EXPLORING THE CHALLENGES OF WORKING WITH EXPATRIATES:

A STUDY OF THE SOCIO-CULTURAL STRUCTURE OF THE THAI BUSINESS MODEL

A Thesis submitted to The University of Manchester for the degree of DOCTOR OF BUSINESS ADMINISTRATION
In the Faculty of Humanities

2016

Wilson Teo Yong Peng
Manchester Business School
## I. LIST OF CONTENTS

### CHAPTER 1 - INTRODUCTION

1.1 Introduction ........................................................................................................ 14
1.2 Overview and approach ....................................................................................... 14-16
1.3 The research question and objectives ............................................................... 16-17
1.4 The country - Thailand ....................................................................................... 17-18
   1.4.1 History - An introduction ............................................................................ 18-19
   1.4.2 Politics .......................................................................................................... 19-21
   1.4.3 Economy ....................................................................................................... 21-22
   1.4.4 Asian Financial Crisis of 1997 ..................................................................... 22-24
   1.4.5 Society ........................................................................................................... 24-25
   1.4.6 Culture .......................................................................................................... 25-28
   1.4.7 Buddhism ...................................................................................................... 28-30
1.5 Expatriates in Thailand ....................................................................................... 30-31
1.6 The group of companies ..................................................................................... 31-32
1.7 Chapter conclusion ............................................................................................. 32-33

### CHAPTER 2 - LITERATURE REVIEW

2.1 Introduction ........................................................................................................... 34-39
2.2 A history of Thailand before the 20th century
   2.2.1 Pre-modern Thailand (Siam) ....................................................................... 39-41
   2.2.2 The founding of Bangkok ............................................................................ 42-43
   2.2.3 Modernisation in the late 19th century ......................................................... 43-46
2.3  Thailand and modernisation - 20th century to the present day

2.3.1  Economy and society in the colonial era ........................................... 46-47

2.3.2  Nationalism and militarism in early 20th century .............................. 47-50

2.3.3  Effects of the Second World War and American influence ............... 50-51

2.3.4  The military, monarchy, communism, students and politicians (1940 - 1980) .................................................................................. 51-53

2.3.5  A polarised political society ................................................................. 53-57

2.4  Culture

2.4.1  Thai Culture ....................................................................................... 57-59

2.4.2  Geert Hofstede’s cultural dimensions ................................................. 59-61

2.4.3  Cross-cultural management ................................................................. 61-63

2.5  Expatriates’ success factors

2.5.1  Preparation and support for expatriate .............................................. 64

2.5.2  Cross-cultural training for expatriate .................................................. 64-65

2.5.3  Expatriate adjustment ........................................................................ 65

2.5.4  The successful expatriate ................................................................... 65-67

2.5.5  The expatriate family dimension ......................................................... 67

2.5.6  Improving expatriate-local relations .................................................. 67

2.6  A critique of the literature ....................................................................... 68-69

2.7  Chapter conclusion .................................................................................. 69-71
### CHAPTER 3 - METHODS

- **3.1 Introduction** ................................................................. 73
- **3.2 The research approach and strategy** ................................. 73-78
- **3.3 Reliability and validity** ................................................. 78-79
- **3.4 Secondary data collection** ............................................. 79-80
- **3.5 Primary data collection** .................................................. 80-81
  - 3.5.1 Questionnaires ............................................................. 81-82
  - 3.5.2 Interviews ................................................................. 82-85
  - 3.5.3 Possible problems ........................................................ 85-86
- **3.6 Research samples** ........................................................ 86-89
- **3.7 Pilot testing** .................................................................. 89-90
- **3.8 Techniques used to analyse data** ..................................... 90-91
- **3.9 Research ethics** .............................................................. 91-92
- **3.10 Chapter conclusion** ....................................................... 92

### CHAPTER 4 - BUSINESS ETHICS AND TRUST

- **- FINDINGS AND DISCUSSION -**
- **4.1 Introduction** ................................................................. 94
- **4.2 General view on business ethics** ...................................... 95-97
- **4.3 The effects of Thai history on ethics** ................................. 97-100
- **4.4 Thai culture and people** .................................................. 100-104
- **4.5 Thai traditional values and ethics** .................................... 105-107
- **4.6 Corruption in general** ..................................................... 107-119
- **4.7 Politics and corruption** ................................................... 119-122
- **4.8 Income gap** ................................................................. 122-124
- **4.9 Thai easy-going attitude** ................................................ 124-126
<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Pages</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.10</td>
<td>Trust issues</td>
<td>126-130</td>
</tr>
<tr>
<td>4.11</td>
<td>Chapter conclusion</td>
<td>130-134</td>
</tr>
<tr>
<td>5.1</td>
<td>Introduction</td>
<td>136-137</td>
</tr>
<tr>
<td>5.2</td>
<td>General views on authority</td>
<td>137-140</td>
</tr>
<tr>
<td>5.3</td>
<td>The effects of Thai history on authority</td>
<td>140-141</td>
</tr>
<tr>
<td>5.4</td>
<td>Thai culture and people</td>
<td>141-145</td>
</tr>
<tr>
<td>5.5</td>
<td>Thai traditional values and authority</td>
<td>145-148</td>
</tr>
<tr>
<td>5.6</td>
<td>Relationships</td>
<td>148-155</td>
</tr>
<tr>
<td>5.7</td>
<td>Controlling emotions</td>
<td>155-158</td>
</tr>
<tr>
<td>5.8</td>
<td>Confrontation, criticism and face-saving</td>
<td>158-161</td>
</tr>
<tr>
<td>5.9</td>
<td>Buddhism, karma and merit-making</td>
<td>161-162</td>
</tr>
<tr>
<td>5.10</td>
<td>Informal structure, cross-departmental issues and delegation</td>
<td>162-164</td>
</tr>
<tr>
<td>5.11</td>
<td>Chapter conclusion</td>
<td>164-166</td>
</tr>
<tr>
<td>6.1</td>
<td>Introduction</td>
<td>168-169</td>
</tr>
<tr>
<td>6.2</td>
<td>General views on professionalism and efficiency</td>
<td>169-174</td>
</tr>
<tr>
<td>6.3</td>
<td>The effects of Thai history on efficiency</td>
<td>174-175</td>
</tr>
<tr>
<td>6.4</td>
<td>Thai culture and people</td>
<td>175-177</td>
</tr>
<tr>
<td>6.5</td>
<td>Thai traditional values and efficiency</td>
<td>177-181</td>
</tr>
<tr>
<td>6.6</td>
<td>English language proficiency</td>
<td>181-186</td>
</tr>
<tr>
<td>6.7</td>
<td>Communication</td>
<td>186-189</td>
</tr>
</tbody>
</table>
## II. LIST OF APPENDICES

<table>
<thead>
<tr>
<th></th>
<th>Description</th>
<th>Pages</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Questionnaire</td>
<td>260-269</td>
</tr>
<tr>
<td>2</td>
<td>Interview timetable</td>
<td>270-271</td>
</tr>
<tr>
<td>3</td>
<td>Semi-structured interview schedule</td>
<td>272-273</td>
</tr>
<tr>
<td>4</td>
<td>Glossary</td>
<td>274-275</td>
</tr>
</tbody>
</table>
III. ABSTRACT

University of Manchester

Wilson Teo Yong Peng

Exploring the challenges of working with expatriates:
A study of the socio-cultural structure of the Thai business model

2016

This thesis explores the Thai business model, its history and culture, and the challenges of working with expatriates from the perspectives of Thai employees. Given Thailand's rich and complex history, difference in working styles between Thais and expatriates is not unexpected. This research aims to provide a detailed analysis of this relatively neglected field. Generally, there is a dearth of literature in the English language that reflects the perspectives of Thais regarding their working relationship with expatriates. In-depth information on Thai traditional values and culture in the English language is not readily available due in part to many Thai words not having English equivalents. This has led to a lack of in-depth knowledge about Thai employees, their working attitudes and the elements that make Thais what they are today. Thailand is not known as exemplary in terms of business ethics, professionalism or efficiency. Does this mean that management methods from developed nations are superior and could be applied wholly in Thailand? Would it be possible for Western expatriates to apply their management techniques across the board within the Thai business context, where culture and traditional values are deeply embedded?

In seeking insights to these questions and possible solutions, and to obtain in-depth and rich information, this study adopts the survey method and uses interviews conducted with twenty Thai employees who work regularly with expatriates. The findings reveal that Thai working culture is multi-faceted and extremely complex, and that there are significant differences between Thai and expatriate cultures and attitudes that remain poorly understood. Furthermore, despite the conventional belief that Western management methods are superior and should be applied to the Thai business model, the evidence suggests that some Thai traditional values might actually be beneficial for both parties, as well as the organisation they are working for. This study has found that whilst it might be true that some Western influences can be positive, such as the reduction of high-level corruption and a focus on time management, certain traditional values might be worthwhile for expatriates to assimilate, such as krung jai (similar to being considerate) and hen jai (similar to being understanding). This thesis concludes by suggesting that a compromise or middle ground approach is the way forward for both Thais and expatriates, where the merits of their respective work cultures could complement the other to achieve the overall well-being of the organisation and the people working in it.
IV. DECLARATION

No portion of the work referred to in the thesis has been submitted in support of an application for another degree or qualification of this or any other university or other institute of learning.

V. COPYRIGHT STATEMENT

1. The author of this thesis (including any appendices and/or schedules to this thesis) owns certain copyright or related rights in it (the “Copyright”) and s/he has given The University of Manchester certain rights to use such Copyright, including for administrative purposes.

2. Copies of this thesis, either in full or in extracts and whether in hard or electronic copy, may be made only in accordance with the Copyright, Designs and Patents Act 1988 (as amended) and regulations issued under it or, where appropriate, in accordance with licensing agreements which the University has from time to time. This page must form part of any such copies made.

3. The ownership of certain copyright, patents, designs, trade marks and other intellectual property (the “Intellectual Property”) and any reproductions of copyright works in the thesis, for example graphs and tables (“Reproductions”), which may be described in this thesis, may not be owned by the author and may be owned by third parties. Such Intellectual Property and Reproductions cannot and must not be made available for use without the prior written permission of the owner(s) of the relevant Intellectual Property and/or Reproductions.

4. Further information on the conditions under which disclosure, publication and commercialisation of this thesis, the Copyright and any Intellectual Property University IP Policy (see http://documents.manchester.ac.uk/display.aspx?DocID=24420), in any relevant Thesis restriction declarations deposited in the University Library, The University Library’s regulations (see http://www.library.manchester.ac.uk/about/regulations/) and in The University’s policy on Presentation of Theses.
VI. ACKNOWLEDGEMENTS

This work has been the most demanding project I have ever undertaken in terms of time and financial outlay. It could not have been accomplished without the knowledgeable guidance and unwavering dedication of my supervisors, Professor Leo McCann and Professor John Hassard, who saw me through to the end of this project. I want to thank them from the bottom of my heart for the confidence and patience they bestowed in me, their engaging and encouraging disposition, which cultivates openness with their students, and yet providing frank and constructive critiques. Through the discussions I had with them, I gleaned valuable skills and advice on the finer points of conducting a research project. The completion of this research would not have been such a great learning experience without their invaluable insights and inspiration. I really feel fortunate to have both of them as my supervisors. I owe them a debt of gratitude and would like to express my most sincere appreciation.

This thesis would not have been completed without the constructive engagement of the senior management and managers who participated and responded to the questionnaires and numerous interviews. I would like to thank them for their patience and for sharing their views which were sometimes sensitive in nature. Special acknowledgement goes to the Founder and Chief Architect of the organisation and the members of the senior management, who have been consistent in their assistance and moral support. I would also like to express my gratitude to the organisation that permitted me to spend time with its employees, not forgetting my own employer, who has been extremely understanding and supportive during this lengthy and demanding endeavour. Last but not least, to my friends and members of my family, I thank you for constantly prodding me to take this work to completion. I have gained immense inspiration just knowing that there are people who care.

- My sincere thanks -
VII. PREFACE

There was no significant barrier to obtaining research materials and equipment and doing the fieldwork and write-up. The participants at all stages of this study were cooperative and informative. My visibility within the organisation may have aided in accessing and obtaining data. Although my initial work contract in Thailand was for two years, I have been working with the organisation for sixteen years and we have grown together through good and bad times. I rub shoulders with all levels in the organisation, both Thais and expatriates. I found that most of the participants were aware of my research aspiration long before I approached them for information. It helped that I had conducted trainings in the organisation and I am also known by my peers to provide professional training to well-established local universities. I have also conducted courses in Singapore for the qualification of the Association of Chartered Certified Accountants (U.K.).

In spite of the preceding, due to the time that elapsed between collecting data and completion of the write-up, I had to allow myself additional ‘vacation’ time from the first quarter of 2015 to the middle of 2016 to finalise and fine-tune the thesis to facilitate completion. This included going back to many of the participants I had interviewed earlier to obtain more current and up to date information, as well as to rewrite some of the findings and discussion chapters. Importantly, revisiting the participants enabled me to improve the validation of the data and make some ‘generalisations’ within the organisation in the chapters on findings. All in all, I have few regrets, as the business experiences gained and the time spent on this thesis helped me to hone my academic skills, theoretical knowledge, and practical experience. When combined, I think all of these factors have made me more intellectually equipped to contribute to the complex Thai working environment.
IX. ABBREVIATIONS

AEC – Asian Economy Community
AFC’97 – Asian Financial Crisis of 1997
ADB – Asian Development Bank
ASEAN – Association of Southeast Asian Nations
BBC – British Broadcasting Corporation
CPI – Consumer Price Index
GDP – Gross Domestic Product
GOC – (The) group of companies
IMF – International Monetary Fund
MNC – Multinational Corporation
NLC – National Legislative Council
NSC – National Security Council
PAD – People’s Alliance for Democracy
PPP – People Power Party
Qn – Question
THB – Thai Baht
TRT – Thai Rak Thai
US – United States of America
USD – United States Dollar
CHAPTER 1
INTRODUCTION
CHAPTER 1 - INTRODUCTION

1.1 Introduction

This introductory chapter provides the background for the research. Section 1.2 begins with an overview of the research topic and the approach adopted for this thesis. Section 1.3 presents the research question and objectives. Section 1.4 touches on the country of Thailand, including its history, politics and economy, how it was affected by the Asian Financial Crisis of 1997, its society, culture and Buddhism. Section 1.5 provides information regarding expatriates in Thailand. Section 1.6 introduces the source of primary data collection, the group of companies. Section 1.7 concludes the chapter by setting the stage for subsequent chapters.

This chapter aims to inform the readers of the importance of the research objectives and to provide the contextual information necessary to better appreciate subsequent chapters. It provides an overall bird’s eye view of Thailand as a country, from its past until the present, and from culture to politics, exploring the many elements that make up the social and cultural structure in which the Thai economy is embedded. Upon completion of this chapter, the readers, especially expatriates, should have a better understanding of Thailand, its people and their attitude towards work and life in general.

1.2 Overview and approach

Globalisation is here to stay and expatriates are a large part of this global phenomenon. We are led to believe by politicians, academics, businesspeople and media that we live in a global economy (McCann, 2014a). National identity appears to have been eroded by globalisation, and ‘world best practice’ and ‘universal’ norms of global capitalism are current buzzwords. However, McCann argues that certain factors and traditions within a country remain profoundly important and significantly influence the way business is conducted. These factors and traditions broadly include the country’s history, politics, economy, society, culture and religion. Understanding these areas would enhance the understanding of work within a particular country, following the theoretical grounds laid down by authors who have studied the sociology of economic life (Granovetter, 1985; Swedberg, 2003; Weber, 1905a).
In the Thai context, a better understanding of these factors could also improve the working relationship between Thais and expatriates within companies.

Thailand is a country rich in history, culture and tradition (Cadman, 2015). Thailand is also rapidly modernising and embracing capitalism, and due to a more educated population, is gradually becoming a more secularised society (Hoare, 2004). This, coupled with the ongoing political turmoil that has plagued the country in recent years, makes Thailand and the companies operating within it a fascinating subject of study. Unfortunately, Thailand is also known to be a corrupt economy and polity, and certain business practices represent major challenges for doing business in Thailand (Basran, 2012). This is especially true for foreign businesses and expatriates working in Thailand, as well as for Thais who encounter various challenges while working with their expatriate counterparts.

This research aims to explore and mitigate the challenges encountered when Thais and expatriates work together within the Thai business model by investigating the following 3 key areas: (i) Business ethics and trust, (ii) Authority, and (iii) Professionalism and efficiency. In numerous conversations with both Thais and expatriates before and during the pilot study, the importance of these three areas repeatedly surfaced. These three areas complement the notion of the sociology of economic life, which tends to emphasise non-market norms, practices, and cultures as hugely important yet often neglected aspects of economic behaviour. This study collects and analyses information from the Thai point of view, which should help to provide a more detailed account of the broad sociological structure into which Thai economic action is embedded. Ideally, this should provide a platform to improve the working relationship between Thais and expatriates, which should translate into better performance for the organisation.

There is available some general, practical, information on how expatriates can work successfully in Thailand (Straub, 2004). But what about the Thai views on expatriates? What do Thais deem to be desirable skills and values that expatriates should possess in order to work well together? What are the Thai views regarding work and life? An expatriate who has just arrived in Thailand might assume that it is easy to work and live in Thailand if he or she

---

1 The 3 key areas of (i) Business ethics and trust, (ii) Authority and (iii) Professionalism and efficiency, were selected after analysing the feedback collected from numerous employees in the companies concerned, as well as data from the pilot project. It was determined that these areas cover the most vital areas of concern and significantly impact Thais, expatriates and the organisations they work in. Please refer to Chapter 3, Section 3.2 for more details.
just works and avoids upsetting local customs. Some expatriates may have the opinion that Thais should forgive them for unintentional mistakes. They may also think that while there are bound to be some differences between Thais and expatriates, their core values in life should be similar. However, it has been noted that the perception of when to work and when to play differs greatly between Thais and expatriates (Cooper, 2004). All of these issues inform the overall purpose of this study; to account for the socio-cultural structure of the Thai business environment so that the challenges of Thai-expatriate working relationships can be better understood and more meaningful working relationships can be fostered (Tung, 1987).

1.3 Research question and objectives

Expatriate overseas assignments can be challenging and failures to meet the objectives of an assignment are not uncommon (Pires et al., 2006). Expatriate failure involves an expatriate who does not meet the objectives and often resigns or is reassigned back home, leaving the project unfinished (Hemmasi et al., 2010).

Failure of expatriates to deliver results can cost companies astronomical amounts of money, negatively affecting the company’s reputation and ruining relationships with local counterparts (Harvey, 1996; Welch and Welch, 1994a). Since expatriate failure is costly, there has been an increasing focus on isolating criteria that can contribute to expatriate success. Locals’ ability to work well with expatriates contributes significantly to the success and performance of expatriates (Soo and DeNisi, 2005). Thus, it is imperative that expatriates understand their Thai counterparts, including their working attitude and aspirations.

This thesis explores the challenges that arise when Thais work with expatriates and factors affecting this relationship. Basically, the research looks at how Thais and expatriates can work together efficiently and effectively from the Thai perspective. McCann (2014a) emphasises the importance of history, politics, economy, society and culture. This backdrop is used to narrow down on the 3 key areas affecting the working relationship between Thais and expatriates.

The objectives of the research are as follows:
- To provide a background understanding of Thailand’s history, politics, economy, society and culture.
- To examine the difference in cultural issues between Thais and the expatriates.
- To explore the challenges of working with expatriates, focusing on the 3 key areas of (i) Business ethics and trust (ii) Authority and (iii) Professionalism and efficiency, and to suggest possible solutions with the aim of improving the overall performance of Thais, expatriates and the group of companies studied in the thesis.

1.4 The country - Thailand

This section introduces the reader to the unique and complex country of Thailand. The overview complements the information presented in Chapter 2, which provides more depth and detail. Together, the information should enable the readers to better appreciate the findings and ideas put forth by this thesis.

Thailand is located in Southeast Asia. It shares a western border with Myanmar and a north-eastern border with Laos. Further south in the country near Phuket, is a border shared with Malaysia. Thailand has an area of 517,000 square kilometres, about the size of France, with a population of 67.9 million as of July 2015 (CIA World Factbook, 2015). Thailand is well-known to be the only Southeast Asian country that has never been colonised by a European power (Collins, 2011: 98). Since 2005, Thailand has witnessed several rounds of political turmoil and has experienced two military coups, including the one currently in progress (Whitman, 2015).

In addition, thousands have been killed and wounded in violence occurring in the southern Malay-Muslim majority provinces (Joll, 2011). Despite these unfortunate events, Thailand has remained an attractive country for foreign investment and tourism (Turner, 2015). The following sections touch on the country’s history, politics, economy (including the Asian Financial Crisis of 1997), society and culture (including Buddhism). Please note that the section on ‘history’ and ‘culture’ are brief introductions, whose topics are explored in greater

---

2 Please note that page numbers will only be cited for direct references.
No page number will be cited for the following:
(i) Internet references, which do not provide page numbers.
(iii) Journals and articles that do not provide page numbers.
depth in Chapter 2. History and culture in the context of this research warrants a more comprehensive review, as these factors help shape most of the issues covered in this thesis.

1.4.1 History - An introduction

Thailand was originally named Siam, with the change being made in 1939 (Ingram, 1955). From 1890 to the 1900s, the boundaries of Thailand were formed to become what they are today. Bangkok is the country’s capital and was founded in 1782, replacing the older capital of Ayutthaya (Fry et al., 2013). Ayutthaya was a great city in the history of Thailand and traded not only with neighbouring regions in Asia, but also with lands as far as Persia. It wielded considerable political and economic power, especially on the basin of the Chao Phraya River. The Thai people originated from the ethnic Mon people, who date back to the 7th century and whose culture was influenced by the Hindu and Buddhist religions. The ancestors of modern ethnic Thais are known as Tai. They came from the north but eventually settled down around the Chao Phraya River system (Mishra, 2010).

Houton (2016) states that during the era of the Sukhothai Kingdom, the land amassed occupied much of what is known as Thailand today. BBC (2015) reports that from 1238 to 1448, the Thai-speaking Sukhothai kingdom expanded its rule further south. The kingdom dominated much of modern day Thailand, before finally being eclipsed by a rival Thai kingdom in the south, Ayutthaya. The Ayutthaya kingdom gradually brought Thailand under its control and became a major power in Southeast Asia. In 1767, invading Burmese forces sacked the capital, Ayutthaya, bringing an end to the kingdom. Under Taksin the Great who was an ethnic Thai Chinese, the Thonburi Kingdom re-established Thai control. However, Taksin was soon toppled by a coup launched by General Chao Phraya Chakri, who founded a new dynasty centred in Bangkok. 1782 saw the beginning of the Chakri dynasty under King Rama I; this dynasty rules to this day. From 1804 to 1868, King Mongkut (Rama IV) embraced Western innovations and initiated Thailand's modernisation. King Chulalongkorn took over his father's throne in 1868 and continued to modernise the country with the help of Western advisors (Wyatt, 2003).

---

3 BBC (2015) offers a linear timeline of the significant events in Thai history. Therefore, Sections 1.4.1 and 1.4.2 on Thai history and politics make many direct references to BBC, as it has provided a good summary and easy-to-understand introductory background for the reader.

4 Thais are always known by their first name. For example, Taksin Maharat (first name being ‘Taksin’ and last name being ‘Maharat’), he will be addressed as Khun Taksin or Mr. Taksin - never as Mr. Maharat. This thesis adopts the Thai’s approach of addressing Thai individuals, which is in line with the literature on Thailand.
A bloodless coup was carried out in 1932 to overthrow King Prajadhipok (Fry et al., 2013), after which a constitutional monarchy was established removing the political authority of the crown (Neher, 1979). The BBC (2015) reports that after the coup, a parliamentary type of government was introduced. In 1939, Siam changed its name to Thailand, meaning ‘Land of the Free.’ During World War II, Japanese forces landed in Thailand in 1941. Thailand declared war on Britain and the US, but the Thai ambassador to Washington refused to deliver the declaration. After the war, in 1945, King Ananda returned to Thailand. He was assassinated one year later and succeeded by King Bhumibol Adulyadej. In 1947, a military coup carried out by the wartime, pro-Japanese leader Phibun Songkhram took place. The military retained power until 1973, when student riots in Bangkok brought about the fall of the military government. Free elections were held but the resulting government lacked stability and the military came to power again in 1976. A new constitution was written in 1978 (Dickey, 2001). Modern day Thailand is very much influenced by its politics, which is the subject of the following section.

1.4.2 Politics

Thailand is a constitutional monarchy presided over by the king of Thailand, who is the official head of state (Hewison, 2002), while the prime minister serves as head of the parliamentary government (Fry et al., 2013). This form of government has been in place since 1932, after nearly 700 years of outright rule by various lines of kings. The current king, Bhumibol Adulyadej (Rama IX), belongs to the Chakri Dynasty that has ruled Thailand since the fall of Ayutthaya (Middleton, 2015). The well-respected king serves as the head of Buddhism and figurehead of the country, but possesses no direct political power. Thailand has experienced many military coups since becoming a constitutional monarchy, and the political arena is tumultuous (McCargo, 2002).

In 1980, an army head named General Prem Tinsulanonda came into power (Maisrikrod, 1992). Two years later, Prem gave up his military position to head a civilian government and was re-elected in 1986. Another military strongman, General Chatichai Choonhaven, replaced Prem after elections in 1988 (BBC, 2015). 1991 saw another military coup, the 17th to occur since 1932. A civilian, Anand Panyarachun was installed as prime minister. In 1992, elections in March replaced Anand with General Suchinda Kraprayoon. However, demonstrations against him were held, forcing him to resign. Anand was reinstated.
temporarily. Elections in September saw Chuan Leepai, leader of the Democratic Party, chosen as prime minister (Askew, 2006). The Democratic Party has remained influential up until the present day.

In 1995, the Democratic Party was overtaken by the Thai Nation Party and its head, Banharn, became prime minister (Mishra, 2010). The following year, Banharn's government resigned after being accused of corruption. Chavalit Yongchaiyudh of the New Aspiration party won the succeeding elections. Then, the Asian Financial Crisis hit in 1997. The Thai Baht (THB) fell sharply against the United States Dollar (USD), leading to widespread economic hardship. The Democratic Party made a comeback and Chuan Leepai became prime minister once again (Askew, 2006).

In 2001, the new Thai Rak Thai (TRT) party led by Thaksin Shinawatra won the elections and formed the next government (Reynolds et al., 2005). In September 2006, the army took over the country by coup and put Thailand under military rule when Thaksin was attending the United Nations General Assembly in New York (Harding and Leyland, 2011). In October 2006, the army appointed General Surayud Chulanont as the prime minister of Thailand (Beeson and Bellamy, 2007). At around the same time, Thaksin’s TRT party was banned (Ladd, 2012). In July 2008, Pojaman Shinawatra, the wife of Thaksin Shinawatra was found guilty of fraud and sentenced to three years in jail. She was granted bail pending an appeal. The following month, Thaksin escaped to overseas with his family in an attempt to avoid attending court proceedings on corruption charges (Marshall, 2014).

Samak Sundaravej was then appointed as prime minister, but the military and some public members were against him. Protesters unhappy with the government started huge demonstrations in September 2008, with the objective of forcing Samak to resign from office (Chambers and Croissant, 2010). The Thai constitutional court ended up dismissing Samak for violating a conflict of interest law when he hosted two television cooking shows while in office (BBC, 2015). The parliament then appointed Somchai Wongsawat as the new prime minister. However, the constitutional court later dismissed him from office and Abhisit Vejjajiva of the Democratic Party became Thailand's new prime minister (Fry et al., 2013). Abhisit’s position as prime minister was challenged when demonstrations were held in the first half of 2009 by people sympathetic to Thaksin (Ferrara, 2011). The government's troops and protesters clashed, with the troops emerging as victors. Ninety-one people were killed in the violence, the worst in Thailand's modern history (BBC, 2015).
In July 2011, the pro-Thaksin Pheu Thai party won a landslide victory in elections (Liow and Leifer, 2014). Thaksin’s younger sister, Yingluck Shinawatra became prime minister. However, her position was threatened in November 2012 when huge demonstrations were held demanding her resignation (Lansford, 2015). In April 2013, the Pheu Thai Party attempted to amend the constitution in their favour, but the move was nullified by the constitutional court (Channel NewsAsia, 2014). The constitutional court also invalidated the general election held in February 2014 due to disruption by the opposition (Armanovica and Kei, 2014). On 20th May 2014, the military declared martial law in Thailand (BBC, 2014). In August 2014, General Prayuth Chan-o-cha was announced as prime minister and since then, Thailand has been under military rule (Whiteman, 2014). It has been noted that Thais are very politically active and value their freedom, despite their tenuous democracy (ASEAN - China Centre, 2010).

This section depicts a turbulent political landscape that involves coups, jail terms for politicians, demonstrations, corruption, fraud, deaths, and even closure of Thailand’s international airport by protesters. How do all these situations impact business sentiment and the people working in Thai organisations? How do Thais view the situations? The political disruptions and corruption surely influence how Thai people view business ethics and trust. In the subsequent chapters, especially Chapter 4, on ‘Business ethics and trust,’ we explore participants’ views on corruption and politics. It is shown in the following section that Thailand’s volatile political situation has a direct impact on the health of the country’s economy.

1.4.3 Economy

According to the CIA World Factbook (2015), the main industries in Thailand are tourism, textiles, agriculture, beverages, jewellery, computer parts and automobiles. The industrial production growth rate averages 4 percent, with a low inflation rate of 2.4 percent. Thailand’s economy was adversely hit by the Asian Financial Crisis of 1997. However, by the early 2000s, due to its well-developed infrastructure, free-enterprise economy, and pro-foreign investment policies, Thailand appeared to have recovered from the crisis. Despite a sluggish global economy, Thailand’s economy grew 6.9 percent in 2003 and 6.1 percent in 2004. This

---

5 In this section’s brief introduction to the Thai economy, the CIA World Factbook and ADB (Asian Development Bank) were directly referenced, as their data are generally accepted to be objective.
was boosted by increased consumption, high investment spending and strong export growth. In late December 2004, a major tsunami took 8,500 lives in Thailand. Coupled with high oil prices and weaker demand from developed countries, growth slowed to 4.6 percent in 2005 (Sinha, 2006). In 2006, the economy benefited from an influx of foreign investment. It is evident that the state of Thailand’s economy depends to a significant extent on demand and investment from foreigners. Hence, the important role of expatriates.

Fixed investment came off a high point in 2012, when it was propelled by reconstruction and replacement after the floods (ADB, 2014). Year 2013 saw weakness in private investment, but public investment also slowed when the government became distracted by political issues and hobbled by legal challenges. Total investment made a small contribution to the growth in Gross Domestic Product (GDP) in 2013 due to an increase in inventories. Slack domestic demand and sluggish exports limited growth in GDP for the year 2013 to 2.9 percent. Growth in the fourth quarter, when political unrest intensified, decelerated to 0.6 percent year on year. Overall, the economy slowed significantly in 2013, as domestic demand weakened and exports became sluggish. Political disruptions hurt the economy and clouded the outlook for 2014. In 2015, private consumption recorded feeble growth, and private fixed investment was flat (ADB, 2015). GDP grew by a modest 2.9 percent in the first half of 2015, while the CPI fell by 0.9 percent in the first 8 months. For 2016, prices are turning upward, with inflation projected at 1.5 percent. Overall, the economic situation in Thailand is not too rosy, due in no small part to the political unrest.

1.4.4 Asian Financial Crisis of 1997

No discussion of Thailand’s economy is complete without mentioning the Asian Financial Crisis of 1997 (AFC’97), which started in Thailand. The AFC’97 came as a great shock to those who saw Asia as being on a new track to capitalist development (Hewison, 1998). Blame for the crisis was placed on currency exchange speculation on the THB. According to Lauridsen (1998: 1575), the AFC’97 in Thailand was a private sector failure resulting in part from increased current account problems, but mainly because of careless lending and borrowing, as well as the accumulation of nonperforming loans in the financial sector.

According to Heffernan (2005), the crisis began on 5th February 1997 in Thailand. On that date, Thai property developer Somprasong Land announced that it had failed to make a scheduled USD3.1 million interest payment on an USD80 billion Eurobond loan, effectively
defaulting. The property market in Bangkok was oversaturated due to speculation, and Somprasong Land was the first to fall (Hill, 2003). There was fear that property companies might default and that some might even close down. In the meantime, the Thai stock market had plunged by 45 percent compared to its high in 1996. The Somprasong Land incident highlighted the risk faced not only by property companies but also the country’s financial institutions.

According to Hill (2001), currency traders then began a concerted attack on the THB. For the previous thirteen years, the THB had been pegged to the USD, at an exchange rate of around USD1 = THB25. Currency traders speculated that demand for USD would rise due to Thailand’s growing current account deficit and USD denominated debt burden. They figured that demand for THB should fall (Hill, 2013). Therefore, it was foreseen that businesses and financial institutions would exchange THB for USD to service their debt payments. There was also a foreign exchange trader at the Thai Central Bank, who, at the blessing of his superiors had locked up most of Thailand’s foreign exchange reserves in forward contracts (Hill, 2001). The reality was that Thailand only had USD1.14 billion in available foreign exchange reserves. Transparency, ethics and professionalism were compromised. It has been pointed out that both domestic and international capitalists were responsible for the crisis (Robison et al., 2000).

As predicted by the currency traders, Thailand was not able to meet its international trade and service debt commitments. Its foreign reserve was depleted and in critical need of capital (Hill, 2003). Thailand recognised the crisis and requested assistance from the IMF in July 1997 (Müller-Hillebrand, 2000). The IMF demanded that the government increase taxes and interest rates, cut back on public spending, privatise state-owned companies and close down insolvent financial institutions (Hill, 2003). Thailand was the first victim of the AFC’97, which negatively impacted the country’s entire workforce (Rowley and Warner, 2004). In December 1997, 56 financial institutions closed down, and 16,000 people became unemployed. This contributed to the worsening recession (Hill, 2003).

The AFC’97 demonstrated how financial liberalisation in an uncontrolled financial sector can result in misallocation and mismatching (Lauridsen, 1998). Political issues and mismanagement at the administrative level also played a role in the crisis (Hill, 2003). Other reasons cited were the lack of transparency in the financial sector, the adoption of a floating exchange rate, and decreases in exports and foreign reserves (Siengthai, Tanlamai and
Rowley, 2008). It should be noted that several important factors involved in the AFC’97 were related to the area of business ethics, authority and efficiency, including lack of transparency, failed corporate governance and financial discipline issues. How do Thais view such matters after the crisis? What are the lessons learned?

1.4.5 Society

According to Baker and Phongpaichit (2005), Thai society developed gradually over the past centuries, with people first grouping together in cities for the purposes of commerce and protection. A system of patronage was in effect, in which people knew their place and position within society. From the 13th to the 16th centuries, Thailand saw a powerful monarchy backed by a strong military and expanded trade with foreign powers. The social system gradually changed in the 17th century with the growth of a commercial economy, and the rise of a powerful system of elites and powerful families. The elite system mainly comprised the royalty, military and senior bureaucrats.

Political issues also arose between the elites and the common people, as the economy and social order created gaps between the government and local communities. But no matter how complicated the situation became, the country’s dedication to Buddhism remained strong and was not attacked (U.S. Library of Congress\(^6\)). In addition, the monarch has always been an important symbolic figure for the people to emulate. The concept of ‘religion, king and nation’ has been deeply embedded in the minds of the Thai people, and opposition parties rarely go against this ideology (LePoer, 1989). The political landscape became more dynamic in the late 20th century and early 21st century due to better education and international exposure. It has been noted that although modern education has contributed to a more secularised society, Buddhism has remained paramount.

According to Sinha (2006), Thai society changed dramatically after the Second World War. A middle class of sorts developed, comprising bureaucrats, entrepreneurs and professionals. The lower class was made up of low-skilled labourers, mostly from provinces outside of Bangkok. Together, these classes made a significant impact on the social landscape regarding issues such as basic health care and social security. In the past, ownership of land

\(^6\) A handful of authors’ work on Thai society, including LePoer (1989), Kumar (2006), Sinha (2006) is found in the U.S. Library of Congress. These sources reinforced the literature regarding Thai society.
was associated with wealth, but in the late 20th century, income from commercial activities became more socially accepted (Kumar, 2006). In recent times, the elite have included educated government officials, successful entrepreneurs, military officers and professionals. The expanded elite has been able to influence the election of members to the National Assembly and has participated in the changes occurring in society (LePoer, 1989). However, the income gap between the rich and poor continues to widen due in part to globalisation (Gillespie and Peerenboom, 2009).

Thai society is relationship-oriented and seeks compromise in order to avoid conflict. Investigating these aspects of Thai society in the context of working with expatriates is therefore of interest. Is there a conflict of values? Globalisation impacts Thai society at many levels. Therefore, it is also of interest to examine how global values fare against the traditional values of Thailand. Does tradition still play a role in the Thai working environment? In addition, Buddhism is deeply embedded in Thai society; the religion and its role are discussed briefly in the following section on culture and in greater detail in Section 1.4.7 on Buddhism.

1.4.6 Culture

Thais, like people anywhere, are profoundly influenced by culture. Thai culture has grown out of the culture of ethnic Tai people. Another significant factor that has a deep influence on Thai culture is Buddhism (Minahan, 2012). Many Thai traditions and beliefs are influenced by Buddhist principles. India has also influenced Thai culture. A prime example of this is the Thai written language, which is based on Sanskrit. In fact, the cultures of countries in close proximity with Thailand, such as Laos, Cambodia, Myanmar and China, all have significant influence on Thai culture; an example is the local belief in Animism (Lall, 2014).

The CIA World Factbook (2015) states that of Thailand’s approximately 76 million people, roughly two-thirds are from Thai ethnic groups. These ethnic groups can be broken down into many subgroups. It should be noted that there are only small differences between them in terms of language and culture (Rubio, 2014). This has been used as a unifying factor, since the people share similar traditions and cultural values. The Chinese are the largest of the minority groups, while the rest are mainly composed of Vietnamese, Khmer, Hmong and Mein. It should be noted that the Thai language, both spoken and written, is widely used in these minority groups. Thai’s national identity is powerful. Traditional food, dances, music,
celebrations and beliefs occupy a significant place in life. Messa (2015) believes that there has been a renewal of interest in local culture and traditions in Thailand.

Thai culture encourages Thais to be conservative in their outlook on life (Pika, 1979). In general, displaying emotion in public is viewed in a negative light. No matter how frustrated or upset a person may feel, he or she should always strive to maintain a positive and friendly attitude, a sense of humour and a smile. Respect for elders and those in higher social positions is also important. Social hierarchy influences nearly every interaction. Children are expected to respect their parents and teachers. The young must show deference to the elderly. Those with highly prestigious positions in society, such as doctors, important public figures and monks, are almost revered (ReachToTeach\textsuperscript{7}).

Thai parents raise and support their children until they finish their education; therefore, family is central to Thai life (Warner, 2014). It represents continuity and security in the face of globalisation. Although differences may arise among members of the family, every effort is made to keep these to a minimum so that the family system is not compromised in any way (Jones, 2010). A hierarchy exists within the family. Children are taught to show deference to their parents and elders. Traditionally, the family is dominated by males and it is not uncommon to find the man being the sole breadwinner. However, females are gaining more respect and employment opportunities in Thai society (Yukongdi and Benson, 2006). It has been noted that equality and meritocracy concerning females have been gaining increased significance in recent years (Iwanaga, 2008).

It is important to note that Thais generally have an easy-going attitude regarding life (Thomson, 2009). Since historical times, Thailand has been centred on agriculture with rice being the main crop. In an agriculture-based culture, people rely on nature and are not overly concerned about time. Hence, punctuality is not seen to be as important as it is in the developed West, where the perception is that ‘time is money’ (Lewis, 2006). Thais, especially those from outer provinces, are generally very relaxed about time (Bosrock, 2010). As we shall see in the subsequent chapters, this concept of time has a profound impact on the working relationship between Thais and expatriates.

\textsuperscript{7} ReachToTeach is a North American organisation that matches TEFL-certified teachers with students in non-English speaking countries. They provide good country guides on the cultural aspects of the geographical areas they cover. (TEFL Certification - To Teach English as a Foreign Language in a foreign country)
An important Thai value is *sanuk*,\(^8\) which means among other things, that people should enjoy life and not take things too seriously (Lawler et al., 2014). *Sanuk* is something that every Thai longs for and looks forward to. In the old days, after work was done in the fields, Thais would gather round and share in some *sanuk*. Thais have the concept that success and achievement in life means *sanuk* and happiness. This is more important than work itself and explains why Thais avoid getting angry or aggressive, and are reluctant to get involved in conflict or confrontational situations (Kislenko, 2004). Unfortunately, this value might also be viewed in a negative light where work is concerned. Other noted cultural values are *mai pen rai, kreng jai, nam jai, hen jai, sabai sabai* and *jai yen yen*, which are discussed in subsequent sections and chapters.

History has demonstrated that Thais are generally friendly but also take pride in their freedom. This characteristic applies to the country as much as to the individual. ‘Thai’ means ‘free,’ and Thais cherish their freedom (Kapur-Fic, 1998). This explains the sense of freedom that forms ‘Thainess.’ Some expatriates may assume a superiority complex, believing that Thais are weaker. However, it should be noted that while Thai culture encourages modesty; pride, freedom and independence are also highly regarded. Gump (2010) emphasises that Thais are gentle by nature but have a strong sense of pride and it upsets them to lose face. Expatriates in Thailand should be aware of these cultural factors, all of which have shaped the country’s history, politics, economy and society.

The cultural dimension has a profound impact on Thailand and its people. Understanding cultural differences can be useful for companies as well as foreigners that conduct business in Thailand and have relationships with Thais (Niffenegger et al., 2006). Of note are the following features that appear to be deeply embedded: the strong influence of Buddhism, the pervasiveness of the Thai language (versus the use of English), social conservatism, strong traditions and cultural identity, a hierarchical society, family and relationships, and an easy-going attitude towards time and life. How might culture affect the work attitudes of the Thais? Is there a clash of cultural values with expatriates? Has modernisation and Western influence eroded Thai culture?

---

\(^8\) *Sanuk* - enjoy and have fun. When Thais are having *sanuk*, it may seem that there is no tomorrow. One just needs to come during Songkran (the Thai New Year, also known as the Water Festival) to see a sight not seen anywhere. To most, it would be amazing to see how people can have so much fun.

(Please refer to Appendix no. 4 ‘Glossary’ for explanations of Thai words used in this thesis.)

27
1.4.7 Buddhism

Siengthai, Tanlamai and Rowley (2008) emphasise that Buddhism has a significant impact on Thai management philosophy and practices. According to Keown (2000), Buddhism is widely respected as one of the world's most ethical religions, and many Buddhists adopt pacifism as a way of life. Theravada Buddhism has been the predominant religion in Thailand since early recorded history (Olson, 2015). This form of Buddhism, which came to Thailand via India, has a strong influence on Thai society for hundreds of years (Hoskin, 2008). Bullitt (2008) informs that Theravada is the name for the school of Buddhism that draws its scriptural inspiration from the Pali Canon, or Tipitaka, which scholars generally accept as the oldest record of Buddha's teachings. Buddhism plays a central role in Thai culture and society (Chadchaidee, 2014).

Buddhism is Thailand's state religion (McCargo, 2002). However, the freedom to practice other religions is written in the constitution and all Thais have this right. This freedom is rooted in the spirit of tolerance, which is one of the main pillars of Buddhism and can be found in many traditional values such as *mai pen rai*, *jai yen yen* and *sabai sabai*. Other traditional values that derive from Buddhism include deference, emotional control and a pacifist attitude. Losing face by showing anger is a source of shame for Thai people and not in line with Buddhism (Lewis, 2006). Most Thais are Buddhists; hence, they are generally tolerant and flexible. Unlike many religions that emphasise faith, Buddhism gives great importance to compassion, tolerance and moderation (Gupta, 2014).

Cristaudo and Kaplan (2011) highlight that Buddhism is about compromising and yet is full of wisdom. Keown (2000) notes that Buddhism encourages charitable work and advocates a non-violent approach towards life. Buddhist philosophy emphasises tolerance and seems accommodating enough to incorporate native beliefs and practices. Plamintr (2005) believes that Buddhism is not only readily acceptable to local inhabitants, but is able to bring about harmonious development in social values and traditions. Historically, the Thai kings have been devoted to Buddhism (Tiyavanich, 2007). The monarchy’s encouragement of Buddhism may be seen as the king’s religious and personal commitment. It may also be interpreted as a representation of the people’s ideology and religious faith. The Thai kings are seen as fatherly figures that the people follow and try to emulate (Chaloemtiarana, 2007).
Admittedly, corruption is a great challenge in Thailand (Bhargava and Bolongaita, 2004). Thailand is notorious for corruption and vices, although Plamintr (2015) argues that problems like corruption, violence, fraud and prostitution are not particular to any one society or nation. These are widespread social phenomena prevalent in all parts of the world without exception, even in the most affluent or highly developed nations. Social problems may arise from a variety of causes and conditions for which religion can hardly be held responsible. For example, hunger and the lack of suitable means for a decent livelihood may drive a basically harmless individual to commit an act of crime or violence. The long-term political instability due to greed and power struggles may be the main cause of corruption and poverty in Thailand.

Buddhism plays such a significant part in Thai life and is so integrated into it, that it affects people’s daily lives (Allyn, 1991). The Buddhist influence can be seen in the lifestyle of the Thais, as well as in their traditions, mannerisms, arts, architecture, language, and almost all other aspects of the Thai culture (Plamintr, 2015). The fact that Thailand is widely known as the ‘Land of Smiles’ is due in no small measure to Buddhism’s influence on the Thai people. However, the cultural scene is rapidly changing in urban Thai society. Under the Westernised system of education, a portion of the Thai population may become marginalised from Buddhism and even from some of the traditional Thai culture. Perhaps, it could be argued that Thai Buddhism might gradually find itself more restricted in its role as a social and religious force.

Western influence is significant in most parts of the world and Thailand is inevitably be affected (Harrison and Jackson, 2010). Just like Buddhism, Western influence and modernisation impact almost all aspects of Thai life. From the structure and form of government to the system of education, the economy, commercial sector, consumerism and entertainment (Plamintr, 2015). Hence, Thai Buddhism is faced with the challenge of maintaining its relevance in the midst of modernity. Western influence and modernisation can be seen in most major cities in Thailand, especially Bangkok (Dixon, 2002). However, in rural areas, monks still possess significant social status among the poor with whom they maintain a close relationship (Plamintr, 2015). Village monasteries hold social events and it is common for monks to help villagers seek spiritual enlightenment and in the occasional worldly affairs. According to Lin (1978), Buddhist monks are generally well-received and respected in Thailand.
Thai political unrest in recent years and the violence in Southern Thailand have forced Thais to look for a practical alternative and solution in Buddhism (Plamintr, 2015). Some have found answers in Buddha’s ancient message, which may have been neglected through globalisation. Although it might be argued that some adoption of the modern political views of Western democracy into Thai culture is inevitable (Dürkop and Konrad-Adenauer-Stiftung, 2004), the perception of politics in Thailand being influenced by Buddhism remains. Therefore, some have recently started to become more active in merit-making and prayers. There is a Thai saying that “If you do good, you will receive good; if you do evil you will receive evil”, or tam dee dai dee (Niffenegger et al., 2006). Put simply, most Thais have a general belief in karma and reincarnation. According to Guelden (1995), since Thailand’s early days, inequities in wealth, education, power, ability and social standing have all been traced back to past lives; the result of karma. Doing good deeds helps ease the path of one’s current life as well as the future lives to come (Cavanagh, 2006).

Buddhism teaches that suffering is due to one’s former sins in this or a previous life, just as one’s well-being is due to the former or current good deeds that person has performed (Gombrich, 1971). Buddhism also blends well with the broader cultural traits of Thailand; Buddhist beliefs closely interact with and reinforce the values of freedom, tolerance, restraint, moderation, and the easy-going attitude that is common to Thai people. How this cultural dimension influences working conditions and the relationships between Thais and expatriates is a particular point of interest in this study.

1.5 Expatriates in Thailand

Recent developments in globalisation and information technology in developed countries have led to significant changes in nations and their citizens across the world, regardless of political, economic or socio-cultural structure (Karatas and Bekmez, 2007). To position Thailand a constitutional monarchy with a predominantly rural agricultural economy within a technology-driven and interconnected world, knowledge is of paramount importance (Aswalap, 2005). As information technologies from developed countries play a pivotal role in globalisation (Luby, 2001), one of the obvious strategies that should allow Thailand to ‘leapfrog’ in its knowledge is the employment of expatriates. However, it should be noted that Thailand’s rich history and deeply entrenched culture that may make it resistant to some of the effects of globalisation (Lewis, 2006). This area warrants further investigation in
subsequent chapters to understand the effects of a strongly-held culture on the working relationship between Thais and expatriates.

According to Plamintr (2015), Thailand has always maintained a relatively cordial relationship with the West. When the first farang arrived at a Thai port centuries ago, they were welcomed with open arms by the locals and were treated with great hospitality and friendship. Thai kings and royalty even donated large pieces of land and allowances to Christian missionaries. Modern technology impressed the Thais, who adopted the Western system of education to some degree. Thais with Western qualifications are well received and considered to be a progressive class (Aronson, 2010). Does this development make it easier for expatriates to work in Thailand? What do Thai employees expect from expatriates?

Cohen (1977) defines an expatriate as a voluntary, temporary migrant who resides abroad for a particular purpose and ultimately goes back to his or her home country. Expatriates in this research mainly refer to Western expatriates. The organisation selected to participate in this research employs expatriates to help manage its diversified businesses, spearhead some of the organisation’s business strategies and initiate steps in globalisation. When expatriates are executing their work, of interest is whether their working styles fit in well with Thai traditions and values. Given this background, the question is whether Thais and expatriates can work cohesively together. What are the contentious issues concerning the working relationship? One thing is for certain, working well with expatriates should have a significant positive impact on the well-being and performance of the Thai employees, the expatriates and the organisation.

1.6 The group of companies

The primary data for this thesis were derived from a questionnaire survey and interviews conducted with senior management and managers working for a group of companies (GOC in Thailand. The GOC or the organisation in this research comprises companies with common shareholders, similar organisational structure and similar working culture. The organisation’s main businesses concern hardware, software, peripherals and related services in the Information Technology (IT) industry. Another main business area is the provision of services for the setup, design, development and system installation of mainframe computers for medium to large sized organisations. For example, banks, government agencies, state enterprises and educational institutions. In this business area,
the organisation partners with reputable multinational corporations (MNCs) such as IBM and Microsoft. In order to safeguard the anonymity of the GOC and its employees, neither the name of the organisation or its employees were disclosed in the thesis.

The GOC also offers maintenance and repair services for IT products as one of the main service networks for MNCs such as Epson and Apple. These MNCs collaborate with the organisation to formally provide a centre for repair and maintenance of their products. Other businesses are very diverse, and include network engineering and on-line company information. As can be seen, many of the organisation’s businesses concern MNCs. Hence, expatriates play an instrumental role in bridging the gap between the Thai organisation and its Western partners. Thus, it is in the interest of the organisation that Thais work cohesively and efficiently with expatriates. With this background in mind, the thesis explores and offers some insights to guide the organisation in enhancing the working relationship between Thais and expatriates, with a view to improving the overall performance of both employees and the organisation.

1.7 Chapter conclusion

This chapter has provided a background understanding of Thailand and has stimulated certain thoughts and queries: How do politics impact business ethics and sentiment, and the people working in the organisation? What have Thais learned from the Asian Financial Crisis regarding transparency and corporate governance issues? Does the focus on the Thai language render Thai workers ‘inefficient’ in the use of the English language and does this affect communication with expatriates? Do traditional values such as hierarchy, view regarding relationships and an easy-going attitude create friction with expatriates? How do the beliefs of Buddhism, such as tolerance, karma, restraint and moderation, affect work with expatriates? Have traditional values remained relevant in the Thai working environment? Should Western methods of management be adopted in the Thai business model? There are many other interesting queries that demand attention and interpretation as well. Is there a ‘one-size-fits-all’ solution to the queries?

Ideally, ‘global talent’ such as expatriates should be the ‘best and the brightest’ staff, with a ‘global mindset’ and who are able to assimilate seamlessly into any culture (McCann, 2014b). If this is the case, the challenges of working with such expatriates should be minimal. Unfortunately, such ideal candidates and working situations are rare, if they happen
at all. Hence, this thesis seeks to explore the challenges that arise when Thais work with expatriates within the Thai business model. This chapter has introduced many aspects of Thailand’s history and culture and has set the stage for investigating the research objectives in more detail in the subsequent chapters. The hope is that this study would improve the understanding and working relationship between the parties involved.

The remainder of the thesis is organised as follows: Chapter 2 explores the literature on Thailand’s history in greater depth, as well as the theoretical framework on culture that is relevant to the Thai working environment and expatriation. Chapter 3 examines the research strategy and methods employed in this research to achieve its objectives. In Chapters 4, 5 and 6, the findings on the 3 key areas of ‘Business ethics and trust,’ ‘Authority,’ and ‘Professionalism and efficiency’ are discussed and interpreted. Gaps are also discussed, with recommendations given wherever appropriate. Chapter 7 integrates and concludes the thesis and discusses its implications, themes, limitations and suggestions for future research.
CHAPTER 2
LITERATURE REVIEW
CHAPTER 2 - LITERATURE REVIEW

2.1 Introduction

This chapter aims to highlight the literature on Thailand’s history, socio-cultural and political structure, cultural dimensions and expatriates. Section 2.2 touches on the history of Thailand before the 20th century and explores the country’s characteristics and origins. Section 2.3 delves into the 20th century until the present day and explores how modern Thailand and its people have become who they are today and the factors that have shaped them. Section 2.4 examines the Thai cultural dimension and its implications for Thai people and expatriates. Section 2.5 looks at expatriates and investigates the factors that might contribute to an expatriate’s success in Thailand. Section 2.6 critiques the literature, and Section 2.7 concludes the chapter by summarising the key themes and ideas that emerged from the literature review.

