

**FACTORS THAT AFFECT THE CROSS-CULTURAL CONFLICTS
OF THAI EMPLOYEES IN JAPANESE COMPANIES**



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OF THAI EMPLOYEES IN JAPANESE COMPANIES**

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ABSTRACT

This research aims to identify the factors that affect the cross-cultural conflicts of Thai employees in Japanese companies. The Cross-Cultural differences, Work-related values in Thai organizations, Japanese human resource management, and several other potential factors were extracted from existing literature and adopted as the assumptions for the study. Primary data were collected qualitatively, using open-ended interview questions. Seven interviewees were selected from Thai employees who work in Japanese company for more than 1 year. The findings reaffirmed most of the assumptions from the research's frameworks, as well as introduced new factors. Accordingly, it yielded the recommendation of the conflict resolution to both Thai employees and Japanese companies. The limitations and contributions were also discussed in the paper.

KEY WORDS: Cross-Cultural Conflicts / Work-Related Values / Human Resource Management / Work Environment / Thai Employees

30 pages

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CHAPTER I

INTRODUCTION

In the highly competitive world of business today, many companies have expanded their business to others countries in order to gain competitive advantages of each country, as each country, have differing characteristics such as accessibility to certain materials, economy, government, history, policies and etc. Japan is one of the most competitive country in terms of business in Asia, but have very limited raw materials and labor within the country and mostly expands their business to others countries. Thailand is one of the most famous destinations of Japanese company because of the variety of skills and capabilities, raw materials, lower cost of labor, etc. The companies from Japan which highly invests in Thailand, was investing into the manufacturing, consulting, and technology industry. To deal with the existing and upcoming Japanese company which expands to Thailand, the understanding of the cultural differences between Thai and Japanese culture was essential, to study and to help Japanese companies and Thai employees adjust themselves to avoid cultural conflicts.

The scope of this study is to focus on the relationship of Thai employees and Japanese companies on cross-cultural conflicts, which is caused from the differences in culture of each country. Together with the additional information from the study of the literature review on Traditional Japanese Human Resource Management (HRM) which applied to the Japanese company and by exploring the work-related values of Thai employees and the Japanese company. The context of this study will focus on the Japanese companies that operate in Thailand for more than 10 years by both Thai and Japanese employees. By the scope of study, this research would like to seek for “Factors that affect the cross-cultural conflicts of Thai employees in Japanese companies”. Also, leverage the understanding to deal with the differences.

Firstly, this research will review the literature on the cultural differences between Thais and Japanese, Japanese HRM, work-related values which may cause the conflicts exist in the company from reliable sources of research. Secondly, conduct

in-depth interview to the focus group of Thai employees who work in Japanese company located in Thailand to collect the primary data of the real experiences of the interviewees. The data will be used to further analyze and give the conclusions and recommendations of research findings.



CHAPTER II

LITERATURE REVIEW

To understand more about Thai and Japanese cultural differences, Japanese traditional HRM, Thai Work-related values, literature reviews on relevant journals and articles were conducted focusing on factors leading to the conflict of Thai employee in the Japanese company.

2.1 Cross-Cultural Differences

In order to analyze and differentiate each culture of each country, the main focused theory was Hofstede (2005) Cultural Dimensions. Under this framework, the culture conflicts were clarified by 5 dimensions: Power distance index (PDI), Individualism vs. collectivism (IDV), Uncertainty avoidance index (UAI), Masculinity vs. femininity (MAS), and Long-term orientation vs. short-term orientation (LTO).

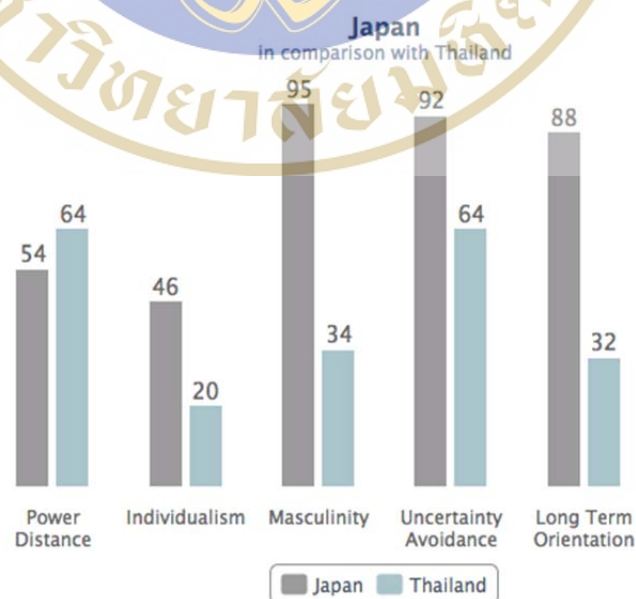


Figure 2.1 Hofstede cultural dimensions

2.1.1 Power distance

[Japan 54, Thailand 64], As Japanese culture promoted on a relatively hierarchical system, but still less than Thailand. They respect people in the same organization as a family. But in Thailand, there are clearer in the social hierarchy. Thai employee will look more clearly in the hierarchy from the higher level manager.

2.1.2 Individualism

[Japan 46, Thailand 20], most of the Japanese managers perceive Thai subordinates prefer more collectivism. But in practices, Thai subordinates prefer to be individualism. If Thai employee can do the work by himself, they prefer to solve problems alone but under supervision by Japanese managers. For group projects, Thai subordinates emphasis on clear roles for each responsible task. In Japanese society, there are higher level of individualism. They are more likely to look after themselves and their direct acquaintance.

2.1.3 Masculinity

[Japan 95, Thailand 34], is the main culture conflict between Japanese managers and Thai subordinates. Japanese culture strongly emphasized on masculine culture, which they spend most of the free times to go to office doing their work. But in Thai society, they are less assertive and competitive. They don't accept the mindset of masculinity of Japanese culture. They defined that considering the satisfaction of others is the sign of their success.

