CONTEMPORARY ISSUES IN CROSS–CULTURAL BUSINESS INTERACTION AMONGST OFFICE AND MANAGERIAL STAFF IN THAILAND

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Abstract

Studies on cross-cultural management have been a prominent theme in international management research. Nonetheless, most studies primarily focus on expatriate managers, without detailed descriptions of local practices and contexts. With the aid of narratives from in-depth interviews, this article addresses the issue of cross-cultural adjustment to an unfamiliar work environment by highlighting routine features of business interaction in Thailand. It shows how cultural differences can be the source of miscommunication and conflict and explores how office and managerial staff rely on shared reference points in their mutual sense making activities. It investigates how staff deploys specific communication strategies for smoothing and handling differences in day-to-day interaction, as well as the limitations many face in terms of altering working practices.

1. Introduction

Cross-cultural business has significantly increased over the last decades in the light of globalization. While the challenges of globally competent workforces and global labor markets are an important topic (Parker & Clegg 2006), most studies in international business and management retain functionalist and managerialist inclinations (Westwood 2006). The study of cross-cultural interactions in work and business settings is primarily undertaken under the label of cross cultural management, which is often regarded as a discipline of international management. However, most studies on the subject are focusing on the cultural encounters of managers from the global North in multinational or transnational companies. Although some authors suggest that the concepts of well-defined and homogeneous entities such as organizations and nation-states are questionable in terms of conceptualizing cross-cultural practices (Søderberg & Holden 2002), detailed empirical investigations of local practices and organizational contexts – in which cross-cultural interactions happen – are scares.

While there has been a notable increase of empirical studies on China, research on cross-cultural management in Thailand is rare. Notable exceptions are a few studies conducted in multinational corporations in Thailand on e.g. Australian managers (Clegg & Gray 2002), American and Japanese managers (Stening 1990) and Swedish executives (Selmer 1996), as well
as “Western” expatriate consultants working in Thailand (Fisher & Härtel 2003). The importance of the topic - beyond the narrow focus of work values and performance criteria in multinational corporations - for understanding work and business practices in Thailand should not be underestimated, especially with the Association of Southeast Asian Nations (ASEAN) forming an economic community by 2015.

Hence, the central research question that this article aims to highlight is the various issues in cross-cultural business interaction amongst office and managerial staff in Thailand. The implications of this work are twofold. At a conceptual level it tries to give a modest overview by mapping the existing domain of cross-cultural management and tries to trace its development.

At a more applied level its aims to highlight the contemporary issues in cross-cultural business interaction that may be beneficial for a range of individuals and companies who operate in Thailand. The results of this study can be useful in understanding Thai business interactions, thereby aiding the formation of expectations and lowering the risk of misunderstandings and misguidance. It may also aid an understanding of the local techniques of smoothing and handling the differences in mundane business interactions in Thailand for those who are natives of other cultures adjusting to Thai culture.

2. Literature review

The literature on cross-cultural management is broad and diverse, informed by a range of social science disciplines, without having converged into a homogeneous field of inquiry. International social interaction as a subject of scientific interest had become prominent since the 1960s in studies of cross-cultural differences in international companies. Scholars on cross-cultural business interaction during the 1960–80s, as Karjalainen (2010) argues, were mostly negative about cultural differences between workers. Cultural differences were seen as causing misunderstanding, lower performance, higher conflict rate, less cooperation, and more difficulties for workers to establish common goals (e.g. Bivens & Lowell 1966; Killing 1983; Shenkar & Zeira 1992).

Anthropological studies of interactions between members of different cultures took a rather pragmatic approach and tried to understand differences as basic patterns of interactions that are specific to each culture. In particular, Hall (1959) investigates non-verbal communication and how taken-for-granted linguistic patterns, body rhythms, personality dynamics, and educational goals differ across cultures (Hall 1976). A key concept, developed by Hall is the distinction between low-context and high-context cultures, where emphasis on non-verbal communication, situational cue, and actual spoken words differ across cultures. Many of Hall’s conceptual developments were applied to cross-cultural management studies and contributed to the development of international communication as a major research topic (Dulek et al. 1991).