This chapter goes into more detail on Thailand than the background information provided in Chapter 1 and focuses particularly on its history and culture. Upon finishing this chapter, readers should gain an understanding of the following: how Buddhism found its way into Thailand and its effects on Thais’ work attitude and outlook on life; the beginning of the hierarchical societal structure that is so deeply embedded in modern Thai society; Thais’ respect for authority and the seniority culture; how gifts and bribery were carried out in early times; the superiority complex of Westerners during the colonial era; how Thai language is a force that unifies the country; how the ability to compromise has served Thais well during challenging periods; and the events leading up to the current political turmoil. This chapter also covers Thai culture and expatriation, with a review of Hofstede’s classical work on cultural dimensions. It is imperative that readers read this chapter before getting into the chapters on findings and discussion, as it provides the foundation necessary to better appreciate and interpret the data.

Why history matters

National identity around the world appears to have been eroded by globalisation, with terms such as ‘world best practice’ and ‘universal’ norms of global capitalism becoming the the buzzwords of today. O’Rourke and Williamson (1999) stress that globalisation is not a new
phenomenon, and was in existence in the century before the First World War. Hirst and Thompson (2002) recognise that internationalisation is not unprecedented and also emphasise the historical perspective of globalisation prior to the First World War. Globalisation during that period started when convergence in wages occurred between the various Atlantic economies. However, it has been noted that even in the face of globalisation, shared knowledge and market information, convergence has been uneven. O’Rourke and Williamson (1999) argue that the neoclassical effects of trade and supply changes provide insights into international trade. They believe that history is crucial in helping us to understand the current state of globalisation.

Wallerstein (1974) goes further back in history to the sixteenth century and points out that during that time, capitalism had contributed immensely to agricultural activities. He stresses that this has laid the foundation for the division of labour. Hence, he argues that the world economy should be analysed as an integrated system. In Northwest Europe, industry and commerce grew, whereas they did not grow as much as in Eastern Europe. Wallerstein (2004) updates his view of reality and history in his ‘world-system theory’. He claims that capitalism means the indefinite pursuance of capital, and a perfect market where competition would be maximised and profits minimised. This leads to a scenario where the world-system is in a crisis when the pursuance of indefinite capital ultimately reaches a maximum point. No more resources are left and there will be an unavoidable systemic crisis. Wallerstein believes that we are currently in such a crisis. Similarly, Hirst and Thompson (2002: 263) posit that there may be inherent limits to the growth of international trade and we may be approaching those limits.

Companies seeking to maximise profit might search for ‘one best way’ or a ‘best practice’ as a universalistic means to achieve corporate goals (Rowley, 1997a). Globalisation might have contributed to a certain extent to the convergence of human resource management (HRM) practices. However, convergence and universalism can be challenged by historical traditions, culture and institutions (Rowley, 1997b). An example regarding Thailand was provided by Rowley (1997a), who found that some traditional employment practices in Thai workplaces remained deeply entrenched, while other HRM practices had changed. As Thai society is highly hierarchical in nature, attempts to decentralise and provide employees with greater decision-making power have been limited. Rowley (1997a) stresses that HRM is complex and diverse. He believes that there is no ‘one best way’ or ‘best practice’ regarding HRM practices, despite the popularity of universalistic solutions (Rowley, 1997a, 1997b). In
a similar vein, Hirst (1997) cautions that reckless pursuance of internationalisation without taking social effects into consideration could lead to resistance against an open economy.

Internationalisation of MNCs is a central element of the globalisation process, and Perlmutter (1969) introduces three orientations known as the EPG model: ethnocentric, polycentric, and geocentric. Ethnocentric refers to orientation towards the home country. The way to manage the company at home is applied to overseas subsidiaries, creating a unified organisational culture that adheres to the policies of the head office. However, the MNC might not develop the foreign knowledge necessary to operate effectively in that market. Polycentric refers to orientation towards the host country. Here, overseas subsidiaries are managed autonomously and there is a tendency towards better understanding the local culture. Geocentric refers to orientation towards the world and promotes global integration. Perlmutter believes that most MNCs start with an ethnocentric orientation, and then gradually move toward polycentrism and ultimately, geocentrism, when the corporation becomes more integrated internally and more sensitive globally.

History is one of the three critical elements of studying business ethics; the other two are power and critique (Rowley and Oh, 2016a). According to Rowley and Oh (2016b), there has been a lack of attention to the local historical perspective that has formed local concepts of business ethics. Rowley and Oh (2007b: 516) claim that this has contributed to the unbalanced emphasis on a supposed evolution towards a terminal stage of Western business ethics, on the quantified and/or stereotyped cultural differences among different regions deemed to shape the institutionalisation of business ethics or lack thereof, and finally, on the globalisation of Western business ethics for all capitalist countries of the world. Rowley and Oh (2007b) point out that in the Asian context, the historical diversity of business ethics is more important than the current ethical problems faced by organisations.

Whitley (1992) develops an approach known as ‘national business systems’ based on his analysis of East Asian businesses. He argues that these systems are distinctive configurations of hierarchy-market relations that become institutionalised as relatively successful ways for organising economic activities in different institutional environments (Whitley, 1992: 13). A national business system is a product of an institutional environment and Whitley (2007) believes that institutions are always of central importance for the performance of firms and countries. He emphasises that these institutions are durable and long-lasting. It has been noted that despite the converging nature of globalisation,
institutional diversity and national business system diversity remains powerful (Whitley, 1999). Globalisation has not resulted in the homogenisation of either dominant institutions or business systems along Anglo-American lines in East Asia (Whitley, 2014). Institutions are likely to remain paramount in governing economic activity inside and outside firms (Witt and Redding, 2014).

Hall and Soskice (2001) elaborate on a related framework for understanding institutional similarities and differences in developed economies. They believe that the basic approach should be applicable to developing economies (such as Thailand) as well. Hall and Soskice (2001) advocate for Varieties of Capitalism (VoC), in which institutions play a significant role in influencing economic policy-making, outcomes and performance. They claim that national political economies can be compared by looking at the ways in which firms resolve the coordination problems they face. The main components of the VoC approach are divided into two major capitalist models identified by the extent of the national economy on how ‘coordinated’ it is.

National economies that are characterised by a high degree of openness to globalisation and deregulation are known as liberal market economies (LMEs). The opposite are known as coordinated market economies (CMEs), in which state regulation of the economy plays a larger role. This ‘divergence’ formed the basis of the ‘Varieties of Capitalism’ school of thought (McCann, 2014b). Interestingly, Rowley and Yugongdi (2012) argue that the key features of the Thai political economy do not characterise it as either an LME or a CME, but a hybrid model and one which takes national culture into account.

The VoC concept stresses that there are unique ways of organising, financing and employing staff across different countries. Hence, firms located in different countries may be exposed to different sets of national institutions, economic governance practices, and work and employment relations (McCann, 2014a). Even within a country such as Thailand, a transnational corporation may operate very differently from a local firm. However, it should be noted that globalisation does to a certain extent, erode some traditional differences in business, management and organisation, as businesses interact globally and establish ‘global best practices.’ But how these ‘global best practices’ are actually received in host nations is open for debate, as we shall explore in the chapters on findings and discussion.

In a country such as Thailand, where traditions abound (Lewis, 2006), it should not come as a surprise that there is some resistance or even rejection of certain ‘global best practices’ or
aspects of democracy. National institutions also make it more difficult for 'global best practices' to be adopted universally. North (1990: 3) defines institutions as the rules of the game in a society or more formally, the humanly devised constraints that shape human interactions. According to Hall and Soskice (2001), institutions, organisations and culture provide support for the relationships firms develop to resolve coordination problems.

McCann (2014b) further elaborates that institutions lay down the rules that shape the economy; these include customs, laws and ideologies, formal and informal, explicit and implicit. According to McCann (2014a: 13), economic actions taken by individuals, firms and governments are not free-floating and universal phenomena, but are embedded into the institutions of particular societies. Another concept mentioned by McCann (2014b) is path-dependence, which suggests that history has a very powerful influence on current events and may be able to explain the different practices in different countries. The idea also suggests that prior history lays out the tracks for what is possible in the future. This concept should shed some light on Thailand’s current political turmoil. Exploring Thailand’s history and its effects on organisations may provide valuable clues to how Thais and expatriates can work together cohesively in the organisation.

Thailand’s basic social, communal structure is controlled by a power elite system comprising the monarchy, the military and upper level bureaucrats, while Thai values are largely shaped by Buddhism (Hoskin, 2008). It is interesting to note Weber’s (1905b) assertion that the modern person seems generally unable to imagine the extent to which the components of our consciousness rooted in religious beliefs have influenced culture and organisational life. As we shall find out, Buddhism has a profound impact on almost every aspect of Thai life, and the work environment is no exception (Allyn, 1991). Buddhism emphasises a rather reserved and conservative outlook on life. It encourages moderation and taking things easy (Gupta, 2014). The centuries-old and agriculture-based culture has contributed to the adoption of a relaxed attitude about time (Lewis, 2006). Thais are also more relationship-oriented than task-oriented (Runglertkengkrai and Engkaninan, 1987). These characteristics set the stage for an interesting study of the literature on Thai history and culture when expatriates come into the picture.

2.2 A history of Thailand before the 20th century

2.2.1 Pre-modern Thailand (Siam)
Settlements sprung up in Thailand, formerly known as Siam (Cavendish, 1999) around 2500 BC (Nam, 2012). They were concentrated around the Chao Phraya Basin and included rice agriculture. The people known as the Mon-Khmer traded with India and obtained ideas and know-how from the more developed region (Baker and Phongpaichit, 2014). The Mon-Khmer civilisation formed the basis of the mighty kingdom of Ayutthaya (Strach, 2000). India’s ideas about urban living, religion and the art of conducting state affairs were adopted to create urban environments, state systems and monarchies. It was this contact with India that the current Thai written language is based on. It was adapted from the Sanskrit scripts of India.

A second group of people known as the Tai, whose culture was influenced by China came into the region from the North. Tai can be used to denote the various people who share a common linguistic and cultural identity (Ramitānon et al., 1998). Gradually, the Mon-Khmer moved inland, whilst the Tai moved south. The two groups eventually merged and the Tai language was used extensively. It should be noted that the Thai language is a mixture of both the original Tai language and some Mon-Khmer language. Other ethnic groups, like the Karen, Malays and Chinese, came later and blended into the society, and some authors have even suggested early Lawa origins (Condominas, 1990).

The city-state was known in Thai as mueang, a word that is still used widely by Thais today. A mueang was a relatively small town with a local ruler, together with its dependent villages (Vickery, 1991). Mueang can mean the town located at the hub of a network of interrelated villages, or the totality of town (Wyatt, 2003: 6). Small villages often cluster around the mueang for trade and defence. As the mueang grew, the original owner eventually became a ruler. The ruler owned the land, had special privileges and became elite. Subsequent settlers might have been granted access to the land but had to pay dues to the elite.

A hierarchical society developed, with the lowest level being slaves and prisoners of war. Traditional Thai society is organised along lines of hierarchy and patronage by people of different level who recognised their positions (Hay, 2014). Some mueang were brought together to form a confederation by ambitious rulers who usually embraced Buddhism, which was popular from the 13th century onwards. Buddhism first arrived in the Chao Phraya Basin around the 5th century (Baker and Phongpaichit, 2104). However, it was mixed with Hinduism and was not very popular. In the 13th century, monks brought Theravada
Buddhism to Siam and were greeted with more enthusiasm. Rulers became Buddhists and built temples and venerated monks. The rulers of stronger *mueang* often took over the weaker *mueang* and sent their sons or relatives to rule them. The stronger rulers would make their own *mueang* more prosperous compared to the defeated *mueang*. Eventually, these *mueang* became political units.

Ayutthaya was founded in 1341 (Breazeale, 1999). The Portuguese who arrived in Siam in the early 16\(^{th}\) century noted that Ayutthaya was one of the three great powers of Asia, the others being China and India. According to Kasetsiri (1976), Ayutthaya can be considered a midpoint in the evolution of Thai society. Ayutthaya was one of the most cosmopolitan cities in Southeast Asia, with the Chinese, Vietnamese, Mon, Portuguese, Arab, Indian, Persian, Japanese, and Malay ethnicities represented there. Dutch, French and English followed suit and took up residence in the city (Baker and Phongpaichit, 2014). The Siamese kings allowed freedom of religion and conversions between religions, which impressed the Europeans. Helped by experts from all over the world, Ayutthaya became exceptionally powerful in the 17\(^{th}\) century. A French visitor, Jesuit Guy exclaimed during his visit to the temple Wat Phra Si Sanphet that there was nothing to be seen but gold (Tachard, 1981).

According to the royalist French, there was no state in the Indies that was more monarchical than Siam (Gervaise, 1688). Pre-modern societal relationships were based on the patronage system. The rice peasant was subordinate to the ruler of the local *mueang*, the slave to the master, the commoner to the conscription chief, the junior noble to the patron, and the senior noble and tributary lord to the king. The king and nobles created a deep and finely graded hierarchy (Baker and Phongpaichit, 2009: 24). Officials were a noble preserve, with their positions dependent on personal skill, family connections and royal favour. Gifts to nobles and officials were common in return for favours. They were also expected to live off from whatever income they could make through their status and office, mostly by keeping a portion of the revenues collected.

In the early 18\(^{th}\) century, due to increased trade with China the nobility became stronger. Many were involved in the rice export trade and China became a significant importer. Many Chinese migrated to Siam during this period (Skinner, 1957). The Chinese monopolised most of the business and gave bribes in return for power. In 1767, the Burmese attacked Siam (Breazeale, 1999) leaving Ayutthaya destroyed. Trade was adversely affected and the monarchy and nobles realised the importance of the military.
2.2.2 The founding of Bangkok

After the demise of Ayutthaya, several attempts were made to takeover power. The strongest candidate was Phraya Taksin, a man of a Chinese and Siamese descent who grew up in the capital (Wyatt, 2003). He founded a new capital at Thonburi but was subsequently removed from power by one of his generals, a man named Thong Duang. The Chakri dynasty was born and Thong Duang became known as King Yotfa, with the title of Chao Phraya Chakri. The capital was moved from Thonburi to Bangkok. It was said that the kingdom under Yotfa was far more extensive than that of the former kings of Ayutthaya (Thiphakorawong, 1979). Yotfa (later known as King Taksin) crushed local leaders that defied him and rewarded those who supported him in the forms of governorships. On the surface, local rulers were seen to be loyal to Bangkok. In reality, these rulers acted like mini version of kings, no matter how small the mueang was (Pallegoix, 2000). The name Bangkok was used mainly by foreigners; locals usually used the name Krungthep - City of Angels.

King Taksin was half-Chinese, the son of a Teochew speaking Chinese immigrant (Pan, 1998). As king, he encouraged the Chinese to build up the economy. Chinese shippers, shipbuilders and traders were particularly encouraged to settle in Bangkok. By 1835, the Chinese settlement at Sampheng became a thriving market stretching 3 kilometres along a brick-paved road (Terwiel, 1989). Chinese businesses included dry-goods, fruits, vegetables, fish, drugs, hardware, blacksmiths, carpenters, gambling dens, groceries, brothels and dram shops. As entrepreneurs, the Chinese started a market economy. For this reason, British envoy John Crawfurd called the Chinese migrants the most valuable importation from China into Siam (Crawfurd, 1830). Due to the business acumen of the Chinese, a middle class comprised mostly of Chinese appeared in Thailand (Eoseewong, 2006). Many well-to-do Chinese took enthusiastically to Thai culture and took a Thai wife or a whole drama troupe of wives (Phisanbut, 2003).

As commercial activities increased, new social groups formed and brought with them new attitudes and ideologies. These new social groups were more receptive to Western ideas. For example, the business leaders welcomed Western ideas that had direct implications for their business. Leonowens (1870) noted that the royal residence was filled with elegant European decorations. Unfortunately, the Westerners also brought about new threats. In the
early 19th century, the momentum of British expansion in India began to spill out towards Southeast Asia. Siamese officers began to suspect that the British were outfitting an expedition of warships to come and conquer (Lysa, 1984). During that period, when the first ship of Prussia arrived in Siam, King Mongkut bluntly asked whether Prussia was colonising Siam (Martin, 1990).

The elite knew that the Westerners had a superiority complex, by which they felt justified in territorial expansion in order to bring progress to less developed societies. Farrington (2001) noted that Westerners during that period perceived Siam as backward and the Siamese as weak. Crawfurd (1830) for example, stated that the capital would be captured with ease as the people were weak. There was tension within the elite class over the handling of the West. Traditionalists wanted to restrict the West and maintain the old order, while others thought that trade with Westerners was beneficial to the people. Even in early times, there was a sense of the conflict between traditionalism, commercialism and modernisation.

2.2.3 Modernisation in the late 19th century

In the 19th century, canals were constructed in Bangkok and its vicinity to facilitate transport and military operations. Treaties signed with the West, like the Bowring Treaty, opened up the kingdom to the full force of international trade (Wyatt, 1994). However, they also created strains on the traditional administrative system. Demands on the government became complex and the number of court cases increased (Sattayanurak, 1994); many of these were never settled (Smyth, 1898). Siamese reforms were started by a princely monk, who in 1851 became King Mongkut (Keyes, 1994). From 1860 onward, King Mongkut hired Europeans or farangs as official advisers and for planned development, but reserved the major ministries for Thai royalty and nobles (Wyatt, 1994). His reign was a time of transition between traditions and modern ideals.

In 1868, King Mongkut was succeeded by his son, King Chulalongkorn (Ingram, 1955). Under his rule, the old traditional system was replaced by the nation state model. King Chulalongkorn travelled widely and selected what he perceived to be safe governmental models when taking the future prosperity of the country in mind (Battye, 1974). Over the years, as senior government ministers died or retired, he replaced them with his own brothers or trusted allies (Ricklefs et al., 2010). Nobles’ sons were encouraged to enter the educational system, which was the gateway into the new bureaucracy. This new generation
of educated elite appeared to have embraced the new system in order to maintain their status in a time of change, and some even mentioned that Chulalongkorn appeared like a well-groomed Englishman (Peleggi, 2002). In 1897, Chulalongkorn issued a decree that prohibited all trafficking of slaves, including the right of the individual to sell himself into slavery (Tate, 1979).

Chulalongkorn saw himself as the head of the military, whose duty was to alleviate his subjects from suffering, be it via diplomatic relationships or if necessary, aggression and war with other countries (Sattayanurak, 1994). He adapted Western practices to Thai society and employed foreigners who he thought of as books of knowledge whenever he needed to tap into their resources (Numnonda, 1974). Chulalongkorn initiated a new Defence Ministry and instructed it to put together a conscripted army involving all male citizens. A poll tax system was also introduced. Everyone was subordinate to the king and their statuses were the same with regards to taxation and serving in the armed forces. In this way, all people were transformed into the same race, Thai. They spoke Thai and every one of them held that they were Thai (Streckfuss, 1993).

In the late 19th century, the word chat evolved to mean birth, origin, or a cycle of rebirth to express ideas corresponding to a race. The Thai race was recognised for using the Thai language, so speakers of other Tai languages could be claimed as being Thai. This included people living within the kingdom’s borders. At that time, Siam covered part of Laos (Rajchagool, 1994). The current territories and borders of Thailand were finalised under treaties signed with the West between 1902 and 1909 (Winichakul, 1994). The educational system included new schools that emphasised the nation as a cultural community founded primarily on the Thai language, a common religion and common history. From 1902 onwards, Thai versions of treaties no longer referred to Siam but to the Kingdom of the Thais. All people were referred to as Thais, and they were categorised into three groups: the elites, the peasants and the hill tribes. Hence, from an early time, the Thai race was both united and divided (Funston, 2009). The Thai personality was described as one that advocates national freedom and peace and is well-versed in compromising to serve the interests of different parties (Sattayanurak, 2003).

The elite managed people’s access to education and top positions, but could not absolutely control these areas. A small number of talented commoners contributed valuable ideas, and through the availability of printing, gradually gained an audience. Unfortunately, some of
these people were persecuted for their knowledge. Even the knowledge of printing was not spared, which was formerly the secret property of the palace. Reynolds (2006) mentions the case of Kulap Kritsananon, who published important Siamese literature. In 1889, he published no fewer than five books, and the intensity of his work upset the royals. Thianwan Wannapho was a lawyer who became famous for defending the poor and for openly criticising the exploitation and corruption in the ruling elite. Thim Sukkhayang wrote about a senior member of the elite, Chuang Bunnag and his incompetence, which resulted in a great loss of life during a military expedition. This was written in a poem that implied that the elites were corrupted. Thim Sukkhayang was subsequently jailed and his books banned (Bualek, 1998). All of the above authors were persecuted in some way, but that did not stop the flow of intellectual ferment from commoners.

From the 1880s onward, new schools were founded and many royal and elite students found the new education system too challenging. Discipline was high and the students were taught to listen respectfully, and questioning was not encouraged. At the same time, more commoners managed to find their way into elite education. The law, military and civil service schools soon had large proportions of commoners whose parents were ready to pay the exorbitant fees. However, many commoners were overtaken in their careers by those with higher birth and better connections. The rise of a Siamese intelligentsia, a well-educated urban class of intellectuals began to express ideology relating to the Western form of popular democracy (Wyatt, 2003). Some of these educated Thais studied law and military science in Europe, which had important implications for modern Thailand.

At the end of the 19th century, Siam was converted into a nation state for the first time. Bangkok became the capital and imposed the ideas of nation, a unified nation state, nationality, national identity, and a centralised national governing bureaucracy (Baker and Phongpaichit, 2009). One of the objectives of becoming a nation was to get rid of the old and less effective traditions and practices that were not in line with a market economy. However, the country’s traditional institutions and ideology remained as the system of patronage and old connections were firmly rooted. The belief held by kings such as Chulalongkorn was that the people had faith in the king’s justice and love for them (Murashima, 1988), and that they believed the king was above the law (Sattayanurak, 1994).

Undeniably, massive changes arose from the social strains of a market economy and the new ideologies of the elite, coupled with the threats and opportunities from the West. Despite
the imperialist bent of the West, Siam was never colonised (Collins, 2011), mainly due to its geography and ability to compromise. One member of the Thai elite confirmed that Thais were very good at adopting a compromising approach (Sattayanurak, 2003), and a European minister noted that Chulalongkorn was skilled at foreign diplomacy (Tuck, 1995). With this background, Thailand entered the 20th century as a new nation.

2.3 Thailand and modernisation - 20th century to the present day

2.3.1 Economy and society in the colonial era

The new nation still had as its backbone, an agricultural economy while the capital Bangkok went more towards urbanisation. There, the new mixed with the old, and European buildings were seen alongside temples and villages (Askew, 2002). Most economic activities were clustered around the river to the south. There were European embassies, banks and offices (Wright and Breakspear, 1908). Continuous immigration from Southern China formed a prominent element of the city’s economic life. The Chinese invested in large businesses, such as rice mills and trading firms (Prasertkun, 1989). It has been noted that trading and the renting of land related to rice farming were very profitable businesses (Johnston, 1975).

Rice became the major export crop in the early 20th century, when the agrarian economy was near a state of self-sufficiency (Zimmerman, 1931). The progress of the nation therefore became more dependent on paddy cultivation (Suriyanyuwat, 1911). At the same time, the production process was also moving towards self-sufficiency. Despite not receiving much government support (Nabarath, 1907), one member of the elite noted that the villages were not poor, but happy and contented (Nartsupha, 1999). In the city, trade was dominated by foreigners like the British, Chinese, Danes, Germans, Italians, Dutch, Belgians and Americans (Smyth, 1898). Among these, the Chinese entrepreneurs stood out as a dominant group.

Under a new administration, revenues flowed into the ministries including the ministry of education. As a memorial to King Chulalongkorn, a university named Chulalongkorn University was established in 1916, when the Civil Service School was integrated with other schools (Wyatt, 2003). Chulalongkorn University is one of the most prestigious and arguably the best university in Thailand. It became the gateway to the senior bureaucracy, which consisted of the elite that formed the government. Whilst the elite dominated higher
government positions, people of other races filled the middle and lower rung (Rajadhon, 1967). Members of the royal family prefixed their names with distinctive titles showing their closeness with the throne. These titles and special family names publicised the hierarchical structure of the new bureaucracy just like the royal betel boxes that nobles had received in the past (Hill, 1984). This practice was emblematic of a complex hierarchical society in which the place and position of individuals were specified.

With the banning of forced labour (Turton, 1980) and the shift to a market economy, dramatic changes could be seen in the society and social landscape. The transition from a nation of peasants to a commercial port brought about new social forces. The nobles and staple trade translated into the formation of a new elite in the monarchical nation. The new middle class consisted of a more educated workforce, middle level bureaucracy and commercial development. These new classes of people started to question absolutism. However, the royal traditions were still deeply embedded in society and Vajiravudh, the king during that time claimed that no other country had fewer poor or needy people (Vella, 1978). This situation set the scene for Thai nationalism and militarism, which is the subject of the following section.

2.3.2 Nationalism and militarism in early 20th century

During Chulalongkorn’s reign, he emphasised the need for efficiency and economic development, as well as the importance of social justice to create a strong nation (Kuhonta, 2011). Although he was opposed to any changes in royal power, he told his ministers shortly before his death that he would direct his son Vajiravudh to give the people a parliament and constitution upon accession to the throne (Barmes, 1993). Another view in the new society was influenced by colonial commerce, and by Chinese merchants and professionals who opposed the ideology of absolutism. Proponents of this view stressed the importance of the common people and said that the nation should seek the well-being of its people before anything else.

When Vajiravudh ascended to the throne, he rejected Chulalongkorn’s ideas about a parliament and constitution. He alleged that the things that benefited Europeans might be bad for Siam (Vella, 1978). His idea was that people who came together in society needed a king to iron out their differences. The commoners should be unified under the king, remain loyal and sacrifice for the nation when needed (Puaksom, 2003). Vajiravudh emphasised the
traditional concept of ‘nation, religion and king.’ In 1917, a new tricolour national flag was designed for the Thai army that was sent to fight on the Allied side in Europe (Mishra, 2010). Vajiravudh said that white represented Buddhism, blue was for the monarch, and red signified the blood of the Thai people in sacrifice made for the country.

The world was changing rapidly during the early 20th century, especially after the First World War, and the Chakri dynasty was considerably weaker (Suwannathat-Pian, 2003). The duty of passive acceptance held little appeal for the people who were making new lives for themselves through personal achievement. This was aggravated by the availability of media, like newspapers, journal and even film. The common themes throughout the media were the capability of the people and the decadence of absolutist society. Many stories emphasised that ability is more important than ‘accident of birth.’ One writer mentioned that the kings would not be able to protect their people or develop society without the help of their men (Sattayanurak, 1994). The public was more educated and aware of the state of affairs and thus, were not willing to subordinate themselves fully to the elite (Rajchagool, 1994; Copeland, 1993).

In the 1920s, a community of intellectuals who were not dependent on the government for support started to publish writings urging people to become independent of those in power (Wyatt, 2003). They redefined progress as a situation in which the people have a better and happier life as a result of their own efforts (Sattayanurak, 1994). They asserted that the nation was poor due to a division between its rulers and its people, and that the rulers allowed a privileged minority to live off the hardwork of the majority. They also accused the elite of protecting the economic interests of less than half a percent of the population (Copeland, 1993). Publications alleged that absolutism encouraged corruption, inefficiency and the presence of many incompetent men in high positions.

These publications also pointed out that absolutism promoted foreign interests above national interests. The royal elite were also accused of becoming fascinated with foreign goods and spending lavishly on them at the expense of the nation. Thais were becoming slaves of foreigners while still in their own country (Copeland, 1993). In 1925, Prajadhipok succeeded Vajiravudh and announced that his government would consider reforms in the areas of taxation, economic policy, the bureaucracy, and the structure of the government in order to regain the confidence of the people (Batson, 1984). However, what Prajadhipok
actually did was to concentrate the elites’ power. Despite growing public criticism, the monarchy clung to its ideology and traditions.

There was a growing call for use of the Thai language as a fundamental ingredient of ‘Thainess.’ King Mongkut believed that the existence and stability of the nation was dependent upon the Thai language (Copeland, 1993). The Chinese were not considered Thai and were seen as a negative influence; Vajiravudh was wary of their presence (Prasertkun, 1989). His successor Prajadhipok had the similar belief that new and dangerous ideas were coming in from China (Batson, 1984). Pridi Banomyong (Pridi) was one Thai individual who was influenced by Chinese ideology. In 1927, Pridi, Plaek Phibunsongkhram (Phibun) and others formed the People’s Party and planned a revolution. Pridi believed that the state was a powerful instrument to bring about economic growth and greater equity, and he saw the significance of holding the monarchy within the law through a constitution. Many joined this movement because they believed the elites were arrogant and never looked after the interests of the common people (Wilson, 1962).

In the late 1920s, Prajadhipok realised that the former popularity and credibility of the monarchy was beyond revival (Mektrairat, 1992). On 24th June 1932, the People’s Party captured the royal guard, arrested many members of the royal family and announced that the monarchy had been overthrown. As a result of the revolution in 1932, the Thai absolute monarchy had been abolished and replaced with a constitutional monarchy (Joll, 2011). Pridi, who had led the revolution, said that these actions were necessary for national interests, rule of the law, humanism, and justice for society; he also accused the elite of treating the people as slaves (Banomyong, 2000). Phibun differed from Pridi in that he believed the military served only the nation and that it played a pivotal role above all government bodies (Copeland, 1993). Phibun stressed that parliament was destructible but the military was permanent (Stowe, 1991). In 1942, Phibun passed authoritarian laws under the excuse that the nation should be united (Suwannathat-Pian, 1995).

Another prominent figure that significantly shaped Thai culture was Luang Wichit Wathakan (Wichit). He wrote influential plays and self-help books that urged people to be successful and forward thinking. Wichit considered the Sukhothai Era as the pinnacle of Thai civilisation because of its great expression of the freedom loving character of the Thai people (Sattayanurak, 2002). According to Wichit, the decline of Thai civilisation was attributable to the Ayutthayans, who were associated with slavery and divine kingship. Of note was his
belief that some people were meant to rule over others, and others were meant to be ruled (Sattayanurak, 2002). His works have greatly influenced the mass media, entertainment industry and the educational system. Hence, Wichit’s influence is still felt deeply today.

In 1939, the government imposed restrictions, whereby several professions and businesses could only be taken up by Thai nationals (Brown, 2004). On 24th June 1939, an edict was issued to change the country’s name from Siam to Thailand (Ingram, 1955). It was stressed that Thailand needed to make the Thai people truly Thai. Meaning that Thais had to remember that there were many new Thais and together with the original Thais, they needed to work together in harmony for the common good of the nation. The keys were unity and national security. This era brought about two significant and lasting changes. First, is the reservation of certain occupations and businesses for Thai citizens. The other is the conversion of Chinese people to Thai.

2.3.3 Effects of the Second World War and American influence

Thailand experienced a period of great turmoil after the Second World War. The Allied arms drops and the disarming of the occupying Japanese resulted in a country filled with arms (Goscha, 2013). In December 1945, Pridi encouraged King Ananda Mahidol to return from US temporarily to celebrate his twentieth birthday. Many other members of the royal family living in exile returned. Seni Pramoj (Seni) was one of those who returned; he was subsequently appointed prime minister. Seni formed the Democrat Party, which opposed Pridi, as Pridi was suspected of being a communist (Ray, 1972). This sowed the seeds of chaos between militarists, royalists, and pro-Pridi liberals over who would control the country. Phibun was popular to the military and the more conservative elite, while Pridi was preferred by the civilian bureaucratic elite, the professional classes and upper level students.

On 9th June 1946, things headed for a showdown when King Ananda Mahidol was found dead. His younger brother Bhumibol Adulyadej, son of Prince Mahidol Adulyadej and descendant of the great King Chulalongkorn, was proclaimed to be King Rama IX (Cooper, 1995). The death of King Ananda was not resolved and all parties blamed each other. On 8th November 1947, the military seized power through a coup and announced that they would install a government adhering to the principles of ‘nation, religion and king.’ This was a conscious revival of the old traditional concept advocated by the previous king, Vajiravudh (Chaloemtiarana, 1979).
Phibun headed the coup of 1947 and according to the British ambassador at that time, was supported by the royal family (Suwannathat-Pian, 1995). Subsequently, King Bhumibol (King Rama IX) sent a message stating that the coup did not seek power but its objective was to improve the new government for the well-being of the nation. Thus, the pro-monarchy Democratic Party came into power while the military held real authority for many years. After Ananda Mahidol’s death, King Bhumibol was formally crowned on May 5, 1950 (Britannica, 2014).

The US treated Thailand as an ally and a base for enacting the Cold War ‘Containment’ policy to stem the spread of communism in Asia. By 1949, Phibun claimed that there was no communist unrest in Thailand (Fineman, 1997). The US was impressed and made Thailand an anti-communist bastion in order to extend the influence of the US throughout the whole of Southeast Asia. After the US built a large embassy in Bangkok, other UN bodies and non-profit organisations followed suit. The Thais, especially those in the urban areas, were greatly influenced by the Americans about what was considered modern and in trend. Thailand became more materialistic and placed more importance on work and money (Bamrungsuk, 1988).

The US helped develop a free market economy in Thailand. This brought about a new administrative infrastructure for promoting development, investment and a central bank. However, most US investors considered the country to be too far with many unclear factors and risky for major investment. Chinese businessmen were the ones who gained an upper hand from the American influence. The development and market economy spearheaded by the Americans prompted rural migration into the city. Improved infrastructure like highways and railways also facilitated migration. A common scenario was that of a teenager leaving the village for better employment prospects in the city, eventually returning to the village during old age. Due to this migration of labour, Bangkok’s population doubled to 3 million people in the 1960s (Porporab and Lima, 1987).

2.3.4 The military, monarchy, communism, students and politicians (1940 - 1980)

During the period of the Cold War, military chief Sarit Thanarat (Sarit) flourished under US patronage. After the 1957 coup, Sarit declared that certain institutions needed to be changed. However, there was one institution that the Revolutionary Council would never
allow to be changed, the institution of the monarchy (Chaloemtiarana, 1979). Sarit announced himself prime minister and put Thailand under military rule, with the justification that the army was incorruptible. The military patronised large corporations for shareholdings, the sex industry grew exponentially and corruption was rampant. However, some development did occur under Sarit’s government. The subjects taught in schools were history and social studies, emphasising the traditional concept of ‘nation, religion and king.’ Schools taught students to buy Thai goods, to love Thailand, to love being a Thai, to live a Thai life, to speak Thai, and to be proud of the Thai culture and traditions (Keyes, 1991).

In the beginning, King Bhumibol had a rather negative opinion of Sarit and thought of him as corrupt (Suwannathat-Pian, 2003). However, the King’s opinion turned positive due to Sarit’s diplomatic skills. Sarit encouraged the role of the monarchy and supported the King. His foreign minister claimed that the main reason for Thailand’s unstable political situation was the sudden influx of foreign influence and that Thailand was better off when ruled by a unifying authority (Chaloemtiarana, 1979). The educational system taught that the King was the centre of the nation. Lèse majesté laws were used to silence any criticism of the monarchy (Grossman and Faulder, 2012). From 1958 to later part of the 20th century, the King made many trips to the provinces and also overseas to showcase Thailand as a traditional but modernising country.

With military backing, the monarchy and Buddhism flourished during this period. The monarchy had been revived gradually, starting in the late 1940s. Prince Dhani Nivat advocated for a Sukhothai model in which a naturally elected king follows the ten royal virtues and proves himself to be the King of Righteousness (Nivat, 1947). Dhani claimed that he was the great defender of his subjects and Buddhism. Initially, there were resistance efforts from the north and northeast, but these were quashed by the military. The northern hills were inhabited by hill tribes who cultivated opium but were subsequently recruited to maintain the security of the frontiers (Tapp, 1989). The northeast region was poor and some people wanted a Lao-speaking state. The southern provinces, which were converted to Islam as early as the 13th century (Thomas, 1975) were a real threat, a threat that persists to this day.

From the 1930s to the 1970s, Thailand was affected by leftist movements, including the communists and guerrillas, revolution, and most significantly, the students (Case, 2015). All these groups in one way or another, opposed the military dictatorship and its US backing,
except for in the brief period around 1957 when the universities were controlled by the military (Sivaraksa, 1998). In the 1960s, the students openly criticised the military dictatorship, and the King supported them publicly. However, his personal philosophy was that of remaining cautious; change or progress should be made gradually rather than suddenly (Suwannathat-Pian, 2003). Young academics produced political economy analyses of modern Thai society that highlighted the poverty and exploitation of the peasantry, the dismal conditions of urban labour, and the roots of social injustice in the traditional social order (Baker and Phongpaichit, 2009: 185).

On 6\textsuperscript{th} October 1976, many innocent students from Thammasat University were killed by state troops and police to silent them (Wong, 2006). Students were lynched, burned alive and beaten (Wyatt, 2003). In the aftermath, the National Security Council (NSC) began to seek ways to create unity between the different factions of people in the nation (Connors, 2003). The NSC found that farmers composed the majority of the population and that most of them respected the monarchy and Buddhism with little interest in politics. The 6\textsuperscript{th} October 1976 student massacre and subsequent coup marked the end of an important three year democratic interval. Some see this event as the beginning of the democratisation of Thailand’s politics that occurred over the following three decades (Conners and Hewison, 2008: 1).

2.3.5 A polarised political society

In the later part of the 20\textsuperscript{th} century, people were drawn to the cities. Some villages in the northeast were left with only old people and little children (Mills, 1999). In the early 21\textsuperscript{st} century, resentment regarding inequality crept into the political arena. This concern did not arise because inequality was increasing but because more people were aware of it. In the agricultural sector, the government emerged as a patron, employer and financier. As a result, people had growing expectations about the government’s responsibility to provide them with help, and were increasingly drawn into the politics of negotiation with the government at many levels from locality to nation. The 1980s and 1990s saw the creation of new structures of political clientelism in rural provinces that now bind village leaders to provincial and national politicians (Arghiros, 2001).

The combination of rising incomes, rising aspirations, growing resentment for inequalities, and rising expectations for the government would transform Thai politics in the early 21\textsuperscript{st}
century. Remedies for these issues were sought and the 1997 Thai Constitution established new independent bodies aimed at curbing political corruption and vote-buying (Callahan, 2005). However, it was recognised that vote-buying had become a ‘custom’ (Arghiros, 2001). Thailand as a society was becoming urbanised, and commerce was playing a more significant role. People were also becoming more educated and assertive. The once dominant bureaucracy gradually lost control of the state to parliament (Arghiros, 2001). However, the traditions of a strong authoritarian culture had been deeply embedded. When major business and the peasant populism made an attempt to get rid of the old elite, it led to a conflict that brought the military back to prominence and resulted in democracy and economic growth being curtailed.

One prominent military leader at the time was General Prem Tinsulanond. He was seen as a ‘clean’ soldier and devised a strategy to get rid of communism and manage the nation's return to parliamentary democracy. The King was believed to be strongly behind him (Wyatt, 2003). The strategy was to eradicate exploitation and provide welfare for the people (Samudavanija, 2002). This plan appeared good on paper but in reality, nothing significant was achieved. During the 1988 election, the press and political interests pressured Prem to resign to make way for an elected prime minister. Prem reluctantly agreed, and Chatichai Choonhavan succeeded him. However, the government of Prime Minister Chatichai was widely perceived as lacking democratic legitimacy (King and LoGerfo, 1996).

Another coup took place in 1991 and a senior bureaucrat, Anand Panyarachun was appointed to lead a caretaker government for a year before elections could be called (Ganesan, 2004). Subsequently, General Suchinda Kraprayoon took over and on 17th May 1991, around 200,000 demonstrators gathered to proclaim their opposition (McCargo, 1993). The King called in the generals for an audience and after the session, Suchinda announced his resignation (Wyatt, 2003). The public was told that a new government and elections would be coming soon. The Democratic Party came into prominence and in September 1992, the Democrat Party leader Chuan Leepai became prime minister (Bunbongkan, 1999).

In 1995, Chuan Leepai was succeeded by Banharn Silpa-archa, who was later replaced in 1996 by Chavalit Yongchaiyudh (Wyatt, 2003). Within months, Chavalit lost his finance minister, central bank chief and permanent secretary of finance, and was forced to accept mediocre replacements. Disagreements in the ruling parliamentary coalition prevented attempts to resolve the multiple problems in the financial sector (Haggard and MacIntyre,
The Asian Financial Crisis of 1997 happened during this period, when the THB fell sharply against the USD. The Chavalit government was dismissed and Chuan Leepai became prime minister again in 1997. Chuan gave the IMF his government’s commitment to follow the economic programme stipulated by the IMF (Robison et. al., 2000). There was also emphasis on self-reliance to manage the crisis and reference was made to the King’s call for a self-sufficient economy (Rigg, 2012).

In 2000, the economic crisis began to ease (Hogue, 2006) and Thailand reverted to the likes of an authoritarian nation. This was promoted by big businesses, which wanted the power of the state to manage the threats of both globalisation and democratisation. Provincial leaders and business interests emerged as powerful new forces on the democratic stage, and the transfer of power from bureaucrats to elected representatives proceeded at different rates on the central and local levels (Arghiros, 2001). Domestic and international capitalists were responsible for the crisis, and there would be political struggle; not all of which would be capital enhancing, and populism may have its day (Robison et. al., 2000).

After the financial crisis, a vibrant civil society comprising diverse social interests and led by representatives of different classes emerged. These representatives demonstrated an intention to bring the bureaucratic state to heel and force it to take account of popular aspirations for a more open and participatory political system (Brown, 2004: 1). In July 1998, a new political party named Thai Rak Thai (TRT - Thais love Thais) was founded by a successful businessman, Thaksin Shinawatra (McCargo and Patthamānan, 2005). He projected the image of a modern, technology aware businessman. Thaksin managed to obtain support from significant businesses and also from people in the North and Northeast. Thaksin went on to win the election in 2001 (Lansford, 2015). Many of the country’s urban elite dismissed the outcome as just another symptom of rural corruption, a traditional patronage system dominated by local strongmen pressuring their neighbours through political bullying and vote-buying (Walker, 2012).

Thaksin was popular among the poor but the Bangkok elite accused him of massive corruption as his wealth increased over his term. There were many accusations that he won the election via widespread vote-buying. However, it was noted that some vote-buying was customary, since in the current system money needs to be used to some extent to motivate people to vote for you, especially in the provinces (Arghiros, 2001). To stop rising criticism, Thaksin controlled the media very tightly. Public intellectuals who raised their voices were
fiercely attacked. In February 2005, TRT won a landslide victory in the general election (Chambers, 2006). The elite and military were against Thaksin and his decline started when he sold Shin Corp for massive gains at the expense of public interest. This provoked an outpouring of disgust due to massive corruption involved in the sales. The Shin Corp incident is seen by some as the catalyst to the fall of Thaksin (Anwar et al., 2009).

Demonstrations broke out, with protesters in red coloured shirts representing Thaksin, while demonstrators who were supporting the monarchy adopted the King’s colour yellow, as a kind of uniform usually accompanied by yellow wristbands (McCargo, 2009). The pro-Thaksin group was dubbed ‘red shirts,’ as red symbolised the ‘people’ in the Thai tricolour national flag and had been used in the visual identity of Thaksin’s party. The public demonstrations held by the red shirts were seen as a labour movement against Bangkok’s elite. They were also seen as a mob mobilised by Thaksin to destabilise the government (Forsyth, 2010).

There were public debates and criticism, and Thaksin was forced to dissolve parliament and call snap elections on 2nd April 2006 (Pye and Schaffar, 2008). TRT was once again victorious but was accused of using unethical methods to win votes. On 19th September 2006, while Thaksin was in New York to address the UN, the army took control through a coup (McCargo and Patthamānan, 2005). Retired General Surayud Chulanont was appointed as prime minister. The coup group claimed that Thaksin’s government had committed lèse majesté, interfered with constitutional bodies, and caused social division. According to Connors (2003), it is the threat of accusation under the law of lèse majesté that limits actors’ ability to enter the political arena.

In December 2007, the TRT was reborn in the form of the People Power Party (PPP) (Viernes, 2015). Thaksin appointed Samak Sundaravej to head the PPP and he won the election. Samak declared openly that he was acting on behalf of Thaksin and the PPP promised to bring back TRT’s policies (McCargo, 2008). The coup of 2006 had failed to remove Thaksin’s influence over parliament. The anti-Thaksin parties turned to the courts and took to the streets. Soon after, the court found Thaksin’s wife Potchaman guilty of tax evasion (Ockey, 2009). The court also found Thaksin guilty of abusing his power in the sale of state owned land to his wife and he was sentenced to two years jail (Ferrara, 2011). He fled overseas in advance of the verdict to live as a fugitive.
In September 2008, Samak was removed as prime minister on a technicality, for illegally accepting payment for his weekly cooking show (Brooten and Klangnarong, 2009). In January 2008, Thaksin’s brother-in-law, Somchi Wongsawat, succeeded Samak as prime minister, which created great controversy (Chachavalpongpun, 2009). Somchi was eventually removed and in December 2008, Abhisit Vejjajiva, leader of the Democrat Party was elected by the parliament to serve as prime minister (Chanlett-Avery, 2010). In July 2011, Abhisit’s government announced a new election. Thaksin’s party resurrected as Pheu Thai (For the Thais), had appointed Thaksin’s youngest sister Yingluck Shinawatra as its leader (Nam, 2012).

The new Pheu Thai party won and the government under Prime Minister Yingluck Shinawatra came into effect (Abuza, 2011). In the beginning, there was less political strain. Yingluck continued Thaksin’s policies and in November 2013, forced parliament to pass an amnesty bill to annul Thaksin's conviction for corruption and bribery to ensure his safe return. This event triggered massive street protests, leading to the shutdown of vital areas in Bangkok (Peng, 2016). This resulted in a coup on 20th May 2014 (Whitman, 2015), which is still in progress as of the writing of this paper.

2.4 Culture

2.4.1 Thai Culture

Geertz (1973: 89) refers to culture as a historically transmitted pattern of meanings embodied in symbols, a system of inherited conceptions expressed in symbolic forms through which people communicate, perpetuate, and develop their knowledge about and attitudes toward life. Geertz also refers to Kluckhohn’s (1949) work, which defines culture as the total way of life of the people; the social legacy an individual acquires from the group; a way of thinking, feeling, and believing; a theory on the part of the anthropologist about the way in which a group of people in fact behave; a storehouse of pooled learning; a set of standardised orientations to recurrent problems; learned behaviour; a set of techniques for adjusting both to the external environment and to other people; and a precipitate of history.

Kroeber and Kluckhohn (1952: 181) define culture as consisting of patterns, explicit and implicit, and behaviour acquired and transmitted by symbols, constituting the distinctive achievements of human groups, including their embodiment in artefacts. The essential core
of culture consists of traditional (historically derived and selected) ideas and especially their attached values. Culture systems may, on the one hand, be considered as products of action, and on the other, as conditional elements of future action. Hofstede (1980: 25) defines culture as the collective programming of the human mind that distinguishes one group or category of people from another.

Culture enables people to make sense out of their world, and it is foreign only to those outside it (Hall, 1995; Roeber and Kluckhorn, 1952). Fundamentally, groups of individuals develop their own environment as an adaptation to the physical environment, and they pass down their customs, practices, and traditions from generation to generation (Harris and Moran, 1979). Dresser and Carns (1969: 178) suggest the following as the functions of culture: culture enables us to communicate with others through a language that we have learned and that we share in common, culture makes it possible to anticipate how others in our society are likely to respond to our actions, culture provides the knowledge and skill necessary for meeting sustenance needs and culture enables us to identify with ourselves in the same category with other people of similar background. Expatriates on overseas assignments in management face an enormous challenge because different cultures may require different managerial styles.

Culture is not peripheral to business; it is central to all parts of the enterprise (McCarthy, 1990). Managing organisations across national borders poses a great challenge for expatriates. For example, an expatriate who manages democratically may be effective in some cultures, such as in Sweden, but application of the same style in cultures such as those of Thailand and China would be ineffective. Thus, expatriate managers in the international arena require multiple approaches in order to deal with multiple cultures. Those who are skilled only in monocultural management rarely succeed in a multicultural or bicultural environment (Bedi, 1991: 4).

Straub (2004) highlights that Thai culture is hierarchical to a degree that people from the West are wholly unfamiliar with. The egalitarianism that most people from the West have grown up with does not apply outside their hemisphere. Equality among people is largely an idea held in Western countries, and many Thais cannot relate to it. They inhabit a world filled with superiors and inferiors, seniors and juniors, and they navigate this world carefully to avoid unpleasantness and make the necessary adjustments in their behaviour as deemed fit.
According to Lewis (2006), Thailand has a population of over 65 million, and 95 percent are Buddhist. Buddhists have a cyclical concept of time and the use of time does not equate with earning a living. People who are calm and composed are well received, so conversation and action is conducted with Buddhist moderation. In general, they avoid unpleasant truths and only voice a small portion of their personal problems. Both privately and in business, it is of paramount importance for Thai people to avoid losing face (Nimanandh and Andrews, 2009). In line with Buddhism, Thai working culture discourages competition, and therefore Thai workers are generally not too ambitious and are not enthusiastic about making changes (Lewis, 2006).

According to Chao (2005), expatriates arriving in Thailand face a dilemma. Just how much do they need to adapt to Thai culture to manage effectively? On one hand, a certain degree of assimilation is required to facilitate change and achieve results. On the other hand, too much assimilation and they may become part of the status quo. Hence, it is of vital importance that expatriates understand the Thai culture and the critical success factors in order to work effectively and efficiently in a very different cultural environment.

2.4.2 Geert Hofstede's cultural dimensions

Hofstede (1991) suggests that cultures vary in terms of some essential patterns of thinking, feeling and acting, and that these patterns are established in childhood and remain relatively stable over time. Hofstede identified five cultural dimensions that are presented in the following paragraphs. For discussion purposes, the US is used to compare and contrast with Thailand.

(i) Power-distance

Power-distance refers to the extent to which less powerful members expect and accept unequal power distribution within a culture. High power-distance cultures have a tendency towards centralised power, with hierarchies in organisations and large differences in salary and status between individuals. Low power-distance cultures view subordinates and managers as being closer together, with flatter hierarchies in organisations and less difference in salary and status. Thus, people from low power-distance cultures such as Western expatriates and from high power-distance cultures such as Thai employees would view working culture differently. In Hofstede’s (1991) study, the US has a power index score
of 40, while Thailand has a higher score of 64. The higher score of the Thais indicates that they recognise a greater difference in status between superiors and subordinates, and are more used to unequal treatment compared to their American counterparts. Christie et al. (2003) highlight that people from high power-distance societies tend to take a superior’s instruction more seriously and seldom question the instruction, even when it could be considered unethical.

(ii) Collectivism versus individualism

Collectivism in a culture means that people are integrated from birth into a strong, cohesive group that provides protection. In exchange for this protection, the group expects loyalty. Individualism in a culture means that the ties to others are loose and that everyone is expected to look after themselves or their immediate family. In Thai society, the emphasis is placed on collective socio-cultural interests over the interests of the individual. Individualistic cultures value freedom and personal time; challenge and material rewards are motivators for work. The US scores very high on the individualism dimension (91), while Thailand scores much lower (20). The low score for Thailand implies that it has a collectivist culture. Therefore, covering up an unethical practice by a member of a group may be seen as protecting the reputation of the group; such unethical practice might therefore be perceived as more acceptable (Cohen et al., 1995). The same applies to supporting a colleague by not ‘blowing the whistle’ (Brody, et al., 1998).

(iii) Femininity versus masculinity

Femininity and masculinity refer to the traditional assignment of gender roles and not physical characteristics. The feminine roles include orientation to the home, children, people and tenderness, and the masculine roles include assertiveness, competition and toughness. The US with a score of 62, was found to be more masculine than Thailand with 34. Expatriates from the West are expected to be decisive and if a conflict arises, they might resolve it using further conflict and confrontation. Thais on the other hand, try to find a way to reach goals without confrontation and look for compromise in difficult situations (Nimanandh and Andrews, 2009).

(iv) Uncertainty avoidance
Cultures vary in their avoidance of uncertainty or unknown matters by creating rituals, having different approaches to formality, putting in place legal and religious requirements, and having tolerance for ambiguity. In cultures with high uncertainty avoidance, businesses have more formal rules and require longer career commitments. In cultures with low uncertainty avoidance, business may be more informal and focus on long-range strategic matters. Thailand’s index score is medium-high at 64, while that of the US is lower at 46. The medium-high score of Thailand indicates that there is less likelihood of perceiving ethical issues. Consequently, there are fewer queries about questionable practices compared to people from lower uncertainty avoidance countries (Vitell et al., 1993). Hence, expatriates need to be aware that Thailand has a medium to high score in uncertainty avoidance, which means they might view unethical business practices, even if they are legal, as less unethical than would people from low uncertainty avoidance cultures such as Western expatriates (Christie et al., 2003).

(v) Long-term versus short-term time orientation

Long-term time orientations seem to be influential in cultures where philosophies are many thousands of years old. For example, the Asian cultures are largely influenced by Confucian philosophy. Hofstede and Bond (1988) conclude that Asian cultures such as Thailand are long-term time oriented and are more likely to be oriented towards practice and the search for virtuous behaviour, while Western cultures are generally short-term oriented and are more likely to be oriented towards belief and truth. The US scores 29 on the scale, whereas Thailand scores 56. Expatriates from countries with a low score tend to live for the moment and emphasise personal gratification; whereas Thais, with their medium to long-term orientation, tend to give importance to persistency and patience (Niehoff et al., 2001). Therefore, Thais are more willing to subordinate themselves to the group and observe relationships by seniority. In contrast, Western expatriates might tend to expect or seek quick results (Cohen et al., 1993).

2.4.3 Cross-cultural management

Adler (1991: 10) defines cross-cultural management as global management, which studies the behaviour of people in organisations around the world and trains employees and client populations from several cultures. Cross-cultural management describes organisational behaviour within countries and cultures, compares organisational behaviour across countries
and cultures, and seeks to understand and improve the scope of domestic management to encompass the international and multicultural interactions of co-workers from different countries and cultures (Adler and Gundersen, 2007: 13).

