Abstract—An effective cross-culture management (CCM) can be a huge competitive advantage to the international companies. Therefore, this study had one research question; how can foreign managers overcome the key challenges of cross culture management at hotel industry in Thailand. The empirical information was gained through seven in-depth interviews with non-Asian managers at hotel industry in Thailand. Chosen participants were asked to identify challenges and solutions what they had faced at their work in Thailand and also what was it like to work with role-oriented people. The sample size was quite small, because it was more important to find the right people for this research than the quantity. Only one industry was chosen for this research, which might not represent the whole business base. This study was mainly based on Hofstede’s Five Dimension Model [1] and Huijser’s Model of Freedom [2]. The results of this study shows that cultural-awareness and deep understanding of cultural differences are the keys to the effective CCM. It is hoped that this study will give benefits to the readers, how to avoid most common pitfalls when working in cross-culture environment.

Index Terms—cross-culture management, hotel industry, globalization, Thailand

I. INTRODUCTION

Globalization is growing and economic barriers, such as national borders are becoming less important because of EU, ASEAN and WTO [3]. Therefore, cultural diversity in the workforce is growing and organizational behavior is becoming more complex [4]. Globalization has brought a lot of opportunities, but also challenges, such as, more pressure to international management [5]. Also the world is moving slowly towards knowledge economy and therefore companies are becoming more dependent on the skills of its employees’ [6].

Therefore, it is important to understand different cultures and the cultural differences more deeply. Furthermore, diversity in a workforce can be bottomless resource. Cultural-awareness will increase reliance and loyalty between two parties and eventually provide competitive advantage and profit to the company [7]. Also it is stated, foreign managers who are living in a different culture, is expected to adapt to surrounding culture [8].

Cross-culture management can be defined as an organizational behavior; how employees from different cultures cope together with each other in multi-national companies. Also one of the aims of CCM is to provide information and develop the communication between these people [9]. It has also been said that CCM cannot be just management of cultural differences. It also should include managerial activity about knowledge management, global networking and active learning from organization [10].

The most common reasons for failures of cross culture business are that managers are not able to handle differences in culture, communication or behavior and therefore misunderstandings, problems, and even conflicts are faced [11]. Effective cross-culture management may have benefits like marketing advantage, better reputation, creativity and advanced problem solving ability in daily basis. Therefore, it is important to understand different culture dimensions and the cultural differences more deeply [3].

There have been many researches about CCM, such as, Hofstede’s Five Dimension Model [1] and GLOBE research [12]. Usually researches about cross cultural management focus mainly on how one culture differs from another [5]. This understanding is useful, but it has limitations. Existing research has paid too little attention to the question; how to handle diversity to gain competitive advantage [13].

Despite of all criticism, researcher has used Hofstede’s theory as an extension, because it is one of the most know, widely discussed and cited theory in the field of CCM [14] [15]. Hofstede has also replied to criticism comprehensively. Additionally, Hofstede’s five dimension indicators were suitable and applicable for this research [16] and cultures have different dimensions, beliefs and habits. Therefore, different ways to cope with cultural differences was required for this research [17].

This research investigated CCM at hotel industry in Thailand. The aim of this research was discover the challenges of CCM at hotel industry and understand why foreign managers has faced challenging situations and what where the reasons behind these situations. Furthermore, this research was made to give guidelines for foreign managers to avoid the pitfalls of these challenges, when cultures meet in the hotel industry in Thailand. This study had one research question which was: how can foreign managers overcome the key challenges, when cultures meet in the hotel industry in Thailand.
challenges of cross culture management at hotel industry in Thailand?

This research had qualitative approach, and data was collected by seven in-depth interviews during March and April 2014. Seven non-Asian managers, who worked different types of hotels in Thailand, were interviewed for this research.

II. THE INTERVIEW DESIGN

Interview design included seven themes. These themes were used as a guide during interviews. This interview guide strategy gave more structure to interviews and by this way the collected data was easier to organize and analyze [18]. First, each interviewee were asked to provide brief background information about themselves such as age, education, length of work experience and length of stay and current position in Thailand. This information was used mainly for background information for researcher and this part of the interviews is not published.

To collect data about biggest cultural differences and challenges interviewees were asked to tell about their experiences of Thai culture, how they communicate with local employees. After this interviewees were asked to describe the most challenging situations and how did they managed these situations. To understand Thai culture more deeply, researcher asked interviewees to define what is like an average Thai employee and what is the best way to work with them? At the end of interviews, managers were asked to give instructions for new managers, how to be successful in a different culture and what is like a good manager.

Qualitative data were collected by seven exclusive in-depth interviews from foreign managers (two Finnish, Canadian, French, Norwegian, Columbian and British) who worked as a supervisor or managerial level at hotels in Thailand. Three interviews were conducted at Koh Samui, two at Pattaya and three at Bangkok, Thailand.