2.1.4 Uncertainty avoidance

[Japan 92, Thailand 64], Japanese managers prefer to the emphasis on strict rules. They do most of the things according to the rules and regulations. They will feel uncomfortable when some things have to change from the plans, rules, or sequences. But Thai culture prefers more flexibility in the organization. They like to compromise in flexible variables on decision-making and bargaining process even if it breaks some plans, rules, or sequence.

2.1.5 Long-term orientation

[Japan 88, Thailand 32], Japanese managers emphasis on long-term orientation, they always plan an organization directions for next 3-5 years and want every employee in the organization to follow their directions. But Thais prefer to the emphasis on present directions. They aim to create the most results in the present time frame. They can't accept losing for today and gaining for next 3-5 years.

In comparison between Thailand and Japan under Hofstede Cultural Dimensions model, the level of Masculinity, and Long-term orientation seems to be the most two factors with the long difference score which may be the main cause of conflict. The high level of Masculinity in Japanese society resulted from the support of Collectivism. In business terms, Japanese worker was highly competitive in competing with their competitor. They emphasize on zero-defect material production, services, and presentation. Also for highly Long-term orientation, Japanese consider every single step of their life as a fraction of the long story of life. In business terms, the Japanese have shown the high rate of long-term investment, Research and Development, Capital rate, and Growth in revenue as they emphasize not only today but future. Low level of Masculinity reflects the Feminine society of Thais. As they were less assertive and competitive. Low score of Long-term orientation reflects the normative and pragmatic. They emphasize on the quick results projects rather than investment for long-term growth.

All of these dimensions was covered in “Factors that affect the cross-cultural conflicts of Thai employees in Japanese companies”. In summary, culture conflicts between Thai and Japanese culture was the cause of conflicts and misinterpretation in work environment of Thai employee in the Japanese company, but there are also work-related values which also lead to conflict within the company.

2.2 Work-Related Values in Thai Organizations

From a study of Work-related Values, Suntaree (1990) mentioned as the relevant factors to influence energize, direct, and sustain employee behavior. There are 3 sets of variables contributing to the work situation. First, Individual characteristics which employee bring to work such as their need, attitudes, interest, value, etc. Second, the job characteristics covered how employee perform by the monotony, autonomy, etc.

Third, Work environment concerning the surrounding components to the employee during work. Which can be categorized to immediate work environment, includes the relationship with supervisor, colleagues, and subordinates. Organizational action includes reward and punishment system, and organization climate.

The Research explores Thai work relates value through Terminal and Instrumental values. The qualitative survey was applied with 2,469 Thais from different status, geographical locations, and occupations. The results and analysis showed the 9 value clusters by rank from high to low.

Ego orientation was a strong sense in Thai people. The violation of 'ego' can provoke strong emotional reactions. *Grateful relationship orientation* refers to the psychological bond between the group of people from help and kindness. Work and projects can be perfectly done by the support of this orientation because of good connection and relationship between workers, leaders, and third-parties. *Smooth interpersonal relationship orientation* refers to Thai's favor of smooth, kind, pleasant, conflict avoidance. *Flexibility and adjustment orientation* response to situations and opportunities in behavioral patterns. Thais are 'situation-oriented' as being 'flexible' rather than 'truly honest'. Therefore it results in often 'decision-shifting' behavior. *Religio-psychical orientation* characterized by religious belief in fatalistic attitudes and supernatural behavior. This may lead to conflict in education and supernatural belief. *Education and competence orientation* reflect on the perceptual of education uses to increase social status rather than the result of achievement. *Interdependence orientation* emphasize the collaboration in Thai society from coexistence and interdependence. *Fun-pleasure orientation* response on easy-going, fun-loving, and joyful behavior in Thai society. Thais would not do anything that seems fun, as they easily get bored. *Achievement-task orientation* response the achievement motivation toward internal motivation in hard work.

In addition, not only Japanese culture applied in the Japanese company and work-related values that leads to the cross-cultural conflicts, but also traditional Japanese HRM which roots from Japanese culture too. Japanese HRM emphasis on the strong relationship between organization and employee, Supervisor and subordinates, and Outcomes of working in the team.

2.3 Japanese Traditional HRM

Swierczek & Onishi (2003) mentioned in the research, Japanese traditional HRM that applies to Japanese company was consist of Lifetime employment: require Thai employee to sign an agreement with the company on working durations and regulations. Thai subordinates look at this agreement as the obligation, and less flexibility. Seniority: promoting employee depend on duration of employment instead of the level of achievement. Thai subordinates believed in achievement-based rewards is more suitable in Thailand. House Union: Most of the Thai subordinates believe that Japanese union was not benefited to them as the union in Thailand was not well active for Thai workers. Consensual decision making: refer to group decision-making. Thai subordinates prefer to make the decision in a group as they want to avoid the conflict in post-decision making. In Japanese organization, Japanese managers seem to obtain consensus from Japanese supervisor rather than from Thais subordinates. These cause from the lack of language proficiency and the distance between Japanese managers and Thai subordinates. Quality circles: require the employee on the same positions to meet regularly to discuss and identify work-related problems. Japanese culture promotes to apply Quality circles regularly. But Thais subordinates seems quality circles was difficult and should be for voluntary.

2.4 Conclusion

After collecting and analyzing the information from literature review of Thai and Japanese cultural differences and conflict of Thai employee in Japanese company, The factors could be summarized and define relationship in figure 2.2:

