Performance Benefit from Multi-culture
Management in Thai Information
Technical Organization

By

Mr. Than Naing

A Final Report of the Three - Credit Course
CE 6998 Project

PERFORMANCE BENEFIT FROM MULTI-CULTURE MANAGEMENT IN THAI INFORMATION TECHNICAL ORGANIZATION

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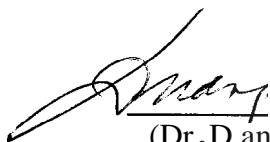A Final Report of the Three-Credit Course
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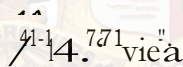Assumption University

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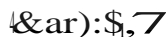
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ABSTRACT

This study is to improve performance on Thai Information Technology personnel during the management culture changes. Since the middle of 1997, many Thai companies face financial problems. Many of these companies merged with international companies to strengthen their financial status and business continuation. This brings multi-culture management to Thai companies. Performance of organizations and individuals depend on management. Therefore changes of management will affect both organizations and individuals. This study will provide successful way to improve performance during management change into a multi-culture management. This study chooses multi-culture management impact on Thai technology personnel because this is a current situation in Thailand. The research can help to guide many Thai technical personnel to achieve success in the new management. This will also introduce the new area for other students and professionals to obtain more details of cause and effect due to management changes and individual achievement.

This study concentrates on Thai technical people in Information Technology (IT) area. They have a strong sense of technology innovation and are practicing strong Asian culture. Therefore, when management culture is changed, they face new challenges for future self-improvement and achievement. Organization performance is also related to those individual performances. Therefore, multi-culture management will introduce improvement in performance of the individual and the organization. To observe these changes and improvement, the research on both previous study on relative field and observation on companies of those management is changed due to economic instability. Company performance data are collected from randomly selected sample companies.

ACKNOWLEDGEMENTS

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I. INTRODUCTION

Studies of Thai culture were made by many students and professionals but most of them concentrated on social culture and only a few are deeply into the organizational culture. Social culture and Organizational culture reflect each other. There are two major culture groups in the world: Western culture and Eastern culture. As we are from the Eastern side, we perceive Western culture as aggressive and a demanding culture. Eastern culture is based on respect and obedience to elderly and superiors. Asians are rich in Eastern culture. They have many common well established cultures of politeness, respects, obedience and religion. This makes west and east totally different in life styles, human nature and behavior.

Organizations are made up of people and organizational goal. Therefore, people in an organization bring social cultures into their organization. Then the organization creates its own culture belonging to the majority of the people making up the organization. Organization cultures are different from one organization to another. Again based on social culture, organization culture becomes west and east, two major culture groups. Both cultures have strong and weak points. When economic globalization is introduced in both the west and the east, these different organizations become closer to each other and work together gradually. After that Multi-culture organization appeared in the modern world. Management in such organization and people has to understand each group, utilize the strong points and eliminate the weaknesses of each culture to optimize the multi-culture organization. Much openness, innovation and creations are involved in multi-culture management.

Thailand belongs to the Asian group and its original management style is close to that of the Chinese and family type management style. The country itself belongs to the King. Monarchy system is practiced up to the present. Years after years, the life style of Thailand is changing along with the modern world and business nature but it still maintains a strong, rich and unique Asian culture.

Since the Thai Baht was floated in the free market in the middle of 1997, the economy in Thailand is changing rapidly. Money market brings down Thai currency to the lowest point of the Thai history. The majority of the Thai businesses rely on foreign loan face working capital problem. This leads many successful small and medium sized companies to face with cash flow problems. Many companies stop operating. Many companies have to merge with larger companies or competitors to survive in this economic situation. The majority of the merger is taken place on local firm by international firm where local firms are weak in investment and resource management but strong in market knowledge. International firms have strong investment with professional resources management but lack local market knowledge.

Therefore, these mergers result in effective and efficient way of business management for both parties. In over all view, this is the successful, fast and effective way to manage and maintain the business. This also brings a re-structuring and re-forming of management and resources allocation. This means management style is changed. Company policies are changed. Resources allocation is rearranged. As a result, employee faces unstable condition and open new challenges in organizational culture. These new changes open up opportunities to show all potential abilities and improve status of all employees in local firms. It also brings along with it risk of job stability and security. People with ambition and good knowledge of the job will have

higher chances to improve job enhancement and enrichment. This opportunity will come true only to those who know how to achieve it. And know how to live in the changing environment. This study will analyze the multi-culture management and- its effect on the local firm environment. This study will concentrate on Information Technology area where people with ancient culture will simultaneously catch up with the latest technology. These IT people introduce new and sophisticated technology thus improving the market. Therefore, a combination of the west and the east management and the introduction of multi-culture management will bring IT area to new challenges. It opens up the area for improvement. It gives chances to innovate better, providing benefit for both organizations and the individuals.

1.1 Hypothesis

(a) In multi-culture management organization, people with highly initiative and proactive manner will receive better benefit to individuals and organizations.

(b) The organization with highly initiative and proactive manner people will have higher performance than others.

This condition and effect can be observed and concluded from Thai company which was merged with international company. Performance improvement will be compared before and after merger.

1.2 Importance of the Study

Since mid 1997, many Thai companies had to merge with international companies. Then multi-culture management is introduced to these Thai native companies. Then within the organization, many employees are confused about management and working life style. This study will look into a situation where

management is changed to multi-culture management style and find out the way to get the individual and the organization performance benefit from the major changes. This study will target the performance improvement of Thai IT people who work under the management culture changes in the last 2 years.

This kind of study is very important and the result will be useful for companies affected by the current crises. As for the organization, this result will be a guide to achieving the performance improvement by cooperating and integrating of both the west and the east management culture. This will also help organization in selection and utilization of human resources. This study also applies to individual to improve working status and self-achievement in modern management system by understanding management changes and adjusting the working life style. This will help people who suffer from management changes and feel insecure about organization changes. This report will assist both companies and individuals to survive in such a difficult situation.

1.3 Limitation

This report will concentrate on multi-culture management changes' affecting technical people in information technology area. They are creative and innovative personnel. They are willing to introduce and move on to new technology but slow in response to social culture. Most of technical personnel are difficult to persuade and they are not willing to change their life styles. They are controlling social style personnel. They do believe in fact, care about what is right and wrong, do their jobs well as they love their jobs and wish to see achievement. They are not willing to follow rules and regulations. The majority of people are middle class, educated at university level and average age range from 20 to 35. Their experiences with organizational culture are young compared with the organization itself. Therefore, they need to know the changes

and adjust to be the best personnel suitable to the new multi-culture management style. This study is unique on how these young and effective employees will benefit in such cultural and managerial changes. This kind of study in specific area has not clearly been made yet. Therefore, the result of this study will help to boost company employee performance and create satisfaction for their work.