Interviewees had managerial working experiences for two months to 20 years and these managers had been working in Thailand for two months to four years. Interviewees ranged in age from 25 to 45. Educational background ranged from vocational school to Master’s degree.

In comparison of Hofstede’s five dimension model all other interviewees, except Columbia, had really high scores in individualism. Based on the Hofstede’s five dimension theories can be said that culture of interviewees’ between Canada and United-Kingdom has similarities and then Finland and Norway has quite similar scores in these dimensions. France had some similarities in scores between Canada and Columbia [1]. Managers, who had similarities in these cultural dimensions, described same kind of challenges and differences during interviews.

Generally, it can be said that individualism had the biggest difference in comparison interviewee’s culture to Thai culture.

III. CHALLENGES OF CCM

To discover the challenges of CCM at hotel industry in Thailand researcher summarized the collected data by the themes, which were:

- Culture, communication, behavior
- The challenges of CCM when working with Thai?
- The best solutions to these challenges
- How to avoid most common mistakes working with Thai?
- Thai employees
- Tips for new foreign manager

Based on these themes, mentioned before, researcher found out that the four challenges were most common among conducted interviews. These challenges were; different expectations and observation in communication challenge, language gap between foreign managers and Thai employees’ challenge, task efficiency challenge and the conflict avoidance challenge.

A. Different Expectations and Observation in Communication Challenge

According to Hofstede’s research Thai people have high scores in collectivisms, which means that they are not use to debate or give feedback like people from individualistic countries. High scores in power distance indicate that hierarchy is also valued in Thai culture [1]. These dimensions are very different compared to individualistic countries. Thus, the expectations and observation during communication were so different between Thai employees’ and interviewed foreign manager.

Different expectations appeared, when managers started to communicate with local employees. By asking questions, interviewed managers expected to find out more information what was happened and why? Managers were used to have two-way discussion, to change ideas with employees and improve current situations, without meaning to insult anybody. To managers this was just a handy and fast way to clarify and solve issues with employees. Two-way discussion between local employees’ and manager was hard to gain in Thai culture, because it is against Thai traditions. Also hierarchy should be respected. Furthermore, if manager kept asking questions about what Thai employees’ have done, they felt easily insulted, un-trusted or unsecure.

According to Model of Freedom theory Thai employees expects that the managers, who are above them in hierarchy, gives orders only and there is no need for feedback in such cases [2]. If the manager is in same level with the employee, it is quite hard to give orders because Thai employees’ feel that manager has no authority to do so. Levels of hierarchy should be respected. There is no easy way to cope with this issue. Sometimes, situations like these made managers felt frustrated and misunderstood. Also they felt that development is harder and slower because of hierarchy.

Moreover, in some cases Thai employees’ did not express true feelings. They liked to say yes even when they did not mean it. They did it, because they wanted to be polite and respect the hierarchy. Managers who came from individualistic countries reported that sometimes
they felt irritated, because they could not have direct and honest answer.

Another reason, why communication was so hard is; average Thai employees are not really cultural-aware and they are not really eager to learn more about other cultures and take influences. Few managers (Norwegian, Finnish and Columbian) had experienced that Thai employees’ were interested about other cultures in a polite way, but they did not really understand the differences. Thai people are really long-term oriented and traditions are highly valued, which was in line with Hofstede’s research that LTO had high scores in Thailand [2].

Fig. 1 summarizes the differences of thinking between non-Asian manager and Thai employees’. The difference between collective and individualistic thinking was one of the main reason why expectations and observation was so different between participants. Thai employees expected managers to tell them what to do, as it has been tradition for them a long time, therefore sometime it is enough if they just answer yes, as a sign of respect during communication. If manager kept asking question, Thai employees seemed to felt insulted and untrusted, they did not understand why foreign manager has brake the tradition and to them is was insulting behavior. Foreign managers expected to have open discussion to solve problems and gain more knowledge instead. As a result most of the managers felt frustration, because of double checking and lack of open discussion.

As a said, respect towards traditions and hierarchy are highly valued in Thai culture and for foreign managers this seemed to be hard to cope and adapt with. In individualistic cultures communication is more direct and open.

B. Language Cap between Foreign Managers and Thai Employees’ Challenge

All interviewed managers had faced a communication problems related to cap of language. Also in research of Sriussadaporn was mentioned that language deficiency has caused communication problems [11].

None of the interviewees spoke fluent Thai. Therefore, interpreters and translator programs and body language were used a lot to during communication. All in all, good skills of spoken English among average Thai employees are rare, especially at lower working levels. Thus, some of the managers felt that their English is becoming worse, because of use short and simple sentence.

Because of language cab, it is harder to make deep relationships whit local employees’ and gain the trust, which is one of the base values in Thai culture. According to Hofstede’s research, personal relationships are the key factor to make business with Thai [1].