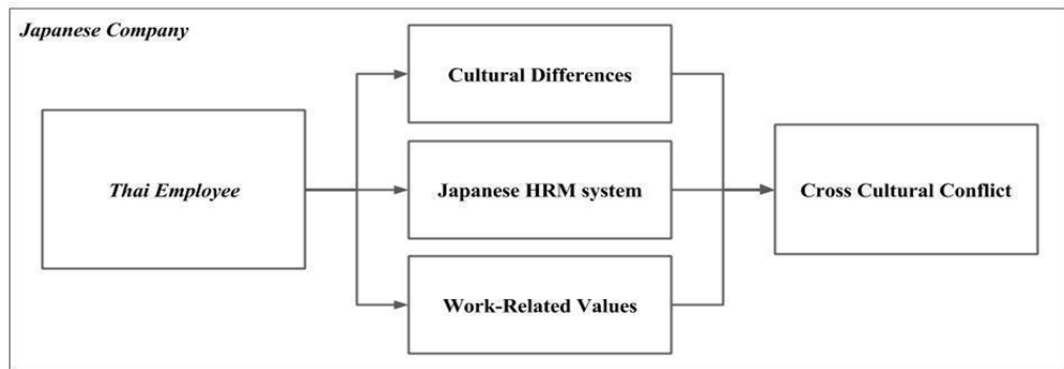
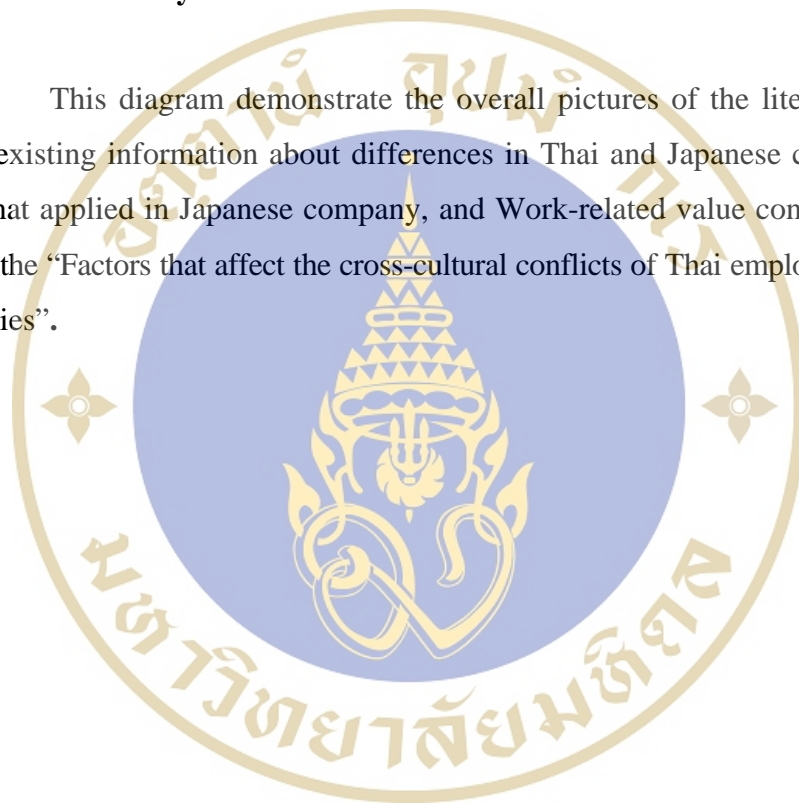


Figure 2.2 Summary of literature review

This diagram demonstrate the overall pictures of the literature review to collect existing information about differences in Thai and Japanese culture, Japanese HRM that applied in Japanese company, and Work-related value conflicts in order to explore the “Factors that affect the cross-cultural conflicts of Thai employees in Japanese companies”.



CHAPTER III

METHODOLOGY

3.1 Primary Data Collection Method

Beside secondary data on literature reviews chapter on culture conflict in Thai and Japanese culture, there was no precise research related to factors affecting cross-cultural conflicts of Thai employees in Japanese companies. The additional actual experience and details from primary data would allow deep analysis for the answer on the research question. The qualitative research could be applied by in-depth interview to demonstrate the cause, attitudes, and feelings of Thais employee who work in a Japanese company.

3.2 Interview Method

The primary data in this research will come from in-depth interviews in order to collect deep and accurate information from the interviewee. The method of the interview follows:

3.2.1 Sample Selection

For this research, the interviewee includes 7 of selected sample interviewees of Thais employee who work in different Japanese companies and positions in Thailand with more than 1 year of employment. The list of interviewees shown in table 3.1 below:

Table 3.1 List of interviewees

Code	Position	Company	Experience	Gender	Status
A	Engineering Consultants	Schneider Electric Systems (Thailand) Co.,Ltd	2 years	Female	Employ
B	Engineering Coordinator	Index Consulting Group	1 years	Female	Resigned
C	Secretary to Managing Director	Yokogawa (Thailand) Ltd	2 years	Female	Resigned
D	Interpreter	Daiwa Kasei (Thailand) Co.,Ltd	1 years	Female	Employ
E	Engineer	Hino Motors Manufacturing (Thailand) Ltd	2 years	Male	Employ
F	Assistant Supervisor	Daifuku (Thailand) Ltd	5 years	Male	Employ
G	Account Executive	Tokio Marine Insurance Thailand PCL	2 years	Female	Resigned

3.2.2 Develop Open-ended questions

In order to explore the factors affecting cross-cultural conflicts of Thai employees in Japanese companies, the qualitative interview with open-ended questions is applied to give the interviewees a chance to give a deep answer on actual experiences. A list of open-ended questions is prepared as the semi-structured interview as shown in the table 3.2 below:

Table 3.2 List of open-ended questions

Topic	Interview Question
(A.) Work-related values	(1.) How long have you work/working in Japanese company?
(Ask resigned interviewees) (A.) Work-related values	(2.) Why you decided to resign from Japanese company? Are you still working with Japanese company?
(Ask employing interviewees) (A.) Work-related values	(3.) Do you prefer to work with Japanese company? Why?
(A.) HRM	(4.) Are you work as contract or full-time employee? How long of probation period?
(A.) Work-related values	(5.) Why you choose to work/working in Japanese company?
(A.) Work-related values	(6.) Do you ever work/working in others company beside Japanese company? In your opinion, are there any differences from Japanese company?
(A.) Cross-cultural differences.	(7.) As your position, How many managers, supervisors and subordinates? How many colleague in your positions? Do Thais have an opportunity to be promoted to higher level positions (or only Japanese)? How is your relationship with your supervisor? Is working with a Japanese supervisor different from a Thai supervisor?
(A.) Relationship with supervisor, colleagues, and subordinates	(8.) Do you work with Japanese colleagues, supervisors, or subordinates? Are there any differences from working with Thai people?
(A.) Rewards system	(9.) Besides salary, Did you receive any benefits, compensations, or bonus?
(A.) Work-related values	(10.) Did company arrange holidays according to Thais or Japanese holidays
(A.) Cross-cultural differences.	(11.) How often do you have to work overtime? Are you ok with that or is it a problem for you?
(A.) Cross-cultural differences.	(12.) When you got assigned for any projects, do most of the projects are long-term or short-term duration? Are company provides specific time periods to finish the projects?
(A.) Cross-cultural differences.	(13.) How often of both formal and informal meeting with in the company? Are Japanese meetings different from Thai meetings?
(A.) Work-related values (B.) Cross-cultural differences.	(14.) If you have a chance to be manager in Japanese company, what you want to apply or changes in Japanese company. What are the advantages of working for a Japanese company, what are the disadvantages?

