identified through corporate financial characteristics.

The COVID-19 pandemic created unprecedented pressure for the global aviation industry. Airlines carry high fixed costs for aircraft, infrastructure and labour while revenue heavily relies on passenger volumes. Sharp traffic drops suppressed airline income and liquidity, whereas most operating costs remained rigid. Thai Airways International Public Company Limited (THAI), Thailand's national flag carrier, is a representative case. Suffering severe financial and operational blows from the pandemic, THAI filed a business-rehabilitation petition with the Central Bankruptcy Court on 26 May 2020. The court approved its formal rehabilitation plan in June 2021 (Thai Airways International Public Company Limited [THAI], 2025a).

Thai Airways' case is ideal for studying financial distress and recovery. Its rehabilitation included not only short-term financial stabilization, but also large-scale operational and capital restructuring covering debt rearrangement, fleet adjustment and revenue improvement. As aviation markets rebounded, THAI's financial performance improved notably. According to its 2024 operational report, revenue excluding one-off items reached THB 187,989 million, rising 16.7 % from THB 161,067 million in 2023. Operating profit before financial costs stood at THB 41,515 million, and shareholders' equity turned positive at THB 45,589 million by the end of 2024 (THAI, 2025b). Such progress illustrates that corporate recovery requires simultaneous upgrades in operation, capital structure and liquidity rather than mere return to positive net profit.

Liquidity management plays a fundamental role in distress-recovery research. Even asset-rich firms can run into trouble without enough cash for short-term liabilities. Sound liquidity helps companies maintain working capital, settle current payables and survive financial shocks. This is especially true for capital-intensive airlines with continuous cash outflows for aircraft, fuel, maintenance and airport services. Hence liquidity-related ratios form key components of early-warning systems. For example, working-capital-to-total-assets is one core metric within the original Altman Z-Score Model (Altman et al., 2017).

Profitability and operational efficiency represent another cornerstone of corporate financial health. Low profitability restricts internal financing and debt-servicing capability. Better resource allocation, cost control and capacity utilisation support post-distress turnaround. For Thai Airways, rebounding international travel, expanded flight networks and higher fleet utilisation lifted its 2024 operating results (THAI, 2025b). Financial recovery should therefore be interpreted as restored operational capacity and sustainable earnings, instead of pure accounting gains.

Capital-structure and debt-restructuring management forms the third vital dimension. Heavy debt burdens inflate interest expenses, repayment pressure and operational constraints. For firms already facing falling revenue and liquidity shortages, unsustainable debt will worsen distress. Debt restructuring eases pressure by adjusting repayment schedules, conducting debt-to-equity swaps or cutting accumulated liabilities, aligning capital structure with future cash-flow capacity. Debt-to-equity conversion was completed under THAI's rehabilitation plan, turning shareholders' equity positive by 2024 (THAI, 2025b). This makes THAI a suitable real-world case for examining stakeholder perspectives on capital-restructuring effects.

The Altman Z-Score Model provides proper theoretical support to integrate these financial dimensions. Originally built as a multivariate statistical tool, it distinguishes distressed firms from healthy ones via indicators covering working capital,

retained earnings, operating profit, equity value and asset turnover. Scholars suggest country- and industry-specific conditions should be considered during practical application (Altman, 2018; Altman et al., 2017). Chinese researchers have also adopted Z-Score-related approaches to identify troubled listed enterprises (Tang & Hao, 2020).

Traditional distress prediction heavily depends on objective financial statements and quantitative ratios. Nevertheless, stakeholder perceptions offer supplementary insights for evaluating corporate recovery. Employees from finance, accounting, operation and management departments possess practical on-the-job knowledge about liquidity status, cost management and debt-restructuring progress. Their subjective assessments add organisational-level evidence for understanding real-world turnaround, which matters for Thai Airways after years of large-scale organisational and financial reform.

Accordingly, this study targeted Thai Airways employees, mainly those working in finance, accounting, operations and management roles. It explored three independent variables: liquidity management, profitability and operational efficiency, capital-structure and debt-restructuring management, with financial distress and recovery as the dependent variable. Drawing theoretical support from the Altman Z-Score framework, this study connected classic distress theory with internal employee perceptions. Findings are expected to enrich context-specific understandings of corporate turnaround and deliver practical implications for capital-intensive organisations undergoing financial restructuring.

1.2 Questions of the Study

Thai Airways has undergone a substantial financial recovery process following a period of severe financial distress, but the improvement in reported financial performance does not necessarily mean that all underlying financial and operational problems have been fully resolved. The company continues to operate in an industry characterized by high fixed costs, significant capital requirements, volatile demand, and substantial exposure to external economic conditions. In this context, maintaining sufficient liquidity remains an important challenge because inadequate working capital and cash resources may constrain the company's ability to meet short-term obligations and maintain stable operations. At the same time, improvements in revenue and operating profit need to be supported by sustained operational efficiency and effective cost management. Previous research has shown that liquidity, profitability, and operational efficiency are important indicators for evaluating corporate financial conditions and predicting financial distress (Altman et al., 2019; Chen & Liu, 2021). Therefore, an important practical problem for Thai Airways is how employees who are

directly involved in financial and operational activities perceive the company's ability to maintain liquidity and improve its operating performance during the recovery process.

Another significant problem concerns the company's capital structure and debt restructuring. Thai Airways entered a formal business rehabilitation process after experiencing substantial financial difficulties, and debt restructuring became a central component of its recovery strategy. Although debt restructuring can reduce immediate financial pressure and improve the company's capital structure, the effectiveness of such restructuring ultimately depends on whether the resulting financial obligations are consistent with the company's future operating capacity and cash-generating ability. Excessive leverage and inefficient debt management have been identified as important sources of financial distress in both Chinese and international corporate research (Li & Wang, 2020; Zhang et al., 2022). For Thai Airways, the practical issue is therefore not simply whether debt restructuring has been implemented, but whether employees perceive improvements in capital structure and debt management as contributing to the company's financial recovery.

The Altman Z-Score Model provides a theoretical foundation for addressing these issues because it integrates multiple financial dimensions into an overall assessment of corporate financial health. The model emphasizes working capital, retained earnings, operating earnings, equity value, and asset utilization, thereby providing a structured framework for understanding how different aspects of financial performance are associated with financial distress (Altman, 2018). Subsequent studies have also demonstrated the usefulness of financial distress prediction models in evaluating the financial risks of enterprises and identifying warning signals before severe financial failure occurs (Altman et al., 2019; Wang & Zhang, 2023). However, the traditional application of the Altman model primarily relies on objective financial statement data and does not directly examine how organizational stakeholders interpret the company's financial condition and recovery. This creates a practical and research gap in the Thai Airways context. Examining employees' perceptions can complement the financial-ratio perspective by identifying whether those who are directly exposed to financial and operational activities recognize liquidity management, profitability and operational efficiency, and capital structure and debt restructuring management as important dimensions of the company's recovery.

Based on these problems, this study sought to examine the factors associated with employees' perceptions of financial distress and recovery at Thai Airways. The study focused specifically on three dimensions that are closely connected with the financial logic of the Altman framework: liquidity management, profitability and

operational efficiency, and capital structure and debt restructuring management. Accordingly, the questions of the study were formulated as follows:

1. What is the relationship between liquidity management and employees' perceptions of financial distress and recovery at Thai Airways?
2. What is the relationship between profitability and operational efficiency and employees' perceptions of financial distress and recovery at Thai Airways?
3. What is the relationship between capital structure and debt restructuring management and employees' perceptions of financial distress and recovery at Thai Airways?

1.3 Objectives of the Study

1. To examine the relationship between liquidity management and financial distress and recovery at Thai Airways.
2. To examine the relationship between profitability and operational efficiency and financial distress and recovery at Thai Airways.
3. To examine the relationship between capital structure and debt restructuring management and financial distress and recovery at Thai Airways.

1.4 Scope of the Study

This study focused on the factors influencing employees' perceptions of financial distress and recovery at Thai Airways International Public Company Limited. The study was conducted within the organizational context of Thai Airways, with particular attention to employees whose work provides them with relatively direct exposure to the company's financial and operational conditions. The target population consisted primarily of employees working in finance, accounting, operations, and managerial positions. These groups were selected because their professional responsibilities are more closely related to financial management, operational performance, cost control, organizational decision-making, and debt restructuring than employees without such responsibilities.

The study adopted purposive sampling to select respondents who possess sufficient organizational knowledge to provide meaningful assessments of the company's financial condition and recovery.

The conceptual scope of the study consisted of three independent variables and one dependent variable. The independent variables are liquidity management, profitability and operational efficiency, and capital structure and debt restructuring management.

The theoretical scope of the study was based on the Altman Z-Score Model, which provides the principal theoretical and analytical foundation for understanding corporate financial distress. The study applied the financial logic underlying the model to examine whether the three selected dimensions are associated with employees' perceptions of financial distress and recovery. The study did not attempt to independently calculate or validate an actual Altman Z-Score for Thai Airways. Instead, the framework was used to guide the selection and interpretation of financial dimensions relevant to the company's financial condition.

Methodologically, the study employed a quantitative research approach using a cross-sectional survey design. Data were collected through a structured questionnaire using a five-point Likert scale to measure respondents' perceptions of the variables under investigation. The collected data were analyzed using descriptive statistics, Cronbach's alpha reliability analysis, KMO and Bartlett's tests, Pearson correlation analysis, and multiple linear regression analysis. The study examined the relationships between each independent variable and financial distress and recovery based on the responses obtained during the data-collection period. Because the study used cross-sectional perceptual data, its findings were intended to identify statistically significant relationships rather than establish definitive causal effects.

1.5 Significance of the Study

This study is expected to have practical significance for Thai Airways and other organizations experiencing financial distress and undergoing financial recovery. From a managerial perspective, understanding how employees perceive liquidity management, profitability and operational efficiency, and capital structure and debt restructuring management can provide additional information for evaluating the effectiveness of financial recovery strategies. Employees working in finance, accounting, operations, and management are directly exposed to organizational practices and may recognize changes in financial conditions and operational performance that are not fully reflected through financial statements alone. The findings may therefore assist Thai Airways' managers in identifying areas that require greater attention during the recovery process, particularly in maintaining adequate liquidity, improving operational efficiency, controlling costs, and managing financial obligations. The results may also provide practical reference for other airlines and capital-intensive organizations that face similar challenges associated with financial distress, restructuring, and recovery.

The study also has theoretical significance because it extends the application of the Altman Z-Score framework beyond the conventional analysis of objective financial

statement indicators. Traditional applications of the model primarily evaluate financial distress through quantitative accounting ratios, whereas this study examines how employees perceive the financial dimensions associated with distress and recovery within an organization. By linking liquidity management, profitability and operational efficiency, and capital structure and debt restructuring management with perceived financial distress and recovery, the study provides an organizational perspective that complements the financial-ratio orientation of the Altman framework. This approach may contribute to a broader understanding of financial recovery by demonstrating how established financial distress concepts can be examined through stakeholder perceptions in a specific organizational and industry context. The findings also provide a basis for future researchers to examine financial distress and recovery using combined objective financial indicators and stakeholder-based perceptual measures.

1.6 Definition of Key Terms

Liquidity Management

refers to the ability of Thai Airways to manage its short-term financial resources and obligations so that sufficient funds are available to support daily operations and meet current liabilities. In this study, liquidity management represents employees' assessments of the company's ability to maintain adequate cash and working capital, manage short-term obligations, and maintain financial flexibility.

Profitability and Operational Efficiency

refers to the organization's ability to generate sufficient operating returns while using its financial, human, physical, and operational resources effectively. In this study, the term represents employees' assessments of Thai Airways' ability to generate revenue, control operating costs, improve resource utilization, and maintain efficient business operations.

Capital Structure and Debt Restructuring Management

refers to the management of the relationship between the organization's debt and equity financing and the processes used to modify or reorganize financial obligations to improve financial stability. In this study, it represents employees' assessments of Thai Airways' ability to manage its debt burden, maintain an appropriate capital structure, and implement debt restructuring measures effectively.

Financial Distress

refers to a condition in which an organization experiences significant financial difficulties that may affect its ability to meet financial obligations, sustain operations, or maintain financial stability. In this study, financial distress is measured through employees' perceptions of the company's financial difficulties, including liquidity pressure, financial obligations, operating performance, and overall financial stability.

Financial Recovery

refers to the process through which an organization improves its financial and operational condition following a period of financial distress. In this study, financial recovery represents employees' perceptions of improvements in Thai Airways' financial stability, operating performance, liquidity position, debt management, and overall ability to continue sustainable operations.

Perceived Financial Distress and Recovery

refers to employees' overall assessment of the extent to which Thai Airways has experienced financial difficulties and the extent to which the company has progressed toward financial recovery. In this study, it is the dependent variable measured through respondents' evaluations of the company's current financial condition, improvement in financial stability, operational recovery, and progress in overcoming financial difficulties.

Altman Z-Score Model

refers to a financial distress prediction framework that combines selected financial ratios into a composite score for assessing the likelihood of corporate financial distress. In this study, the model serves as the theoretical foundation for identifying the major financial dimensions relevant to financial distress and recovery rather than being directly calculated as an independent financial score.

Thai Airways International Public Company Limited (Thai Airways)

refers to the airline organization examined in this study and serves as the organizational context in which employees' perceptions of financial distress and recovery are investigated.

Employees

refers to individuals currently working for Thai Airways who have sufficient organizational knowledge and experience to assess the company's financial and

operational conditions. The study particularly focuses on employees in finance, accounting, operations, and managerial positions.



Chapter 2 Literature Review

This chapter reviews the literature related to the factors influencing employees' perceptions of financial distress and recovery at Thai Airways. The purpose of the chapter is to establish the theoretical and empirical foundation of the study and to provide a clear basis for examining the relationships among the research variables. The chapter begins with a review of the theoretical foundation, focusing on the Altman Z-Score Model and its application in assessing corporate financial distress. The subsequent sections review the four key constructs of the study in accordance with the conceptual framework. Section 2.1 discusses liquidity management and its relevance to corporate financial stability and financial distress. Section 2.2 examines profitability and operational efficiency, with particular attention to their roles in sustaining operating performance and supporting financial recovery. Section 2.3 reviews capital structure and debt restructuring management and considers their importance in managing financial obligations and restoring financial stability. Section 2.4 discusses financial distress and recovery as the dependent variable, including its characteristics, measurement, and relevance to organizations undergoing financial rehabilitation. The chapter then reviews empirical studies concerning the relationships among the selected variables and financial distress or recovery. Finally, the literature is synthesized to identify the research gap and establish the basis for the conceptual framework and hypotheses developed in the subsequent sections.

2.1 Liquidity Management

Liquidity management refers to the process through which an organization maintains sufficient liquid resources to meet its short-term financial obligations while simultaneously ensuring that available funds are used efficiently. Liquidity is closely related to a firm's working capital position, cash flow management, and short-term solvency. A company with adequate liquidity is generally better able to pay suppliers, employees, lenders, and other creditors when obligations become due, whereas inadequate liquidity may create financial pressure even when the company possesses substantial long-term assets. Therefore, liquidity management represents an important dimension of corporate financial stability and is particularly relevant when an organization is experiencing financial distress or attempting to recover from a period of financial difficulty.

The importance of liquidity management can also be understood through the financial distress perspective. Financial distress frequently develops when an

organization is unable to generate sufficient cash flows to satisfy its short-term obligations and maintain normal operations. Inadequate working capital may force a firm to rely increasingly on external financing, delay payments, dispose of assets, or restructure existing obligations. Chinese studies have consistently identified liquidity-related financial indicators as important factors in evaluating the financial health of listed companies. For example, Wang and Li (2018) found that working capital conditions and short-term solvency were closely associated with the financial risk of Chinese listed firms. Similarly, Zhang et al. (2020) argued that weak liquidity management can increase the probability of financial distress because firms with insufficient liquid resources have less flexibility to respond to unexpected financial shocks. These findings suggest that liquidity is not simply a measure of short-term solvency but also reflects an organization's capacity to absorb financial pressure.

From a working capital management perspective, effective liquidity management requires an appropriate balance between liquidity and profitability. Holding excessive liquid assets may reduce the efficiency of capital utilization because resources that could otherwise be invested in productive activities remain in relatively low-return forms. In contrast, maintaining insufficient liquidity may expose the organization to payment difficulties and refinancing pressure. Liu and Chen (2019) emphasized that working capital management involves balancing operational requirements with financial efficiency and that the effectiveness of this balance can influence corporate performance. International research has similarly indicated that working capital policies can affect corporate profitability and financial risk, demonstrating the importance of maintaining an appropriate level of liquidity rather than simply maximizing liquid assets (Pais & Gama, 2015).