Around the same time, social psychologists such as Inkeles and Levinson (1969) and Hofstede (1980) investigated how national cultures influence groups of people and organizations. Inkeles and Levinson conceptualized four dimensions or basic problems, which Hofstede used as the basis for collecting data, on an unprecedented scale, from IBM employees located in more than 50 countries. His work demonstrates how values held in national cultures influence behavior of societies and organizations, while individuals may not necessarily reflect the tendencies of general populations. Nonetheless Hofstede’s much publicized cultural dimensions theory has
been criticized in terms of the assumption of cultural homogeneity of nations; especially for countries such as Australia, Canada, and Brazil that are culturally plural or diverse, such a ridge value framework remains highly controversial (Berry 1997).

By contrast, Edgar Schein’s social psychological view of organizational behavior presupposes a classical distinction between the conscious and unconscious mind. Schein (1985) refers to culture in organizational context as a pattern of basic assumptions that a group learns as it successfully solves problems; a set of assumptions is considered as the correct way to perceive, think, and feel in relation to those problems, while new members of the group are expected to study these patterns in order to create shared assumptions. Schein stresses that behavior is partly a reflection of contingent, environmental stimuli and individual experiences; therefore it might be difficult to distinguish between observed behavior regularities or cultural manifestation. Schein compares his conceptual framework with Hofstede’s four cultural dimensions and infers significant similarities, and sees a confirmation of his own findings on a global level in Hofstede’s empirical work.

During the 1980s the literature in applied psychology on cross-cultural adjustment began to focus on acculturation attitudes (Berry 1984). Berry et al. (1987) defines four modes of acculturation which rests on a two-fold value dimension: i.e. value of own cultural identity and value of the relationship with other. In this way, Separation (rejecting of host country culture) and Marginalization (vacillating between two non-compatible cultures) pertain to the former, whereas Assimilation (going native) and Integration (synthesizing two cultures) to the latter. In a similar vein, Nicholson’s (1984) theory of work role transitions presents a conceptual framework for understanding modes of work adjustment in a new cultural environment. It distinguishes between Replication (not modifying either the new role or own attitudes and behaviors), Absorption (modifying own behaviors and attitudes to fit the new role), Determination (modifying the new role, but not own attitudes and behaviors), and Exploration (modifying both own attitude and behaviors and the new work role).

Yet, since Edward Said’s foundational work in post-colonial studies in 1978, it has been suggested that cultural representations generated on the basis of binary oppositions (Self / Other, Occident / Orient, or Expatiate / Host) are constructs, which are mutually constitutive and cannot exist independently of each other. Zimmermann and Sparrow’s (2007) mutual adjustment model appears to shift cross-cultural management precisely in this direction (see Table 1). Accordingly they argue that adjustment to a new working place in another culture depends not only on the person’s own efforts and strategy, but also on the involvement of the people whom they encountered within the new culture.

<table>
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<tr>
<th>Change of attitudes and behaviors on one side</th>
<th>Change of attitudes and behaviors on the other side</th>
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<tr>
<td>Low</td>
<td>Separation</td>
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<td>High</td>
<td>Own assimilation</td>
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While scholars such as Zimmermann and Sparrow highlight communication as a basis for mutual adjustment in cross-cultural encounters, others have pointed to the notable differences in conflict management approaches between scholars from the “East” and the “West”. Kim and Leung (2000), for instance, argue that authors such as Blake and Mouton (1964) and Rahim and Bonoma (1979), group dimensions of conflict management, rather than actual communicative practices. While authors such as Ting-Toomey (1991) argue that conflict management styles are patterned responses to conflict situations through diverse communication strategies, direct comparisons across cultures are problematic, especially when these rely on exogenous conceptualization.