3.2.3 Develop probing techniques

Probing techniques used to explore deep information and ensure validity from the interviewee. The interview conducted by 2 ways communication from the face-to-face interview between interviewer and interviewees. After each prepared question, the interviewer could ask for further information and experiences.

3.2.4 Conduct the Interview

In this research, the interview sessions are conducted by both face to face conversation and phone call. The venue of interview are meeting rooms, office, and classrooms for quiet and formal atmosphere that could help interviews run smoothly and emphasizes interviewees to express deep information about their experience. Each interview sessions took approximately at least 30 minutes including introduction, questioning, and probing. The final stage is summarize information to analyze data based on the research factors.

3.3 Research Framework

The information will be combined to conduct final conclusion and recommendation based on the relationship shown in figure 3.1

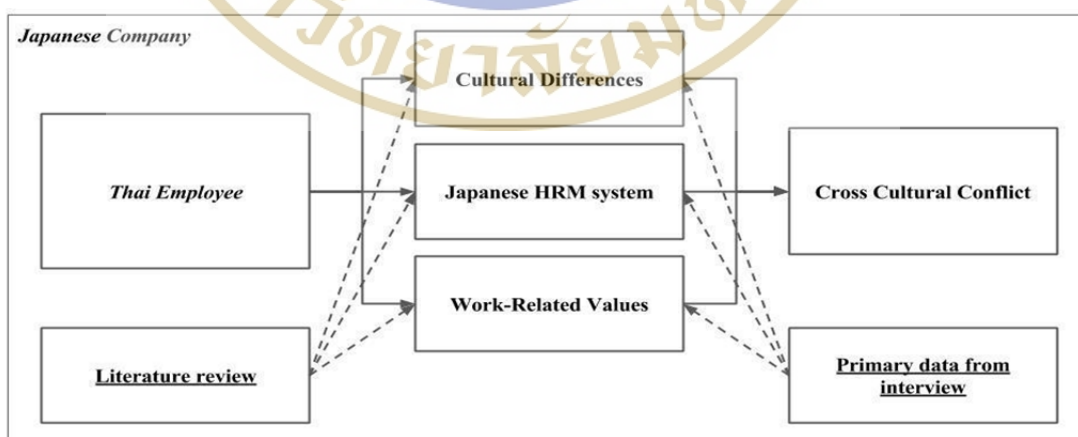


Figure 3.1 Research framework

CHAPTER IV

DATA ANALYSIS

After conducting the qualitative research, the summary of data finding from focus group of interviewees was analyzed into Thai perception of working with Japanese companies.

4.1 Cross-Cultural Differences

Interview conversation consists of the questions asking about work experiences of Thai employee in the Japanese company in order to find the cultural differences. The answer could be organized as follow:

4.1.1 Hierarchical system

From the interview conversation to explore the hierarchical system of Japanese companies, the tool for measure the qualification of each employee was mainly based on the duration of employment. Which not only affects the position of each employee, but also on the power of each position to colleagues and subordinates. Even though Japanese company emphasis on the duration of employment, but the performance evaluation was still apply annually but didn't take to the serious consideration.

During interview session, Ms.A mentioned that her 2 Japanese Managers had given equal opportunity for both Thai and Japanese employee, but the hierarchy inside the company was measured by the duration of employment rather than performance. Even she was working with this company for more than 2 years, her opinion or suggestion to managers was often got negligent. Because in Japanese work culture, qualified experience in difficult decision making requires more than 10 years of experiences. In routine work, managers who stay in Japan will let their subordinates work on their own, they will monitor and keep track on their subordinates by e-mail and phone call. Mr.G mentioned that his company also has a performance evaluation twice a year. But the results of the

evaluation was not taken into serious consideration. In the last part of the interview, interviewees were asked to give the recommendation to the Japanese company, Ms.A and Mr.G mentioned that the hierarchical system should be based on both duration of employment and performance through the performance evaluation.

From the information from interviewees, Japanese company emphasizes the power of the employees based on their duration of employment. They believed in the longer duration of employment equals to more experiences which results in better performance, which leads to the conflict to Thai employees inside the company. Because their performance and achievement while they are working in the company was not get promoted. Also the high level of graduation of new employees wasn't important as the duration of employment.

4.1.2 Relationship of employees

In the interview session, to study the relationship among Thai and Japanese employees inside Japanese companies, the interviewees answer in the both negative and positive sides. The negative side was cause from the bad relationship of manager and employees who lives in different country and the differences in languages used. The positive side was the interviewees who was working with close monitoring from their managers and teamwork with their colleagues. And interviewees who spend their free times to do the activities with their managers and colleagues. According to interviewees answer, Ms.A mentioned about the misunderstanding when submitting the work due to not quite close monitoring from managers. The rest of interviewees answer on the analogous directions that they have a good relationship with Japanese managers from the guidance and command. Ms.B was mentioned to her company which uses English as a primary language, in some moment which she has to make the difficult decision or in the complicated moment of working with her Japanese colleagues, sometimes Japanese employee was incidentally talking to each other, using Japanese language, which Mr.B can't understand and made him feel fall-off of the conversation. Ms.C mentioned to her Japanese managers in the difficult time, her manager often got anger and plainly spoke with rude words. Ms.G mentioned that his company was good in international business in term of customers' linkage between each country. Some interviewees, Mr.E and Ms.G said that they went to play golf and dinner party with their managers every month to build relationship.