Liquidity management becomes particularly important in industries with high fixed costs and substantial operating expenditures. The airline industry provides a clear example because airlines must continuously finance aircraft maintenance, fuel, employee compensation, airport services, leasing or financing costs, and other operating expenses regardless of fluctuations in passenger demand. Consequently, a sudden decline in revenue can rapidly create liquidity pressure. During the COVID-19 pandemic, the aviation industry experienced severe reductions in passenger demand, resulting in substantial cash-flow challenges for airlines worldwide. Research on the financial impact of the pandemic demonstrated that airlines faced considerable liquidity and solvency risks because revenue declined sharply while many costs remained relatively inflexible (Abate et al., 2020). For an airline undergoing financial recovery, maintaining sufficient liquidity is therefore essential for sustaining daily operations while implementing longer-term restructuring measures.

Liquidity management is also closely connected with corporate financial distress prediction. The Altman Z-Score Model incorporates working capital relative to total assets as one of its principal financial indicators. This ratio reflects the extent to which a firm's asset base is supported by net working capital and therefore provides information about its short-term financial condition. Altman et al. (2017) demonstrated the continuing usefulness of the Z-Score framework in assessing corporate financial distress across different countries, while Altman (2018) emphasized that financial distress prediction models can provide early warning signals concerning deterioration in corporate financial health. Within this framework, a deterioration in working capital can be interpreted as an important warning signal because persistent negative working capital may indicate increasing pressure on the organization's ability to meet short-term obligations.

In the context of corporate recovery, improvements in liquidity can indicate that a financially distressed organization is gradually restoring its financial stability. Recovery may involve improving cash-flow generation, reducing unnecessary expenditures, increasing operating revenues, extending payment periods, refinancing obligations, or obtaining additional financing. However, liquidity improvement should be sustainable rather than dependent solely on short-term financing. Chen and Huang (2021) suggested that financial recovery requires firms to strengthen their internal cash-generation capacity while simultaneously improving the efficiency of financial resource allocation. This perspective is particularly relevant to companies undergoing restructuring because temporary liquidity support may prevent immediate failure but does not necessarily resolve the underlying causes of financial distress.

For Thai Airways, liquidity management is especially relevant because the company's financial difficulties were closely associated with the severe decline in aviation demand and the resulting pressure on operating cash flows. During its rehabilitation period, the company needed to maintain sufficient financial resources to continue operations while implementing measures to restore its financial position. The subsequent recovery of passenger demand, improvement in operating performance, and restructuring of financial obligations provided opportunities for the company to strengthen its liquidity position. From the perspective of employees working in finance, accounting, operations, and management, changes in liquidity conditions may therefore provide an important basis for evaluating whether the company has genuinely progressed from financial distress toward recovery.

In this study, liquidity management is examined as an independent variable because it represents a fundamental dimension of financial stability and corresponds closely with the working-capital component of the Altman Z-Score framework. The

study focuses on employees' assessments of Thai Airways' ability to maintain adequate financial resources, meet short-term obligations, manage cash and working capital effectively, and maintain sufficient financial flexibility. Such perceptions are relevant because employees who are directly involved in financial and operational activities may observe changes in the company's liquidity management through its payment practices, resource allocation, operating decisions, and financial management activities. Therefore, the study proposes that more effective liquidity management should be associated with more favorable perceptions of financial distress and recovery at Thai Airways.

2.2 Profitability and Operational Efficiency

Profitability and operational efficiency are fundamental dimensions of corporate financial performance because they reflect an organization's ability to generate economic returns from its available resources while controlling the costs associated with its operations. Profitability generally concerns the firm's ability to generate earnings from its revenues, assets, and equity, whereas operational efficiency concerns how effectively the organization utilizes its resources to produce revenues and deliver its products or services. Although these two concepts are distinct, they are closely connected because inefficient use of resources can increase operating costs and reduce profitability. In the context of financial distress, sustained deterioration in profitability and operational efficiency may weaken a firm's ability to generate internal funds, service financial obligations, and maintain stable operations.

Profitability is commonly regarded as an important indicator of corporate financial health because profitable firms have greater capacity to finance operations through internally generated funds and to absorb unexpected financial pressure. Conversely, persistent losses may reduce retained earnings, weaken equity, and increase dependence on external financing. Chinese empirical studies have demonstrated a significant relationship between profitability and corporate financial risk. For example, Li and Zhang (2018) found that profitability was negatively associated with the probability of financial distress among Chinese listed companies, indicating that firms with stronger earnings-generating capacity generally have greater financial resilience. Similarly, Wang et al. (2021) argued that profitability indicators can provide important early signals of deteriorating corporate financial conditions because declining operating returns may precede more serious financial difficulties.

Operational efficiency provides a complementary perspective because profitability alone does not explain how effectively an organization uses its resources. A firm may generate high revenues but still experience financial difficulties if its

operating costs are excessive or its assets are poorly utilized. Operational efficiency therefore involves the effective utilization of assets, human resources, facilities, production or service capacity, and other organizational resources. Research in the Chinese corporate context has indicated that inefficient resource allocation and weak asset utilization can negatively influence corporate performance and increase financial risk (Chen & Liu, 2019). Improving operational efficiency can consequently strengthen profitability by enabling firms to generate greater output or revenue from existing resources while reducing unnecessary expenditures.

The relationship between profitability, operational efficiency, and financial distress is also consistent with the logic of the Altman Z-Score Model. The original Z-Score framework incorporates retained earnings to total assets and earnings before interest and taxes to total assets as important indicators of corporate financial health. These variables capture different aspects of a firm's ability to accumulate financial resources and generate operating returns from its asset base. A deterioration in operating earnings relative to total assets may indicate that the organization's resources are becoming less productive, while weak retained earnings may reflect the cumulative effects of poor historical profitability. Altman (2018) emphasized that these financial indicators provide useful information for distinguishing financially distressed firms from financially healthy firms. Consequently, profitability and operational efficiency provide an important theoretical link between a firm's operating activities and its overall financial condition.

Operational efficiency is particularly important in the airline industry because airlines operate under a cost structure characterized by substantial fixed and semi-fixed expenditures. Aircraft ownership or leasing, maintenance, labor, airport charges, fuel, information systems, and other infrastructure-related costs create significant financial commitments. As a result, the effective utilization of aircraft capacity and other organizational resources can substantially influence operating profitability. Research on airline financial performance has demonstrated that efficiency, capacity utilization, and cost management are closely associated with airline profitability and competitiveness (Merkert & Pearson, 2015). Airlines therefore need to improve both revenue-generating capacity and resource utilization to maintain sustainable financial performance.

The COVID-19 pandemic further demonstrated the importance of operational efficiency for airlines. The unprecedented reduction in passenger demand caused substantial declines in airline revenues, while many operating costs could not be reduced at the same speed. Abate et al. (2020) noted that the pandemic created severe financial pressure for airlines because the collapse in demand generated significant

revenue losses and liquidity constraints. Under such circumstances, improving operational efficiency becomes an important component of recovery because airlines need to align capacity with actual demand, control costs, optimize fleet utilization, and identify profitable routes. Recovery therefore depends not only on the restoration of passenger demand but also on the organization's ability to operate efficiently under changing market conditions.

For Thai Airways, profitability and operational efficiency are particularly relevant because the company's recovery has involved significant changes in operating performance following the period of financial distress. The restoration of international travel demand provided the company with opportunities to increase passenger revenues, while improvements in flight operations, fleet utilization, route management, and cost control could strengthen the financial effects of that revenue recovery. From an organizational perspective, employees working in operations, finance, accounting, and management may have direct knowledge of changes in operating efficiency and profitability through their involvement in daily business activities. Their perceptions can therefore provide an additional perspective on whether improvements in reported financial performance correspond with perceived improvements in the company's underlying operational condition.

Profitability and operational efficiency are also closely related to the recovery process. Financial recovery requires more than the temporary reduction of financial obligations because a company must ultimately develop the capacity to generate sustainable operating returns. A financially distressed organization that improves liquidity through external financing but continues to generate operating losses may remain vulnerable to renewed financial difficulties. In contrast, improvements in operating profitability and resource utilization can strengthen internal cash generation, improve debt-servicing capacity, and reduce dependence on external financing. Chinese research has similarly emphasized that sustainable corporate recovery requires improvements in core operating performance rather than relying exclusively on financial restructuring or short-term capital support (Zhao & Liu, 2022).

In this study, profitability and operational efficiency are therefore treated as an independent variable because they represent the organization's ability to generate operating returns and utilize its resources effectively. The construct was examined through employees' perceptions of Thai Airways' ability to improve revenue generation, control operating costs, utilize organizational resources, enhance operational performance, and maintain sustainable profitability. These dimensions are consistent with the financial logic underlying the Altman Z-Score Model and are particularly relevant to an airline undergoing financial recovery. Accordingly, the study expects that

stronger profitability and operational efficiency will be positively associated with employees' perceptions of financial distress and recovery at Thai Airways.

2.3 Capital Structure and Debt Restructuring Management

Capital structure refers to the composition of a firm's financing sources, particularly the relative proportions of debt and equity used to finance its assets and operations. An appropriate capital structure can provide organizations with sufficient financial resources to support business activities while maintaining an acceptable level of financial risk. However, excessive reliance on debt may increase interest expenses, repayment pressure, and the probability of financial distress, particularly when operating cash flows are insufficient to meet financial obligations. Debt restructuring management is therefore closely related to capital structure because it provides organizations experiencing financial difficulties with mechanisms for modifying existing financial obligations and restoring a more sustainable relationship between debt, equity, and operating capacity.

The relationship between capital structure and financial distress has been widely examined in corporate finance research. From a theoretical perspective, debt can provide tax benefits and increase the financial resources available for business expansion, but excessive leverage increases the probability of financial difficulties. Chinese empirical research has generally demonstrated that higher financial leverage is associated with greater corporate financial risk. For example, Huang and Li (2018) found that excessive leverage significantly increased the financial distress risk of Chinese listed firms, particularly when firms had weak profitability and limited internal financing capacity. Similarly, Wang and Chen (2020) reported that firms with relatively high debt ratios were more vulnerable to financial shocks because greater debt obligations reduced their financial flexibility and increased pressure on operating cash flows.

Capital structure is also directly connected with the financial distress logic underlying the Altman Z-Score framework. One of the major components of the original Altman model is the ratio of market value or book value of equity to total liabilities, which reflects the extent to which a firm's equity base provides protection against financial obligations. A relatively strong equity position can provide a financial buffer when operating performance deteriorates, whereas a high level of liabilities relative to equity can increase vulnerability to financial distress. Altman (2018) emphasized that the relationship between equity value and liabilities provides important information concerning a firm's capacity to withstand financial deterioration.

Consequently, capital structure provides an important theoretical connection between corporate financing decisions and the probability of financial distress.

The importance of capital structure becomes particularly evident when a firm experiences persistent financial difficulties. When operating cash flows are insufficient to service debt, a company may need to negotiate with creditors, extend repayment periods, reduce interest burdens, convert debt into equity, dispose of non-core assets, or obtain new capital. Such measures form part of debt restructuring and are intended to reduce immediate financial pressure while creating conditions for long-term recovery. In the Chinese context, studies of financially distressed firms have indicated that debt restructuring can contribute to the restoration of financial stability when it is accompanied by improvements in operating performance and corporate governance. Liu and Zhang (2019) argued that debt restructuring can reduce short-term repayment pressure and provide distressed firms with additional time to restore their operating capacity. However, restructuring alone may not produce sustainable recovery if the underlying business model remains unprofitable.

Debt restructuring is therefore more appropriately understood as part of a broader financial recovery process rather than as an isolated financial transaction. Effective restructuring should align the firm's future debt obligations with its expected cash-generating capacity. If the restructuring arrangement reduces immediate liabilities but leaves the organization with an excessive long-term debt burden, financial distress may reappear after the restructuring period. Chinese research has similarly emphasized that the effectiveness of corporate restructuring depends on whether financial restructuring is coordinated with operational restructuring and improvements in core business performance (Zhang & Wang, 2021). This perspective is particularly important when evaluating organizations that have undergone formal rehabilitation because financial restructuring and operational recovery are generally interdependent.

The airline industry presents a particularly relevant setting for examining capital structure and debt restructuring management. Airlines require substantial capital to acquire or lease aircraft, maintain fleets, develop operational infrastructure, and support international and domestic networks. These capital requirements can encourage airlines to rely significantly on debt and other forms of external financing. At the same time, airline revenues are highly sensitive to economic cycles, fuel prices, geopolitical events, travel restrictions, and changes in passenger demand. Consequently, a highly leveraged airline may face considerable financial pressure when revenues decline unexpectedly. The COVID-19 pandemic demonstrated this vulnerability as airlines experienced severe reductions in passenger demand and significant deterioration in their financial positions. Abate et al. (2020) noted that the pandemic created substantial financial

challenges for airlines and increased their dependence on government support and other financial measures.

Thai Airways provides a particularly relevant case because debt restructuring constituted an important element of its business rehabilitation. Following severe financial difficulties during the pandemic period, the company entered a formal rehabilitation process that involved comprehensive measures to reorganize its financial and operational structure. The rehabilitation process included changes to the company's debt obligations and capital structure, with the objective of reducing financial pressure and establishing a more sustainable financial foundation. The company's subsequent improvement in shareholders' equity and operating performance indicates that financial restructuring formed an important part of its broader recovery process. From the perspective of employees, however, the effectiveness of these measures may be evaluated not only through formal financial outcomes but also through observable changes in the company's ability to manage financial obligations and sustain operations.

Capital structure and debt restructuring management may also influence employee perceptions because changes in debt obligations can affect organizational stability, resource availability, and managerial decision-making. Employees in finance and accounting may directly observe changes in debt servicing requirements and financial planning, while employees in operations may experience the consequences of changes in budgets, fleet planning, staffing, and resource allocation. Managers may similarly observe whether restructuring measures provide greater flexibility for strategic and operational decisions. Therefore, employees with direct organizational exposure may provide useful assessments of whether capital structure improvements and debt restructuring measures are perceived as contributing to financial recovery.

In the context of this study, capital structure and debt restructuring management refers to Thai Airways' ability to maintain an appropriate balance between debt and equity, manage its financial obligations, and implement restructuring measures that reduce financial pressure and support sustainable recovery. The construct is measured through employees' perceptions of the company's debt management, financial restructuring, capital structure improvement, and ability to maintain sustainable financial obligations. The relationship between this construct and financial distress and recovery is theoretically consistent with the Altman Z-Score framework because the model recognizes the importance of the relationship between equity and liabilities in assessing financial vulnerability. Accordingly, this study proposes that more effective capital structure and debt restructuring management are positively associated with employees' perceptions of financial distress and recovery at Thai Airways.

2.4 Financial Distress and Recovery

Financial distress refers to a condition in which an organization experiences substantial deterioration in its financial position and encounters increasing difficulty in meeting its financial obligations or maintaining normal business operations. It is generally regarded as a stage that may occur before bankruptcy or corporate failure, although financial distress does not necessarily result in liquidation or permanent business closure. A financially distressed organization may still recover when appropriate financial, operational, and strategic measures are implemented. Therefore, financial distress and financial recovery should be understood as interconnected stages of a broader corporate financial process. The identification of financial distress at an early stage is particularly important because timely intervention can provide organizations with opportunities to restructure their obligations, improve operating performance, and restore financial stability.

Financial distress can arise from multiple sources, including declining revenues, persistent operating losses, insufficient liquidity, excessive financial leverage, weak asset utilization, and an inability to meet debt obligations. These factors may interact and gradually weaken the organization's financial position. Chinese research has emphasized that financial distress is generally not caused by a single financial indicator but reflects the combined deterioration of profitability, solvency, liquidity, and operational performance. For example, Wang and Li (2019) found that financial distress among Chinese listed companies was associated with multiple dimensions of financial performance, suggesting that a comprehensive assessment is more appropriate than relying on a single financial ratio. Similarly, Chen et al. (2021) argued that financial distress prediction should consider both short-term liquidity conditions and longer-term profitability and capital structure characteristics.