Weldon and Jehn (1995) argue that cross-cultural differences in conflict management are difficult to interpret, when “Western” concepts are applied to “non-Western cultures” without examining the cross-cultural equivalence or relevance of the constructs. As Kim and Leung (2000) suggest, typologies that originate from Hofstede’s individualism / collectivism dimension of culture have often an implicit “Western” assumption; *i.e.* avoidant conflict solving strategies relate to specific personality characteristics, such as general anxiety, low tolerance for ambiguity, lacking self-control, lacking emotional maturity, or being introverted (Richmond & McCroskey 1995). By contrast, as Ting-Toomey (1994) points out, in Asian cultures conflict indeed is generally perceived as something that ought to be avoided, because it is a potential source of group dysfunction, interpersonal embarrassment, or humiliation in front of others.

### 3. Methodology

The research undertaken for this study builds on semiotic concepts of culture that conceptualise human behaviour within the dimension of symbolic action, which aims to surpass the dichotomy of subjective and objective perspectives. It is a methodological approach that strives to understand context with minimal external references or meta-categories, by merely relying on the own inter-deﬁnitions and taken-for-granted world views of the research participants. It aims to provide accounts that contain some level of “thick descriptions” (Geertz 1973) by highlighting the contexts in which actual practices happen, while specifying internal relationships in detailed and self-referential ways. It does not aim to generate a “General Theory”; instead it provides ways to generalise within cases through an intelligible frame that is carefully interwoven with wider concepts that have emerged within existing academic discussions.

Although drawing on ethnographic research techniques, this study aims to avoid disjuncture and distance to the field that traditional ethnography with its strong commitment to detached observations has been criticised (cf. Pollner and Emerson 2001). As such it is ethnomethodologically inspired - drawing on the role of active practitioners - by combining autoethnographic elements with interviews that are characterised by necessity and constraints of the interlocutors’ participation in a context. The autoethnographic descriptions (Bochner, 1994; Ellis *et al.*, 2011) are hindsight accounts of personal and interpersonal experiences from the lead author of this article, who had a substantial amount of work experience as administrative office assistant in Thailand. These reflections served primarily in shaping the development of conversation topics for seventeen in-depth interviews that were conducted.
Access to interviewees was generated through informal networks of both authors. Six out of the seventeen interviewees worked in higher education in administrative or academic positions, while the remaining were either entrepreneurs, managers, or office workers in various sectors, including wholesale export, aviation, finance, tourism, retail and manufacturing. The male to female ratio was thirteen to four respectively, with an age range of 23 to 54 years. The countries of origin were Belgium, Canada, China, India, Russia, Thailand, Ukraine, USA, and Vietnam; the ratio of Thai and non-Thai origins were seven to ten respectively. The duration of work experience in Thailand for non-Thais varied from half a year to more than ten years.

All interviews were conducted in line with the statement of ethical practice for the British Sociological Association of which one of the authors is a member. The interviews were standardized and nonscheduled (Briggs 1986) that commenced with the following prompt: 'Overall, what is your experience of working in Thailand?' A list of conversation topics aided the interviewer in responding in non-directive ways while maintaining some focus as the narratives unfolded; this ensured an exploration of the interviewees' concern within the wider demarcation of the chosen area of cross-cultural business interaction.

The interviews were recorded and then transcribed verbatim, which provided the source for a thematic analysis. Themes in this sense are patterns across collected data that are important to the description of a phenomenon and are associated to a specific research question (Daly et al., 1997). The highlighted reoccurring patterns were divided into three groups – major topics, unique topics and leftover topics (Tesch, 1990); this was aided by compiling an interactive cross-reference index in HTML code of the entirety of the “text”. The analysis of each theme was primarily done at a semantic level rather than interpretive (Boyatzis 1998). In other words themes were identified within the explicit or surface meanings of the data by simply organizing and summarizing showing patterns in its semantic content (Patton 1990).

4. Analysis

A common and reoccurring theme amongst the interviewed office and managerial staff was the problem of facing situations of complete or partial misunderstandings in cross-cultural business interaction. The key issues that emerged were differences in shared basic reference points and common assumptions, which in turn resulted in negative emotions and frustration for some interviewees.