Japanese companies are also emphasize on working as a team and aiming to given the autonomy to the team to working on their own. Managers will monitor and keep track of their subordinates to keep the direction of the teams. Working in the team was done with the close relationship and co-working from the team of colleagues. There is no barrier between Thais and Japanese employees, they are both highly willing to share knowledge with each other. Company of Mr.F provides dinner party, meet and greet party, and sports day to help to build a tight relationship amongst employees.

From the information from interviewees, the conflict on relationship among employees was cause from the differences in language which may occur in most of cross Culture Company and the differences in the relationship among employees within each company. Which results in the misunderstanding among employees, reduce in employees involvement, and conflict on their relationship. But four of employees who mentioned to the tight relationship within their team, may help in reduce the conflicts from the differences in language.

4.1.3 Level of dedications

The Interview conversation was used to explore the conflict in the level of dedications. The answer of interviewees showed the Japanese employees are mindful, dedicated, and detail-oriented to every aspect of their work. Including work for overtime, Employee of Japanese company was always have to work for overtime even they got paid or not.

Ms.A said that she has a very good relationship with her Japanese managers who always give her opportunities and equality during work to look forward and plan for the future of her with the company. Inverse with Thai employee which are more phlegmatic, patient working style. Ms.G said that “*I work overtime for almost every day of work*”, her Japanese managers would also work overtime every day, thus subordinates have to follow and support him. By probing the question, Ms.G was expected and perceived for working overtime before she was employed in the Japanese company and she accept it as common. The rest of interviewees would work overtime not quite as often, depending on how and when do they get the work done. Most of the interviewees got paid 1.5-3 times of normal pay for the overtime. In addition, all interviewees the mentioned that

working overtime doesn't affect much on their work-life, balance and they feel "OK" to be working overtime.

With high level of dedications in Japanese culture, results is highly qualified work outcome for the detail-oriented of Japanese employees. This also leads to conflicts in Thai employees who prefer less dedications of working style, resulting in reduced performance in the company. But in the interviews conversation, there are 3 interviewees who mentioned that they choose to work in Japanese company because Japanese culture are highly competitive, and motivating to improve the performance of employees. Which may not being featured in Thai society. In summary, the conflict in the level of dedication is appear when the level of culture inside the company doesn't match with individual preference of each employee.

4.1.4 Project Assignment

In the interview session, interviewees were asked to demonstrate on how they got assigned for the project to explore the behavior and conflict inside Japanese company. The project assignment was assigned with the strictly schedule of what should be done in particular periods of time. The meeting was appointed to 1-2 times a week to ensure the direction of the projects. For engineering and service employees, the safety and customer satisfaction was their first priority. From the answer of five interviewees, Japanese managers always require the strict schedule of each project with comprehensive rules and regulations. Ms.D, Mr.E, and Mr.F said that they have to set schedule on their own, and then, present it to managers for approval. After that, they have to follow the schedule to get the work done to meet the requirement of each day. Ms.A said that even Japanese managers were strongly focused on rules and regulations, sequences, and schedules of work but the request of customers to be flexible from what should be done is acceptable. Most of the Japanese company set the weekly, monthly, and yearly meetings to let all managers meet their subordinates to share and discuss what has been done and what to do next. Ms.D as the interpreter seem to have most often meet with team every 2 days. The agenda was focused on the discussion on the feedback of customers and practice for Japanese languages. Mr.E who is working as an engineer in the Hino Motors factory said that he and his team have to ensure the safety of every employee in every action. They have to recite the safety quotes and company's vision in every

morning in front of the factory. Mr.A as an engineering consultant, seem to have the longest responsible duration of the projects. She said, *“Most of my projects take 1 year to complete and require more than 10 years of maintenance and improvement to the projects”*. Ms.B, Mr.F, and Ms.G often responsible for the projects of 6 months to 1 year with the detailed schedule. The rest of interviewees doesn’t often have to be responsible for the projects, they just have to focus on their routine work.

According to the interviews, the strictly working style mentioned was the result of Japanese detail-oriented culture, this maybe challenges Thai employee who prefer the flexibility and easy-going in work environment. But for the employees who doesn’t have to responsible for the project assignment, they perceived that their work are good to be detail-oriented to ensure the performance, safety, and customer satisfaction.

4.2 Human Resource Management

The second part of Interview conversation used to ask for the Human Resource Management (HRM) in the Japanese company. The interview session aims to explore the HRM activities inside the Japanese company that may be the cause of conflict. The problems related to HRM found from the interviews was as following:

- The probation period that applied to all of interviewees with more challenging task assigned to new employees.

After the employee was recruited from both internal and external sources of the company, employees have to work in the probationary period for 3-6 months depending on the regulations of each company. The probation was set to allow managers and supervisors to monitor and evaluate the skills and abilities of new employees, also for monitors the relationship with their supervisors, colleagues, and subordinates. Mr.F and Ms.B mentioned on the analogous directions as, during their probation periods, they were assigned more challenging task when comparing to the normally assigned task. They assume that the assigned task during probation was used to test and challenge new employees to show full skills and capabilities to ensure the performances of new employees. All employees doesn’t perceive it as a problems, since they are able to handle the assigned task from their managers. All of the interviewees was working in the Japanese company with no requirement to sign the contract of employment. By the

studied of the focus group, the probation period was not cause to the conflict to Thai employees in Japanese company. In the other hand, it's help employees to be better off with the evaluation from the probation period.

- The Japanese managers from Japan which require work permit for a period of time in Thailand, need to go back to Japan after 1 years of employment.

