

**CREATING BETTER MULTINATIONAL TEAMWORK: A
THAI RETAIL BUSINESS COMPANY CASE**



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CREATING BETTER MULTINATIONAL TEAMWORK: A THAI RETAIL BUSINESS COMPANY CASE

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ABSTRACT

Business competition becomes fiercer and fiercer. One of the ways to make their company profitable is to reach more customers. Going internationally is one of the best options. However, company will face new challenges by working with local people. Local people will not have the same value and perspective as the company since they didn't have the same background. Communication would become much harder since they need to use common language like English. Working together has virtually become a norm, there is no need to work together physically anymore but it might not be as effective as working together physically since they lose the closure and human touch. The objective for this paper is to identify the challenges faced by Thai team(s) when working with international teams virtually, to identify the factor(s) that can affect on the team performance, and to explore how to successfully work in international virtual teams. This paper uses a qualitative research method to collect data from 10 interviewees. Communication, Language, Trust, Leader, and Culture are the challenges that Thai team faced when working with multinational team.

KEY WORDS: Multinatioanl/ Multicultural/ Virtual Team/ Team Performance/
Communication

35 pages

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CHAPTER I

LITERATURE REVIEW

In today globalization, business competition become fiercer and fiercer. Many companies need to find a way to keep their business running and maintain their position. One of the ways to make their company profitable is to reach more customers. Locally they can do that by expanding their branches so customers can find them more easily. With more accessibility, the company can generate more sales and profits. However, at some point expanding their business locally (in the same country) would not be the best choice anymore. But that doesn't mean the company should stop expanding their business locally. Instead, they need to find a better solution. One of them is to enter international market, exploring new opportunities and challenges. Entering international market have many benefits like gaining competitive advantage, getting the first mover advantage, access to new talents, raw materials, cheaper cost, and so on. While there are many benefits, there are risks and challenges that the company needs to consider like operating costs, the acceptance of new business, rules and regulations. Apart from all those external factors, there are some internal factors that the company needs to consider. For example, company structure, vision, values, position and so on. There were many companies that very successful in their home country but when they expand oversea, they fail miserably like Home Depot who fail in China market (White, 2012). Thus, company really need to do their homework so that they won't fail like example cases.

Another challenge is working with local people. They will not have the same value and perspective as the company since they didn't have the same background or a similar one. Language barrier is the biggest challenge. In some country English language is not a required language, thus not many people will be able to talk in English. Communication would become much harder in that

scenario. As English is not the mother tongue, both company and local will surely face language barrier or even misinterpret of the message. Previously, we needed to communicate via Face-to-Face. Unlike before, communication has become easier thanks to advanced technology. People can connect to anyone from around the world. We become closer than ever. Communication transcends space and time, no matter where you are, you can connect to people from across the globe. Communication is one of the most important factors that make team (company) successful.

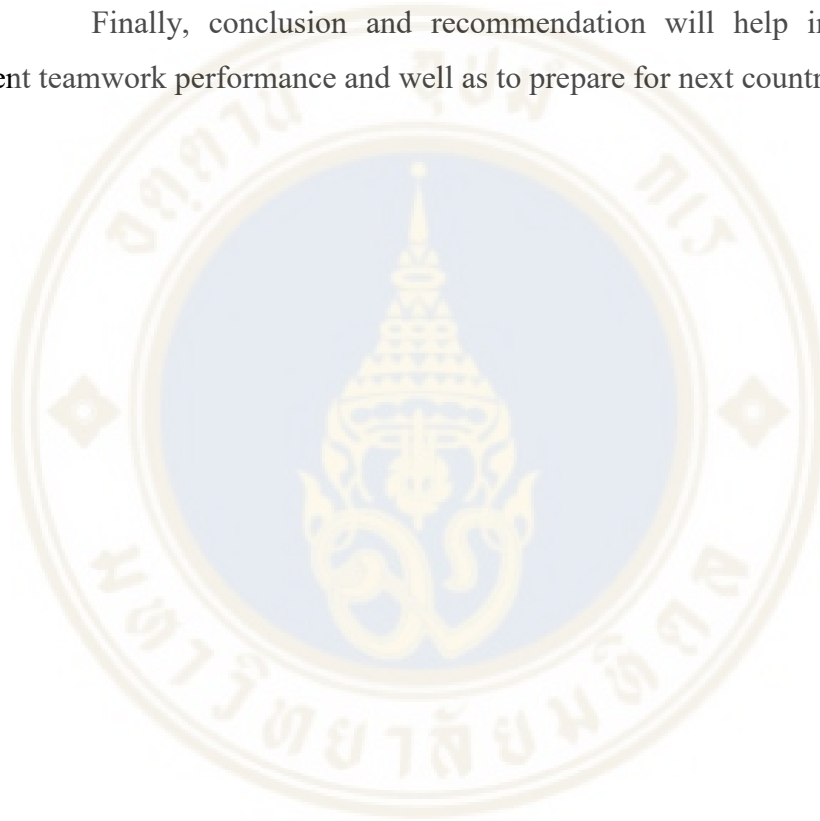
With advanced technology, we no longer need to hold meetings physically. We can now work virtually. Working virtually can be apply to both working in the same country (but in different place) or internationally. The term “Virtual team” was introduced decades ago. According to Sembdner (2011), virtual team is “like every team, is a group of people who interact through interdependent tasks guided by common purpose. Unlike conventional teams, a virtual team works across space, time, and organizational boundaries with links strengthened by webs of communication technologies”. Multinational/multicultural team is very important for company that want to operate internationally. Multinational/multicultural team refer to teams that consist of three or more people from different country and background. These people will have different knowledge, skill set, belief, value, and perspective.