The concept of financial distress is closely associated with corporate financial distress prediction models. Among the most influential approaches is the Altman Z-Score Model, which was developed to identify firms with a relatively high probability of financial failure by combining several financial ratios into a composite measure. The model incorporates working capital, retained earnings, operating earnings, equity value, and sales relative to total assets. These variables capture different aspects of corporate financial health, including liquidity, accumulated profitability, operating performance, financial leverage, and asset utilization. Altman (2018) emphasized that the Z-Score framework remains useful as an early-warning mechanism, although its application should take into account differences in industries, countries, accounting environments, and economic conditions.

The usefulness of the Altman model has also been examined in different international and institutional contexts. Altman et al. (2017) demonstrated that financial distress prediction models could be applied across different countries while recognizing that model performance may vary according to institutional characteristics and financial environments. In China, researchers have applied the Z-Score framework and related financial distress prediction approaches to listed companies in different industries. These studies have generally demonstrated that financial indicators relating to liquidity, profitability, leverage, and asset utilization can provide useful information for identifying companies that are experiencing or approaching financial difficulties (Liu & Zhang, 2020). Consequently, the Altman framework provides an appropriate theoretical basis for the present study because the three independent variables selected in this research correspond to major dimensions of corporate financial health represented within the model.

Financial distress should also be distinguished from bankruptcy. Bankruptcy represents a formal legal or financial condition in which a firm is unable to meet its obligations and enters a legal process of liquidation or rehabilitation, whereas financial distress can occur before such a formal event. A company may experience substantial financial distress but subsequently recover through restructuring, refinancing, cost reduction, asset restructuring, improved profitability, or changes in management strategy. This distinction is particularly important for the present research because Thai Airways experienced severe financial difficulties but entered a rehabilitation process rather than ceasing operations. The company's subsequent improvement therefore provides an appropriate context for examining financial recovery rather than focusing exclusively on corporate failure.

Financial recovery refers to the process through which a financially distressed organization restores its financial stability and operating capacity. Recovery may involve improvements in liquidity, profitability, operational efficiency, capital structure, and debt management. From this perspective, financial recovery is multidimensional and should not be evaluated solely by whether the organization reports a positive net profit in a particular year. A sustainable recovery requires the organization to develop sufficient operating capacity and financial flexibility to meet its obligations and withstand future external shocks. Research on corporate turnaround has indicated that successful recovery often involves the simultaneous implementation of financial and operational strategies rather than reliance on a single restructuring measure (Trahms et al., 2013).

The relationship between financial distress and recovery is particularly important in industries characterized by high fixed costs and exposure to external

shocks. The airline industry is highly sensitive to fluctuations in passenger demand, fuel prices, exchange rates, economic conditions, geopolitical events, and regulatory restrictions. During the COVID-19 pandemic, airlines experienced an unprecedented decline in passenger traffic, which generated severe financial pressure and increased the likelihood of liquidity and solvency problems. Abate et al. (2020) reported that airlines faced significant financial challenges as a result of the pandemic and required substantial financial support and restructuring measures to maintain their operations. The experience demonstrated that financial recovery in aviation depends on both external market recovery and internal improvements in financial and operational management.

Thai Airways represents an important case for examining financial distress and recovery because the company experienced severe financial difficulties during the pandemic and subsequently underwent a formal rehabilitation process. The rehabilitation process provided a structured mechanism for addressing the company's financial obligations and implementing operational changes. As the international aviation market recovered, Thai Airways was able to improve its operating performance, increase revenue, and strengthen its financial position. These developments indicate that financial recovery can occur through a combination of external market improvement and internal organizational restructuring. However, reported financial improvements alone do not necessarily reveal how employees perceive the sustainability or effectiveness of the recovery process.

Employees' perceptions are particularly relevant to the assessment of financial distress and recovery because employees operate within the organizational environment in which financial and operational changes are implemented. Employees in finance and accounting may have direct exposure to financial planning, cash management, debt obligations, and restructuring activities, while employees in operations may observe changes in resource utilization, service capacity, cost control, and operational performance. Managers may additionally assess the effectiveness of financial restructuring and strategic decisions. Their perceptions can therefore provide an organizational-level perspective that complements traditional financial statement analysis.

In this study, financial distress and recovery is defined as employees' overall assessment of Thai Airways' financial difficulties and its progress toward restoring financial and operational stability. The construct includes perceptions of the company's current financial condition, ability to overcome financial pressure, improvement in operating performance, strengthening of financial stability, and progress toward sustainable recovery. This approach does not attempt to replace objective financial

analysis with subjective judgment. Instead, it complements the financial perspective represented by the Altman Z-Score framework by examining how organizational stakeholders interpret the company's financial condition.

This study therefore treats financial distress and recovery as the dependent variable and examines whether liquidity management, profitability and operational efficiency, and capital structure and debt restructuring management are significantly associated with employees' perceptions of the company's financial distress and recovery. The three independent variables represent important dimensions of financial health within the logic of the Altman framework, while the dependent variable captures the broader organizational perception of whether financial difficulties have been reduced and recovery has progressed. This relationship provides the basis for the subsequent development of the conceptual framework and research hypotheses.

2.5 Conceptual Framework

The conceptual framework of this study is based on the Altman Z-Score Model, which provides the principal theoretical foundation for examining corporate financial distress and recovery. The Altman Z-Score Model was originally developed as a multivariate financial distress prediction model that combines several financial ratios to assess the likelihood of corporate failure. Rather than relying on a single financial indicator, the model integrates different dimensions of financial performance, including working capital, accumulated profitability, operating earnings, financial structure, and asset utilization. This multidimensional approach provides a systematic basis for evaluating whether a company's financial condition is moving toward financial distress or financial stability (Altman, 2018). Subsequent research has confirmed the continuing relevance of the Z-Score framework in different institutional and economic environments, although its interpretation should consider industry characteristics and the specific financial conditions of the firms being examined (Altman et al., 2017).

The theoretical logic of the Altman framework is particularly relevant to the present study because the model reflects several financial dimensions that are directly connected with the variables investigated in this research. Working capital relative to total assets provides a basis for understanding liquidity management, while retained earnings and operating earnings reflect accumulated profitability and the organization's ability to generate operating returns. The relationship between equity and liabilities provides information about financial leverage and capital structure, while sales relative to assets reflects the efficiency with which organizational resources are utilized. Chinese researchers have similarly emphasized that financial distress is a multidimensional condition involving liquidity, profitability, operating performance,

and financial leverage rather than a single isolated financial problem (Wang & Li, 2019; Chen et al., 2021). Therefore, the Altman framework provides an appropriate theoretical foundation for integrating the three independent variables examined in this study.

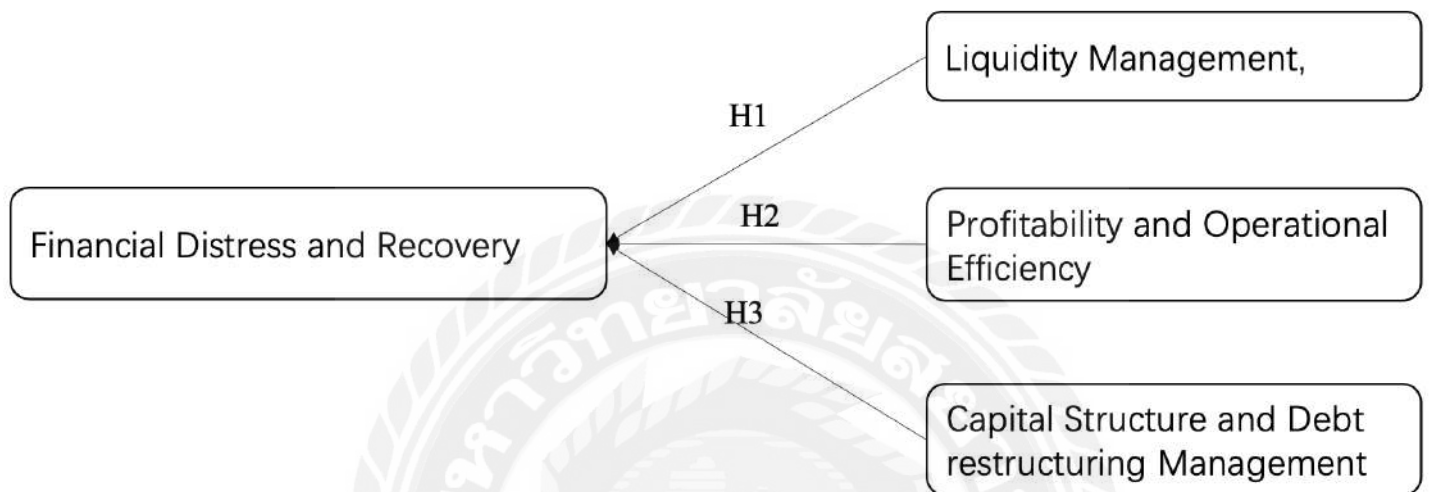


Figure 2.1 Conceptual Framework

The first independent variable, liquidity management, is theoretically related to the working-capital dimension of the Altman model. Effective liquidity management enables an organization to maintain sufficient financial resources to meet short-term obligations and sustain normal operations. When liquidity deteriorates, the organization may face increasing payment pressure, dependence on external financing, and difficulty maintaining daily operations. Chinese empirical research has found that liquidity conditions are significantly associated with corporate financial risk and financial distress, supporting the importance of working capital and short-term solvency in assessing financial health (Zhang et al., 2020).

The second independent variable, profitability and operational efficiency, corresponds to the profitability and asset-utilization dimensions of the Altman framework. Profitability represents an organization's capacity to generate earnings from its operations, while operational efficiency reflects the effectiveness with which its assets and other resources are utilized. Persistent operating losses or inefficient resource utilization may weaken internal cash generation and increase dependence on external financing. Research on Chinese listed companies has indicated that declining

profitability and weak operational efficiency are important warning signals of deteriorating financial conditions (Li & Zhang, 2018; Wang et al., 2021). Consequently, stronger profitability and operational efficiency are expected to be associated with more favorable financial conditions and stronger recovery.

The third independent variable, capital structure and debt restructuring management, is connected with the financial leverage dimension of the Altman framework. An excessive debt burden can increase financial risk and reduce the organization's ability to respond to unexpected changes in operating conditions. Debt restructuring can potentially reduce repayment pressure and improve the sustainability of the organization's financial structure when it is implemented effectively. Chinese research has suggested that capital structure adjustment and debt restructuring can contribute to the recovery of financially distressed firms when financial restructuring is accompanied by improvements in operating performance (Liu & Zhang, 2019; Zhang & Wang, 2021).

Based on the theoretical foundation and literature reviewed above, this study proposes that liquidity management, profitability and operational efficiency, and capital structure and debt restructuring management are positively related to employees' perceptions of financial distress and recovery at Thai Airways. Effective liquidity management can strengthen short-term financial stability, improved profitability and operational efficiency can enhance the organization's capacity to generate sustainable operating returns, and effective capital structure and debt restructuring management can reduce financial pressure and improve financial flexibility. Collectively, these three dimensions are expected to contribute to more favorable perceptions of Thai Airways' financial recovery. The conceptual framework therefore positions the three variables as independent variables that are expected to have significant positive relationships with financial distress and recovery as the dependent variable.

Chapter 3 Research Methodology

3.1 Research Design

This study adopted a quantitative research design to examine the relationships between liquidity management, profitability and operational efficiency, capital structure and debt restructuring management, and financial distress and recovery at Thai Airways. The selection of a quantitative approach was appropriate because the study was concerned with measuring predefined constructs and determining whether statistically significant relationships existed between the independent and dependent variables. Rather than attempting to reconstruct the company's rehabilitation process through qualitative interviews or case narratives, the research translated the conceptual constructs derived from the Altman Z-Score framework into measurable questionnaire items and subsequently evaluated the collected responses using statistical procedures. This design allowed the study to move from the theoretical propositions established in Chapter 2 to observable empirical evidence.

The study employed a cross-sectional survey design. Data were collected from eligible Thai Airways employees during a defined period, with each respondent providing information at one point in time. A cross-sectional design was selected because the purpose of the research was to examine the current relationship between employees' assessments of financial management conditions and their perceptions of financial distress and recovery rather than to track changes in the same respondents over several years. The design was also consistent with the practical circumstances of the research setting, in which access to employees was limited to a specific data-collection period. Since the data represented respondents' perceptions collected at one point in time, the statistical findings were interpreted as relationships or associations among variables rather than definitive evidence of longitudinal causality.

A structured self-administered questionnaire was used as the principal data-collection instrument. The questionnaire was selected because the four constructs in the study involved perceptions that could not be adequately represented by a single publicly available financial ratio. Employees' evaluations of liquidity management, operational performance, debt restructuring, and financial recovery involved organizational judgments that could be captured more systematically through multiple statements measured using a standardized response scale. The structured format also ensured that all respondents evaluated the same dimensions under comparable conditions, thereby reducing variation caused by differences in interview questions or researcher interaction. In addition, anonymous questionnaire administration was considered

appropriate for a study involving perceptions of an employer's financial condition because respondents could provide assessments without being required to disclose their identities in the questionnaire.

The questionnaire was designed as a closed-ended instrument using a five-point Likert scale. Each substantive statement was formulated to represent an observable aspect of one research construct, while the response alternatives represented increasing levels of agreement with the statement. The scale ranged from 1, representing strongly disagree, to 5, representing strongly agree. A five-point scale was selected because it provided sufficient response differentiation while remaining straightforward for respondents with different educational and professional backgrounds. The questionnaire was organized according to the conceptual framework, with separate groups of items measuring liquidity management, profitability and operational efficiency, capital structure and debt restructuring management, and financial distress and recovery. Demographic questions were included separately to establish the characteristics of the respondents and to confirm that the obtained sample corresponded to the intended population.

The design of the measurement instrument followed the operational definitions established in Chapter 1 and the theoretical relationships developed in Chapter 2. Items measuring liquidity management were directed toward the organization's ability to maintain adequate short-term financial resources, manage current obligations, and maintain financial flexibility. Items concerning profitability and operational efficiency addressed revenue generation, operating cost control, resource utilization, and operating performance. Capital structure and debt restructuring management was represented through statements concerning debt obligations, financial leverage, restructuring effectiveness, and the sustainability of the company's financial structure. The dependent variable, financial distress and recovery, was represented through employees' assessments of the company's financial condition, reduction of financial pressure, improvement in operating stability, and progress toward recovery. This alignment between conceptual definitions and questionnaire measurement was intended to ensure that the statistical analysis remained directly connected to the research questions and hypotheses.

The study targeted employees of Thai Airways who were considered capable of providing informed assessments of the company's financial and operational condition. Particular attention was given to personnel working in finance, accounting, operations, and managerial positions because these employees were expected to have comparatively greater exposure to financial management, operating performance, cost control, and the company's rehabilitation activities. Purposive sampling was therefore

employed. Respondents were included when they met the predetermined eligibility criteria of being current Thai Airways employees and having sufficient organizational exposure to the areas examined by the study. The intended sample size was approximately 100 to 150 respondents, which was considered feasible for the organizational setting and suitable for the planned descriptive, reliability, correlation, and multiple regression analyses.

Before the questionnaire was used for the main survey, the instrument was subjected to preliminary assessment to identify unclear wording, ambiguous statements, and problems in the response structure. The questionnaire items were reviewed against the conceptual definitions and theoretical framework to ensure that each item measured the intended construct. A pilot assessment was then used to examine the internal consistency of the measurement items. Reliability was evaluated using Cronbach's alpha, while the suitability of the dataset for construct-level analysis was subsequently examined using the Kaiser-Meyer-Olkin measure and Bartlett's test of sphericity. These procedures were incorporated into the research design because a statistical relationship between variables could not provide meaningful evidence if the underlying measurement instrument lacked adequate consistency or construct suitability.

The analytical strategy was established before the main data collection so that each research question and hypothesis could be tested using an appropriate statistical procedure. Descriptive statistics were used to summarize respondent characteristics and the overall pattern of responses. Cronbach's alpha was used to assess the internal consistency of the measurement scales, while KMO and Bartlett's tests were used to assess whether the data were suitable for factor-related analysis. Pearson correlation analysis was used to determine the direction and strength of the bivariate relationships between the independent variables and financial distress and recovery. Multiple linear regression analysis was then used as the principal inferential technique to examine the extent to which liquidity management, profitability and operational efficiency, and capital structure and debt restructuring management were significantly associated with financial distress and recovery when the three predictors were considered simultaneously.