1.4 Delimitation

Organizational culture and social effect to individual will vary with age, job nature and work group or departmental and functional group. Therefore this study will not cover conditions other than technical personnel in information technology as these are the people who are under the condition of management culture changes. **But** the study can be applied to other job natures and working environments. Effect technological changes and global market movement will not be studied in detail in this report.

1.5 Research and Methodology

To understand and observe changes, the research will be carried out in 2 parts. The first part will study the past experience, culture changes and management changes in organization and society. Various countries and organization culture will be studied to observe the trend of changes. Secondly, a sample company will be observed for the changes and its effects.

This report will research on past studies made by various professionals in different cultures and countries. And it will include various kind of management and societies. The sample company will be chosen from over 60 companies which are merged by international companies to strengthen the capital. Selection is based on both the back ground of the companies and the permission from the companies. To see the

changes in management, sample company must have back ground of Thai management before merging with international companies. Required data are company performance measurements of before and after management changes therefore the companies permissions to use such data is required. This is to get the raw data for organization performance. To observe the individual performance, the researcher will collect data from personal interviews and survey of a company that was merged with international competitor's company to form a new strong and effective company in the local Thai market. Unstructured interview method will be used to observe the true image of Thai technical people.

After the raw data are collected, the performance of before and after management change will be observed for both the individuals and the organizations. Organization performance can be observed from company productivity, effectiveness and efficiency. The parameters are time, customer feedback and performance improvement of employee. These are the tools to measure the company's productivity, effectiveness and efficiency. For individual performance, this report will measure from individual status, feedback of management on personal performance and rewards.

1.6 Definition of Terms

In this study local firm means Thai company with Thai style management or Chinese style (Family business management). Multi-culture management means west and east management culture mix. People means technical personnel from information technology area. Thai information technology organization in this study means Thai Information Technology group such as electronic banking, electronic communication for data exchange, software development and group of people innovating new information technology into Thailand.

II. REVIEW OF PAST STUDY ON RELATED STUDY

2.1 Culture Background

Different life styles and backgrounds create people with different cultures and behaviors. Therefore, in each country there is different style of management and organizational culture. This is a social science study where nothing is absolutely right or wrong. People's life style will depend on their environment and cultural background. People's culture background could permanently affect their life style even if they move to a different environment. Therefore different management culture will be introduced for different kinds of people. These differences in management styles can be grouped based on their common characteristics. The study in " When Cultures Collide " (Lewis, Richard D. 1998) generalizes these style of management as linear-actives, multi-actives and re-actives.

Linear-actives are those who plan, schedule, organize, pursue action chains, and do one thing at a time. Germans and Swiss are in this group. Multi-actives are those lively, loquacious people who do many things at once, planning their priorities not according to a time schedule, but according to the relative thrill or importance that each appointment brings with it. Italians, Latin Americans and Arabs are members of this group. Re-actives are cultures that priorities courtesy and respect, listening quietly and calmly to their interlocutors and reacting carefully to the other side's proposals. Chinese, Japanese and Finns are in this group.

Once we combine all 3 groups and work in one company, the output will be an ideal company which will be well planed and organized, with active motivators and perfect obedient followers. In practice, Re-actives can be a good planner and Linear-

actives can be good followers too. It depends on how management is arranged with them in perfect places. This resource allocation is a part of the multi-culture management. It is to understand employees and their performance. Then utilize them to achieve better performance. Therefore multi-culture management could bring better performance in organization.

Understanding employee requires understanding of their various backgrounds. Employee background creates different perspective to the same management decision. These different perspectives can be observed clearly in unspoken rules such as Ethic in organization. Ethic becomes subjective to each group. The condition that Americans may call ethical may not be ethical to Japanese. This different action and behavior will lead to misunderstanding in business and incorrect conclusions of business decisions. Common sense is no longer a common sense if the sense is brought across to the other culture. For example, Gossip is assumed as negative connotations in western countries but in Japanese culture, this is the fastest communication channel in business. Silence response in business proposal will give negative feelings to American and Westerner but this is normal in East Asian countries like Japanese and Chinese. There is a Chinese idiom that says "Those who know will not speak, those who speak do not know". Thai culture is also a heritage from Chinese. That makes most Thai keep silent. This is a clear sample of behavior on silence. This is totally different from that of the Western countries like America. Management must be aware of this nature and decision has to be made based on an understanding of each employee. Therefore cultural background can influence management style.

2.2 Time

Different people have different perspective on time and its value. For management, Time is one of the concerned parameters. It is also one of the important factors for performance measurement. On time keeping, Germans are good in scheduling and time keeping on business appointment. They keep this as respect to others and show professionalism to others. Most Westerners look into time as action chain. All tasks have to be completed one after another. On the other hand, Thais are flexible in scheduling and time keeping. They see this as long term relation with others and allow them to be flexible to show understanding from the other side. Thai, Chinese and most of the Asians look at time as a circle. They circle around all tasks for sometime to get a conclusion. Implementation of schedule and expected task completion time will be very far different for different people with different cultural background. Utilization of time and effectiveness depends on management style and employee perspective on time. In multi-culture management, individuals have to understand each other's style of time keeping so that scheduling of work group will be more accurate. This will give better performance to the organization.

2.3 Management

Management is the main responsibility for success of company performance. Leadership is part of management. A person with leadership and management skill will give the best performance to the company. Different cultures give different types of leadership. Therefore leadership also varies depending on leader's background and the followers culture.

The British seem casual on leadership. They are diplomatic, tactful, laid back, reasonable, willing to compromise and seeking to be fair. All subordinates are part of

team and the leader works around with them and leads them as a team. And at the end, the manager is the boss of all. Americans are self reliant, tough and risk taking people. We can see them as free enterprise. In America, management is more structured. Line of command is defined and controlled according to that structure. But individuals can make their owned decisions within the corporate restriction. They are supervised constantly by the boss. They are given authority as long as they achieve target result. For German, management is hierarchy and consensus. These are clear up-down line of command and down-up flow feedback.