In this paper, the company that will be used as a case study is a retail business in Thailand. They have stores across Thailand and online platform. However, expanding locally alone is not enough. They started to expand their business oversea a few years ago. Currently they are also planning to open new store in new country. Meaning that currently they have fully operated business in 2 countries and 1 is planning to open store in the near future. This means there would team(s) that need to work with people from different country. Thai headquarters is used as a center to operate and support oversea branches.

The objectives of this paper are:

- to identify the challenges faced by Thai team(s) when working with international teams virtually,
- to identify the factor(s) that can affect on the team performance.
- to explore how to successfully work in international virtual teams (how to overcome the challenges)

Finally, conclusion and recommendation will help improve the current teamwork performance and well as to prepare for next country to expand to.



CHAPTER II

LITERATURE REVIEW

Factors that impact the multinational team performance

Jarvenpaa & Leidner (2006) conducted research to find out whether trust truly exist in the global virtual teams or not. There are 3 questions that the research tries to answer. “First, can trust exist in global virtual teams? Second, how might trust be developed in such teams? And third, what are the communication behaviors that might facilitate the development of trust?” The teams are divided into 4 different categories: Low Initial Trust and Low Final Trust (LoLo), Low Initial Trust and High Final Trust (LoHi), High Initial Trust and Low Final Trust (HiLo), and High Initial Trust and High Final Trust (HiHi). Each of the team member come from different country and have different culture. Thus, the team are very mixed and cross culture communication are required.

In summary, Low Initial Trust and Low Final Trust (LoLo) teams share common issues such as lack of initiative. Apart from lacking initiative, they also lack optimism and excitement. They keep missing the deadline. Moreover, all the teams in Low Initial Trust and Low Final Trust (LoLo) never exchange in social message or introduction. Like Low Initial Trust and Low Final Trust (LoLo) teams previously, Low Initial Trust and High Final Trust (LoHi) teams also didn't pay any attention to get to know each other in the team. They relationship are purely professional and task oriented. In the beginning, the team performance quite messy since there aren't much communication. But after some time, their trust level for each member gradually increased. High Initial Trust and Low Final Trust (HiLo) team start off differently from the previous two. Thy start by exchanging social messages, introducing themselves. They have very high enthusiasm and excitement in the beginning, but as the time

passed by those feeling gradually decrease. The main reason is because they don't know how to deal with the challenges in working virtually. Moreover, there is no one who is willing to be the leader of the team project so there is no clear direction. Lastly, High Initial Trust and High Final Trust (HiHi) teams. These teams start by social introduction, getting to know each other. While the teams fail to complete the first encouragement on time, another member still encourage their team member to finish it. Not because they have to complete it, but other members interested in the team member response. All or nearly all of the team members show initiative and assign the role for each member. They also frequently exchange messages, give feedback, and notify other members if they need to take a leave of absence.

In their study the keys factors that can affect trust are communication behaviors, and member actions. Communication behaviors that affect trust in early stage are social communication or introduction, and enthusiastic communication. Member actions that affect trust in early stage are the ability to handle technical & task uncertainty, and Individual initiative. Communication behaviors that maintain trust in later stage are Predictable communication (give an early notice when something happened or might happen) and Substantive & timely respond. Member actions affect trust later on are Leadership, Task oriented, and ability to react to crisis.

Trust is most likely from the communication behaviors established in the beginning. Constant communication is the key to maintain the trust level. Social communication is important since they can strengthen the bond (trust) of the team members. Finally, responding behavior is very crucial, and team members have to commit to their assigned role and respond. Keeping the teams excited and optimistic also can be a great factor that can influence trust.

Another study from Sağ et al. (2016) found that there are 11 factors that affect multinational team performance including Societal factors, Institutional factors, Organizational factor, Team factors, Informational diversity, Culture intelligence (CQ), Education, Language, Management, Team culture, and Team climate.

- Societal factors which is the culture factor. Different nations have their own beliefs and values.
- Institutional factors which is the field of work or sector. This also includes the profit & non-profit organization, private and public, national or international, and so on.
- Organizational factor which is the company culture, structure, and arrangement (compensate system, KPI, training, and so on).
- Team factors that include the number of people in the team, the type of the team, and the objective of the team.
- Informational diversity which is the differences in knowledge and perspectives.
- Culture intelligence (CQ) of members. Culture Intelligence is defined as “ability to be skilled and flexible about understanding a culture, learning more about it with his/her ongoing interactions with it, and gradually reshaping his/her thinking to be more sympathetic to the culture and his/her behavior to be more skilled and appropriate when interacting with others from the culture”.
- Education, which is the education background of the members as well as the training provided by the company.
- Language refers to the mother language which is closely related to culture but still different.
- Management. The ability to effectively and creatively handle the challenges that occur from people in different backgrounds.
- Team culture. The multinational team members must be able to cope with the culture differences in the team.
- Team climate is defined as “shared perceptions of the kinds of behaviors, practices, and procedures that are supported within a team”.

Sağ et al. (2016) used Interpretive Structural Modeling (ISM) with the result shown as below diagram. At the bottom of the diagram are the key drivers to multinational team performance which are the Societal Factors and Institutional Factors. Societal factors and institutional can have huge impact on each other as well. Organizational factors like organizational culture, structure, and arrangement like training & development also have a high impact on education. Education affects CQ (Culture Intelligence), Management, and Information Diversity. CQ is strengthened through education, training, and experiences. CQ can also affect the management styles. Informational Diversity impacts the number of choice difference people can bring to the table like creativity or problem solving skills. Different opinions can lead to misunderstanding and conflict which require management to manage it. Language or mother language can affect the management. This is because it can lead to misunderstanding, or communication problems. And it can also lead to mistrust and conflict which need to be managed professionally. CQ, Management, and Informational Diversity can have some impact on Team Climate, Team Factors, and Team Culture.