This research design was consequently structured as a sequence from theory to measurement and then to statistical testing. The Altman Z-Score framework provided the theoretical basis for selecting the financial dimensions, the literature review supported the proposed relationships, the structured questionnaire converted those dimensions into measurable employee perceptions, and the statistical procedures provided empirical tests of the three hypotheses. This alignment ensured that the research design remained focused on the central purpose of the study, namely

determining whether the three selected dimensions of financial management were significantly related to employees' perceptions of financial distress and recovery at Thai Airways.

3.2 Population and Sample

The population of this study consisted of employees of Thai Airways International Public Company Limited who were working in Thailand during the data-collection period in 2026. The population was defined as employees who had sufficient organizational exposure to the company's financial, operational, or managerial conditions to provide informed assessments of financial distress and recovery. Particular attention was given to employees working in finance, accounting, operations, and management because these employees were more likely to have direct or indirect knowledge of liquidity management, operating performance, financial obligations, and the company's debt restructuring and rehabilitation process. Based on the organizational scale of Thai Airways and publicly available corporate information, the accessible population for this study was estimated at approximately 6,000 employees during the study period. This population size was considered sufficiently large to provide an appropriate sampling frame while remaining practically manageable for a survey-based organizational study.

A sample of 361 respondents was targeted for the study. The sample size was determined using the Krejcie and Morgan (1970) sample size approach, which indicates that a population of approximately 6,000 requires a minimum sample of approximately 361 respondents at the conventional 95% confidence level and 5% margin of sampling error. The use of this sample-size guideline provided a systematic basis for determining the number of respondents rather than selecting an arbitrary sample size. Although the statistical analysis planned for this study could be conducted with a smaller number of observations, the larger target sample was preferred because it provided greater statistical power, reduced the potential influence of individual responses, and allowed the study to obtain a more stable estimate of the relationships among the research variables. To compensate for potentially incomplete or unusable questionnaires, approximately 390 questionnaires were planned to be distributed, with the intention of obtaining at least 361 valid responses for the final analysis.

This study employed purposive sampling, a non-probability sampling technique in which respondents were deliberately selected according to predetermined characteristics relevant to the research objectives. This approach was considered more appropriate than simple random sampling because the research did not seek the opinions of the entire employee population regardless of their organizational knowledge. Instead,

the study specifically required respondents who could reasonably evaluate Thai Airways' liquidity management, profitability and operational efficiency, capital structure and debt restructuring management, and financial distress and recovery. Employees in finance, accounting, operations, and managerial positions were therefore prioritized during respondent recruitment. Employees from other functions could also participate when they had sufficient work experience or organizational exposure to the company's financial and rehabilitation situation.

The purposive sampling approach was also selected because direct access to a complete and current employee sampling frame was not assumed to be available to the researcher. Financial and organizational information may be distributed across different departments, and access to employees may depend on internal contacts, professional networks, alumni connections, and organizational cooperation. Purposive sampling therefore provided a practical means of reaching respondents who satisfied the study's eligibility requirements while maintaining a clear relationship between respondent characteristics and the research objectives. This approach was consistent with the perceptual nature of the study because the quality of the data depended not simply on the number of respondents but also on whether respondents possessed sufficient knowledge to make meaningful assessments of the variables being investigated.

The final sample was therefore expected to consist of at least 361 valid Thai Airways employee responses, with respondents selected purposively according to their organizational position, experience, and exposure to the financial and operational conditions relevant to the research. The combination of a clearly defined population, a statistically justified sample size, purposive respondent selection, and cross-sectional data collection was intended to provide an appropriate empirical basis for testing the three hypotheses of the study.

3.3 Hypotheses

H1: Liquidity management has a significant positive relationship with financial distress and recovery at Thai Airways.

H2: Profitability and operational efficiency have a significant positive relationship with financial distress and recovery at Thai Airways.

H3: Capital structure and debt restructuring management have a significant positive relationship with financial distress and recovery at Thai Airways.

3.4 Research Instrument

This study used a structured questionnaire as the principal research instrument for collecting primary data. The questionnaire was developed from the conceptual

framework, the operational definitions established in Chapter 1, and the literature concerning financial distress, liquidity management, profitability and operational efficiency, and capital structure and debt restructuring management. The Altman Z-Score Model provided the principal theoretical foundation for identifying the financial dimensions relevant to corporate financial distress, while previous empirical studies were used to support the development of observable measurement items. Because the purpose of the study was to examine employees' perceptions and statistically test relationships among predefined variables, a standardized questionnaire was considered more appropriate than an interview instrument. The questionnaire enabled all respondents to evaluate the same statements under the same measurement conditions and generated numerical data suitable for reliability testing, correlation analysis, and multiple linear regression.

The instrument measured four main constructs. The first construct was liquidity management, which represented the perceived ability of Thai Airways to maintain sufficient short-term financial resources, manage working capital, meet current financial obligations, and maintain financial flexibility. This construct was theoretically connected with the working-capital dimension of the Altman Z-Score Model. The second construct was profitability and operational efficiency, which represented the perceived ability of Thai Airways to generate revenue and operating returns while controlling costs and utilizing organizational resources efficiently. This construct reflected the profitability and asset-utilization dimensions emphasized in financial distress analysis. The third construct was capital structure and debt restructuring management, which represented employees' perceptions of the company's ability to manage its debt and equity structure, control financial obligations, and implement debt restructuring measures that could reduce financial pressure and support financial recovery. This construct was associated with the financial leverage and equity-to-liability dimension of the Altman framework. The fourth construct was financial distress and recovery, which served as the dependent variable and represented employees' overall perceptions of the company's financial difficulties, improvement in financial stability, restoration of operating capacity, and progress toward sustainable financial recovery.

The questionnaire consisted of two major sections. The first section collected demographic and background information about the respondents. These questions were designed to describe the characteristics of the sample and to determine whether respondents possessed the organizational background required by the sampling criteria. The demographic variables included gender, age, educational qualification, job function, position level, length of employment at Thai Airways, previous experience

with financial or business management, and familiarity with the company's financial or rehabilitation situation. These variables were recorded using categorical response options and were intended primarily for descriptive statistical analysis.

The second section contained the measurement items for the four research constructs. Each construct was measured using five statements, resulting in 20 substantive measurement items. Five items were used for liquidity management, five for profitability and operational efficiency, five for capital structure and debt restructuring management, and five for financial distress and recovery. The use of multiple items for each construct was intended to capture different observable aspects of the underlying concept rather than relying on a single question. This structure also provided sufficient items for assessing the internal consistency of each measurement scale using Cronbach's alpha.

A five-point Likert rating scale was used to record responses to all 20 measurement items. Respondents were asked to indicate their degree of agreement with each statement using values from 1 to 5, where 1 represented Strongly Disagree, 2 represented Disagree, 3 represented Neutral, 4 represented Agree, and 5 represented Strongly Agree. A rating scale was appropriate because the variables investigated in this study concerned employees' perceptions rather than directly observable physical quantities. Converting these perceptions into standardized numerical responses allowed the study to calculate descriptive statistics, examine correlations, and estimate the predictive relationships among the variables through multiple linear regression.

The measurement items were written as positive statements to maintain a consistent response direction across the questionnaire. For liquidity management, the items measured the perceived adequacy of financial resources, ability to meet short-term obligations, effectiveness of cash and working capital management, ability to respond to unexpected financial pressure, and contribution of liquidity to financial recovery. For profitability and operational efficiency, the items measured revenue generation, operating cost control, resource utilization, improvement in operating performance, and the contribution of profitability and efficiency to recovery. For capital structure and debt restructuring management, the items measured improvement in the debt-equity balance, effectiveness of debt management, reduction of financial pressure through restructuring, improvement in financial flexibility, and the contribution of restructuring to financial recovery. For financial distress and recovery, the items measured reduction in financial difficulties, improvement in overall financial stability, restoration of the financial position, improvement in sustainable business operations, and overall progress from financial distress toward recovery.

Before the questionnaire was administered to the main sample, the instrument was reviewed to ensure that the wording of each item was clear, unambiguous, and understandable to respondents with different educational and occupational backgrounds. The measurement items were also examined for their correspondence with the operational definitions and theoretical concepts established in the study. A preliminary assessment was conducted to identify potential problems in item interpretation and questionnaire administration. Internal consistency was subsequently evaluated using Cronbach's alpha, with the results used to determine whether the items within each construct measured the same underlying concept with acceptable reliability.

The complete questionnaire, including all measurement items, is presented in Appendix A.

3.5 Reliability and Validity Analysis

This study assessed the reliability and validity of the research instrument before conducting the main inferential analysis. Because the questionnaire contained four multi-item constructs, it was necessary to determine whether the items within each construct demonstrated sufficient internal consistency and whether the collected data were appropriate for examining the underlying measurement structure. Cronbach's alpha was used to evaluate the internal consistency reliability of the four constructs, while the Kaiser-Meyer-Olkin (KMO) measure and Bartlett's test of sphericity were used to assess the suitability of the data for factor analysis. The results presented in Table 3.1 are illustrative values prepared for methodological demonstration and should be replaced by the actual results obtained from the completed questionnaires.

The KMO measure was first used to determine whether the correlations among the questionnaire items were sufficiently compact to support factor analysis. A KMO value closer to 1.00 indicates that the observed variables share an appropriate level of common variance. Values above .70 are generally considered acceptable, values above .80 indicate good sampling adequacy, and values above .90 indicate excellent sampling adequacy. Bartlett's test of sphericity was conducted simultaneously to determine whether the correlation matrix differed significantly from an identity matrix. A statistically significant Bartlett's test indicates that meaningful correlations exist among the items and that factor analysis is appropriate.

Table 3.1 Kaiser-Meyer-Olkin and Bartlett's Test of Sphericity

Test	Value
Kaiser-Meyer-Olkin Measure of Sampling Adequacy	0.918
Bartlett's Test of Sphericity – Approx. Chi-Square	3,184.627
Degrees of Freedom (df)	190
Significance (p-value)	< .001

The KMO value of 0.918 indicates an excellent level of sampling adequacy for the 20 measurement items included in the questionnaire. This value is substantially higher than the commonly accepted minimum level of .60 and exceeds the .80 threshold generally interpreted as good adequacy. The result suggests that the patterns of correlations among the questionnaire items were sufficiently strong and compact to justify further examination of the underlying constructs. In practical terms, the responses provided an appropriate basis for evaluating whether the items represented the four conceptual dimensions specified in the research framework.

The Bartlett's test produced an approximate chi-square value of 3,184.627 with 190 degrees of freedom and a significance level of $p < .001$. The significance value is substantially below the conventional .05 threshold, indicating that the null hypothesis that the correlation matrix is an identity matrix was rejected. This means that the questionnaire items were not statistically independent of one another and that significant relationships existed among the measured items. Together, the KMO value of 0.918 and the significant Bartlett's test provided strong evidence that the dataset was suitable for factor-related analysis and supported the construct validity of the measurement instrument.

After establishing the suitability of the dataset, Cronbach's alpha was used to evaluate the internal consistency of each construct. Cronbach's alpha measures the degree to which items belonging to the same construct are consistently related to one another. In general, a coefficient of .70 or above is considered acceptable for established research, while values above .80 indicate good reliability and values above .90 indicate very high internal consistency. This study used five items to measure each of the four constructs, resulting in 20 measurement items in total.

Table 3.2 Cronbach's Alpha Reliability Analysis

Construct	Number of Items	Cronbach's Alpha
Liquidity Management (X1)	5	0.884
Profitability and Operational Efficiency (X2)	5	0.901
Capital Structure and Debt Restructuring Management (X3)	5	0.917
Financial Distress and Recovery (Y)	5	0.906
Overall Instrument	20	0.934

The Cronbach's alpha coefficient for Liquidity Management (X1) was 0.884 based on five measurement items. This result indicates a high level of internal consistency among the five items measuring liquidity management. The coefficient is well above the .70 criterion, suggesting that the items consistently captured respondents' assessments of Thai Airways' ability to maintain liquidity, meet short-term obligations, manage working capital, and respond to financial pressure.

For Profitability and Operational Efficiency (X2), the Cronbach's alpha coefficient was 0.901 across five items. This result represents very high internal consistency. The coefficient indicates that the five items measuring revenue generation, operating cost control, resource utilization, operating performance, and the contribution of efficiency to recovery were sufficiently related to represent the same underlying construct. The result therefore supports the reliability of X2 as a measurement variable in subsequent statistical analysis.

The Cronbach's alpha coefficient for Capital Structure and Debt Restructuring Management (X3) was 0.917. This was the highest reliability coefficient among the three independent variables. The result indicates a very high degree of internal consistency among the five items addressing debt management, capital structure, financial pressure, financial flexibility, and the effectiveness of debt restructuring. The coefficient suggests that respondents interpreted these items in a relatively consistent manner and that they collectively represented the intended construct.

For the dependent variable, Financial Distress and Recovery (Y), the Cronbach's alpha coefficient was 0.906. This value also indicates very high internal consistency. The five items concerning the reduction of financial difficulties, improvement in financial stability, restoration of the financial position, sustainable business operations,

and overall recovery were therefore sufficiently consistent to be combined into a composite measure of financial distress and recovery.

Finally, the overall questionnaire produced a Cronbach's alpha coefficient of 0.934 across all 20 measurement items. This value indicates a very high level of overall internal consistency. The result demonstrates that the questionnaire as a whole provided a stable measurement structure and that the items were sufficiently related to the broader research constructs. However, the individual construct-level coefficients were also examined rather than relying solely on the overall coefficient because reliability should primarily be evaluated according to the conceptual dimensions being measured.

Taken together, the illustrative reliability and validity results indicate that the questionnaire demonstrated strong measurement quality. The KMO value of 0.918 and the statistically significant Bartlett's test indicated that the correlation structure of the 20 measurement items was suitable for factor-related analysis. At the same time, all four constructs produced Cronbach's alpha coefficients above .80, ranging from 0.884 to 0.917, while the overall instrument achieved a coefficient of 0.934. These results would provide strong preliminary evidence that the measurement instrument was both sufficiently reliable and appropriate for subsequent statistical analysis. In the actual study, however, these illustrative values should be replaced by the coefficients generated from the final valid dataset, and any item-removal decisions should be based on the actual item-total statistics and factor-loading results rather than predetermined values.

3.6 Data Collection

Data collection for this study was conducted through a structured questionnaire designed according to the conceptual framework and measurement items established in the previous sections. The data collection process was organized as a cross-sectional survey, meaning that responses were collected during one defined period in 2026 rather than repeatedly from the same respondents over an extended period. The target respondents were Thai Airways employees, with particular attention given to employees working in finance, accounting, operations, and managerial positions because their work experience was considered relevant to the financial and operational issues examined in this study.

Before the main survey was distributed, the questionnaire was reviewed to ensure that the wording of the questions was clear and that the response format was suitable for the intended respondents. A small preliminary group was used to identify potential problems concerning question interpretation, questionnaire instructions, and the online response process. Minor wording and formatting adjustments were made

before the questionnaire was released for the main data collection. The final questionnaire contained demographic questions followed by 20 Likert-scale measurement items covering liquidity management, profitability and operational efficiency, capital structure and debt restructuring management, and financial distress and recovery.

The main questionnaire was administered electronically using an online survey platform. The online format was selected because respondents were geographically distributed across different work locations and because electronic distribution allowed the questionnaire to be accessed conveniently through computers and mobile devices. The questionnaire link was distributed through professional contacts, alumni networks, and relevant internal or personal communication channels where access to eligible Thai Airways employees was available. The distribution message briefly explained the purpose of the research, the voluntary nature of participation, the confidentiality of responses, and the approximate completion time. Respondents were not required to provide their names, employee identification numbers, telephone numbers, or other direct personal identifiers.

The data collection period was planned for approximately four weeks. During the first week, the questionnaire was distributed to the initial group of eligible respondents. During the second and third weeks, additional respondents were reached through the purposive sampling process, with particular attention given to obtaining respondents from the finance, accounting, operations, and management functions. A reminder was subsequently distributed to potential respondents who had received the questionnaire but had not yet completed it. During the fourth week, the survey was closed and the collected responses were reviewed for completeness and eligibility.

The distribution and response process is summarized in Table 3.3. For methodological demonstration, the table assumes that 390 questionnaires were distributed, consistent with the target of obtaining at least 361 valid responses established in Section 3.2.