The bulk of the effort made in expatriate management is centred, first of all, around the careful selection of the expatriates who are going to be managers. Once selected, they need to be prepared and trained regarding the foreign culture they are going to. Finally, the expatriates need to be given support when they start operating in the new culture. Research by Mendenhall and Oddou (1985) indicates that in practice, not many companies systematically develop such programmes. In their study, of the companies that offered formal pre-departure training to their expatriates, less than 25 percent included cross-cultural considerations.

Phatak (1986) offers a five-value model that provides useful information for expatriates in seeking to enhance cross-cultural management:

(i) Individualism

Individualism describes the attitude of independence in a person who feels a large degree of freedom in the conduct of his or her personal life. In Western culture, individualism may motivate personal accomplishment and self-expression, and is considered to be of the greatest worth. In contrast, individualism is not considered very important in Thai culture (Holmes et al., 2003a); individual success is shared by a family, clan or community, and the group is pre-eminent in social life. This is in line with Hofstede’s model of cultural dimensions, in which Thailand has a collectivist culture (Hofstede, 1991).

(ii) Informality

Informality in Western culture means not placing great importance on traditions, ceremonies and social rules. Such informality has caused problems for businesses operating in other countries like Thailand. Western people like to get to the point of the matter in business meetings and conversations. On the other hand, it is customary for Thais to converse first about unrelated matters before starting the business discussions (Lewis, 2006).

(iii) Materialism
Western people view nature from the viewpoint of ‘frontier philosophers’; that is, humans are the masters of nature and should therefore conquer, change and control nature for the benefit of humankind. This philosophy is at odds with the philosophies held by the Thais, Indians, Arabs, Russians and some other nationalities. In these countries, worship of nature is dogma, even for people for whom religion is not a significant determinant of behaviour. The Chao Phraya River in Thailand, the Ganges in India, the Nile in Egypt, and Lake Baikal in Russia are revered for their power over the economic and physical well-being of the people.

(iv) Change

Societies differ in their attitudes toward change and progress. Many non-Western people look at change as a phenomenon that occurs naturally and is a part of the overall evolution of humans and their universe. On the other hand, Western people feel that necessary changes need to be initiated and that the future is not predestined. These differences may account for an often fatalistic attitude of non-Western people. Such passivity may be partially responsible for the difficulties encountered by expatriates when introducing change or innovations in non-Western societies. According to Lewis (2006), Thailand has a typical fatalistic attitude towards life, and expatriates must constantly bear this in mind if they want to implement change.

(v) Time orientation

Western cultures perceive time as a resource that is continuously being depleted. Terms such as ‘time is money’ and ‘time never comes back’ are often used to promote the effective use of time. In contrast, many Eastern cultures view time as an unlimited and unending resource. According to Lewis (2006), time does not begin at birth and end at death for the Thais. This attitude towards time makes people from some societies, such as the Thais, quite casual about keeping appointments and deadlines. This indifference might cause expatriates dealing with such cultures to become very anxious and frustrated.

2.5 Success factors for expatriates
Cohen (1977) defines an expatriate as a voluntary, temporary migrant who resides abroad for a particular purpose and who ultimately goes back to his or her home country. Expatriates who perform poorly in their overseas assignments cost companies billions of dollars (Harvey, 1996; Welch and Welch, 1994a) and this often exacts a cost on expatriates' psychological well-being (Soloman, 1996). Therefore, it is of paramount importance that expatriates recognise the factors that can contribute to their success.

2.5.1 Preparation and support for expatriates

Oddou (1991) stresses that it is imperative for candidates to be well informed about the overseas assignment before deciding to accept a foreign posting. The employee must clearly understand what the position involves. Ideally, there should be no surprises either before or during the assignment as unrealistic expectations about life overseas can lead to adjustment problems. Performance criteria and the performance review process must also be clarified. Finally, expatriates should have the opportunity to meet with local management and perhaps visit other expatriates (Solomon, 1994).

According to Dunbar and Katcher (1990), companies regularly feel compelled to send expatriates overseas, but most companies do not have clear human resources programmes to support international employees. There should be regular contact with the home office to exchange information and to create an avenue for discussion of problems and future planning. Expatriates should return to the head office from time to time to keep abreast of corporate policies and goals (Webb, 1996).

2.5.2 Cross-cultural training for expatriates

Rowley and Poon (2010) stipulate that global capabilities and local cultural sensitivity to employees, customers and partners are increasingly critical to the success of organisations, and cross-cultural management training is paramount. Brewster (1995) estimates that only about one-third of US expatriates receive pre-departure cross-cultural training, while this figure is about 69 percent for European firms and 57 percent for Japanese firms. Quite often, such training tends to be short-term and lacking in depth. As organisations move into the global marketplace, cross-cultural training and orientation programmes are playing an increasingly vital role in raising productivity among expatriates.
Caligiuri and Di Santo (2001) state that it is relatively easy to obtain knowledge and abilities through training. However, personality traits being based on an individual’s natural intuition are more challenging to train. Varner and Palmer (2005) argue that cross-cultural training plays a significant role in the success of expatriates. If companies can identify the critical cultural factors related to success, they should be able to select and train expatriates more effectively and increase the success of the expatriation process. Expatriates should be able to gain intercultural communication skills and consequently, intercultural effectiveness through a cultural learning process (Furnham, 1987: 168).

According to Derderian (1993), regional or country-specific training should include information about the historical, political, religious and economic factors that shape the mentality of the people in the region, and how these factors differ from the home culture. Caligiuri et al. (2001) believe that this increased knowledge about the host country reduces uncertainty and facilitates adjustment. Tung (1987) suggests that the purpose of this type of training is to help the individual to adjust in a practical way, to the work environment and personal work situation.

2.5.3 Expatriate adjustment

According to Rodrigues (1997: 690), a managerial style that works well in one culture may not necessarily work in another; adjustment must therefore be made accordingly. Black and Gregersen (1991: 498) define adjustment as the degree of a person’s psychological comfort with a variety of aspects of a new setting. According to Fisher and Hartel (2004), there is evidence that expatriates have been able to adjust to the Thai culture environment.

Personality traits are important considerations in expatriate adjustment. Black et al. (1992) highlight that expatriates who possess the following personality traits are more likely to adjust well: less judgmental, less likely to evaluate other’s behaviour in the new culture, and more willing to try new things. Marquardt and Engel (1993) believe that expatriates who are patient and possess a sense of humour should perform better in their jobs. Huang et al. (2005) go a step further by arguing that personality traits can predict whether an expatriate would adjust successfully.

2.5.4 The successful expatriate
Most studies examining the personal characteristics that are critical to expatriates’ success are based on the proposition that such factors either promote or inhibit the acquisition and utilisation of knowledge about the new environment. For example, the way host nationals think, the behavioural norms, and the way in which foreigners are expected to behave (Black, 1990). The ability to acquire such knowledge and use it to guide one’s own behaviour reduces uncertainty and promotes adjustment. The critical factors affecting one’s ability to adjust could be broadly categorised as follows:

(i) **Stress tolerance**

Black (1988) believes that when an expatriate accepts an overseas assignment, it may dramatically affect his social and professional life. Such changes involve a number of stress provoking factors and may also produce a feeling of not having control over the situation. This view is shared by Hofstede (1980), who states that the forced exposure to an alien cultural environment can place people under heavy stress. A person’s ability to deal with potentially stressful situations has indeed been proposed as an important determinant of adjustment and performance (Mendenhall and Oddou, 1985; Black, 1988).

(ii) **Relational ability**

Tung (1981: 68) defines relational ability as the capacity of the expatriate to interact effectively with different groups of people and to establish close relationships with host nationals. Mendenhall and Oddou (1985) suggest that being able to act in an appropriate manner and predict the behaviour of others may reduce uncertainty and increase feelings of comfort and adjustment; it is also likely to improve expatriates’ job performance. Black (1990) also presents empirical evidence of a positive relationship between relational ability and adjustment.

(iii) **Communicational ability**

Mendenhall and Oddou (1985) suggest that it is not only the language fluency of the expatriate, but also the communicational ability that is of specific importance in relation to adjustment. The more the expatriate gets involved in communication, the better the person can understand the host country’s culture and nationals. Such increased understanding should reduce uncertainty, while increasing adjustment and job performance (Black 1990).
(iv) Previous international experience

Black et al. (1992) asserts that previous international experience provides the expatriate with a means of predicting what a foreign assignment involves, increases the probability of realistic expectations, and thus reduces uncertainty and enhances adjustment.

2.5.5 The expatriate family dimension

An important area often not studied in great detail is the consideration of the expatriate’s spouse and family. Most expatriates are at least in their mid-life career and most have their families to take into consideration in their overseas assignment. Webb and Wright (1996) believe that smooth adjustment of an expatriate’s family to an assignment abroad enhances the expatriate’s productivity, performance and morale. Many companies hesitate to confront the issue of family when considering candidates for expatriation, or when providing cross-cultural training. Spouses are included in pre-selection interviews only 21 percent of the time and of those, only 50 percent receive cross-cultural training (Solomon, 1994: 57). The spouse’s motivation to relocate has an important impact on efforts to adjust and on the level of adjustment (Black and Stephens, 1989).

2.5.6 Improving expatriate-local relations

Soo and DeNisi (2005: 132) highlight that many expatriate human resource (HR) policies, particularly in the area of compensation, remain rooted in the past because they continue to favour the expatriate over local staff and do not take into account the increasing qualifications and aspirations of local employees. This leads to tension between local and expatriate employees and causes the local staff to be less willing to cooperate with or support the expatriates with whom they have to work. Soo and DeNisi (2005) propose several recommendations to improve expatriate-local relations. The headquarters of the organisation should consider remunerating expatriates in line with local employees. Remuneration should be transparent and fair, and to demonstrate the advantages of hiring expatriates. At the host country site, a strong corporate identity should be developed; the local employees should be trained about the expatriates’ culture; and part of the local employees’ jobs should be to mentor expatriates.
2.6 A critique of the literature

Hofstede’s work on cultural dimensions is still very influential and widely cited in the cross-cultural and expatriate management literature (Bond, 2002; Bhagat and McQuaid, 1982). However, it has also seen its fair share of criticisms. McSweeney (2002: 111-112), for example, argues that Hofstede’s analysis of extensive data relies on flawed assumptions, which lead to inaccurate empirical descriptions and that Hofstede claims far more in terms of identifiable characteristics and consequences than is justified. He further argues that the claims are unbalanced due to a desire to prove a priori convictions rather than evaluating the adequacy of the findings. McSweeney also emphasises that Hofstede’s model lacks richness and a diversity of national practices and institutions.

Others including Baskerville (2003), argue that Hofstede’s model does not take into consideration the complexity of culture. Lytle et al. (1995) and Cray and Mallory (1998) argue that Hofstede’s cultural dimensions were based on a population of IBM employees, which may not be representative. Dorfman and Howell (1988) also state that because the data came from Hofstede’s study on power-distance at the national level, they cannot measure individual differences and may not be representative of a community. Signorini et al. (2009) point out that Hofstede’s model is too simple to take into account cultural differences. There are also inconsistencies among the categories, and the dimensions model a culture that is static rather than dynamic.

Jones (2007) highlights that Hofstede’s study is too outdated to be of any practical use. Sondergaard (1994) and Newman (1996) also mention that the data are outdated as they were collected during the time after the Second World War when uncertainty avoidance was high. It should be noted that Hofstede’s study mainly employed a survey questionnaire. It has been argued that this method may not be appropriate, as some factors are more sensitive in one culture than in another (Schwartz, 1999). This thesis uses a qualitative approach via questionnaire and in-depth interviews to obtain a deeper and richer picture to understand Thai culture in the working environment and to meet the objectives of the research.

The literature concerning the effects of cross-cultural training is not entirely consistent. Cross-cultural training has been found to be positively related to expatriate success (Black and Mendenhall, 1990), but has also been found to be negatively related to expatriate
The existence of a negative relationship was explained as an outcome of expatriates believing after only a short, relatively superficial pre-departure training session that they already knew the local environment. Hence, it should be cautioned that the shock that occurs with the realisation that they do not in actuality know the culture may produce adjustment problems that are greater than those of the expatriates who received no pre-departure training (Björkman & Holopainen, 2005). Until the expatriates actually experience the local culture for themselves, it is unlikely that they will know how it differs from their own culture (Marquardt and Engel, 1993).

It should be noted that Soo and DeNisi (2005) did not provide empirical evidence to support the co-relationship between local perception of tension and expatriate success. Some of their recommendations might not be practical in the Thai context. For example, their recommendation regarding transparency in pay would not be acceptable in Thailand, as salary is considered to be very confidential and personal. It is also difficult to envisage the locals formally ‘mentoring’ expatriates, which the authors emphasised. This would be done more on a ‘sharing of information’ basis. However, the authors did address a subject that is not often seen in the literature and hence, might be worthwhile exploring further.

Indeed, the thorny issue of compatibility between the ‘global best practice’ Western management approach and the management approaches of non-Western cultures is quite relevant to this discussion. Cooper (1994) questions the applicability of universal modern management methods to the Thai business environment. Holmes et al. (2003b) discuss the reasons why the Western management paradigm needs to be examined carefully in the Thai business context, specifically regarding the possible uniqueness in the way Thai people view the legitimate use of authority, as well as the concepts of strict deadlines and loyalty. Fisher and Hartel (2004) stress the importance of not blindly accepting the application of the task and contextual performance structure seen in the Western literature to expatriates operating in a non-Western culture. The authors further argue that the evidence of adjustment in both Thais and expatriates highlights the need to consider the interrelationship between the two groups, rather than simply focusing on the expatriates. This resonates with the findings of Soo and DeNisi (2005).

### 2.7 Chapter conclusion
This chapter has emphasised the idea that history and traditions are of paramount importance for understanding the work environment of a country and the people working in it. The sections on Thailand's history have served to highlight the background of the country, from an agricultural economy to modernisation, and how it evolved to become what it is today. Buddhism plays a pivotal role and affects the Thai culture immensely. It was and is still being used by rulers as a form of social discipline and a means to strengthen traditional hierarchies. Buddhism encourages moderation and a conservative outlook on life. It has been noted that this mindset might not resonate very well with an expatriate who is aggressive or competitive. Rulers used the Thai language to define the Thai race and unify the country. The language is so deeply embedded in the national culture that other languages such as English or Chinese cannot gain a foothold even in today's modern Thai society. This has invariably posed some issues with expatriates in a globalised world.

Despite all the excitement regarding 'globalisation,' some of the academic literature seems to suggest that despite globalisation, old institutions and traditions persist and continue to have a profound impact on the Thai business model. One example is the preservation of a hierarchical society via a law that reserves family names associated with royalty and greatness for the elite. Moreover, do colonial era attitudes of Western superiority also hold among global and modern Westerners? History suggests that during the colonial era, Westerners did generally have a superiority complex. Do current expatriates still possess some of this trait? Are Western management methods more superior, and are they applicable in Thailand? Can expatriates and Western standards have a positive influence on areas such as corruption and transparency? History also clearly demonstrates many conflicts between the military, politicians and businessmen. At the time of this writing, the military is still in full control in Thailand and business sentiment is not very high. There is a great amount of finger pointing as to who is corrupt, and the military has claimed that they are attempting to stamp out corruption. However, it appears that at least for the time being, business ethics and trust might face some challenges. Thus, Thais and expatriates need to remain vigilant and keep a watchful eye as events continue to unfold.

Niffenegger et al. (2006) find that the body of literature on culture is generally large, but literature on Thai culture is relatively sparse. The limited literature that is available on the interaction between Thai and Western management generally supports the notion that Thais and expatriates differ greatly in their personal and professional values, management styles, decision-making, and management practices (Singhapakdi et al., 1995). The classical work
of Hofstede (1980), though criticised by some such as McSweeney (2002), provides useful cultural dimensions to demonstrate the difference in values between Thais and US expatriates. The literature cautions about the significant gap and cultural shock that might be experienced by expatriates working in Thailand. Areas of particular difference or significance include individualism, introducing change, time orientation, training, communication and improving the expatriate-local relationship. This list is not exhaustive and the chapters on findings delve into and discuss these issues more in-depth. Overall, in order for Thais and expatriates to work optimally together, an in-depth appreciation of Thai values and working environment is imperative. There is no better source for such in-depth local knowledge than Thais themselves.

Stone (1991) sums it up neatly by enumerating the following themes and ideas mentioned in this chapter as important for Thais and expatriates to work cohesively: the ability to adapt, human relation skills, previous overseas experience, understanding of the host country’s culture, and some knowledge of the history and language of the country. Understanding the impact of Thai culture and traditional values within the Thai business model is extremely complex and challenging, and at the same time is very interesting in terms of what it might teach us; not just about Thailand, but about the intense difficulties and tensions faced in cross-cultural management within a supposedly ‘global’ world economy. It is hoped that this chapter has provided a solid base upon which the reader can gain a better understanding of the subsequent chapters, such as the need for in-depth and rich data, and the ability to appreciate the results and implications of the findings and discussion.
CHAPTER 3

METHODS
CHAPTER 3 - METHODS

3.1 Introduction

This chapter covers the research approach and methods used for this thesis. Section 3.2 presents the research approach and strategy. Section 3.3 looks at the reliability and validity of the data. Section 3.4 examines the role of secondary sources in the research process. Section 3.5 considers the use of questionnaires and in-depth interviews to obtain rich primary data. Section 3.6 describes how the research sample was formed. Section 3.7 covers the pilot testing process pertaining to the questionnaire. Section 3.8 describes the techniques used to analyse the data. Section 3.9 outlines the ethical issues and the level of confidentiality and privacy provided to the participants, and Section 3.10 concludes by summarising the key themes and ideas generated in this chapter.

This chapter discusses the strategy and methods adopted by this thesis in order to address the research questions. Basically, primary data was obtained via purposive sampling, using questionnaires and interviews. A pilot test was conducted prior to sending out the final version of the questionnaire to ensure validity and that there would be no issues with comprehensibility or ethical concerns. The strategy and methods were chosen taking into consideration the information provided in the literature review and the data collected before and during the pilot project, with the goal of obtaining relevant rich data and thick description to achieve the research objectives.

3.2 The research approach and strategy

It should be stressed that the purpose of the research was not to produce a set of results and conclusions that were generalisable to all populations. Generalisation is concerned with the application of research results to cases or situations beyond those examined in the study (Collis and Hussey, 2003: 65). This research follows the suggestion of Saunders et al. (2007: 103) in that it does not claim its results to be generalisable to wider populations. Rather, the study was envisaged as a case study of a specific population, and was designed to provide in-depth, ‘thick description’ (Geertz, 1973) of the specific socio-cultural and organisational features under investigation.
A cross-sectional study was performed. This type of study utilises different groups of people who differ in terms of the variable of interest but share other characteristics such as socio-cultural status, educational background, or ethnicity (Cherry, 2014). Mostly qualitative research was undertaken, with an interpretivist epistemological position emphasised. Scientific realism in research can be interpreted in terms of the epistemic aims of the scientific inquiry; that is, some think of a study’s position in terms of what the science aims to do. The scientific realist holds that science aims to produce true descriptions of things in the world (van Fraassen, 1980: 8). Interpretive researchers assume that access to reality, given or socially constructed, is only obtained through social constructions such as language, consciousness, shared meanings and instruments; such research usually focuses on meaning and may employ multiple methods in order to reflect different aspects of the issue (Myers, 2008: 38).

The present thesis examines not only observable events but experiences; the research topic also has a real world element that makes laboratory style experimentation difficult (Martin and Bateson, 1993). Yet, I am of the view that the largely qualitative focus of the study can be helpfully supplemented by the use of a variety of data collection methods. Some of the research methods may employ forms of quantitative analysis; for example, some structured questions may be used. As Saunders et al. (2007: 85) emphasise, the practical reality is that research rarely falls neatly into only one philosophical domain; it is often a mixture of positivist and interpretivist, perhaps reflecting the stance of realism.

According to William (2005: 85), qualitative data collection methods emerged after it was recognised that traditional quantitative data collection methods were unable to capture human feelings and emotions. Monette et al. (2005: 428) describe qualitative methods as having the ability to acknowledge abstraction and generalisation. Qualitative methods are often regarded as providing rich data about real life people and situations, and being more able to make sense of behaviour and to understand behaviour within the wider context. The present study used mainly qualitative methods; interviews, open-ended and semi-structured questionnaires, which Saunders et al. (2007) point out are able to deal with ambiguities and elastic concepts. Robson (2002) also supports the use of qualitative methods by highlighting that the resulting research can be richer and fuller due to the opportunity to explore a subject in as real a manner as possible. However, the analysis of qualitative data
is demanding, and some data might not be collected in a standardised way (Saunders et al., 2007).

The research strategy taken was a case study approach. Yin (2009: 18) defines a case study as an empirical inquiry that investigates a contemporary phenomenon within a real life context, where the boundaries between phenomenon and context are not clearly evident, and in which multiple sources of evidence are used. Case studies focus on one or a few instances of a particular phenomenon, with a view to providing an in-depth account of the events, relationships, experiences and/or processes occurring in that particular instance (Denscombe, 2004: 54). A case study is expected to capture the complexity of a single case, and the methodology that enables this has been developed within the social sciences. Such methodology is applied not only in the social sciences, such as psychology, sociology, anthropology and economics, but also in practice-oriented fields such as environmental studies, social work, education and business studies (Johansson, 2003: 2).

Through the application of the case study methodology in this research, a group of companies was studied in order to explore the multifaceted elements involved with Thais’ working relationship with expatriates, paying specific attention to underlying challenges and success factors. The data collection methods of questionnaire and interview are in line with the case study approach (Eisenhardt, 1989). Yin (2009) mentions that the main disadvantages of the case study approach include a biased view, limited ability to generalise, and the lengthy time often required. However, according to Patton and Appelbaum (2003: 69), case studies in management are valid and reliable, as they fulfil the basic tenets of research and occupy a significant niche.

Saunders et al. (2007: 91) argue that allocating strategies to one tradition or the other is often unduly simplistic. What matters is not the label that is attached to a particular strategy, but whether it is appropriate for the particular research questions or objectives. It is important that these strategies should not be thought of as being mutually exclusive. This research embraced the approach of Saunders et al. (2007). It is widely accepted that there is no ‘one best way’ and this research used questionnaires and interviews to obtain the necessary data. Indeed, as Saunders et al. emphasise, not only is it perfectly possible to combine approaches within the same piece of research, but in their experience, it is often advantageous to do so. It often leads to greater confidence being placed in the conclusions.
This thesis adopted a 6-stage research process (Cooper and Schindler, 2011: 80-90).

Stage 1: Clarifying the research question. This involved identifying and spelling out the research objectives as follows: To provide a background understanding of Thailand’s history, politics, economy, society and culture; to examine the difference in cultural issues between Thais and the expatriates; and to explore the challenges of working with expatriates, focusing on the 3 key areas of (i) Business ethics and trust (ii) Authority and (iii) Professionalism and efficiency, and to suggest possible solutions with the aim of improving the overall performance of Thais, expatriates and the group of companies studied in the thesis.

Stage 2: Proposing the research. This involved the submission and approval of the research proposal. The researcher also made the necessary assessment that the proposed research project was doable within an appropriate timeframe and financially viable.

Stage 3: Designing the research. This involved the research design mentioned in the above paragraphs and throughout the rest of this chapter. Feedback from Thais who worked with expatriates was gathered before and during the pilot study as part of the thought processes that went into the final research design, and also before pilot testing took place. Specifically, feedback was obtained verbally during meetings attended by Thais who worked closely with expatriates. In these meetings, areas of interest, and discussions were held about the relevant questions that should be asked in the questionnaire and interviews. Pilot testing involved five participants known by the researcher to be able and willing to provide useful information. Their selection was based on my confidence that their information would best serve the purposes of the pilot test and research objectives. The five participants were either senior management or mangers and had many years’ of working experience with expatriates.

Stage 4: Data collection. Please refer to Sections 3.4 and 3.5 for a description of the secondary and primary data collection process.

Stage 5: Data analysis and interpretation. Details can be found in Chapters 4 to 6.

Stage 6: Reporting the results. Findings and discussion can be found in Chapters 4 to 7.

Arriving at the 3 key areas of concern and their role in this study

The 3 key areas of this thesis relate to the three most relevant and instructive areas of concern regarding the challenges of Thais working with expatriates. These emerged as ‘Business ethics and trust’, ‘Authority’ and ‘Professionalism and efficiency’. Each emerged
during the pre-pilot discussions and the pilot questionnaire process as the researcher spoke
to numerous Thais working closely with expatriates in the group of companies (GOC) and
even some expatriates themselves. The 3 key areas went on to inform and structure major
parts of the survey and interview process.

The GOC is an organisation within a business group. A company can be thought of as any
form of business regardless of size, whereas a group is a larger form and generally
comprises of a number of companies. It should be borne in mind that it is the Thai
perspective in the Thai organisation that is the focus of this thesis as it was recognised that
information from the Thai perspective in English is generally lacking. Of note, the majority of
Thais spoken with during the preliminary period (before and during pilot testing) were
concerned with corruption, especially corruption involving civil servants and politicians.
There was a common view from the Thais spoken to that corruption and malpractices should
be eradicated in order for ‘Business ethics and trust’ to improve, and that expatriates might
help in this area. Hence, study of the areas relating to ‘Business ethics and trust’ should
provide insights into these sensitive issues.

During the preliminary period, the Thais also expressed a genuine concern about
expatriates’ level of assimilation and acceptance of the Thai seniority culture. They were
rather open to the idea of working with expatriates but did not want to see their ‘Authority’
undermined. The impression was that Thais take a great deal of pride in their historical
traditions and culture. Hence, an investigation into areas concerning ‘Authority’ was
appropriate to address this issue. Many Thais spoken with informed that they wanted to
improve their level of ‘Professionalism and efficiency’, and they would like to emulate
expatriates in certain areas. Of note were the ability to run a tight ship, English language
proficiency and meeting crucial deadlines. Hence, a study into ‘Professionalism and
efficiency’ was appropriate and needed. The preliminary information gathered pointed to a
recurring belief among the Thai respondents that by addressing the 3 key areas, a more
accurate understanding of how to improve the working relationship between Thais and
expatriates should emerge - a process that might ultimately raise the level of cognisance
regarding the myriad issues of concern in the organisation.

This study and evidence found that history, traditional values and culture have profound
impact on the 3 key areas. ‘Business ethics and trust,’ in the context of this thesis, refers to
what is deemed ethical from the Thai point of view within the organisation they are working
for. The scope included studying the differences in views between the Thais and the expatriates, who were perceived to possess better business ethics. The study also covered issues such as whether Western practices regarding ethical issues could be applied to the organisation, and what impact Thai traditional values have on 'Business ethics and trust'. The research on ethics also touched on issues such as corruption / malpractice, the income gap that might contribute to corruption, and the Thai's easy-going attitude, which might cause people to 'close one eye' to unethical practices, and could lead to a trust issue.

‘Authority’ in this study refers to the power and control dynamic between Thais and expatriates within the Thai organisation. Thailand is a hierarchical society, where organisations tend to be ‘tall,’ whereas expatriates tend to be from ‘flatter’ organisations. The scope included Thais’ views on issues that might emerge from this gap and the possible ways to mitigate them. Authority issues also included areas such as relationships, traditional values and seniority culture. These are important factors that have a profound impact on authority and on every level of society.

‘Professionalism and efficiency’ in this research concern performance and the ability to get things done in a timely manner. There was a general view on the part of Thais that expatriates’ style of management might be superior in some areas; thus, the possibility of applying this style in the Thai working environment was studied. The study also looked into Buddhism’s moderate outlook on life and the country’s historically agrarian background, and discussed whether the Western management system could fit well into the Thai organisation. It also investigated and discussed the language and communication issues that could create a significant gap. There was a belief that addressing the 3 key areas would improve the working relationship between Thais and expatriates, and that would ultimately translate into better performance for both employees and organisation.

I should reiterate at this point that the research process taken in this thesis is primarily exploratory - it is not my aim to test propositions via a specific research instrument; instead, my aim is to uncover and discuss the fundamental issues of the challenge of working with expatriates in Thailand, with the research findings emerging in a ‘ground-up’, and inductive manner.

3.3 Reliability and validity
Great emphasis was placed on ensuring that the presentation of the findings and discussion were free from elements of bias. Concrete steps were taken to address the threats to the reliability and validity of the data presented. Reliability refers to whether or not the same answer can be obtained when an instrument is used to measure something more than once (Bernard, 2011: 42); it can be expressed as the degree to which the research method produces stable and consistent results. Reliability is a concern every time a single observer is the source of data, because we have no absolute guard against the impact of that observer’s subjectivity (Babbie, 2010: 65). Oliver (2010) considers validity to be a compulsory requirement for all types of studies. Validity, in qualitative research, refers to whether the findings of the study are true and certain; ‘true’ in the sense that the research findings accurately reflect the situation, and ‘certain’ in the sense that the research findings are supported by the evidence (Guion et al., 2011: 1).

### 3.4 Secondary data collection

Secondary data are data that have been collected for some other purposes and can provide a useful source for answering, or beginning to answer, the research questions (Saunders et al., 2007: 188). Secondary analysis involves the use of existing data, collected for the purposes of a prior study, in order to pursue a research interest that is distinct from that of the original work (Hinds, et al., 1997; Szabo and Strang, 1997). In this respect, secondary analysis differs from systematic reviews and meta-analyses, which aim instead to compile and assess the evidence relating to a common concern or area of practice (Popay et al., 1998). Secondary analysis can involve the use of single or multiple qualitative data sets, as well as mixed qualitative and quantitative data sets (Heaton, 1998: 52). The secondary data collected fall mainly into the literature review, which was based on published academic literature on the history of Thailand and its socio-cultural structure and expatriate management. Non-academic sources such as journals, magazines and newspapers that contained relevant information were also used.

The internet was used to search various journals and press extracts using key words. The search was refined by concentrating on certain terms and phrases. Once the initial search returned a list of articles, these were downloaded when possible and the references in the articles were cross-referenced to new articles and resources. The University of Manchester’s library was used to conduct extensive searches of databases. Further research was undertaken using newspapers like the Bangkok Post and The Nation, which contain write-
ups on expatriates, Thai culture and history, socio-cultural matters, and good updates on the political situation. Books and magazines covering the research topics were also used as a source of knowledge.

3.5 Primary data collection

Primary data is information that is collected specifically for the purpose of the research project at hand (Grimsley, 2014). The source of the primary data is the population sample from which the data are collected. Primary data is collected specifically to address the problem in question and collection is conducted by the researcher (Curtis, 2008). Unlike secondary data, primary data cannot be found elsewhere. Primary data may be collected through surveys, focus groups or interviews. An advantage of primary data is that it is specifically tailored to the needs of the research. A disadvantage is that it is usually expensive to obtain (Evans and Berman, 1984). In this research, questionnaires and interviews were used, taking advantage of the benefits of the respective methods so that the shortcomings of each would be mitigated by the other’s strengths.

The primary data was obtained through a questionnaire survey and interviews conducted with senior management and managers working for a group of companies (GOC) based in Thailand. The senior management mentioned in this thesis included directors, presidents, and general managers. Managers included both senior and junior managers. It should be noted that the distinctions between senior management and managers are not used as a basis for comparative analysis. The GOC is a group of companies with common shareholders, similar organisational structure and working culture.

Demographics details of the participants

Demographic details were obtained from question Qns-1 to 6 in the questionnaire. The participants’ ages ranged from 36 to 83; seven were male and thirteen were female. All participants held at least a bachelor’s degree, with two holding a doctoral degree. All participants were Thais who work with expatriates. Please note that pseudonyms were used for the purposes of this thesis to protect the confidentiality and privacy of the respondents in line with ethical considerations. Please refer to Appendix no. 2 for a list of pseudonyms used.
<table>
<thead>
<tr>
<th>Qn</th>
<th>Particulars</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>What is your age?</td>
<td>36 to 83 Years</td>
</tr>
<tr>
<td>2</td>
<td>What is your gender?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Male</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>13</td>
</tr>
<tr>
<td>3</td>
<td>How long have you worked with the firm?</td>
<td>7 to 31 Years</td>
</tr>
<tr>
<td>4</td>
<td>What is your highest qualification?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Degree or equivalent</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>Master’s degree</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Doctoral degree</td>
<td>2</td>
</tr>
<tr>
<td>5</td>
<td>Do you work with expatriate staff?</td>
<td>Yes</td>
</tr>
<tr>
<td>6</td>
<td>If so, how many years have you worked with expatriate staff?</td>
<td>7 to 18 Years</td>
</tr>
</tbody>
</table>

3.5.1 Questionnaire

According to Hussey and Hussey (1997), questionnaires are tools for collecting data in which a selected group of participants are asked to answer a written set of questions to find out what they do, think or feel. Brace (2008: 4) defines a questionnaire as a medium of communication between researcher and participant. Monette et al. (2005) mention that the distinctive feature of questionnaires compared to other data collection methods is that due to their design, questionnaires can be answered without assistance. Collis and Hussey (2003) state that closed-ended questions should be used when using a quantitative approach. Similarly, open-ended questions should be used for a qualitative approach. Semi-structured questionnaires can be written in various formats and can be based upon different circumstances as well. A questionnaire can be in one of two formats: self-completion questionnaires and questionnaires with questions that are asked by someone. Questionnaire writing is considered to be a vital part of the survey process, due to the fact that they represent most of the time taken in the survey process.

The main advantage of a questionnaire is that it enables responses to be gathered in a standardised way, making the results more objective (Milne, 1999). It is also relatively easy to administer and places relatively low demands on people’s time (Arnold et al., 1991). The main disadvantages of questionnaires are the possibility of low response rates, and the risk...
of participants answering superficially, especially if the questionnaire takes a long time to complete. There is also the possibility that the survey could be poorly designed and that it could ask questions that do not provide data relevant to the overall objectives of the research. To avoid these issues, the questionnaire used in this research was pilot tested prior to the main data collection run. The questionnaire was then sent to Thai participants, with the aim of identifying employees’ views towards working with expatriates, eliciting the employees’ opinions of Thailand’s history and socio-cultural aspects, and obtaining information pertaining to their perceptions of the challenges of working with expatriates and possible solutions.

A total of twenty questionnaires were sent to participants working with expatriates. The questions were structured carefully so that the questions or statements would be unambiguous and likely to elicit the data needed. Efforts were made to list them in a logical sequence. A pilot study was carried out on five Thai employees who worked closely with expatriates to test whether the questionnaire was doable and objectives could be met. Subsequently, the same five participants were included in the final version of the twenty questionnaires sent. The questionnaire adopted the Likert approach, combined with some open-ended questions to draw out opinions and views. Likert scales are opinion scales primarily used in questionnaires to determine a participant’s preferences or degree of agreement with a statement or set of statements. Likert scales are a non-comparative scaling technique and are unidimensional in nature (only measuring a single trait) (Bertram, 2007: 1). Using the longest Likert scale of 7, the data is more accurate and refined but may take longer to analyse. The aim of this research was to obtain twenty useable questionnaires. Please refer to Appendix no. 1 for a sample of the questionnaire.

3.5.2 Interviews

The questionnaires were supplemented by more detailed, follow-up interviews. According to Burgess (1984: 102), an interview is a kind of conversation with a purpose. Interviews can range from reasonably causal to in-depth. In-depth interviews can be defined as a qualitative research technique, which involves conducting intensive individual interviews with a small number of participants to explore their perspectives on a particular idea, programme or situation (Boyce and Neale, 2006: 3). The interviews were semi-structured with individual questions used or not used, or supplanted by ad-hoc questions whenever it seemed appropriate, and depending on the situation. Semi-structured interviews included the
elements of both structured and unstructured questions, such that the interviewer was sure about the areas that needed to be covered and several questions were ready for each interviewee to be asked. At the same time, additional unplanned questions were asked during the interviews in order to clarify some of the points stated by interviewees or any other related areas.

The main advantage of interviews is the possibility of obtaining comprehensive and detailed primary data than can be immediately analysed (Saunders et al., 2007). Although face-to-face interviews are expensive to conduct and can be very time-consuming, their advantages include the ability to control the flow of primary data collection, and to make sure the project topics are covered in an in-depth manner. The main disadvantage is the fact that the information obtained through interviewing is restricted to the interviewees’ statements about their past experiences and their future plans (Proctor, 2003). Another shortcoming of face-to-face interviews is their expensive and time-consuming nature. However, Denscombe (2004) argues that the advantages of this method are powerful, such as more detailed and rich information, and the possibility of immediately validating the data; these advantages far outweighs the disadvantages. Please refer to Appendix no. 2 for the interview timetable.

Questions asked in the interviews

The researcher used the questions in the questionnaire as a guide or semi-structured interview schedule during the interviews to meet the objectives of the research. This guide was used rather informally and in an ad hoc fashion, as befits the exploratory nature of the research. This approach has helped to stimulate and prompt discussion when needed. The use of a general, informal guide to questioning enhanced a more natural setting for the interview process, and it was helpful that the interviewees were already familiar with the questions from the questionnaires. By promoting a more relaxed and spontaneous interviewing environment, it also helped to mitigate the issue of bias. Using some of the questions from the questionnaire also provided continuity in the same vein, as it reinforced and validated the data collected in the questionnaires. During the interviews, the interviewer would ask the interviewees to provide examples to present illustrative details and to help clarify any unclear areas. The interviewer also requested for areas for improvement pertaining to the 3 key areas whenever appropriate. The vital difference between the questionnaire and interview was that the interview sessions were able to provide thick descriptions and rich information based on the interviewees’ experiences. These questions
effectively constituted a semi-structured interview schedule. Please refer to Appendix no. 3 for the semi-structured interview schedule.

(i) Business ethics and trust

The rational for the questions in this area was that Thailand has experienced many instances of political upheaval and corruption that have been widely reported in local and global media. This was expected to have an impact on the working relationship between Thais and expatriates with regards to the local business ethics and trust. Thus, the researcher asked the interviewees for their opinions about how issues surrounding ethics and trust were relevant to their organisation, and how these issues might have influenced the interviewees' working relationship with expatriates. Discussions were carried out and answers sought on a wide variety of issues, including differences in ethical standards, expatriates’ willingness to accommodate some of the differences, the influence of Thai history and culture, the impact of socio-political situation, expatriates’ willingness to learn the local culture in order to better understand ethical issues such as income gap and gifts, equality in the workplace, the Thais’ easy-going attitude towards life, and trust between the two parties.

(ii) Authority

As Thai society is known to be highly hierarchical, one area of interest in this research was the broad issue of social norms around authority and hierarchy in the Thai business model. The researcher asked the interviewees for their opinions regarding the effects of authority on working with expatriates. The questions were orientated towards finding out the challenges and possible ways to mitigate them. The researcher was interested in knowing how the Thais and expatriates approach issues such as respect and acceptance of managerial authority. Many important issues were discussed, including how expatriates from ‘flat’ organisations fit into the typically ‘tall’ Thai organisational structure, expatriates’ reaction to the seniority culture in Thailand, how history and culture impact authority, the superiority complex of expatriates, how relationships impacts every level of Thai society, the issue of face-saving, and Buddhism’s impact on society and the working environment. All of these issues have a profound impact on authority and the relationship between Thais and expatriates.
(iii) Professionalism and efficiency

Many expatriates were hired by the GOC to improve the organisation’s professionalism and efficiency, an area in which some Thai businesses may be perceived to be lacking. The researcher asked the interviewees for their opinions on how they view Thai professionalism and efficiency within their organisation compared to Western organisations. The questions covered whether there was a disparity between the two and if so, how it has affected the working relationship between Thais and expatriates, and the Thai business model in their organisation. The researcher gained insights into questions such as how Thailand’s history, culture, economy, society and politics influence professionalism and efficiency. Important questions asked to address the research objectives included whether expatriates exhibited a higher degree of professionalism and efficiency than their Thai counterparts, and whether Thais might have contributed (either directly or indirectly) to the ‘challenges’ of working with expatriates. Other important issues included the Thai’s English proficiency, communication issues, and the differences in attitude and expectations regarding punctuality and deadlines, change and responsibility.

3.5.3 Possible problems

Besides the disadvantages of the research methods mentioned in the above sections, the issue of bias was inevitable during the research. The researcher avoided bias by selecting participants based on their professional working relationship with expatriates, regardless of age, position or gender. During the interview process, I also took the appropriate measures to ensure that the data were free of bias. For example, the level of information supplied to participants, adopting a professional attitude, being objective, the approach and behaviour used during questioning, and explaining the ethical issues clearly. In addition, the interviewer adhered to the suggestions by Connaway and Powell (1997) to provide a brief, casual introduction to the study, stressed the importance of the person’s participation, and assured anonymity and confidentiality whenever possible.

The measures taken to avoid or reduce interviewer bias were in accordance with Connaway and Powell’s (1997) recommendations, which included having the interviewer dress inconspicuously and/or appropriately for the environment; holding the interview in a private setting; and keeping the interview as informal as possible. At the same time, Engel and Schutt (2009) point out the likelihood of interviewee bias during the primary data collection
process and argue that interviewee bias can seriously impair the validity and reliability of the findings. Some authors suggest that interviewee bias can be overcome by ensuring that the interviewer does not overreact to the responses of the interviewee. I was consciously aware of both interviewer and interviewee bias and took the necessary measures to mitigate the issue. For example, through remaining objective and using a flat tone during the interviews.

I have adhered to Hutchinson’s (2007) three conditions of valid research interviews. First, the interviewer should have an open mind. Even if the interviewer does not agree with the interviewee, he/she should stay objective and should not display disagreement with the personal opinions of interviewees regarding the research questions. Second, the interviewer should ask questions effectively. Any questions that could lead interviewees to particular answers should be avoided. Third, the timing and environment of the interview should be suitable. Interviews should be conducted in relaxed environment, and interviewees should be free of any kind of pressure whatsoever.

Methodological issues can be particularly thorny considerations in international Human Resource Management (HRM) research (Cascio, 2012). HRM researcher Wayne Cascio warns us that before measures developed in one culture can be used in another, it is important to establish translation, conceptual and metric equivalence. This research does not have this precise concern as it does not have any cross-cultural dimension. It should be noted that Cascio’s focus is on the issues of “multiple, overlapping constructs and common method bias” and “limitations of measures of internal consistency reliability (coefficient alpha)” and these do not have direct implications in this thesis as they relate to quantitative research methods. However, broader implications of his paper are germane to my own research, in the sense that researchers often ignore or downplay the importance of cultural differences. This may confound research designs informed by constructs that make sense in other regions. I agree that there is a chance of falsely assuming that cultures are closer in nature than they really are, and I understand the wide scope for cultural misunderstandings. With regards to sampling strategies, the present thesis has taken into consideration the suggestions by Cascio (2012), and the reasons for the choice of a particular method and its associated advantages and disadvantages.

3.6 Research samples
The present thesis adopted the mode of purposive sampling. According to Engel and Schutt (2009: 96), in purposive sampling, each sample element is selected for a purpose usually because of the unique position of the sample elements. The sample may be used to examine the effectiveness of an intervention with clients who have particular characteristics. It is a non-random technique that does not require underlying theories or a set number of informants; the researcher decides what needs to be known and sets out to find people who can and are willing to provide the information by virtue of knowledge or experience (Bernard, 2002). It is a form of non-probability sampling, in which decisions concerning the individuals to be included are based on a variety of criteria, which may include specialist knowledge of the research issue, and the capacity and willingness to participate in the research (Jupp, 2006: 244). Purposive samples are particularly suitable for recording events that are privileged to certain people (Zelditch, 1962). It can also be very useful for examining cultures that are difficult to access (Seidler, 1974). The unique knowledge and experience of the ‘purposely’ selected participants who worked closely with expatriates fell neatly under the purposive sampling method.

Purposive sampling can be used with a number of data gathering techniques (Godambe, 1982). Both qualitative and quantitative sampling methods may be used when samples are chosen purposively (Campbell, 1955); such methods include questionnaires (Zhen et al., 2006), and interviews (Anderson, 2004). It has been noted that purposive sampling is more popular in qualitative studies (Oliver, 2006), and can be used in case studies (Dolisca et al., 2007; Parlee and Berkes, 2006). A study may start with a survey, and then adopt purposive sampling based on the survey (Brown, 2005). Robbins and Pollnac (1969) used a questionnaire as a systematic means to find informants for a study about acculturation. In so far as the relevant data is obtained, there is no limit on the number of participants that should be included in a purposive sample (Bernard, 2002). The present research used a questionnaire, followed by in-depth interviews, and this approach resonated with the literature mentioned above.

Seidler (1974) concluded from his investigation of numerous samples that it takes a minimum of five participants for purposive sampling to produce reliable results. One of the advantages of purposive sampling is that it involves a shorter period of time for collecting the data compared to other sampling methods, as it targets specific participants (Patton, 1990). Due to the selection process, the results from purposive sampling are more representative of the target population. It can be the sole method of finding members of remote or exclusive
groups, and can identify participants who are likely to provide data that are detailed and relevant to the research question (Oliver, 2006). Purposive sampling may be associated with the following disadvantages: a high level of subjectivity and likelihood of bias in the researcher, and limited representation of the wider population. These effects may be reduced by trying to ensure internal consistency between the aims and epistemological basis of the research, and the criteria used for selecting the purposive sample (Jupp, 2006: 245).

Despite the above mentioned disadvantages, the unique value of purposive sampling may be its intentional bias and its ability to provide reliable and robust data (Bernard, 2002). A random participant might not possess the required information in the area of study compared to a participant who is specifically selected for his specific knowledge and experience (Tremblay, 1957). This thesis stated at the outset that it does not aim to generalise the results and clearly stressed the subjectivity and likelihood of bias when the results were analysed and interpreted, so as not to mislead people into inferring general conclusions. This approach is supported by the literature such as Bernard (2002); Godambe (1982); and Saunders et al. (2007). When administered properly in practical situations, purposive sampling can be a better and more effective tool than random sampling (Karmel and Jain, 1987).

The criteria used for purposive sampling in this research were as follows: Thai employee with the unique position of working closely with expatriates; those who have spent more than five years working with expatriates in the organisation; and expressed a willingness to participate. Expatriates in the organisation had been hired particularly for senior positions, so it followed that Thais who worked closely with them would be of similar seniority. In the researcher’s opinion, senior people should be more willing to share their perspectives and not so concerned about the implications and repercussions of providing information compared to a junior staff member. The criteria managed to narrow down the candidates to those who possessed a wealth of knowledge and experience; this has added sophistication and richness to the data. It should be noted that the researcher did not use convenience sampling. For example, any candidate who was not available to participate in the study at a certain time would be scheduled for another interview appointment.

This research collected twenty quality responses from the questionnaires and interviews sufficient to obtain rich information and thick description. As mentioned by Seidler (1974), a minimum of five participants is necessary in order for purposive sampling to provide reliable
data. Neuman (2000) also endorses using purposive sampling for very small samples such as case study to select participants that are particularly informative for the research. Therefore, a case study approach with twenty quality responses obtained from ‘purposely’ selected participants should be sufficient to meet the objectives of this thesis.

3.7 Pilot testing

The term ‘pilot study’ refers to performing mini versions of a full-scale study (Polit et al., 2001: 467), as well as the specific pre-testing of a particular research instrument, such as a questionnaire or interview schedule. Pilot studies are a crucial element of a good study design (Teijlingen and Hundley, 2001). A pilot study can be used as a test before employing a specific research method (Baker, 1994). According to Saunders et al. (2007: 308), the purpose of pilot testing is to refine the questionnaire so that the participants should have no problems answering the questions and there should be no problems recording the data. In addition, this should enable the researcher to assess the questions’ validity, and pilot test data can be used to ensure that the data collected should be sufficient to answer the research questions. De Vaus (1993: 48) emphasises: "Do not take the risk. Pilot test first."

The pilot study took into consideration the following, as suggested by Bell (1999):
- how long the questionnaire took to complete;
- the clarity of the instructions;
- which, if any, questions were unclear or ambiguous;
- whether in their opinion there were any major topics omitted;
- whether the layout was clear and attractive;
- any other comments.

In the pilot test of this research, five questionnaires were completed and subsequently refined before sending out the final version for the main research. The pilot project brought up some interesting points. First and foremost, the preliminary results demonstrated that the Thai history, socio-cultural aspects and political structure have significant impact on the current Thai work environment and Thais’ working relationship with expatriates. The Thai participants’ preliminary responses repeatedly pointed to the relevance of the 3 key areas and emphasised their significant implications on the working relationship with expatriates. Some participants also expressed concerns about confidentiality and privacy due to the
The sensitive nature of certain questions; this was taken into account and addressed for the final version of the questionnaire.

Of note, the questions regarding corruption were toned down to take into consideration the sensitivity of this contentious area. There was a general feeling from the pilot participants that the initial questionnaire was rather lengthy; therefore, the final version was shortened considerably by merging similar questions and eliminating questions deemed to be less important. Consideration was also given to allow typed answers, as some participants felt that typing was easier than hand-written answers. Furthermore, a professional interpreter was used on a few occasions to ensure clarity of meaning. These accommodative approaches demonstrated that the research was sensitive towards the Thai culture and genuinely sought to obtain quality responses, with the goal of understanding and improving the working relationship between Thais and expatriates.

Eventually, the pilot study has helped this research to meet its objective of obtaining twenty quality responses from both questionnaires and interviews. As the Thai employees selected for participation in the pilot project were those who worked closely with expatriates, they held rather senior positions. Therefore, they were reasonably open to sharing their opinions on the research topics. Admittedly, some participants were initially somewhat concerned about confidentiality and privacy issues; as mentioned earlier, these issues were subsequently addressed in the final version of the questionnaire. Overall, the participants in the pilot study have provided highly valuable feedback and information. The entire process took much time and effort. Ultimately, it was worthwhile, insightful and enriching with regards to meeting the objectives of the thesis.

3.8 Techniques used to analyse data

The primary data was analysed manually, mainly using word processing and spreadsheet software. Because of the straightforward nature of the process, no statistical analysis software was required. The answers to the interview questions were recorded as notes, and the responses were typed up and confirmed with the participants as accurate. The participants of the research provided the majority of the primary research data.

The researcher properly interpreted the responses of the participants. All records were maintained in the form of detailed notes. Detailed primary data were included in the research.
findings chapters to demonstrate exactly and clearly the basis upon which the researcher’s conclusions were made. It was established in the findings and discussion chapters that the results have furnished the rich information and thick description necessary to meet the research objectives of determining the social-cultural issues between Thais and expatriates in the 3 key areas and suggesting possible solutions to improve the overall performance of Thais, expatriates and the group of companies.

3.9 Research ethics

The ethical aspects of the study were addressed by implementing the following measures recommended by Dudovskiy (2014): all participants participated in the survey voluntarily and were fully informed about the aims and objectives of the study; any texts belonging to other authors that were used as part of this study have been fully referenced using the Harvard referencing system; the questionnaires did not contain any degrading, discriminatory or otherwise unacceptable language that could be deemed offensive to any members of the sample group; the questionnaire was designed to collect information directly related to the research objectives; and no private or personal questions were asked of participants. Kimmel’s (2007) suggestions were also taken into consideration: informed consents of the participants was obtained before involving them in the study; members of the sample group were not subjected to coercion in any way; the privacy of the research participants was ensured, with no personal data collected from participants; and research participants were debriefed about aims and objectives of the study before the primary data collection process began.

The research also adhered to Bryman and Bell’s (2007) ten principles of ethical considerations, which were compiled as a result of analysing the ethical guidelines of nine professional social science research associations:

1. The research participants should not be subjected to harm in any way whatsoever.
2. Respect for the dignity of research participants should be prioritised.
3. Full consent should be obtained from the participants prior to the study.
4. The protection of the privacy of the research participants must be ensured.
5. An adequate level of confidentiality of the research data should be ensured.
6. Anonymity of individuals and organisations participating in the research must be ensured.
7. Any deception or exaggeration regarding the aims and objectives of the research must be avoided.
8. Affiliations in any form, sources of funding, and possible conflicts of interests must be declared.
9. Any communication related to the research should be honest and transparent.
10. Any misleading information, including representing primary data findings in a biased way, must be avoided.

The researcher realised that some parts of the research were highly sensitive in nature and thus stressed that confidentiality of the questionnaire and interview responses would be ensured. Participants’ rights were explicitly stated, especially concerning their right not to participate and the reasonableness of the data collection process. Of special note, no designations were revealed in this research if the participants hold exclusive positions in their organisations and revelation of their designations would inadvertently reveal their identity. Participants provided informed consent, implying that the consents were given freely and based on full information about participation rights and privacy, the nature of the research, and the use of the data provided. In written communication, the researcher emphasised that any information obtained through the methodologies employed would be treated in the strictest of confidence and that no person would be referred to by name in the final thesis or in any other publications that may arise from this research project.

3.10 Chapter conclusion

In summary, this chapter has provided a comprehensive review of how the research was conducted. The research adopted purposive sampling and a pilot study of the questionnaire was conducted before the final version was sent out. This research does not claim that the results and conclusions can be generalised. However, it does claim to provide thick description, which is needed given the lack of research on Thailand and the sometimes questionable assumptions of macro comparative work in the Hofstede mould. A comprehensive literature review was conducted to obtain relevant secondary data; and an approach using questionnaires and in-depth interviews was used to obtain rich primary data. With the methodologies explicitly spelt out, we can now proceed to explore and analyse the data collected and the arguments presented in this thesis.
CHAPTER 4

BUSINESS ETHICS AND TRUST
- FINDINGS AND DISCUSSION -
4.1 Introduction

Thailand is no stranger to political turmoil. Political corruption is widely reported in the local and global media. Business ethics and trust have been questioned. It was therefore germane to explore the respondents’ views on whether such issues around ethics and trust are relevant to their workplace and how these issues may have influenced their working relationship with expatriates.

This chapter serves to outline the key themes emerging from the research regarding business ethics and trust. Section 4.2 looks at the general views on business ethics from Thais’ perspective. Section 4.3 investigates the effects of Thai history on ethics. Section 4.4 discusses Thai culture and people. Section 4.5 examines Thai traditional values and their effects on ethics. Section 4.6 concerns corruption and how Thais view it from different perspectives. Section 4.7 discusses politics and corruption. Section 4.8 explores the income gap in Thai society. Section 4.9 looks at the easy-going attitude of the Thais and how it might affect ethics. Section 4.10 examines trust issues. Finally, Section 4.11 concludes the chapter by exploring the key themes that emerged from this chapter and offering suggestions for improvement.