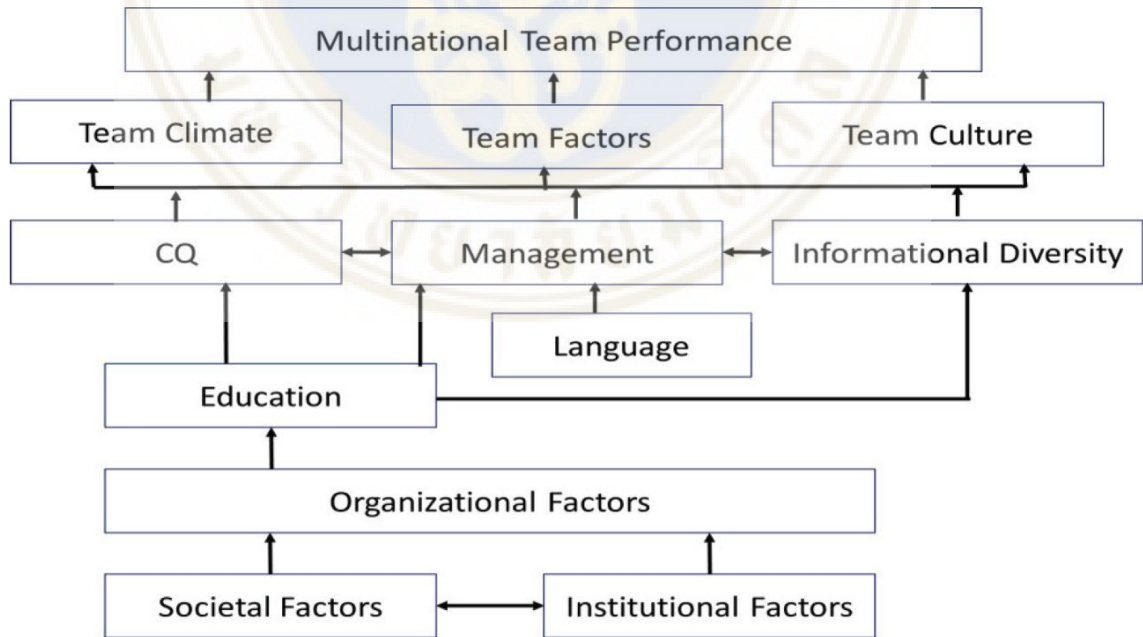


Figure 2, Sağ et al. Interpretive Structural Modeling (ISM)

According to Sembdner (2011), there are 8 influencing factors for multination team success which include Communication, Intercultural Competence, Coordination, Motivation, Trust, Conflicts, Rules, and Team head vs team member.

- Communication is the most important factor for team success. It's regard as mandatory or key component, and 80% of the communication is non-verbal. The most effect communication channel is still face-to-face even though technology nowadays far superior but still cannot beat face-to-face.
- Intercultural Competence. People from different background will have different perspective and value. By understand those differences, the team can become more creative, new approach, more flexibility, and new possibility.
- Coordination play an important role for the team to be successful. Since each member have their own strengths and weaknesses, assigning work accordingly can have a fruitful result.
- There are many factors that can affect the motivation of the individual such as task, leadership, team, organization, culture, oneself. Since it's multinational team, member would live apart from each other so it's important to be self-motivated. Team that can achieve the goal will be more motivated.
- Trust. Team with higher level of trust would be "coalesce more easily, organize their work more quickly, and manage themselves better. Lower levels of trust make it much more difficult to generate and sustain successful cross-organizational, cross- distance groups."
- Conflicts. Conflict cannot be avoided when there are people from difference background. Avoiding conflict is better than solving the conflict since it will impact the spirit of the team.
- Rules. Rules need to be clear from the beginning, otherwise it might cause some problem latter on. Although there is no support evident that rule can reduce the chance conflict happened, but rule can help reduce the communication effort since everyone will know what they should or shouldn't do in different situations.

- Team head vs team member. Leadership includes “target oriented influencing of the behavior of persons by other persons within a group” (Sembdner, 2011, p. 65). The leader for multinational team should be delegative leader meaning that he or she gives freedom for the member to take care of the job without much monitoring.

According to Feng et al. (2016) they found that there are 4 factors that can influence team performance including Team Communication, Team Trust, Team Support and Encouragement (Team Spirit), and Team Creativity.

- Team communication is the ongoing communication within team to create harmonious environment and produce more effective performance. Good team communication help reduce potential misunderstanding and can also increase the quality of the team.
- Trust needs to be earned through member ability which include professional knowledge, problem solving skills, soft skills, and so on. Closer personal relationship and frequent cooperation can help increase trust level. Trust can also be influenced by leader effectiveness. Leader need to set clear goal and direction as well as maintain the work processes and conditions.
- Team Support and Encouragement (Team Spirit). Team spirit refer the spirit of the team that make members want to success. It’s about supporting teams, respect each other, and constant encouragement.
- Team creativity. People in the team are the main factors that can influence team creativity. People with different background and experience will have different perspective about something. Apart from internal factors, there are also external factors like social, atmosphere, team structure, tasks, objectives, and leadership style. In the end, the strongest influence factor is the team trust. Follow by team communication.