For Asians, management is influenced by religious and social culture. There are many different religions such as Buddhism, Muslim and Christian. However, in general, they have many common cultures, which are different from those of the West. Management is purely consensus rule. Stable Society is made up of different groups such as father and son, elder people and youngster and senior and junior friends. A group of elite and followers as a team and work together to solve the problem and make decision. The leader will over rule his group by respect and seniority. In business, Chinese and Japanese are the most influencial in management style and organization culture. Management and employee communicate in up-down obligation, bottom-up loyalty, obedience and blind faith. Work and play is mixed in the Thai style organization. Give respect and protect not to loose face to counter party in Business meeting are common in Asian style of management.

Management has to understand the different background of culture of employee and apply suitable style of leadership and management to achieve better performance. Multi-culture management can combine all strong points of different management styles and remove the weaknesses to improve performance. By understanding different

management style, individuals can behave in accordance with management style change. This will give the best match to the management-employee relationship. Closer the relation between management and employee, the better their combined performance to contribute to the company.

2.4 Communication

Languages also affect management. To understand each other's culture and management style, people have to communicate with each other. They have to share experience and information among them. Understanding each other is not only depends on language they used, it also depends on how they present each other. In multi-culture management organization, there are many unique ways of presenting ideas depending on the presenter's background culture and lifestyle. As, for example, Germans communicate with counter party in a straight forward way. They speak openly and directly to the point and get an understanding and an agreement at the end of conversation. The French are different from Germans. They use logical approach and create more relations and logical alternatives by using imaginative power. But at the end consolidate all and get the agreement and understanding. Americans put all cases on the table and open up all to confrontation. Create argument and fight to reach the solution and summarize the agreement. They want all to be done as soon as possible and in an aggressive manner.

Most of the above behaviors are different from Asians. Asians open speaking with respect and friendliness to the counter party. Being polite is common in Asian communication. The meaning of politeness may be different from that in other countries. Create a harmony and compromise but maintain objective. Confrontation is very rare in Asian management. Therefore, to improve the performance in organization,

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management has to look at employee backgrounds to choose a way of presenting and implementing the idea to them. For individuals as employees presenting innovated ideas to the management, they have to understand the management background culture to choose the best way of presentation.

.... Quietly is best

Culture Shock (Robert & Nanthap a Cooper)
Tim es 1990

Figure 2.1. Quietly is Best.

2.5 Thai Culture

Thai people have their own strong culture and life style for many centuries. This is a sense of Thai which we can see everywhere in this country. This also affects the working environment and management style. The majority of the Thais are Buddhists.

Buddhism largely affects their daily life style. According to Dr. Komin, Suntaree on study of Thai People (1990), Thais have loose structure in cultural behavior. They

(a)   allow considerable variation in individual behaviors,

(b)   concern less in observing reciprocal rights and duties,

(c)   have no long term obligation,

(d)   have no strong sense of duty and obligation in family relation , to parents, spouses and kindred,

(e)   almost determined lack regularity, discipline and regimentation in Thai life.

They hide feelings and intention behind a polite face-to-face social encounters as their social cosmetic. Much of the time, they fulfill each other's expectations, but this is only because they want to, not because others expect it of them or because the situation demands it. Thus, the potentialities for excessive or unbearable interpersonal frustrations in such an individualistic society are minimized by the hesitation to have strong expectation about events or people. That is also why most Thais "rarely live at, or even reach, a high emotional pitch" (Phillips 1965)

Figure 2.2. Culture Shock (Copper & Cooper 1990) Times.

2.6 The Values of the Thai People

Thai people have been socialized, consciously and unconsciously, to internalize certain values that are closely associated with their sex role, and have integrated them into their respective cognitive personality makeup. Thais believe and behave that the males are the breadwinner. Women are affiliates.

The nature of Thai life style is changed based on their age. Here I will look at the concerned age group of 20 to 40 range. At the age of about 2229, Thais are broadminded, imaginative, creative, ambitious-hardworking and courageous. They will

be obedient-respectful and have religious-spiritual life. At the age of about 3039 are interested in high equality, have the lowest self-control, tolerant and are restrained. The above data are extracted from Dr. Komin, Suntaree: Study of Thai People (1990)

In business society, the Thais are capable and hardworking, they care less about the world of contentment and the world of pleasure. They engage in such activities that are part of the purpose of the business.

Figure 2.3. Culture Shock (Cooper & Cooper 1990) Times.

2.7 Impact of Management Culture Change

For Thai management, the aim is more concentrated on the personal relationship than company objectives. Management is to look after the subordinates as their

children. Therefore time after time, company objective fades away from actual actions. Thai people prefer happiness in job and less attention to the scheduling and time keeping. When management set target or implement regulation, management explains to subordinates in an indirect way. The follow up of the target and the implementation are lenient and negotiable. Most western managements are concerned with the result more than the personal relationship. Set target and scheduling are the major concerns of effectiveness. Company target is a hard target and all work groups have to achieve it. Management looks at the employees as production process and monitors the performance by output results. Therefore, all targets and implementation are straight forward. Implementation is clear and interactive. Company goal and target are not negotiable but the process to achieve this is flexible. Employees have the right to choose the way to achieve the target. Teamwork is effectively used in western management.

Once management switches from Eastern style to Western style, the employee lose the confidence in work flow. Organization culture has to change along with management change. Employees slow in response to changes will be turned down by the new management. Qualified employees may feel uncomfortable with the new management style. Productivity may go down for a short term. Personal relationship with management is lost and there is insecurity at work. The nature of relaxed schedule may turn an active team to an unproductive work group. Employees feel more pressured in the working environment than actual work itself

2.8 Impact of Multi Culture Management

After merging the west and east companies, management culture will not change to western style totally. Eastern style of management will still be left in the

organization as native sense. At the first stage, there will be culture shock for both the local employees and aliens. This stage will take from 6 months to a year or longer depending on employee persistence and aliens' openness. During this stage, both management and employee will face confusion and employee feels insecure. Lay-off, volunteer to quit and reshuffle human resource may be introduced during this stage. At the end of this stage, both management and employees will gain an understanding of each other's style. At this stage, the majority of the technical personnel are in the age group of 20 to 35 where they are self-centered. Therefore, they are slow in response to changes in the organization culture. Western management brings along modern technology. IT people warmly welcome new technology and self-experience upgrade is faster than ever before. Even though social changes will not be accepted by the IT group, management will gain respect in bringing in new technology. This is a positive influence on the local staff

The next step is a paradigm shift in the working environment. Both sides will start looking for the strong and weak points of each other's style. In general, management will look at advantages of each culture and utilize them to improve productivity and performance. At the same time, employees will look at the advantages of secure positions and personal improvement within the changes. Here local staff who dares to show ability to others and innovate are fast to achieve higher personal status than others. This action is against local social culture and seen as show-off personality. For management point of view, this is an outstanding performance.