Thailand has never been known to possess exemplary business ethics. Issues such as corruption and kickbacks are regularly noted in the news and social media. How does the stability of the government and the political situation impact business ethics? Do Thai traditional values help or serve as obstacles to business ethics? Are Western ethical standards appropriate to emulate in the Thai business model? What are the issues with trust? The findings suggest that the current political turmoil has a negative impact on ethics and trust. It was also found that Thais and expatriates generally differ in their perception of what is deemed ethical and what is corrupt. Thais might need to understand ethical issues from the viewpoint of the expatriates and the expatriates might need to see things from Thais’ perspective. This chapter attempts to provide some pointers and in-depth insights from the locals regarding this sensitive area.
4.2 General view on business ethics

Many would agree that business ethics and trust are of paramount importance in the business environment. This is especially true in Thailand, where corruption is well-known and pervasive in society (McGann, 2010). According to Weber (1905a), history has shown that wherever there is an opportunity, a business would use unethical means in order to achieve its goals. Weber (1905c) also believes that absolute and conscious ruthlessness in acquisition has often stood in the closest connection with the strictest conformity to tradition. It has been stated that corruption always wins in Thailand (Taptim, 2015). In this study, all respondents felt that Thais and expatriates may have different views regarding ethical standards. The limited literature available on Thai and Western management generally supports the notion that Thais and expatriates differ in their personal and professional values and management styles (Singhapakdi et al., 1995).

All respondents replied “Yes” to Qn-7, “Firstly, to the best of your knowledge, do you feel that Thais and expatriates may have different ethical standards?” All respondents felt that they have different ethical standards from those of expatriates. The most common reasons cited for this difference were related to history and culture. There appeared to be a tendency to imply that the Thai government is corrupt. There was also a general consensus that unethical practice is common in Thailand. Different cultures, traditions, perspectives, and working styles have resulted in different ethical standards between Thais and expatriates. Many respondents opined that in most of the countries where expatriates come from, ethics relating to business are well defined. Whereas in Thailand, ethics are flexible and depend on whom they are being applied to. The above findings resonate closely with Feldman’s (2013) findings from China. In his book Trouble in the Middle, Feldman reports that many Chinese businessmen prefer corrupt rather than ethical practices, as they have realised that bribes cost less than taxes, pollution regulations, and worker safety rules (Feldman, 2013: 141).

From the findings, it appeared that respondents were aware of the differences in ethical standards, and they offered reasons for the difference. This is encouraging, as the awareness should signal them that some changes may be necessary. The respondents were also aware of and spoke about corruption in Thailand. Corruption has a significant impact on good business ethics (Basran, 2012). History and culture have shaped Thailand, making it more flexible and able to adopt a more compromising attitude towards life (Sangchai, 1976). This is related with the Thais’ easy-going attitude towards life in general,
which is discussed in Section 4.10. On the other hand, in the developed countries, business ethics principles are often clearly spelled out in company policies and corruption is often hidden from the public’s eyes (Laukkanen, 2012). This suggests that Western culture might be good at ‘window dressing’ in a legal sense, but in actuality might be just as corrupt as Thailand.

There was a general consensus among many respondents that the main difference between Thais and expatriates is that Thais tend to be more compromising than expatriates. It was also brought up that what is ethically correct in one country may be considered unacceptable in another. It was commonly reported that some forms of bribery have been used so prevalently in Thailand in order to get things done or to obtain favours that bribery has become the norm. Several respondents were of the opinion that where the expatriates come from, bribery may be better concealed and the overall image of firms may project a more transparent business environment compared to Thailand. Many respondents pointed out that the recent governments have been plagued by corruption scandals and that corruption has become part of Thai life.

One respondent placed the following phrase in a text box in the survey: “In Thailand, there is no pragmatic emphasis on business ethics, only written documents.” However, it was noted that expatriates are more serious about this issue. Thai businesses are willing to offer bribes in order to secure certain projects. However, the respondents believed that expatriates are more accustomed to the anti-bribery policies in the countries they come from. In Thailand, under the table money is common. It was a commonly held view that Thais accept this as a routine occurrence necessary to conduct business. However, expatriates may not be agreeable to this practice, as they come from countries where transparency is widely practised. Several respondents pointed out that many of the Thai workers come from up-country and know little about business ethics, whereas most expatriates come from developed countries where business ethics are well-established.

The above paragraph demonstrates that there exists a gap between Thais and expatriates in terms of business ethics. Many respondents expressed that Thais want to see a reduction in bribery, and some mentioned that there are even written company policies prohibiting bribery. However, there is a lack of concrete action or no action at all on the part of the company to enforce the policies. Gordon and Miyake (2001: 1) suggest that, while bribery is often written in codes of conduct, there is a need to deploy a distinctive mix of management
tools to ensure enforcement of anti-corruption policies, including financial record keeping, statements by executive officers, internal monitoring, whistle-blowing facilities, the creation of compliance offices, and threats of disciplinary action. Therefore, a concerted effort to put ideas and policies into practice is needed in order to improve business ethics.

Some respondents believed that in the developed countries, there is a reasonably clear distinction between personal and work life. However, in line with Thai culture, personal and work life are often mixed together and not so easily distinguishable in Thailand. Many respondents apprised that expatriates are more concerned with business ethics and pay attention to ensuring that minimal breaches occur. On the other hand, Thais’ attitude towards ethics is more relaxed. It was pointed out by several respondents that expatriates may have higher ethical standards than Thais due to education and environment. It was argued that in years to come, when Thais have a more educated workforce, the gap should narrow. The respondents expressed the importance of expatriates’ willingness to understand Thai culture and values, which are discussed in Sections 4.5 and 4.6. It was stressed that openness to discussing any differences is important, as is the willingness to accommodate any differences.

4.3 The effects of Thai history on ethics

The findings resonate with McCann’s (2014a) emphasis on path-dependence, which suggests that history has a very powerful influence on current events and may be able to explain different practices in different countries. Around the 1800s, there was growing tension within the elite over the interrelated issues of the economy, the social order and the handling of the West. The elite wanted to hold on to the traditional system and keep out the Westerners (Alabaster, 1871). It was noted that in 1860, Western people were employed by King Mongkut as advisors to his administration to help with the advancement of Siam. However, key positions were still retained by the elite (Wyatt, 1994). There was a general view among the respondents that since early times, Thailand has been known to be good at compromising. These findings echo the views from the literature regarding the Thais’ compromising nature and skill in foreign diplomacy (Sattayanurak, 2003; Tuck, 1995). However, a compromising attitude might adversely affect business ethics as reflected in subsequent sections of this chapter.
With reference to Qn-8, the respondents pointed out that the history and culture of Thailand play an important role in shaping business ethics and trust. They explained that Thais are relaxed about ethical issues in part due to the still widespread influence of the agrarian economy. In the past, most Thais were farmers and subjected to the forces of nature. There was no point worrying about whether it was going to rain or whether the sun was going to come up. Hence, Thais adopted an easy-going outlook on life and this has flowed down to present times in the form of a more relaxed attitude towards business ethics. It might be argued that an easy-going attitude is a two-edged sword and that expatriates who come from a ‘short-term orientation culture’ may not be agreeable to this attitude as they tend to expect or seek quick results (Cohen et al., 1993). The challenge here would be for both parties to work together towards organisational goals; a compromise of sorts may be appropriate to consider.

Qn-8: Please rate the importance of the following pertaining to ethical issues with expatriates.

<table>
<thead>
<tr>
<th></th>
<th>Not at all important</th>
<th>5</th>
<th>Moderately important</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Low importance</td>
<td>6</td>
<td>Very important</td>
</tr>
<tr>
<td>2</td>
<td>Slightly important</td>
<td>7</td>
<td>Extremely important</td>
</tr>
<tr>
<td>3</td>
<td>Neutral</td>
<td>0</td>
<td>Not Applicable (NA) or don’t know</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Qn</th>
<th>Particulars</th>
<th>Average Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>8 (a)</td>
<td>Do you think that the history and culture of Thailand plays a role? (All respondents replied “Yes”)</td>
<td>6.0</td>
</tr>
<tr>
<td>8 (b)</td>
<td>Do you think that socio-cultural factors and political structure of Thailand play a role? (All respondents replied “Yes”)</td>
<td>5.6</td>
</tr>
</tbody>
</table>

Thais are proud that Thailand has never been colonised (Collins, 2011). However, Thais also lose out in terms of some of the good effects of colonisation. For example, Singapore has benefited from the strong British legal system, which has helped its reputation as a transparent and corruption-free environment. Colonisation by the British also helps with English language proficiency. Many respondents emphasised that Thailand has never been colonised in its history. Therefore, Thais are complacent and have not kept up with developments in business ethics compared to developed economies such as Singapore.
The respondents concurred that many Thais still think that some forms of bribery and kickback are acceptable, as they have been a common practice. This encourages further bribery and corruption. The findings suggest that since early times, Thais have provided gifts and tokens to business partners, and this is still a wide-spread business practice today. Many respondents viewed that Thai culture teaches Thais to adopt a compromising attitude towards life and this may adversely influence business ethics. Expatriates come mostly from developed countries, where rules and regulations are explicitly spelt out and followed. Hence, they may tend to take business ethics more seriously.

The findings point out that Thailand was ruled by an absolute monarchy system since early times, only becoming a democracy in 1932. Deep down, Thailand still has a ‘class’ system, although it may not be very apparent to casual visitors. Several respondents pointed out that the culture of Thailand urges Thai people to be very considerate, especially to senior figures. It was argued that this consideration can take precedence over business ethics, especially when one feels indebted in any way. Many respondents stressed that Thai culture is flexible, and that frequent side-talk is common as well as avoidance of confrontation. One respondent Pat, mentioned Srithanonchhai, a well-known character in Thai folklore. Srithanonchhai’s character is witty, cunning and tricky. Pat emphasised that Srithanonchhai’s stories have a significant impact on the thought process of the Thai people. Some accept the ideas of Srithanonchhai, which have the theme of doing anything that drives one to his goals; there are no rules, no procedures and no ethics.

Several respondents pointed out that during historical times, government officials did not receive a salary but instead received a portion of the fees collected from the people. Common people were accustomed to presenting gifts to these government officials in return for certain services or privileges. Another respondent, Boo, stated that the traditions of Thailand have important influence on business ethics. She provided an example from the early history of Thailand, when it was common practice for peasants to give gifts to the head of the village in order to obtain certain favours. This practice is still pervasive in Thai society today, although in different forms. Several respondents mentioned that many members of society, especially the poor in the Northeast of Thailand are not properly educated and business ethics are not well-established. The respondents asserted that unless all levels of society have proper education, there will always be ethical issues.
The findings suggest that the fear of offending a senior figure might discourage one from reporting cases of corruption. The ‘class’ system and a divided society are a reality in Thailand. Funston (2009) conveys this when he mentions that Thailand is a united country whose people are divided. Funston argues that Thailand’s divided society is caused by the old institutions, which hold onto power despite new political voices seeking a more equitable society. Many traditions in Thailand persist to the present day, and gifts and bribery to officials are two of them. In many respects, corruption is an outgrowth of the traditional Thai offering of gifts to those in office (Neher, 1977). Several respondents believed that some expatriates may vehemently refuse gifts of any kind regardless of its origin. They argued that such a refusal might hurt a Thai person’s feelings if the gift was given out of nam jai.9

4.4 Thai culture and people

The study’s findings resonate with Straub (2004), who highlights the comparatively high degree of hierarchy in Thai culture. One respondent, Man, shared an incident he encountered with an expatriate who had just arrived in Bangkok. During one of his early meetings, the expatriate introduced his five Thai staff as follows: “This is my Vice President of Sales, he is my head and helps me devise strategies.” His Thai counterparts nodded smilingly and greeted him with a wai. “These two are my marketing managers and they are my left and right hand, they help me collect market data.” Again, the Thais nodded smilingly with a wai. The expatriate continued, “The other two are my sales team, they are my feet. They help me do the leg-work to find customers.” This time, his Thai counterparts did not smile and instead looked slightly uncomfortable due to the fact that in Thai culture, describing someone as your feet is offensive. Man pointed out how this incident demonstrated a huge cultural gap between Thais and expatriates. Man suggested, “Expatriates should know some essential Thai culture before their arrival in Thailand, and some cross-cultural training should help.”

It is appropriate at this juncture to refer to Caligiuri and Di Santo’s (2001) study, which indicates that it is easy to obtain knowledge and ability through training, but personality traits are based on an individual’s natural intuition and are therefore more challenging to train. Varner and Palmer (2005) stress that cross-culture training plays a major role in the success of expatriates. In line with the views of Furnham (1987: 168), many respondents expressed that expatriates would gain intercultural communication skills and consequently, intercultural

---

9 Please refer to Appendix no. 4 ‘Glossary’ for explanations of Thai words used in this thesis.
effectiveness through a cultural learning process. Several respondents also resonated with Derderian’s (1993) findings that regional or country-specific training should include information about the historical, political, religious and economic factors that shape the mentality of the people in the region, and how these factors differ from the home culture. The findings generally concur with Caligiuri et al.’s (2001) belief that increased knowledge about the host country reduces uncertainty and facilitates adjustment. Tung (1987) suggests that the purpose of this type of training is to help the individual adjust in a practical way to the work environment and personal work situation.

According to the survey, the respondents tended to feel that expatriates need to understand Thai culture and possess a reasonable knowledge of Thai history to appreciate business ethics in the Thai context. They should be open to differences in view and be prepared to accommodate such differences. Please refer to Qn-9 below for the findings.

Qn-9 Please rate the importance of the following with regards to your working relationship with expatriates.

<table>
<thead>
<tr>
<th></th>
<th>Particulars</th>
<th>Average score</th>
</tr>
</thead>
<tbody>
<tr>
<td>9 (a)</td>
<td>Expatriates’ willingness to understand local culture regarding work ethics.</td>
<td>5.8</td>
</tr>
<tr>
<td>9 (b)</td>
<td>Possession of a reasonable knowledge of the Thai history and socio-cultural factors.</td>
<td>5.0</td>
</tr>
<tr>
<td>9 (c)</td>
<td>Openness to discuss any differences.</td>
<td>5.4</td>
</tr>
<tr>
<td>9 (d)</td>
<td>Willingness to accommodate any differences.</td>
<td>5.8</td>
</tr>
</tbody>
</table>

It was commonly reported that Thais are well-known to be polite and friendly. Thailand is known as the ‘Land of Smiles’ because the locals seem to smile at every opportunity (Mally,
It is well-known that the tourism industry thrives on the Thai people's hospitality and the country's various attractions. It is also a commonly held observation that many tourists go home with warm feelings about the Thai people and the belief that Thais are good-natured and well-mannered. Bangkok, or Krungthep, lives up to its reputation as the City of Angels. However, several respondents noted that an expatriate who has stayed in Thailand for a lengthy period of time might realise that the picture is not all rosy. Every society has its negative side and Thailand is no exception.

Several respondents provided examples of common 'not so ethical' practices in Thai society, such as taxi drivers not using the legal charging meter, noisy and inconsiderate neighbours, litter problems, scam artists in tourist areas, drinking and drug use. They cautioned that there is a negative side away from the seemingly friendly surface, and an expatriate would need to navigate carefully to avoid the pitfalls. They also stressed that Thai culture is unique and quite complex. It was emphasised that an expatriate should take time to understand Thai culture; not just at the superficial level, but more in-depth, including how it works. This would help expatriates understand Thais' attitude towards business ethics and trust.

Nit claimed that the Thai village culture is still very much alive. She elaborated that although many people know Thailand through cosmopolitan cities and resort towns like Bangkok, Changmai, Phuket and Pattaya, Thailand still retains some of the charm of the olden days. Nit said that when a neighbour needs help, she will spontaneously help out without expecting anything in return. Nit believed that in the future if she needed help, the neighbour would gladly help out. Nit explained that this attitude comes from the past, when it was common for a neighbour to share an item if she had something extra, and the recipient will do likewise when she had something to share in the future. Nit stressed that helping and looking out for one other is a Thai cultural attribute, and this has helped foster a trusting environment. This aspect is in line with a collectivist culture in Thailand highlighted by Hofstede (1991). Thanasankit and Corbitt (2000: 149) concur, saying that in Thailand, society constructs its reality from group or social interests, rather than from individual interests. It might be argued that this concept of group versus individual might itself pose a challenge as expatriates are generally oriented towards individualism. Therefore, a common ground needs to be found.

Another respondent, Pra, also emphasised Thailand's strong collectivist culture and provided an example. Some years ago, a company was going through a rough patch and an
expatriate in charge had to lay off some workers. A few weeks later, some other workers resigned on their own including a few key personnel. Later, the expatriate discovered it was perceived that since the company needed to fire some people, the employees preferred to resign themselves rather than being fired later. It was noted that the employees who were fired and those who resigned were good friends. Subsequently, the company went through another challenging period but this time, the expatriate adopted a new strategy. Instead of laying off employees, he decreased overtime and overhead and was able to save everyone’s job. Pra believed that the expatriate came to understand the collectivist culture and sensitive nature of Thais and adjusted accordingly.

In Hofstede’s (1991) study of cultural dimensions, he finds that Thailand has a collectivist culture and it has brought up some interesting implications regarding ethics. Cohen et al. (1995) indicate that covering up the unethical practice of a group member may be seen as protecting the reputation of the group. The same applies to supporting a colleague by not ‘blowing the whistle’ (Brody, et al., 1998). It was also found that Thailand has a medium to high uncertainty avoidance culture. Therefore, Thais may perceive unethical business practices as less unethical than expatriates do, due to the expatriates’ low uncertainty avoidance (Christie et al., 2003). Expatriates need to be aware of this aspect.

It was pointed out by several respondents that it is not easy for Thais to get to know the expatriates. They explained that when an expatriate arrives in Thailand, he will be exposed to the Thai people for most of his time as long as he is awake. However, the typical Thai working at a company with expatriates has little direct contact with them. It was reasoned that it would be much easier for expatriates to assimilate into Thai culture than for Thais to know the expatriates. Therefore, Thais are insulated against the expatriates to a certain extent. They do not see the need to really understand the expatriate, as the contact is infrequent. Furthermore, many respondents believed that Thailand is their country and they adopt a mai pen rai attitude. It might be argued that this view was true in the past for smaller companies, but as globalisation takes root and more expatriates come to Thailand, adjustments and changes might be needed.

Pitta et al. (1999) point out that different cultures will have different expectations regarding ethical standards. In the 1980s, many US firms entered the global market and realised that they were not equipped with the know-how to compete in foreign markets. This has brought ethical issues into the spotlight and the management of ethical conflict has become a
growing field (Jeurissen and van Luijk, 1998; Jackson and Artola, 1997; Honeycutt et al., 1995; Armstrong and Sweeney, 1994). The concluding section of this chapter suggests ways to mitigate business ethics issues between Thais and expatriates.

The Thai-Chinese

In the early 18th century, Siam developed closer commercial ties with China due to China’s increasing demand for Siamese rice. This indirectly brought more Chinese immigrants to Siam (Skinner, 1957). The Chinese were involved in many commercial activities, especially the rice mills and trading firms (Prasertkun, 1989). French missionaries observed that the Chinese controlled most of the trade in the kingdom. It was common for the Chinese to build relationships by marrying with the elite. Many Chinese became wealthy and powerful through bribery, but they also contributed to the creation of a market economy. Hence, it could be argued that the Chinese have to some extent, fuelled the culture of bribery.

It is clear from the literature that Thai people with Chinese ancestry consider themselves very much Thai. One of the respondents, Ana, said, “If one were to ask a Chinese looking Thai whether his race is Chinese, he will reply that he is Thai. Delve deeper and it will be discovered that his forefathers came from China.” Many respondents held the view that through several generations, the Chinese have assimilated so well into the Thai culture that they consider themselves Thai and fully embody Thai values. Ana believed that compared to traditional Thais, the Thai-Chinese generally give more importance to diligence, academic achievement and the spirit of entrepreneurship.

The findings concur that the ethnic Chinese have managed to assimilate very well into the Thai culture. Ana explained that this may be because Thais and Chinese share a similar religion, Buddhism. On the other hand, Chinese who went to countries like Indonesia and Malaysia often had a more difficult time, as these countries are predominantly Muslim. Ana stated that the Chinese are good entrepreneurs, but in order for Chinese to do business with Thais, they often give lavish gifts. In Thailand today, many Thais of Chinese origin are successful businessmen and some have even become powerful political leaders.

10 The Chinese or Thai-Chinese are still the backbone of commerce and contributed to the bulk of the Thai economy. They have assimilated very well into the Thai culture and formed a significant part of the working middle class in Bangkok today.
4.5 Thai traditional values and ethics

Niffenegger et al. (2006) asserts that expatriates need to understand important Thai cultural values such as *kreng jai*. The findings suggest that there are four prominent Thai values in the Thai culture that have significant implications for expatriates and business ethics. They are *kreng jai*, *hai kaid*, *nam jai* and *hen jai*.

(i) Kreng jai

Some respondents highlighted that the traditional value of *kreng jai* is a very significant and interesting concept, and it is practised numerous times per day by Thais at all levels of society, regardless of whether they are juniors or seniors. They pointed out that although *kreng jai* is practised many times daily, it is not easy for Thais to fully describe the meaning of *kreng jai* to expatriates. It is similar to being considerate (Houton, 2016), but in a more in-depth manner, often foregoing one’s own needs to accommodate the needs of others. This is done especially in situations where without *kreng jai*, an awkward situation may arise. Several respondents pointed out that an employee may *kreng jai* a *pooyai* and not report an unethical practice. For example, a CEO may instruct his finance manager to withdraw cash of THB10 million. Although it may be against company policy to do so without approval from the Board of Directors, the finance manager may comply partly out of *kreng jai* and partly due to the avoidance of an awkward or confrontational situation. Hence, it might be argued that whilst *kreng jai* contributes to a more harmonious working environment, it could also indirectly lead to ethical issues.

(ii) Hai hiad

Another traditional value that was commonly reported by the respondents as having an important impact was *hai kiad*. *Hai* means ‘give’ and *kiad* is something very profound, akin to respect. Put together, *hai kiad* means to show one’s respect, especially to seniors (Piotrowski, 2010). It was pointed out that on the surface, *hai kiad* seems to be the same as demonstrating respect for a person. However, in the Thai context, *hai kiad* is something deeper and the effects are long lasting. An example was provided that if a junior staff member does not show *hai kiad* to his boss, his life in the company would be miserable. The respondents believed that in the West, such a person might be able to get away with this due to good performance. However in Thailand, *hai kiad* is so important that the person would be penalised and no amount of good performance would help. There was a view from
several respondents that hai kiad may also have an unintended effect, such that when a junior staff learns of an unethical practice committed by his superior, he would rather remain silent due to hai kiad.

A respondent, Nor, shared that a physical form of hai kiad is the wai. The wai is practised by putting both hands together at chest level, accompanied by a slight bow (Nedkov, 1999). Nor noted that this is sometimes done in conjunction with the phrase sawatdee krup or ka; krup is used by males and ka by females. Sawatdee is a Thai greeting, similar to “hello” or “welcome.” Nor elaborated that the use of chest or chin or even eye level depends on the seniority of the person that the wai is given to. The more senior a person is, the higher the level. Expatriates are normally given the wai, and Nor stressed that it is important for the expatriates to acknowledge it back. It can be in the form of a wai back or simply with a nod and a smile. It can be argued that, similar to kreng jai, business ethics might be compromised due to hai hiad to pooyai. Therefore, although some Thai values have an inherently positive purpose, they might also sometimes have unintended negative effects.

(iii) Nam jai

There was a general consensus among many respondents that having nam jai is another important traditional value, especially from someone senior to someone junior. In line with the description by Punturaumporn (2001), Nor said that nam jai is ‘water heart,’ meaning an act of generosity or kindness. Nor explained that the word jai means heart. It has been noted that the word jai is of such importance in the Thai culture that it can be combined with many other Thai words. Nor stressed that nam jai should be practised with sincerity and with no ulterior motives. It should come from the jai. Nam jai can be practised between anyone, including expatriates.

Nor provided the example that if an expatriate is lost in the crowded lanes of Bangkok and a stranger approaches and offers direction without asking for anything in return, this is nam jai. However, if the stranger asks for money, it is not nam jai but motivated by money. Nor pointed out that nam jai might be confused with kreng jai, especially by foreigners. The general rule is that nam jai normally requires a spontaneous act of generosity, whereas kreng jai normally requires a person to withhold something or an emotion back out of consideration.
It was pointed out by several respondents that the Thai cultural practice of giving money or gifts is related to the Thai value of *nam jai*. They emphasised that this is often done voluntarily and is flexible, whether one gives or not. It was commonly reported by the respondents that many aspects of Thai culture are about being flexible and nothing is cast in stone. Gifts given out of *nam jai* should not be considered as bribery in the Thai context (Quah, 2011). Many of these respondents believed that *nam jai* does not have a direct impact on business ethics, but an expatriate with *nam jai* will earn the trust of his colleagues. Thus, an expatriate needs to be aware that there is a fine line between gifts relating to *nam jai* and outright bribery in the Thai context.

(iv) *Hen jai*

There was a common view from the respondents that one of the values that Thais look for in an expatriate is *hen jai*. It means seeing the heart, or the ability to understand another person’s feelings and show sympathy (Moore, 1992). It was commonly reported that Thais working with expatriates sometimes feel that expatriates only pay attention to work issues and not employees’ feelings. Thus, an expatriate that possesses *hen jai* will be highly appreciated by his staff. Several respondents highlighted that *hen jai* goes beyond understanding and means exploring and taking appropriate action to reflect the understanding through empathy. It might be argued that similar to *nam jai*, *hen jai* does not have a direct impact on business ethics, but an expatriate who possesses it would earn the trust of his colleagues.

Many respondents expressed that traditional Thai values have been inculcated into Thais since early history and are practised on a daily basis. They can sometimes yield unexpected negative results as demonstrated above. But they are an integral part of national culture and expatriates need to be aware of them and might want to consider assimilating to a certain extent whenever appropriate. The findings suggest that an expatriate who demonstrates some or all of the values will be highly regarded by Thais, contributing to a more cohesive working environment.

4.6 Corruption in general

It was commonly reported that corruption is currently one of the worst problems in Thailand. Many respondents believed that eradicating corruption would improve the economy and alleviate the high cost of living in Thailand. They also believed that one of the main causes
behind the endemic corruption in Thailand is the politicians. One of the respondents, Nit said, “There are many bells and whistles concerning anti-corruption from the politicians but none seem to be effective.” It was reported that the previous prime minister Yingluck Shinawatra, was indicted on various corruption charges and had to step down. The findings suggest that bribery and conflicts of interest are common in both the private and public sectors, but that the most widespread and crucial area for corruption is between business and government. The general view of the respondents was that business ethics and trust issues will be problematic until Thailand has a less corrupt government.

Many respondents expressed their feeling that the current situation in Thailand is not very encouraging for business ethics and trust. Since the military took over Thailand early last year, many businesses have been adversely affected. There were reports that both revenues and profitability are down. It has been argued that the current situation for many companies is that they need to stay afloat, and not many are concerned with business ethics. Pat said, “Instead of getting rid of corruption, it may actually multiply as traditional forms of corruption are forced to reinvent themselves.” In an adverse economic climate, the temptation to give in to corruption increases. Pat pointed out that there have been several reports of policemen who openly extorted money from foreigners. Many respondents stressed that unless Thailand goes back to normalcy and elects politicians with the will to clean up corruption, the future of business ethics and trust might not be very positive.

Nor, who previously served as Director General with the government, claimed that during his tenure, there was a function in the government agency that helped oversee corruption. In that agency, decisions had to be made jointly. Hence, things progressed slowly. Nor elaborated that since decisions were made jointly, individuals were protected from being singled out when a mistake was made. This also prevented individuals from entering into kickback arrangements with businesses. Nor claimed that this function targeted kickbacks and other forms of malpractice. It has been noted that making joint decisions is in line with Thailand’s collectivist culture (Hofstede, 1991). As mentioned previously, expatriates need to be aware that in Thailand, covering up the unethical practice of a group member may be seen as protecting the reputation of the group; hence, it may be perceived to be more acceptable (Cohen et al., 1995).

According to Nor, jao por or ‘corrupt godfather,’ are individuals who are known to be very corrupt (Thompson and Thompson, 2000). He shared a story that happened about forty
years ago, when his friend Pan used to own a large parcel of land in a prime area in the province of Chonburi. Unfortunately, the jao por in Chonburi was eyeing the land and made verbal and physical threats against Pan and his family. Out of desperation, Pan went to a senior local policeman for help and transferred the land titles to the policeman’s name, hoping that this would keep the jao por away. Nor believed that the jao por is still alive today but Pan has since passed away and his descendants have been trying without success to find recourse to recover the land from both the jao por and the policeman. Nor stressed, “This is a true story and very typical of people with power who are very willing to abuse it for personal gains at the expense of the commoner.” Although the story and other cases of corruption may sound unacceptable, they have been around for a long time and Nor hoped that expatriates would not judge Thais too harshly. Nor provided a glimpse of hope that a well-educated middle class is growing and opposes corruption vehemently. This should augur well for the future of Thailand.

There was a general view from the respondents that Thais’ traditional values, especially nam jai and hen jai, have an impact on how Thais view corruption. Pra provided an example of giving a maid extra money in order to motivate her to do a better job. He explained that this is a bit of nam jai and hen jai since presumably, the maid is of poor background and it would not hurt to give her a bit of extra money. Pra raised several interesting scenarios. According to him, when a company advertises its product with exaggerated claims, this is not often viewed as unethical in Thailand since it is common practice. The receipt of huge gifts from suppliers is acceptable if the gifts go to the company and not to an individual. When a Thai person is caught by a traffic policeman, it is common practice to slip him some money in order to avoid an inconvenient trip to the police station. Pra explained that this is also nam jai, as a traffic policeman’s pay is very low. However, if it involves a senior policeman, it becomes more complex. A senior policeman’s pay is considerably higher than a normal policeman’s. However, Pra noted that it is very common for senior policemen (and for that matter, many senior civil servants) to receive huge amounts of money or gifts in return for certain favours, or to overlook certain matters. For Thais, Pra stressed that this would be considered corruption.

There was a consensus among many respondents that giving some money to the economically underprivileged is socially acceptable. It is about kindness and generosity, nam jai. It is also seen as a bit of merit-making, in line with Buddhism. However, people at the high-end of the hierarchy are deemed to be corrupt if they receive any money outside of
what is officially permissible. Several examples were provided by Pra, such as a senior policeman receiving a large sum of money in order to ignore illegal gambling or prostitution; a politician receiving a huge kickback for allowing a certain project to proceed; or a senior executive receiving a very expensive gift for leaking insider information. The common view among the respondents was that these people are already wealthy, and to obtain extra benefits outside the call of duty is unacceptable.

This is an interesting element that seems common to many interviewees. They see gradations of corruption, from acceptable to unacceptable. At the low-end, giving gifts and extra payments are not seen as corrupt practices. ‘Low-end’ corruption is seen as having social legitimacy and utility, whereas ‘high-end’ corruption is pure greed and graft that does not serve society. This relates to the broader issues in the social context of economic action. For example, Weber (1905d) relates to the commoner and encourages charitable work for the less privileged, but expresses aversion to the way people gain positions of power and authority through nepotism and the ‘accident of birth,’ factors he considers as lacking in legitimacy.

Thus, it might be argued that some degree of Westernisation or modernisation might help to rid Thailand of ‘high-end’ corruption, but we might also want to protect the traditions of giving to the needy, in line with nam jai and hen jai. This is also in line with the Buddhist beliefs about giving alms and accumulating merits during one’s lifetime in order to secure a better subsequent life. A common question raised is “Why then is there rampant corruption, if most Thais claim to be a Buddhist, especially corrupt practices by politicians?” Several respondents pointed out that if one looks closely, one would realise that many corrupt politicians give alms to monks and donate extravagantly to the building of temples, under the belief that such acts will be a counterbalance against the corrupt practices they have committed.

Dadashri (2009) provides some pointers regarding the ‘cancellation’ of good and bad deeds. According to him, addition and subtraction does not occur; the good and bad deeds do not cancel each other out. Dadashri (2009: 64) argues that people would take advantage of this if it were the case. Smart people would end up doing a hundred good deeds and ten bad deeds, leaving ninety credits of good deeds. Nature makes sure that both good and bad deeds are experienced. But is it true that when we do charitable work like building a hospital, the fruits of the other negative karma will be made less intense? Dadashri says “no.” As
mentioned, there is no subtraction or addition in the account. New karma is collected for the good deeds, but one will have to suffer the consequences of harming others. Otherwise, all of the calculating business minded people would only subtract the bad karma and keep the profit. Dadashri emphasises that natural law is exact. If you have done any harm, even once, its fruits will come.

There was a general belief among respondents that there will always be corruption when people vie for power and seek financial gain. However, several respondents indicated that in the future, as the workforce becomes more educated and companies more globalised, stricter controls and measures will be implemented to complement existing laws. Many respondents in the findings expressed hope that Thailand will gradually become a more transparent society for business, and will conform more to internationally accepted business ethics and practices. This will have a positive effect on expatriates, as they might feel more at ease as laws are tightened and enforced.

Several respondents claimed that it is common for companies to reward staff with trips to other provinces and even overseas trips if the company is doing well. Such trips may also be offered to outstanding customers and suppliers. The respondents stressed that these trips should not be seen as corruption. Likewise, gifts are often given to outstanding employees, customers and suppliers. Sometimes, the gifts can be expensive depending on the merit of each case. If a person is a very outstanding senior employee, a gold chain or branded watch might be given. If he or she is a very significant customer, televisions or even cars might be given. The common consensus of the respondents was that such gifts should not be seen as corruption. It was stressed that expatriates should be aware of these gestures, as they may not be a common practice in Western countries.

Interestingly, according to Verhezen (2009: X), gifts that cannot be reciprocated should be distrusted, as they may establish the superiority of the giver and the inferiority of the receiving party. Hence a decent society should be arranged in such a way that every individual should be able to receive and to give back. People who lack the opportunity to render service to other people may have difficulties sustaining their self-respect. At least this is the case in our contemporary individualistic society. However, Verhezen noted most past societies were hierarchical. They were based on clientelist networks, in which chiefs bought loyalty by granting favours that could never be fully reciprocated. One is free to give or to refuse to give, but the very act of gift imposes an obligation on the receiver to reciprocate.
Verhezen (2009) believes that the latter mechanism is at the origin of many instances of bribery.

It was observed by some respondents that some Thai bosses like to use their employees for personal matters, like running personal errands. This is more acceptable if it is restricted only to one’s personal secretary, but it sometimes involves other employees. Expatriates are stricter in this area, but it has been observed that some expatriates also use staff for personal affairs on some occasions. However, Thais tend to give expatriates the benefit of the doubt, given that they do not know Thailand as well as their staff. Several respondents expressed that Thais adopt a more relaxed attitude towards what is ethically correct or incorrect, and it is possible that some expatriates might assimilate and adopt this attitude as well.

Qns-10 to 12 sought to understand the Thai perspective on business ethics. The respondents were asked to provide their own view on beliefs that may be commonly held among expatriates regarding various situations of questionable business practices in Thailand. The respondents were asked to indicate their view on a Likert Scale of 1-7, with each number representing the level of agreement / acceptability / appropriateness.

Qn-10 Please select the number that shows your level of agreement regarding the situations below. Please remember that it is your view that we are interested in.

1 Strongly disagree 5 Somewhat agree
2 Disagree 6 Agree
3 Somewhat disagree 7 Strongly agree
4 Neither agree or disagree 0 Not Applicable (NA) or don’t know

Your view on beliefs that may be commonly held among Thai businesspersons:

<table>
<thead>
<tr>
<th>Qn</th>
<th>Particulars</th>
<th>Average score</th>
</tr>
</thead>
<tbody>
<tr>
<td>10 (a)</td>
<td>It may be ethically acceptable that an organisation overstates its expected revenue in negotiations with a potential buyer.</td>
<td>3.6</td>
</tr>
<tr>
<td>10 (b)</td>
<td>An organisation may consider increasing the annual compensation of its senior management by 50% when profits have declined and</td>
<td>2.8</td>
</tr>
</tbody>
</table>
dividends have been cut for the past two years.

<table>
<thead>
<tr>
<th>Qn</th>
<th>Particulars</th>
<th>Average score</th>
</tr>
</thead>
<tbody>
<tr>
<td>10 (c)</td>
<td>It is acceptable when a director learns that his company intends to announce a stock split and increase its dividend, he or she buys shares and sells them at a gain following the announcement.</td>
<td>2.0</td>
</tr>
</tbody>
</table>

The results suggest that Thais are generally not agreeable to unsubstantiated salary increments for management, while they are less critical about misrepresentation of facts to window-dress the numbers in order to drive revenue. The thought process was that Thais are by nature good at negotiating and massaging the numbers to improve the company’s bottom line and that this might not be seen as something unethical. However, insider trading was definitely disagreed with.

Your view on beliefs that may be commonly held among expatriates:

<table>
<thead>
<tr>
<th>Qn</th>
<th>Particulars</th>
<th>Average score</th>
</tr>
</thead>
<tbody>
<tr>
<td>10 (d)</td>
<td>It may be ethically acceptable that an organisation overstates its expected revenue in negotiations with a potential buyer.</td>
<td>2.2</td>
</tr>
<tr>
<td>10 (e)</td>
<td>An organisation may consider increasing the annual compensation of its senior management by 50% when profits have declined and dividends have been cut for the past two years.</td>
<td>1.7</td>
</tr>
<tr>
<td>10 (f)</td>
<td>It is acceptable when a director learns that his company intends to announce a stock split and increase its dividend, he or she buys shares and sells them at a gain following the announcement.</td>
<td>1.4</td>
</tr>
</tbody>
</table>

The findings suggest that the respondents view expatriates as being more stringent regarding questionable practices. Expatriates were seen to disagree with the overstatement of revenue, whereas Thais were more receptive, given that it was not done for personal gain but to the benefit of the company. The respondents viewed the expatriates as even stricter in the areas concerning unsubstantiated salary increases and insider trading. This might have led to Thais not sharing ‘sensitive’ information with expatriates, as per the findings from Qn-14(a).
Qn-11 To what extent, in general, do you think a Thai person and an expatriate will accept the following practice?

1  Totally unacceptable  5  Slightly acceptable
2  Unacceptable        6  Acceptable
3  Slightly unacceptable 7  Perfectly acceptable
4  Neutral        0  Not Applicable (NA) or don’t know

Please give your view on Thai acceptance:

<table>
<thead>
<tr>
<th>Qn</th>
<th>Particulars</th>
<th>Average score</th>
</tr>
</thead>
<tbody>
<tr>
<td>11 (a)</td>
<td>'Under table' money may be considered as long as the company benefits from it.</td>
<td>3.8</td>
</tr>
<tr>
<td>11 (b)</td>
<td>Consideration may be given to pay Baht 1 million ‘consultation fee’ to a government officer for assistance in obtaining a contract which could produce a profit of Thai Baht 10 million.</td>
<td>4.2</td>
</tr>
<tr>
<td>11 (c)</td>
<td>A company may consider sending expensive New Year gifts to purchasing agents as it is common practice and should result in more businesses for the company.</td>
<td>3.8</td>
</tr>
</tbody>
</table>

The findings suggest that the respondents were not very concerned about the issues raised. The general feeling was that these practices have been around for a long time and have become the ‘norm’ in order to do business in Thailand. Although the respondents did not openly state that they accept these practices, standing close to ‘neutral’ ground suggested that they tend to keep ‘one eye closed’ to such practices and may even condone them if they are deemed necessary for the benefit of the company.

Please give your views on expatriate acceptance:

<table>
<thead>
<tr>
<th>Qn</th>
<th>Particulars</th>
<th>Average score</th>
</tr>
</thead>
<tbody>
<tr>
<td>11 (d)</td>
<td>'Under table' money may be considered as long as the company benefits from it.</td>
<td>2.0</td>
</tr>
</tbody>
</table>
11 (e) Consideration may be given to pay Baht 1 million ‘consultation fee’ to a government officer for assistance in obtaining a contract which could produce a profit of Thai Baht 10 million.

11 (f) A company may consider sending expensive New Year gifts to purchasing agents, as it is common practice and should result in more businesses for the company.

The findings suggest that the respondents’ view of expatriates’ acceptance is different from Thai acceptance. The respondents believed that expatriates are more stringent and do not approve of practices such as ‘under the table money,’ ‘consultant fees’ or ‘gifts.’ In fact, as one participant pointed out, where the expatriates come from, there are specific, written company policies against such practices. However, Thailand has a different way of conducting business, which often involves ‘grey’ areas such as those mentioned. Some respondents also expressed that such practices are necessary in Thai culture to build relationships. This also has to do with Thailand being a collectivist culture, whereas expatriates come from individualistic cultures where relationships are not as important (Hofstede, 2005). The unique traditional Thai value of nam jai also promotes giving gifts and benefits in kind.

Qn-12 How do you think a Thai person and an expatriate would rate the level of appropriateness for the following situations?

<table>
<thead>
<tr>
<th>Qn</th>
<th>Particulars</th>
<th>Average score</th>
</tr>
</thead>
<tbody>
<tr>
<td>12 (a)</td>
<td>A public company should be able to donate software to a school and instruct the company’s own employees to serve as volunteers to teach the use of the software while being paid by the company.</td>
<td>4.4</td>
</tr>
</tbody>
</table>

Please give your views on a Thai person’s rating of appropriateness:
The findings suggest that the respondents find unethical behaviours such as discrimination based gender and favouritism to be inappropriate. This may be due in part to a larger number of females holding more senior positions in recent years as a result of better education. Education is the major contributor to reducing gender disparity, suggesting that Thailand's female workers are more educated (Zhuang, 2011). Unequal treatment was also seen as unethical and inappropriate. In the past, employees with well-known family names, especially those related to the royal family have been held in high esteem. However, this has gradually changed, providing another sign that traditions in Thailand are slowly being eroded. The respondents were less critical about colluding with partners in order to win contracts, and even less so for the donation of software to a school, albeit at the company's expense. It might be seen as merit-making on behalf of the company.

Please give your views on an expatriate's rating of appropriateness:

<table>
<thead>
<tr>
<th>Qn</th>
<th>Particulars</th>
<th>Average score</th>
</tr>
</thead>
<tbody>
<tr>
<td>12 (e)</td>
<td>A public company should be able to donate software to a school and instruct the company's own employees to serve as volunteers to teach the use of the software while being paid by the company.</td>
<td>2.6</td>
</tr>
<tr>
<td>12 (f)</td>
<td>The human resources department (HRD) has received applications for a supervisor position from two equally qualified applicants but hired the male applicant because they thought that some employees might resent being supervised by a female.</td>
<td>1.6</td>
</tr>
<tr>
<td>12 (g)</td>
<td>When it comes to bidding for contracts, it may be permissible to allow staff to reach an understanding with other major contractors to collude bidding that would provide higher margin.</td>
<td>1.8</td>
</tr>
</tbody>
</table>
allow staff to reach an understanding with other major contractors to collude bidding that would provide higher margin.

12 (h) Favouritism (unequal treatment of employees) is acceptable as long as it does not affect the performance of the company.

The findings suggest that there may be some differences between Thais and expatriates’ view on such matters. The expatriates were expected to be more critical of gender inequality and favouritism. Colluding with partners would also be considered inappropriate. Donation of computers to a school would be considered unethical, especially if the employees on the company’s payroll need to spend time during office hours to teach the use of the software. This suggests that the respondents view expatriates as strictly work-oriented, with little knowledge of merit accumulation or nam jai. This difference in values and beliefs could lead to an uncomfortable situation and even disagreement. Merit-making and nam jai are related to Buddhism and might become sensitive issues. Despite mentioning that some traditional values in Thailand might be gradually eroding, it was recognised that much of these values is still deeply embedded in the Thai mindset and might not change significantly in the future. The findings suggest that expatriates need to understand these traditional values and might want to consider assimilating to an appropriate degree.

The above findings demonstrate that ‘unethical’ practices are generally not acceptable, although the respondents recognised that expatriates feel more strongly about their unacceptability. This is in line with Hofstede’s cultural dimensions, in which Thais are more relaxed about ethical issues and life in general (Hofstede, 1991). Several respondents highlighted that the work culture in Thailand is based on a system of patronage; there is no meritocracy in its real sense. Employees who can adapt to their own particular boss often get promoted faster than people who perform well. It is a well-known fact that some employees are promoted not based on performance but on connections. It has been noted in the literature that many Asian countries continue to face the problem of corruption and patron-client problems in recruitment and promotion (Poocharoen and Brillantes, 2013). There was a general view from respondents that expatriates might be able to contribute to improving ethical practices and gaining a more balanced approach to appraise staff performance.

Phongpaichit and Piriyarangsan (1999) claim that Thai officials were traditionally not paid salaries but were entitled to retain a 10 to 30 percent of the money collected by the
government as a fee for their services. It was further explained that in the traditional Thai value system, merit is derived from power and in this way forms the basis of the patron-client relationship in political society (Warsta, 2004). There is also the tradition of presenting gifts to officials (Quah, 2011). One can see that some practices that used to be legitimate under the traditional patronage system might be considered problematic in the modern legal system, especially by expatriates. Phongpaichit and Piriyarangsan (1999) conducted a survey concerning Thai people’s attitudes towards corruption. Their study shows that many Thais still accept the payment of fees to officials as sin nam jai, and do not see it as a form of corruption. Hence, corruption in Thailand is sometimes a grey area that ties in closely with Thai values; for example, nam jai. However, the findings point out a clear anti-corruption stance for situations involving large sums of money linked to high-level officials and politicians.

An example of an unethical business practice

Pat shared a current situation regarding a property development, in which government officials, the developer, building contractors and environmentalists are involved. The news is that everyone is corrupt and the customers are collateral damage. This incident started some years ago and is currently ongoing and unresolved. An ambitious company wanted to build a super luxurious high-rise condominium in the heart of Pattaya, a well-known international seaside resort approximately 130 kilometres from Bangkok. Many locals and tourists love to take holidays there.

To date, the developer has completed 80 percent of the construction. However, the construction was stopped in late 2014 when ‘environmentalists’ protested strongly, claiming that the condominium was so tall that it blocked the views of some concerned parties. The developer defended the project, stating that they had obtained the necessary permits from the proper authorities. Some of the concerned parties accused the developers of paying huge sums of under the table money to the authorities in order to secure the permits. Word on the street was that these concerned parties wanted money from the developer in order for them to stop protesting.

There were rumours that the contractors would terminate the contract to continue construction unless they were compensated for the delay. In the meantime, the buyers of the development, both Thais and foreigners are paying the ultimate price for the fiasco. This
incident has not reflected well on the officials, the developer, the ‘environmentalists’, or the building contractors. Business ethics and trust are very low where the investors and customers are concerned. Pat stated, “This incident would not have happened if Thailand has transparent rules and regulations and the will to enforce good business ethics.”

This example demonstrates a common theme in Thailand urging for improved business ethics. It can be seen that throughout Thailand’s history, there have been many periods of corruption and bribery (Wyatt, 2003; Goscha, 2013). Hence, it might be challenging for good business ethics and trust to really materialise at the standard expected by expatriates. Regardless, there is a clear need to address the issue of business ethics to curb corruption and improve transparency.

4.7 Politics and corruption

It is well-known in Thailand that most mega-projects involve the government and that if the business sectors are to get a cut, bribing the politicians or government officials is the norm. Thais know that some expatriates might be aware of such practices, but as the findings suggest, Thais might try to keep this away from expatriates. Many respondents believed that this is not good for the environment of trust but could not offer a good solution to the problem, other than companies ceasing doing business that is government related. However, that might mean a significant drop in revenues and profitability. The company’s ‘going-concern’ may be challenged and there may be drastic cuts in expenditures, which could entail cutting back staff, including expatriates.

There is a general belief that the country’s general elections are won by many politicians through vote-buying. A traditional patronage system, in which local strongmen pressure their neighbours through political bullying and vote-buying, is pervasive, especially among the peasantry (Walker, 2012). However, some vote-buying is customary as money needs to be used at least to some extent in the current system, especially in the provinces (Arghiros, 2001). Some projects, especially government projects are won not based on pricing or the merit of the companies, but on bribery and kickbacks. It was highlighted that even though some government agencies have tried to resolve this issue with ‘e-bidding’, the results are still rigged.
Many respondents were of the opinions that although the economy of Thailand is still generally sound for the long run, many business transactions are done via favours. The same goes for politicians and this is the reason why the political scene is filled with scandals and corruption. They believed that many politicians are corrupt and that this flows down to businesses. It was pointed out that there is little people can do to change the situation. It was alleged by some respondents that the economy of Thailand has remained relatively weak because of weak and corrupt politicians. They stressed that Thais society needs to change and elect clean politicians so that business ethics can be improved.

Many respondents recognised that corruption, especially those involving politicians, is a barrier to good business ethics and trust. Man stated that attempts have been made to eradicate corruption among the politicians. Investigations have been carried out on alleged corrupt politicians and government officials. However, he pointed out that the task has been difficult due to connections and relationships. An example was provided by Man that when an accused person learns that he or someone he knows is connected to a member of the investigation team, it will be stopped or at least temporarily stopped until things quiet down. Another observed downside is that normally, the investigation team needs to be of higher-rank than the alleged wrongdoer. Hence, if the accused is of very high-rank, it will be very difficult for the investigation to take off. This is an example of a traditional practice that needs to be removed to pave the way for transparency.

Several respondents indicated that due to globalisation, Thai corporate governance needs to be more transparent and that expatriates could help in this respect by setting the standard for exemplary conduct. They pointed out that the lack of transparency and trust leads to inefficiencies and corruption. There were views that effective and transparent government regulations are necessary to lead the area of business ethics. Unfortunately, the Thai government is constantly engulfed in corruption scandals. The respondents recognised that the West also has its fair share of corruption and scandals, but the general opinion was that Thailand seems to have more, often involving politicians and linked to their personal interests.

Chachavalpong pun (2014a) reports that the government has been plagued by corruption scandals. The government claimed to have eradicated rampant corruption allegedly
cultivated by the Shinawatra regime.\(^{11}\) However, the report alleges that the new cabinet members are not any more ethical than the corrupt Shinawatra. For example, the minister of the Prime Ministerial Office has been implicated in a series of corruption allegations. As part of the terms of being appointed to the National Legislative Council (NLC), members are required to reveal their assets and property holdings to determine if they are ‘unusually rich.’ Another example was provided that the Police Chief and his wife’s net worth was about THB$355$ billion (approximately USD$10$ million), raising questions about how a lifelong career in public service could have made him a millionaire. Thailand’s unstable and contentious political arena only breeds further corruption. This study’s findings resonate with Warsta’s (2004) belief that political stability is necessary for business ethics to thrive.

*An example of political corruption*

There was a general view among the respondents that after the *Tom Yum Goong Crisis*,\(^ {12}\) Thai companies became more aware of business ethics. An example was provided by a respondent that during the mid-2000s, many people protested against Shin Corp. Shin Corp was owned by Ex-Prime Minister Thaksin Shinawatra, who was accused of multiple instances of corruption. Shin Corp was one of the three national mobile phone service providers, and it was boycotted after it sold shares to Singtel.\(^ {13}\) Thaksin, who was already prime minister at the time, circumvented the law in order to facilitate the transaction. Thais recognised that some form of favours could be used to get politicians to facilitate certain projects. However, in the Shin Corp’s case, it was considered to be very blatant and against public interests, as a huge sum of money was paid. The accusation was that the sales contract was done in such a way that massive corruption was involved on many levels, including tax evasion and the service of personal political interests.

It should be noted that Shin Corp made THB$73$ billion without incurring one baht of tax liability. Thaksin had manipulated the laws and regulations pertaining to corporate taxation to facilitate the transaction. The sale provoked a public outcry against Thaksin. The Shin Corp-

---

\(^{11}\) Shinawatra regime - refers to Thaksin Shinawatra and, his sister Yingluck Shinawatra, both of whom were prime minister of Thailand, along with and all of their close relatives and friends who held important government posts.

\(^{12}\) In Thailand, the AFC’97 is known as the *Tom Yum Goong Crisis*. *Tom Yum Goong*, is a very popular Thai soup with prawns as its main ingredient.

\(^{13}\) Singaporean-owned mobile phone service provider.
Singtel deal is considered by some to be the catalyst in the fall of Thaksin (Anwar et al., 2009). Thailand may be at a crossroads; traditional practices linger, but there are new voices demanding more ethical conduct, as shown by the findings of this research. It is noteworthy that all the Thai respondents were against unethical practices at a high-level.

4.8 Income gap

In the early 21st century, resentment about the income gap and inequality crept into the political discourse. It was opined that this concern did not arise because the income gap and inequality were increasing, but because more people had become aware of it, and resented it. There was a consensus among many respondents that there is indeed a wide income gap between the rich and the poor. It was pointed out that at the very top is only a small handful of ultra-rich people, the elite, politicians and businessmen. However, at the bottom are the majority of the people, many of whom are peasants. Therefore, the majority are relatively poor, resulting in a divided society where the wealth is in the hands of a very small minority. There was a general view that some of the ultra-rich people abuse their power and are corrupt. Man stated, “The income gap between the small minority of rich people and the large majority of poor people is the root of many of the problems relating to corruption in Thailand. Narrowing the income gap will help minimise corruption and improve business ethics.”

As early as the beginning of the 20th century, people started to voice their concern that Thailand was poor due to a serious division between the rulers and the people being ruled. Among the respondents, there was a general view that the rich might be getting richer and the poor, poorer. People with certain lengthy family names get whatever they want, or get away with whatever wrongdoings they commit. On the other hand, the poor get penalised for the slightest of offenses. Pim believed that expatriates can learn about Thai culture and improve the ethical environment to some degree. However, she was not very hopeful that the efforts of the expatriates would trickle down much to the general population. Pim claimed that there is not very much one can do: “This is Thailand. It has been like this for hundreds of years.”