Benefits and Challenges of multicultural teams.

Young (2021)'s paper mainly focuses on creativity as the benefit of working with multicultural teams. And the challenges are the Language barrier (which have domino effect toward communication, and trust) and leadership style. Teams with multicultural members often have more creative ideas. Each person who are from different background will have different idea and when combine all those ideas, the end result usually more creative than others team. But in order to convey the idea properly, communication is a very important factor. Share language (not mother tongue) sometime poses a challenge for the teams. When team member is not comfortable with the share-language, they might choose to stay silent in the meeting (brainstorm) so that they won't embarrass themselves. Language barrier can influence the trustworthiness of the members as well as not recognizing the technical skills that member might have. Apart from that, unable to fully understand the context can lead to wrong judgement about team members dependability to the point where they might think that member is not reliable. However, by spending more time discussing thoroughly and making sure everyone in the team has the same understanding would result in more effective problem solving and the team can have more or better idea from different people in different perspective. Always note that different people can interpret the same thing very differently depend on this background.

People from different culture may understand the situation differently, and by using that differences it can unlock whole new idea and create better path to approach the work. And in order to make this happen, the leader who is the key figure here needs to be patient, open, and possess cultural intelligence. Also, leadership style have a huge impact on the team. Leaders should not approach people in the same way, they should make some adjustment in order to reach out to the team. Some people may like direct approached and some may not like that. Thus, leader should not approach all member in the same way. Team member also have impact on the success of the team, they also need to understand that each person is different not just in term demography but value, attitudes, and experience as well. They also should not judge

other people without enough information, learn about them first both personal and professional level. (Young, 2021)



Leading different types of global teams.

Zander et al. (2012) paper divide leading team into 3 different category which include leading virtual teams, leading multicultural team, and team leader. After the research, they found 3 themes. First, Global team leaders as boundary spanners, bridge makers and blender. Second, People-oriented leadership in global teams. Third, Leveraging global team diversity. The first theme refers to the fact that leader should be the boundary spanning. Since team member are diverse, it is very important them to know that they can fully trust the leader to handle the internal and external matters. The leader also should act as a bridge maker meaning he is the middle person to connect 2 or more people from different culture. He also the who would help solve the any miscommunication between members. Lastly, leader should be the blender that blender all differences to become one. This can be obtained by developing personal relationship with the member in the teams. The second theme talk about leadership styles. Transformational leadership, inspirational leadership, and servant leadership are all supporting type of leadership. Supporting type leadership found to work well with global virtual teams and multicultural teams. The global team leader should be motivating, inspiring, coaching, mentoring, and taking personal interest in the team members. Third, leader should know how diversity of the team member affect the function and result of the work. Cultural diversity can have negative impact on the team performance in early stage. However, as time goes by it would be better. A leader how possess cultural intelligence, global mindset, cultural empathy, and personal liking may be best suit to lead successful global teams.

According to all the literature review above, in order to successfully lead the multinational teams, there are 4 factors that commonly mentioned from other research which have biggest impact on the performance include Communication, Language, Trust, and Leadership, Thus, this paper will focus on 4 factors mentioned from this point on.

CHAPTER III

Methodology

3.1 Primary Data Collection Method

According to the literature reviews in chapter 2, the findings share similar factors that can affect the performance of the multinational team. However, those findings are not examples from Thai companies. In order to find the factors that can affect the multinational team performance, qualitative research is used in this paper. The data collecting method is the in-depth interview. The author will include his input as well since he is also working in this company and needs to work together with multinational teams.

3.2 Interview Method

The interview method will be implemented in this paper as a primary source of data, which will gather in-depth information through two-way communication.

3.3 Sample Selection

In this research paper there are 10 interviewees who are working with multinational teams between Thailand, Malaysia, and Vietnam. The sample selected is considered as a convenient sample. The Thai team is the one that is in the center of operation, meaning they have to work with Malaysia and Vietnam teams. While Malaysia and Vietnam do not have to work together. 6 of the interviewees will be from the Thai team (3 manager level, and 3 officer level), 3 interviewees from the Malaysia team and 1

interviewee from Vietnam team. The reason why only one interviewee from Vietnam is because the company there are only handful of Vietnamese staff and only 1 person constantly working with Thai team. Each person will be assigned a code according to their nationality in order to refer to them. T stand for Thai, M stand for Malaysia, and V stand for Vietnam. The list of interviewees is as below:

Table 3.3 Interviewees Information

Interviewee	Initial	Year(s) in this team
Thai Staff	T1	8
Thai Staff	T2	7
Thai Staff	T3	5
Thai Staff	T4	5
Thai Staff	T5	5
Thai Staff	T6	5
Malaysia Staff	M1	3
Malaysia Staff	M2	4
Malaysia Staff	M3	5
Vietnam Staff	V1	4

3.4 Open-Ended Questions

To find out what are the key factors that can affect the performance of the multinational team, a list of open-ended questions is created.

Table 3.4 Interview Questions

Finding Factor	Interview Question
Background	How long have you been working in this team? Are you still working with the same people in your team?
Challenges faced when working with multinational team	What are the challenges you faced when working with multinational team?
Key factors that affect multinational performance	In your opinion, what are the key factors that make your team overperform or underperform?
Communication	What kind of communication works well in your experience? What have you done to improve the communication in your team?
Mother Language	From your experience, using different language than your mother tongue create obstacle within your team?
Trust	What do you think creates trust in your virtual team?
Leader	How can your leader affect the team performance. Please share your experience.
Recommendation	If you have to give recommendation to other multicultural team, what should they pay attention to in order to work successfully virtually.