2.9 Thai Response to Changes

As the nature of the Thais, politeness and obedience of **the** master is very common in an organization. Thais are patient and forgiving. Therefore, they patiently

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wait and see changes. They do not demand to change what they are willing to do. They do not show their feelings to others about changes. Therefore, it takes longer for western management people to notice their actual needs. Thais are forgiving of all unfair treatments or mistreatments. They are afraid to express themselves. The majority of Thais give respect to Westerners and they believe Westerners are superior to them. They follow management without complaining but show in poor performance and unhappiness during work. This leads to a lack of feed back to the new management. The best way to see the response is to observe them at free time. Lunching out together or joining with them in free time. Thai people will show their actual feelings, their needs and direction toward the new management only in the free time. They feedback and respond to management indirectly and with gentle words. No demands or aggressiveness will be shown at the work environment most of the time. Observe them via personal relation is the best to see the actual feeling and feedback. Therefore, feedback comes mainly through the indirect way. Accuracy of feedback can come only through understanding of their culture and background.

III. RESEARCH METHODOLOGY

Multi-culture management has impact on many Thai companies that merged with international companies. Therefore, the impact can be observed from those companies. To prove this report hypotheses, sample company has to be chosen. Data for how many companies have been merged could not be collected as this has been an on going process in Thailand for more than 2 years. Therefore, one sample company is randomly chosen from the group of 60 companies. A group of companies is collected from their backgrounds and present changes. The company background must be Thai style management and operating business in information and technology area. Their current statuses must be a merging of the local company and an international company. The multi-culture management will occur in the new merged company. All the above conditions will satisfy this report hypothesis. Another area to choose the company is permission from the target company to access and analyze the performance data. Some companies do not allow observation of the company's present performance. Some companies do not have records of past performances. Firstly, 60 companies meet the above criteria and were listed for selecting in this research. Out of these 60, one company was randomly selected and requested to volunteer in this research. If the company does not agree to participate then another company was randomly chosen from the 60. The process is repeated until the chosen company agrees to participate in this research. After random selection process out of 60 companies, this report describes one sample company.

Here the selected local company's name was Bisnews Co, Ltd. which operated in Thai management style for more than 10 years. This company with all Thai in

Here the selected local company's name was Bisnews Co, Ltd. which operated in Thai management style for more than 10 years. This company with all Thai in management since it was founded a business as real time information provider which provides stock exchange data in Thailand with leading Information Technology. IT group is managed by Thai programmers and engineers. Therefore, this company is strong in both Thai culture management and working environment. In the middle of 1998, the economic crash in Thailand leads this company to merge with an international company, Reuters Limited (Thailand). The combined company is called Reuters (Thailand) Co, Ltd. This merger strengthens the financial status and technology support. Reuters Limited (Thailand) is an UK based real time information service provider for world wide coverage of it services. Its management level people are only from UK to maintain its nature and culture of the organization in the market. After these 2 companies merged, the culture changes in both management and working environment can be observed clearly. It will clearly show the performance changes due to changes of management. This company also allows itself to be observed and give out the required company performance data from both the past and the present. This company meets both background requirement and permission to run research on it. Therefore, Reuters Thailand Company Limited is chosen as the sample company.

The result of individual performance benefit will be obtained out by interviewing employees in IT area. This will find out personal feelings and achievement during merger of the companies. Unstructured interview method will be used during the research. This is the most effective way to interview the person and allow us to see him in his true self. Interviews will proceed as open interview with small talk and jokes to create a rapport with the interviewee. This will open up his/her actual feelings and

natural responses to the culture. Then indirect questioning is used to allow self-expression on multi-culture management life style. Selection of people is based on their native culture. This means only native Thai engineers in IT area are selected. In this research, 20 Thai engineers are randomly chosen out of 44 engineers in Reuters Thailand. This covers 45.5% of total IT people in this organization.

Collected data will be analyzed based on culture matching and multiple perspective point of view to see the best harmonic group to work in different situations. There will be 3 basic factors to review the data such as human, performance and time. Human is the main factor. He is the one who makes all the changes. He is sensitive to culture and his emotion affects performance. Therefore, human must be part of an organization.

All companies have to constantly improve their productivity. Product and service quality must be improved along with business development. The performance of a company is a major issue to achieve corporate goal. The performance of a company determines the company's existence. Management influence directly affects performance in all companies. The introduction of multi-culture should not produce a negative effect on the company performance. Therefore, performance is one of the concerns of the parameter for study.

During the culture changes, all parties (management, employee and business itself) have to self-adjust to settle the new environment. This is a time consuming and costly process for the organization. Shortening this duration will give advantages to business competitiveness. Longer time of integration will allow problems to grow worse. This will result in large performance damage to the business. Culture cannot change over night. Changing culture needs a reasonable time frame. People flexibility

decision with the wrong timing will got negative feedback from the employees. Therefore, Time is also an important parameter for this study.

3.1 Data Collection

The impact of multi-culture management is observed in 2 ways. First, the employees among the Thai local technical staff are interviewed to get the actual feeling, expression of individuals and their performance outcome. Secondly, an observation of the organization performance is made to reinforce the above.

3.2 Interview

Unstructured interview method is chosen to interview Thai technical people. This method is chosen because the majority of the Thai people express their feelings and ideas in an indirect way. Personal relationship is also concerned with openness to individual expression. The interview will start with a general conversation and enjoyable topic to relax the interviewee. This creates trust between interviewer and interviewee. Only after that intended questions are asked indirectly. During the interview, the following open-ended questions are asked to all interviewees and all answers are records. Before these questions are asked, the interviewer explained the reason for asking these questions. These questions are asked to see the individual perspective toward the organization and response to the change of the management style. Based on each response style, all interviewees will be grouped. Then their performance will be observed and compare before and after the management is changed. The interview is conducted by the researcher.

The questions in the Questionnaire are as follows:

(a)   Are you willing to face changes?

(b)   Are you willing to work under result oriented management?

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(a)   Are you willing to face changes?

(b)   Are you willing to work under result oriented management?

(c)   Are you willing to take challenges?

(d)   Do you believe in a Win-Win situation?

(e)   Are you willing to work as a member of a team?