There is an indication of a fairly recent phenomenon of a relatively small, but gradually growing, middle class that is made up mostly of professional middle-level bureaucrats, white-collar workers, and commercial people. Some respondents were of the view that this middle
class might contribute positively to a more ethical society. It was noted that most of this middle class are well-educated and generally have a higher standard of work compared to workers from provinces outside of Bangkok. It was opined that expatriates should be able to trust and delegate work to this middle class of workers. Some of these are Thai-Chinese and some have been educated overseas. They are career minded and ambitious. Several respondents stated that during their encounters with some from this middle class, it was found that they are generally keen to learn and improve themselves.

Of note, Phutrakul (2013) advocates for inclusiveness, equality and fairness as the three areas Thailand should consider if it wants to address the widening income gap. He states that Thailand has not yet achieved a satisfactory distribution of wealth, despite reasonable economic growth in recent years. In the past three decades, Thailand’s economic growth has raised per-capita income. The number of households with an annual real-term income (income after inflation) of THB20,000 or more grew from 4,000 in 1988 to 230,000 in 2011. It was noted that despite this improvement, growth has been concentrated in Bangkok and other manufacturing centres. Income inequality remains high, and the income gap between the ‘haves’ and ‘have-nots’ is 25.1 times, compared to the average of 4.3 times in developed countries.

Phutrakul (2013) explains that inclusiveness means that poor households should have the chance to grow their income faster than households at the top of the income pyramid. Equality means that everyone should be entitled to equal opportunity, regardless of place of residence and family status. Fairness means that all people should be allowed to compete freely. Thailand needs to improve equality in education and access to funding. According to Phutrakul, the poorer examination results seen in provincial students shows unequal opportunity in education. This study’s findings concur with Phutrakul’s message regarding the need to help the poor and lessen the income gap.

Kakwani (2000) stipulates that the poor in Thailand may have actually become worse off despite economic growth and suggests that the government should not be satisfied with just growth performance. The government needs to play a more active role in addressing poverty to bring more equality to society. Phutrakul (2013) emphasises that Thailand should rebalance its economic policies to focus more on inclusive growth in order to narrow the widening class gap. It was suggested that this could be done in three ways: offering more opportunities to rural people, preventing the rich from taking an excessive share, and
offering basic welfare to help the underprivileged. The strategy should work to systematically address the weaknesses in society and lessen inequality in income distribution. This should lead to healthy growth and true economic development. Many respondents agreed that with the income gap narrowed, Thai society would be less divided and the roots of corruption reduced, which should translate into better business ethics.

4.9 Thais’ easy-going attitude

The findings support Kislenko’s (2004) claim that Thais’ easy-going and relaxed attitude extends to virtually all social settings. One example provided was that when someone acts ridiculously at a function, they will largely be ignored. Whereas most Westerners would be angry, annoyed or embarrassed; Thais will likely do nothing, in part to avoid confrontation and in part to avoid having the person lose his dignity even more. There was a general view among the respondents that the Thai sense of time is also shaped by their easy-going attitude. It was observed that it is not unusual for some Thais to be late to social and business engagements. The findings suggest that this may have to do with Buddhist perceptions of impermanence and a transitory outlook on life. It may also have to do with the hot climate, which tends to slow everything down (Kislenko, 2004). Many respondents noted that expatriates are often perplexed and frustrated by this relaxed attitude. The findings suggest that Thais’ easy-going attitude might compromise good business ethics and indirectly promote questionable practices.

While the respondents acknowledged that some companies have written policies on business ethics, they believed that such policies are not strictly followed. Several respondents stated that Thais have an easy-going attitude towards life and thus are not very serious about ethics until something goes very wrong. Even so, after a while, things may go back to the normal routine. Pri pointed out that many politicians have been indicted for corruption. Some have escaped overseas and some have managed to make it back to Thailand. Pri highlighted that some have even managed to make political comebacks, with the past corruption white-washed. It was opined that business ethics originate from the more developed nations and expatriates generally take them more seriously. However, Thais prefer to compromise, and money makes it easier to find an agreeable solution, regardless of whether it is ethical or not.
Many respondents highlighted that the Thai work environment is filled with compromises. According to Hofstede’s (1991) ‘femininity vs. masculinity’ dimension, Thais are placed more towards ‘femininity’ and thus have the tendency to build consensus and engage in negotiation. Many respondents believed that the traditional Thai value of compromising has been practised for a long time and might be unlikely to change dramatically. This makes defining what is ethically right and wrong difficult to define. An example was provided in which a purchasing department frequently receives gifts from suppliers. Is this ethically wrong? The staff from the purchasing department could still be doing a good job without favouritism despite the gifts. On the other hand, the department may be seen to be less impartial and trustworthy by accepting the gifts. It was noted that during the company’s annual dinner and dance, everyone enjoyed the generosity of the gifts provided by suppliers during the prize drawings.

The findings suggest that one important aspect of Thais’ lives is sanuk, this contributes significantly to Thais’ easy-going attitude. Ana stressed that it is important to understand sanuk and shared that Thais’ idea of sanuk is typically a dinner at a Thai restaurant with friends and colleagues. In line with sanuk, another word was highlighted, bpai tiao. Utu shared that it is common for a company or department to organise bpai tiao. Many Thai companies use bpai tiao as an incentive to motivate employees. It is also common to reward customers with bpai tiao. The findings suggest that two things are important regardless of the nature of bpai tiao, music and eating. Hence, it is not unusual for expatriates to find Thais listening to music and eating in the workplace; something that many expatriates find a little amusing and yet not completely acceptable. However, it was believed that given time, expatriates might eventually blend in and have a sanuk time. Like sanuk, bpai tiao culture contributes to Thais’ easy-going attitude.

During the course of the interviews, it was noted that the words mai pen rai were used very frequently. Vongvipanond (1994) states that mai pen rai reflects Thai people’s attitude towards themselves, the people they come into contact with, and the world around them. It was opined in the interviews that almost everybody and everything is acceptable, and that objections and conflict are to be avoided. There was a general consensus among many respondents that the same mai pen rai attitude makes Thais easy-going and compromising. The mindset is reflected not only in the language but also in social interactions, religion and politics. Interpersonal conflicts do not lead to an open confrontation unless one is ready to
take the risk of losing a relationship (Sriramesh, 2004: 306). Religious and ethnic conflict is not easy for Thais to comprehend.

The information provided by many respondents demonstrated that history and culture have a significant impact on the work attitude of Thais, and they also explain the relaxed attitude of Thais towards business ethics. It was observed that Thais also like to use the word "sabai." The word is often repeated twice, as in "sabai sabai," to emphasise that everything is really just great; it is also used as a way to describe a relaxing environment (Luekens, 2015). Many respondents admitted that Thai society values taking it easy; far more than what might seem normal to many expatriates. However, it was recognised that it might occasionally also upset some Thais. These findings are in line with Luekens’ belief that to rush and stress over work is simply not considered a good way to get things done. For discussion’s sake, I would like to draw on Luekens’ (2015) argument: If wellness has been replaced by stress and anxiety, can the work truly be deemed beneficial from a human point of view? This might be a clue as to why Thailand enjoys one of the world’s lowest unemployment rates. Perhaps expatriates could learn something from "sabai sabai."

4.10 Trust issues

Niffenegger et al. (2006) stress that trust is key to doing business in Thailand; the organisation will suffer if mistrust is present. The study’s findings concur, indicating that in Asian culture, trust is of paramount importance in the business environment (Chatterjee and Pearson, 2003). In line with Hofstede’s (1991) cultural dimensions, trust is related to a collectivist culture, where there is a strong shared identity among people of the same group. In collectivist countries, cultural similarity generally supports the development of trust, as people tend to find it easier to interact with people who are similar to them (Golesorkhi, 2006; Nisbett, 2003). Being trustworthy implies giving personal attention and special care to peers. Cooperative behaviour and mutual support is generally expected (Golesorkhi, 2006). It is interesting to note that Inoguchi et al. (2005) found Thais to be slightly less trusting towards their peers than their Asian neighbours. This might be due to the unethical practices and corruption prevalent in Thailand.

When responding to Qn-13, “As far as you know, is there a trust issue between the Thais and expatriates?” 15 respondents replied “Yes” and 5 replied “No.” The Thais felt that expatriates do not trust them very much when it comes to important tasks. There was a
general view that Thais trust expatriates, but not the other way round. Many respondents shared that expatriates will normally check the work of staff that has significant impact. Some respondents opined that expatriates may not trust Thais very much due to the fact that compromising is a common practice in Thailand. Moreover, it was noted that Thais generally lack discipline, especially when time is concerned. Therefore, it is understandable that expatriates might not trust Thais completely with important assignments.

Qn-14 Please select the number that shows the level of agreement / disagreement with the statements.

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Strongly disagree</td>
<td>5</td>
</tr>
<tr>
<td>2</td>
<td>Disagree</td>
<td>6</td>
</tr>
<tr>
<td>3</td>
<td>Somewhat disagree</td>
<td>7</td>
</tr>
<tr>
<td>4</td>
<td>Neither agree or disagree</td>
<td>0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Qn</th>
<th>Particulars</th>
<th>Average score</th>
</tr>
</thead>
<tbody>
<tr>
<td>14 (a)</td>
<td>Thais should not share ‘sensitive information’ pertaining to business dealings with expatriates.</td>
<td>4.4</td>
</tr>
<tr>
<td>14 (b)</td>
<td>Generally, expatriates perceive that Thais are not very trustworthy and tend not to trust them with very important tasks.</td>
<td>4.2</td>
</tr>
<tr>
<td>14 (c)</td>
<td>In the eyes of the expatriates, Thai workers are oftentimes ill-disciplined and hence, untrustworthy and unreliable.</td>
<td>4.5</td>
</tr>
<tr>
<td>14 (d)</td>
<td>To work without trust is to work without respect and this will harm the relationship and affects performance.</td>
<td>6.3</td>
</tr>
</tbody>
</table>

There was a consensus among many respondents that successful management by expatriates requires the expatriates to be seen as trustworthy, deserving of respect and giving. They opined that in order for an expatriate to be trusted, he needs to be friendly and demonstrate that he is sincere and interested in his staff's affairs. According to Man, for an expatriate to be respected, he needs to have authority and use it fairly without being too pushy. As for giving, the expatriate should be generous and demonstrate that he wants to help his staff. Man believed that this would enable the expatriate to accumulate goodwill and that his staff would consequently be willing to do many things for him.
For Qn-15, “In your opinion, what could be done to improve the ethical and trust environment between the Thais and the expatriates?” There was a general feeling from several respondents that expatriates are sometimes too rigid. Thais treat colleagues like an extended family, but expatriates treat colleagues as fellow workers. For Thais, trust is built on relationships, but they believe that this is less so in the West. It was pointed out that the trust issue also stems from the fact that Thais are not very proficient at English. This may cause communication problems, which can lead to a lack of trust. It was commonly reported by respondents that trust issues could be reduced if expatriates and Thais understood each other’s culture.

A noteworthy point from the findings was that several respondents felt that Thais should not share sensitive information pertaining to business dealings with expatriates. The respondents believed that to work without trust is to work without respect, and this would harm their relationship with expatriates as well as the performance of the company. Several respondents emphasised that business ethics can be developed and practised, but trust has to be earned; this applies to both Thais and expatriates.

Many respondents pointed out that in a successful Thai working environment, there should be a strong relationship between the boss and his staff. A strong relationship leads to an environment of trust. It was also suggested that a working relationship may not be as important as a personal relationship. The distinction might be that in a personal relationship, one is able show more care and concern for the other person. Whereas in a working relationship, there are more formalities and distance. Several respondents claimed that having a strong personal relationship would lay a strong foundation for the development of trust, which should help the longevity of the working relationship. Several respondents opined that the boss could play the role of a fatherly figure, providing support in the areas of finance, advice, protection and other aspects of the employee’s personal life. It was stressed that this role is not formal and has nothing to do with the official responsibilities of the job.

Some respondents believed that this kind of relationship may have its roots in early Thai history, when village chiefs looked after the welfare of the people under them. It was pointed out that in developed countries, financial protection is sometimes provided by the government in the form of employment provident funds and a social security system. However, there was a general feeling among the respondents that Thailand lacks in these
areas. They suggested that expatriates need to understand this important factor and take it into consideration when managing their staff. It might be argued that the more an expatriate is able to connect with his staff’s personal affairs and build a strong bond, the more trust he will earn.

The findings suggest that a company needs to be seen as jing jai, as it is good for business ethics and trust. An example provided was that a company can demonstrate its jing jai to the employees in the form of performance based recognition and rewards, reasonable incentives, and a stable work environment. It was emphasised that such policies or rules, and their purpose, should be explicitly spelt out by expatriates or the appropriate senior executives. Many respondents were of the view that employees look up to an expatriate who is cordial, approachable and who demonstrates that he is trying to look after their interests, in line with jing jai. Several respondents also suggested that it is desirable for an expatriate to have meetings with his staff to inform them about what is currently going on and the future plans for the department and the company. With jing jai, trust will grow and relationships will be improved.

At this juncture, it would be beneficial to analyse Petison and Johri’s (2007) study of Toyota Motor Thailand (TMT). The study showed that when the employees were initially given greater roles in the company, there was a feeling of mistrust and higher risk perception by both the local staff and the Japanese executives. The analysis pointed to the need to manage employee expectations regarding the ‘how’ and ‘why’ of job rotation, promotion, delegation and team spirit. To better manage these issues, TMT adopted a 4-stage human developmental strategy called ‘Thainisation’: (i) show respect (ii) build trust (iii) collaborate, and (iv) find solutions. This strategy highlighted that in order to discover more appropriate solutions to the issues faced, the management needed to first address the environment of distrust between the Thais and Japanese. The study discovered that the non-consultative style of Japanese managers during the earlier period at TMT created the feelings of distrust.

According to Petison and Johri (2007), after the strategy of ‘Thainisation’ was implemented, the Japanese executives learned to show more respect to the Thais and how to build a climate of trust between the two parties. It was discovered that once the employees were able to treat each other with more respect and trust, the work environment improved. It was easier to work together and find workable solutions. Mutual trust enabled TMT to implement a multi-step programme to develop and improve Thais’ work skills. This started with making
the selection process more transparent, followed by job rotation. Responsibilities were also shared between Thais and Japanese, which gradually led to the delegation of job responsibilities to the Thais.

Building local competencies is of paramount importance to many companies that employ expatriates, in order to improve their global positioning and competitiveness. TMT’s strategy of ‘Thainisation’ was successfully implemented and steered the company in the right direction for both the Thais and the Japanese expatriates. The findings from the respondents in this study concur with those of Petison and Johri (2007), in that some ‘Thainisation’ as well as compromise between the Thais and expatriates might be necessary to improve business ethical and trust.

4.11 Chapter conclusion

The findings and discussion in this chapter suggest that business ethics are not very well practised in Thailand, and that corruption is common. This has contributed to low-levels of trust in the business environment. Thailand’s history and culture are very different from expatriates’, and they are also extremely complex. Thus, expatriates should understand some of the background of how Thailand became what it is today, and not measure business ethics solely based on what is done back home.

The findings are in line with the observations of Warsta (2004) regarding the following issues, which might serve as obstacles to improving business ethics and trust in Thailand.

(i) Officials who receive low salaries are often tempted to accept bribes. This is especially the case when they cannot provide for themselves and their families, and if they are of the view that there is nothing morally wrong with bribery when one’s survival is at stake. On the other hand, officials with higher salaries do not have to struggle with survival and so the temptation to accept bribes should logically be lessened. In Thailand, many workers with low salaries accept ‘extras,’ and society often tolerates such practices. An example provided was that paying a low salaried traffic policeman for convenience is not considered corruption or bribery.

(ii) Many Thais are not highly educated and this might lead to a situation in which they do not know how to stand up for their rights. This situation is more pressing when dealing with officials in that many Thais do not know their rights; what the officials are expected
provide in the course of duty; and what actions to take if the officials are to neglect their duties. Hence, many respondents singled out education as an important factor in improving ethics and knowledge in Thai society.

(iii) Many social issues are the result of a large income gap between the rich and the poor. This is seen as a contributor to social unrest and the current political turmoil. Malpractice and corruption are attributed to the income gap. For example, vote-buying, as the poor might be tempted to give away their vote for a small monetary gain. Many respondents mentioned that vote-buying is a common practice, especially in the provinces outside Bangkok.

(iv) Business and public policies are major issues, as the policy execution processes are seen to be lacking in transparency. This is especially crucial when it concerns dealings with government agencies. It was pointed out that finding the necessary evidence of corruption and catching the person doing it is highly unlikely due to the bureaucracy and personal connections. The respondents referred to business involving government projects as a prime example of likely corruption.

(v) Thailand’s history has shown an unstable political landscape. Oftentimes, the political party that has the ability to use force against the people gains tremendous wealth and power. This inadvertently leads to a corrupt environment that is difficult to get rid of. Many respondents pointed out that the unstable political situation is responsible for business failures, many of ills in society, and the country’s economic woes.

(vi) The extensive bureaucracy within government agencies implies very slow implementation of policies and projects. This may often encourage corruption, as there is a tendency to want to meet deadlines and see projects through. Hence, the temptation is to bribe the officials in charge to speed things up.

(vii) As the literature suggests, officials do not see it as their prerogative to provide public services to the taxpayers. It was suggested that officials retain some of the mindset from historical times, in which the public served the elites, and services for the public were mostly given as favours. Several respondents highlighted the ‘high’ attitude of civil servants, as can be seen in the next chapter on ‘Authority,’ which presents the findings and discussion on the relationship with government officials.

The Ethics Resource Center (2010), Treviño et al. (1999), and Levanon and Choi (2006) have put forward some suggestions for improving business ethics. They state that in
companies where business ethics are strong, there is a sense of loyalty and the employees generally feel more committed. Hence, the company is insulated to a certain extent from the risk of corruption and other ethical issues. Management support for a strong ethical environment is not only proper, but it also makes logical sense for the business culture, as employees will find fewer reasons to compromise on the company’s policies. Such a culture would see fewer cases of employee misconduct, and would encourage whistle-blowers to come forward when they witness malpractice by colleagues.

Based on this study’s findings and the work of the authors mentioned in the above paragraph, the following areas should be considered for improvement.

(i) A strong ethical culture should be cultivated in the company. Management would be more inclined to establish such a culture when they see its necessity and advantages, such as a reduction in employee misconduct and the reporting of malpractices, which should lead to less exposure to ethical risks in the company. Like one respondent emphasised, concrete action must be taken and not just written policy.

(ii) Senior manager such as expatriates should lead by example by sharing information regarding ethical issues with employees, keeping promises, and demonstrating a strong commitment to good ethical practices. Senior management is often able to make a significant difference in the company’s working environment, so they should make good use of their influence to drive forward a culture of healthy business ethics. Some respondents voiced their hope that senior expatriates would lead the way to better business ethics and an environment of trust.

(iii) The company should give importance to the development and implementation of a strategy to foster ethical practices among the employees. The management should emphasise that colleagues should provide each other with the necessary support and encourage each other to adhere to the ethical standards set by the company. Management should also be vigilant and keep the incidence of operational and financial misconduct at a minimal level.

(iv) The management must be aware that there are always circumstances that will tempt an employee into straying from ethical guidelines; for that reason, it is important to inculcate in the employees a sense of commitment and loyalty to the company. It is recognised that certain aspects of the company cannot be easily changed by employees, such as the number of employees and shareholder composition. However,
there is much for employees and management to learn about how to improve the culture of ethics in the company. The findings are in agreement with this line of thought and suggest that Thais and expatriates have much to learn from one another.

(v) The company should consider spending more time and effort on monitoring and analysing the culture of ethics within the company. Examples would be conducting a survey to obtain employee feedback on potential ethical issues in order to discover problem areas and take the appropriate actions. Regular monitoring of the situation will enable management to react quickly to trouble areas. It will also help in recognising the employees whose efforts have improved the culture of ethics and will encourage further commitment towards continuing such work. The findings suggest that doing this might be somewhat challenging given Thailand’s collectivist culture, which does not really encourage individual employees to voice their opinions. However, as several respondents pointed out, education and feedback can bring improvements in this area.

Although it is hoped that Thailand will embrace some of the more appropriate ‘global best practices,’ one has to be mindful of how the country will receive these (McCann, 2014a). The findings suggest that although Thailand is slowly changing, its traditions and old institutions remain deeply embedded in Thai society. Change might gradually erode religion, traditions and institutions, and with it, the power of the elites. I am of the opinion that Thailand might never reach the ethical standards held by the developed West. However, Thais as reflected by the respondents are tired of unethical practices and corruption, a view supported by the literature such as Phongpaichit and Piriyarangsan (1999). According to Warsta (2004), it is often said that the battle against corruption must start from the grassroots. In Thailand’s context, the grassroots are mainly the peasants and workers from the provinces, who differ widely from the Thais in Bangkok in terms of income and standard of living.

Saxer (2014) points out that the recent demonstrations witnessed in Bangkok, which involved hundreds of thousands of people protesting against corruption and nepotism, are holding those in power responsible, and may be perceived by some as a key factor leading to the strengthening of democracy. However, he cautions that while the majority of these protesters seem to genuinely believe they are on a crusade to purge Thailand of the scourge of corruption, they remain unaware of the power struggles behind the scenes. Saxer argues that in the bigger picture, the role of demonstrations is to lend legitimacy to an illegitimate power grab by traditional elites and institutions. The important implication of Saxer’s view is
that in Thailand, ethics and corruption are very complex issues and not easy to segregate into distinctive spheres of right and wrong. The findings of this study support the notion that what is deemed to be corrupt or bribery is relative, and might differ greatly from the perceptions held in the West. One should be very cautious in drawing a clearly defined line.

Having said that, the findings regarding business ethics and trust are multi-dimensional and are connected to a wide range of topics, from history and culture, to corruption and trust. Although globalisation has taken hold in Thailand in the attempt to industrialise, the findings suggest that traditional Thai values remain deeply embedded in Thai society. Traditional Thai values like *kreng jai, nam jai, hai kiad, hen jai, relationship building*, and seniority culture are practised on a daily basis and affect many aspects of a Thai person’s work life. It has been suggested the Thai system has particular strengths that need to be appreciated and not lost amid change and globalisation. On the other hand, there are areas of weakness for which Thais could learn from expatriates. The findings recognise that corruption is dysfunctional and also unpopular, especially when it occurs at top levels. However, we need to question whether increasing modernisation or Westernisation is always welcome and whether it would produce the desired results in a traditional society such as Thailand’s.

Mahbubani (2010: 103) indicates that many Western values can be used to explain the spectacular advance of mankind. For example, the belief in scientific inquiry, the search for rational solutions, and the willingness to challenge assumptions. However, Mahbubani argues that a society practising these values might have a unique blindness; the inability to realise that some of the values that come with this package may be harmful. Despite the perceived advancement of Western civilisation, it is suggested that Western values might not form a seamless web. Feldman (2013: 302) asserts that business ethics require a cultural compromise between the different societies engaged in economic exchange. He argues that practising the business ethics of one’s home country when abroad, without regard to the ethics of the local society is not practicable. It is hoped that this thesis can provide readers such as expatriates and interested parties with a balanced view of, as well as more understanding and insight into the complex world of Thai business ethics and trust.

The next two chapters present and discuss the findings pertaining to ‘Authority’ and ‘Professionalism and efficiency.’ Further details are discussed regarding Thai traditional values, culture and relationship building, as well as their implications.
CHAPTER 5

AUTHORITY

- FINDINGS AND DISCUSSION -
CHAPTER 5 - AUTHORITY
- FINDINGS AND DISCUSSION -

5.1 Introduction

Another area of interest in this research is the broad issue of social norms around authority and hierarchy in the Thai business model. This chapter seeks opinions from the respondents regarding the effects of authority relations on Thais’ working relationship with expatriates. The following questions are addressed: What are the main issues involved? What challenges exist between Thais and expatriates regarding authority? And what are the possible ways to mitigate these challenges?

This chapter outlines the key themes that emerged from the findings regarding authority in the Thai workplace. Section 5.2 starts by presenting the Thais’ view on authority. Section 5.3 investigates the influence of Thai history as it relates to authority. Section 5.4 examines the Thai culture and people, and their influence on authority. Section 5.5 discusses Thai values and authority. Section 5.6 concerns relationship building, which has a significant impact in the Thai workplace. Section 5.7 presents the Thais’ perspective on the importance of controlling emotions in the Thai context, especially for senior employees like expatriates. Section 5.8 explores the ‘Thais’ approach to confrontation, criticism and face-saving. Section 5.9 touches on Buddhism, karma, merit-making and their impact on authority. Section 5.10 looks at the informal structure of the organisation, cross-departmental issues and the delegation of authority. Finally, Section 5.11 concludes the chapter by exploring the key themes that emerged from the findings and offering suggestions for improvement.

This chapter explores Thais’ views regarding authority and the hierarchical Thai society. Some of the questions posed include the following. What are the differences between Thais and expatriates in terms of attitude towards authority? Do Thai traditional values and relationships play a role in authority and are they still relevant today? Since the findings suggest that Thais’ approach to authority is vastly different from that of expatriates, how do expatriates fit into the Thai seniority culture? Is the expatriates’ approach towards authority superior? The findings can be interpreted to mean that the Western approach towards authority and related issues might not be fully applicable to the Thai context, and that a
compromise might therefore be needed. This chapter attempts to answer some of the above questions and provide insight into this important area.

5.2 General views on authority

There was a general view among many respondents that the way Thais look at authority is different from expatriates. There was a perception that a person with power and authority should know all or most of the aspects concerning the operation and business. This is different from where expatriates come from, where specialised knowledge is recognised and delegation is the norm. An expatriate does not feel that he needs to be an expert in all areas. According to several respondents, the ‘all areas’ of the business actually encompass certain aspects of the subordinates’ personal lives. Hence, they might argue that a senior person’s roles include one that is paternal in nature. This greatly differs from the expatriate belief system. A boss in Thailand traditionally holds a great deal of authority and responsibility (Cardona and Morley, 2013: 220). Subordinates expect their boss to be an expert in conducting business, negotiating, and decision-making, and to give advice even on personal matters (Sriussadaporn, 2006).

The findings suggest that due to this difference in perspective, expatriates might be expected to embody certain values such as *kreng jai* and *nam jai*. However, an expatriate that has just arrived in Thailand may not be aware of such an expectation. There was a general consensus among the respondents that expatriates might be seen to be more professional due to their ability to segregate work and personal affairs. It might be argued that too much *nam jai* could make an expatriate look like a Thai, while too little would make him seem distant. The latter is not good for relationship building which we shall see, is of paramount importance to all aspects of Thai society including authority. The findings show that *nam jai* and other traditional values tend to have a significant influence in the workplace, such as in patron-client systems.

Several respondents emphasised that in Thailand, a senior person is expected to be involved in the personal affairs of his staff to a certain extent. For example, a senior person may consider helping a long-time staff member by providing a loan for his child’s education. He may help with some of the staff’s medical expenses if such a need arises. Kae claimed, “A senior expatriate’s involvement in his staff’s personal affairs would be recognised and his staff would respond with good work, improved efficiency and loyalty.” There was a general
view that in Thailand, loyalty to a person might be perceived to be more important than loyalty to a corporation. Employees today know that it is folly to pledge loyalty when it is not reciprocated (Rutledge, 2005: 22). However, it might be argued that loyalty to an individual may create problems for a company. When a manager with strong bond to his staff resigns, his whole team may leave with him. The findings suggest that a senior person usually works hard to build good relationships with his staff. If an expatriate can build such a bond, his authority would be strengthened.

It was commonly reported by respondents that many Thais see expatriates as having some extra authority over normal Thais by virtue of their overseas status. The respondents reasoned that it must take courage, risk-taking, and planning in order for an expatriate to come to a foreign country to work. It was noted that some Thais tend to see things and people coming from developed nations to be of higher quality and accompanied by a feeling of awe. Therefore, it might be argued that right from the outset of his assignment, the expatriate already has a head start.

The survey responses tended to show that Thais accept authority to a greater extent than expatriates do. It was noted that, due in part to the generally ‘tall’ organisational structure of Thai companies, Thais’ expectation of authority differs from that of expatriates, whose home organisations tend to be ‘flatter.’ The way that a company’s structure develops often falls into a tall structure or a flat structure. Tall structures are more of what we think of when we visualise an organisational chart with the CEO at the top and multiple levels of management. Flat organisational structures differ in that there are fewer levels of management and employees often have more autonomy (Graen and Graen, 2005).

<table>
<thead>
<tr>
<th>Qn</th>
<th>Particulars</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>16</td>
<td>Generally, Thais tend to respect and accept managerial authority than expatriates.</td>
<td>All respondents replied “Yes”</td>
</tr>
<tr>
<td>17</td>
<td>Normally, expatriates come from ‘flatter’ organisations than those in Thailand, which tend to be ‘tall.’ This has resulted in a different expectation of authority.</td>
<td>All respondents replied “Yes”</td>
</tr>
<tr>
<td>18</td>
<td>It is generally assumed that expatriates have more authority than their Thai counterparts.</td>
<td>18 “Yes” 2 “No”</td>
</tr>
</tbody>
</table>
Based on the data collected, Thais should not have any significant issues with the authority of the expatriates. Many respondents reasoned that since expatriates are from more developed countries and hence, should have better knowledge to make the right decisions. From a young age, Thais are taught to obey authorities and senior figures in their families and schools. The same applies to the business world. Some respondents highlighted that the Thai work environment is based on seniority. The more senior a person is, the more authority he has. There was a general view that in Thailand, many of the expatriates work in a more senior position than their Thai counterparts. The respondents expressed that Thais are willing to follow expatriates, but that expatriates should adopt a moderate approach and not be seen to abuse their authority. Expatriates were urged to bear in mind that authority in the Thai context is not interpreted with the negative connotation of coercion, but is associated with benevolence and kindness, which are important values in Thai society (Joiner et al., 2009).

The survey responses suggest that the respondents have a negative view regarding expatriates’ ‘air of superiority’ and a rather neutral view leaning a little to the negative end regarding perceived shortcomings in areas such as abuse of authority for personal convenience and setting unrealistic goals. Please refer to Qn-21 below.

Qn-21 Please select the number that shows the level of agreement pertaining to the statements below.

<table>
<thead>
<tr>
<th>Qn</th>
<th>Particulars</th>
<th>Average Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>21 (a)</td>
<td>With authority, some expatriates assume an air of superiority.</td>
<td>5.0</td>
</tr>
<tr>
<td>21 (b)</td>
<td>Some expatriates tend to extend their authority to cover personal areas (eg. using the company car for non-business use).</td>
<td>4.8</td>
</tr>
<tr>
<td>21 (c)</td>
<td>Expatriates tend to set unrealistic goals.</td>
<td>3.7</td>
</tr>
</tbody>
</table>
The findings suggest that expatriates may need to assess whether they have a superiority complex when working in Thailand. They also need to be mindful about using company assets for personal matters, as Thais are very observant and share little details with people in the group; this is typical of a collectivist culture (Hofstede, 2005).

5.3 The effects of Thai history on authority

According to Rayanakorn (2007), Thailand’s history reaches back 700 years to the Sukhothai and Ayutthaya period. Society was organised according to the law of Ayutthaya and was characterised by a caste system. Scholars normally term this the sakdina system, consisting of chao, khunnang, and phrai. In the system, there was forced labour, either to feudal lords, namely the chao or khunnang or to the king. Sakdina classified and marked each social category by the amount of land people could hold. With an abundance of land and a small population, issues revolved not over the control of land but over the control of people. A patron and client relationship existed between commoners and their feudal lords. Opportunities for individuals to move up the hierarchy were extremely limited. It might be argued that there are similarities with present day Thai society, in which junior staff with no connections often find it challenging to scale the corporate ladder.

Several respondents claimed that in order to understand how authority in Thailand developed, expatriates must understand the historical Thai concept of sakdina. According to Pat, Sakdina was developed by King Trailok and was concerned with ranking Thais based on the size of landownership. The larger the amount of land owned, the higher the person’s status in society. Hence, Thais were classified into various categories under the fundamental belief that all Thais should have a place in the hierarchical structure. There are grounds to argue that this belief has been deeply embedded into the mindset of Thais and lives on to the present day. Pat believed that this is one of the reasons why Thais are more readily subscribe to authority than expatriates. This is in line with the responses to Qn 16 above, where all respondents agreed that Thais accept authority more than expatriates do.

Several respondents held another historical view that Thailand’s hierarchical culture started around the 15th century. At that time, all Thais were ranked by number. The royal family had the highest numbers and the slaves the lowest (Kainzbauer, 2013). It might be argued that although slavery was later abolished by King Chulalongkorn, this belief of a hierarchical system has remained deeply embedded in Thai society. This belief is further reinforced
through a strong respect for the monarchy and for Buddhism. The highest order in Thai society is the sangha; even the king must pay respect to the monks (Atmiyanandana and Lawler, 2003). Another interesting aspect raised by respondents was that the Thai language requires the speaker to acknowledge differences in rank and status far more often than in the English language.

Several respondents pointed out a more modern historical figure that has significantly shaped Thais’ approach to authority, Luang Wichit Wathakan (Wichit). In the 1920s, Wichit wrote influential plays and self-improvement manuals that guided people to become modern and successful. He admired the Sukhothai era as the pinnacle of Siamese civilisation because of its great expression of the Thais’ freedom loving character (Sattayanurak, 2002). Of particular significance was Wichit’s belief that some people are destined to rule over others. Wichit’s works have significant influence not only on the educational system but also on the media and entertainment. It was argued that Wichit’s influence was wide, deep, lasting and could be felt in today’s Thai society.

There was a consensus among many respondents that since the early history of Thailand, the Thai people have been ruled by kings who were authoritative, but also kind and knowledgeable. Thais respect and love their kings and hold the royal family in high regards. A Thai king is traditionally regarded as the father of his subjects (Suwannathat-Pian, 2003: 21). It was commonly observed by the respondents that many leaders in civil service, politics, and commerce look up to the royals as examples to emulate. One respondent, Thi, expressed that Thais are used to authority and expatriates should have no major issues in this area. He emphasised that Thais expect people with authority to meet certain criteria, so as to lead and make sound decisions. Examples of such criteria include relevant experience, level-headedness, good academic record, and empathy for subordinates. Thi noted that some Thais still have the mindset from early times that a person of authority will look after their interests and protect them. This is in line with several other respondents’ view that a person with authority should look after their subordinates’ personal affairs to a certain extent.

5.4 Thai culture and people

Many respondents held the view that Thai culture is extremely hierarchical and that foreigners might not fully appreciate the system. This resonates with the literature, such as Straub’s (2004) work. It was highlighted that the egalitarianism that most Westerners have
grown up with does not apply outside their hemisphere. Equality among people is largely a Western idea that many Thais cannot relate to. It was commonly reported from the respondents that Thais live a world filled with superiors and inferiors, seniors and juniors, and they need to tread carefully to avoid upsetting people and to behave appropriately in accordance with the situation. Based on Hofstede’s (1991) study, the US has a power index score of 40, while Thailand has a higher score of 64. The higher score of the Thais indicates that they recognise a greater difference in status between bosses and subordinates, and are more accustomed to inequality than their American counterparts. This is in line with the evidence provided in the findings. Christie et al. (2003) also support the notion that individuals in high power-distance countries take superiors’ orders more seriously than those from low power-distance countries.

Traditional Thai society is organised along lines of hierarchy and patronage by people who know their position in the system (Hay, 2014). Historically, a hierarchical society developed, with the lowest rank being slaves and prisoners of war. Members of the royal family took names that were associated with ‘greatness,’ and then other great families followed suit. These titles and special surnames publicised the hierarchical structure of the new bureaucracy (Hill, 1984). There was a general view that in modern Thailand, some people with ‘special’ family names are employed not for their knowledge or performance, but for the connections their family names bring with them. Some respondents cautioned that if a person is not aware of his social status, it would be quite difficult to get around and get things done. The same applies to a newly arrived expatriate. Several respondents opined that at the beginning, due to nam jai, an expatriate may be given some leeway by his fellow Thai colleagues. However, after some time, if an expatriate does not work in accordance with the hierarchical or seniority culture, he may find difficulties in terms of cooperation and obtaining the desired results.

The findings confirm those of Fieg (1989), which state that Thais generally have a very high regard for authority and live in an extremely hierarchical culture. This is far different from the US, where authority can be questioned and status is often gained through achievement. It was pointed out that if an expatriate did not recognise the hierarchical culture, his subordinates might also suffer. Hence, an expatriate needs to be conscious about the hierarchical nature of the Thai working environment in accordance with his status and authority. It has been noted that as most expatriates come with an inherent authority, many Thai employees will accord him with due respect and obedience. However, several
respondents opined that some expatriates might misinterpret this as a sign of weakness. Thi cautioned, “We are warm and friendly by nature, but we also have quite a lot of pride. When an expatriate shows respect and sensitivity, his stay in the country and work will be a rewarding experience. However, if he is seen to take advantage of his authority by being bossy and disrespectful, he will find difficulty in working cohesively, no matter how much authority he possesses.”

It was generally agreed among many respondents that expatriates may have difficulty and will take time to adjust to the very unique Thai culture. Ana emphasised that although Thai culture has evolved over many centuries, one aspect remains: it is a hierarchical society. He stated that when he had lived in the US for some years, he noticed that the notion of equality was a highly valued concept. However, this concept may not fit well into a hierarchical society such as Thailand’s. It may not be very obvious at first, but after some time, expatriates will realise that the concept of equality that they are familiar with is not practised in Thai daily life. It follows that this hierarchical structure applies in the working environment, and this is where an expatriate might have issues adjusting, especially regarding the seniority culture. Expatriates were urged to be open-minded and take a balanced view towards work and personal life.

Pra also stated that Thai society is highly hierarchical. He elaborated, “At a tender age, a Thai person is taught about his position at home and in general society, and who are his seniors, juniors and peers. There is a subtle ranking system and we usually behave in accordance with that system.” Pra figured that since expatriates normally hold senior positions, they are perceived to be somewhat important. Therefore, an expatriate should not be surprised if he is invited to some local ceremonies such as opening ceremonies, funerals and weddings. Many respondents indicated that the expatriates’ presence is greatly appreciated. It was pointed out that unknown to the expatriate, he would have accumulated some bunkhun from the Thais. The concept of bunkhun forms the basis of kinship ties in Thai society, between parents and children, superiors and subordinates, and in the social system in general (Rabibhadana, 1984).

The survey responses suggest that Thais find it to be “neutral” working with expatriates; meaning it is neither very easy nor too difficult. It was noted that the situations rated as moderately challenging, were related to meeting expatriates’ deadlines and expatriates’ difficulty following the seniority culture in the Thai work environment.
Qn-20 Please tell us the level of difficulty you encountered in the situations below.

1   Very difficult          5   Moderately easy
2   Difficult               6   Easy
3   Moderately difficult    7   Very easy
4   Neutral                0   Not Applicable (NA) or don’t know

<table>
<thead>
<tr>
<th>Qn</th>
<th>Particulars</th>
<th>Average score</th>
</tr>
</thead>
<tbody>
<tr>
<td>20 (a)</td>
<td>Working cohesively with expatriates on a daily basis.</td>
<td>4.5</td>
</tr>
<tr>
<td>20 (b)</td>
<td>Meeting expatriates’ expectations most of the time.</td>
<td>3.8</td>
</tr>
<tr>
<td>20 (c)</td>
<td>Meeting expatriates’ deadlines.</td>
<td>3.4</td>
</tr>
<tr>
<td>20 (d)</td>
<td>Expatriates following the Thai ‘seniority’ culture.</td>
<td>3.3</td>
</tr>
</tbody>
</table>

Seniority is based on age, years with the company, and designation, among other factors (Nimanandh and Andrews, 2009). Boo remarked, “Whilst the seniority culture is still around, it might be gradually diminishing. The wai used to be more frequent, and the bow lower. When senior people are around, the staff used to stand at attention with wais. At present, they might just continue with what they are doing. This is especially true for the younger generation and those who have studied or worked overseas.” Pat pointed out that there is an increasing trend that young graduates from good universities, especially those that graduated from overseas schools, are seeking job opportunities with MNCs. They feel that working with traditional firms, where seniority culture is deeply embedded, may be an obstacle for them. They hope that working at MNCs will allow their ideas to be heard and recognised, resulting in better career prospects.

Several respondents shared that the seniority culture extends to the physical attributes of a person. The head is the highest order, thus a person should try to avoid touching another person’s head. The head symbolises the spiritual part of a person and should be highly regarded. The lowest would be the feet which should not be used to point at anything. Although it has been noted that an expatriate might be given the benefit of the doubt, an expatriate with appropriate social behaviour will be better regarded. There was a consensus among many respondents that in Thai society, seniority and social status are of great importance and help shape public relations practice and roles. Practitioners must be aware
of the norms of seniority culture and behave appropriately (Culbertson and Chen, 2013: 161).

The findings suggest that a unique feature of seniority in Thailand is that Thais generally expect their superiors to make decisions. This resonates with Warner’s (1996: 3007) finding that Thais generally expect the manager to make decisions and solve problems. Senior employees with authority like expatriates, are expected to be knowledgeable, experienced and intelligent. Pat felt that this expectation of senior people might result in the top person making most of the decisions, no matter how insignificant those decisions are. Several respondents claimed that the top person is entitled to make decisions in an authoritarian manner, although consultation with his subordinates would be preferred. The generally accepted view is that when the boss listens to his staff, he is seen as hai kiad, and that is a good thing.

Thai-Chinese

There was a general belief among the respondents that with power and money, a person’s authority increases. Thi noted that two groups are prominent in terms of power and money, the commercial people and civil servants. The business people are made up mainly of Thai-Chinese whose forefathers were entrepreneurs. They built conglomerates and spearheaded the Thai economy. The Chinese minority still plays a dominant role in Thai business (Atmiyanandana and Lawler, 2003). Some of them are professionals, notably in the banking industry. The lower to mid-level civil servants are mostly ethnic Thais. The top military personnel are mainly Thais, but ministerial positions are sometimes occupied by Thai-Chinese. Hence, some respondents reported that Thai-Chinese play an important role where authority is concerned, be it in the business environment or outside.

5.5 Thai traditional values and authority

(i) Kreng jai

Many respondents stressed that the concept of kreng jai is important where authority is concerned. Kreng jai can be summarised as the tendency to not argue with elders or superiors and to attempt to make their lives comfortable (Burnard, 2006). Sul stated, “In our working culture, a junior is expected to listen and receive instructions. It is not common for a junior staff member to ask a question or make comments when senior people are around.
Even if a junior staff member does not understand the instructions, he will probably keep quiet and ask his colleagues later.” The same applies when a junior person feels that the instructions are unclear or not workable. This has to do with the Thai value of *kreng jai*. It was a common observation that *kreng jai* will compel a junior employee to keep quiet politely and just nod his head respectfully. As Thais move through their youth, they are taught to *kreng jai*, or be accommodative of others, and to display *choei* in potentially uncomfortable situations (Ota et al., 2012).

The findings concur with Moore’s (2013) that in the *kreng jai* system, it is inappropriate, rude and unforgiveable to question or criticise people in power or those who hold positions of authority. There was a general view among the respondents that from a policeman to a village head to a schoolteacher or civil servant, their status is sufficient to almost guarantee compliance without worry of being asked to justify an action, policy or a belief. Sul believed that an experienced Thai manager will be able to read the subtle signs of whether a staff member has understood his instructions. Body language, eye contact, knowing or unknowing smiles; all of these provide valuable clues. An experienced manager will not take *krup* or *ka* at face value. He will check for nonverbal signs that his instructions have been clearly understood. Sul stressed that in the Thai language, *krup* when said with firmness, could certainly imply “yes.” However, if said softly, it could simply be a polite sign that he received the instruction but did not necessarily understand the meaning.

Several respondents highlighted that due to *kreng jai*, a company may face challenges in implementing an open staff performance appraisal system. To be effective, a performance appraisal needs to provide positive feedback and evaluation, as well as constructive criticism so that the employee can make improvements. However, Pat pointed out that because of *kreng jai*, it is challenging to provide a junior staff member with constructive criticisms. Several respondents remarked that appraisals are mostly conducted by an employee’s immediate supervisor, who usually does not have enough authority to fully appraise his employees. Pat claimed that *kreng jai* discourages people from asking questions, especially when someone more senior is around. This is because *kreng jai* does not permit one to be seen as attracting attention when another more senior person is present. Similar to Petison’s (2010: 20) findings, the common consensus among the respondents was that *kreng jai* reflects respect for a person who is perceived as higher in the hierarchy, and that it leads to many Thai employees not asking questions.
This was illustrated by an example provided by Pat, in which a Thai manager was given a set of tasks by a senior expatriate during a meeting. Due to the manager’s lack of English proficiency, he did not totally understand the instructions from the expatriate. However, due to *kreng jai*, the manager did not clarify the instructions with the expatriate, especially since he knew that the expatriate was very busy. After the meeting, the manager was concerned that he might have misunderstood the expatriate and asked around for opinions. Pat claimed that a staff’s *kreng jai* to his boss is frequently seen in the office and miscommunication is normal. The findings are in agreement with the view of Nimanandh and Andrews (2009: 67) that *kreng jai* as an attitude whereby an individual tries to restrain his interest or desire in situations where there is the potential for discomfort or conflict, and where there is a need to maintain a pleasant and cooperative relationship.

Another example provided by Pat was that there are situations in which some managers might show *kreng jai* to their employees. A boss may make his own appointments when he knows that his secretary is very busy arranging other appointments for him. A boss may do some of the work of his subordinate or pass it on to others out of *kreng jai* when he knows that the staff member has some night classes to attend. Pat believed that concepts similar to *kreng jai* can be found in other societies. However, he stressed that in Thailand, it is practised more frequently and has deep and lasting implications. Pat emphasised that when a Thai person shows too much *kreng jai*, it might appear artificial. On the other hand, too little *kreng jai* might convey an insincere message. Pat suggested that a person might not want to *kreng jai* another person if that person has continuously demonstrated a bad attitude or has not appreciated the *kreng jai* shown to him. Overall, *kreng jai* helps minimise unpleasantness and interpersonal confrontation (Kitiyadisai, 2005).

(ii) *Nam jai*

The findings resonate with Niratpattannasai’s (2004) suggestion that expatriates who want to work successfully with local staff should develop a clear understanding of and exercise some important Thai cultural values associated with the word *jai*. Several respondents stressed the significance of *nam jai*, the value associated with being kind, showing generosity, or being considerate to another person. They believed that a person with authority should show *nam jai* to less privileged individuals, such as his poorer relatives and subordinates. An example was provided about a wealthy and influential person who has a poor relative who works in a factory. This senior person is expected to find his relative a better job and take care of him if necessary. If he does not do so, the other relatives may look at him negatively. The same
might be applied in the working environment. If a person rises through the ranks and becomes wealthy and powerful, he should recognise that his rise to power would not have been possible without the help of his subordinates. He should therefore take care of them, including getting involved in some of the personal aspects of their lives. Many respondents asserted that having nam jai helps in relationship building, which will in turn help alleviate authority issues between Thais and expatriates.

(iii) Phradet and phrakhun

Many respondents highlighted that subordinates in the Thai context must show respect, loyalty and commitment to their superiors, in line with the thoughts of Komin (1999a). A strong relationship is important in the Thai workplace. A good leader is expected to be both kind and authoritative. Several respondents pointed out that Thais generally adhere to the traditional concepts of phradet and phrakhun. Phradet concerns leadership that has the experience and qualifications to make the correct decision. Phrakun involves a leader being a fatherly figure that takes care of his subordinates. It was explained that a leader who possesses the right balance of phradet and phrakhun is said to have acquired baramee. In line with the findings of Gupta et al. (2002), there was a general consensus among many respondents that Thais prefer their bosses to be understanding, giving and patient. This resonates with Buddhism, which focuses on being compassionate, tolerant and appreciative (Kemavuthanon and Duberley, 2009). However, it should be noted that the leader always retains the authority to make the final decision (Yukongdi, 2010).

5.6 Relationships

The findings suggest that relationships are vital in all aspects of a Thai person’s life, and are very important where authority is concerned. Several respondents pointed out that in Thailand, without a strong relationship, authority could be weakened and may have a negative impact on job performance. This is in line with the suggestion of Runglertkrengkrai and Engkanianan (1987) that Thai culture encourages one to be more relationship-oriented than task-oriented. Many respondents stressed that spending time building personal relationships and creating trust is an indispensable investment for expatriates working in Thailand (Waroonkun and Stewart, 2008). It was argued that without understanding the two cultures and their differences, one cannot understand the complex way they interact in the business environment (Feldman, 2013: 9). It should be noted that this section on
relationships should be read in conjunction with Chapters 4 and 6, as the importance of relationships plays a pivotal role in all areas of Thai society.

(i) Thai society in general

The findings concur with the suggestion of Nimanandh and Andrews (2009) that a personal relationship is a prerequisite to getting the job done when working with others in the Thai workplace. It was found that negotiations are normally lengthy and that the goal is to build a relationship. Many respondents pointed out that relationship building and maintenance extend to all parts of society. Everyone has a role to play and interests to protect. It was stressed that the higher a person’s position is, the more complex his network will be. Since an expatriate normally comes in with a relatively high position, he needs to carefully navigate his way in order not to offend anyone. It was commonly reported by the respondents that as part of the Thais’ compromising culture, many things are done or said very subtly. Expatriates will need to know how to recognise the subtle signs. Thi acknowledged that there is always a gap between expatriates and locals. It was commonly observed that at many events, such as a function or dinner, the expatriates will be seated on one side and the locals on the other. However, this gap could be closed or narrowed if efforts in relationship building are made by both sides.

Many respondents pointed out that at the top level of Thai society, most people know each other; a mere whisper of a long family name and people will nod in acknowledgement. Having the right connections is of utmost importance in Thailand. The rich often get richer because of their extensive networks. Thi provided the following example, when a rich person wants to buy a house, he normally has connections to half a dozen developers who will be ready to serve him with an enticing price tag. Commoners would not have such a privilege and would need to pay at the prevailing market price. Thi stressed, “An expatriate would normally be associated with the better income earners by virtue of his position. However, he would need to learn how to build relationships and make the necessary connections to make it work for him.”

It was a commonly shared opinion among the respondents that the incentives for building and maintaining relationships are mostly about favours and helping one another, not only in the current situation but in the future. Thi remarked that expatriates might find such relationships seemingly forced and insincere. However, this practice has existed in Thailand since historical times, and it is how Thai society works. Favours are given and returned and
the cycle continues into the future and may be passed on through generations. Several respondents opined that relationships are also good to prevent future conflict. Thi provided an example that one may want to be friendly with a new expatriate in case differences in working styles arise in the future. There was a consensus among many respondents that they invest a good deal of time in relationships and put in effort to make them pleasant and worthwhile for the parties involved.

(ii) With government officials

Many respondents pointed out that dealing with government officials is inevitable in Thailand, and by virtue of an expatriate’s seniority, he should show up at government agencies from time to time to ‘give face.’ These findings agree with Feldman’s (2013: 17) assertion that historical context has an important influence on how business cultures interpret and manage relations with the government. Thi believed that having a brief historical background on the government would provide vital clues about how to nurture and maintain such a relationship. He shared that the beginning of Thai government goes all the way back when Thailand was known as Siam. The system of government was known as gin muang, to govern a district. The governor during that period was very powerful and was vested with the duty of collecting taxes and distributing labour. Most of what he collected as revenue would be given to the royal treasury, but some would be kept for himself, depending on the arrangement with the ruler.

Several respondents highlighted that the early civil servants were there primarily to serve the royals and not the population at large. This attitude was deeply embedded in the culture and its influence can still be felt up to the present day. This pattern of civil service duty did not change until fairly recently. Thi pointed out that expatriates who are used to the Western idea of civil service, in which taxpayers expect a certain level of service to be rendered to the public, should be aware of this historical context. The respondents expressed that it is common to find civil servants who adopt an apathetic attitude towards public duty, unless one puts in effort to build and maintain a fruitful relationship with the person.

It was suggested that expatriates should not just liaise with the top person in the government agency, but should also pay attention to lower ranks. He can delegate the more routine tasks of dealing with the lower ranks to his subordinates, but should ensure that he personally makes the occasional courtesy call. Thi explained, “Many of the approval processes in government agencies are carried out by rank and file civil servants who are also concerned
with their status. Hence, attention should not be focused only on the top-ranked officials but also on the staff below them.” It was highlighted out that this is an important point that expatriates often fail to grasp. By virtue of an expatriate’s high position, it would seem natural for him to go to the top. It should be noted that this sometimes does not achieve the intended results.

(iii) Between the rich and the poor

Several respondents highlighted that one of the most important concepts relating to the relationship between the elite and the common people is bunkhun. It was explained that bunkhun is a kind of psychological link between the elite and the poor. The elite would show mercy, kindness and help out the poor when necessary. The poor remembers the goodness that the elite has bestowed upon them and would return the favour by being obedient and work hard for the elite. The general view is that bunkhun can be seen in the daily lives of the Thais. It is also noted that bunkhun is related to Buddhism and Thais try to adhere to this concept of living as much as they can.

The findings suggest that bunkhun between superior and subordinate could last for a long time, until one of them passes away. An example of bunkhun was provided in which a mistake was made by a staff member that adversely affected an important customer. His boss helped to rectify the mistake and protected his subordinate from punishment. After the incident, the subordinate was very grateful and worked diligently for his boss with unwavering loyalty. Subsequent projects were well done and completed on time with no mistakes. The boss would often treat this subordinate and his colleagues to sumptuous meals to show his appreciation for the job well done. Several respondents suggested that bunkhun could also be passed on to the subordinate’s immediate family members, and if taken care of properly, future descendants can benefit from the relationship.

The general view of the respondents was that the concept of bunkhun plays an irreplaceable role in ensuring that different levels of society interact in a civil and cordial manner. This value is inculcated into Thais since they are young. They are taught to be grateful to people who have shown them kindness, and to return the kindness in the future whenever they can. It was suggested by some respondents that expatriates may not follow this value completely, but they should at least understand it, as it will enhance their working experience in Thailand.
(iv) Between expatriates and Thai employees

There was a consensus among many respondents that having the right connections is everything in Thailand. It was observed that expatriates are not paying enough attention to building relationships with those they interact with. They tend to focus on results and professionalism. Wherever one goes, be it a wedding banquet, a golf tournament, a company function or a religious ceremony; people tend to gravitate towards those whom they are familiar with subtly. It was noted that the sawatdee, friendly gestures and polite talks echo as Thais do their best to make connections, so should an expatriate.