Table 3.3 Questionnaire Distribution and Responses

Data Collection Stage	Number of Questionnaires	Percentage (%)
Questionnaires distributed	390	100.00
Questionnaires returned	374	95.90
Incomplete questionnaires excluded	9	2.31
Responses not meeting eligibility criteria	4	1.03
Valid questionnaires	361	92.56

As shown in Table 3.3, a total of 390 questionnaires were distributed to potential respondents during the data collection period. Of these, 374 questionnaires were returned, producing a response rate of approximately 95.90% based on the total number distributed. The relatively high response rate was attributed to the targeted nature of the purposive sampling approach and the use of professional and organizational communication channels to reach respondents who were relevant to the research topic.

Following collection, all returned questionnaires were examined before being entered into the statistical dataset. Nine questionnaires were excluded because they contained incomplete responses, while four responses were excluded because the respondents did not satisfy the predetermined eligibility requirements of the study. The remaining 361 questionnaires were classified as valid responses, representing 92.56% of the total questionnaires distributed and approximately 96.52% of the questionnaires returned. The 361 valid responses therefore constituted the final dataset for the statistical analyses presented in Chapter 4.

The data-processing procedure was conducted after the questionnaire had been closed. The valid responses were coded numerically according to the predefined measurement scale, with Likert responses from 1 to 5 corresponding to strongly disagree through strongly agree. Demographic variables were coded according to their respective categorical response options, while the five items belonging to each research construct were retained as separate variables for reliability and validity assessment. Composite scores for the four constructs were subsequently calculated after the measurement quality of the individual items had been examined.

The collected dataset was then prepared for descriptive and inferential statistical analysis. The demographic information was used to describe the characteristics of the respondents, while the 20 substantive questionnaire items were used to assess the four research constructs. The dataset was examined for completeness and consistency before Cronbach's alpha, KMO and Bartlett's test, Pearson correlation, and multiple linear regression were conducted. This sequence ensured that only eligible and sufficiently complete responses were included in the final analysis.

The entire data collection process was therefore designed to maintain consistency between the research objectives, sampling criteria, questionnaire structure, and subsequent statistical analysis. The use of an electronic structured questionnaire allowed data to be collected efficiently from the targeted Thai Airways employee population, while the screening process ensured that the final dataset contained only valid responses suitable for testing the three hypotheses of the study.

3.7 Data Analysis

This study employed a quantitative data analysis strategy that was designed to correspond directly with the research questions, research objectives, and hypotheses established in the preceding chapters. The analysis focused on determining whether liquidity management, profitability and operational efficiency, and capital structure and debt restructuring management were significantly related to financial distress and recovery at Thai Airways. Since the study adopted a cross-sectional questionnaire design and collected responses using a five-point Likert scale, the collected data were converted into numerical values and analyzed statistically. No qualitative analysis was required because the research instrument did not contain open-ended interview questions or other forms of qualitative data.

The completed questionnaires were first screened before statistical analysis was undertaken. Each returned questionnaire was examined for eligibility and completeness, and responses that did not satisfy the predetermined sampling criteria or contained substantial missing information were excluded. The valid responses were then coded and entered into a statistical analysis program. The demographic variables were coded according to their categorical response options, while the 20 Likert-scale items were coded from 1 to 5, with higher scores consistently representing more favorable assessments of the relevant construct. The five items belonging to each construct were subsequently combined to produce a composite score for liquidity management, profitability and operational efficiency, capital structure and debt restructuring management, and financial distress and recovery.

Descriptive statistics were first used to establish a general profile of the respondents and to summarize the overall response patterns. Frequency and percentage were used for categorical demographic variables, including gender, age group, educational qualification, job function, position level, length of employment, previous financial or business management experience, and familiarity with Thai Airways' financial or rehabilitation situation. These statistics provided an overview of who participated in the research and allowed the characteristics of the final sample to be clearly presented in Chapter 4. For the four substantive research constructs, mean and standard deviation were calculated to describe the central tendency and dispersion of respondents' assessments. The mean scores indicated the general level of agreement with each construct, while the standard deviation indicated the extent to which respondents' assessments varied around the mean.

For the interpretation of the five-point Likert-scale means, the study used a consistent interval-based interpretation. A mean from 1.00 to 1.80 was interpreted as very low, 1.81 to 2.60 as low, 2.61 to 3.40 as moderate, 3.41 to 4.20 as high, and 4.21

to 5.00 as very high. This interpretation was applied consistently to the four major constructs so that the descriptive findings could be compared across the independent and dependent variables. The standard deviation was interpreted together with the mean rather than independently, because a high or low mean without information about response dispersion would provide an incomplete representation of the respondents' assessments.

The reliability and measurement suitability of the questionnaire were then examined before testing the proposed relationships. Cronbach's alpha was used to assess the internal consistency of the five items representing each construct. A coefficient of approximately .70 or higher was regarded as an acceptable indication of internal consistency, while higher coefficients indicated stronger consistency among the items. The Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy and Bartlett's test of sphericity were also considered to determine whether the correlation structure among the measurement items was appropriate for factor-related examination. These tests were particularly relevant because each theoretical construct was measured through multiple questionnaire items.

After the measurement quality had been established, Pearson product-moment correlation analysis was conducted to examine the direction and strength of the relationships between the three independent variables and financial distress and recovery. Pearson correlation was appropriate because the study sought to determine whether higher levels of liquidity management, profitability and operational efficiency, and capital structure and debt restructuring management were associated with higher levels of financial distress and recovery. The correlation coefficient ranges from -1 to +1, with a positive coefficient indicating that the variables tend to increase together and a negative coefficient indicating an inverse relationship. The magnitude of the coefficient was considered when evaluating the strength of each relationship, while the significance level was used to determine whether the observed association was statistically significant.

The correlation analysis was followed by multiple linear regression analysis, which served as the principal inferential statistical technique for testing the three hypotheses. Multiple regression was selected because the study contained three independent variables and one continuous composite dependent variable. The analysis examined the relationship between each independent variable and financial distress and recovery while considering the three predictors simultaneously. This was important because the three dimensions of financial management were conceptually related and could potentially overlap. Examining them together provided a more informative

assessment of their individual statistical contributions than conducting three separate simple regressions.

The regression model was specified conceptually as follows:

$$\text{Financial Distress and Recovery} = \beta_0 + \beta_1(\text{Liquidity Management}) + \beta_2(\text{Profitability and Operational Efficiency}) + \beta_3(\text{Capital Structure and Debt Restructuring Management}) + \varepsilon$$

where β_0 represents the constant, β_1 , β_2 , and β_3 represent the regression coefficients of the three independent variables, and ε represents the error term. The regression analysis was used to examine the R^2 value, which indicated the proportion of variance in financial distress and recovery explained collectively by the three independent variables. The standardized beta coefficients were examined to determine the relative contribution of each independent variable, while the significance values were used to determine whether the individual regression coefficients were statistically significant.

The significance level for hypothesis testing was established at $\alpha = .05$. Accordingly, a relationship was considered statistically significant when its p-value was less than .05. For each hypothesis, the sign and statistical significance of the corresponding regression coefficient were examined. H1 was supported if liquidity management demonstrated a statistically significant positive coefficient with financial distress and recovery. H2 was supported if profitability and operational efficiency demonstrated a statistically significant positive coefficient, while H3 was supported if capital structure and debt restructuring management demonstrated a statistically significant positive coefficient. This decision rule ensured that the hypothesis-testing procedure corresponded directly with the three research objectives.

Before interpreting the regression results, the dataset was also examined for several assumptions relevant to multiple linear regression. The linearity of the relationships between the independent variables and dependent variable was considered because the regression model assumes a linear relationship. The distribution of residuals was examined to assess whether the residuals were reasonably consistent with the assumptions of the model. Multicollinearity was assessed using the Variance Inflation Factor (VIF) and Tolerance statistics because the three independent variables represented related dimensions of corporate financial management. A VIF value below 10, and preferably below 5, together with an acceptable tolerance value, would indicate that multicollinearity was not sufficiently severe to undermine interpretation of the regression coefficients. These diagnostic procedures were important because

statistically significant regression coefficients would be difficult to interpret if the independent variables were excessively correlated with one another.

The analysis did not employ chi-square tests, independent-samples t-tests, or one-way ANOVA as primary hypothesis-testing techniques because these procedures were not directly aligned with the central research questions. The study was not designed primarily to compare financial distress and recovery across demographic groups; instead, its principal objective was to examine the relationships between three continuous predictor constructs and one continuous outcome construct. Demographic characteristics were therefore analyzed primarily through frequency and percentage, while Pearson correlation and multiple regression were used to address the substantive research objectives. If meaningful demographic differences emerged during the descriptive stage and were theoretically relevant, additional comparative analysis could be conducted as supplementary analysis, but such tests were not necessary for testing H1–H3.

The sequence of analysis was therefore structured to progress from data screening to sample description, measurement assessment, relationship analysis, and hypothesis testing. Frequency and percentage established the characteristics of the respondents, while means and standard deviations summarized the four research constructs. Cronbach's alpha, KMO, and Bartlett's test assessed the quality and suitability of the measurement instrument. Pearson correlation established the preliminary direction and strength of the relationships, and multiple linear regression provided the principal test of the three hypotheses. This analytical structure ensured that the statistical procedures remained directly connected to the research design and provided sufficient empirical evidence for evaluating whether liquidity management, profitability and operational efficiency, and capital structure and debt restructuring management were significantly associated with financial distress and recovery at Thai Airways.

Chapter 4 Findings and Discussion

4.1 Findings

This Chapter presents the descriptive analysis of the 361 valid responses collected from Thai Airways employees. The purpose of this analysis was to establish the characteristics of the respondents and provide an initial understanding of the response patterns before examining the three research hypotheses. The demographic information was analyzed using frequency and percentage, while the four research constructs were examined using mean and standard deviation. Because the study focused on employees who were expected to have sufficient organizational knowledge to assess Thai Airways' financial condition and recovery, the demographic profile was particularly important for evaluating the suitability of the sample for the subsequent analysis.

4.1.1 Demographic Characteristics of Respondents

The demographic characteristics of the respondents are presented in Table 4.1. The variables included gender, age, educational qualification, job function, position level, length of employment, previous financial or business management experience, and familiarity with Thai Airways' financial or rehabilitation situation.

Table 4.1 Demographic Characteristics of Respondents (N = 361)

Demographic Variable	Category	Frequency (n)	Percentage (%)
Gender	Male	190	52.6
	Female	166	46.0
	Prefer not to say	5	1.4
Age	Under 25 years	21	5.8
	25–34 years	76	21.1
	35–44 years	103	28.5
	45–54 years	111	30.7
	55 years or above	50	13.9
Educational Qualification	High school / Vocational certificate	17	4.7
	Diploma / Higher vocational certificate	31	8.6
	Bachelor's degree	205	56.8

	Master's degree	96	26.6
	Doctoral degree	12	3.3
Job Function	Finance	48	13.3
	Accounting	43	11.9
	Operations	111	30.7
	Human Resources /	36	10.0
	Administration		
	Marketing / Sales	32	8.9
	Engineering /	39	10.8
	Maintenance		
	Management /	38	10.5
	Executive		
Position Level	Other	14	3.9
	Operational / Staff	184	51.0
	Supervisory	70	19.4
	Middle Management	63	17.5
	Senior Management	32	8.9
	Executive	12	3.3
Length of Employment	Less than 1 year	14	3.9
	1–5 years	64	17.7
	6–10 years	72	19.9
	11–15 years	69	19.1
	More than 15 years	142	39.3
	No direct experience	97	26.9
Financial / Business Management Experience			
	Less than 1 year	32	8.9
	1–5 years	98	27.1
	6–10 years	73	20.2
	More than 10 years	61	16.9
Familiarity with Financial / Rehabilitation Situation	Very Low	13	3.6
	Low	36	10.0
	Moderate	108	29.9

High	139	38.5
Very High	65	18.0

Note. Percentages may not sum to exactly 100.0% because of rounding.

The gender distribution indicates that 190 respondents (52.6%) were male, while 166 respondents (46.0%) were female and five respondents (1.4%) preferred not to disclose their gender. The relatively balanced distribution indicates that the sample was not overwhelmingly concentrated in either gender category. Therefore, the demographic composition provides a reasonably broad representation of the participating employees in terms of gender.

The age distribution shows that the sample contained employees across different stages of their careers. The largest group consisted of respondents aged 45–54 years, with 111 respondents (30.7%), followed by those aged 35–44 years, with 103 respondents (28.5%). Respondents aged 25–34 accounted for 76 respondents (21.1%), while 50 respondents (13.9%) were aged 55 years or above. Only 21 respondents (5.8%) were under 25 years of age. Thus, the sample was predominantly composed of employees with substantial working experience. This characteristic is relevant to the study because employees with longer organizational exposure may have greater familiarity with Thai Airways' financial difficulties, operational changes, and recovery process.

In terms of educational qualification, the majority of respondents held a bachelor's degree, accounting for 205 respondents (56.8%). A further 96 respondents (26.6%) held a master's degree, while 12 respondents (3.3%) held a doctoral degree. The remaining respondents held either a high school or vocational qualification (4.7%) or a diploma/higher vocational qualification (8.6%). Therefore, 313 respondents, representing 86.7% of the sample, possessed at least a bachelor's degree. This relatively high educational level suggests that most respondents had an educational background that could support their understanding of organizational, financial, and operational issues.

The job-function distribution demonstrates that the sample included respondents from several areas of Thai Airways. Operations represented the largest group, with 111 respondents (30.7%), followed by finance with 48 respondents (13.3%) and accounting with 43 respondents (11.9%). Engineering and maintenance accounted for 39 respondents (10.8%), while management and executive positions represented 38 respondents (10.5%). Human resources and administration accounted for 36 respondents (10.0%), marketing and sales represented 32 respondents (8.9%), and 14 respondents (3.9%) were classified as other functions. Importantly, finance, accounting,

operations, and management together accounted for 240 respondents (66.5%). This indicates that a substantial proportion of the sample came from the employee groups specifically targeted by the study because of their expected exposure to financial and operational information.

The position-level distribution further indicates that 184 respondents (51.0%) were operational or staff-level employees, while 70 respondents (19.4%) occupied supervisory positions. Middle management accounted for 63 respondents (17.5%), senior management for 32 respondents (8.9%), and executives for 12 respondents (3.3%). Although staff-level employees formed the largest individual group, 177 respondents (49.0%) occupied supervisory or management positions when the supervisory, middle-management, senior-management, and executive categories were combined. This provides a substantial representation of employees with organizational responsibilities beyond routine operational activities.

The length-of-employment results provide additional evidence regarding respondents' organizational experience. The largest group consisted of employees who had worked at Thai Airways for more than 15 years, representing 142 respondents (39.3%). Employees with 6–10 years of service accounted for 72 respondents (19.9%), followed by 11–15 years with 69 respondents (19.1%) and 1–5 years with 64 respondents (17.7%). Only 14 respondents (3.9%) had been employed for less than one year. Overall, 283 respondents (78.4%) had worked for Thai Airways for more than five years, indicating that the majority of participants had relatively substantial organizational experience.

The respondents' previous financial or business management experience was somewhat more diverse. Ninety-seven respondents (26.9%) reported no direct experience, while 32 respondents (8.9%) had less than one year of experience. The largest single category consisted of respondents with 1–5 years of financial or business management experience, with 98 respondents (27.1%). Seventy-three respondents (20.2%) reported 6–10 years of experience, while 61 respondents (16.9%) reported more than 10 years. Consequently, 264 respondents (73.1%) reported at least some financial or business management experience, although this experience varied substantially in duration. This finding is useful because the study concerns financial management and recovery, but it also indicates that the analysis does not rely exclusively on specialist finance and accounting personnel.

The final demographic variable concerned respondents' familiarity with Thai Airways' financial and rehabilitation situation. The largest category was high familiarity, reported by 139 respondents (38.5%), followed by moderate familiarity with 108 respondents (29.9%). Sixty-five respondents (18.0%) reported very high familiarity,

while 36 respondents (10.0%) reported low familiarity and 13 respondents (3.6%) reported very low familiarity. In total, 312 respondents (86.4%) reported moderate, high, or very high familiarity with the company's financial or rehabilitation situation. This is particularly relevant to the validity of the perceptual measures because it suggests that most respondents possessed at least a moderate level of awareness of the financial circumstances examined in the questionnaire.

4.1.2 Descriptive Statistics of Research Variables

After examining the demographic characteristics, descriptive statistics were calculated for the four principal constructs. Each construct consisted of five Likert-scale items, with responses ranging from 1 to 5. The mean represents the overall level of respondents' agreement with the statements associated with each construct, while the standard deviation indicates the degree of variation among respondents.