(f)   Do you believe that self-motivation and self-initiation will bring high

performance for both the individual and the organization?

(g)   Are you able to synchronize between personal goal and cooperate goal?

(h)   Are you able to foresee the future direction of the company and personal

achievement?

(i)   Do you have confidence to accept the changes?

(j)   Do you see the changes as a positive opportunity?

For question (a), the meaning of changes is meant the change of management from the

Thai style management to a multi-culture management style. These changes could give

chances to employee for improvement in the near future. Under the multi-culture

management style, management looks at the result to determine on performance.

Therefore question (b) is introduced to see the response of the employees. Challenges in

question (c) means the employees facing new experiences and challenges under new

management. Every change has to be done on both sides, the self and the counter part.

Only the understanding and compromise will help to achieve success. Therefore,

believe in a Win-Win situation, question (d), is importance to achieve success in the

changes. Once the management is changed then people with open mind and

understanding of others could have better chances for success. Team management and

project management are common management style in a multi-culture management.

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Therefore, question (e) is asked to get employee's response on teamwork. Question (0 is asked because in the new work environment, self-initiation to solve unseen problems and self-motivation to keep improving working life style are essential to success at work. Since two companies are merged, many new colleagues will come together to work as a team. Therefore, synchronizing with other is importance to achieve success work. This feedback of the ability to work together will show in question (g)'s answer. Question (h) is to see the ability of employees to find the way to achieve success. Self-confidence is one of the reinforcements to push employees to achieve success and improve performance. Therefore question (i) asks about employees' confidence. Positive thinking is one of the ways to make clear and correct decision for success and improvement. Question (j) is asked to find out the employees' readiness for success and improvement. All the above questions' answers are shown in Table 3.1. Answers are grouped into 3 types as "Yes", "No" and "Do not care (or) Do not know". All results of the interviews are recorded for data analyses.

Interview Answer Detail Statistics

	Employee 1	Employee 2	Employee 3	Employee 4	Employee 5	Employee 6	Employee 7	Employee 8	Employee 9	Employee 10
Total No. of "Yes" for each employee										
Total No. of "No" for each employee										
Total No. of "Don't Know" for each employee										

Total "Yes" in Percentage		
Total "No" in Percentage		
Total "Don't Know" in Percentage		

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Interview Answer Detail Statistics

Yes/No/Don't Know. (Continued)

	Employee 11	Employee 12	Employee 13	Employee 14	Employee 15	Employee 16	Employee 17	Employee 18	Employee 19	Employee 20
Total No. of "Yes" for each employee	cn	N	N	cr)	00		N		N	kr)
Total No. of "No" for each employee	N	N	kC)	kr)	O		V:)	00	kC)	'Tr
Total No. of "Don't Know" for each employee	CD	,-.	N	N	N		N	,--,	N	

Based on the answers of the above questions, 2 groups are divided into Proactive to changes and Resistive to changes. Grouping is based on the number of "Yes", "No" and "Do not care (or) Do not know". If the number of "Yes" is more than 50% of the total answer then the respondents belong the Proactive Group. If the number of "No" is more than 50% of the answers then the respondents belong the Resistive Group. If the answers "Do not care (or) Do not know" is more than 20% of the total answers then assumed that the respondents are not really responsive to changes (or) does not know about all the changes. This group will be put as resistive group because they have no mature sense toward changes. Therefore, they will remain unchanged to changes.

Twenty IT engineers who are Thai native and graduated from Thai universities with Thai language medium and Thai style of education environment are asked the above questions. They do not have experiences on any western style management or culture in practice. They work for the IT environment for a minimum of 1 year and a maximum of 7 years in a Thai company. Therefore, they are good samples from which to observe the impact of the changes. Out of these engineers, their responses are as follow

   (a)   30% answered "Yes"

   (b)   60% answered "No"

   (c)   10% answered "Do not care (or) Do not know"
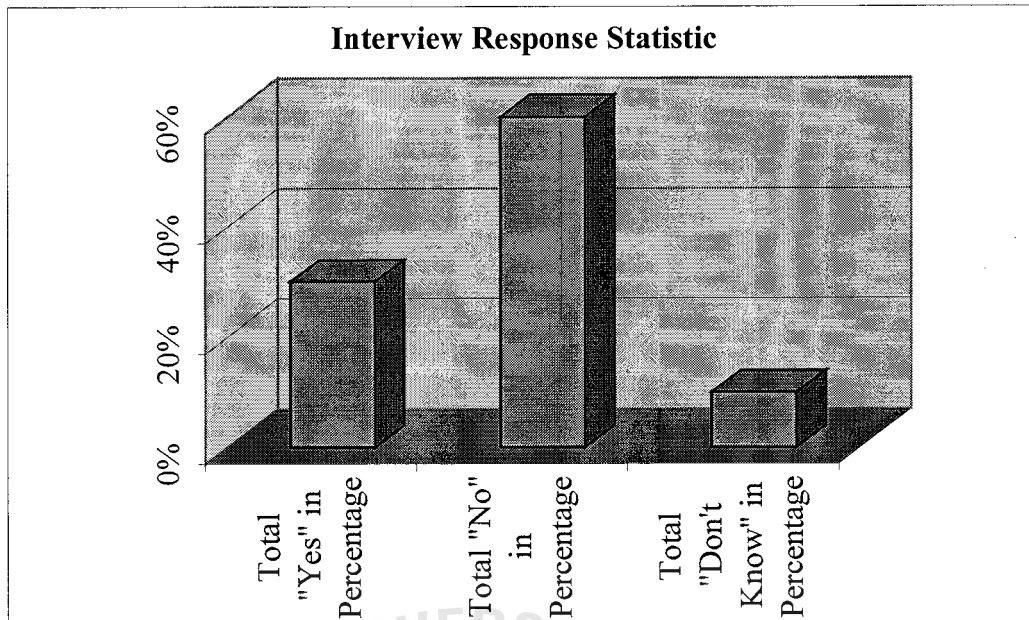
See Figure 3.1. for details.

Figure 3.1. Interview Response Statistic.

Therefore, the grouping becomes 30% Proactive and 70% Resistive. The details of personal achievement of each group will be shown in Chapter IV.