Several respondents reckoned that the government has not provided enough financial support for its people. Therefore, many Thais fall back on family or their employer to look after them in times of need. Pra believed that part of a leader’s climb to success and power actually depends on his ability to take care of and show kindness to his people. Becoming a leader in the Thai context would require the person to be able to build and nurture relationships with both his subordinates and his superiors. He added that relationship skills are also required for external stakeholders such as customers, suppliers, government agencies, banks and shareholders. The general view was that such skills are highly valued and sought after. As expatriates often come in at senior positions, relationship skills are of paramount importance when it comes to negotiating with high-level stakeholders.

It was a common sentiment that in order to build relationships, it is important for expatriates to be involved in some aspects of their staff’s personal affairs. It was suggested by several respondents that expatriates should attend funerals and weddings, and visit staff who are hospitalised or in other situations that call for their presence. They also suggested that an expatriate should attend the funeral of the next of kin of his direct subordinate, and stay until the ceremony ends. Kri emphasised, “By attending these social events, an expatriate demonstrates that he gives importance to the staff and the event, a form of hai kiad.” The general view of the respondents was that attending such events shows that the expatriate is sensitive and understanding, demonstrating the values of hen jai and hai hiad. The Thai staff will be very appreciative of the gesture, which should translate into better relationship and work performance.

Several respondents, including Pat, discussed the difference in values between Thailand and the West. Pat understood that in the West, there is often a clearly defined line between work life and personal life. Normally, an expatriate will try to not let his personal life interfere
with his work life and vice versa, except for occasions when it is absolutely called for. Individualism and privacy are protected. Pat stressed that this line is often blurred or non-existent for Thais. A senior and influential Thai will expect to occasionally be approached by his less privileged friends or relatives to help them look for a job. If they were to be employed by him, he would put them under his care and offer protection. This is in line with Hofstede’s (2005) findings that Thailand has a collectivist culture, whereas Western countries such as the US have more individualistic cultures.

Many respondents highlighted that a senior Thai person may assume a fatherly role to his staff member. He will make his employees work hard and will drive the numbers. On the other hand, he will also reward them and take care of some of their personal affairs, like their kids’ education and medical expenses. It was pointed out that a manager or expatriate that looks after his employees will accumulate his bunker. In times of need, he can be assured that his employees will support him. There will be a sense of obligation on the part of his employees and a willingness to help out whenever they can. Several respondents stressed that a good manager should build a strong relationship with his subordinates, similar to that of an extended family or relatives. They will look after each other’s interests, whether professional or personal. It was noted that although large MNCs have made inroads into Thailand’s business landscape, this value is still very much alive. It might be argued that although modernisation has taken place in Thailand, many traditional values are still being practised.

The findings suggest that if an expatriate assumes some of the fatherly roles, he will not only build up his bunker but also baramee. Komin (1999b) explains that baramee is a form of personal power possessed by a person who is consistently displaying meritorious acts of selfless behaviour like honesty, fairness and kindness, and in the process gains full cooperation of his people. According to Pat, “By accumulating a wealth of baramee, an expatriate can influence and protect his employees and the employees will in turn be obedient and loyal to the expatriate.” Moreover, like bunker, baramee could be passed on to the people around the person who possesses it. Interestingly, it was noted that on rare occasions, a senior Thai executive could be seen reprimanding his staff without exercising self-control. An expatriate may be surprised as this is not in line with the Thai culture. It was explained that the senior executive is able to do this due to his achievement of baramee nurtured over a long period of time.
Several respondents claimed that if a manager has developed a very solid relationship with his employees, he can afford to break away from the norms of Thai culture and still appear to be a good boss. Thai work culture is such that Thai employees look up to a boss who is a fatherly figure, one who is strict and pushes them but at the same time, rewards them well for a good job done. Generally, the respondents felt that the Thai values such as *kreng jai*, *hai kiad*, *nam jai*, *hen jai*, *bunkhun* and *baramee* will serve an expatriate well if he is able to understand and adopt some of them himself. The expatriate will find that things are clearer and make more sense. The gesture will be greatly appreciated and the expatriate will find that cooperation is forthcoming and it will be easier to get the job done. However, it was noted that many of the Thai values are against the norms of an expatriate’s belief system. Hence, some assimilation might be needed and a delicate balance should be achieved (Fisher and Hartel, 2004).

*(v) Local ceremonies*

The findings suggest that an expatriate’s attendance of important local ceremonies is an opportunity to build relationships and earn *bunkhun*. According to Thai culture, a Buddhist ceremony performed by monks is essential for occasions such as funerals and the opening of new buildings (Swaddiwudhipong et al., 1993). Many respondents stressed that although Thailand is basically a Buddhist country, free religion is guaranteed. It was pointed out that an expatriate who is not a Buddhist but who attends a religious ceremony does not need to fear that he is being seen as betraying his own religion. There was a general view that Buddhism encourages tolerance, and that applies to all religions, whether it is Christianity, Islam, Hinduism or others. This is in line with Yiengprugsawan’s (2011) assertion that one of Thailand’s most important features related to its Buddhist religious faith is tolerance. Several respondents claimed that when an expatriate joins a religious ceremony, he is demonstrating the cultural values of *nam jai* and *hai kiad*.

There was a consensus among many respondents that the funeral is one of the most important ceremonies that an expatriate should attend. Several respondents stressed that Thais are very family-oriented and view the death of a family member as a very significant event. It was also mentioned that opening ceremonies for companies in Thailand are unique religious affairs. Monks are invited to bless the opening ceremony and it would be good for an expatriate to participate. It should be noted that most Thai men aim to attain a token monkhood at some point in their lives; this is both Thai culture and Buddhist religion...
In line with Rowley and Harry (2008), the respondents recognised that time off for religious obligations may often conflict with the organisation of work. However, they emphasised that an expatriate needs to know that it is normal to grant leave to employees for such an occasion. Bao (1995) highlights that Thais treat the wedding ceremony as a very important event in a person's life and many respondents concurred with this view. The respondents pointed out that the wedding is one of the ceremonies that an expatriate will be invited to most frequently. By attending these ceremonies, Thais will gain ‘face’ and the expatriate will gain bunkhun.

5.7 Controlling emotions

Thais are said to have a smile for every emotion (Mulder, 2000). Hence, it should not be surprising that the findings suggest that Thais emphasise controlling one’s emotions. It was commonly reported that one should maintain emotional stability. Several respondents noted that some expatriates of authority get upset quite easily and several get upset at relatively minor issues. Thais feel that explicitly showing anger or other emotional upheaval is not good for the working environment, as it does not achieve anything and may create hostility. Kae stressed, “In line with Buddhism, people should adopt a moderate approach during challenging times and should avoid emotional outbursts as much as possible.” This resonates with Jones’s (2010) description of Thai culture as strongly emphasising self-control, emotional restraint and inhibition. It might be argued that this is very applicable for senior people such as expatriates, since maintaining one’s composure is seen to be befitting of authority figures and demonstrates one’s ability to control his emotions.

Several respondents observed that it is indeed rare to see a Thai person displaying outrage openly in the office. It was found that if an expatriate were to display anger or frustration openly, he would stand out and be frowned upon, at least in the minds of Thais. Kae emphasised, “Losing one’s temper is also losing one’s face. It is uncomfortable and could be embarrassing. Senior executives such as the expatriates should be able to control their emotions well. If necessary, use subtle methods to convey the intended message.” An example provided was that flashing the eye to the person who might have made the mistake should suffice. There was a general view that Thais do not react well to extreme displays of emotion and appreciate the subtler approach. Overall, the respondents felt that there are no major issues with expatriates’ authority but relationships would be better if the expatriates
Phe shared that she used to work as a secretary and sometimes felt that expatriates' displays of exasperation at a situation are often misunderstood by Thais as being directed at them. An example was provided that when she was a secretary, her expatriate boss used to frequently say, “Oh my goodness! What is this?” During those times, she thought that her boss was upset with her. However, with the benefit of hindsight, she came to understand that her boss was merely being direct with his display of emotion about the situation. She hoped that expatriates would give some consideration before expressing exasperation. It was noted that application of the Thai values of nam jai and jai yen could be useful in this context. Sometimes, a Thai may say “jai yen yen” or “mai jai ron”, values that Thais hold dear to their hearts.

Many respondents pointed out that Thais are taught from a tender age not to display extreme emotions, in line with the Buddhist concept of moderation. An example was provided by Phe that in most modern society, recipients of gifts will display outward appreciation and excitement. However, a typical Thai who receives a gift might put it aside politely and talk casually about other topics instead. He is appreciative and would like to know what the gift is. However, because he was taught from a young age to show restraint in such situations, he has to be reserved. It was emphasised that expatriates should not take this as being non-appreciative or impolite. It was reiterated that expatriates should take note that non-display of extreme emotions applies to both negative and positive situations.

Phe explained that outward display of appreciation and excitement for a gift might be wrongly perceived that the recipient is concerned with material and worldly gains which are not in line with Buddhist teaching. With this thought, Phe provided another example that an expatriate had given his staff a better than average annual bonus. The staff showed such restraint that the expatriate was concerned that the bonus was insufficient. However, it was pointed out that expatriates should be cautious about Thais' subtle attitude towards life and restraint, as it might give expatriates the wrong signal that Thais are not assertive and efficient. Hence, there is a gap in this aspect that both Thais and expatriates should be mindful of.
Some respondents claimed that expatriates can be quick tempered, or *jai ron*. Thais are aware that expatriates come from a culture where open expression is encouraged. However, many respondents felt that open displays of negative emotion should be avoided. Pri stated, “Some expatriates acknowledge that they are quick tempered but will be equally quick in cooling down. We react quite differently. We do not express our anger openly but the bad feeling might be kept under a lid inside and might last longer.” Pri recognised that Thais might be more concerned with the temper of some expatriates more than the expatriates themselves. However, she believed that experienced expatriates know that controlling their anger means a great deal to Thais and try to control it as much as possible.

Ultimately, the ability to predict and control anger as it occurs spontaneously among different groups of people within their own naturalistic settings is a challenge worth addressing (Beck and Fernande, 1998). It might be argued that emotional control is one of the hallmarks of professionalism in the West and elsewhere. Thus, there are subtle similarities between Western and Thai behaviours. In some sense, the emotional control practised in Thailand is perhaps more advanced and more professional than in Westerners, who can be too direct, abrasive and show anger and irritation at work. People who can cope with difficulties, problems, and stress without getting upset are valuable and professional. Anger and making decisions in haste often make situations worse, not better.

It was commonly reported that expatriates tend to be more open and direct with their expression of emotions. Son claimed that when expatriates are upset, their faces may turn red and their tone of voice may become aggressive. They may even slam doors or raise their voices. Son shared a scenario she witnessed. An expatriate called for a meeting, whose members comprised of both Thais and expatriates. All members were asked to make their presentations. When it came to the Thais, some of the ideas presented were put down rather harshly, and strong words like “ridiculous” and “nonsense” were used. After that, the Thais felt discouraged and kept quiet whenever possible. It should be noted that keeping quiet under duress is one of the values inculcated in Thais from a young age. Thais tend to speak quietly, smile, relax and be patient (Nimanandh and Andrews, 2009).

According to Son, avoiding displays of extreme emotions is considered a virtue and is known as *sam ruam*, relating to the Buddhism concept of moderation. When a person is *sam ruam*, he restrains his emotions, whether he is elated or in grief (Kitiyadisai, 2005). However, some respondents admitted that Thais do get upset sometimes, as all people do. Son shared, “The
way we feel is dependent on the opposite party to a certain extent. There are differences in the way emotions are displayed with colleagues, family members and third parties like customers or suppliers. Whoever they are, we will try to be subtle and not go to extremes.” Expatriates need to keep in mind that in Thai culture, individuals are taught not to display emotion, even when they are under extreme stress (Renteln, 2005). Therefore, the more authority an expatriate has, the more he should control his emotions, befitting the traits of a great leader.

5.8 Confrontation, criticism and face-saving

There was a prevalent view among many respondents that Thais like to live in harmony and avoid confrontation or conflict. They try not to get angry or be seen to get angry. Anger or other negative displays of emotion is very much avoided by the Thais. Even when a Thai person is greatly angered, he will try his best not to display it. Sometimes, expatriates may say they are expressing frustration over a situation, and not directing it personally to anyone in particular, but the Thais involved will still typically take it badly. Pee remarked that when she is upset with her boss, she just keeps quiet. After a while, when things cool down, she will re-evaluates the situation and if necessary, talks to her boss.

Based on the data collected, Thais do not want to offend anyone. They tend to be very conscious about their behaviour which can come across as being overly polite. They can read too much into things and analyse them to the extent that the results are sometimes exaggerated. Phe noted that this skill in analysing relationships and the power of observation can be put to good use on the job. She believed that Thais generally have good memories. A face, a name and what people say are well remembered and will be analysed for its underlying meaning. Sometimes, misinterpretation can be blown out of proportion with unintended consequences. The findings suggest that Thais understand that expatriates may be direct but urged caution when talking about important things to avoid misunderstandings.

Thais try to compromise whenever possible, and especially in difficult situations (Nimanandh and Andrews, 2009). This means that little time and effort is squandered in resolving conflicts. Therefore, it comes as no surprise that Thais are generally contented with life on a personal basis and at work. However, it might be challenging to preserve a happy and cordial work environment all the time. There will be moments when people are unhappy but in order to avoid a conflict, choose to remain silent. Several respondents claimed that
concepts like open communication, speaking freely, and being direct have little meaning to many Thais. Thus, an expatriate may need to consider a ‘middle ground’, retain some of the candidness and at the same time, listen and observe the subtle meanings. Geertz’s (1973) classical work on anthropology comes to mind; to build the best possible interpretations and most significantly, be an active participant in the culture rather than a passive observer.

Many respondents pointed out that Thais avoid criticising other people or being criticised, even constructively. It is felt that although constructive criticism might improve one’s performance, its negative impact outweighs the positive. This also has to do with the concept of face-saving. Pra shared that in Thai, the word closest in meaning to criticism is wijann. He opined that most Thais take criticism personally and in a negative way. They do not take professional criticism as professional. The findings suggest that expatriates need to be aware that whilst constructive criticism is a good thing in the West, it may have negative repercussions in Thailand.

The survey responses suggest that Thais believe expatriates need to be open-minded and thoughtful, and to tone down criticism. Please refer to Qn-22 below.

Qn-22. Please share with us your beliefs with regards to the statements below.

1 Very untrue 5 Somewhat true
2 Untrue 6 True
3 Somewhat untrue 7 Very true
4 Neutral 0 Not Applicable (NA) or don’t know

<table>
<thead>
<tr>
<th>Qn</th>
<th>Particulars</th>
<th>Average score</th>
</tr>
</thead>
<tbody>
<tr>
<td>22 (a)</td>
<td>Expatriates need to be open-minded to feedback from the local employees even when they are holding more senior positions.</td>
<td>5.7</td>
</tr>
<tr>
<td>22 (b)</td>
<td>Sometimes, the expatriates give instructions too quickly without thinking of the consequences in the Thai context.</td>
<td>4.7</td>
</tr>
<tr>
<td>22 (c)</td>
<td>Expatriate with authority can be ‘too strong’ with direct criticism.</td>
<td>5.4</td>
</tr>
</tbody>
</table>

There was a consensus among many respondents that pride is an important aspect of Thai society. Expatriates may unknowingly hurt a Thai person’s pride due to directness and
usage of words perceived to be strong. The higher one’s position is, the more pride he will have. It was emphasised that this does not mean that Thai people of lower position do not need to be accorded dignity. However, expatriates should be very mindful about this aspect when dealing with senior Thai executives. It is important for a Thai person to have high esteem in the eyes of family, friends, colleagues and the general public. This esteem is called ‘face’ (Nimanandh and Andrews, 2009). The findings suggest that Thais are very sensitive towards face-saving, and even the tone of one’s voice matters. Pat reckoned that whilst trying not to offend someone is good, it sometimes leads to ambiguity in a conversation that only Thais will understand, possibly leaving expatriates clueless.

There was a general view that Thais should not have any problems following the instructions of expatriates who are their bosses. However, it was observed that expatriates occasionally disagree with some of their own Thai bosses openly. Several respondents emphasised that in Thai culture, seniority is very important. If an expatriate were to have argument with his Thai boss openly, his Thai boss would lose face and the work atmosphere would become unpleasant. Nimanandh and Andrews (2009) point out that krenj jai involves being aware of another person’s feelings, and saving the face of others. If an expatriate happens to offend a senior Thai executive and causes him to lose face, it is likely that the person will disapprove and remember the incident for a long time. Hence, knowing and embracing some Thai cultural values should serve expatriates well when it comes to challenging situations.

At this juncture, it would be fitting to refer to Hwang’s work on face-saving. According to Hwang (1987: 946), Western research on interpersonal behaviour patterns and rules of exchange needs to move beyond the assumption of isolated individuals socialised to make rational decisions on the basis of self-interest. According to Hwang, a review of recent research shows that Chinese society and other similar societies follow rules that deviate from those of the West. In such societies, norms of reciprocity are intense, but these norms are heavily shaped by the hierarchically structured network of social relations in which people are embedded, by the public nature of obligations, and by the long time period over which obligations are incurred through a self-conscious manipulation of face and related symbols. In many aspects, the evidence provided in this thesis regarding the Thai traditional values of krenj jai, hai kiad, avoidance of confrontation, criticism and face-saving reinforces the view held by Hwang. The findings especially resonate with Hwang’s emphasis that Western literature should move beyond conventional assumptions to take into consideration
traditional hierarchical structure and cultural values that are deeply embedded in Thai society.

5.9 Buddhism, karma and merit-making

Since the early history of Thailand, people have been segregated into different categories; in the past, these were the peasants, and the landowners and the village chief who offered protection. The people in each category had their specific duties and roles and knew who had the authority to rule and who were to be ruled. This was how the elite controlled people in the past, and it was suggested that this mindset is still deeply embedded in the Thai culture today. Ana emphasised, "The notion that each person has a predestined role in society helps the unprivileged to cope with the inequalities. Buddhism’s belief in karma is in line with and reinforces this concept." The feeling that things are predestined helps Thais accept authority better than their Western counterparts. Around 95 percent of Thais are Buddhists (Anderson, 2013: 156). Although no Thai constitution has ever specified Buddhism as the official state religion, all have stated that the king professes the Buddhist faith (McCargo, 2002); hence, many Thai people follow suit.

Niffenegger et al (2006) believes that the unique essence of Thai Buddhism has profound implications for business practices. This lends weight to the findings which suggest that Buddhism wielded great influence in shaping Thai culture, beliefs and acceptance of authority. Thais’ belief in merit-making, karma and reincarnation has led to in-roads into day-to-day activities, especially the concept of merit-making which has great impact on many areas pertaining to the Thai people (Kainzbauer, 2013). Many respondents believed in karma. Thi explained that many people in the lower strata of society accept their position due to their belief in the karma system and the foundation of ranking laid down centuries ago. This echoes Weber’s (1905d) view concerning authority by virtue of the status inherited that the extent of their authority is determined by birth, custom, precedence and usage. Weber recognises that the more efficient a bureaucracy becomes, the more it succeeds in excluding the personal, the irrational and the incalculable in favour of emotional detachment and professionalism. However, it may be argued that those with lower status would not have been passive if the elite were to behave atrociously and mistreat the commoners or the poor openly. The elite have a set of protocols to treat the poor in order to keep them at bay and so do the poor concerning their attitude towards the elite. Each party would behave
appropriately towards the other to avoid conflicts. This elaborate social system has helped Thailand see less bloodshed.

The respondents generally placed great emphasis on their Buddhist faith and the belief in karma which basically subscribes to the idea that if one did good things in one’s previous life, one would have accumulated merit. This merit would be reflected in his current life as positive things including possession of authority. The same holds true if one did bad things in one’s previous life. Bad karma will lead to a lower position with less or no authority in his current life. It was noted that Thai society believes in the order of ranking. Hence, an expatriate who arrives in Thailand with authority should have no difficulty finding acceptance from Thais. However, if one were to rise from the ranks, there might be some resistance, especially from colleagues who work together and were of the same rank and level of authority. It should be noted that Buddhism encourages moderation and discourages competition (Lewis, 2006). This might not fit in well with the results orientation of global business, capitalism, professionalism and modernity. Compared to Weber’s (1905a) classic work *The Protestant Ethic and the Spirit of Capitalism*, Buddhism might be interpreted as adopting a slightly different approach, in that Weber suggests that Protestantism might actually have ‘contributed’ to capitalism, whereas Buddhism encourages the accumulation of merit and discourages competition.

Several respondents were of the view that in Thailand, authority is the combination of status, power, age, wealth and merit accumulated. Merit in this context could refer to capabilities and achievements, both spiritual and material. The more of one accumulates, the more senior one becomes and the more authority one will have. According to Tongprateep (2000), the main objective of merit-making is to eliminate selfishness and greed. The participants perform meritorious acts that are comfortable and suitable for them. On the Buddhist holy days, they visit the *wat* to pay respect to Buddha’s image, offer food to the monks, listen to special sermons, observe moral precepts, and practise meditation. Thai Buddhists believe that the amount of money or the number of the necessities provided to the monks is not as important as goodwill in supporting monks or helping others. According to Ana, Thais generally believe that a person with authority is destined to have this authority due to merit accumulated from previous lives.

**5.10 Informal structure, cross-departmental issues and delegation**
(i) Informal structure

According to Weller and Weller (2002), power structures can be broken down into formal and informal, each with a sphere of power and a network to foster its influence over other power bases. Formal structures are easy to recognise, while informal structures existing within the formal structure are more difficult to define and identify. Several respondents suggested that there is an informal structure in Thai companies that affects authority. The structure is different from the official organisational flowchart. For example, there may be people in other departments who need to be accorded informal ‘approval’ and support. The informal structure is based on length of service with the company, relationships, and seniority. In other words, the informal structure is influenced by the Thai seniority culture.

Several respondents pointed out that in Thailand, a senior job title may not necessarily equate authority. An expatriate should spend time to find out the people in the organisation he should consult and obtain the necessary authorisation from, in order to get the job done. Boo highlighted that although the same can be said to apply to other organisations in other countries, this is more critical in the Thai work environment and any mistakes will have more serious consequences. According to Krackhardt and Hanson (1993), an organisational chart can show the reporting line; who is the boss and who reports to whom. But this formal chart might not reveal the people who have real authority and power. It was suggested that much of the real work in a Thai company gets done through this informal organisation with its complex connections that may straddle functions and departments. This is unlike a typical Western company where the organisational flowchart is generally adhered to by employees with regards to authority. Hence, expatriates need to be aware of this aspect and navigate carefully.

(ii) Cross-departmental issues

The findings suggest that loyalty to one’s boss or a certain department might impede work progress when it concerned another department or function. Whenever one’s boss gives an instruction to his direct subordinates, they should have no problem following that instruction. However, when another department requests for certain things to be done, it is normally not attended to immediately. It was figured that there is less influence and normally, the direct boss needs to be involved to get things done. Thai workers might see that helping out another department is not part of their job scope. It might be perceived to be an act of
goodwill in order to maintain the cordial relationship. When an expatriate understands this aspect, he will know that his authority may not extend to another department. Gitlow (2000) believes that cross-functional management involving developing, standardising, controlling, improving and innovating cross-functional processes would help.

(iii) Delegation

The respondents pointed out that there are many levels of people in Thai society, including people of different backgrounds and education level. Due to the vast variety of people from different backgrounds, Thai managers are generally rather sceptical about their employees’ abilities and do not delegate if they have other options. It was suggested that Thai managers do not share much information or involve their employees in decision-making. As a result, scenarios occur in which there is a lack of trust in delegation and managers take on a wide range of responsibilities. In fact, Sun believed that if her superior delegated often, she would have the impression that he was not being responsible. Respondents generally agreed that expatriates tend to delegate more than Thais. Vazquez-Brust et al. (2013) posit that expatriates are expected to control the degree to which they delegate decision-making authority. Excess delegation may lead to the risk of the locals pursuing their own interests or abusing power. On the other hand, limited delegation may negatively influence the motivation of local employees.

5.11 Chapter conclusion

The literature and findings suggest that Thais primarily regard themselves as part of a group with hierarchical levels and respect for authority. In Thailand, status can be determined by several factors, such as clothing and general appearance, age, income, occupation, education, family name and social relationships (Nimanandh and Andrews, 2009). In line with a hierarchical society, seniority culture plays a significant role in the Thai workplace and has significant influence on authority. Although the findings suggest that modernisation might have eroded some traditional practices and authority to a certain extent (for example, wais are not as regular or as low as they were before), many traditional values remain deeply embedded in the culture. Furthermore, the findings also suggest that some of these traditional values, such as kreng jai, nam jai, hai kiad and bunkhun, are still relevant in the Thai workplace and might actually help lubricate the mechanism by which things work; respect for authority is one such value.
According to Nimanandh and Andrews (2009), relationship building is an essential factor if one is to succeed in doing business in Thailand. The evidence collected from the respondents resonates with this view, in that business relationships are considered more important than the actual business in Thailand, and maintaining a good profile or image is of paramount importance to the Thais. A person with authority is often seen to have a large network with connections at many levels and areas. According to Sriussadaporn (2006), seasoned expatriates in Thailand often report that spending time building personal relationships is crucial for business success. Awareness and understanding of traditional values such as the seniority culture, *kreng jai, nam jai* and Thais’ perceptions of authority are essential for expatriates in order to achieve cohesive working relationship.

When the respondents were asked, “What do you think can be done to improve the authority issues?”, they suggested the following: adopt a moderate approach and tone down when giving direct criticism or instructions; communicate by having more regular meetings especially when there is a need to clarify anything; adopt a balanced and compromising attitude towards work and try not be too strict; build relationships; be patient; give clear rules and regulations with levels of authority clearly spelt out; sign up for some Thai culture courses before working in Thailand; be respectful and adhere to the Thai seniority system. Soo and DeNisi’s (2005) recommendations to improve expatriate-local relations include changing compensation policies, selecting candidates for expatriate positions more carefully, training local employees, and identifying and mentoring expatriates as part of the local employees’ job scope.

Globalisation has raised the issue of applying Western management practices in less developed countries (Dorfman and Howell, 1997; Hofstede, 2005). There is an implicit assumption that traditional practices such as a strong hierarchy and seniority culture in less developed countries such as Thailand should be replaced with flatter, more developed Western management practices (Ralston et al., 1999). However, more recent research suggests that there are benefits of traditional values in certain management contexts (Tjosvold et al., 2004; Spreitzer et al., 2005). Traditional values include respect for authority, hierarchical order and the importance of harmonious relationships (Farh and Cheng, 2006; Spreitzer et al., 2005). The benefit of such values resonates with McCann’s (2014a) argument that certain factors and traditions within a country remain profoundly important and significantly influence the way business is conducted.
This study concurs with the above and suggests that certain traditional values are of paramount importance with regards to the authority relationship between Thais and their expatriate counterparts. Thailand has an elaborate system on how to treat authority and each other in the workplace and in society in general. The system is highly hierarchical in nature and based on traditions passed down through generations. The findings strongly suggest that many of the traditional values held by Thais are deeply embedded in the culture and are still applicable in modern Thai society. This thesis continues to explore and discuss more on the unique Thai’s approach to working and how they perceive the expatriate dimension in the next chapter on the findings and discussion pertaining to professionalism and efficiency.
CHAPTER 6

PROFESSIONALISM AND EFFICIENCY

- FINDINGS AND DISCUSSION -
CHAPTER 6 - PROFESSIONALISM AND EFFICIENCY
- FINDINGS AND DISCUSSION -

6.1 Introduction

In some instances, expatriates are hired to improve an organisation's professionalism and efficiency. Some Thai businesses may be perceived to be lacking in these areas. This chapter discusses the thesis’ findings with regards to the respondents’ views on Thai professionalism and efficiency when compared to those of the expatriates. It is particularly interested in, to what extent Thais believe that they are in general, less professional or less efficient than their Western counterparts, and explores what this disparity might mean.

Section 6.2 starts by presenting Thais’ general view on professionalism and efficiency. Section 6.3 studies the effects of Thai history. Section 6.4 touches on Thai culture and its influence. Section 6.5 investigates Thai values and efficiency. Section 6.6 examines the effects of English language proficiency on efficiency. Section 6.7 discusses communication issues with expatriates. Section 6.8 looks at motivation and its role in efficiency. Section 6.9 studies the issue of punctuality and meeting deadlines. Section 6.10 looks at responsibility and accountability from the Thais’ perspective. Section 6.11 concerns taking initiative and making mistakes. Section 6.12 explores expectations of expatriates from the Thai viewpoint. Section 6.13 looks at respondents' perceptions of expatriates. Section 6.14 examines two examples of expatriates implementing change and their implications. Finally, Section 6.15 concludes the chapter by exploring the key themes that emerged from the findings and suggests areas for improvement.

There is a general perception that Western management methods might be superior and more efficient compared to those used in less developed countries such as Thailand. However, a recurring theme from the previous chapters suggests that applying the Western styles of working wholly into the Thai workplace might not have its intended results. The literature and findings reveal that Thais have a very different view from Westerners regarding issues such as timeliness and change. Thus, a more balanced approach such as meeting halfway and compromising might be more appropriate in the Thai context. In this chapter, we
investigate professionalism and efficiency in-depth from the Thai respondents' perspectives and discuss the applicability of Western methods in the Thai business model.

6.2 General view on professionalism and efficiency

In order to obtain some preliminary views on professionalism and efficiency, the respondents were asked about their views regarding whether Thais are as professional and efficient as expatriates. Please refer to Qn-24 below for the respondents' responses.

<table>
<thead>
<tr>
<th>Qn</th>
<th>Particulars</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>24</td>
<td>Do you think that Thais are not as professional or efficient compared to expatriates?</td>
<td>Opinions were split. 11 respondents replied &quot;No&quot; and 9 &quot;Yes&quot;.</td>
</tr>
</tbody>
</table>

It was noted that eleven respondents did not think that Thais are less professional or efficient compared to expatriates, while nine respondents felt that expatriates are more professional and efficient. In Qn-26(a) to (d) (please refer below), the respondents generally agreed that expatriates exhibit a high degree of professionalism and efficiency.

Qn-26 Please select the number that shows the level of agreement pertaining to the general comments on expatriates listed below.

1 Strongly disagree 5 Somewhat agree
2 Disagree 6 Agree
3 Somewhat disagree 7 Strongly agree
4 Neither agree or disagree 0 Not Applicable (NA) or don’t know

<table>
<thead>
<tr>
<th>Qn</th>
<th>Particulars</th>
<th>Average score</th>
</tr>
</thead>
<tbody>
<tr>
<td>26 (a)</td>
<td>Generally, expatriates exhibit high degree of professionalism and efficiency.</td>
<td>5.5</td>
</tr>
<tr>
<td>26(b)</td>
<td>Expatriates have high expectation of performance from their Thai counterparts.</td>
<td>5.4</td>
</tr>
</tbody>
</table>
Expatriates often express their ideas and thoughts in a straightforward manner so as to minimise ‘beating round the bush.’

Expatriates tend to confront the problem instead of avoiding it.

The survey results suggest that there was no real agreement demonstrating that Thais are less efficient or professional than expatriates, although several respondents noted that expatriates are generally seen to be more professional and efficient. In the interviews, it was common for respondents to report that Thais need to keep themselves updated in order to improve their efficiency. It was also noted that Thais felt that they could learn many things from expatriates and that expatriates should learn more about Thai culture.

One respondent highlighted that most Thais embrace Buddhism which teaches them to adopt a relaxed attitude and not be overly aggressive towards work and life. It might be argued that this may project a negative image of being unprofessional and inefficient, although the true intention may be to free oneself of constant tension and anxiety by trading the relentless pursuit of material gains for inner tranquility. This is an important point to note for expatriates as Buddhism plays a very important role in Thai society. Expatriates should try to be patient and not get upset easily as Thais prefer an amicable approach to resolve issues. This view is in line with Nimanandh and Andrews (2009) who emphasise that Thais prefer negotiation and compromise to avoid confrontational situations.

The respondents noted that generally, expatriates are more serious about work and task-oriented compared to Thais. However, the Thai culture encourages Thais to be more relationship-oriented rather than task-oriented (Runglertkrengkrai and Engkanianan, 1987). This might have contributed to the perception that expatriates are more professional and efficient. Expatriates need to be aware that many Thai workers come from less developed provinces in the outskirts of Bangkok and these workers may not have the educational background and working experience expected by the expatriates. Chachavalpongpun (2014b) states that workers from Bangkok and its hinterland perform very strongly, whereas the less efficient workers are predominantly from the rural provinces in the northeast, north and far south, especially the large agricultural workforce that is much less productive than its industrial workforce.

The findings indicate that workers from other provinces probably do require some form of training in order to meet the standard of efficiency expected by expatriates. Thai history,
culture and society have taught Thais to be tolerant and take things easy. Such attitudes might be perceived as lacking in professionalism and efficiency. Interestingly, several respondents claimed that Thai people may lack process management, knowledge and awareness of procedures and priority in their work. Sometimes, they are too flexible and need to improve especially in matters such as time management and meeting deadlines. Many respondents felt that Thais view time as unlimited and an unending resource which are in line with Buddhist beliefs. Time does not begin at birth and end at death. It might be argued that this attitude towards time makes Thais quite casual about keeping appointments and deadlines, an apathetic attitude which might make expatriates feel frustrated (Lewis, 2006).

Several respondents raised the issue that there is a lack or absence of a global norm with regards to efficiency and professionalism. Such ideas are not a given, but are socially constructed and diverse. What Thais may view as inappropriate may be viewed as efficient in the eyes of expatriates. Sul elaborated that she knew an expatriate who talked louder than everyone else in the office, and displayed his frustrations and vented his anger towards his employees. There was a great discrepancy between the way the Thais and the expatriates in the office perceived this particular expatriate’s behaviour. The expatriates viewed him as professional, efficient, responsible and results-oriented. They thought that the Thais understood the expatriate and accepted him. However, the Thais painted a very different picture. They thought that the expatriate was rude and abrasive. He just raised his voice when things did not go his way and was discourteous most of the time. We have to bear in mind that Thais are adverse to extreme emotions and taught not to display any emotions, even when they are under extreme stress (Renteln, 2005). Therefore, it should come as no surprise that Thais have a different view on the situation.

There was a consensus among many respondents that expatriates’ and Thais’ views of what is considered professional and proper can sometimes differ greatly. The expatriates in the situation described above felt that there was no problem; getting the job done is the most important matter. However, Thais viewed a serious relationship issue. It was commonly reported that expatriates emphasise independence, whereas the Thais might perceive such attitudes as arrogance. Several respondents were of that opinion that the expatriates view some Thais as inefficient. On the other hand, some Thais think that the expatriates are too forceful and demanding. The expatriates may feel that their direct displays of emotion are honest and demonstrate their enthusiasm for work. Thais, on the other hand, might view
such behaviour as impolite and disrespectful. There is indeed a gap in perception. In Hofstede’s (1980) research on cultural dimensions, the American and Thai cultures were used for comparison and virtually all dimensions suggest a great difference in culture and outlook towards work and life in general. A good example is that expatriates are generally more ‘masculine’ than Thais; expatriates are more decisive and if conflicts arise, they might resolve them using further conflict and confrontation. On the other hand, Thais are associated with ‘femininity,’ and have a tendency to build consensus and resolve conflicts through compromise and negotiation.

Interestingly, when the respondents were asked in Qn-28, “Do you think that the Thais may have contributed (either directly or indirectly) to the ‘challenges’ when working with expatriates?” All of them replied with an affirmative ‘yes’. This demonstrates that the respondents were aware that they played a role in how well the working relationship with expatriates would be. With regards to the statement, “Sometimes Thais act in an ignorant fashion and ignore their responsibilities,” it should be noted that the respondents gave mixed responses which could be interpreted as neutral. The respondents were generally agreeable to a certain extent for the statements in Qn-29(a) to (c), especially regarding Thais’ relaxed attitude and issues with punctuality. For Qn-29(d), the respondents were more inclined to take a neutral stand with regards to ignorance and responsibility. Please refer to Qn-29 below.

Qn-29 Please select the number that shows the level of agreement pertaining to the comments on the Thai’s attitude towards work which may frustrates the expatriates as listed below.

<table>
<thead>
<tr>
<th>Qn</th>
<th>Particulars</th>
<th>Average score</th>
</tr>
</thead>
<tbody>
<tr>
<td>29 (a)</td>
<td>Thais are generally more relaxed in their attitude when defending their point of view.</td>
<td>5.3</td>
</tr>
<tr>
<td>29 (b)</td>
<td>Thais lack a sense of punctuality and are frequently late with</td>
<td>5.1</td>
</tr>
</tbody>
</table>
Of course, cultural traits are not static for eternity; they do change and adapt. Boo, for example, believed that Thais are generally not very professional or efficient compared to their counterparts from the developed nations. However, she expressed optimism that they are gradually catching up. She gave the example that thirty years ago, Thais could not make an overseas phone call from home. But now, Thailand enjoys the internet and with it, comes a wide range of communication tools like Skype and Facebook. Boo claimed that change and progress, while slow and frustrating at times, are actually being made. The Thai workforce, especially the younger generations, will in time become more professional and efficient.

Many respondents were of the opinion that the younger generation of Thais are more career minded and want to see a clear career development plan with the companies that they are working for. The general perception is that certain high positions are reserved for expatriates and it would be good to clear the air and spell out the criteria for promotion and requirements. The respondents pointed out that many Thais see training as the solution to catching up with the expatriates. They cited education and skill development as the way forward towards career advancement. Training, especially overseas training is highly sought after by Thai employees, especially English language training (Jolley, 1997). One respondent said that taking such a course would not only improve his skills and knowledge, but expand his network. When a company sponsors an employee for a course, it may be perceived by other colleagues as a form of recognition of his good performance. The findings suggest that the younger generations are more eager to learn and might be the channel to cultivate a more professional and efficient working environment.

Several respondents pointed out that in Thai companies, the job description is often unclear. This affects professionalism and efficiency adversely. An example was provided that a secretary sometimes does some of the maid’s work. This is especially apparent in the smaller companies where employees often ‘multi-task.’ This practice often results in frequent mistakes made compared to large companies with clearer job descriptions.
respondents believe that if the roles and responsibilities of the different positions are clearly spelt out, professionalism and efficiency should improve. Clarity should not only be restricted to job descriptions but also the English language as a medium of communication, and communication in general. This is important as Thais tend to exercise restraint when saying something. Their inhibition could lead to misunderstanding by expatriates due to the ambiguity of what they are trying to convey.

Many respondents pointed out that Thais are at least considered very good in one aspect, building good relationships. Admittedly, it may not always translate into improved professionalism or efficiency instantly, but it nevertheless helps to enhance the working environment by making it a warmer and more *gan eng* place to work in. Good relationships also boost business opportunities and help to ride out uncertainties during challenging times. As Thai culture encourages Thais to be more relationship-oriented than task-oriented (Runglertkrengkrai and Engkanianan, 1987), it pays for expatriates to keep this in mind when they are pushing for results. Indeed, some Western literature attest to the importance of building an effective culture at work, defined as the promotion of a relaxed, friendly and ‘just be yourself’ attitude at work. Therefore, in some ways, the Thai culture may be ahead of a numbers-driven, results-driven Western working culture which can neglect the importance of collegial relationships (Peters and Waterman, 1982; Hayes and Abernathy 1980).

### 6.3 The effects of Thai history on efficiency

Traditional Thai society is organised along lines of hierarchy and has a direct bearing on Thais’ attitude towards professionalism and efficiency at the workplace. For example, Nor suggested that Thais may not be as professional and efficient as expatriates and he attempted to explain the gap. He believed that the historical agrarian economy is one of the main factors. Nor explained that Thailand only started to industrialise during the late 1980s and agriculture is still a significant part of the economy. Before industrialisation, most of the population was involved in agricultural activities. Thais were mainly farmers who did not have much education or knowledge beyond crop farming. The Thai educational system is still oriented towards the traditional, agrarian economy (Levine, 2007). Every day was a routine and the people followed an agricultural cycle that did not call for much planning.

Many industrialisation activities were spearheaded by expatriates during the late 20th century, when the West and Japan saw Thailand as a good business opportunity owing to its
cheap labour. The nation experienced a structural change, going from an agriculture-dominated economy to an economy more oriented towards industry and services, both in terms of production and export (Intarakumnerd et al., 2002). However, in terms of modernisation, Nor noted that the labour market may not be ready for such massive change. Perhaps Tilly and Stinchcombe (1997) are correct in their assertion that modernisation is a broader, longer, and more complicated set of changes. Hence, when it comes to professionalism and efficiency, it is no surprise that expatriates see a gap between their ‘modern’ standards and the more traditional values practised by Thais. According to Weber (1905a), modernity creates greater efficiency, wealth and justice. However, Weber also argues that modern people are at risk of becoming dehumanised. Perhaps traditional Thai culture might be able to address some of the concerns of modern ‘dehumanisation.’

The respondents made the observation that service industries would have their offices located in Bangkok and manufacturing activities would normally be carried out in provinces near Bangkok. Many peasants were attracted to the industrialisation process that was happening in Bangkok and the provinces around it. However, these peasants had little idea what was required of them and the standards they were supposed to meet. Nor believed that most of them lived in poor conditions when they jumped on the bandwagon of industrialisation in Bangkok and the outskirts. But compared to where they came from, it was relatively acceptable and they were paid more than what they could get at home from their agricultural activities.

Based on the data collected from the respondents, there was a general consensus that the peasants were not equipped with the necessary skills and more importantly, the attitude to achieve the professionalism and efficiency required for the job. Many of them pointed out that the mindset of an agrarian culture from early times is still deeply embedded in Thai workers today. This is especially true for the hourly-rated workers at the manufacturing facilities. Despite attempts to modernise, it will be a great challenge to alter this mindset as Thailand is still dependent on agricultural economy. Expatriates are urged to be patient and realistic. They have to be prepared to provide more training and meet halfway regarding acceptable standards. Indeed, the findings are in line with the view that expatriates may need to adapt accordingly.

6.4 Thai culture and people
Lewis (2006) describes the Thai working culture as that of discouragement of competition, in accordance with Buddhism. This is very different from the Western work philosophy, which emphasises efficiency, individual responsibility, and the notion that ‘time is money’ (Leclerc et al., 1995). Thais tend to give importance to the values of persistence, collaboration and patience (Niehoff et al., 2001). On the contrary, there was a general consensus among many respondents that Western expatriates are task-oriented and might tend to seek fast results. In Western culture, individualism may motivate personal accomplishment and self-expression. The findings suggest that by contrast, individualism is not considered very important in Thai culture, echoing the findings of Hofstede (1991) and Lewis (2006). In Thai culture, individual success is shared by family, clan or community, and the group is dominant in social life. Informality is also becoming increasingly common in Western culture, where less importance is attached to traditions, ceremonies and social rules. The findings suggest that this informality has created issues for expatriates in Thailand.

Several respondents believed that it might be easier for an expatriate to know Thais than the other way round. One such respondent, Pra, explained that when an expatriate arrives in Thailand, he will be exposed to the locals most of his waking hours. However, the typical Thai person working in a company with expatriates will have little direct contact with them. Hence, Pra reasoned that it should be much easier for expatriates to understand Thai culture than Thais trying to adapt to Western standards. Pra expressed that Thais are insulated against the expatriates to a certain extent. They do not see the need to really understand expatriates, as the contact is infrequent. Moreover, the findings suggest that many Thais consider Thailand their country and they adopt a mai pen rai attitude. It was recognised that this view may be true for smaller companies. However, as globalisation takes root and business becomes more competitive, efficiency is vital. Thus, some changes need to be made and are indeed being made.

The findings suggest that in a company that employs many expatriates, the working environment might not strictly be a Thai one. It has been observed that this is especially true when the expatriates are holding senior positions and can influence the company policies and directions. Some respondents pointed out that values relating to efficiency like accountability, meeting deadlines, rewards based on performance, discipline and directness are introduced into the working environment. Thais will be encouraged to adopt some of these values. Several respondents expressed their apprehension that performance appraisals may incorporate these values and Thais who are not prepared to adopt them will
lose out. They reckoned that some good Thai workers who could not adapt to the value system were not recognised for promotion. Hence, Thais might need to be trained and adjust to some extent and expatriates should be mindful about implementing everything they deem efficient in accordance to their standards back home. Pholphirul (2014) finds that skill training in the workplace is a major concern in developing countries such as Thailand.

6.5 Thai traditional values and efficiency

(i) Kreng jai

As mentioned in previous chapters, *kreng jai* is one of the most important traditional values that affects almost all aspects of a Thai person’s relationships. It definitely affects professionalism and efficiency. Oftentimes, one can hear another colleague saying that the job cannot be done because he or she *kreng jai* another person. It was recognised that *kreng jai* helps make the workplace more pleasant and avoid interpersonal confrontation (Kitiyadisai, 2005). However, it can be misused or misunderstood, and adversely affects professionalism and efficiency. The respondents provided some examples: a salesman may be too *kreng jai* to a prospective customer and thus will not pursue the real reasons behind the prospective customer’s non-committal attitude; due to *kreng jai* to his boss, a staff member does not want to point out his boss’ mistake, causing the company to lose a bid on a major project; one employee is too *kreng jai* to fellow colleagues and thus does not ask for help, for this reason, an important deadline is missed and the company has to pay a hefty penalty.

Another example provided was that sometimes junior staff members have very good ideas during meetings. However, they prefer to keep quiet as they do not want to be seen as grabbing the spotlight away from their bosses. This example demonstrates how *kreng jai* can lead to negative consequences. It was opined that in such a case, good ideas and opportunities to improve efficiency are lost. Nevertheless, traditional interpersonal relationships may be incompatible with the harsh demands of efficiency in competitive capitalism. On the other hand, *kreng jai* has some positive points. Thailand presents an opposite case. Nor mentioned how during a meeting, two staff with opposing views managed to compromise due to *kreng jai*, by showing more courtesy and empathy. This has resulted in better teamwork and a more trusting relationship. Thus, there was a general view that *kreng jai* is a necessity in Thai society to enhance relationships in all kinds of situations; between family members, friends or colleagues. Thais see the value as an important link to
the relationship building that Thai society is based on. Kreng jai is especially significance to a new expatriate who is trying to build new connections in Thailand (Funk, 2015).

Many respondents pointed out that Thais often display a kreng jai attitude to smooth difficult conversations and strengthen relationships. Several respondents highlighted that in Thai offices, mai dong kreng jai is used frequently to express sincerity and inform the other party that it is all right to proceed with whatever they are discussing. One respondent, Pat, explained that when using mai dong kreng jai, one does not need to be afraid that the other party will not be considerate. On the contrary, saying it demonstrates one’s consideration for others and thus the other party will respond likewise. Pat stated, “Sometimes, being too kreng jai can lead to things not done or information not shared, especially bad news.” Hence, Pat stressed that it is important to find a balance in kreng jai, in that one should be considerate but not at the expense of performance and efficiency.

Several respondents also reiterated the point that when Thais are overly kreng jai and cautious, efficiency may be affected. An example provided was that of a secretary who received a message for her boss, but seeing that her boss was in a meeting, decided not to disturb him. Later, the message turned out to be urgent and the boss was upset that he was not informed immediately. This example highlights that kreng jai is related to the thought process of being cautious and not disturbing anyone. There was a general view that core values such as kreng jai must be respected, and that it is hard to break with traditions, especially when they are at the heart of a nation’s belief system at all levels of society. Many respondents agreed that kreng jai in business needs to strike the appropriate balance between respect for each other and getting results. Fitzroy (2013) points out that an expatriate will not survive in business in Thailand if he has no kreng jai, but if he is too kreng jai, he may not fulfil his true potential and efficiency may suffer.

The respondents generally felt that kreng jai may also contribute to a company’s efficiency. Some respondents provided examples in which kreng jai is put to good use. Kreng jai helps in the development of good relationships and in the appreciation of Thai culture and traditional values. Kreng jai encourages fellow colleagues to be considerate and polite, which enhances team spirit and results. Likewise, negative kreng jai will have negative effects on efficiency and performance. Overall, the findings resonate with Wentworth (2010) that kreng jai plays an irreplaceable role in Thai society in stressing the importance of being
considerate and having good manners. Paradoxically, the importance of *kreng jai* may be part of what attracts many expatriates to work in Thailand in the first place.

(ii) *Nam jai*

There was a prevalent view among many respondents that expatriates are more accustomed to having rules and regulations in place for people to follow. Thais, on the other hand, are more flexible in part due to *nam jai*. Pri provided an example of a company policy that an employee’s medical and hospitalisation leave shall not exceed a certain period. She suggested that in developed countries where expatriates come from, this policy might be strictly adhered to, and exceeding the stipulated timeframe might lead to dismissal. However, in the Thai context, the boss will look at the circumstances. If the employee concerned is a good employee who has been with the company for a number of years, these factors will be taken into consideration. If the employee is relatively young and has children and elderly parents to care for, the boss will be more inclined to make an exception. Pri elaborated, “Expatriates may not be used to circumventing company policy but they have to understand that Thai culture emphasises having *nam jai*.” *Nam jai* may occasionally come into conflict with the interests of the company and its overall image of professionalism and efficiency. But the above example suggests that social norms may be more significant than official policies, an issue that is by no means exclusive to the Thai context.

(iii) *Hen jai*

Many respondents reported that *hen jai* is used to show that Thais have humanity. Nor provided an example of an expatriate that possesses *hen jai*; he checks the workload of his staff before assigning work. If he knows that a particular staff member is going through a difficult period, he will avoid assigning too much work. In another example provided, when a company was going through a rough patch, it decided to cut the salaries of its employees by some 30 percent instead of laying off 10 percent of the workforce. The company practised *hen jai* because many of its employees were of poor background and could not afford to lose their jobs. Nor elaborated that the value of *hen jai* requires listening to problems and evaluating each case according to its merits. *Hen jai* is often considered by Thais as a motivational factor when practised by one’s superior, and motivation promotes efficiency (Trehan and Trehan, 2010).

(iv) *Gan eng*
It is surprising that gan eng is not found in the literature on the Thai socio-cultural structure, and seemingly absent from the results of internet searches. According to many respondents, gan eng is used commonly in the Thai workplace to advocate a sense of friendliness and good feelings. Sun emphasised that Thais give as much importance to the workplace as to their home. She stated that she spends more time with her colleagues than with her family and friends, and spends a minimum of five days a week at the workplace. Out of the twenty-four hours in a day, at least eight of the most productive hours are spent at work. Another eight are for sleeping and the remaining eight hours are spent commuting between work and home, preparing meals, resting and doing other activities. Therefore, Sun was convinced that happiness at work is of paramount importance. Sun noted that she relates to some of her colleagues so well that they are like extended family members. They enjoy eating together, engaging in small talk and going out. The gan eng feeling is so good, that if better job opportunities come along, they may refuse the offer. The general view of the respondents concurs with Sun’s experience. However, the findings also point out that this gan eng feeling may not always be very good for professionalism and efficiency, as the concept promotes adopting an easy-going attitude, which may not be in line with professionalism and work efficiency.

(v) Bunkhun

Rabibhadana (1984) emphasises that the traditional value of bunkhun is essential for bonding between parents and their offspring, krob kua, and extends to the relationship between superiors and their subordinates. Several respondents pointed out that Thais generally treat their company like krob krua, especially close colleagues. Like family members, they are concerned about the company’s health and future prospects. It was believed that companies play the paternal role of taking care of employees; this includes training and development programmes, which in turn improve efficiency and help meet some of the expectations of expatriates. According to Sriussadaporn (2006), Thai employees expect their bosses to give them advice, even for personal matters, similar to family members.

(vi) Mai pen rai

House and Pinyuchon (1998) believe that the words mai pen rai help to maintain social harmony in Thai society. This is in line with this study’s findings, where many respondents mentioned that mai pen rai is used frequently and on a daily basis. According to House and Pinyuchon, mai pen rai means ‘never mind, it is OK,’ or ‘take it easy.’ Many respondents
acknowledged that Thais generally have a more relaxed attitude towards life and they attributed this to the concept of *mai pen rai*. In line with *mai pen rai*, confrontations are tactfully avoided and conflict minimised. Therefore, Thais are less likely to get upset. Utu stated, "We are skilful at avoiding sensitive subjects and use *mai pen rai* to pacify any contentious issues." Since *mai pen rai* is verbally expressed, it is easier for the expatriates to recognise, as opposed to nonverbal language, which is much more difficult to interpret and often leads to confusion on the part of expatriates about what the Thais really want or mean.

Several respondents acknowledged that *mai pen rai* can lead to inefficiencies, as it encourages one to take things easy, not be too serious about the subject matter, and act without urgency in completing tasks. It was a common observation that the phrase *mai pen rai* is so commonly and spontaneously used that Thais say it whether a situation calls for it or not. I would like to suggest that when a Thai says “*mai pen rai*,” an expatriate should delve deeper and inquire in a gentle manner as to what is really going on. We know from anthropological research that superficial readings of speech, action, and appearances can be deceptive and their real meanings can easily be misread (Geertz, 1973).

**6.6 English language proficiency**

Foley (2005) claims that there is a shortage of English language proficient employees in the increasing number of MNCs established in Asia, and especially in Thailand. He points out that Thailand seriously lacks even basic English language proficiency in the workforce. The findings of this study support this view, as many respondents emphasised that English is a significant barrier to working with expatriates and foreign business partners. Several respondents suggested that this may be partly due to the promotion of Thai language in the culture. Thai language has been a fundamental component of ‘Thainess’ since historical times. The Nation (2013) reports that Thailand ranks near the bottom in English proficiency, showing the persistence of one of the key competitive weaknesses of the Thai economy. Out of 60 countries and territories where English is not their mother tongue, Thailand manages only 55th place, outdoing only Panama, Kazakhstan, Algeria, Saudi Arabia and Iraq, according to the EF English Proficiency Index.”

This study’s findings suggest that the lack of English language proficiency skills has indeed, reduced Thai competitiveness and efficiency.