Ms.G mentioned about her Japanese managers came from headquarters in Japan, which requires the work permit for short period of time (1year). After that, new managers was appointed, many employees with longer duration of employment (15-20 years) who have more experiences and strong relationship with customers may oppress to Japanese managers. Overtime, Japanese manager loss their power and role within the company, which they often have to consult and follow the guidance of employee with longer duration of employment. Resulting in the non-systematically and not quite efficient work due to low knowledge sharing from Japanese managers. This conflict can be occur in every multinational company in every country. Changing in managers can be considered a wicked problem found in the Japanese companies in Thailand which are operated by Japanese managers. When managers lose their power in command, respect, and trust, all of his/her subordinates will get to trouble from unclear hierarchy in their company.

However, the interviewees also mentioned some positive aspects of Japanese HRM system:

- The efficient teamwork of employees in working and making decision as autonomy.

Both Thai and Japanese managers always let their employee discuss and making-decision in the team which consists of managers, subordinates from several departments in the company. As a result, all employees within the team understand the decision in the same direction, fewer conflicts, tight relationship and co-working performance of employees from the synergy and brainstorming of employees by teamwork as autonomy,

- The meeting that was set quite often (more than twice a week) for both formal and informal meetings in Japanese company to ensure the directions of work and reduce conflict among employees and reduce the error or trouble occur in the company.

The routine meetings was mentioned by all of the interviewees, It has been applied during the weekly meeting of each company to let employees share and exchange their knowledge, skills, capabilities, and also discuss the problems during the week. Ms.A and Mr.E were mentioned to the frequency of their meetings have been set to every 2 days of work (Wednesday and Friday) to ensure the direction and perfection of the work. Both of interviewees perceived the meetings to have helped them to work with more safety, less error, and conflicts. Also, the empowerment from the meeting help employees to realize what going on and what to do in the future.

4.3 Work Environment

The third main focus of the interview conversation was to explore the work-related values that interviewees perceive during working with the Japanese company. The answer could be organized as follow:

4.3.1 Work behavior

The working behavior reflected to the norm of behavior of all employees inside company that have to apply and follow. The interview conversation explore the work behavior of each Japanese company by collect the information from several open-ended question. The interviewee answers was demonstrate the problems as following:

- Japanese company emphasized on time-oriented, communication with customers-oriented.

According to the answer of all interviewees, Japanese employees strongly emphasized on time. Ms.A said that her Japanese managers and colleagues will come 30 minutes before every meeting. Also, focused on customer satisfaction. The request of customers took priority. Ms.B said “*Time was the most important things in my company*”, but it seems to depend on each manager too. One of her Japanese managers was not that strict on time, easy going, very friendly and polite. In the probing question to interviewees, they are not perceived the time-oriented and customer-oriented of their company as conflicts. They recognized the time-oriented as good norm but for the customer-oriented have to be depend on their resources and capabilities to satisfy customer requirement.

- The human-error management and meeting structure in Japanese company was found to be interesting factors affecting work behavior.

Most of the meetings have to be done in a very proper way, consisting of introducing of participant, agenda, and ending with a big thank from all high-level managers. Mr.F mentioned about his company as often don't talk much about the mistake during meeting, Japanese employee always give up on the mistake that can't be resolve and move on, but it will be reported and discuss at the end of the year. In comparison with Thai companies, when employee do something involuntary wrong, it's a big mistake which will be blamed on the employee all the time until forgotten. According to the interviews, the meeting structure and human-error management resulted in a good outcome to both employees and company.

- Family-like relationship work environment in Thai culture.

One of interviewees mentioned to his Thai manager management style that emphasized on family-like relationship. His managers take care of him like they are his parent. Everyone in the company was willing to help each other in every aspect of work or even on daily life. Most of the employees graduated in the high degree of education, resulting in no barrier between the groups of employees, but misunderstandings still exist in Japanese companies. Mr.G doesn't recommend Japanese company to apply family working style, but it may help employees to have better relationship with their managers, colleagues, and subordinates. Even if Japanese company was not a clear family working style, interviewees wouldn't considered it as conflicts.

4.3.2 Reward system

Reward is one of the benefits to employees to repay for their effort and motivation. From the interview conversation, besides salary, all interviewees got benefits, compensations, and bonuses, not quite different from other companies. They got provident fund, transportation cost, telephone compensation, house rental, medical fee, and the bonus of more than 3 months of salary. All interviewees was satisfied by the benefits that they got from their company. Thus, the reward system did not lead to conflict of Thai employees in Japanese company.

4.3.3 Holiday schedule

Holiday schedule of each company affects the references of holiday of each company. The appropriate holiday schedule not only help maintain work-life balance of employees, but also allow company to operate smoothly. In the interview, all of interviewees mentioned that their company would the plan the holiday schedule by referring to the public holiday of Thailand which covered to the several traditional festivals of Thailand and Buddhist holiday. Ms.B said “*During Japanese holiday, Thai and Japanese employees can work from home. The company considered as working, we got paid anyway*”. Mr.F and Ms.G mentioned that their company was set the holiday for both Thailand and Japan public holiday because their company’s customers and partners who are also Japanese are closed. All of interviewees happy with their holiday schedule as they can balance their work and holiday time. The allowing employees to work at home during holiday help employees to continuously working by without coming to the workplaces, they can have their holiday together with complete their assigned task.

4.4 Findings Conclusion

Factors affecting cross-cultural conflicts of Thai employees in Japanese companies was identified by analyzing to identify the factors found in both method of study. The factors derived from the interviews on the Cross-cultural differences is Hierarchical system on the Indicators of the hierarchy inside Japanese company which based on the duration of employment rather than applying performance based. From Relationship of employees, the conflict explored was the differences in language of each employee from their native language. For conflict in the Level of dedication, the differences in the dedication leading to conflicts in Thai employees appeared in some companies. Conflict in Project Assignment was the indirect effects from the level of dedication and detail-oriented of Japanese culture, result in the conflict in the flexibility of work environment inside Japanese companies. Second factor that caused conflict to Thai employees in Japanese company was the HRM of the Japanese Companies. The conflict found from the interviews was the Changing in managers caused from the work permit of foreign managers which lead to the rotation of managers, result in the loss in power. Last factors found from the interviews was the Work environment and

work behavior. The differences in the work behavior did not lead to conflicts to Thai employees. All characteristics of Japanese culture in work behavior was acceptable for Thai employees. Also, Reward system and Holiday schedule satisfied the needs of all interviewees.