Each of them is observed for their working behavior and performance. Time keeping and attention paid to the job are also observed. Observation is carried out every Monday, Wednesday and Friday. Observation period is 2 months after two companies have merged.
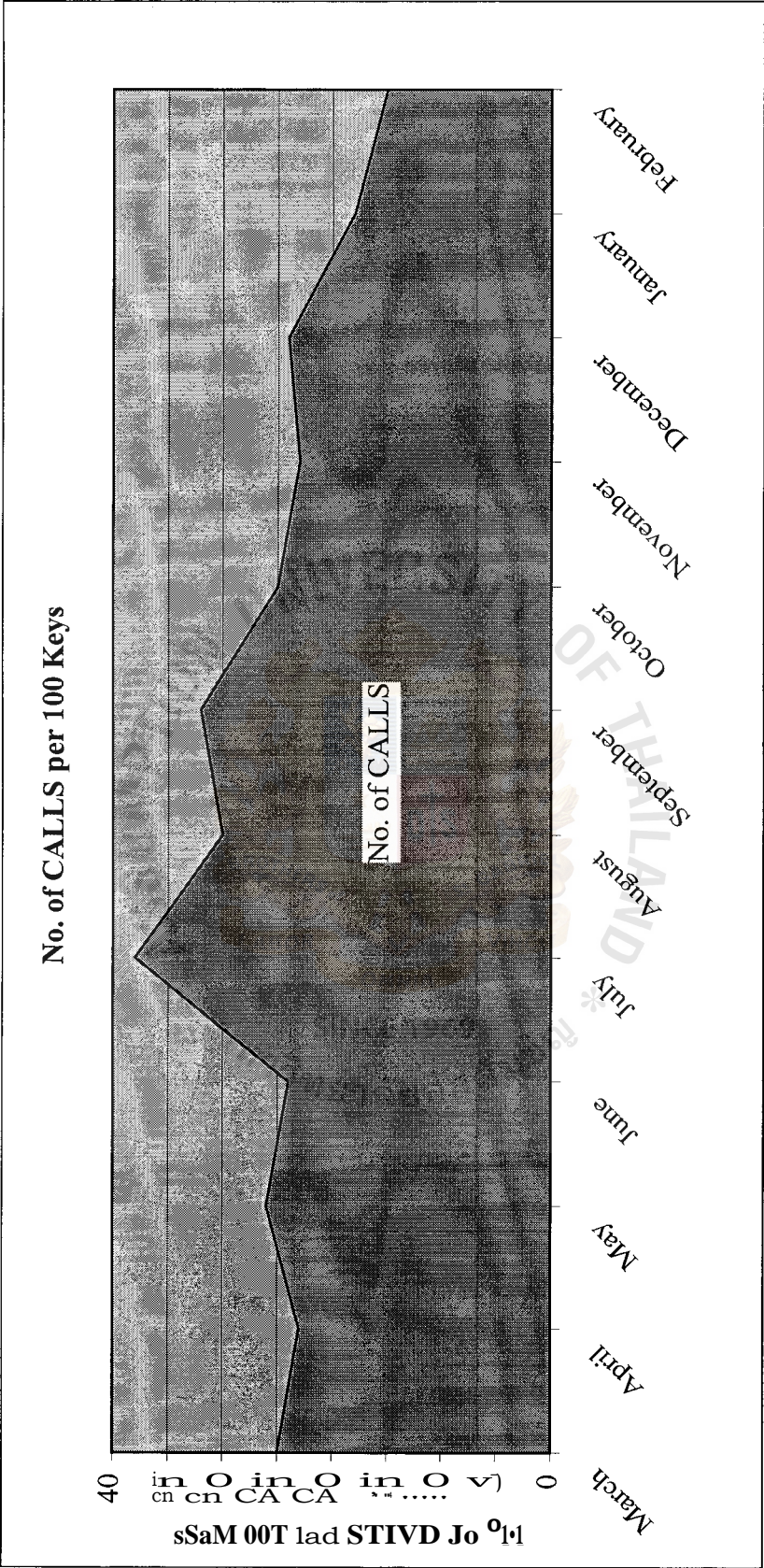
3.3 Organization Performance Observation

The sample company is selected from real time information service company named Reuters Thailand Limited which is the merged company of Bisnews Company (local firm) and Reuters Limited (International firm). This company is a service provider to all Finance and security organizations and Banking sector. Due to the nature of the service, performance of IT will directly affect the customer. These types of

customers are very sensitive to service quality, reliability and response time. The response of the customers is faster than of other industries.