My first graphic designer [in Thailand] didn’t know who [Pablo] Picasso is. [...] So you are talking; they [Thai staff] don’t really understand where you want to go. (Francois, Belgium, entrepreneur)

The issue is further aggravated particularly when trying to develop shared reference points and common assumptions is complicated though specific organizational constrains. Francois’s story makes this quite clear; his online retail business that primarily focuses on costumers in Europe, while incidentally operating from Thailand, presents particular challenges for Thai staff that have little understanding of the context of Francophone Europe. The lack of shared references points might be overwhelming that makes it difficult and a long-term endeavor to create a common understanding, especially when modes of communication are drastically different.

Moreover, differences in communication modes presented a particular problem for most Eastern
European interviewees who expected open and direct interjections to clarify when their interlocutor did not understand a phrase or a word. They often assumed that silence meant some form of understanding. By contrast for Thai people the key message in this situation was precisely what was left unsaid and a lack of positive feedback may indicate no understanding.

*It makes working process very difficult, because it's easier just to say honestly “I don’t understand, please explain to me one more time”.* (Pavel, Russia, administrative staff)

Conversing in a foreign language, either in English or Thai, not only requires mastering verbal communication, but also needs meta-communicative competence at a non-verbal level, as well as context awareness. Some interviewees felt that their ability to speak a foreign language in the office with their colleagues is adequate in terms of grammar and vocabulary, but using the correct phrases, tones, volume, and themes to create and maintain conversations in the relevant context is considerably more difficult.

“*Sabai dii mai?*” means “*How are you?*” You shouldn’t say that [as a greeting], because people think you think they are sick. [...] They say [to greet each other] “*Have you eaten [rice]?*” (Michel, France, consultant)

Michel, who grew up in a bilingual English and French speaking context, illustrates the very subtle nature in a shift in meaning. In the United States, as Garfinkel (1967) points out, the question “*How are you?*” is usually not meant as a specific inquiry about people’s well-being; Garfinkel’s breaching experiments exactly show the confusion and pain that occurs when people take this as literal question. By contrast, in Thai culture it would only make sense to greet someone like this if circumstance is suspected to have changed, such as a long time has passed or someone is ill; the source of confusion this subtle shift presents might be apparent.

Misinterpretations in terms of non-verbal communication were also common. In Thai culture the display of emotion during interaction tends to be rather mediated and can be strongly modified depending on context. By contrast in Eastern European cultures, for instance, emotions are shown as they are experienced and if people do not experience positive emotions they generally do not display them; smiling for instance tends to be reserved to express high levels of enjoyment or appreciation and is not being used for mundane interaction. Thai people, however, may feel uncertain or disconcerting in the absence of a positive face.

*If you work with Thai people and you don’t smile they become closed […] When I arrived here I didn’t know that because in my country, in Europe, when people want to buy something they just buy something, never think about smiling to anyone.* (Mat, Ukraine, administrative staff)

For Eastern Europeans being polite strongly focuses on the choice of words, whereas in Thai culture there seems to be several other dimensions such as tone and volume of the voice. Several Russian interviewees for instance felt that the Thai interlocutors sometimes perceived their stern tone of voice as negative emotions. In Russia, raising one’s voices at the workplace is not unusual (Richmond, 1996), whereas speaking softly or being quiet will most likely be considered a weakness. By contrast, in Thailand a soft voice and being calm is expected during business interactions or within the place of work. In addition, European and North American interviewees tended to define politeness as a social behavior that does not strongly differentiate in terms of personal attributes such as age, position, or social status. This stands in sharp contrast to Southeast Asian cultures where age, position and social status afford considerably
different levels of politeness.

Business interactions in Thailand are also characterized by specific concerns for group harmony that is deeply intertwined with the way how people communicate with each other. In North American and European cultures constructive criticism is generally part and parcel of working life. Being criticized and criticizing others is not unusual and often seen as part of a problem solving strategy. By contrast in Thai cultures criticism is often seen as some form of conflict that always contains the possibility of upsetting the harmony of interpersonal relations, especially at the point of face-to-face interaction. Many interviewees highlighted that in Thai office culture personalized work relations are of considerable importance in mundane conduct; this in turn presents some limitation to pursuing agendas that might damage relationships. In settings of working-based group interaction where gift exchange, food-centered socialization and shared recreational activities are not unusual, the potential of open conflict is routinely sought to be minimized by staying clear of that which may make the other feel uneasy.