3.5 Develop Probing Technique

To make sure insight data is collected, the probing technique will be applied during the interview. The interview will be 2 way communication starting from general questions in order to make them open up. Then specific questions will follow to dig for more information regarding the questions. The author will also ask for examples in order to get more detail.

3.6 Conduct the Interview

The best and most effective way to conduct an interview is in person, face-to-face. For Thai team who currently working at the head quarter Bangkok, Thailand, the interview will be conduct in person. As for Malaysia team and Vietnam team who currently oversea, the interview will be conducted via phone.

3.7 Research Framework

Data collected from in-dept interview will reveal the factors that can affect the multinational team's performance. According to the literature reviews in chapter 2, most of them share the similar factors which include Communication, Language, Trust, and Leader. And the in-depth interview finding will reveal whether the result will be similar or not. The research framework is shown in figure 3.1.

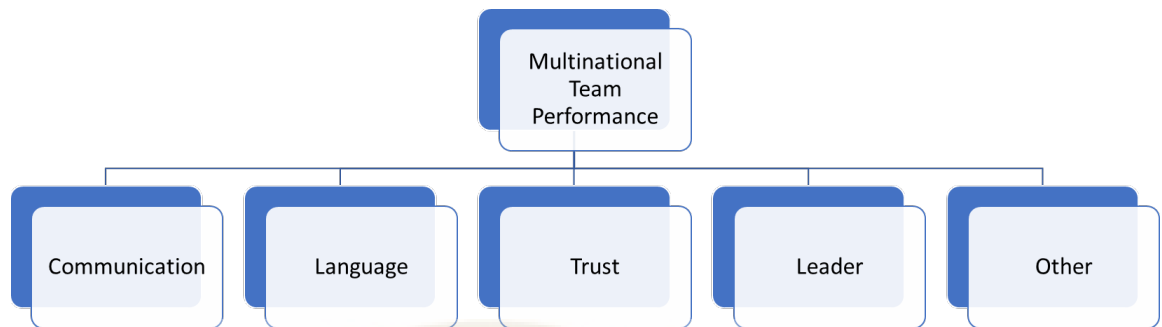


Figure 3.7 Research framework



CHAPTER IV

DATA ANALYSIS

After conducting the interviews, the summary of findings from interviewees are analyzed and grouped together according to themes in the answers.

4.1 Multinational team challenges

The first topic is asking about what challenges interviewee faced when working in a multinational team. The answer from Thai, Vietnamese, and Malaysian are very similar which can be grouped as follows.

4.1.1 Communication

Communication is the first answer from all interviewees when asked about challenge faced when working in multinational team. Communication is the key success for multinational team. With good and frequent communication, the team can perform very well or even overperform. On the other hand, lack of communication can greatly affect the team performance. It can lead to misunderstand, wrong decision and so on. Communication is not just about language, but it includes the channel of communication and frequency. Many times, both sides didn't communicate to each other and make the performance worsen. Or they may not understand each other which can affect many aspects like trust.

Email is the most commonly used as communication channel in this company. Email can be used as evidence when assigning work or follow up. It's also every easy to track back to the origin when problem occurred. However, email is not always the best option since it slow. Also writing email in English is another challenge. English is not their primary language. Sender cannot be sure that the receiver would completely understand the message or not. Apart from misunderstanding, not everyone has the ability to express their whole idea in written form. Moreover, the message that the sender trying to send may be incomplete due to the lack or writing skills. Furthermore, email alone create the lack of closure between the sender and receiver. They would never know the expression behind the email.

Below are some situations where interviewees experienced, and issue occurred due to the lack of communication.

According to V1, "I use to have problems with my colleague since he is not open to share his opinion, and he does not talk much in team. At one time, I set up wrong promotion in the system, but he didn't inform me since it's not his direct responsibility to inform me but has more experience in the field more than me and he just let me do as I please. In the end we have to stop the promotion and redo it again from the beginning. After that I called and had close conversation with him to share my thinking, and it works more than I expected. Then now I and he can corporate well to each other."

T4 also mentioned that "Many times problems arise because we didn't communicate. According to the work process, we (schematic team) design how to arrange the products on the shelf, draw it in the system and store side arrange the product according to our design and standard. However, that's not the case right now. Right now, Malaysia side will arrange the product however they want without consider about color, tone, product assortment which has standard that every store need to follow. The worst part is that Malaysia side never feedback or update us, or they will send picture for us to copy from physical store into system, which didn't follow the

standard. By doing so, problem arise. When big boss store walks and notice that the physical arrangement and drawing (schematic) is not the same, the first one got blame is our side. Asking why us arrange product grouping like this.” This is also true T5 and T6 since they are also having the same responsibility but take care of different product category.

4.1.2 Language

Language is another challenge that faced by all interviewees. English is the common language that is used to communicate between Thai teams and Malaysia team as well as Vietnam team. Their mother language is not English, so there is no one really strong in English language. Thai people are usually shy to communicate in English that’s why many times Thai people prefer to stay silent and just listen which they may or may not understand the message. It’s hard to have full understanding when communicated. Mutual understanding can directly affect the direction of the work and performance. Below are some experiences the interviewees share.

T2 mentioned that “everyone in the team has different English background. Not everyone has the same reading, writing, speaking, and listening skills which lead to obstacle. For example, when we have online meeting, we cannot see their reaction and many times we cannot understanding what other are talking about, what are their needs and wants as well as expectation. Which create dead air and that consume a lot of meeting time.”