On the other hand, personal feelings toward changes can be observed from respondents' working nature such as a person who is punctual becomes a late corners and go home earlier than usual time. This means he or she is not willing to work in the current situation. Therefore, IT group performance is observed by their performance such as response time to customers, number of customers complaint and their reaction such as actual working hours, work quality, management recommendation and personal achievement. With help of Reuters Thailand Co. all of the above data are logged in the database system. This system is CALLS (Computer Assist Logging and Learning System). CALLS can keep track of all individual data as self-entry day to day jobs. This system was implemented and the work-flow was integrated in Reuters Thailand for more than 2 years.
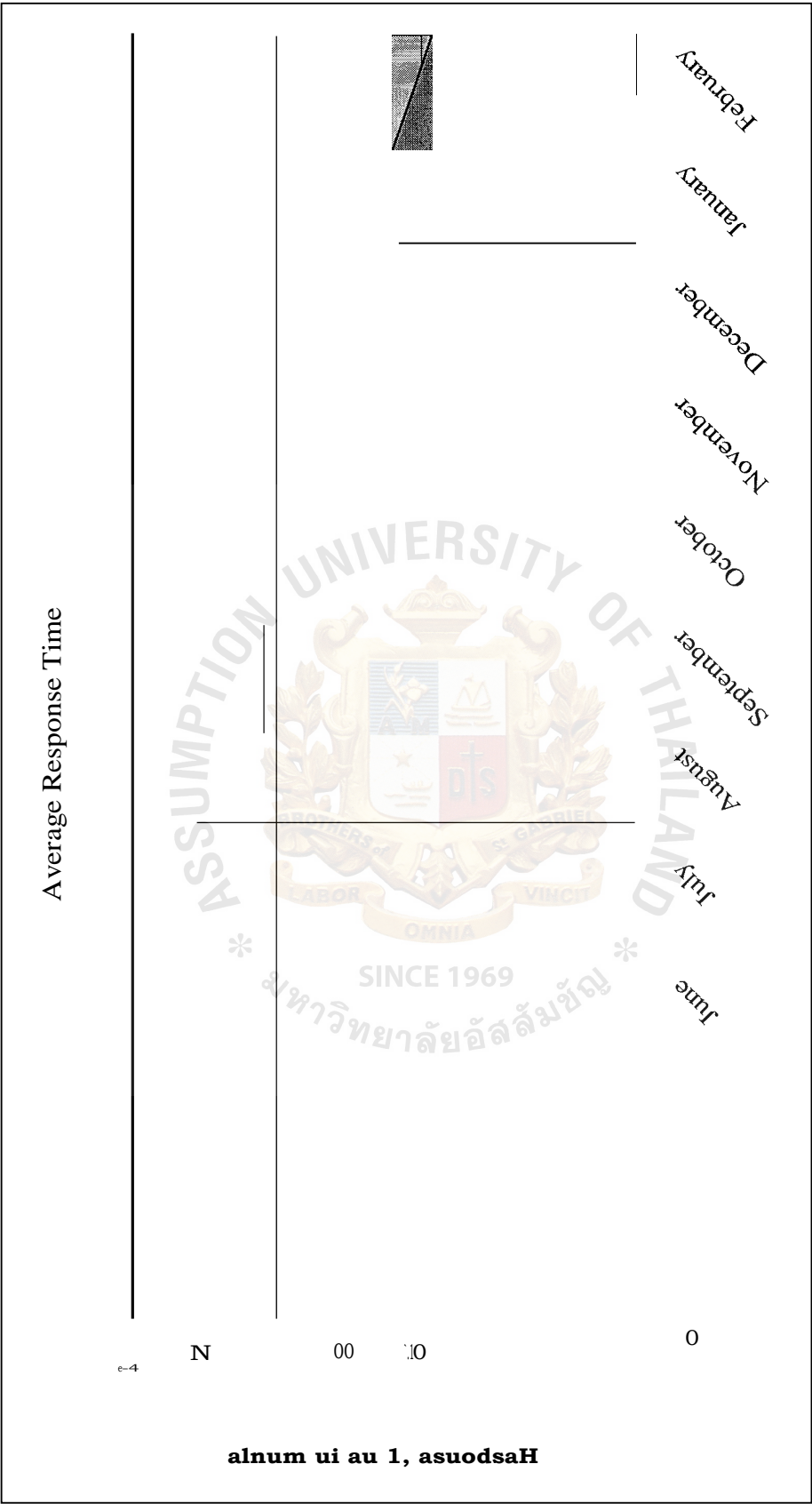
In this sample company, the merger took place on 4th July 1998. Straight after the official announcement of the two companies merger, field engineer group (IT engineers) are merged and sit together in a new office location. IT engineers from both companies have to work together at the help-desk for customer supporting front line as on-line support and also go site visit for on-site customer support. Both IT engineer groups are faced with management changes, learning the process to each others products and understanding of each other culture. Therefore, company performance of the local firm is shifted from normal condition to unstable performance, the worst situation, for a short term. These effects can be clearly observed in the following statistic graph.

In figure 3.2., the average number of customer call per 100 keys is sharply increased. This shows more customer call for assistance and more system breakdown on site. An average increase of about 30% in volume causes the worst condition in a year. This means that service engineers pay less attention and concentrate less on the quality of work. Therefore, more problems on client site and more customer calls are introduced. During this period, there were no major changes in products and no major outage in data center. Therefore, the effect is only from changes of management and culture shock. In the graph, the peak point occurred in July 1998. Afterward the average calls-per-100-key has fallen slowly and after 4 months it falls even lower than its last year average. This means after 4 months' time, management and employees gain mature understanding and reach a settlement. Then the organization restores performance improvement.

No. of CALLS per 100 Keys

No. of CALLS

No. of CALLS per 100 Keys.

March · April · May · June · July · August · September · October · November · December · January · February

40

sSaM 00T lad STIVD Jo °l·l

In figure 3.3., average response time for customer is increased from about 90minute average response time to 120 minutes average response. The response time is measured from the duration time between receiving customer request to assisting until the time engineer arrived on site to provide service. This is one of the key measurements for service quality of Reuters service. Faster response time will mean better service to the customers. Response time is critical to on-line real-time information service which is provided by Reuters Thailand. Therefore, this response time is constantly monitored by company management to promptly act to achieve competitive services. As shown in Figure 3.3., this response time is dropping from 90 minutes to 120 minutes. This means service engineers are slow in response to their work. This shows that the service level is dropping. This is caused by engineers being less interested in their task and responsibility. Their minds may be wondering about management changes and are dissatisfied with the changes rather than paying more attention to the task and the company target. Confusion and insecurity of job will bring their performance down. After a few months, they understand each other and are mature in the new multi-culture management. The engineer can concentrate on their job and improve their service level. This shows in Figure 3.3. as month of November 1998 and onward, the response time is reduced even below the before merge response time level. This improvement is due to stabilize and provide mature understanding of the new management to improve performance

Average Response Time

Average Response Time.