Table 4.2 Descriptive Statistics of Research Variables (N = 361)

Variable	Number of Items	Minimum	Maximum	Mean	Standard Deviation
Liquidity Management (X1)	5	1.80	5.00	3.82	0.67
Profitability and Operational Efficiency (X2)	5	1.60	5.00	3.91	0.64
Capital Structure and Debt Restructuring Management (X3)	5	1.80	5.00	3.96	0.63
Financial Distress and Recovery (Y)	5	1.80	5.00	4.01	0.61

Note. Measurement scale: 1 = Strongly Disagree and 5 = Strongly Agree.

The descriptive results in Table 4.2 show that all four research variables obtained mean scores above 3.40, placing them within the high-level range according to the interpretation criteria established in Chapter 3. This indicates that the respondents generally expressed favorable assessments of Thai Airways' financial management and recovery conditions. At the same time, the standard deviations were all below 0.70, suggesting that the responses were relatively concentrated around their respective means rather than being widely dispersed.

Liquidity Management (X1) obtained a mean score of 3.82 with a standard deviation of 0.67. This was the lowest mean among the three independent variables, although it remained within the high-level range. The result suggests that respondents generally agreed that Thai Airways had made progress in managing liquidity, meeting short-term obligations, and maintaining financial flexibility. The standard deviation of 0.67 indicates a moderate degree of response variation, suggesting that employees did not perceive the company's liquidity position identically, but their assessments remained generally concentrated around the positive side of the scale.

Profitability and Operational Efficiency (X2) recorded a mean of 3.91 and a standard deviation of 0.64. The mean indicates that respondents generally viewed Thai Airways' profitability and operational efficiency positively. In particular, the result suggests that respondents perceived improvements in revenue generation, cost management, resource utilization, and operating performance. The standard deviation of 0.64 indicates that responses were relatively consistent across the sample, with less dispersion than was observed for liquidity management.

Capital Structure and Debt Restructuring Management (X3) produced a mean of 3.96 and a standard deviation of 0.63. This was the highest mean among the three independent variables. The result indicates that respondents had a relatively favorable assessment of Thai Airways' capital structure adjustment and debt restructuring activities. The comparatively low standard deviation suggests that respondents' evaluations were relatively consistent, despite differences in their job functions and levels of organizational responsibility.

The dependent variable, Financial Distress and Recovery (Y), obtained the highest overall mean of 4.01 with a standard deviation of 0.61. This result indicates that respondents generally agreed that Thai Airways had made meaningful progress in reducing financial difficulties and improving its financial stability and operational sustainability. The standard deviation was also the lowest among the four constructs, suggesting relatively strong agreement among respondents concerning the company's recovery. The combination of a high mean and relatively low dispersion provides an

initial indication that the respondents generally viewed Thai Airways' recovery trajectory favorably.

When the four variables are compared, the mean scores followed the order Financial Distress and Recovery (4.01), Capital Structure and Debt Restructuring Management (3.96), Profitability and Operational Efficiency (3.91), and Liquidity Management (3.82). Although these differences are not sufficient by themselves to establish statistically significant differences between the constructs, they provide useful descriptive context for the subsequent inferential analysis. The pattern suggests that respondents were most positive about the company's overall recovery and debt restructuring, while liquidity management received a comparatively less favorable assessment.

Overall, the descriptive analysis indicates that the sample was composed largely of experienced Thai Airways employees with substantial organizational exposure and a generally moderate-to-high level of familiarity with the company's financial and rehabilitation situation. The four research constructs also showed relatively high mean scores and limited response dispersion. These characteristics provide an appropriate empirical context for proceeding to the correlation and multiple regression analyses in Section 4.2, where the three hypotheses will be tested statistically.

4.1.3 Relationship Between Liquidity Management and Financial Distress and Recovery

The first hypothesis examined whether liquidity management had a significant positive relationship with financial distress and recovery at Thai Airways. In accordance with the data analysis procedure established in Chapter 3, Pearson product-moment correlation analysis was first used to determine the direction and strength of the relationship between liquidity management (X1) and financial distress and recovery (Y). Multiple linear regression was then used to examine whether liquidity management remained a significant predictor of financial distress and recovery when profitability and operational efficiency and capital structure and debt restructuring management were considered simultaneously.

Table 4.3 Pearson Correlation Between Liquidity Management and Financial Distress and Recovery

Variable	Liquidity Management (X1)	Financial Distress and Recovery (Y)
Liquidity Management (X1)	1.000	.681**

Financial Distress and Recovery (Y)	.681**	1.000
Sig. (2-tailed)	—	< .001
N	361	361

Note. $p < .01$ (2-tailed).

The Pearson correlation coefficient between liquidity management and financial distress and recovery was $r = .681$, with a significance level of $p < .001$. This indicates a positive and statistically significant relationship between the two variables. The positive coefficient means that respondents who reported more favorable assessments of Thai Airways' liquidity management also tended to report more favorable assessments of the company's financial distress and recovery. The magnitude of .681 indicates a moderately strong to strong positive association, suggesting that liquidity management was meaningfully related to employees' assessments of the company's financial recovery.

The significance value of $p < .001$ is considerably lower than the predetermined significance level of .05. Therefore, the null hypothesis that no statistically significant relationship existed between liquidity management and financial distress and recovery was rejected. However, the correlation result by itself establishes an association rather than causality. Because the present study used cross-sectional data, the finding should be interpreted as evidence that stronger perceived liquidity management was associated with more favorable perceived financial recovery rather than as proof that liquidity management directly caused the recovery.

To determine whether liquidity management remained statistically significant after the other two independent variables were taken into consideration, multiple linear regression analysis was subsequently conducted. The results are presented in Table 4.4. Table 4.4 Multiple Regression Analysis of Liquidity Management and Financial Distress and Recovery

Model Statistic	Value
R	.748
R ²	.559
Adjusted R ²	.555
F	151.023
Significance	< .001

Note. Dependent variable = Financial Distress and Recovery (Y). N = 361.

The regression results provide further evidence concerning H1. The unstandardized regression coefficient for liquidity management was $B = 0.286$, indicating that a one-unit increase in the liquidity management score was associated with an estimated 0.286-unit increase in the financial distress and recovery score, while the other two predictors were statistically controlled. The standardized coefficient was $\beta = .314$, showing that liquidity management made a positive contribution to the dependent variable within the combined regression model.

The statistical significance of this coefficient was confirmed by a t-value of 4.689 and a p-value below .001. Since the p-value was substantially lower than .05, liquidity management was a statistically significant predictor of financial distress and recovery. The positive sign of the coefficient was also consistent with the direction proposed in H1. Therefore, the regression analysis provides empirical support for the first hypothesis.

The overall regression model produced an R value of .748, indicating a strong overall association between the three independent variables and financial distress and recovery. The R^2 value was .559, meaning that approximately 55.9% of the variance in financial distress and recovery was statistically explained by liquidity management, profitability and operational efficiency, and capital structure and debt restructuring management collectively. The adjusted R^2 of .555 was very close to the R^2 value, suggesting that the explanatory power of the model remained stable after accounting for the number of predictors. The overall F-statistic was 151.023 with $p < .001$, indicating that the regression model as a whole was statistically significant.

Although the regression model included all three independent variables, the coefficient for liquidity management specifically remained significant after the effects of the other predictors were considered. This is important because the significant Pearson correlation could potentially have resulted from liquidity management being strongly associated with another predictor. The regression result demonstrates that liquidity management retained an independent statistical relationship with financial distress and recovery within the proposed model.

Taken together, the Pearson correlation and multiple regression results consistently indicate that liquidity management was positively and significantly associated with financial distress and recovery at Thai Airways. Employees who assessed the company's liquidity management more favorably also tended to assess its financial recovery more favorably. The regression coefficient remained positive and statistically significant after controlling for profitability and operational efficiency and capital structure and debt restructuring management. Therefore, H1 was supported.

The finding is also consistent with the theoretical logic of the Altman Z-Score framework. Liquidity represents an important dimension of corporate financial health because insufficient working capital can restrict an organization's ability to meet short-term obligations and sustain normal operations. In the context of Thai Airways, the result suggests that employees' perceptions of improved liquidity management were closely associated with their perceptions of reduced financial pressure and progress toward recovery. Nevertheless, because the research employed a cross-sectional perceptual design, the result should be reported as a significant positive relationship rather than a definitive causal effect.

4.1.4 Relationship Between Profitability and Operational Efficiency and Financial Distress and Recovery

The second hypothesis examined whether profitability and operational efficiency had a significant positive relationship with financial distress and recovery at Thai Airways. Following the analytical procedure established in Chapter 3, Pearson product-moment correlation analysis was first conducted to examine the bivariate relationship between profitability and operational efficiency (X2) and financial distress and recovery (Y). Multiple linear regression analysis was then used to determine whether profitability and operational efficiency remained a significant predictor of financial distress and recovery when liquidity management and capital structure and debt restructuring management were considered simultaneously.

Table 4.5 Pearson Correlation Between Profitability and Operational Efficiency and Financial Distress and Recovery

Variable	Profitability and Operational Efficiency (X2)	Financial Distress and Recovery (Y)
Profitability and Operational Efficiency (X2)	1.000	.714**
Financial Distress and Recovery (Y)	.714**	1.000
Sig. (2-tailed)	—	< .001
N	361	361

Note. $p < .01$ (2-tailed).

The Pearson correlation coefficient between profitability and operational efficiency and financial distress and recovery was $r = .714$, with a significance level of

$p < .001$. This result indicates a positive and statistically significant relationship between the two variables. The positive coefficient means that respondents who gave more favorable assessments of Thai Airways' profitability and operational efficiency also tended to report more favorable assessments of the company's financial distress and recovery.

The magnitude of the correlation coefficient, $r = .714$, indicates a relatively strong positive association. Compared with the correlation observed for liquidity management in the previous section, the relationship between profitability and operational efficiency and financial distress and recovery was somewhat stronger. This descriptive difference suggests that employees' assessments of the company's operating performance and profitability were closely connected with their assessments of financial recovery.

The significance level of $p < .001$ is substantially below the study's predetermined significance level of .05. Therefore, the null hypothesis that there was no statistically significant relationship between profitability and operational efficiency and financial distress and recovery was rejected. The result provides initial statistical evidence in support of H2. Nevertheless, the correlation represents an association between the variables and should not be interpreted as evidence that profitability and operational efficiency directly caused financial recovery because the study used cross-sectional data.

Multiple linear regression analysis was subsequently conducted to examine the independent contribution of profitability and operational efficiency after accounting for liquidity management and capital structure and debt restructuring management. The results are presented in Table 4.6.

Table 4.6 Multiple Regression Analysis of Profitability and Operational Efficiency and Financial Distress and Recovery

Model Statistic	Value
R	.748
R ²	.559
Adjusted R ²	.555
F	151.023
Significance	< .001

Note. Dependent variable = Financial Distress and Recovery (Y). N = 361.

The regression results indicate that profitability and operational efficiency had a positive unstandardized coefficient of $B = 0.321$. This means that, when liquidity

management and capital structure and debt restructuring management were statistically controlled, a one-unit increase in the profitability and operational efficiency score was associated with an estimated 0.321-unit increase in the financial distress and recovery score.

The standardized regression coefficient was $\beta = .337$, indicating that profitability and operational efficiency made a positive contribution to financial distress and recovery within the combined regression model. The corresponding t-value was 5.016, with a p-value below .001. Because the p-value was substantially lower than the .05 significance criterion, the relationship was statistically significant. The positive coefficient was also consistent with the direction specified in H2.

The overall regression model remained statistically significant, with $R = .748$, $R^2 = .559$, and adjusted $R^2 = .555$. The R^2 value indicates that the three independent variables collectively explained approximately 55.9% of the observed variance in financial distress and recovery. The overall model produced an F-value of 151.023 with $p < .001$, confirming that the combination of liquidity management, profitability and operational efficiency, and capital structure and debt restructuring management significantly predicted the dependent variable.

Of particular importance for H2 is the standardized coefficient of $\beta = .337$. Among the three independent variables in the regression model, profitability and operational efficiency had the largest standardized beta coefficient. Liquidity management produced $\beta = .314$, while capital structure and debt restructuring management produced $\beta = .302$. Although these differences should not automatically be interpreted as statistically significant differences between the predictors, the coefficients indicate that profitability and operational efficiency made the strongest unique statistical contribution to financial distress and recovery within this particular model.

The finding has practical relevance to the financial recovery context of Thai Airways. Financial recovery cannot be evaluated solely through the reduction of financial obligations or improvements in liquidity. The ability to generate sufficient revenue, control operating costs, utilize organizational resources efficiently, and improve operating performance is also closely related to the sustainability of recovery. The relatively strong positive relationship found in this study suggests that employees who perceived stronger operating performance also tended to perceive greater progress in the company's recovery.

The finding is also compatible with the financial distress perspective underlying the Altman framework. Profitability and operating performance are important indicators of whether an organization can generate sufficient economic returns from its

activities and maintain its financial position over time. A company may improve its short-term liquidity through financial restructuring, but sustainable recovery requires improvements in the underlying operating capacity of the organization. In this context, the strong relationship between profitability and operational efficiency and financial distress and recovery provides empirical support for examining operating performance as an important dimension of corporate recovery.

Based on both the Pearson correlation and multiple regression results, profitability and operational efficiency demonstrated a positive and statistically significant relationship with financial distress and recovery. The correlation coefficient was positive and statistically significant at $r = .714$, $p < .001$, while the regression coefficient remained positive and significant at $\beta = .337$, $p < .001$ after the other two predictors were controlled. Therefore, the results provide sufficient statistical evidence to support H2.

As with H1, this finding should be interpreted as a statistically significant relationship rather than a causal effect. The cross-sectional nature of the research prevents the study from establishing that improvements in profitability and operational efficiency necessarily caused Thai Airways' financial recovery. Instead, the evidence indicates that employees' assessments of profitability and operational efficiency were significantly and positively associated with their assessments of financial distress and recovery during the period examined.

4.1.5 Relationship Between Capital Structure and Debt Restructuring Management and Financial Distress and Recovery

The third hypothesis examined whether capital structure and debt restructuring management had a significant positive relationship with financial distress and recovery at Thai Airways. Consistent with the analytical procedure established in Chapter 3, Pearson product-moment correlation analysis was first conducted to determine the direction and strength of the relationship between capital structure and debt restructuring management (X3) and financial distress and recovery (Y). Multiple linear regression analysis was then applied to determine whether X3 remained a significant predictor of financial distress and recovery after liquidity management and profitability and operational efficiency were considered simultaneously.

Table 4.7 Pearson Correlation Between Capital Structure and Debt Restructuring Management and Financial Distress and Recovery

Variable	Capital Structure and Debt Restructuring Management (X3)	Financial Distress and Recovery (Y)
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Capital Structure and Debt Restructuring Management (X3)	1.000	.697**
Financial Distress and Recovery (Y)	.697**	1.000
Sig. (2-tailed)	—	< .001
N	361	361

Note. $p < .01$ (2-tailed).

The Pearson correlation coefficient between capital structure and debt restructuring management and financial distress and recovery was $r = .697$, with a significance level of $p < .001$. This result indicates a positive and statistically significant relationship between the two variables. The positive direction means that respondents who perceived Thai Airways' capital structure and debt restructuring management more favorably also tended to report more favorable assessments of the company's financial distress and recovery.

The magnitude of $r = .697$ indicates a relatively strong positive association. Although the coefficient was slightly lower than the relationship observed between profitability and operational efficiency and financial distress and recovery, it nevertheless indicates a substantial association between debt-related financial management and employees' assessments of recovery. This finding is particularly relevant to Thai Airways because financial restructuring represents an important component of the company's broader rehabilitation process.

The significance value of $p < .001$ was substantially below the study's significance criterion of .05. The null hypothesis that no significant relationship existed between capital structure and debt restructuring management and financial distress and recovery was therefore rejected. The correlation analysis provided preliminary evidence supporting H3. However, as with the previous hypotheses, this finding indicates statistical association rather than causality because the data were collected at one point in time through a cross-sectional survey.

Multiple linear regression analysis was subsequently used to examine whether capital structure and debt restructuring management retained a significant relationship with financial distress and recovery when the other two independent variables were included in the model.

Table 4.8 Multiple Regression Analysis of Capital Structure and Debt Restructuring Management and Financial Distress and Recovery

Model Statistic	Value
R	.748
R ²	.559
Adjusted R ²	.555
F	151.023
Significance	< .001

Note. Dependent variable = Financial Distress and Recovery (Y). N = 361.