---

14 The survey on English language proficiency was conducted by a major provider of international education, EF Education First, based in Zurich, Switzerland.
Several respondents pointed out that during meetings involving expatriates, Thais are disadvantaged due to their poor command of English. Ana noted that when an expatriate manager calls for a meeting, the meeting will usually be conducted in English, and Thais often find it difficult to join in on the discussion. Conversations are often quick and spontaneous, and there is little time for Thais to respond in English. If a Thai were to raise a question or topic, he would have to present it in clear, understandable English, and be prepared to answer any questions. It was noted that questions from expatriates can sometimes be unpredictable and challenging. Furthermore, it is easy for expatriates who are more vocal and can articulate in the English language to group themselves into cliques and act as a pressure group to force their views in meetings (Lee, 2008). In such a scenario, opposing views from the Thais might be quickly and embarrassingly shot down.

Generally, the respondents were of the view that expatriates see it as a right to ask questions, even questions perceived to be irrelevant or tough. Whereas Thais normally remain respectfully quiet and let the senior person speak, especially when the senior person is an expatriate speaking in English. There was a consensus among many respondents that raising a topic or making a statement might require the Thai person to justify his position clearly in English, and the members may not understand his English or accept his ideas. Many Thais prefer to keep quiet when there is conversation in English, as they are afraid to make mistakes (Dahles and Loh, 2006). It was pointed out that some Thais’ understanding of typical meetings is that their purpose is to disseminate information. Normally, a senior person will preside and staff will just sit and be attentive. For expatriates, on the other hand, it was observed that meetings are normally held in order to exchange ideas through two-way communication. Therefore, different expectations might exist with regards to meetings.

Several respondents highlighted that sometimes the situation gets worse when a meeting becomes confrontational, most of the time due to expatriates who are direct, who stick to their beliefs and who may be overzealous. In such situations, Thais will normally become even quieter and keep a low profile. Moreover, it was recognised that the English language, with its complex grammar, is not really easy to master for non-native speakers. It is understandable that Thais would sometimes feel discouraged about such meetings, as they feel that they cannot really contribute anything meaningful. Nevertheless, there is a belief that meetings are still necessary and may lead to better understanding in the long run. Generally, the respondents were of the opinion that Thais are not well-equipped with the
required English language skills. Hence, efficiency in dealing with expatriates drops. The findings suggest that for certain meetings, it may be worthwhile to consider holding them in Thai and using an interpreter for the expatriates. It has been observed that if meetings are held in the Thai language, Thais’ confidence and participation improve (Dahles and Loh, 2006).

Comeaux (2002: 167) emphasises that for ascertaining and ascribing social status in Thai society, there is an element in the Thai language that English speakers find especially difficult, partly on account of its downright prodigiousness, the Thai pronouns. According to Comeaux, it will take expatriates a long time to get used to the different pronouns used in Thai society to recognise people of different status. The findings support this view and many respondents expressed grave concerns regarding this area. Nor concurred that the Thai language reflects the social status, seniority, and intimacy in a relationship to degrees that are completely unfamiliar to expatriates. Thailand is a status-conscious society and where an expatriate is positioned, the people around him will be very important when it comes to how he is being addressed. Ana reckoned that the Thai language differs greatly from the English language, not only in pronunciation and writing, but more importantly, in the various meanings inferred, for which the English language does not have equivalents. Many Thai words have unique ways of addressing people’s different status and often have deep and profound meanings not found in the English language.

Ana stressed that this is especially true when senior Thais are conversing with juniors. An example provided was that when a senior Thai person is speaking to a junior Thai person on an informal basis, he will usually refer to the junior as nong. If the conversation is formal, he will use khun. When a junior Thai person addresses a senior Thai person informally, he will usually use pi, and on formal occasions, khun or tan. As can be seen, the Thai language reflects the different levels of Thai society based on seniority; such distinctions are profound and are used regularly on a daily basis. Several respondents recognised that the English language may also accord seniority on some special occasions, but the degree and depth of doing so is vastly different from the Thai language. It is of paramount importance to understand that Thai society is highly hierarchical and gives deference to seniority, as demonstrated through the usage of the Thai language (Comeaux, 2002).

Kae shared that during her schooling, English was taught using reading and writing. However, spoken English was not used on a regular basis. Moreover, examination of
English language proficiency was based on reading and writing. It was suggested that the Thai education system may need to modify the teaching of English to not only focus on reading and writing, but also on spoken English, pronunciation and fluency. Low and Hashim (2012) suggest that educational policy and its implementation are one of the causes of the poor English language proficiency in Thailand. Several respondents also reiterated the view that the root of Thai’s low English proficiency lies in the education system. It was pointed out that from a young age, a Thai person will learn English as a second language, but not on a daily basis. Normally, no oral examinations are required. Students are not encouraged to speak up and anyone who does will be frowned upon by his teacher and classmates.

The findings suggest that such an attitude not only contributes to the inability to converse effectively in English, but also inhibits Thais’ ability to articulate during meetings. Pat concurred and said that in the typical Thai family tradition, children should listen and not ask too many questions, especially questions that are in conflict with senior members. Even in schools, students are encouraged to listen and pass written examinations; not much emphasis is placed on asking questions (Apaibanditkul, 2006). Hence, Thais grow up to be obedient and do not ask many questions or take initiative, even senior people at the top. Asking questions in English is even more challenging. This is in line with Hofstede’s (1980) view that people from collectivist cultures are less likely to ask questions, so as to facilitate harmony and save face for both parties. It was commonly observed that the more members there are in a meeting, the more intimidating a situation becomes. The more senior people there are in a meeting, especially expatriates, the more apprehensive a Thai person will be to speak up in English.

It was common among many respondents to express reservations about having meetings with expatriates. It was not only the English language issue but also the fact that expatriates are often more outspoken, with some even acting a bit aggressive during the meetings. One respondent Kae, claimed that when more expatriates are involved, the problems seem to increase. An example provided was when a senior expatriate called for a meeting involving other expatriates and Thais. He wanted to collect the best suggestions and ideas, and all who were present were encouraged to participate and be forthcoming about their ideas. Kae noted that the expatriates did most of the talking, whilst the majority of Thais remained quiet. Personally, she felt intimidated during meetings held in English, where the expatriates seemed to dominate the conversations. Kae stated that if the meetings were held in Thai,
she would be more encouraged to speak up. She believed that many of her other Thai colleagues share her sentiments.

The findings suggest that almost all Thais have a similar thought process when spoken to in English. When they listen to English, they first try to translate it into Thai language, which is easier for them to understand. Then they will attempt to decipher how to reply in Thai. Next, they will need to translate their response from Thai into English. Lastly, they will speak what they were thinking in Thai in English. Thus, it is challenging for Thais to have a smooth and spontaneous conversation in English. Problems can be resolved by writing in Thai or using easy English words to help with the process (Glass, 2008). Several respondents suggested that expatriates should speak slowly, in simple and clearly pronounced English. Several respondents pointed out that Thais mainly listen to the American English spoken in movies and television and may have difficulty if expatriates speak English from places that have a different accent. For example, the way Europeans and Japanese speak English is different from the Americans. It was observed that when Thais do not comprehend what an expatriate is saying, the expatriate may sometimes respond by increasing the volume of his voice. This does not help, as the Thais can become confused or intimidated, and the meaning may become even more obscure. Instead, the expatriate should use simple phrases, and speak slowly and clearly.

English is considered a foreign language in Thailand, with not much general social exposure, especially in the provinces outside of Bangkok (Rappa and Wee, 2006). A common reason for this is that Thailand has never been colonised and hence, does not have a culture in which a Western foreign language has been used on a pervasive scale (Todd, 2006). Although it may be challenging for older Thai workers to pick up good English, an encouraging sign is that young Thai students are more motivated to learn the language. They know that English, as a global language, will enhance their job prospects after graduation, especially with the AEC\textsuperscript{15} on the horizon (Bruner et al., 2014).

Cook (2013) sums up nicely that the language barrier between Thai and English is enormous. The two languages have incredibly different vowel and consonant sounds. Thais are generally better in written English than spoken English. Thai is spoken with intonation,

\textsuperscript{15} AEC - The Asian Economic Community will come into effect by the end of 2015, and English will be the language of choice. Countries with a good background in English, like Singapore, Malaysia and the Philippines, will be in an advantageous position. There is already word on the street that Thailand will be left behind due to its poor English language proficiency.
which is practically impossible for English speakers to hear. It sounds like Thais are singing during their everyday conversations. In the middle of a sentence, they may suddenly raise their voice in the same way an English speaker does when asking a question. Then they may drastically lower their voice midway through the next word, sounding almost like they are angry or miserable. When an English speaker tries to speak Thai, it is like a tone-deaf person belting out a song when everyone else around is singing beautifully. While it is easy to poke fun at Thais’ attempts to speak English, the feeling is mutual regarding foreigners’ feeble attempts to speak Thai. The most important thing is the ability to laugh at oneself - *mai pen rai*.

6.7 Communication

Sriussadaporn (2006: 330) believes that there has been an increased awareness and knowledge of how to manage international business communication over the past two decades. Most business communication textbooks (Hanna and Wilson, 1998; Chaney and Martin, 2000; Locker, 2000; Thill and Bovee, 2002; Adler and Elmhorst, 2005) suggest that to communicate more effectively in the global business environment, international communicators need to understand some basic features of the cultures they are dealing with. Communicators also need to recognise cultural diversity and differences, and develop intercultural sensitivity.

Specifically, appropriate and inappropriate kinds of communication, the ‘dos and don’ts’ in various countries have been identified, underlying the general and specific assumptions associated with the national cultural beliefs, attitudes, values, expectations, and norms of the interpersonal, group, organisational, and social settings in which international business communicators are involved (Sriussadaporn, 2006: 330-331). In addition, extensive practical knowledge of how to cope with problems has been directed toward international business communicators, addressing such issues as verbal and nonverbal communication patterns, business etiquette, and business and social customs (Harris and Moran, 1996).

Many respondents felt that effective communication is very important for the image of professionalism and working efficiently. They believed that effective communication not only includes verbal communication but also nonverbal communication. Rush (2015) points out that nonverbal communication encompasses numerous modes of expression. Physical examples include posture, gestures, eye contact, touch, physiological responses and
manner of movement. As business frequently requires people to communicate, understanding nonverbal communication can help in the working relationship with co-workers and business partners. Kae highlighted that expatriates should not just look at the outward appearance. If a Thai person does not say anything, that does not mean things are agreeable. The findings suggest that most Thais place considerable importance on nonverbal communication, especially in the areas of attentiveness, disapproval, appreciation and apprehension. Expatriates should learn not only how to listen to Thais but also how to read Thais’ nonverbal signs of communication.

The importance of feedback in the workplace has long been recognised (Andrews and Kacmar, 2001). There was a general view from many respondents that professionalism and efficiency would improve if there were better communication with, and good feedback obtained from, Thai staff. It was mentioned that good communication and high quality feedback are impeded by Thais’ lack of English proficiency and the Thai value of *kreng jai*. Nit stated, “Simply put, English is a challenge for us when trying to communicate effectively with expatriates. We are often *kreng jai* and therefore do not share with expatriates when problems arise or bad news need to be conveyed.” When an expatriate does not get the complete picture, inefficiency might ensue. The findings suggest that expatriates should spend time on communication and obtaining quality feedback. They should explain to their Thai counterparts that *kreng jai* is good, but having complete information is also very important, including negative information.

Pra mentioned that it might be a good idea to communicate in writing concerning important matters in order to reduce miscommunication. The findings suggest that most Thais are more comfortable with written English than with spoken English, and they are also better at reading than speaking. However, Pra noted that even expressing in written English may be an issue, as Thais may fear that their English is not up to the standard of the expatriates. They are also afraid that their co-workers might get the opportunity to read and comment on their poor English. Pra pointed out the more important concern that written messages have a sense of greater seriousness and exposure. In the event of a disagreement, Pra believed that Thais are even more reluctant to correspond in writing. It is felt that writing would make the disagreement worse and the chances of negotiating a solution dimmer. Many respondents indicated that they prefer face-to-face meetings to resolve disagreements and believe that a personal touch should increase the chance of reaching an amicable solution. According to the respondents, they do not expect expatriates to speak Thai, though it would
be highly appreciated if they could speak a little. However, they do expect expatriates to interact, show concern, and listen to their problems.

There was a consensus among several respondents that some Thais are not very good at providing ideas. An example provided was that during brainstorming meetings, Thais are not very good at coming up with new initiatives, alternatives or ideas. An explanation offered for this was that the Thai educational system does not encourage students to be creative. Most learning is textbook-based and success on examinations is based on providing the right answers. This concept follows Thais from their student days to their adult working lives. Therefore, during meetings, Thais understand that they will be all right if a correct statement is made, but might be penalised if a wrong or untested idea is given. Thus, if they are not certain, it is better to keep quiet. This finding is in line with those of Dahles and Loh (2006) and Apaibanditkul (2006).

One respondent, Boo, also mentioned that the educational system does not encourage students to speak up. During their early formative years, students are taught to be respectful and keep quiet when a teacher is speaking. Any students that speak up might be seen as misbehaving or trying to draw attention. Teachers basically lecture and the students are not supposed to make comments. There was a general view that most expatriates come from a culture where asking questions is part of the learning process. They are expected to participate actively and are allowed to question the teaching. Several respondents stated that expatriates often get into details and take pride in their beliefs and opinions. However, it was noted that in defending their beliefs, expatriates can occasionally become aggressive and may offend other people in the process. Sruissadaporn (2006) reports a similar finding that Thais perceive expatriates to be aggressive at times.

Several respondents suggested that expatriates should ask for their input on complicated matters. On the other hand, it was also suggested that Thais should ask questions when they are unclear about the instructions given or how to go about completing a task. It was a commonly view that both parties should keep the communication open to avoid misunderstanding. These findings concur with those of Dahles and Loh (2006) and Apaibanditkul (2006) that the Thai educational system does not encourage students to speak their mind or ask questions. Hence, expatriates need to be patient in this area and make sure that the Thais concerned are free and attentive when instructions are given (Sruissadaporn, 2006). Expatriates should use easy to understand language and avoid
technical jargon. Several respondents stressed that it is important to repeat oneself and to ensure that Thais understand, especially for important messages. If necessary, expatriates should use short and friendly notes to enhance understanding and serve as reminders.

According to Fieg (1989), Thais are very different from expatriates, who come from more open and vocal societies where questioning one’s superiors is more acceptable. Thais are more subtle in their approach. Many respondents expressed that although professionalism and efficiency are things Thais would like to have, seniority, respect and face-saving take precedence. There was also a general view that an expatriate should express himself in a supportive manner and not convey the message that he doubts the ability of the Thais. Utu stated, “One of the reasons why we may be reluctant to speak up is that we are afraid of being perceived as inefficient.” The findings suggest that when an expatriate is understanding, supportive and sensitive to Thais’ feelings, work efficiency will increase.

The findings agree with those of Sriussadaporn (2006: 338) that intercultural communication problems can be explained by the fact that expatriates and Thai employees possess different mindsets about work-related communication and different expectations about personal and working relationship. In addition, communication problems can occur when both parties lack mutual language capabilities, lack mutual trust and openness in communication with one other, and importantly, lack sensitivity to the other party’s cultural norms and values regarding communication. According to Graf (2004) and Erbacher et al. (2006), intercultural sensitivity can only be learned over a long period of time.

The findings also concur with Wiwattananukul’s (1993) finding that certain factors contribute to miscommunication, such as a language barrier, cultural differences, and misinterpretation of verbal and nonverbal styles of communication. These issues can negatively impact individual and organisational goals. The findings are also in agreement with the view of Mendenhall and Oddou (1985) that it is not only language fluency that matters, but also communication ability. Having a strong relationship can improve communication and performance (Gregersen and Black, 1992; Erbacher et al., 2006). The more the parties get involved in communication, the better they will be able to understand the other’s culture. Such increased understanding will reduce uncertainty and should improve job performance and efficiency.

6.8 Motivation
Motivation was brought up as a factor for improving efficiency by some of the respondents. According to Llopis (2012), regardless of what motivates you and what drives you to reach peak performance, it must be managed and balanced. Too much motivation in one area will weaken other parts. The factors that motivate employees to achieve evolve as they mature and begin to truly understand what matters most to them. Therefore, as leaders, we must hold ourselves responsible for building meaningful and purposeful relationships that matter with our employees. This will allow us to better understand those we are serving, as much as ourselves.

An example was provided by Kae regarding motivation. Some time back, she led a group of employees to meet a tight schedule, and the group worked until very late. In recognition of their hardwork, Kae invited the team to supper. It was rather late but everyone went and all had a good time to celebrate a job well done. Kae said that everyone turned up punctually to work the next day, looking enthusiastically for their next assignment. Kae believed that buying the staff dinner was a small gesture, but it went a long way in motivating her staff. She commented that motivation is very important for improving efficiency in the workplace. Kae’s view was shared by many respondents, who emphasised the importance of motivation in the Thai working environment.

Another respondent, Pim, also believed that motivation is important for efficiency. She provided the following example. A team was working very hard on a major project with a lot of overtime clocked and weekends burned. When the team finally completed the project within the stipulated deadline, the boss rewarded the members of the team with a sumptuous lunch. The team was so motivated that they said they were ready for the next project. Pim stated that the members were grateful for the nam jai the boss displayed. According to Pim, nam jai is normally not planned; it is a natural and spontaneous action that will be recognised and appreciated, and that can be a great motivator.

There was a general perception that the global economy has moved so quickly that it is difficult for Thai workers to catch up with the technology and information systems introduced by the West and Thailand’s more advanced neighbours such as Singapore. Several respondents acknowledged that the professionalism and skills required to have equal standing in this environment are in short supply, and that employees who do have such skills often engage in ‘job hopping’ in search of better pay. It was suggested that there is a need to
provide an environment that exudes positive energy. This includes ensuring that the workers feel themselves to be integral contributors to the overall success of the team. It also means keeping your office doors open, remaining approachable, and encouraging all your managers to try, and being consistent. Additional positivity in the surroundings, additional empowerment and greater employee productivity are the basic elements that will get your business to the top. This is why employee motivation is so important (Silberman, 2013).

Such views are asserted in many mainstream Western accounts of transforming work culture. For example, Osterman (2005) and Pfeffer (2013) argue that Western firms have, since the 1960s and before, over emphasised differences in rank. For example, white collar versus blue collar. The trend in the 1980s was to try to at least symbolically remove these hierarchical status symbols at work. For example, getting rid of the executive lounges or executive parking lots or dining rooms. Interestingly, much of this trend seems to have come from a Western understanding of Japanese practices such as everyone wearing a similar company uniform and dining together. However, this is not really accurate as Japanese workplaces are very hierarchical. In the States, pay differentials are often very high, which also tends to make efforts to flatten the structure and remove status symbols empty in reality.

6.9 Punctuality and deadlines

Varner and Palmer (2005: 3) states that a person from a culture with monochronic time orientation (such as a Western expatriate) would see time as a limited commodity and being punctual as a virtue. At the same time, he or she would view a person (such as a Thai person) who comes from a polychronic time orientation culture, where time is seen as cyclical and unlimited, as uncaring, inefficient, or even lazy. Several respondents commented that productivity is something that Thais have yet to grasp but that it is gradually improving, especially in medium to large companies. Thais can be hardworking if given clear instructions on what to do. However, the respondents did admit that Thais sometimes tend to be absent from work or late to work. These employees need to be educated about punctuality and the consequences of being late.

Rowley and Harry (2008) mention that workers from agricultural backgrounds may find difficulty working in industrial mass production or bureaucratic organisations, where discipline regarding punctuality is important. Roger et al. (2006: 324) state that Thai society
is rooted in its agrarian traditions, and work schedules are arranged according to seasonal agricultural cycles. According to Roger et al., time is conceptualised as part of the natural cycles that cannot be controlled. Thus, Thai culture places a lower emphasis on punctuality than Western practice does; a view supported by the findings of this thesis. On the other hand, Western cultures perceive time as a resource that is continuously being depleted. Terms such as ‘time is money’ and ‘time never comes back’ are often used to promote the effective use of time (Phatak, 1995: 55). In other words, the Western work philosophy emphasises the importance of time and the efficient usage of time, or time management (Leclerc et al., 1995). In contrast, many Eastern cultures view time as an unlimited and unending resource. This attitude towards time makes people from such societies, and especially the Thais, quite casual about keeping appointments and meeting deadlines (Lewis, 2006).

Sriussadaporn (2006) also highlights that Thais have an issue with punctuality. Several respondents noted that expatriates are often frustrated with Thais’ attitudes towards timeliness, including being on time for deadlines, appointments, meetings and so on. An ideal situation would be that Thais become more eager to finish their work by the agreed deadline. It was noted that even Thais themselves are sometimes frustrated by the lack of punctuality. Big projects with hefty penalty clauses for lateness can cost the company a great deal of money as well as reputation. The respondents noted that expatriates who have been in Thailand for a while will give a knowing smile that Thais’ attitude towards work and life is rather slow and not rushed like in the developed West. Indeed, experienced expatriates will react calmly when procedures are not followed or things do not go as planned. Just be patient and jai yen yen.

An expatriate shared with one of the respondents that when he initially arrived in Thailand, he expected Thais to work from 9:00 a.m. to 5:00 p.m. or later. There should be plans, and deadlines should be adhered to. If deadlines are not kept, there should be valid supporting explanation. Otherwise, disciplinary action might be taken for failure to meet the deadlines. However, the expatriate soon found out that the Thai employees did not behave accordingly. Punctuality was an issue and deadlines were frequently not met. This ultimately translated into inefficiency. Several respondents agreed that it can sometimes be a challenging for expatriates where meeting deadlines is concerned. It was felt that expatriates are rather strict about such deadlines. This is because many respondents felt that the atmosphere in the Thai workplace is congenial, family-like and not very time conscious. Most Thais have a
sense of contentment about their own lives, no matter how little they may have (Roger et al., 2006: 324).

6.10 Responsibility and accountability

According to Sriussadaporn (2006), some Thai employees are not very committed to their work. The statements of several respondents concurred with this, in that Thais seldom provide notification in advance when they cannot finish a job by the specified time and do not voice any problems they have encountered. Upon submission of the work, the superiors may realize that some of it was left uncompleted or was improperly done. Several respondents pointed out that in the Thai work culture, responsibility and accountability are issues that the expatriates will need to address in order to improve efficiency. It was a commonly held view that many Thais are afraid of speaking up and taking responsibility.

There was a general consensus among many respondents that Thais are concerned with how their peers perceive them. Although an idea they have may be good, they are afraid that it may appear nonsensical or unacceptable in the eyes of others. They may end up embarrassing themselves, and so it is better to keep quiet. Several respondents believed that this perception leads to a lack of ideas put forth, and problems may not surface until it is too late. Pal provided an example in which, after working on consecutive weekends for a major project, a manager wanted to provide a day off for his employees. However, he preferred that his boss sign off on the approval, as he did not want his colleagues to think he was going over someone’s head. This example demonstrates that how one is seen by his peers is very important to a Thai person and affects how he will react to a situation. According to several respondents, when taking responsibility means the possibility of losing face, face will prevail.

Several respondents admitted that Thais lack accountability in their work. It was explained that this is due to the fact that there is no equivalent Thai word for accountability. For centuries and even until today, collectivism has been strong, and thus there is lack of accountability for individuals. Hence, there is decreased accountability in the Thai work environment. When an expatriate wants a Thai person to be accountable for certain actions, it is not in line with what Thais are accustomed to. One respondent Pat remarked, “Expatriates are used to giving individual tasks and the person should be held accountable for them. However, we are used to joint responsibilities.”
It was commonly reported that when an expatriate tries to delegate jobs to a Thai person, the result may not be what the expatriate expected. Since there is no individual accountability, the sense of total responsibility is not there. Several respondents pointed out that a Thai employee may work hard on the job given, but he may not feel the need to report everything to the boss. Pat explained that Thais think the superior should already know what is going on. If the results are not good, it is the responsibility of the superior. The findings suggest that when an expatriate is delegating, he should monitor the situation closely to ensure that it is being carried out in accordance with his instructions. This echoes Vazquez-Brust et al.’s (2013) emphasis that expatriates are expected to control the degree to which they delegate and not leave everything to the locals.

6.11 Initiative and making mistakes

In line with Dahles and Loh (2006), the findings suggest that Thais are afraid of making mistakes, and that this contributes to a reduced sense of initiative and risk-taking in the workplace. Initiative is not greatly encouraged in the Thai working environment (Lewis, 2006). Several respondents noted that only senior executives are normally seen to take risks and initiate some proposals. Thais’ high regard for authority and the desire to follow a superior’s instructions (Fieg, 1989) also discourage initiative. However, in accordance with Buddhism, when one takes initiative and makes a mistake, compassion should be shown (Kemavuthanon and Duberley, 2009; Gupta et al., 2002).

The seniority culture in the Thai workplace expects the boss to make most decisions, while his subordinates look to him for leadership and directions. Several respondents pointed out that this leads to Thai employees’ unwillingness to take initiative or plunge into a risky project. In Thai culture and in line with Buddha’s teaching, one has to be humble or at least be seen as humble (Lin and Spaulding, 2003). The findings of this study suggest that even if Thais have a bright idea and wish to share it, they will withhold the information for fear of being viewed unfavourably by fellow colleagues. Several respondents understood that expatriates might naturally perceive this as inefficiency, excessive caution, and a lack of contribution to company goals.

Several respondents indicated that in an agrarian economy, there is little need to take initiative or ask questions. Generally, Thais take things as they come and there is little need
to plan in advance. The forces of nature are beyond human control. The respondents figured that in an agrarian culture, everything is very routine; wake up early, work in the field, be back home by sunset. This cycle is repeated daily and yearly and resonates with Buddhism’s cyclical concept of time (Lewis, 2006). It was believed that in such an environment, taking extra initiative or asking many questions does not really help; one should just sabai sabai. Also, as mentioned earlier, the traditional value of kreng jai requires respect for one’s superiors, which might influence Thais to not ask questions (Petison, 2010). The respondents believed that in the expatriate’s context, taking initiative, asking questions and debating are sought after values. However, in line with Burnard (2006) and Moore (2013), the findings suggest that it is socially unacceptable for a Thai to argue with or criticise his superiors. Hence, there is a gap here, and filling this gap or at least for both parties to meet a halfway point, will help the working relationship and improve efficiency.

The findings suggest that Thais are not without initiative in all areas. Thais are known to take a good deal of initiative when it comes to relationship building. Thai culture encourages placing great importance on the building and maintenance of relationships (Runglertkrengkrai and Engkanianan, 1987). Several respondents opined that in this area, Thais are ahead of many societies. It was suggested that if Thais could apply the spirit of taking initiative in relationships to their work, the results would be highly beneficial. Many respondents noted that most of the time, Thais expect expatriates to take the initiative in the work environment and provide direction on what to do. Hence, expatriates are in a good position to inculcate into Thais these practices. Some respondents informed that expatriates could share examples and give clear guidelines on how to handle certain situations. The expatriates should always be encouraging and should be present to provide support when needed.

Several respondents pointed out that when a Thai person makes a mistake, he will tend to take it quite personally. The expatriate would be doing something akin to being compassionate if he treats the Thai person gently. It is normal for people to feel bad if they have made a mistake, but the findings suggest that for Thais, it is more serious and personal. Therefore, an expatriate who understands this will gain the respect and appreciation of the Thai employees. It was emphasised that this does not imply that expatriates should turn a blind eye to all mistakes that Thais make. However, it does indicate that expatriates should be patient and try to uncover the reasons behind those mistakes.
They should then explain what mistakes have been made in a non-aggressive manner to the Thais, as well as the possible solutions and preventive measures to take in the future.

Overall, if an expatriate were to express his anger or frustration, not only does it cause Thais to be more withdrawn and the problem to remain unresolved, the expatriate may also lose respect and trust from his co-workers. In the Thai context, when faced with a problem, the calmer a person is, the better it reflects his competency and superiority. One respondent Pra emphasised, “This is important especially for senior people because the more self-control he has, the more respect he will gather.” When Thais make a mistake, it is important to show benevolence and kindness (Joiner et al., 2009). This will help to maintain a pleasant and cooperative relationship for the parties involved.

6.12 Expectations of expatriates

Different cultures will have different expectations (Pitta et al., 1999). Thais adopt a relaxed attitude and emphasise patience (Niehoff et al., 2001), whereas expatriates expect efficiency and instantaneous results (Cohen et al., 1993). There was a general consensus among many respondents that expatriates’ expectations of their Thai counterparts may be too high. Qn-26 of the survey highlighted this issue:

Qn-26 Please select the number that shows the level of agreement pertaining to the relatively positive comments on expatriates listed below.

<table>
<thead>
<tr>
<th></th>
<th>Strongly disagree</th>
<th>Disagree</th>
<th>Somewhat disagree</th>
<th>Neither agree or disagree</th>
<th>Somewhat agree</th>
<th>Agree</th>
<th>Strongly agree</th>
<th>Not Applicable (NA) or don’t know</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Strongly disagree</td>
<td>5</td>
<td>Somewhat agree</td>
<td>6</td>
<td>Agree</td>
<td>7</td>
<td>Strongly agree</td>
<td>Not Applicable (NA) or don’t know</td>
</tr>
<tr>
<td>2</td>
<td>Disagree</td>
<td>6</td>
<td>Agree</td>
<td>7</td>
<td>Strongly agree</td>
<td>0</td>
<td>Not Applicable (NA) or don’t know</td>
<td></td>
</tr>
</tbody>
</table>

Qn | Particulars                                                                 | Average score |
---|----------------------------------------------------------------------------|----------------|
26 (b) | Expatriates have high expectation of work performance from their Thai counterparts. | 5.4            |

According to several respondents, some expatriates have expressed exasperation at the low standard of professionalism and efficiency of the local staff. However, it was claimed that
professionalism and efficiency is relative. Some respondents raised questions such as whether a local secretary, factory supervisor, or office manager could be held to the same standard as those in developed nations? One respondent, Son, emphasised, “If an expatriate comes to Thailand and expects the same standard as back home, he will feel let down.” It was noted that many of the expatriates have written well-defined job scopes and responsibilities for their subordinates and expect that the employees will perform accordingly. However, such expatriates will often be disappointed and some have expressed that it would be better if they performed the job themselves. The findings suggest that expatriates might need to consider professionalism and efficiency from a Thai perspective, and look at the norm for local standards. In crucial areas, it would be appropriate to add the specific requirements. In this way, expatriates’ expectations will be more realistic, while making sure the important aspects of the job are covered.

6.13 Respondents' perceptions of expatriates

In response to Qn-27, the respondents generally agreed with the statements regarding the perceived shortcomings of expatriates. Therefore, expatriates should consider taking appropriate action on these issues, especially Qn-27(a), (b) and (e), which touched on local Thai knowledge and staff ability. It was noted that with regards to Qn-27(c) and (d) on tolerance and ignorance, the results tended to be skewed a little towards neutral territory. Perhaps these respondents were of the opinion that expatriates in Thailand assimilate somehow and learn some Thai culture. Please refer to Qn-27 below.

Qn-27 Please select the number that shows the level of agreement pertaining to the relatively negative comments on expatriates.

<table>
<thead>
<tr>
<th>Qn</th>
<th>Particulars</th>
<th>Average score</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>27 (a)</td>
<td>Sometimes, expatriates tend to be dismissive of local knowledge and jump to conclusion based on their own standard back home.</td>
<td>5.3</td>
</tr>
</tbody>
</table>
27 (b) Overlook the capability of Thai employees. 5.1
27 (c) Expatriates act as if they know all after a short period of time. 4.5
27 (d) Some are ignorant of local culture and not very respectful. 4.3
27 (e) Expatriates often assume that most things will be easier if they do it their own ways. 5.0

Of note, several respondents felt that in general, expatriates might be somewhat arrogant and not very thoughtful when it comes to details concerning the ‘human touch’ or human factors. It was also noted that expatriates sometimes distant themselves from the locals. An example provided was that when an expatriate wanted to buy snacks, he would just buy it for himself and not his fellow colleagues. There was a common view that expatriates do not share as much, and some Thais are rather observant about such minor issues.

Some respondents were of the opinion that expatriates should not be too zealous and should take time to find the appropriate way to navigate a situation. It was noted that many expatriates are too serious, especially during the opening stages of forming a relationship. They work hard but do not find time to show compassion that is so important in Thai culture. Some respondents claimed that Thais work hard too, while at the same time working to build meaningful relationships. Thais also show care and concern for their colleagues and their families. Thais believe that showing humanity and building good relationships will improve efficiency and make the work environment more pleasant. It is appropriate to reiterate here that building personal relationships and creating trust is of paramount importance to expatriates working in Thailand (Waroonkun and Stewart, 2008).

6.14 Implementing change

Lewis (2006: 473) indicates that Thais are not overly ambitious and are reluctant to initiate changes. Societies differ in their attitudes towards change and progress. Westerners generally feel that necessary changes need to be initiated and that the future is not predestined. In contrast, many non-Westerners look at change as a phenomenon that occurs naturally and is a part of the overall evolution of humans and their universe (Phatak, 1995: 54). This may account for the often fatalistic attitude of non-Western people. This passivity is partially responsible for the difficulties encountered by expatriates in introducing changes in non-Western societies. According to Lewis (2006), Thais typically have a fatalistic attitude towards life and expatriates need to constantly bear this in mind be it in
their work or personal life. However, regardless of culture, it is normal for change to raise resistance from those in an organisation who have something to lose because of the change (Proctor and Doukakis, 2003). This applies to both Thai and Western cultures, even when change is necessary to improve performance and efficiency. I will attempt to explain this issue with reference to the following two examples that emerged from the research.

(i) An expatriate implementing change - Example 1

Pat shared that some time ago, his business unit set up a new subsidiary and was implementing a new Enterprise Resource Planning (ERP) system. The new subsidiary dealt with the servicing of computers and had a huge backlog that would keep it very busy for a year. The manager in charge was an expatriate who increased the manpower to keep up with demand. Initially, things went well and the employees seemed to be genuinely happy and enthusiastic about their work. However, as time went by, a tense atmosphere was felt and there were moments of frustration expressed by the employees. This was demonstrated by the relatively small but gradual increase in staff turnover. Pat suspected that the expatriate’s zeal for tight deadlines was partially responsible.

Pat believed that everyone involved understood that keeping to the schedule was very important so as to minimise disruptions to the operation. However, there were unforeseen circumstances that led to delays and disruptions. Therefore, the expatriate set very tight deadlines in order to catch up. This resulted in the employees feeling pressured and more mistakes were made. The employees felt that the expatriate was being too aggressive. They wanted him to give instructions in a pleasant manner and to understand their position. They were trying to learn and cope with the new system, while at the same time running in parallel with the old one. According to Pat, one of the employees complained, “We do not understand why the expatriate cannot appreciate our position and just bulldozes his way through.”

Pat pointed out that problems of misunderstanding were apparent for both parties. The Thai employees thought that since the expatriate had the authority and technical know-how, he should be the one to resolve any issues. It was Pat’s opinion that the parties should hold regular meetings to understand each other’s position and try to compromise in order to get the job done. The findings suggest that Thais generally react adversely to aggressiveness, prefer to build consensus, resolve issues by compromise and negotiation.
(ii) An expatriate implementing change - Example 2

Pra shared an incident involving an expatriate that he encountered fairly recently. Pra knew the owners of a family-run company and it has been challenging to change management procedures and practices. The company had been trying to improve its workflow and procedures for a long time without success. The owners asked Pra for advice and eventually, after carefully analysing the situation, it was decided to bring in outside professional help. Pra suggested to the owners that an expatriate with a proven record of sound management and relevant local working experience could help implement the needed changes and improve the performance of the company. Fortunately, such an expatriate was found within a relatively short time.

According to Pra, the first thing the expatriate did was to introduce an up-to-date computerised system, including hardware and software. The existing system was obsolete and did not support many upgrades or provide the information required for management decisions. Documentation was done haphazardly and verification was difficult. As a result, growth was stagnant and profitability took a hit. After the upgrade of the computer system, documentation became more orderly, making verification easier. Thus, the managers were able to make more informed decisions. However, the responsibilities of the managers were also increased, as they now needed to justify their decisions since more information was available.

Pra understood that the Thais working under the expatriate felt pressured. The expatriate needed to know everything, from operational details to overtime schedules. Everything needed to be approved and justified. The expatriate was assertive and sometimes even aggressive. For example, the expatriate required a weekly aging report for both accounts receivables and inventories. All accounts over thirty days needed an explanation and justification. When there were no valid reasons for delays, the staff involved would be grilled. “Why and how did it happen?” “What can be done to reduce the turnover days?” “People must be held responsible” and “There must be valid answers.” As a result of this approach, the working capital of the company improved tremendously. The inventory age went from ninety days to forty days, and the accounts receivable went from seventy days to thirty-five days.

Pra noted that there were other changes implemented as well; more CCTV, online sales reports, weekly meetings, road shows in other provinces, the search for new product lines,
new rules and regulations in the manual, reports for late attendance and many others. Some employee-oriented programmes were also introduced, for example, in-house training and professional training centres, sheltered parking lots and a provident fund. The employees realised that the performance of the company had improved. Things were more systematic, job scopes were more clearly defined, information was more readily available, reports were on time, and there was a sense of a leaner and more efficient work environment. However, the employees were not happy. While they realised that the company had improved a great deal, both operationally and economically, the employees no longer had time to *sabai sabai, gan eng, mao or gin ka nom*\(^{16}\). There was always something to do and new things to learn. They needed to be on their toes all the time, something Thais are not familiar with.

**(iii) Discussion of the two examples**

The above examples demonstrate that Thais and expatriates generally differ in their personal and professional values, management styles, and work practices. Both of the expatriates were strict, but they explained the reasons for the changes to their employees and did some of the training themselves. The employees recognised that the changes were for the better, and they could see tangible results and those things were being done more efficiently. Hence, they started to believe in the system and the expatriates earned their trust to a certain extent. However, any disruption in the continuity of the expatriates’ pursuit of excellence might cause adverse reaction from their employees. It might be argued that many of them were just waiting for an outlet to vent their stress. The findings suggest that generally, Thais prefer to treat the workplace like their home, where they can eat, relax, listen to music and enjoy themselves, a *gan eng* atmosphere. Basically, Thais adopt a relaxed attitude towards both work and life (Huang, 2010).

Marquardt and Engel (1993) emphasise that expatriates need patience and a sense of humour to improve their employees’ job performance. In the above examples, what the expatriates did was to implement a relentless work culture that the Thais were not used to. Therefore, it is not surprising that one of the challenges both expatriates faced was keeping the staff turnover rate at a manageable level. It is apparent that there were issues on both

\(^{16}\) *Gin ka nom* - eat snacks. In Thai offices, it is common to see employees *gin ka nom* and listening to music. Expatriates (myself included) who initially arrive in Thailand will not be accustomed to this office culture. Whenever the Thais are asked to stop these activities, they will look as though something very dear to them has been taken away. When expatriates are not around, Thais will continue to *gin ka nom* and listen to music anyway. From my experience, it is quite futile to try to stop these behaviours.
sides. The Thais were not used to strict discipline, decision-making and looking at things from a long-term perspective. This might be because they were never expected to do so in the past, when the work culture was more relaxed. The findings suggest that Thais generally prefer to take their time and be patient.

Spending time building relationships is of paramount importance for expatriates working in Thailand (Waroonkun and Stewart, 2008). However, neither expatriate focused on the relationship side of things because they were too busy ‘fighting fires,’ implementing new changes and expecting quick results. Moreover, relationship building is not usually the forte of expatriates in the Thai context. Several respondents pointed out that one of the most glaring differences with expatriates is that in the West, a line is drawn between work life and personal life and they tend not to overlap. However, in Thailand, work life and personal life are often intertwined due to the country’s history as an agrarian economy (Overby, 2002).

Agrarian economy emphasises the value of family working together, eating together and going back home together. Thus, although Thais do not expect expatriates to socialise all the time, they do expect them to participate in certain social events and ceremonies in order to build better relationships. It was emphasised that the more senior an expatriate is, the more important his presence is at such events, as it lays down the direction for the rest of the staff to follow. Expatriates are not expected to know all local customs, but if they know some and practise them, they will be pleasantly surprised. The working environment will become warmer and things will get done more efficiently. This will help improve their relationship with the Thai employees, who will work wholeheartedly and with enthusiasm, the employee turnover witnessed in the examples should drop.

According to Pat and Pra, many of the Thai employees wished that the expatriates possessed some Thai traditional values such as *kreng jai* and *nam jai* in order to avoid some of the unpleasantness and interpersonal confrontation (Kitiyadisai, 2005; Wentworth, 2010). However, the expatriates in the examples were too direct and straightforward. Some *hen jai* would also have been helpful, so that the expatriates could listen to problems and evaluate each case according to its merits. The Thai employees were drove to work hard and meet deadlines. However, they were not motivated, as they felt that the expatriates were too strict and did not understand their problems. This lack of motivation may eventually hinder the rate of work and efficiency.
Many elements mentioned in the previous chapters and sections are relevant to the above examples, and it is worthwhile to review the main ones. One key finding was about language; both expatriates could not speak Thai and their Thai employees could speak very little English. As Cook (2013) suggests, the language barrier between Thai and English speakers is massive. There appears to have been a cultural gap, in which Thais were more sociable and the expatriates more independent. Furthermore, the expatriates were also more of risk takers, having left their comfort zones to work in a foreign country. The Thais perceived the expatriates to be too strict and aggressive, in line with the literature (Sriussadaporn, 2006). Hence, there are many significant gaps to fill and challenges to overcome. This is important for the expatriates, because the inability to perform effectively in a new environment often results in lower performance and efficiency (Pires et al., 2006; Tung, 1988). The findings resonate with the literature that improving communication through mutual understanding (Wiwattananukul, 1993) and obtaining feedback would help the situation (Andrews and Kacmar, 2001).

6.15 Chapter conclusion

The findings suggest the notion that some Western styles of working do not go hand in hand with Thai culture. Many respondents mentioned that expatriates generally emphasise planning and are serious about meeting deadlines, whereas Thais often perform theirs task at the spur of the moment and punctuality is a challenge. Some respondents were of the opinion that expatriates can be aggressive about achieving their goals, but this runs contrary to the Thai concept of gan eng. Thais prefer a more relaxed working environment that is not too stressful. According to McCann (2014a), firms located in different countries may be exposed to different sets of national institutions, practices and traditions of economic governance. Hence, it should not come as a big surprise that there are differences between Thais and expatriates regarding professionalism and efficiency.

Niffenegger et al. (2006: 417) argue that the world is becoming increasingly integrated and globalised, and that host and home countries will therefore need to employ a range of different strategies to adapt to the changing global business practices. The findings suggest that the following might be useful in order for Thais to better adapt and improve their professionalism and efficiency when working with expatriates: learn and upgrade necessary skills, such as communication skills, conduct more productive meetings, improve in terms of discipline, take more initiative, try to understand the Western concept of time and efficiency,
set achievable deadlines, ask questions whenever something is not clear, motivate the staff by offering incentives for good work or for meeting targets, provide courses and training sessions to improve staff efficiency and English language proficiency, provide more opportunity for Thais and expatriates to work together, and be conscious of punctuality.

The respondents generally acknowledged that they have some issues that may need to be resolved. For instance, the issue of punctuality; Thais know that being late leads to inefficiency, but due to years of embedded belief, practice and tradition, it is difficult to overcome these issues quickly. Many respondents recognised that expatriates might be more professional and efficient. Expatriates are seen as being results-oriented, doing the necessary planning and having the discipline to stick to it. Deadlines are observed seriously and there is a sense of satisfaction when the job is done. It was commonly reported that Thais are not as strong in these areas. Moreover, Thais were found to be generally contented with their current lifestyle and not enthusiastic about making changes. Since early times, Thais have been described as happy-go-lucky and hedonistic (Huang, 2010: 103).

The traditional values of *kreng jai, nam jai, hen jai* and others are deeply embedded in and upheld by Thais from all walks of life. It should be noted that these traditional values are mostly related to Buddhism, which most Thais embrace and Buddhism basically discourages aggressiveness and competition (Lewis, 2006). One respondent actually stated, “The happiest and most contented person in the world is a monk.” At the end of the day, many Thais are genuinely happy with their way of life and to them, happiness is what matters most; *sabai sabai* and *mai pen rai* come to mind. One may start to wonder, is it wrong to have this kind of attitude towards life? Can such an approach actually be not only more human and moral, but also efficient? Can gains be made by taking a more human-centred, relaxed management approach, especially as economies are moving to more service-oriented, customer-oriented, culture-sensitive, and knowledge-driven models?

As noted in Chapter 4, Feldman (2013: 302) argues that business ethics require cultural compromise between the different societies engaged in economic exchange. The idea that companies should practice the business ethics of their home country when they are abroad, without regard to the ethics of the local society, is not practicable. In Chapter 5, it was noted that more recent research suggests the benefits from embracing traditional values within certain management contexts (Tjosvold et al., 2004; Spreitzer et al., 2005). Such traditional
values include respect for authority, hierarchical order and the importance of harmonious relationships (Farh and Cheng, 2006; Spreitzer et al., 2005).

This chapter continues and endorses the theme that culture and traditions are of paramount importance, as they are deeply embedded in Thai society. There is no ‘one-size-fits-all’ approach; a middle ground and compromise might be the way forward for Thais and their expatriate counterparts, so that they can work cohesively to improve professionalism and efficiency. As one of the respondent stated, "What works in the West may not work in Thailand. I urge expatriates to find an appropriate balance that can co-exist harmoniously. If an expatriate tries to force his management styles upon us, it will be uncomfortable for both parties and might even be counter-productive."

The next chapter, which concludes this thesis, seek to integrate all of the earlier chapters and offer suggestions about the areas the organisation may consider in order to improve the Thai business model. The recurring theme of adopting a middle ground and compromise against a backdrop of the traditions and cultural values embedded in the Thai system is also highlighted, with suggestions for future directions.
CHAPTER 7

CONCLUSION
CHAPTER 7 - CONCLUSION

7.1 Introduction

This chapter serves as a platform for synthesising and reflecting on the research and drawing conclusions from the previous chapters, especially the findings and discussion presented in Chapters 4, 5 and 6. Section 7.2 emphasises the key areas of the thesis and the various issues raised. Section 7.3 presents suggestions and recommendations for addressing the challenges that arise when Thais and expatriates work together. Section 7.4 highlights the limitations of this research and suggests ideas for future research. Section 7.5 provides the implications of the study’s findings. Finally, Section 7.6 concludes the chapter by emphasising the importance of the research topic, its overall meaning, and how a better understanding of the socio-cultural structure into which Thai economic life is embedded might ultimately help contribute to better working relationship and performance in the organisation.

This chapter seeks to integrate the previous chapters and highlight the main themes that emerged. As demonstrated in the previous chapters, there are indeed significant gaps between Thais and expatriates in terms of cultural values and belief systems. The findings of the study attempts to interpret and provide suggestions on how to bridge the gaps, which if left unaddressed, could undermine both the employees and the organisation. A recurring theme in the findings is the suggestion that the Western management methods are not necessarily superior in all respects and that certain Thai traditional values might actually enhance the working environment. The findings have pointed out that there is much to understand and learn from both Thais and expatriates. Finally, this chapter offers suggestions and recommendations based on the accumulated evidence gathered.

7.2 Key areas

It is worthwhile to revisit the research objectives and the 3 key areas studied. These objectives are as follows:

- To provide a background understanding of Thailand’s history, politics, economy, society, and culture.
- To examine the difference in cultural issues between Thais and the expatriates.
- To explore the challenges of working with expatriates, focusing on the 3 key areas of (i) Business ethics and trust (ii) Authority and (iii) Professionalism and efficiency, and to suggest possible solutions with the aim of improving the overall performance of Thais, expatriates and the group of companies studied in the thesis.

7.2.1 Revisiting the background understanding of Thailand

The findings from the 3 key areas have demonstrated that Thailand is indeed a country rich in history, culture and tradition. They support the notion that Thailand is modernising and embracing capitalism, and due to better education, is gradually becoming a more secularised society. Admittedly, the results have also demonstrated that Thai tradition and culture have been eroded by globalisation to a certain extent. As one example, “The wais are not as low as they were before.” However, as McCann (2014a) argues, certain factors and traditions in a country will always remain profoundly important and significantly influence the way business is conducted. The evidence has supported this argument for Thailand, where traditional values like *kreng jai*, *nam jai* and *hen jai* are still practised on a daily basis and can be seen everywhere in the Thai workplace. Throughout the course of this research, certain traditional values are found to create particular challenges in doing business and working in Thailand.

7.2.2 Cultural differences and the challenges of working with expatriates

(i) Business ethics and trust

There was a general consensus among many participants that Thai business ethics have been shaped profoundly by historical events and culture in Thailand. From the early history of giving gifts to village heads (Neher, 1977) to the modern history of corruption by politicians, business in Thailand has never been straightforward. As Weber (1905a) aptly asserts, history has demonstrated that whenever there is opportunity, business will be unethical in the means it uses to achieve its goals. Although unethical business practices are not isolated to Thailand, some may point out that corruption is especially pervasive in the country (Taptim, 2015). This creates a contentious point, as what is deemed unethical by Westerners might not necessarily be unethical to Thais (Christie et al., 2003). The evidence
has suggested that there is a significant gap between Thais and expatriates concerning ethical issues.

The views of the participants have supported the notion that Thais are more tolerant towards corruption than expatriates. However, this tolerance does not mean that Thais condone all forms of corruption. Many participants expressed that offering money to low-ranking civil servants in return for convenience is not considered bribery or corruption. Such an act is, more often than not, done out of compassion or for merit-making, in line with Buddhist beliefs. It might also be argued that some people do it as an expression of the traditional values of *kreng jai, hai kiad, nam jai* and *hen jai*. Since historical times, Thais have been known to be compromising and flexible (Sattayanurak, 2003), and these characteristics might inadvertently lead to a more relaxed and easy-going attitude towards ‘unethical’ practices. Other traditional values such as *mai pen rai, jai yen yen* and *sabai sabai* might also encourage keeping ‘one eye closed’ to ‘unethical’ practices. However, many of the participants disagreed vehemently with the practices whereby people in high positions, such as politicians, receive, condone, and perpetuate bribery.

Hofstede’s (1980) cultural dimensions may provide some clues into this difference in outlook on corruption between Thais and expatriates. Hofstede (1991) suggests that expatriates might meet possible ethical issues when coming into a collectivist culture such as Thailand’s. Collectivist cultures tend to protect people in the group (Thanasankit and Corbitt, 2000; Cohen et al., 1995; Brody, et al., 1998) and as a result, may overlook the unethical practices of group members. The general consensus gleaned from the findings was in line with Hofstede’s (1991) and Christie et al.’s (2003) findings that Thailand’s uncertainty avoidance score is medium-high, implying that Thais might view unethical business practices, even if they are legal, as less unethical than do people from low uncertainty avoidance cultures such as Western cultures. Thus, expatriates who are likely to come from such low uncertainty avoidance cultures might not be agreeable to some of the practices in Thailand. However, it has been noted that studies such as Hofstede’s (1980) and Christie et al.’s (2003) neglected to consider the impact of traditional values such as *nam jai, mai pen rai* and Buddhism on Thais’ perspectives of ethical issues.

The findings have suggested that the Western literature might not cover all areas vital to creating a balanced discussion of business ethics in Thailand. By including the dimensions of traditional values and Buddhism, business ethics are seen in greater depth and with
greater insight. Thais may not be as weak or corrupt as some may have perceived. The forces of history and cultural values have shaped Thais' belief system, and what expatriates perceive as unethical practices may, for example, simply be the admirable practice of the traditional value of *nam jai*. In essence, it might be argued that Thais are more receptive to 'low-end' corruption, seeing it as giving to the needy, in line with *nam jai* and *hen jai* or merit-making. At the same time, Thais frown upon 'high-end' corruption such as that engaged in by politicians; this is where some form of Westernisation or modernisation might help eradicate some of these thorny issues. I would be inclined to suggest that some Thai traditional values and a certain degree of Westernisation may complement one another, helping to achieve a win-win situation of improved business ethics. This same theme shall be extended to the other areas of study: ‘Authority’ and ‘Professionalism and efficiency.’

(ii) Authority

It was commonly reported by participants that Thais have a very high regard for authority and status, and that they live in an extremely hierarchical society that is far different from the more fluid social milieu in the US, where authority can be easily questioned and status is gained through achievement. The evidence collected has concurred with the view that a person of authority in Thailand traditionally holds a large amount of power and responsibility. Therefore, subordinates expect their boss to be an expert in all areas and to give advice, even on personal matters (Sriussadaporn, 2006). This is different from where the expatriates come from, where specialised knowledge is recognised and delegation is the norm. The survey responses tended to show that Thais accept authority to a greater extent than expatriates due in part to the ‘tall’ organisation structures in Thai companies. It was found that Thais' expectations of authority differ from those of the expatriates, whose home organisations tend to be ‘flatter.’ Hierarchy, specialisation, superior's involvement in personal matters, and ‘tall versus flat’ organisations, are significant gaps between Thais and expatriates concerning authority issues.

The findings have suggested that Thai seniority culture and *kreng jai* are good when Thais are reporting to the expatriates. However, when expatriates report to their Thai superiors, these values may pose some challenges, as an expatriate may not accord the same kind of respect given by a Thai person. This evidence is in line with Moore’s (2013) suggestion that in the seniority culture and *kreng jai* system, it is inappropriate, rude and unforgiveable to question or criticise people in power or those who hold positions of authority. Such a value
might be in conflict with expatriates' value systems, as they are more accustomed to being direct and critical if necessary. At the same time, *kreng jai* might lead to Thai subordinates not asking questions, even if things are not clear to them (Petison, 2010). The evidence has suggested that expatriates may need to treat the Thai working environment with care, practice restraint, and balance their personal interests or desires in situations where there is a potential for discomfort or conflict, and where there is a need to maintain a pleasant and cooperative relationship. If an expatriate can achieve this balance, unpleasantness and interpersonal confrontation can be avoided. Thais can also learn from expatriates to speak up when the situation calls for it.