T5 also make comment on this “I’m not every strong in English skills. Sometimes we misunderstand each other or even not understand each other at all. Especially in meeting, their accent already hard enough for me to completely understand their message.”

M1 said that “Thai and Malaysian might interpret a statement differently, by explain in English, Thai teams might not understand what Malaysia teams needed. Sometimes we need translators in order to get mutual understand and get the job done

right.” When using different language to communicate, it can be a challenge for anyone. Without properly understanding each other, it can make the work redundant or consume a lot of time which can be used to do something else instead of trying to come up with words or translating the message.

4.1.3 Trust

Trusting in the team member is very important for team performance. Not everyone in the team will have complete trust in each other but that doesn't mean trust cannot be created or earned. Trust needs to be earned through action especially when both sides are new to each other. From the interviewees experience, they do have certain level of trust since they have been working together for more than 3 years (on average). Although they have been working together for so long, they still didn't have complete trust in each other works. One of the reasons is no feedback or update the work.

T6 mentioned that “I have low to moderate level of trust for Malaysia team. Many times they (Malaysia side) do something like rearrange position of the product and/or product category on the shelf without informing me. By doing so, the physical arrangement and in system are not align. This create huge problem since when Malaysian merchandiser want to remove or add new product in the shelf, I will not have to correct data to see if new product will fit in the shelf or not. Or many times when I submit new schematic (drawing) design, I never receive any feedback or evident that they follow me drawing. According to the process standard, Malaysia side supposed to take picture when they done rearrange but I rarely get any feedback. Even when I keep follow up with them, they didn't give me anything. The worst case is that the most recent picture I can access is the same one as we do when we launch the new store which is more than couple years already. Moreover, when Thai boss visit Malaysia store can see that the product arrangement is not according to standard, the first one who in trouble is schematic team (me). There can be many questions from the boss like why you are arranging product like this which is not according to standard or

why did you approve this arrangement and so on.”

T1 said that “I need to recheck their (Malaysia) forecast when they want to replenish stocks. Many times, I found that they over-forecast or under-forecast the quantity without telling why they want that amount. Over-forecast is when they plan a special promotion to push sell, or when they under-forecast is when they want to discontinue the product. However, they never mentioned the reasons. Over-forecast or under-forecast can have huge impact on the stock ready to sell.” Over-forecast mean that Malaysia side take in stock more than they need (they can sell that product for a very long time). That’s would take warehouse space without properly utilizing it. On the other hand, under-forecast can lead to loss of opportunity to sell.

To summarize, the Thai team has moderate level of trust for Malaysia team due to constant lack of feedback where the Thai team never knows if Malaysia side done as requested or what are they planning to do.

4.1.4 Leader

Leader has a huge impact on team performance. The goals and direction usually come from the leader. If the goals and direction given are clear, then it’s easy for the subordinate to follow and walk toward the goals. On the other hand, if the goal is not clear then it’s very hard for the subordinate to work. Good leader will lead the team success, but poor leader will lead to failure. The characteristic of poor leader usually a person who only give order alone without direction or guidelines. Another characteristic is that the bad leader always blames the subordinate for the mistake, criticizing subordinate ideas. which is not necessary the subordinate’s fault since the leader has the final decision.

M3 said that “A good team leader will always have a good EQ, willing to share knowledge and give moral support. Other than that, they also will praise if a good job well done and will offer constructive feedback if a job is not done well. I have experienced poor leadership. Many times, when in the meeting, the leader asks how

can we push more sales or solve the current problem. When I suggest my idea the feedback, I got in the meeting is like how can you come up with that idea, do you have brain or not, and so. Very negative feedback that make me don't want to share my idea in the meeting anymore. Worst part is that me give such negative feedback in front everyone in the meeting. So, staying silent is the best option since he (leader) will not listen anyway."

T3 said that "I used to work with a leader who has very little trust in their subordinate. He did ask me what to do, how can we push more sale, is this a good idea to do like this and so on. And when I share my idea, as someone who has experience the field, he didn't trust what I said. He needs to go around and ask someone else who has more experience than me which give exact idea as I did. And this happened many times which discourage me to share my idea since he will not trust or listen anyway."

These examples show that a poor leader has a negative impact on the subordinates, making them loss their motivation by criticizing subordinate ideas or low trust in subordinate.

4.1.5 Country Culture

Culture is one of the biggest challenges faced by all the multinational team members. Culture in this topic refers to 2 different ways which include preference/taste and way of working. Different cultures have different preferences. Take curtain product category as example. Malaysia team cannot bring all the same products from Thailand to Malaysia since Malaysian do not have the same taste as Thai people. The difference included the size of the product and the color tone of the products.

According to M1, "in order to get things done we need to understand both country requirement, such as size, color and model which request by 2 countries will be totally different, it need to fit into the country's culture." In this issue, Thai side and Malaysian side have conflict of believe which color and size of the curtain would be best sellers. From Thai perspective, the product performance is already proven by the

sale generated in Thailand, thus Thai side wants Malaysia side to follow that decision. On the other hand, Malaysia side know best about their market and requirement in their country, thus they do not want to take in the proposed product. Both sides have their own standing points, in the end top manager need to make decision for it since it already delay the whole process affecting many party that need work after them.