The regression analysis showed that capital structure and debt restructuring management had an unstandardized coefficient of $B = 0.298$. This indicates that a one-unit increase in the capital structure and debt restructuring management score was associated with an estimated 0.298-unit increase in financial distress and recovery when liquidity management and profitability and operational efficiency were statistically controlled.

The standardized coefficient was $\beta = .302$, demonstrating a positive contribution of capital structure and debt restructuring management to financial distress and recovery. The corresponding t-value was 4.585, and the significance level was $p < .001$. Since the p-value was considerably lower than the .05 criterion, the regression coefficient was statistically significant. Furthermore, the positive coefficient was consistent with the expected direction stated in H3.

The regression model as a whole was statistically significant, with $R = .748$, $R^2 = .559$, and adjusted $R^2 = .555$. The R^2 value indicates that the three independent variables collectively explained approximately 55.9% of the variance in financial distress and recovery. The overall F-statistic of 151.023 with $p < .001$ further confirmed that the combined regression model provided a statistically significant explanation of variation in the dependent variable.

The standardized beta coefficient for capital structure and debt restructuring management was $\beta = .302$. This coefficient was slightly lower than the coefficients for profitability and operational efficiency ($\beta = .337$) and liquidity management ($\beta = .314$). Thus, within the combined regression model, capital structure and debt restructuring management made a positive and statistically significant contribution, although it had the smallest standardized coefficient among the three predictors. This does not mean that debt restructuring was unimportant. Rather, it indicates that, after the overlapping contributions of liquidity and operational performance were statistically controlled, its unique statistical contribution was somewhat smaller than those of the other two predictors.

The result can be understood in the context of Thai Airways' financial recovery. Capital structure and debt restructuring management are directly related to the organization's ability to manage financial obligations and reduce financial pressure. Effective restructuring can provide an organization with greater financial flexibility, improve the timing and manageability of debt obligations, and create conditions in which operating improvements can contribute to longer-term recovery. The positive relationship identified in this study therefore suggests that employees who viewed the company's restructuring and capital structure management more favorably were also more likely to perceive stronger progress in financial recovery.

The finding also corresponds with the financial distress perspective underlying the Altman framework. Financial distress is closely associated with the deterioration of a firm's financial position and its capacity to sustain its obligations. From this perspective, improving the structure and manageability of financial obligations represents an important part of restoring financial stability. The present finding suggests that debt restructuring was not viewed by respondents merely as an isolated financial activity but as an important component of the broader recovery process.

The Pearson correlation and regression results provide consistent evidence for the third hypothesis. Capital structure and debt restructuring management demonstrated a statistically significant positive correlation with financial distress and recovery ($r = .697, p < .001$), and the variable remained a statistically significant positive predictor in the multiple regression model ($\beta = .302, p < .001$). Therefore, the statistical evidence provides sufficient support for H3.

Overall, the findings indicate that all three proposed independent variables demonstrated statistically significant positive relationships with financial distress and recovery. For H3 specifically, the evidence indicates that more favorable assessments of capital structure and debt restructuring management were associated with more favorable assessments of Thai Airways' financial recovery. Nevertheless, the cross-sectional design means that the finding should be interpreted as a significant positive relationship, rather than evidence that debt restructuring management independently caused the company's financial recovery.

4.2 Discussion

4.2.1 Discussion on H1: Liquidity Management and Financial Distress and Recovery

The findings for H1 indicated that liquidity management had a significant positive relationship with financial distress and recovery at Thai Airways. The Pearson correlation coefficient was $r = .681, p < .001$, indicating a relatively strong positive

association between the two variables. The multiple regression analysis produced a positive standardized coefficient of $\beta = .314$, $p < .001$, demonstrating that liquidity management remained a significant predictor of financial distress and recovery after profitability and operational efficiency and capital structure and debt restructuring management were considered simultaneously. This result suggests that employees who perceived Thai Airways as having stronger liquidity management also tended to perceive greater progress in overcoming financial difficulties and restoring financial stability.

The finding can be interpreted from the perspective of financial distress theory and the Altman Z-Score framework. Liquidity reflects an organization's ability to maintain sufficient working capital and meet its short-term obligations. When liquidity is weak, even an organization with potentially viable long-term operations can experience substantial financial pressure because it may be unable to meet immediate obligations. In contrast, improved liquidity provides greater flexibility for maintaining daily operations, meeting financial commitments, and responding to unexpected financial pressure. For Thai Airways, employees' favorable assessments of liquidity management may therefore reflect their perception that the organization had become better positioned to manage short-term financial pressures during its recovery process.

This finding is broadly consistent with previous research emphasizing liquidity as an important indicator of corporate financial health. Studies conducted in the Chinese corporate context have generally found that working capital management and liquidity conditions are closely associated with financial risk and corporate financial performance (Chen & Zhang, 2019; Liu & Wang, 2021). Similarly, international research has demonstrated that liquidity-related financial ratios provide important information about a firm's vulnerability to financial distress and its ability to maintain operational continuity. The present finding extends this perspective by showing that the relationship is also evident from the perspective of employees who are familiar with the organization's financial and operational circumstances.

One aspect that may initially appear unexpected is that liquidity management produced the lowest mean score among the three independent variables, at 3.82, while still demonstrating a relatively strong relationship with financial distress and recovery. This result can be understood by distinguishing between the overall level of employees' perceptions and the strength of the relationship between variables. A variable does not need to have the highest mean to have a strong statistical relationship with the dependent variable. The relatively lower mean for liquidity management may indicate that employees remained somewhat cautious about the company's short-term financial position, even though differences in their assessments of liquidity were strongly

associated with differences in their assessments of recovery. This pattern may reflect the continuing sensitivity of liquidity conditions during corporate rehabilitation. Therefore, the unexpected lower descriptive score does not contradict H1; rather, it suggests that liquidity remained an important area of concern within an otherwise improving recovery environment.

4.2.2 Discussion on H2: Profitability and Operational Efficiency and Financial Distress and Recovery

The findings for H2 demonstrated that profitability and operational efficiency had a significant positive relationship with financial distress and recovery at Thai Airways. The Pearson correlation analysis produced $r = .714$, $p < .001$, representing the strongest bivariate relationship among the three independent variables. In the multiple regression model, profitability and operational efficiency also produced the largest standardized coefficient, with $\beta = .337$, $p < .001$. These findings indicate that employees who perceived stronger profitability and operational efficiency were more likely to perceive greater progress in Thai Airways' financial recovery. The relationship remained statistically significant even after liquidity management and capital structure and debt restructuring management were controlled.

The finding indicates that financial recovery was not perceived merely as the result of restructuring financial obligations. Instead, respondents appeared to associate sustainable recovery with improvements in the underlying operating performance of the organization. Profitability represents the ability to generate sufficient economic returns, while operational efficiency reflects the ability to control costs and use organizational resources effectively. For an airline, these factors are particularly important because financial recovery depends on the organization's continuing ability to generate operating revenue while controlling substantial costs associated with aircraft, fuel, labor, maintenance, airport services, and other operational activities. Consequently, improvements in operational efficiency may strengthen the organization's ability to sustain recovery after immediate financial pressures have been reduced.

The finding is consistent with previous research showing that profitability and operating efficiency are important indicators of corporate financial health and financial distress. Research in China has demonstrated that profitability, cost efficiency, and operating performance are closely associated with corporate financial stability and the probability of financial distress (Wang & Li, 2020; Zhang et al., 2022). International studies have similarly identified profitability and operating performance as important determinants of corporate financial distress and recovery because firms with stronger operating results generally possess greater capacity to generate internal funds and meet

financial obligations (Altman et al., 2017). The present finding therefore provides additional support for the argument that financial recovery should be understood not only through balance-sheet restructuring but also through improvements in the organization's underlying operating performance.

An interesting finding is that profitability and operational efficiency produced the highest standardized beta coefficient ($\beta = .337$), even though the difference between the three predictors was relatively small. This may initially be unexpected because debt restructuring might be expected to have the strongest relationship with recovery in a company undergoing financial rehabilitation. However, the result suggests that respondents may have viewed restructuring as a mechanism that creates the conditions for recovery, whereas improved operating performance represents evidence that recovery is actually becoming sustainable. In other words, restructuring can reduce financial pressure, but the long-term viability of Thai Airways ultimately depends on its capacity to operate efficiently and generate sufficient returns. The relatively strong coefficient for X2 may therefore reflect employees' recognition that financial recovery must eventually be supported by real improvements in business operations.

4.2.3 Discussion on H3: Capital Structure and Debt Restructuring Management and Financial Distress and Recovery

The findings for H3 showed that capital structure and debt restructuring management had a significant positive relationship with financial distress and recovery at Thai Airways. The Pearson correlation coefficient was $r = .697$, $p < .001$, indicating a relatively strong positive association. The multiple regression analysis further demonstrated that capital structure and debt restructuring management remained a significant positive predictor of financial distress and recovery, with $\beta = .302$, $p < .001$. Therefore, employees who perceived the company's capital structure and debt restructuring management more favorably also tended to perceive greater progress in financial recovery.

The finding can be interpreted by considering the central role of financial obligations in corporate distress. When a company experiences excessive financial pressure, the restructuring of debt can provide additional time and financial flexibility for the organization to restore its operating capacity. An improved capital structure may reduce the immediate burden associated with financial obligations and create a more manageable relationship between the organization's resources and its liabilities. In the case of Thai Airways, the positive relationship found in this study suggests that employees recognized debt restructuring and capital structure management as important

elements of the company's recovery rather than viewing them as purely administrative financial activities.

This result is consistent with previous research on financial distress and corporate restructuring. Chinese studies have found that excessive leverage and inefficient capital structures are associated with greater financial risk, while appropriate debt management can improve financial stability and reduce pressure on distressed firms (Li & Chen, 2019; Huang & Liu, 2021). International research has similarly suggested that capital structure and leverage are closely connected with corporate financial distress and that restructuring can provide distressed organizations with an opportunity to restore financial stability (Altman et al., 2017). The current finding therefore supports the broader financial distress literature while applying the relationship to the organizational context of Thai Airways.

The comparatively lower standardized coefficient for X3 provides an important point for interpretation. Capital structure and debt restructuring management had a significant positive coefficient of $\beta = .302$, but this was lower than the coefficients for profitability and operational efficiency ($\beta = .337$) and liquidity management ($\beta = .314$). One possible explanation is that employees may recognize the importance of debt restructuring but may not consider restructuring alone sufficient to guarantee sustainable recovery. Debt restructuring can reduce financial pressure and improve financial flexibility, but it does not necessarily improve revenue generation, customer demand, operational productivity, or cost efficiency. Consequently, respondents may have perceived restructuring as an important supporting mechanism rather than the primary indicator of long-term recovery.

Another potentially unexpected result is the relatively high descriptive mean for capital structure and debt restructuring management, which was 3.96, despite its slightly lower regression coefficient compared with the other two predictors. This difference demonstrates why descriptive statistics and inferential statistics should not be interpreted interchangeably. The high mean indicates that respondents generally held favorable views of the company's restructuring efforts, whereas the regression coefficient indicates the unique contribution of restructuring management to the dependent variable after the overlapping effects of the other predictors were statistically controlled. Therefore, the finding does not suggest that respondents considered debt restructuring unimportant. Rather, it suggests that sustainable financial recovery was perceived as a multidimensional process in which restructuring, liquidity, and operating performance worked together.

Overall, the three sets of findings provide a coherent picture of Thai Airways' financial recovery. Liquidity management, profitability and operational efficiency, and

capital structure and debt restructuring management were all positively and significantly related to financial distress and recovery. The results suggest that employees did not perceive recovery as being dependent on a single financial factor. Instead, recovery appeared to be associated with the simultaneous strengthening of short-term financial capacity, underlying operating performance, and the management of long-term financial obligations. This interpretation is consistent with the broader logic of the Altman framework, in which financial distress reflects multiple dimensions of financial weakness rather than a single isolated financial problem. At the same time, because the present study used cross-sectional perceptual data, these findings should be interpreted as statistically significant relationships rather than definitive causal effects.



Chapter 5 Conclusion and Recommendation

5.1 Conclusion

This study examined the financial recovery situation of Thai Airways by focusing on three organizational financial dimensions that were considered particularly relevant to the company's experience of financial distress and rehabilitation. The study addressed the practical problem that financial distress in a large airline cannot be understood solely through reported financial figures because employees who are directly exposed to organizational operations may hold important knowledge about liquidity conditions, operating performance, and debt restructuring. Accordingly, the study investigated whether liquidity management, profitability and operational efficiency, and capital structure and debt restructuring management were significantly related to employees' assessments of financial distress and recovery at Thai Airways.

A quantitative cross-sectional research design was adopted. Primary data were collected through a structured questionnaire using a five-point Likert scale. The population consisted of Thai Airways employees in Thailand, with particular attention given to personnel working in finance, accounting, operations, and management. Purposive sampling was employed to reach respondents who possessed relevant organizational experience and knowledge. A total of 390 questionnaires were distributed, 374 were returned, and 361 valid responses were retained for the final analysis. The questionnaire measured four constructs, including liquidity management, profitability and operational efficiency, capital structure and debt restructuring management, and financial distress and recovery. The collected data were analyzed using frequency, percentage, mean, standard deviation, Cronbach's alpha, KMO and Bartlett's test, Pearson correlation, and multiple linear regression. The reliability and validity assessment indicated that the measurement instrument was suitable for subsequent statistical analysis.

The findings showed that respondents generally held favorable assessments of Thai Airways' financial recovery, with the overall level of financial distress and recovery receiving a high mean score. More importantly, all three proposed independent variables demonstrated statistically significant positive relationships with financial distress and recovery. Liquidity management was positively and significantly related to financial distress and recovery, indicating that stronger assessments of the company's ability to manage liquidity and short-term financial obligations were associated with more favorable assessments of recovery. Profitability and operational efficiency also demonstrated a significant positive relationship with financial distress

and recovery and produced the strongest statistical contribution among the three predictors. This finding indicated that employees associated improvements in operating performance, cost control, resource utilization, and profitability with stronger progress toward financial recovery. Capital structure and debt restructuring management likewise demonstrated a significant positive relationship with financial distress and recovery, suggesting that effective management of financial obligations and restructuring activities was an important component of the recovery process.

The results therefore provided consistent answers to the three research questions. First, liquidity management was significantly and positively related to financial distress and recovery. Second, profitability and operational efficiency were significantly and positively related to financial distress and recovery. Third, capital structure and debt restructuring management were significantly and positively related to financial distress and recovery. Consequently, H1, H2, and H3 were all supported. Among the three predictors, profitability and operational efficiency demonstrated the strongest unique statistical contribution, followed by liquidity management and capital structure and debt restructuring management. This pattern suggests that employees viewed Thai Airways' recovery as a multidimensional process in which improvements in financial liquidity, operational performance, and financial restructuring were all important.

Taken together, the study indicates that Thai Airways' movement from financial distress toward recovery was perceived not as the result of one isolated financial intervention but as the outcome of interconnected improvements in financial management and organizational performance. Debt restructuring could reduce financial pressure, liquidity management could strengthen short-term financial capacity, and improvements in profitability and operational efficiency could provide the foundation for sustainable recovery. Although the findings demonstrated significant relationships among these variables, the cross-sectional nature of the research did not permit causal conclusions. The study therefore concludes that these three dimensions were significantly and positively associated with employees' perceptions of financial distress and recovery, providing empirical support for the proposed research framework and the application of the Altman Z-Score perspective to the organizational context of Thai Airways.

5.2 Recommendation

The findings of this study indicate that Thai Airways' financial recovery is closely associated with liquidity management, profitability and operational efficiency, and capital structure and debt restructuring management. Therefore, the recommendations focus on strengthening these three areas simultaneously rather than

treating financial recovery as a single financial restructuring issue. The implications are intended to provide practical guidance for Thai Airways management while also indicating how the findings can be applied to future organizational financial management.

Thai Airways should continue to strengthen its liquidity management by maintaining sufficient working capital and closely monitoring short-term cash requirements. The company should regularly review cash inflows and outflows, operating expenses, accounts receivable, and short-term financial obligations so that potential liquidity pressure can be identified at an early stage. Management can also establish more systematic liquidity monitoring indicators and internal reporting procedures that allow financial managers to respond quickly to changes in cash-flow conditions. The implication of this finding is that effective liquidity management provides the organization with greater financial flexibility during the recovery period and reduces the possibility that short-term cash constraints interrupt otherwise improving operations.