Comparison of findings from interview and literature review identify the differences and agreements in the Factors affecting the cross-cultural conflicts of Thai employees in Japanese companies in Thailand. In comparison of cross-cultural conflicts from literature review and findings from interviews, the conflict in the Hofstede (2005), masculinity of Thai and Japanese culture was similar to the conflicts in the level of dedication in of Thai employee in Japanese company, as result of the mismatch in the high levels of dedication and detail-oriented style of the Japanese culture to Thai employees. Also, the conflict in level of dedications was cause from the Suntaree (1990) on Flexibility and adjustment orientation of work-related values found from the literature review. The preferences of Thai employees in flexibility and situation-oriented often got perceived from Japanese manager as imprudent and recumbent. In addition, the Fun-pleasure orientation of Thai employees was considered as lack of dedication and effort of Thai employees. For Hierarchical system, conflict found from the interview was confirmed from the literature review on the Thais work-related values. The Education and competence orientation and Achievement-task orientation from the literature review, of Thai employees was cause to the conflict on the hierarchical system. As their education and achievement wasn't taken into consideration to identify the hierarchy in the company resulting in less productivity and motivation, also, conflict in Hierarchical system was directly caused due to the seniority of Japanese HRM from the literature review. As Japanese culture promoting employees based on the duration of employment. According to the information found from interview, Conflict on Relationship of employees was consistent to the preferences of Thai employees in Smooth interpersonal relationship orientation work-related values, which refer to the untroubled in relationship of people. For Project assignment, conflict was also effect from the Flexibility and adjustment orientation of Thai employees as they are more situation-oriented society. In the HRM factors, the Changing in managers conflict also unexpected to be found from the literature reviews. Work permit is the law and regulations that depend on each country, thus this conflict may not occur in some countries. The non-conflict factors of work behavior

was also unexpected to be found. But as it doesn't cause conflict to the company, Japanese companies should emphasize and maintain the way it is.



CHAPTER V

RECOMMENDATION AND CONCLUSION

5.1 Conclusion

By adapting and utilizing both primary data from interview and the literature review, The Factors affecting the cross-cultural conflicts of Thai employees in Japanese companies was identified as in figure 5.1 below

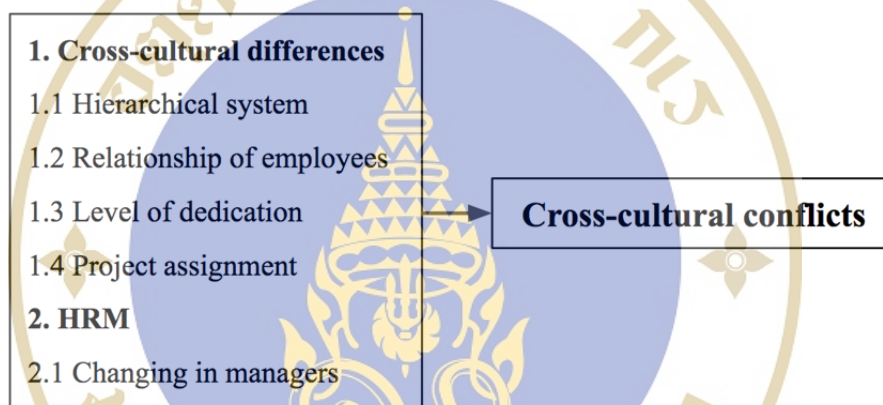


Figure 5.1 Cross-cultural conflict factors

5.2 Recommendations

Based on the conclusion derived from the research, the recommendations for Japanese company to adjust to deal with the conflicts of Thai employees in Japanese companies can be demonstrated as follows:

5.2.1 Cross-Cultural Differences

One of the most important factors affecting most of employees who work in foreign company was dealing with cross-cultural differences. After collecting and analyzing the data from this research, the recommendation on Cross-cultural differences was demonstrated as follow:

5.2.1.1 Hierarchical system

The highly implemented of seniority in Japanese company was results from the emphasizing in the older employee and long duration of employment means higher power. As suggestion from Ms.A mentioned “*My Company did not take serious consideration of my performance evaluation. The company conducted the evaluation, but give up on the results. They focusing on the duration of employment and past experiences instead*”, the suggestion to deal with this conflicts was company should aims to emphasis on the performance evaluation to measures the skills, capabilities and achievement-based rewards. Employees who results in the high performance and achievement should be promoted to the higher positions along with the consideration on duration of employment of each employee. Not only apply the performance evaluation, but also give more opportunity to employees to be involved in making the decision and looking for the skills and abilities of each employees. In the other hand besides the increasing in duration of employment which takes time and is impossible to speed up, Thai employees should always seek for the opportunities to improvement in performances by looking for more challenging task in same or different field of work, to learn new skills and capabilities. When the company considering on the hierarchy, the improvement in the skills and capabilities of each employees will reinforce to increase the intention to be promoted. After apply the recommendation mentioned above, company will have more suitable employees in each specific position in the hierarchical system, which results in more accurate measurements from both performances and experiences of each employees.

5.2.1.2 Relationship among employees

From the conflicts in the relationship among employees, Japanese company should tighten the relationship of employees from different countries by establish the language courses for both Thai and Japanese to learn foreign languages. The course open for all employees to learn the simple vocabulary and conversation techniques to reduce the language barrier amongst employees. Moreover, all employees in multinational company should beware of using the languages that can't be understood by everyone in the conversation. Also, do not use impolite words and aggressive conversation. Furthermore, Employees should looking for the opportunity in learning the native languages of foreign employees within the company. The cohesive relationship

of employees with no barrier of languages will improve the teamwork, increase knowledge sharing, and reduce misunderstanding amongst employees, leading to increasing performance in human resources.