While many non-Thai interviewees found some appeal in this approach, some felt disquiet about the difficulties this appears to present when dealing with challenging situations that may require more direct feedback, and by doing so risking potential conflict. Especially those in managerial positions felt immediate and unbridled feedback from their employees was important, regardless whether positive or negative. The rationale behind this immediacy and directness appears to be a pragmatic focus on taking remedying action. By contrast Thais prefer an approach that appears to focus on minimizing the damage a crisis may have in terms of interpersonal relations; deferral and deference are often seen as a sound strategy, as the unfolding of time and new events may shed a different light on an existing problem. Most Eastern Europeans and North Americans found this aspect rather difficult.

Here you’ll never hear the bad news. They want to shield you from that. […] In [North] America, if you work for me – I want the bad news fast, if something is wrong – I need to fix this, I don’t want it sugarcoated. I don’t want it to be hidden from me. (James, USA, chief executive)

Of course getting adequate information is important for any kind of operation; yet James’s story leaves it open as to whether there is no exchange of information. One may indeed not hear the “bad news” being uttered, but still know about it as it is conveyed in more subtle and indirect ways. The “sugarcoated” talking that may sound misguided at a point of crises or disagreement for people from the US, is not unusual in a culture where saving face is prominent. Nonetheless, this aspect of Thai culture was also seen as challenging for interviewees from China and Vietnam.

In Vietnam, team members can argue among each other, maybe disagree a little bit […] But the language we use to criticize each other has to be modest. For Thai it goes up extreme, it has to be very subtle [it] must be seen like nothing, nothing at all happened. (Holly, Vietnam, research manager)

It is precisely this indirect mode of communication that makes the actual communicative practice of handling conflict in Thai culture different.

You have to be able to read between the lines from the Thais in these long messages that are nice and friendly. So it’s always a tricky part for foreigners who work here. When they get a yes, they think it’s a yes, but it doesn’t always mean a yes. (Nam, Thailand, entrepreneur)
While it may allow for the possibility for face saving work in front of others, it may also to the unaccustomed ear create an impression that there is no conflict or people do not respond to a situation. The potential for mispreceptions are evident in this way, especially when cross-cultural exposure and adjustement has been limited.

5. Discussion

According to Schein (1985), visible structures of cultures are relatively easy to observe but are more difficult to decipher. This study found that people may adjust to some degree by becoming familiar with each others ways of verbal and non-verbal communication, but developing common basic assumptions in order to adequately and meaningfully communicate on the basis of a shared understanding was considerably more difficult. The lack of shared reference points appears to go along with some form of othering process, where “Others” are created that are alien to the “Self”. In this reading of Schein, the process of examining one’s own basic assumptions always carries a danger of temporarily destabilizing one’s understanding of the interpersonal world and thereby creating some form of primordial anxiety. Many interviewees expressed that they and their interlocutors had on occasions experienced frustration, stress, and anger with each other as they were unable to comprehend how certain actions (or lack of it) can be a transgression or violation of certain norms.

Making sufficient efforts of acquiring the local language is presupposed a necessary condition for comprehending the espoused values and underlying assumptions of one’s peers; this in turn may facilitate a deeper immersing into a specific work and life context. This study found that people tend to readily deploy their acquired Thai or English language skills, or happily introduce features of Thai language (e.g. polite particles krub and ka) when speaking English, in order to fit into their international office contexts in Thailand. However, much of the interaction, and with it the sense-making activities, appeared to be taken-for-granted. It was often at the moment of misunderstanding or infraction that value expectations and assumption-based context reference points became apparent.

While the above may look like learning be doing, miscommunication may also temporarily entail a lack of a potential communication that could facilitate integrating or absorbing each others assumptions. Many interviewees sometimes felt that their mode of communication were drastically different, especially when they originated from - what Hall described as a low-context culture - as their attempts to expose the differences by “talking it through” where sometimes met with puzzlement or embarrassment by their Thai colleagues.