Another example refers to cultural differences in terms of way of working, according to T1, “Thai people are kind and ready to give help and support even if that is not their role and responsibility. Whenever I ask for your (author) help, you (author) are always willing to help me even when you are busy with your own work. But I used to get rejected from Malaysia side when I need help from their side and it’s not really their responsibility to help. Or even when it’s their responsibility but not in working hour, they are not willing to help or worst they will ask for compensate” While only one person from Thai team mentioned this challenge, but from author observation, author also in this team for more than 5 years, every Thai member experienced this issue at least once. In the end, Thai team will feel reluctant to ask for assistant outside the scope of Malaysia responsibly which make the workflow slower and create bottleneck for one side.

Each country’s culture greatly influences the preference and taste, as well as how they do their jobs.

4.2 Strategies to improve multinational team performance.

This section lists some actions suggested by the interviewees in order to improve the team performance according to the challenges.

4.2.1 Frequent Communication through different channels

Apart from using email as sole communication channel, the team uses other applications like LINE, WhatsApp, WeChat, MS Team, or Zoom. Applications like LINE, WhatsApp, and WeChat are very effective. Both sides exchange more messages, getting closer to each other on another level. When they have a closer relationship, they are more willing to help each other out and more willing to try to communicate. The application is not only used for exchanging texts or messages, but also used to call each other as well. Talking over the phone can improve mutual understanding a lot as well as being able to feel what others are feeling. You can easily realize what another person is feeling from their tone of voice. MS team or Zoom is mostly as scheduling meeting, more formal communication. This channel provides the same benefits as using the other applications like LINE. The difference is that LINE is mostly for informal communication but when setup meeting, it's much more formal.

Still, the best way to communicate according to the interviewees is face-to-face. The reason why Face-to-Face is the best way to communicate is because they can see facial expression as well as body language. And when communicating face-to-face, people are more willing listen to you and pay more attention. Since face-to-face is not an option the second best option is video call. While video call still lacks human touch but it's much better than using email or voice call alone. The problem is that most of them people prefer to turn off their camera so they cannot really see others facial expression or body language.

M3 said that "In the past, for first few years working together, face to face & con-call (video conference) is the best communication that I have experienced. As we can communicate properly without any misunderstanding. Building mutual

understanding between departments and understand the challenges each department faces and find a way to solve an issue. Sometimes emails or text messages can cause incomplete information, or we just don't understand each other English."

V1 also gives similar respond "Face to face meeting is a good way to communicate. Eyes contact will show your attitude with reasonable words will make communication smoother."

4.2.2 Improving own language proficiency through practice.

Language is another important challenge for multinational teams. However, the best way to improve language skills is practice.

Like T4 said "I'm not very good at English skills. Sometimes we misunderstand each other or even not understand each other at all. Especially in meeting, their accent already hard enough for me to completely understand their message." When she realizes that it is obstacle for her, she starts practicing English every day.

4.2.3 Building trust trough action

Trust is something the team can create through action. To create trust the team must do their job correctly and deliver on time. By checking your own work before passing to another team, it can help reduce the redundancies of repeated work. They won't have to double check every time. Doing their job correctly is one thing, another important thing to create trust is deliver on time. Even if you do your job correctly but don't turn it on time, the whole process would be stuck. Apart from individual responsibility like doing job correctly and delivering on time, offering help and support can also build trust in the team. People from different backgrounds will have different experience and expertise. By sharing your expertise and helping the team, trust will be earned. Moreover, Honesty and transparency can build team trust. If you make a mistake, don't try to hide it, just be open about it and they can help

solve the problem together. When asked what you think creates trust in the team, V1 said “Do your job correctly and deliver on time, try not to make other people work stuck because of you. Besides that, supporting and helping each other (even not your work, you can give advice) also helps to create trust among the team. Responsibility is very important to create people’s trust. Honest to all problems and issues, even if you make a mistake, tell the truth to team and try your best to solve problems. To be error is human, so that just to be honest to the mistake then team can understand and help you.” V1 quote covers the rest of interviewees answer.

4.2.4 Proper leadership leads to success.

With a good leader, the team will have much clearer goals and direction. Previously Thai team did their job like day-to-day task without direction and proper goal. Apart from setting goal and direction, the leader will also provide guidance, advise, and training. Good leader will act as a coach, helping the team to success, providing any support the team need. Making sure the team can work smoothly. It’s leader responsibility to be a facilitator. Good leader will also give feedback on the work in positive way in order to keep the subordinate’s morale and spirit. Furthermore, good leader will be the first line of defend. When task assigned inappropriately, leader will check and reject if it doesn’t make sense. This is very important for low level staffs since they will not have any negotiation power, they can only accept the task even if they cannot do or think it’s not correct.

T3 said that “Before him (current leader) we used to work without direction. We only follow what Malaysia side requested like what kind of product they want; how many they want and so on. However, when he (current leader) become our leader, we have much better goals and direction. Like last year that we have to export products to Vietnam. Without his direction and constant follow up, I don’t we can have 1,600 products within one years.”

T5 also said that “Good leader have positive impact on the team performance. Team leader will be the one who help screen the work first. If the information provided to us is lacking or they give some unrealistic tasks, the leader will revert that back first. As a small officer, I cannot really reject the work assigned.” The interviewees confirm that a good leader is important for the success of the team.



CHAPTER V

CONCLUSION AND RECOMMENDATION

5.1 Conclusion

By using data and collecting information from in-depth interviews, we could identify the challenges faced by multinational teams are Communication, Language barrier, Trust, Leadership and Culture. As for the key factors that can affect team performance both in positive and negative ways are Communication, Language, and Direction & Goal.

All of the interviewees responded, all of them believe that communication is the key factor that can affect team performance. Most of the time, they will communicate via email which is widely use by all organization. However, one channel of communication is not enough anymore. They need to use other channel like LINE, WhatsApp, MS team, and so on. Those application are much faster and more convenient to use. It's made their relationship closer since they can chit-chat. The application channel is more informal, but it can make relationship closer.