5.2.1.3 Level of dedication

According to Thailand's cultural preferences of the level of Masculinity and lower dedication than Japan, Japanese companies should adjust their working style to deal with Thai employees. Japanese company should define clear and realistic company's goal with time frames for both short-term and long-term period. Managers and supervisors have to take the responsibilities for monitoring and motivating employees to work in the right directions. Also, ask for feedback and listen to the issues that occur during work to provide the recommendation to help employees reach the goals. In the other hand, Thai employee should set their own goals alongside the company's goal to improve the dedication and motivation to reach both goals and also plan for the schedule of every work or projects to not fall behind to the wrong directions. By improving the conflict in level of dedication, companies gain more profit from their investment in human resources. Also, helping company to reach the company's objective more efficiently and increasing performance of employees.

5.2.1.4 Project assignment

In order to reduce conflict, more flexibility in workplace should be promoted in order to deal with the actual situation and maintain employees' work-life balance. After considered the suggestion from interviewees as Ms.B said "*My manager are so detail-oriented. I think it's too much for Thai employees. Detail-oriented is good, as long as it's not too much*". Ms.C said "*It should be more flexible on time. Employees should be able to adjust or change their working time by themselves*". Mr.E mentioned that everything in his company was planned, but it shouldn't be done in such a practical manner. He also said "*My managers are an old-fashioned man, everything in the company has to follow the traditional sequences*". The recommendation derived from the study towards Japanese companies is to increase flexibility on project assignment by company set the each project due and let their employees discuss with their team to set their own project schedule. For decision making, Japanese companies set up the major decision and directions and let employees control the minor decision and directions on their own based on the actual situation, because of that, the operation was rely on

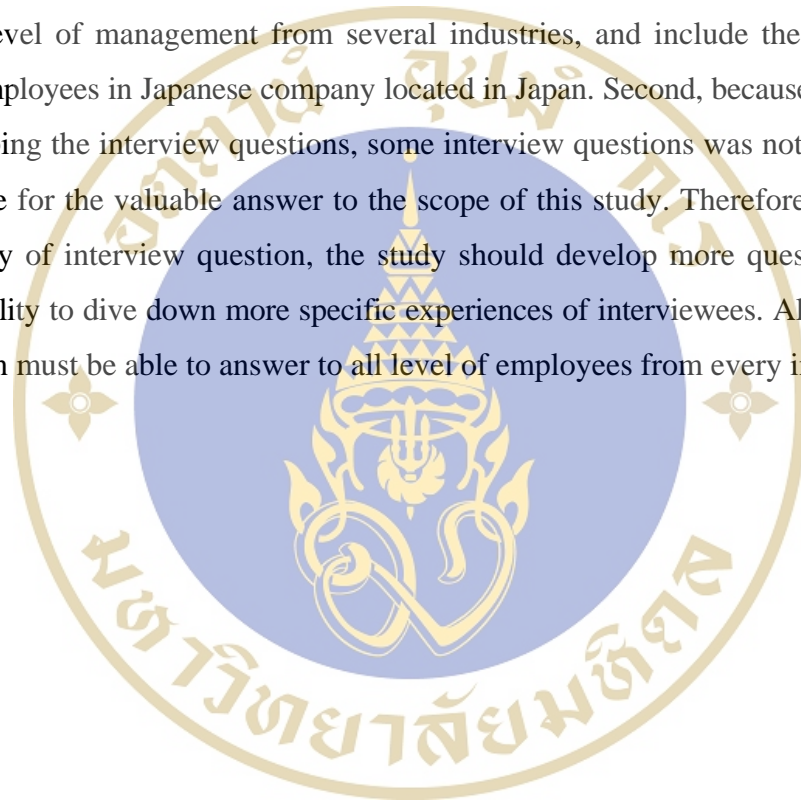
the person who are experts of it with the actual environment and issues. Resulting in increase in productivity, better quality of work, and more effective and efficient project outcomes. The flexibility also allow company to being responsive to change and adapt to difficult situations more easily. Furthermore, giving flexibility indirectly shows trust and respect to employees. And allowing employees to work at home and decide on their own, when they have to go to work, will reduce absenteeism and help employees to maintain their work life balance.

5.2.2 HRM System

Changing in managers: The root cause of conflict in changing in managers was came from the law and regulations in work permit across country which company have to follow. Because of that, it's the responsibility of both company and employees to help in reducing and deal with this conflict. Japanese company can help new managers from Japan in maintain power among employees by rearrange the duration of each manager's to be overlap on each other, allowing current manager to help guide, suggest, and transfer the existing power, goals, and values to new managers. Also, give the recommendation to deal with the past and existing problems of the companies. Company should set up the formal meeting to introduce new managers and clarify the hierarchy in the company and each department. In the other hand, employees should give time to new managers to adjust and adapt himself to fit with the company, helping new managers in learning for the culture and norms of company. Even new managers may get confuse and still lack of confidence in making decision, Employees should give the suggestion to new managers. Also, Employees should keep in mind to be always respect the new managers and not be overlap to their task. As a result, new managers will be better in transferring the goals, values, and power from current managers, also able to solve complex problems of company and maintain the respect from their subordinates. The constant power and performance of managers help companies in maintain the smoothness of the operation and enhance the relationship of managers with employees and subordinates.

5.3 Limitations of Study

Although this research has reached its objectives, there were some limitations found from the study. First, because of the limitation of time, this research was conducted on only small number of focused groups. The selected interviewees did not cover all the industry of Japanese companies. Also for the position of interviewees, this research involved with interviewees from the operational and middle management level. Moreover this research was involved with the interviewees who work only in Thailand, therefore, to improve the generalized results in big pictures, the study should have more interviewees at all level of management from several industries, and include the interviewees of Thai employees in Japanese company located in Japan. Second, because of not precisely developing the interview questions, some interview questions was not specific enough to probe for the valuable answer to the scope of this study. Therefore, to improve the accuracy of interview question, the study should develop more questions with more practicality to dive down more specific experiences of interviewees. Also, the interview question must be able to answer to all level of employees from every industry.



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