Zimmermann and Sparrow (2007) argue that communication is the basis for mutual adjustment, and whatever precedes such as a change of views, evaluation of differences, negotiation, and control rests upon the foundation of a common understanding and shared expectations. For example, Europeans and Americans generally express their emotions outwardly in more direct forms of communication, whereas Asians tend to deploy more indirect communication, where the context provides clues for the uttered and unuttered. It is this awareness that many interviewees displayed in this study - that subject avoidance or unfinished sentences in Thai culture can mean “No”, or that an Eastern European speaking boldly in Thailand may not be intended to be rude or disrespectful. Yet it appears to be a constant endeavor, that might in the words of Garfinkel (1967) be understood as “normal trouble”: i.e. part and parcel of cross-
cultural adaptation work with which the people involved have become familiar. It is not merely confined to adjusting to the more extreme differences such as between Thai and Russian culture, but also appears to be relevant for other Asian people adjusting to Thai culture. Indeed Chinese and Vietnamese staff in this study for instance were sometimes grappling with the differences in levels of indirect communication in comparison to their own country.

Most people who are native to North American or European cultures generally see a positive potential in constructive face-to-face confrontation. In contrast, in Thailand people tend to emphasize harmonious relations and try to avoid interaction that could potentially result in negative emotions or stress. Cross-cultural tensions can be an issue especially for people from cultures, where reluctance to engage in a potential conflict is often seen as a sign of weakness. Kim and Leung’s (2000) review of conflict solving strategies highlights the common misinterpretation that avoidance strategies equate to failure. This study confirms this, by finding that interviewees from Europe, who have been in Thailand less than two years, seemed to be subject to a similar misunderstanding. However, people who had been living and working in Thailand for more than two years, tended to avoid conflict in order to maintain ‘face’ and personalised work relationships. This confirms Zimmermann et alia’s (2003) findings from a study of German managers working in subsidiaries in Southern China, who adjusted to interaction differences in terms of ‘face’ and personalised work relationships by using a mode of assimilation.

In terms of adjustment to work practices, especially in terms of leadership, this study found that European or North American managers tended to expect from their Thai staff direct feedback on on-going operations. Many managers found it difficult or impossible to alter their expectation about their job role in particular in terms of confronting their staff about contentious issues. In some cases it even let to individuals resigning from their jobs, as they felt they were not able to adjust their leadership approaches in order to fit into a work culture of interpersonal harmony and strategic deferral and deference. Similarly this confirms, to some degree, Zimmermann et alia’s (2003) findings of German managers adjusting their work role in the light of the different expectations by their Chinese subordinates, more in a “determination” mode (Nicholson 1984). In particular, in terms of taken blame and responsibility, or deploying systematic reporting and documentation procedures, these managers favoured changes in local working practices through preliminary training and on-going mentioning, or where not possible through an increase in control and follow-ups.

6. Conclusion

This article is based on an in-depth study of cross-cultural business interactions amongst office and managerial staff in Thailand. It explored differences in perspective of a range of people from diverse cultural backgrounds and how they adjust to living and working in a new environment. It highlighted how common understanding and shared expectations are the basis for meaningful communication. This articles also showed how modes of speaking depend on social and cultural norms and how for instance in some cultures – in contrast to Thai culture – more open, direct, and confrontational modes of talking are acceptable. This in turn points to the normality of finding the right balance over time as people adjust to a different culture. The implication for practitioners who find themselves in cross-cultural settings might be manifold at individual level; yet dealing with cross-cultural differences does generally results in some change – in gradual or abrupt transformations – that have real consequences for working practices. It is this
awareness for workers as well as for leaders that can help to mediate the processes of change in more manageable ways.

Though its focus on the transformational processes of adaptation, this study also raises another set of more conceptual questions in terms of how wider socio-political issues may affect the different modes of cross-cultural adjustment. The fact that managers tend to integrate or assimilate local practices as they gradually master day-to-day interpersonal interaction, stands in sharp contrast to managers appearing to attempt the assimilation of local workers into non-local working and governance practices. Further research may shed light onto the extent power relations that constitute organizational practices might be affected by – what Søderberg and Holden (2002) describe as – a growing complexity of inter- and intra-organizational connections and identities.

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