Semantics related to language cap has also caused problems. Semantics means that same word can mean different things in different cultures [19]. E.g. the yes word seemed to have different meaning. Interviewed managers saw the yes-word more like “I understand” or “I will do it”. Instead, average Thai employees saw the yes-word more like “I am listening” or “I might do it”. Furthermore, sometimes Thais do not tell the truth, if they do not understand or agree with manager. In many situations they easily say “yes”, because it was an easy way to avoid conflict. Managers commented that over time, it is easier to see and read behind the lines, when other person is not following.

Fig. 2 summarize that Thais respect the hierarchy and sometimes, they have to agree with the managers who are above them, even if they do not understand or agree. It would be against the tradition and hierarchy. All of the interviewed managers commented that they need to double-check everything, and just to be sure that job is done.

Double-checking was manager’s mandatory routine, which required a lot of time. One reason for that was the poor level of spoken English among average Thai employees’ and also poor level of spoken Thai among foreign managers. Managers who came from individualistic countries felt that double-checking was hard, time-consuming work, which could not be skipped. To some managers double-checking was waste of time, because they were not used to supervise employees all the time.
towards custom service or quality of standards and they had very different thinking about how to work. Managers also commented that it is usual Thai employees do only the minimum what has been asked them to do. Therefore, managers need to be very precise with the instructions, or which kind of standards the hotel had. One reason for different thinking was that majority of interviewed managers came from individualistic countries and Thais are collective.

Furthermore, based on the gathered information, Thai employees are not so engaged with the precise work place, they can easily change the workplace. They are not used to work hard by the same way as foreign manager would like them to do. Columbian manager told that it was normal that there were no rush to serve customer. Thai employees seemed to have time to surf in the net for and talk with each other, before serving customer. Another manager complained that Thai employees have a lot of absences, and they come late to the work. Thai employees like to have fun at work and take it easy. One reason for this is that the working hours per day are long. European managers are more used to work at the full speed, when they are at work place, but Thai employees’ might even live in the same building where they work. Free time and work time are not that separated in Thailand, which can explain that they are not so eager to work hard all the time.

Furthermore, concept of time is different between high and low context cultures. Also, Thai employees are more focused to do one thing than to see the bigger picture, why it would be important to serve customers well. Not just get things done.

Fig. 3 summaries the challenges related to work efficiency. Foreign managers expected Thai employees to see the bigger picture why to work and use so called outside of the box-thinking to solve problems. Meanwhile average Thai employees seemed to think; “there is time to do this task” or “I do precisely what has been asked to do, nothing more”. The difference between individualistic and collective –thinking and the concept of time were one of the reasons, why the attitude and expectations was so different regarding task efficiency.

D. Conflict Avoidance Challenge

According to the Model of Freedom theory, conflicts are threatening and thus Thai people avoid conflicts [2]. Thais avoid strongly conflicts, because there is a fear of losing face. They rather change the workplace than take the risk that they will lose a face. Many manager (Canadian, French and Finnish) reported same kind of situations like this: Thais rarely say “I am sorry” or “it was my mistake”. Instead they rather stop answering the questions or do not take the responsibility. One reason for this behavior is the collective thinking. They do not want to stand out the crowd.

Fig. 4 summaries, which kind of thinking is behind the conflict avoidance. Thais avoid conflicts, because there is a fear to lose face, which cannot be happen. They rather change the workplace than take the risk beforehand.

Collective thinking and respect towards hierarchy seemed to be one of the reason, why conflict avoidance is so strong in Thai culture.

E. Tips to Foreign Managers How to Avoid Most Common Pitfalls of These Challenges

How earlier presented challenges can be overcome then? Here are some guidelines for these challenges. Tips for the different expectations and observation in communication challenge: The key is to understand Thai culture and the differences of Thai culture. Managers could try to find the balance between two different expectations: what can be expected and obtained from the employees. Manager should also remember to be gentle and polite towards Thai employees always. Training and open communication can be also helpful but by telling Thai employees comprehensively about the different expectations could make them understand other cultures better and make Thai employees trust to the foreign manager more.

Tips for language barrage challenge; as long as there is two languages involved communication will be challenging. Easiest solution of course would be to learn communicate with Thai language. If this is not an option, then manager could try to find the right people to work with and try to make deeper relationship with those people. Also managers should know that the word yes does not mean just yes to Thai employees. Also it could be helpful to learn to read behind the lines and interpret non-verbal sign.

Tips for task efficiency among Thai employees’ challenge; Manager should tolerate the different concept
of time and be prepared that sometimes it takes time to get things done. Double-checking is mandatory daily routine, but there should be a balance that managers do not do that too much behind employees’ back. Also comprehensive training what good customer care means could be one solution to this challenge.