Language barrier is another factor than can affect the team performance and it directly connected with communication. As no one in the team are English native speaker, they cannot express their full intention. Even if they can, it's also depended on the receiver side as well. Not everyone on the team has the same level of English skills. And when combined those two factors, it can consume a lot of time when they have meeting or discussion. It takes time for them to fully understand each other correctly.

Trust on the other hand have direct connection with communication. The reason why they have a moderate level of trust is because they never receive any feedback, or repeated mistakes. Moreover, they submit the work later than the

deadline, and the rest of the team need to rush in order to make it in time as scheduled. And it happened many times that's why the level of trust keep dropping.

Leadership plays a significant role for the team performance. Good leadership lead the team to success, while poor leadership lead the team to failure. Goal & direction are set by the leader which is team success. With clear goals & direction, everyone in the team will walk toward the correction direction without getting lost along the way.

Lastly, culture also can impact the team performance. People with different culture would have different working style and believe. Some culture maybe very strict about their role and responsibility. If it was not in the contract, then it is not their responsibility to do what is outside the scope. In the end, team members will feel reluctant to ask for assistance which make the workflow slower and create bottleneck for one side.

5.2 Recommendations

Based on the conclusions mentioned above, in order for multinational teams to work more efficiently, the recommendations are provided according to the key factors found in the interviews. This recommendation applies for the current multinational team as well as for future multinational teams when the company decides to penetrate new international markets.

5.2.1 Communication

In term of communication, using only email alone is not enough. Email has its own limitations. You cannot express everything in the writing. Writing can be confusing sometime. And in written form there is no feeling in it as well. Receiver may interpret the message differently from your intention. Before sending an email out or even after you send the email, try to read your own email again and think

whether the receiver will fully understand your email or not. If you have a slight idea that the receiver may not fully understand your email or may interpret it differently, then it's wiser to call and explain to them. Talk via voice which is much better and clearer. Make sure the receiver has fully understood your intended message. Apart from that, it would be best to have constant conversation, it doesn't have to be work-related all the time. Building relationships, getting closer to each other will smoothen the work. Providing feedback is an important thing to do. Show that you are committed to the task and provide progress updates instead of getting follow up notice.

5.2.2 Language

As mentioned, team members didn't have the same level of English language proficiency. What they should do is keep improving their English skills, either through language classes or through personal practice. One way to improve English skill is to try watching movie or series in English with English subtitle. Next step is to turn off the subtitle. While watching, you can try to pronounce as well. When you practice language through entertaining methods, you can learn better. Apart from personal practice, the company can also provide English language courses for the employees who need to improve their language proficiency. With company help, employees are more professional in using language.

5.2.3 Trust

Trust needs to be earned. When start working with new people, you can have some doubt. It takes time to build trust, but it is very easy to destroy. The recommendation is to take full responsibility for your work. Make sure your work is correct especially the works that another team will use after you. Apart from working correctly, it's your responsibility to submit the work on time. Don't submit your work late since it can affect other people's schedule. If you cannot make it on time, you should inform related party in advance. Moreover, building personal relationship can help increase the trust. When you are closer to someone, they tend to trust you more.

Further, offer help to those who are in need even it's not your responsibility. This shows that you are a team player, and people will open up to you more and trust you.

5.2.4 Leadership

Leader plays a vital role in the team. In order for the team to perform well, the leader should have high EQ and CQ (Culture intelligence). Leader must be a good listener without bias, providing good advice and guideline. He or she should be a facilitator, someone who will make the subordinates work easier. Providing all the necessary information for the subordinate to work faster instead of letting them find all the information themselves. Or at least guide them where to get it. A good leader should be the first line of defend, protecting the team. Screening the task assigned to his team whether it is logical or possible to do or not. When giving feedback, it should be a positive one, making sure it won't hurt the listener and ruin their spirit. As for the current leader who still lacks elements to be a good leader, the company can provide leadership and soft skill training to them. Moreover, the company should listen to the employees' voice about the leader as well, and feedback to the leader. The employees, especially the low level one does not have the power or courage to give feedback to their leader, thus the company should act as a bridge to finetune both sides.

5.2.5 Culture

Team members need to understand that everyone has different background and beliefs, respect those differences. Don't use your own culture to judge other culture. Some actions in your own culture may not be appropriate, but for others it is a normal thing to do. So, do not judge them using your own culture, but try to view them from different perspective. Be openminded and try to study other cultures in order to work with them smoothly. Treat others like how you want to be treated. Another thing the company can do to blend the different country's culture is to have a clear company culture. It doesn't matter where the employee comes from, when they join the company, they will have to follow the company culture. This is of cause must be

within limit and not conflict with other country's culture. Another recommendation is for the company to offer cross-cultural training for all employees. By doing so, employees will have better understanding of the differences.

5.3 Limitations

The first limitations in this paper is the sample size and sample bias. There are only 10 interviewees in this paper which cannot represent the whole team. And their title or responsibility are similar, thus this might represent only some angle of the challenge. The second limitation is the limited access to data. The interviewee seems to be reluctant to tell the whole story or only share some parts of the experience. This is because the team is not very big, so it's not hard to figure out who say what.

5.4 Suggestions for Future Research

For a better and more accurate result, the sample size should be bigger and more diverse (different titles and responsibility). With more diversity, the result may be different and more in dept. And with a bigger team, the respondents may be willing to share more experiences since it would be hard to find out who said what.

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