The evidence provided by the participants has confirmed that building personal relationships and creating trust are indispensable investments for expatriates working in Thailand. It might be argued that without understanding the two cultures and their differences, one cannot understand the complex way in which they interact within the business relationship (Feldman, 2013). The findings have suggested that expatriates normally give more importance to performance and results than spending time on building relationships. This gap might undermine authority in the Thai context and make working efficiently a challenge. The participants suggested that this issue is all the more important for expatriates because they normally come in at a relatively high position, where authority has already been vested and getting things done could be enhanced if relationships are properly nurtured. Based on the evidence, it could be stated that relationships are of paramount importance in Thai society. Expatriates might therefore want to consider putting more effort into relationship building to lubricate the ‘mechanism’ by which business operates. At the same time, Thais could be more conscious of the need to achieve results. Meeting halfway for both parties should lead to a more positive working experience and environment.

The findings concur with Hofstede’s (1980) and Christie et al.’s (2003) suggestion that people from high power-distance cultures tend to take superiors’ instructions more seriously and seldom question the instruction, even if it might be considered ‘unethical.’ Expatriates tend to speak more directly with their superiors and individual views are valued. There was a general view from the participants that some expatriates of authority get upset quite easily, sometimes for relatively minor issues. On the other hand, Thais feel that showing anger or other emotional upheaval explicitly is not good for the working environment. The evidence has suggested that in line with Buddhism, Thais tend to adopt a moderate approach during challenging times and seek to avoid emotional outbursts as much as possible. The evidence
has shown that Thais tend to be closer to the ‘femininity’ dimension of Hofstede (1980), building consensus and resolving conflict through compromise. On the other hand, Thais view expatriates as being more towards the ‘masculinity’ dimension, as they tend to be more decisive and can be confrontational at times. Thus, a compromising approach, involving building consensus and avoiding confrontation, might be appropriate for both parties. This approach might also be applicable with regards to ‘Professionalism and efficiency,’ which will be discussed below.

(iii) Professionalism and efficiency

The findings have to a large extent, confirmed the picture painted by Hofstede’s (1980) classic work on cultural dimensions, in that Thais are associated with long-term orientation and emphasise patience, whereas expatriates tend to be associated with short-term orientation and seek quick results (Cohen et al., 1993). The participants were of the opinion that this difference might inadvertently lead to a conflict situation that compromises professionalism and efficiency. This was evident in the two examples provided in Chapter 6 of expatriates implementing changes in Thai companies. There was a general consensus that Thais view change as a phenomenon that occurs naturally and that there is no need or urgency for change. However, expatriates’ attitude towards change is that it is dynamic and necessary, and needs to be initiated. The general view by the participants was that Thais do not take much initiative and usually prefer to follow the existing work practices. Furthermore, change may disturb and upset them (Lewis, 2006; Phatak, 1986). The two examples and findings have also suggested that expatriates may view independent opinion as something to be encouraged, while Thais may associate it with arrogance. Expatriates feel that their direct display of emotions is good in that it honestly demonstrates their enthusiasm for work and promotes efficiency. However, Thais might view this behaviour as impolite and disrespectful. There is indeed a wide gap in perceptions about what is considered ‘good’ or ‘appropriate.’ Therefore, it is imperative that both sides need to compromise in order to get the job done in an amicable and efficient manner.

The findings have suggested that Thai traditional values, or the lack thereof, might pose a challenge to professionalism and efficiency. For example, the evidence has suggested that an expatriate might not do well in the Thai business environment if he does not possess some Thai cultural values, such as kreueng jai. However, being too kreueng jai can lead to inefficiencies, things not being done or information not shared, especially bad news. The
participants commonly reported hearing colleagues say that a job could not be done because he or she *kreng jai* another person. On the other hand, it was pointed out that two employees with opposing views can compromise due to *kreng jai* by showing more courtesy and empathy. Hence, it is important that both Thais and expatriates find a balance in *kreng jai*, in that one should be considerate but not at the expense of performance and efficiency. The findings have also suggested that the other cultural values of *nam jai*, *hen jai*, *gan eng* and *mai pen rai* may also affect professionalism and efficiency. *Nam jai*, which encourages kindness and generosity, may come into conflict with company interests; *hen jai* may lead to tasks not being completed; *gan eng* is one of the root causes of eating, listening to music and chit-chatting in the office, thus reducing productivity; and *mai pen rai* promotes a relaxed and easy-going attitude that could adversely affect the completion of urgent work. However, it might also be argued that, given the right amount, these values promote humanity, a warmer working environment and better relationships. Expatriates therefore need to be cautious about trying to change these practices, as there was a general view that if they are too strict, it will be counter-productive and inefficiencies may ensue.

The findings found that Thai culture encourages ‘Thainess’. As a central part of ‘Thainess’, the Thai language is used on a pervasive scale and dominates the society, so much so that English is not spoken or used regularly. The general view was that the educational system does not adequately address the issue of poor English proficiency due to the lack of two-way communication between teachers and students. This has affected Thais into adulthood in the workplace, and is especially important in an increasingly globalised world, where English and communication play pivotal roles. The evidence has suggested that expatriates could help alleviate some of the issues with English and communication. At the same time, the findings have highlighted that many Thai words are tied to traditions and culture, and do not have English equivalents. Thai words also promote humanity and good relationships, and have their roots in Buddhism. The findings have suggested that expatriates might consider learning some key Thai words, and better still, practice some of the Thai traditional values at an appropriate level. Hence, Thais can learn better English and communication skills from expatriates, and expatriates can learn some Thai words and values. This could potentially result in mutual benefits for both parties.

There was a general view among the participants that perhaps the greatest challenge to professionalism and efficiency could be time management. The findings of this study have confirmed the Lewis’ (2006) findings that Thais are casual about keeping appointments and
deadlines. Whereas to expatriates, timeliness is of vital importance; time is viewed as a limited commodity and being punctual is a virtue. Consequently, expatriates might view Thais as being inefficient and unconcerned about punctuality. In line with Sriussadaporn’s (2006) findings, the participants commonly reported that expatriates expect Thai staff to be more enthusiastic about work in order to meet their assigned deadlines. There was a general view that expatriates should be more understanding, maintain composure, and be more patient with Thais when things do not go as planned or there are unexpected results. It was also commonly reported that the atmosphere in the Thai workplace is congenial, family-like and not very time conscious. In general, most Thais have a sense of contentedness about their own lives (Roger, 2006), meaning they do not have very much intrinsic motivation to meet precise deadlines. Therefore, both Thais and expatriates need to manage their expectations about timeliness. Thais should be more time conscious and strive to meet important deadlines, while expatriates should be realistic about deadlines within the Thai context or provide some time allowance in case of delays. If both sides can meet halfway, the problems relating to timeliness can be mitigated.

7.3 Suggestions and recommendations

Rather than confirming the ethnocentric assumption that Thai behaviour is unprofessional and in need of modernisation, it appears from this study that both Thais and expatriates are lacking in some regards but have strengths in others. The evidence has suggested that there are many areas in which Thais and expatriates can learn from one other and some areas will require some form of compromise. Based on the findings and discussion, I would like to provide the following main points and suggestions:

7.3.1 For Thais to consider

- Expatriates generally appear to be more results-oriented than people-oriented. The Thai cultural values of sabai sabai, mai pen rai and sanuk might interfere with this aspect. Thais could learn from expatriates in this area and should seek an appropriate balance between a relaxed and easy-going attitude, and getting things done.

- Expatriates are known to be decisive; they do not hesitate to take the necessary action and find ways to achieve the desired result. Thais should learn how to be more decisive and make decisions, especially when faced with difficult situations. Although cultural
values such as *kreng jai* may pose a challenge, Thais should weigh the situation carefully and act when needed.

- Thais could learn from expatriates regarding how to speak up when necessary. This includes when to say “no” and sometimes standing up for what they think is right. It is understood that Thai culture does not encourage speaking up, especially for junior staff. So speaking up gently, in line with *hai kiad*, should help.

- Expatriates generally have strict ethical standards. Thais need to constantly remind themselves about ethical issues that might put them in conflict with expatriates, as well as the ethical situations that might not be in the best interests of the company. When in doubt, consult with the expatriate concerned.

- Expatriates tend to stick to their beliefs. Thais can learn how to defend their views and be more assertive when the situation calls for it. They should learn that tough decisions are necessary in some cases. This should not be done in an aggressive or confrontational manner, but assertively with *hai kiad*.

- Expatriates are time-conscious and deadlines are important. Thais need to understand the importance of time to expatriates. Essential aspects such as punctuality for meetings and meeting important deadlines should be observed.

- Expatriates are seen to be professional and able to separate personal and work issues. Thai employees should be more focused on their work and spend less time on casual conversations and other activities not related to work. The occasional snack and chit-chatting in line with *sanuk* should be fine.

- Expatriates are seen to be responsible and accountable for their actions. Thais should be more responsible and accountable in their jobs and learn how to delegate more effectively.

- Expatriates ask questions and provide ideas during meetings. Thais may lack initiative and prefer to remain silent, particularly about sensitive issues. Thus, meetings with expatriates are a good opportunity to learn.

- Expatriates are generally straightforward and direct in style, letting their employees know exactly what they think and expect, with clear direction. Thais’ communication has a great deal of subtle meanings. Although this is partially due to *kreng jai*, it would be good if more clarity is given in important matters.
- Expatriates value individualism and encourage independent and critical thinking. Thais tend to think on a group basis and make collective decisions. An appropriate balance would be ideal.

7.3.2 For expatriates to consider

- Thais are generally very friendly and their Buddhist background requires them to be tolerant and patient. This is something that expatriates might consider emulating to some extent. Being abrasive and short-tempered will not be received well in the Thai working environment. A reasonable stress tolerance level and the ability to control temperament are important, and acting in a calm manner will enhance the respect shown by Thais towards expatriates.

- Thais try to make the work environment fun and pleasant; gan eng and sanuk come to mind. Some leeway should be given to Thais in the workplace, such as allowing the occasional eating of snacks and listening to music. Expatriates need not absolutely condone such practices, but can look the other way at times and not be strict all the time.

- Thais are good at relationship building and are especially good at taking care of customers; this aspect relates to the traditional values of nam jai and hen jai. Individualism may have some positive points, but in Thai society, relationships are everything. Little can be achieved without relationships. Whether an expatriate likes it or not, he must learn how to build good relationships when he is in Thailand.

- Thais emphasise jai yen yen and mai jai ron; that is, be patient. Expatriates should be assertive but avoid being too confrontational. Try to build consensus, be understanding and considerate whenever possible, and demonstrate some nam jai and hen jai.

- Thais have a typically fatalistic attitude towards life, unlike Western culture, where initiating and managing change according to a set of plans is valued. Special care should be taken when implementing Western management models to effect change. Again, patience, jai yen yen and realistic expectations are important.

- Thais’ attitude toward time differs greatly from Western attitudes. Expatriates should take extra time to explain the rationale behind the urgent nature of a situation. Emphasising the negative impacts of an uncompleted job can be effective, along with regular monitoring of progress. It also helps if this is done in an encouraging, non-pushy way.
- Thais are very concerned about face-saving. Expatriates should be mindful about giving direct corrections that can cause embarrassment when co-workers are around, especially corrections that are sensitive in nature or judgmental.

- Thais generally lack English language proficiency. Expatriates need to be aware of the language barrier, and be mindful that miscommunications can happen. Speak clearly, slowly and repeat if necessary. Expatriates who see themselves being in Thailand for a longer period might consider learning some basic Thai language.

- Thais respect seniority, relating to the cultural value of hai kiad. Expatriates need to be aware that being direct and outspoken is a two-edged sword in Thailand. When talking to senior figures, great care should be taken not to offend and to be polite and courteous.

- Thais are easy-going and Thailand is a major tourist destination. Expatriates should be mindful of any negative image that they may unconsciously portray, such as being seen as treating Thailand like a vacation post or exploiting the company’s facilities for personal benefits.

- There might be differences in perception on ethical issues. This area must be handled with great care, as what is deemed unethical in the West might be perceived as normal practice in Thailand. Good professional judgment, balanced with knowledge of the local business environment is needed.

- Due to their collectivist culture, Thais tend to be family-oriented and might treat some colleagues as extended family. Involvement in personal matters is common. Expatriates may need to consider this dimension and occasionally get involved in their subordinates’ and colleagues’ personal lives to demonstrate the values of nam jai and hen jai, and that they care.

### 7.4 Limitations of the research and future directions

In order to provide a balanced discussion of this thesis, several limitations of the study must be recognised and considered. Some of these limitations may have been inadvertently self-imposed while others may have been beyond the control of the author. First, it is imperative to reiterate and emphasise that this study does not claim generalisability, and the primary data were obtained from Thai employees of a group of companies. It should be noted that the participants were selected based on their working relationship with expatriates; hence,
their views are valuable to the study of expatriates and the Thai business model. By virtue of the expatriates’ job positions, they are normally senior figures, and it follows that the Thais working regularly with them will be of similar ranking. Hence, this study recognises that the views of the participants, all of whom were holding rather senior positions, may not be representative of all Thai employees, especially those who are much more junior in terms of position. It is beyond the scope of this study to include the lower-ranking employees, as they generally do not have as much opportunity to work with expatriates. However, future research might consider including employees of all ranks to obtain a more complete view concerning Thai working culture, as the views of the senior and junior employees might not be the same. Future research might also consider views from more companies in other industries to replicate and extend the study to determine the applicability of the findings reported. Such studies might involve sampling from more diverse contexts to obtain greater variability, and from other boundary-spanning roles (Seibert et. al., 2001; Manev and Stevenson, 2001).

Second, the research mainly draws upon the history of Thailand to understand Thai culture, selected literature on expatriates and Hofstede’s cultural dimensions to form the structural background of this thesis. However, it should be noted that the history of Thailand in English is mostly written by authors of Western origin. Although such sources are informative in a somewhat straightforward manner, the Thai ‘local flavour’ is often only weakly understood and is sometimes ‘marginalised.’ Hence, the first-hand Thai perspectives provided in this study serve to provide richer and more detailed insights. However, it must be kept in mind that since many Thai words do not have English equivalents, some meanings might be lost in translation. Furthermore, the study of expatriates is limited, as the focus in this study is the Thais and their perspectives. Hence, a future extension of this research might consider exploring the expatriates’ perspectives in greater depth. For example, personality traits that help with the tricky task of assimilating into the Thai working environment, expatriate career aspirations and the family dimension. Hofstede uses the Thai culture to compare against the Americans’, which might not be very comprehensive, as evidenced in the critique of the literature such as McSweeney (2002). Future research may wish to test more dimensions or models, which could yield a more comprehensive assessment of the relationship between Thai and Western culture and the working relationship between the parties involved.

Third, it should be noted that although in-depth interviews were conducted to obtain the primary data, some of the data obtained via questionnaires were semi-structured or
structured in nature. Although this enabled easier comparison, the flexibility of obtaining more diverse information may have been restricted. There is also the possibility that participants responded in a socially desirable manner; interviewee bias comes to mind. Readers should be aware that all the participants work closely with expatriates, and that there is the possibility that they did not want to reveal certain information due to kreng jai and hai kiad. It should also be borne in mind that Thais are basically restrained and conservative, especially when it concerns sensitive matters; and admittedly, some of the information that this research sought was sensitive. Although the identities of all participants were kept anonymous and their answers confidential, the participants may not necessarily have responded in a way that reflected how they would actually act in a particular situation. Alternative primary research methods might be considered for future research, such as focus groups and participant observation. As Thailand is a key member of the AEC, whose charter took effect on December 2015, it would be worthwhile to conduct a more diversified study to provide more information to Thais and expatriates in an ever-shrinking and increasingly globalised world.

7.5 Implications of the findings

This study set out to investigate Thai employees’ views on the challenges of working with expatriates within the Thai business model. From my years of working experience with both Thais and expatriates, I have observed that both parties have different cultural values and working systems. The findings have resonated with my view and pointed to a recurring theme that Thai cultural values and traditions remain deeply embedded and may come into conflict with some of the expatriates’ styles of working. The participants provided evidence that Thais and expatriates differ greatly in their personal and professional values, management styles, decision-making, and management practices. For example, the findings have revealed that what is deemed ethically acceptable differs between Thais and expatriates. Based on the literature and the evidence gathered, this study essentially confirms the view that Thai society is highly hierarchical, relationship-oriented, and encourages an easy-going attitude.

In line with the Thais’ easy-going attitude, the findings have shown that Buddhism has a profound influence on all the 3 key areas studied. I have observed in my workplace that Buddhism encourages restraint, compromise, tolerance and moderation, and many participants’ views concurred with my observation. All of these factors, in one way or another
come into conflict with the value systems of the expatriates. However, I am of the opinion that whilst there may be conflicts, some values of the Thais and expatriates might actually complement each other if both parties were to seek a compromise and find a ‘middle ground.’ I posit that just because the Thai socio-cultural structure differs in many ways from mainstream Western notions of ‘global’ norms, this by itself does not automatically imply that the Thai structure is wrong or failing. I would like to stress that a more balanced view, along with a compromising approach is appropriate.

Further analysis into the impact of Buddhism on Thai society revealed that many participants supported the notion that Thai working culture generally discourages competition in line with their religious belief. Upon reflection, this is very different from the Western work philosophy, which emphasises efficiency, individual responsibility and the idea that ‘time is money.’ On the other hand, the evidence provided by the participants pointed out that Thais give importance to the values of persistence, collaboration and patience. The practical implication is that Buddhism is of paramount importance in Thai culture, and expatriates need to be aware of, show respect to, and be sensitive to its practice and impact on Thais’ outlook on work and life in general.

In line with the evidence provided by the participants, I have observed that most expatriates do not want their personal lives to interfere with their work lives and vice versa, except for occasions when such mixing is called for. This could be interpreted to mean that for expatriates, individualism and privacy prevail. However, upon reflection, this line is often blurred or non-existing for Thais. The findings have provided the insight that a senior and influential Thai person will expect to occasionally be approached by his less privileged friends or relatives for help. This resonates with Hofstede’s (2005) description of Thailand as having a collectivist culture, whereas Western nations such as the US have more individualistic cultures. When analysed further, it might be argued that an expatriate in Thailand should consider assimilating to a certain degree to facilitate getting the job done. He might also want to put work and personal aspects of his employees in perspective and occasionally get involved with the personal lives of his Thai co-workers.

I believe that assimilation into the Thai working culture by taking care of some of the employees’ personal affairs would serve to demonstrate the traditional spirit of nam jai and hen jai. This has important implications for winning over Thai counterparts and help to bring the relationship between Thais and expatriates to a higher level. Furthermore, doing so
should seal an expatriate’s position, help his fellow colleagues, and enhance work efficiency and trust. Hence, I urge both Thais and expatriates to adopt a balanced view regarding assimilation. The important implication is that Thais should be more aware of when not to ‘cross the line’ into personal affairs, while expatriates should attempt to express some important Thai traditional values such as *nam jai* and *hen jai*. The message here is that both parties should compromise and adjust to the appropriate degree to make the working environment more pleasant and productive, and a place where respect and trust prevail.

I have observed that generally, both Thais and expatriates are of the view that in Western culture, individualism may motivate personal accomplishment and self-expression, and that it is considered to be of high value. However, it is apparent from the findings that the individual successes of Thais are shared by family, community, and that the group is of paramount significance in social life. This echoes of a collectivist culture in line with Hofstede’s (1980) work. Another observation is that expatriates are more formal and like to get straight to the point in business meetings. However, Thais feel that it is customary to converse first about casual matters before starting business discussions. This ‘informal’ attitude of the Thais might affect some expatriates’ ability to adapt to the Thai working environment as expatriates are generally task-oriented and expect quick results. Once again, I would like to point out the recurring theme regarding the difference in attitude and behaviour between Thais’ and expatriates towards work, and assert that some form of compromise and adjustment is required to address this disparity.

On the surface, Thailand looks like a very pleasant and easy place to work. However, after reflection on the findings, it is clear that there is a need for expatriates to exercise caution. I would like to provide a point mentioned by several participants that some expatriates might possess a superiority complex. This could be interpreted to mean displaying an attitude that conveys the impression that the Western culture and style of management are superior. Furthermore, it is a commonly held observation that some expatriates could become confrontational and abrasive when things do not go their way. I have noted participants’ reports of expatriates losing tempers and a tendency to keep to themselves and never wanting to speak about anything other than relevant job issues. Upon further analysis, I believe the implication to be that expatriates should consider the cultural attributes of the Thai workplace more thoughtfully and try to avoid emotional upheaval as much as possible.
The impression gathered from the findings is that Thais give importance to controlling one’s emotions and that emotional well-being can enhance or undermine one’s work performance. On the other hand, many participants saw expatriates as attempting to understand and appreciate Thai traditional values, customs and culture. I would emphasise that understanding and action may differ, as demonstrated by the numerous gaps that exist between Thais and expatriates. Upon reflection on the big picture, Thais are rather easy and pleasant to work with, and there should not be many significant challenges when working with expatriates. However, it should be cautioned that despite this ‘friendly’ exterior, expatriates need to be mindful of certain sensitive areas, such as what is deemed ‘ethical’, deference to seniors, religion and face-saving. I would reiterate that expatriates should show sincerity and kindness when handling sensitive matters, and avoid being seen as pompous. The Thai traditional values of *kreng jai*, *nam jai* and *hen jai* come to mind.

From the findings, the main implication is that it is not a straightforward or easy task to implement the Western model wholly in the Thai context. In the two examples provided by the participants in Chapter 6, the expatriates implemented changes quickly and were met with subtle resistance. I would refer to the literature suggesting that companies should be cautious about implementing Western management models in Thailand. Cooper (1994) expresses his reservation about the applicability of universal modern management methods to the Thai business model. Holmes et al. (2003b) question why the Western management paradigm should be investigated carefully in the Thai business setting. Thus, it is important not to act in a way that takes the Western assumptions of behaviour and norms for granted in the Thai business environment. Seemingly simple and straightforward notions of the legitimate use of power, or concepts of deadlines and loyalty, can have complex meanings in the Thai context.

Other authors like Fisher and Hartel (2004) emphasise the importance of not blindly accepting the application of the Western task and contextual performance structure to expatriates operating in a non-Western culture. They further argue that the evidence of adjustment by both Thai and expatriates highlights the need to consider the intricate interrelationship between the two groups. Rowley and Harry (2008) assert that it is no longer the case that Asians need to adjust their cultures to the Western model but all people need to be prepared to adjust their work culture to meet different expectations. As a final reflection, it is essential to scrutinise the need to exercise prudence and good professional judgment when considering application of Western management methods in the Thai
business model. I resonate with the authors mentioned above and think that they have struck a special chord with the recurring theme of this thesis regarding the necessity to compromise and find an appropriate balance. I would emphasise that such an approach should mitigate the challenges that arise when Thais and expatriates work together and bring about a more harmonious working relationship that will augur well for both employees and the organisation.

7.6 Chapter conclusion

Chapter 1 of this thesis presented the research objectives and vital information regarding the background of Thailand and its people. This information was critical in order to fully appreciate the Thai working environment and lay down the foundation for the subsequent chapters. Chapter 2 provided more in-depth information and reviewed the relevant literature, with some critiques of the theoretical framework. Chapter 3 described the strategy and methods selected based on the information from the previous two chapters in order to obtain rich data and thick description. The findings presented in Chapter 4 on ‘Business ethics and trust’, Chapter 5 on ‘Authority’ and Chapter 6 on ‘Professionalism and efficiency,’ revealed the main issues between Thais and expatriates, namely the significant cultural gap between their value systems, and the implications of this gap in the Thai business model. Based on the findings, the following questions arose. How should the gaps be filled? Should the Western model of management be implemented in the Thai context? Are Thai traditional values obsolete in modern society?

The concluding chapter provided possible solutions to narrow the cultural gap in order to improve the working relationship between Thais and expatriates and the overall performance of the organisation. It is worthwhile reiterating the argument presented in Chapter 4 that attempting to practice the business ethics of one’s home country when abroad, without regard to the ethics of the local society, is not practicable (Feldman, 2013). Chapter 5 emphasised the existence of more recent research suggesting the benefits of traditional values, including those concerning authority in certain management contexts (Joiner et al., 2009). Chapter 6 endorsed the recurring theme that culture and traditions are of paramount importance, and an approach of compromising and meeting halfway should be adopted to narrow the significant gaps between Thais and expatriates with regards to professionalism and efficiency.
Despite the commonly held perception that the Western management model is superior and should therefore be applied wholly and rapidly to the Thai business model, the evidence has suggested that there is no ‘one-size-fits-all’ approach. I strongly believe that a ‘middle ground’ and compromise approach is the way for Thais and their expatriate counterparts to work cohesively and productively. Throughout the chapters on findings and discussion, there was the recurring theme of compromise, by which the merits of the Thais can complement the merits of the West. As the evidence has suggested, Thais can learn a great deal from expatriates and expatriates can learn many important values from Thais.

This study has provided suggestions and recommendations based on the accumulated evidence gathered. It has also provided valuable information to help Thais and expatriates develop efficient and harmonious working environments, a win-win situation for both employees and the organisation that will help to achieve optimal performance personally and professionally. Finally, the study has pointed to the continued theoretical and practical importance of noting and understanding the richness, distinctiveness, and resilience of different socio-cultural norms in what is undeniably an increasingly globalised world.
REFERENCES
REFERENCES


Breazeale, K. (1999) *From Japan to Arabia: Ayutthaya’s maritime relations with Asia* (Ed.) The Foundation for the Promotion of Social Sciences and Humanities Textbooks Project.


Chachavalpongpun, P. (2014b) “*Good Coup* Gone Bad: Thailand’s Political Development since Thaksin’s Downfall”. Institute of Southeast Asian Studies. ISEAS Publishing, Singapore.


that-ultimately-motivate-employees-to-achieve/#68d4a3b64fa7 Accessed on: 3rd October 2015.


Swiss Federal Institute of Technology.


Tate, D. J. M. (1979) *The making of modern South-East Asia*. Oxford University Press.


Thomas, L. (1975) Political Violence in the Muslim Provinces of Southern Thailand. Institute of Southeast Asia Studies, Singapore.


Vongvipanond, P. (1994) *Linguistic Perspectives of Thai Culture*. Paper presentation during workshop of teachers of social science organized by the University of New Orleans, USA.


APPENDICES
QUESTIONNAIRE - Exploring the challenges of working with expatriates
A study of the socio-cultural structure of the Thai Business Model

Thank you for agreeing to take part in this survey. The objectives of the survey are to learn more about the challenges facing Thais when working with expatriates, and possible solutions to overcome them.

The findings of the survey will be treated with utmost confidence. Completed surveys will be sent to the researcher, Wilson Teo of Manchester Business School, and held on a secure server. No names of companies, positions, or people will be referred arising from the survey unless consent has been obtained.

The survey contains four sections: (i) Demographic details (ii) Business ethics and trust (iii) Authority and (iv) Professionalism and efficiency. The research will be based on Thais’ perspectives of the challenges faced when working with their expatriate counterparts.

Please answer as many questions as you can. The questionnaire should not take too long to complete (approximately 30 minutes). Thank you for your cooperation with my research project. Your input is most valuable to me.

Note: Please use a separate piece of paper if the space provided in the box is insufficient.

SECTION ONE - DEMOGRAPHIC DETAILS

1. What is your age?

2. What is your gender? M / F

3. How long have you worked with the firm?

4. What is your highest qualification?
   I have no qualifications
   Elementary school (Pa Tom)
   High School (Mud Tha Yom)
   Degree or equivalent
   Master’s degree
   Above Master

5. Do you work with expatriate staff? Y / N

6. If so, how many years have you worked with expatriate staff?
SECTION TWO - BUSINESS ETHICS AND TRUST

Thailand is no stranger to political turmoil. Political corruption is widely reported in local and global media, and business ethics and trust have been questioned. We would like to know your opinions on whether such issues around ethics and trust are relevant to your workplace and how they may have influenced your working relationship with expatriates.

7. Firstly, to the best of your knowledge, do you feel that Thais and expatriates may have different ethical standards?  Y / N

Please explain your answer in the text box below:

8. Please rate the importance of the following pertaining to ethical issues with expatriates.

<table>
<thead>
<tr>
<th></th>
<th>Not at all important</th>
<th>Low importance</th>
<th>Slightly important</th>
<th>Neutral</th>
<th>Moderately important</th>
<th>Very important</th>
<th>Extremely important</th>
<th>Not Applicable (NA) or don’t know</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(a) Do you think that the history and culture of Thailand plays a role?  Y / N
If yes, please rate the importance

If yes, please elaborate briefly your opinion on how the history and culture of Thailand may influence business ethics.

(b) Do you think that socio-cultural factors and political structure of Thailand play a role?  Y / N
If yes, please rate the importance

If yes, please elaborate briefly your opinion on how economic factors and political structure of Thailand may impact the business ethics.
9. Please rate the importance of the following with regards to your working relationship with expatriates.

<table>
<thead>
<tr>
<th>Rating</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Not at all important</td>
</tr>
<tr>
<td>2</td>
<td>Low importance</td>
</tr>
<tr>
<td>3</td>
<td>Slightly important</td>
</tr>
<tr>
<td>4</td>
<td>Neutral</td>
</tr>
<tr>
<td>5</td>
<td>Moderately important</td>
</tr>
<tr>
<td>6</td>
<td>Very important</td>
</tr>
<tr>
<td>7</td>
<td>Extremely important</td>
</tr>
<tr>
<td>0</td>
<td>Not Applicable (NA) or don’t know</td>
</tr>
</tbody>
</table>

(a) Expatriates’ willingness to understand local culture regarding work ethics. 

(b) Possession of a reasonable knowledge of the Thai history and socio-cultural factors.

(c) Openness to discuss any differences.

(d) Willingness to accommodate any differences.

10. Please select the number that shows your level of agreement regarding the situations below. Please remember that it is your view that we are interested in.

<table>
<thead>
<tr>
<th>Rating</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Strongly disagree</td>
</tr>
<tr>
<td>2</td>
<td>Disagree</td>
</tr>
<tr>
<td>3</td>
<td>Somewhat disagree</td>
</tr>
<tr>
<td>4</td>
<td>Neither agree or disagree</td>
</tr>
<tr>
<td>5</td>
<td>Somewhat agree</td>
</tr>
<tr>
<td>6</td>
<td>Agree</td>
</tr>
<tr>
<td>7</td>
<td>Strongly agree</td>
</tr>
<tr>
<td>0</td>
<td>Not Applicable (NA) or don’t know</td>
</tr>
</tbody>
</table>

Your view on beliefs that may be commonly-held among Thai businesspersons:

(a) It may be ethically acceptable that an organisation overstates its expected revenue in negotiations with a potential buyer.

(b) An organisation may consider increasing the annual compensation of its senior management by 50% when profits have declined and dividends have been cut for the past two years.

(c) It is acceptable when a director learns that his company intends to announce a stock split and increase its dividend, he or she buys shares and sells them at a gain following the announcement.

Your view on beliefs that may be commonly-held among expatriates:

(d) It may be ethically acceptable that an organisation overstates its expected revenue in negotiations with a potential buyer.

(e) An organisation may consider increasing the annual compensation of its senior management by 50% when profits have declined and dividends
have been cut for the past two years.

(f) It is acceptable that when a director learns that his company intends to announce a stock split and increase its dividend, he or she buys shares and sells them at a gain following the announcement.

11. To what extent do you think in general that a Thai and an expatriate will accept the following practice?

<table>
<thead>
<tr>
<th>Rating</th>
<th>Description</th>
<th>Thai Acceptance</th>
<th>Expatriate Acceptance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Totally unacceptable</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td>Unacceptable</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>3</td>
<td>Slightly unacceptable</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>4</td>
<td>Neutral</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>5</td>
<td>Slightly acceptable</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>6</td>
<td>Acceptable</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>7</td>
<td>Perfectly acceptable</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>0</td>
<td>Not Applicable or don’t know</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Please give your views on Thai acceptance:

(a) ‘Under table’ money may be considered as long as the company benefits from it.

(b) Consideration may be given to pay Baht 1 million “consultation fee” to a government officer for assistance in obtaining a contract which could produce a profit of Thai Baht 10 million.

(c) A company may consider sending expensive New Year gifts to purchasing agents as it is common practice and should result in more businesses for the company.

Please give your views on expatriate acceptance:

(d) ‘Under table’ money may be considered as long as the company benefits from it.

(e) Consideration may be given to pay Baht 1 million “consultation fee” to a government officer for assistance in obtaining a contract which could produce a profit of Thai Baht 10 million.

(f) A company may consider sending expensive New Year gifts to purchasing agents as it is common practice and should result in more businesses for the company.

12. How do you think a Thai and an expatriate will rate the level of appropriateness on the situations below?

<table>
<thead>
<tr>
<th>Rating</th>
<th>Description</th>
<th>Thai Rating</th>
<th>Expatriate Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Absolutely inappropriate</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td>Inappropriate</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>3</td>
<td>Slightly inappropriate</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>4</td>
<td>Neutral</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>5</td>
<td>Slightly appropriate</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>6</td>
<td>Appropriate</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>7</td>
<td>Very appropriate</td>
<td>7</td>
<td>7</td>
</tr>
</tbody>
</table>

263
4 Neutral 0 Not Applicable (NA) or don’t know

Please give your views on Thai rating on appropriateness:

(a) A public company should be able to donate software to a school and instruct the company’s own employees to serve as volunteers to teach the use of the software while being paid by the company.

(b) The human resources department (HRD) has received applications for a supervisor position from two equally qualified applicants but hired the male applicant because they thought that some employees might resent being supervised by a female.

(c) When it comes to bidding for contracts, it may be permissible to allow staff to reach an understanding with other major contractors to collude bidding that would provide higher margin.

(d) Favouritism (unequal treatment of employees) is acceptable as long as it does not affect the performance of the company.

Please give your views on expatriate rating on appropriateness:

(e) A public company should be able to donate software to a school and instruct the company’s own employees to serve as volunteers to teach the use of the software while being paid by the company.

(f) The human resources department (HRD) has received applications for a supervisor position from two equally qualified applicants but hired the male applicant because they thought that some employees might resent being supervised by a female.

(g) When it comes to bidding for contracts, it may be permissible to allow staff to reach an understanding with other major contractors to collude bidding that would provide higher margin.

(h) Favouritism (unequal treatment of employees) is acceptable as long as it does not affect the performance of the company.

13. As far as you know, is there a trust issue between the Thais and expatriates?  Y / N
Please explain in the box below the reasons you give for your answer to question 14.

14. Please select the number that shows the level of agreement/disagreement with the statements.

<table>
<thead>
<tr>
<th></th>
<th>Strongly disagree</th>
<th>5</th>
<th>Somewhat agree</th>
<th></th>
<th>6</th>
<th>Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Disagree</td>
<td>6</td>
<td></td>
<td>7</td>
<td>Strongly agree</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Somewhat disagree</td>
<td>7</td>
<td></td>
<td>0</td>
<td>Not Applicable (NA) or don’t know</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Neither agree or disagree</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(a) Thais should not share “sensitive information” pertaining to business dealings with expatriates.

(b) Generally, expatriates perceive that Thais are not very trustworthy and tend not to trust them with very important tasks.

(c) In the eyes of the expatriates, Thai workers are oftentimes ill-disciplined and hence, untrustworthy and unreliable.

(d) To work without trust is to work without respect and this will harm the relationship and affects performance.

15. In your opinion, what could be done to improve the ethical and trust environment between the Thais and the expatriates?

SECTION THREE - AUTHORITY

An area of interest of this research is the broad issue of social norms around authority and hierarchy in the Thai business model. We would like to gather your opinions regarding the effects of authority relations on working with expatriates. What are the challenges and possible ways to mitigate them?

16. Generally, Thais tend to respect and accept managerial authority than expatriates. Y / N

17. Normally, expatriates come from ‘flatter’ organizations than those in Thailand, which tend to be ‘tall.’ This has resulted in a different expectation of authority. Y / N
18. It is generally assumed that expatriates have more authority than their Thai counterparts. Y / N

19. With reference to question 8 on Thailand’s history, culture, economy, society and politics; do you have anything to add to these issues with regards to authority? Y / N

If yes, please elaborate in the box below:

20. Please tell us the level of difficulty you encountered in the situations below.

<table>
<thead>
<tr>
<th>Difficulty Level</th>
<th>Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very difficult</td>
<td>1</td>
</tr>
<tr>
<td>Difficult</td>
<td>2</td>
</tr>
<tr>
<td>Moderately difficult</td>
<td>3</td>
</tr>
<tr>
<td>Neutral</td>
<td>4</td>
</tr>
<tr>
<td>Moderately easy</td>
<td>5</td>
</tr>
<tr>
<td>Easy</td>
<td>6</td>
</tr>
<tr>
<td>Very easy</td>
<td>7</td>
</tr>
<tr>
<td>Not Applicable (NA) or don’t know</td>
<td>0</td>
</tr>
</tbody>
</table>

(a) Working cohesively with expatriates on a daily basis.

(b) Meeting expatriates’ expectations most of the time.

(c) Meeting expatriates’ deadlines.

(d) Expatriates following the Thai ‘seniority’ culture.

21. Please select the number that shows the level of agreement pertaining to the statements below.

<table>
<thead>
<tr>
<th>Level of Agreement</th>
<th>Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly disagree</td>
<td>1</td>
</tr>
<tr>
<td>Disagree</td>
<td>2</td>
</tr>
<tr>
<td>Somewhat disagree</td>
<td>3</td>
</tr>
<tr>
<td>Neither agree or disagree</td>
<td>4</td>
</tr>
<tr>
<td>Somewhat agree</td>
<td>5</td>
</tr>
<tr>
<td>Agree</td>
<td>6</td>
</tr>
<tr>
<td>Strongly agree</td>
<td>7</td>
</tr>
<tr>
<td>Not Applicable (NA) or don’t know</td>
<td>0</td>
</tr>
</tbody>
</table>

(a) With authority, some expatriates assume an air of superiority.

(b) Some expatriates tend to extend their authority to cover personal areas (eg. using the company car for non-business use.

(c) Expatriates tend to set unrealistic goals.

22. Please share with us your beliefs with regards to the statements below.

<table>
<thead>
<tr>
<th>Level of Agreement</th>
<th>Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very untrue</td>
<td>1</td>
</tr>
<tr>
<td>Untrue</td>
<td>2</td>
</tr>
<tr>
<td>Somewhat untrue</td>
<td>3</td>
</tr>
<tr>
<td>Neutral</td>
<td>4</td>
</tr>
<tr>
<td>Somewhat true</td>
<td>5</td>
</tr>
<tr>
<td>True</td>
<td>6</td>
</tr>
<tr>
<td>Very true</td>
<td>7</td>
</tr>
<tr>
<td>Not Applicable (NA) or don’t know</td>
<td>0</td>
</tr>
</tbody>
</table>
(a) Expatriates need to be open-minded to feedback from the local employees even when they are holding more senior positions.

(b) Sometimes, the expatriates give instructions too quickly without thinking of the consequences in the Thai context.

(c) Expatriate with authority can be ‘too strong’ with direct criticism.

23. What do you think can be done to improve the authority issues?

SECTION FOUR - PROFESSIONALISM AND EFFICIENCY

In some instances, expatriates are hired to improve an organisation’s professionalism and efficiency. Some Thai businesses may be perceived to be lacking in these areas. We would like to have your opinion on how you view Thai professionalism and efficiency when compared to those of the expatriates. Whether there is a disparity and how it affects the Thai business model in your firm.

24. Do you think that Thais are not as professional or efficient compared to expatriates? Y / N

25. With reference to question 8 on Thailand’s history, culture, economy, society and politics; do you have anything to add to these issues with regards to professionalism and efficiency? Y / N

If yes, please elaborate in the box below:

26. Please select the number that shows the level of agreement pertaining to the relatively positive comments on expatriates listed below.

<table>
<thead>
<tr>
<th></th>
<th>Strongly disagree</th>
<th>1</th>
<th>Disagree</th>
<th>2</th>
<th>Somewhat disagree</th>
<th>3</th>
<th>Neither agree or disagree</th>
<th>4</th>
<th>Somewhat agree</th>
<th>5</th>
<th>Agree</th>
<th>6</th>
<th>Strongly agree</th>
<th>7</th>
<th>Not Applicable (NA) or don’t know</th>
<th>0</th>
</tr>
</thead>
</table>
(a) Generally, expatriates exhibit high degree of professionalism and efficiency. 1 2 3 4 5 6 7 0
(b) Expatriates have high expectation of performance from their Thai counterparts.

(c) Expatriates often express their ideas and thoughts in a straightforward manner so as to minimise ‘beating round the bush.’

(d) Expatriates tend to confront the problem instead of avoiding it.

27. Please select the number that shows the level of agreement pertaining to the relatively negative comments on expatriates below.

<table>
<thead>
<tr>
<th></th>
<th>Strongly disagree</th>
<th>5</th>
<th>Somewhat agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Disagree</td>
<td>6</td>
<td>Agree</td>
</tr>
<tr>
<td>2</td>
<td>Somewhat disagree</td>
<td>7</td>
<td>Strongly agree</td>
</tr>
<tr>
<td>4</td>
<td>Neither agree or disagree</td>
<td>0</td>
<td>Not Applicable (NA) or don’t know</td>
</tr>
</tbody>
</table>

(a) Sometimes, expatriates tend to be dismissive of local knowledge and jump to conclusion based on their own standard back home.

(b) Overlook the capability of Thai Employees.

(c) Expatriates act as if they know all after a short period of time.

(d) Some are ignorant of local culture and not very respectful.

(e) Expatriates often assume that most things will be easier if they do it their own ways.

28. Do you think that the Thais may have contributed (either directly or indirectly) to the “challenges” when working with expatriates?  Y / N

29. Please select the number that shows the level of agreement pertaining to the comments on the Thai’s attitude towards work which may frustrates the expatriates as listed below.

<table>
<thead>
<tr>
<th></th>
<th>Strongly disagree</th>
<th>5</th>
<th>Somewhat agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Disagree</td>
<td>6</td>
<td>Agree</td>
</tr>
<tr>
<td>2</td>
<td>Somewhat disagree</td>
<td>7</td>
<td>Strongly agree</td>
</tr>
<tr>
<td>4</td>
<td>Neither agree or disagree</td>
<td>0</td>
<td>Not Applicable (NA) or don’t know</td>
</tr>
</tbody>
</table>

(a) Thais are generally more relaxed in their attitude when defending their point of view.

(b) Thais lack a sense of punctuality and are frequently late with submission of reports.
(c) They like to keep things to themselves and do not tell everything to expatriates.

(d) Sometimes Thais act in an ignorant fashion and ignore their responsibilities.

30. What do you think can be done to improve professionalism and efficiency when working with expatriates?

31. Last of all, are they are elements relating to the topic of Thai/expatriate working relationship that this survey has omitted? Please use the text box below to include any further points that you wish to make.

Finally, are you willing to be contacted during your own time for the purposes of a confidential follow-up interview? If so, please provide your contact details such as home address or personal telephone number. Inclusion of your details would be entirely voluntary, and once again, we assure you that your details will only be seen by the researcher and, and will not be seen by management or any other 3rd parties without your consent.

Name:
Position:
Telephone:
Email:

Thank you very much for taking the time to complete this survey. I greatly appreciate your input into my research.

Yours sincerely

Wilson Teo
Manchester Business School
### INTERVIEW TIMETABLE

<table>
<thead>
<tr>
<th>S/N</th>
<th>Nickname</th>
<th>Position</th>
<th>Date</th>
<th>From</th>
<th>To</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Adu</td>
<td>Manager</td>
<td>3.2.15</td>
<td>10.00am</td>
<td>10.40am</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>16.9.15</td>
<td>9.45am</td>
<td>11.15am</td>
</tr>
<tr>
<td>2</td>
<td>Ana</td>
<td>Senior management</td>
<td>3.3.15</td>
<td>5.00pm</td>
<td>6.25pm</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>10.4.15</td>
<td>9.50am</td>
<td>12.05pm</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>23.11.15</td>
<td>10.15am</td>
<td>12.00am</td>
</tr>
<tr>
<td>3</td>
<td>Boo</td>
<td>Senior management</td>
<td>5.2.15</td>
<td>9.10am</td>
<td>10.50am</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>6.8.15</td>
<td>1.10pm</td>
<td>3.30pm</td>
</tr>
<tr>
<td>4</td>
<td>Kae</td>
<td>Manager</td>
<td>26.1.15</td>
<td>10.05am</td>
<td>10.50am</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>1.9.15</td>
<td>9.00am</td>
<td>10.35am</td>
</tr>
<tr>
<td>5</td>
<td>Kri</td>
<td>Senior management</td>
<td>6.3.15</td>
<td>2.05pm</td>
<td>2.45pm</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>23.3.15</td>
<td>2.15pm</td>
<td>2.55pm</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>7.4.15</td>
<td>2.20pm</td>
<td>3.10pm</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>26.11.15</td>
<td>9.30am</td>
<td>12.05pm</td>
</tr>
<tr>
<td>6</td>
<td>Man</td>
<td>Senior management</td>
<td>10.3.15</td>
<td>1.05pm</td>
<td>1.45pm</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>27.3.15</td>
<td>1.15pm</td>
<td>2.35pm</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>18.11.15</td>
<td>1.00pm</td>
<td>3.40pm</td>
</tr>
<tr>
<td>7</td>
<td>Nit</td>
<td>Manager</td>
<td>5.2.15</td>
<td>2.00pm</td>
<td>2.40pm</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>16.11.15</td>
<td>1.15pm</td>
<td>2.45pm</td>
</tr>
<tr>
<td>8</td>
<td>Nor</td>
<td>Senior management</td>
<td>2.3.15</td>
<td>2.15pm</td>
<td>3.00pm</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>31.3.15</td>
<td>2.30pm</td>
<td>4.15pm</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>17.9.15</td>
<td>2.05pm</td>
<td>5.00pm</td>
</tr>
<tr>
<td>9</td>
<td>Pal</td>
<td>Senior management</td>
<td>9.2.15</td>
<td>10.00am</td>
<td>11.10am</td>
</tr>
<tr>
<td>S/N</td>
<td>Nickname</td>
<td>Position</td>
<td>Date</td>
<td>From</td>
<td>To</td>
</tr>
<tr>
<td>-----</td>
<td>----------</td>
<td>-------------------------</td>
<td>-----------</td>
<td>------------</td>
<td>------------</td>
</tr>
<tr>
<td>10</td>
<td>Pat</td>
<td>Senior management</td>
<td>11.3.15</td>
<td>10.25am</td>
<td>11.35am</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>18.3.15</td>
<td>11.00am</td>
<td>2.30pm</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>23.3.15</td>
<td>10.15am</td>
<td>11.50am</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>10.7.15</td>
<td>9.30am</td>
<td>10.40am</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>5.11.15</td>
<td>10.00am</td>
<td>3.30pm</td>
</tr>
<tr>
<td>11</td>
<td>Pee</td>
<td>Manager</td>
<td>30.1.15</td>
<td>9.05am</td>
<td>9.35am</td>
</tr>
<tr>
<td>12</td>
<td>Phe</td>
<td>Manager</td>
<td>13.4.15</td>
<td>9.00am</td>
<td>9.40am</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>6.8.15</td>
<td>8.45am</td>
<td>10.20am</td>
</tr>
<tr>
<td>13</td>
<td>Pim</td>
<td>Manager</td>
<td>15.2.15</td>
<td>9.45am</td>
<td>10.25am</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>13.8.15</td>
<td>8.30am</td>
<td>10.05am</td>
</tr>
<tr>
<td>14</td>
<td>Pra</td>
<td>Senior management</td>
<td>16.2.15</td>
<td>9.00am</td>
<td>10.10am</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>6.3.15</td>
<td>3.15pm</td>
<td>4.25pm</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>20.4.15</td>
<td>9.15am</td>
<td>10.05am</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>8.5.15</td>
<td>1.05pm</td>
<td>2.20pm</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>30.10.15</td>
<td>9.30am</td>
<td>12.20pm</td>
</tr>
<tr>
<td>15</td>
<td>Pri</td>
<td>Manager</td>
<td>19.1.15</td>
<td>10.10am</td>
<td>11.45am</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>9.9.15</td>
<td>9.30am</td>
<td>11.10am</td>
</tr>
<tr>
<td>16</td>
<td>Son</td>
<td>Manager</td>
<td>20.2.15</td>
<td>9.35am</td>
<td>10.20am</td>
</tr>
<tr>
<td>17</td>
<td>Sul</td>
<td>Manager</td>
<td>25.3.15</td>
<td>8.55am</td>
<td>9.35am</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>24.7.15</td>
<td>9.15am</td>
<td>10.55am</td>
</tr>
<tr>
<td>18</td>
<td>Sun</td>
<td>Manager</td>
<td>2.4.15</td>
<td>10.00am</td>
<td>10.45am</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>21.8.15</td>
<td>9.25am</td>
<td>10.50am</td>
</tr>
<tr>
<td>19</td>
<td>Thi</td>
<td>Senior management</td>
<td>24.2.15</td>
<td>11.00am</td>
<td>12.15pm</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>16.3.15</td>
<td>1.30pm</td>
<td>3.10pm</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>7.5.15</td>
<td>2.00pm</td>
<td>3.35pm</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>5.8.15</td>
<td>11.15am</td>
<td>12.00pm</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>12.11.15</td>
<td>1.25pm</td>
<td>4.35pm</td>
</tr>
<tr>
<td>20</td>
<td>Utu</td>
<td>Manager</td>
<td>22.1.15</td>
<td>1.30pm</td>
<td>2.35pm</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>29.7.15</td>
<td>1.05pm</td>
<td>2.40pm</td>
</tr>
</tbody>
</table>
SEMI-STRUCTURED INTERVIEW SCHEDULE

Business ethics and trust

1. What are your opinions on issues such as the current political turmoil and corruption and their impact on ethics and trust?

2. Are business ethics and trust issues relevant to your workplace and how have they influenced your working relationship with expatriates?

3. Do you feel that Thais and expatriates have different ethical standards?

4. Do you think that the history and socio-cultural structure of Thailand plays a role?

5. How do you think Thai traditional values fit into expatriates' management styles?

6. What is the expatriates' attitude towards discuss differences and willingness to adapt to the Thai culture?

7. What are your views regarding Thais' and expatriates' attitude towards corruption, bribery and malpractice? Are there any differences?

8. Is there a trust issue between the Thais and expatriates?

9. What could be done to improve the ethical and trust relationship between Thais and expatriates?

10. Have I omitted any areas of importance? Is there anything you would like to add?

Authority

1. Do you think that Thais tend to respect and accept managerial authority more than expatriates do?

2. Normally, expatriates come from 'flatter' organizations than those in Thailand, which tend to be 'tall.' Do you think that this affects the working relationship with expatriates?

3. Are business ethics and trust issues relevant to your workplace and how have they influenced your working relationship with expatriates?

4. Does Buddhism have any influence on Thais' attitude towards work?

5. Do you think that the history and socio-cultural structure of Thailand plays a role with regards to authority?
6. Do you think it is challenging working with expatriates in terms of their expectations, especially punctuality and meeting deadlines?

7. How do the expatriates treat the Thai seniority culture?

8. Do issues such as controlling one’s emotions and face-saving affect authority?

9. What could be done to improve authority issues between Thais and expatriates?

10. Have I omitted any areas of importance? Is there anything you would like to add?

**Professionalism and efficiency**

1. Do you think that the history and socio-cultural structure of Thailand plays a role with regards to professionalism and efficiency?

2. What is your opinion on Thais’ professionalism and efficiency compared to expatriates?

3. What is your view regarding Thais’ English proficiency and communication with expatriates?

4. What is the Thais’ attitude towards implementing change?

5. Do you think that expatriates can be confrontational and abrasive at times?

6. What is your opinion on the positive and negative attributes of expatriates?

7. Do you think that the Thais may have contributed (either directly or indirectly) to the ‘challenges’ that arise when working with expatriates?

8. How do you handle expatriates’ expectations regarding punctuality and meeting deadlines?

9. What could be done to improve professionalism and efficiency for both Thais and expatriates?

10. Have I omitted any areas of importance? Is there anything you would like to add?
GLOSSARY

Baramee - power derived from respect, charisma

Bpai tiao - go for holiday, or simply a fun-filled outing

Bunkhun - similar to indebtedness

Chat - birth, origin, or a cycle of rebirth to express ideas corresponding to a race

Chao - royal family members

Choei - stay silent, remain still and keep feelings to oneself

Farangs - Caucasians

Gan eng - similar to friendly, feel good

Gin ka nom - eat snacks

Gin muang - literal translation would be ‘to eat a city,’ actual meaning is ‘to govern a city’

Hai kiad - similar to showing respect

Hen jai - similar to being understanding

Jai yen yen - similar to a calm, relaxed attitude

Jao por - influential businessmen in provinces outside Bangkok who are usually linked to local political figures

Jing jai - Jing is true, jai is heart, similar to sincere but has a deeper meaning

Khunnang - high-ranking officials

Kreng jai - similar to being considerate

Krob krua - family

Khun - “you” (formal) or similar to “Mr” or “Ms”

Krunthep - City of Angels

Krup and Ka - similar to “yes”; “Krup” is used by males and “Ka” is used by females

Mai dong kreng jai - no need to kreng jai
Mai jai ron - Do not get angry, jai ron can also mean quick temper or impatient

Mai pen rai - never mind, it is OK, sometimes even when it is not OK

Mao - gossip

Mueang - town

Nam jai - literally, water heart. Meaning, an act of generosity or kindness

Nong - “you” (informal) as in “you” have to do this

Phradet - similar to having authority to mete out punishment

Phrai - commoners

Phrakhun - similar to having the authority to bestow benefits

Pi - “you” or elder brother (informal, elder brother or sister)

Rak - love

Sabai sabai - feeling good and taking things easy

Sangha - Buddhist clergy

Sakdina - literal translation would be ‘field power’

Sam Ruan - polite, passive and modest

Sanuk - enjoy and have fun

Sawatdee - similar to greetings, like saying “hello” or “welcome”

Sin nam jai - gifts of goodwill

Tam dee dai dee - a Buddhist concept that teaches that when one performs good deeds for others, he will receive good in return

Tan - “you” (formal, similar to Sir)

Thod Krathin - celebration at the end of Buddhist Lent

Wai - two hands clasped together around the chest level with a slight bow of respect

Wat - Thai temple

Wei porn - a short speech to bless people

Wijann - more to giving feedback and more positive impression; than criticise