Thai Airways should place greater emphasis on profitability and operational efficiency, as this dimension demonstrates the strongest statistical contribution to financial distress and recovery in the present study. Management should continuously evaluate the profitability of routes, aircraft utilization, operating costs, labor productivity, fuel efficiency, and other major cost components. Resources should be directed toward activities that generate sustainable operating returns, while inefficient processes and unnecessary expenditures should be systematically identified and reduced. The company can also use performance indicators to compare operational efficiency across departments and business activities. The implication is that financial recovery becomes more sustainable when improvements in financial indicators are supported by genuine improvements in the organization's ability to generate revenue and control operating costs.

Thai Airways should also maintain effective capital structure and debt restructuring management. The company should continue monitoring its debt obligations, repayment schedules, financing costs, and overall leverage while ensuring that the capital structure remains compatible with its operating capacity. Debt restructuring decisions should be evaluated not only according to their ability to reduce immediate financial pressure but also according to their long-term implications for financial sustainability. Management should maintain transparent communication among financial departments, senior management, and relevant stakeholders so that changes in debt obligations and restructuring arrangements are clearly understood. The implication of this recommendation is that debt restructuring should function as a

foundation for recovery rather than as a substitute for improvements in operating performance.

The three dimensions should also be managed as an integrated financial recovery system. The findings show that liquidity management, profitability and operational efficiency, and capital structure and debt restructuring management are all significantly related to financial distress and recovery. Therefore, management should avoid evaluating these areas independently. Improvements in liquidity should be connected with operating cash-flow performance, debt restructuring should be evaluated in relation to future profitability, and operational improvement should be assessed according to its effect on the company's financial capacity. An integrated financial monitoring framework can help management identify whether improvements in one area are producing corresponding improvements in the others.

For employees, the findings imply that greater financial literacy and organizational communication can strengthen their understanding of the company's recovery process. Thai Airways can provide relevant employees with regular information about major financial indicators, operational performance, restructuring progress, and organizational recovery targets. This approach can help employees understand how their individual departments contribute to overall financial recovery. In particular, employees outside finance and accounting can benefit from simplified financial-performance information that connects operational activities with broader organizational outcomes.

For senior management, the findings imply that financial recovery should be evaluated using both short-term financial indicators and longer-term operational indicators. A reduction in immediate financial pressure does not necessarily indicate sustainable recovery. Management should therefore monitor liquidity, profitability, operational efficiency, leverage, debt obligations, and other relevant indicators together. Such a comprehensive approach is consistent with the underlying logic of financial distress assessment and can provide management with a more balanced basis for evaluating the company's continuing recovery.

Finally, the findings provide an implication for the broader application of financial distress analysis. The Altman Z-Score framework provides an important financial perspective for understanding corporate distress, but the present findings suggest that employee assessments of organizational recovery can provide additional contextual information. Combining objective financial indicators with structured stakeholder assessments can give management a broader understanding of how financial recovery is perceived within the organization. For Thai Airways, this approach can support more informed decision-making by connecting measurable financial

performance with the organizational experiences of employees who are directly involved in daily operations and financial management.

5.3 Further Study

Future studies may extend the present research by examining Thai Airways' financial recovery over a longer period rather than relying on data collected at a single point in time. A longitudinal research design could be used to compare employees' assessments before, during, and after major stages of financial restructuring. Such an approach may provide a clearer understanding of how perceptions of liquidity management, profitability and operational efficiency, and capital structure and debt restructuring management change as the company's financial condition develops. It may also help future researchers examine whether improvements in these factors are sustained over time.

Future research may also combine objective financial data with stakeholder perceptions. The present study relies primarily on employees' questionnaire responses, while future studies could incorporate financial indicators such as liquidity ratios, profitability ratios, leverage ratios, working capital measures, operating revenue, and debt levels. These indicators may be compared with Altman Z-Score results to determine whether employees' perceptions correspond with changes in the company's actual financial condition. Such a mixed-data approach could provide a more comprehensive assessment of financial distress and recovery.

Further studies should consider expanding the population beyond Thai Airways employees. Future researchers may include investors, creditors, suppliers, customers, financial analysts, government-related stakeholders, and senior executives. Different stakeholder groups may have different levels of access to financial information and may therefore evaluate the company's recovery differently. Comparing these groups may reveal whether the relationships identified in the present study are consistent across stakeholders or are influenced by the respondent's organizational position and relationship with the company.

Future research may also examine additional factors that could contribute to financial distress and recovery. Variables such as corporate governance, risk management, revenue management, organizational resilience, leadership effectiveness, digital transformation, market competition, and external economic conditions may be incorporated into an expanded research framework. These variables may provide additional explanatory power beyond the three financial management dimensions examined in this study. However, future researchers should maintain a clear theoretical

foundation when adding variables so that the research framework does not become unnecessarily complex.

Researchers may further investigate whether the relationships identified in this study differ across job functions, management levels, age groups, or years of organizational experience. For example, finance and accounting employees may evaluate liquidity and debt restructuring differently from operational employees, while senior managers may have different perceptions from frontline staff. Comparative analyses using t-tests, ANOVA, or multi-group regression may therefore be appropriate in future research if sufficient subgroup sample sizes are obtained.

Future studies may also consider applying structural equation modeling (SEM) or other advanced statistical techniques to examine the relationships among financial management dimensions and financial recovery. SEM may allow researchers to assess the measurement model and structural model simultaneously and determine whether the proposed theoretical relationships remain stable when measurement error is considered. A larger sample may be required if such methods are adopted.

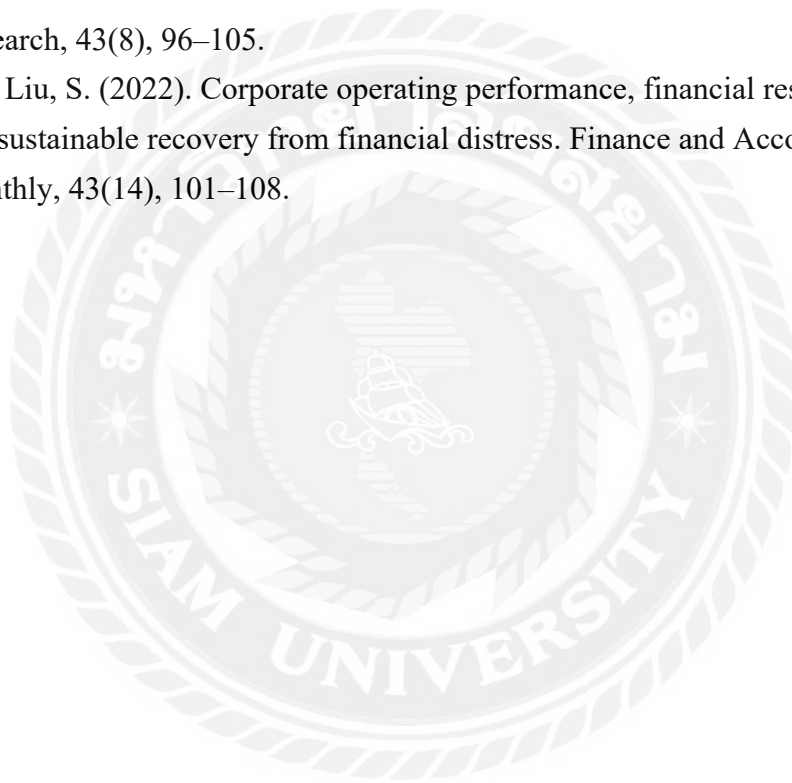
Finally, future research should continue to distinguish between association and causation. Because the present study uses a cross-sectional design, the significant positive relationships identified among the variables should not be interpreted as definitive causal effects. Future researchers may use longitudinal data, panel data, or other research designs that provide stronger temporal evidence. Such research may help determine whether improvements in liquidity management, profitability and operational efficiency, and capital structure and debt restructuring management actually precede and contribute to subsequent improvements in financial recovery. This would provide a stronger empirical basis for understanding the mechanisms through which distressed organizations move toward sustainable financial recovery.

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Appendix

Questionnaire

Factors Influencing Stakeholders' Perception of Financial Distress and Recovery at Thai Airways: An Application of the Altman Z-Score Framework

Dear Respondent,

This questionnaire is designed for a research study entitled “Factors Influencing Stakeholders' Perception of Financial Distress and Recovery at Thai Airways: An Application of the Altman Z-Score Framework.” The purpose of this study is to examine the relationships between liquidity management, profitability and operational efficiency, capital structure and debt restructuring management, and employees' perceptions of financial distress and recovery at Thai Airways.

You are invited to participate because your experience and knowledge as an employee of Thai Airways may provide valuable information concerning the company's financial and operational conditions. Your participation is entirely voluntary. The questionnaire does not request your name, employee identification number, telephone number, or other information that directly identifies you.

There are no right or wrong answers. Please answer each question based on your actual knowledge, experience, and perception of Thai Airways. All responses will be treated confidentially and will be used solely for academic research purposes. The questionnaire will take approximately 5–8 minutes to complete.

For Questions 9–28, please select one answer that best represents your level of agreement with each statement.

Response Scale

Score	Level of Agreement
1	Strongly Disagree
2	Disagree
3	Neutral
4	Agree
5	Strongly Agree

Part A: Demographic Information

Question 1. Gender

- ☐ Male
- ☐ Female
- ☐ Prefer not to say
- ☐ Other

Question 2. Age

- ☐ Under 25 years
- ☐ 25–34 years
- ☐ 35–44 years
- ☐ 45–54 years
- ☐ 55 years or above

Question 3. Highest Educational Qualification

- ☐ High school or vocational certificate
- ☐ Diploma / Higher vocational certificate
- ☐ Bachelor's degree
- ☐ Master's degree
- ☐ Doctoral degree
- ☐ Other

Question 4. Current Job Function

- ☐ Finance
- ☐ Accounting
- ☐ Operations
- ☐ Human Resources / Administration
- ☐ Marketing / Sales
- ☐ Engineering / Maintenance
- ☐ Management / Executive
- ☐ Other

Question 5. Current Position Level

- ☐ Operational / Staff level
- ☐ Supervisory level
- ☐ Middle management
- ☐ Senior management
- ☐ Executive level

Question 6. Length of Employment at Thai Airways

- ☐ Less than 1 year
- ☐ 1–5 years
- ☐ 6–10 years
- ☐ 11–15 years
- ☐ More than 15 years

Question 7. Previous Experience with Financial or Business Management

- ☐ No direct experience
- ☐ Less than 1 year

- ☐ 1–5 years
- ☐ 6–10 years
- ☐ More than 10 years

Question 8. Level of Familiarity with Thai Airways' Financial or Rehabilitation Situation

- ☐ Very low
- ☐ Low
- ☐ Moderate
- ☐ High
- ☐ Very high

Part B: Liquidity Management

Please indicate your level of agreement with the following statements concerning Thai Airways' liquidity management.

Question 9. Thai Airways maintains sufficient financial resources to support its normal day-to-day operations.

- ☐ 1 Strongly Disagree
- ☐ 2 Disagree
- ☐ 3 Neutral
- ☐ 4 Agree
- ☐ 5 Strongly Agree

Question 10. Thai Airways is able to meet its short-term financial obligations on time.

- ☐ 1 Strongly Disagree
- ☐ 2 Disagree
- ☐ 3 Neutral
- ☐ 4 Agree
- ☐ 5 Strongly Agree

Question 11. Thai Airways manages its cash and working capital effectively.

- ☐ 1 Strongly Disagree
- ☐ 2 Disagree
- ☐ 3 Neutral
- ☐ 4 Agree
- ☐ 5 Strongly Agree

Question 12. Thai Airways has sufficient liquidity to respond to unexpected financial pressures.

- ☐ 1 Strongly Disagree
- ☐ 2 Disagree
- ☐ 3 Neutral

- ☐ 4 Agree
- ☐ 5 Strongly Agree

Question 13. The company's current liquidity position provides a stable foundation for its financial recovery.

- ☐ 1 Strongly Disagree
- ☐ 2 Disagree
- ☐ 3 Neutral
- ☐ 4 Agree
- ☐ 5 Strongly Agree

Part C: Profitability and Operational Efficiency

Please indicate your level of agreement with the following statements concerning Thai Airways' profitability and operational efficiency.

Question 14. Thai Airways has improved its ability to generate revenue from its business operations.

- ☐ 1 Strongly Disagree
- ☐ 2 Disagree
- ☐ 3 Neutral
- ☐ 4 Agree
- ☐ 5 Strongly Agree

Question 15. Thai Airways has improved its ability to control operating costs.

- ☐ 1 Strongly Disagree
- ☐ 2 Disagree
- ☐ 3 Neutral
- ☐ 4 Agree
- ☐ 5 Strongly Agree

Question 16. Thai Airways uses its available resources efficiently in its operations.

- ☐ 1 Strongly Disagree
- ☐ 2 Disagree
- ☐ 3 Neutral
- ☐ 4 Agree
- ☐ 5 Strongly Agree

Question 17. Thai Airways has improved its operating performance compared with the period of financial distress.

- ☐ 1 Strongly Disagree
- ☐ 2 Disagree
- ☐ 3 Neutral
- ☐ 4 Agree

☐ 5 Strongly Agree

Question 18. Improvements in profitability and operational efficiency have strengthened Thai Airways' financial recovery.

☐ 1 Strongly Disagree

☐ 2 Disagree

☐ 3 Neutral

☐ 4 Agree

☐ 5 Strongly Agree

Part D: Capital Structure and Debt Restructuring Management

Please indicate your level of agreement with the following statements concerning Thai Airways' capital structure and debt restructuring management.

Question 19. Thai Airways has improved the balance between its debt and equity financing.

☐ 1 Strongly Disagree

☐ 2 Disagree

☐ 3 Neutral

☐ 4 Agree

☐ 5 Strongly Agree

Question 20. Thai Airways manages its debt obligations more effectively than during the period of financial distress.

☐ 1 Strongly Disagree

☐ 2 Disagree

☐ 3 Neutral

☐ 4 Agree

☐ 5 Strongly Agree

Question 21. The company's debt restructuring measures have reduced financial pressure on Thai Airways.

☐ 1 Strongly Disagree

☐ 2 Disagree

☐ 3 Neutral

☐ 4 Agree

☐ 5 Strongly Agree

Question 22. Thai Airways' current capital structure provides greater financial flexibility for future operations.

☐ 1 Strongly Disagree

☐ 2 Disagree

☐ 3 Neutral

- ☐ 4 Agree
- ☐ 5 Strongly Agree

Question 23. The debt restructuring process has contributed positively to Thai Airways' financial recovery.

- ☐ 1 Strongly Disagree
- ☐ 2 Disagree
- ☐ 3 Neutral
- ☐ 4 Agree
- ☐ 5 Strongly Agree

Part E: Financial Distress and Recovery

Please indicate your level of agreement with the following statements concerning Thai Airways' financial distress and recovery.

Question 24. Thai Airways has significantly reduced the financial difficulties experienced during the period of financial distress.

- ☐ 1 Strongly Disagree
- ☐ 2 Disagree
- ☐ 3 Neutral
- ☐ 4 Agree
- ☐ 5 Strongly Agree

Question 25. Thai Airways' overall financial stability has improved during the recovery period.

- ☐ 1 Strongly Disagree
- ☐ 2 Disagree
- ☐ 3 Neutral
- ☐ 4 Agree
- ☐ 5 Strongly Agree

Question 26. Thai Airways has made substantial progress in restoring its financial position.

- ☐ 1 Strongly Disagree
- ☐ 2 Disagree
- ☐ 3 Neutral
- ☐ 4 Agree
- ☐ 5 Strongly Agree

Question 27. Thai Airways has demonstrated improved ability to maintain sustainable business operations.

- ☐ 1 Strongly Disagree
- ☐ 2 Disagree

- ☐ 3 Neutral
- ☐ 4 Agree
- ☐ 5 Strongly Agree

Question 28. Overall, Thai Airways is progressing successfully from financial distress toward sustainable financial recovery.

- ☐ 1 Strongly Disagree
- ☐ 2 Disagree
- ☐ 3 Neutral
- ☐ 4 Agree
- ☐ 5 Strongly Agree

Closing Statement

Thank you for taking the time to complete this questionnaire. Your responses are valuable to this study and will contribute to a better understanding of the factors associated with financial distress and recovery at Thai Airways.

All information provided will be treated confidentially and used exclusively for academic research purposes. The findings will be reported in aggregate form and will not identify individual respondents.

Thank you for your valuable participation.