Tips for losing faces and conflict avoidance challenge; always remember that Thai employees cannot ever lose faces, which means that asking strict question in a meeting front of other people is not a good idea. Also ability to read behind the lines and see non-verbal signs might be helpful because Thai employees’ does not say easily, if something is wrong, instead they will keep quiet. By being patient and careful will help manager for sure to handle the cultural differences.

IV. SUMMARY OF FINDINGS

Researcher found four main challenges, which were different expectations and observation during communication challenge, language cap between foreign managers and Thai employees’ challenge, task efficiency challenge and conflict avoidance challenge.

Thai employees’ has different expectations and they observe things differently during communication than managers from individualistic countries. Thai employees’ value highly the hierarchy and traditions and Thai employees are not used to work against these traditions. They expect that the manager’s tell them what to do, and they do not like to debate or have an open discussion about the issues between managers, who are above them. In situations like these, they felt unsecure or even untrusted when managers kept asking too many questions. Also the lack of express true feelings made these kinds of situations even harder.

Instead, intention of interviewed managers was to gain improvements and change ideas but this kind of discussion are almost impossible in Thai culture, especially if there are different working levels involved, it is just against the tradition. Most of the managers said that because of this, they need to double-check everything, which made them feel frustration. One way to cope with this challenge is to build strong relationship with employees’ and gain their trust. Training and open communication could also help but by sharing cultural awareness might be the way how to make average Thai employee to understand why foreign manager think so differently.

Language cap causes challenges. Managers told that double-checking is a mandatory routine to them because of language cap and sometimes they have to use body language and simple sentences to communicate, which will mean that it is harder to make deep relationships with the employees’. Because of language cap there is often lack of open discussion and trust. One way to cope with this challenge is to interpret non-verbal signs: learn to see when other person is not following. Also patience with this matter is helpful and understand that Thai people do not express true feelings all the time.

Task efficiency was one of the challenges because expectations were so different. The difference between individualistic and collective thinking and also concept of time were the biggest reasons why task efficiency was seen so differently. Furthermore, concept of time is much more flexible in Thailand. Managers from individualistic cultures are used to work hard and use outside of the box thinking, when they are working. Average Thai employees’ instead had more relaxed attitude and they were more focused to solve problems fast than think the bigger picture. One way to cope with this issue is to be flexible and understand that sometimes it takes time to get thing done. Adaptation to the different concept of time and clear, exact instructions about the expectation might be helpful to manage this challenge.

Also the conflict avoidance is common among Thai employees’ and it is because of the fear of losing face. Thai employees do not always express the true feelings because they do not want to have conflict, or they do not want to stand out from the crowd. Managers need to learn to read non-verbal signs and read behind the lines to avoid insulting anybody. Thai employee cannot lose a face, therefore it is important to remember not to lose a temperature with them, or express emotions.

As a general guideline how to avoid these challenges are the cultural-awareness and deep understanding of cultural differences. Also the balance between managers own culture and Thai culture should be found. Manager should also be gentle and polite and learn to read behind the lines and interpret non-verbal sign of Thai employees. By training and telling employees what is expected helps them trust more to foreign manager. Also to find the right people who to work with can help to cope with Thai employees’.

IV. IMPLICATIONS

Cross-culture management is becoming more and more common and effective CCM can be huge competitive advantage thus, it is important to make further research about CCM. This study is mainly an extension of Hofstede’s five dimension model [1]. These two research are more focusing on to find the cultural differences, but this research was focusing more the cause and effect relationships and to question why these differences has causes challenges.

Results of this research are also in line with the previous survey of Roong Sriussadaporn about managing international business communication problems at work: a pilot study in foreign companies in Thailand [11]. In this research the biggest challenges were problems related to mentality and accountability, task assignments, time management, language deficiency and personal/work relationships which are quite similar with this research.

V. CONCLUSION

The objective of this research was to discover the challenges of CCM at hotel industry and understand why foreign managers has faced these challenging situations and also to provide tips to foreign managers how to avoid earlier presented challenges in a diverse environment in Thailand? Seven non-Asian foreign managers (two from
Finland, one Norwegian, French, Columbian Canadian and English) were interviewed for this research.

Researcher found out that the four challenges listed below were most common among conducted interviews.

- Different expectations and observation in communication challenge
- Language gap between foreign managers and Thai employees’ challenge
- Task efficiency challenge
- Conflict avoidance challenge

Based on these collected data, researcher provided guidelines how to overcome these challenges. It can be said that based on this research cultural-awareness, openness, deep understanding of cultural differences and patience are the keys to the effective cross-culture management.

It is hoped that this study will inspire people to have a further discussion about cross-culture management and make people understand cultural differences more deeply. Researcher hopes that further research about this topic will be conducted by scientific way in the future.

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