February
January
December
November
October
September
August
July
June

N   00   :0   0

e-4

alnum ui au 1, asuodsaH

Figure 3.4. shows the combined effect of the above 2 reactions to changes. Once Reuters received more customers' call and engineers provide slower response time to them, more customers are unsatisfied with the service. The result is more customers' complaints on service quality and service stability. This effect is shown in Figure 3.4. as the number of complaints are increasing more than 10 times the normal complaint level. This effect shows only a month after merger. This means customers are patient to changes in the organization.
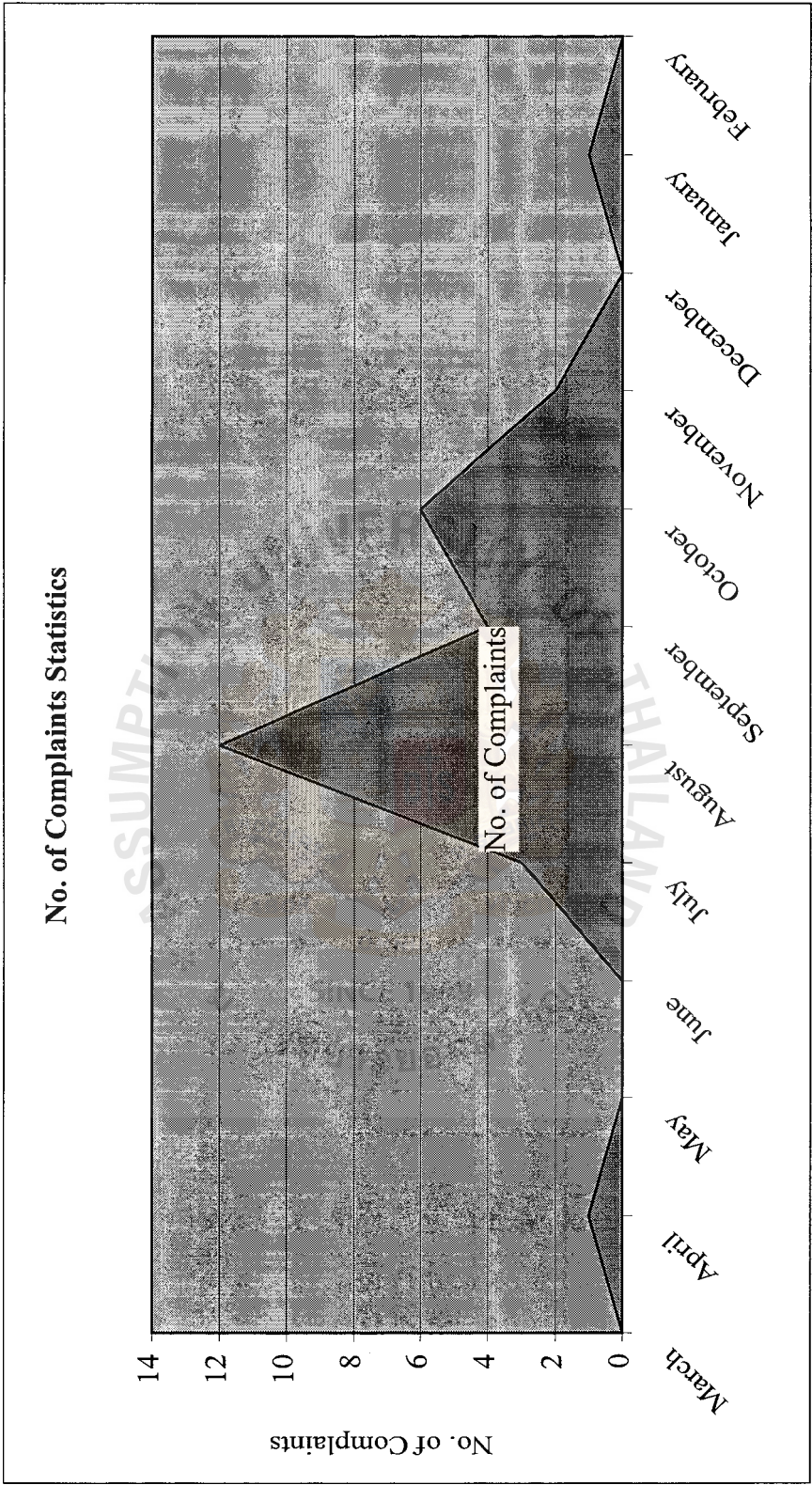
No. of Complaints Statistics.

IV. RESEARCH FINDING

After studying the sample company, people with initiative and innovative mind are more successful than others. People with self-confidence self-expression can influence Westerners more successfully than friendship and respect up-front approach. Since western management is to look at outcome rather than personal relationship, the result-oriented person has higher chances of success. Flexibility of scheduling becomes a negative impact on success. People who believe that daily job is a lifetime learning process will get continuous performance improvement. People have to see the paradigm shift to gain success of self-achievement and their performance. In multi-culture management, people with high initiative and proactive manner will receive better benefit to both the individual and the organization. This result can be seen in the following group performance.

4.1 Proactive Group Performance and Achievement

After field research from the sample company, in the first month of merger, performance dropped just like other mergers but within 3 months self adjustment has taken place and performance is back to normal and even some of them get better than before. Longer working hours and punctuality of working hours can be observed. These are dramatic changes in the work style. This can be observed as employees are learning the foreign language and requesting technical training from management is increasing. Improvement on work quality and the willingness to take more challenging tasks. More cooperation and teamwork is actively involved. Improvement in openness and better communication are shown in these engineers. They learnt both technical knowledge and social experiences from more than one culture in the multi-culture organization.

communication are shown in these engineers. They learnt both technical knowledge and social experiences from more than one culture in the multi-culture organization.

Management will look at this group as being fast to respond to changes, willing to work together with others and being team builders. Further improvement and performance show them to be an active group in the office. Seen as initiators and build-up trusts between management and employee, they are finally put on top list for promotion and given higher responsibility. This will benefit them in their security and improved working environment. Therefore the above changes in proactive group show that people with highly initiative and proactive manner will receive better benefit to individual. Once individual performance is improved, then the organization as a collection of individual performance is gradually improved. Therefore, this research hypothesis is proved to be true by this research.

4.2 Resistive Group Performance and Achievement

The performance of this group continues to drop or shows no improvement as a response to changes. Negative feelings toward the working environment and time keeping are apparent. The willingness to work hard from the heart has disappeared and they solve problem on a short-term, day-to-day basic. Less attention is paid on the work performance and effectiveness but they are more concerned with in-come and salary. Common feelings toward the company is "as long as the same paid is received, they will not work more or change". Some of them try to change to a new job and some of them even are forced to resign. On the management side, they look at this group as firstly slow to respond to changes. After that, assumed as poor in performance and put them in lower responsibility tasks. Finally, keeping them as extra persons in the office and put them in the possible lay-off list.

4.3 Conclusion

IT personnel are also humans with feelings. They have their own wills to change or not to change. As an organization, business interest is a main driving force to set and achieve target. This means result is the main decision for success. For proactive group, they are ambitious and willing to improve their live style. Therefore, they look for the way to achieve personal requirement. They express themselves to the management as they are willing to take chances and responsibility. As from management point of view, these employees become the most outstanding employees. Self-expression results identify them clearly for advanced performance. They are fast to adapt to cultural changes. This is the main requirement of western management.

In conclusion, to survive in a multi-culture management, people themselves have to accept the changes. People must be open minded. Paradigm changes and culture changes are positive opportunity for working life. Self-initiative and self-expression are ¡mportant to get recognized by management. Fast self-adjustment and willing to adjust oneself are important to survive in the organization culture changes. Dare to show new idea and innovation are strong points to improve status in the organization. Believe in change as a positive opportunity for self-achievement will help to build self-confidence and self-motivation. This will lead to improvement in status and future opportunity.

Management changes take time to complete. Therefore, not only acceptance of changes but also fast adaptation to changes are beneficial for the individual. Understanding of self and how others see to oneself are important to improve achievement in changes. All changes have a risk to lose and a chance to win. However, if one believes in Win-Win situation then the chances to win will be high. From the last chapter discussing data collection and analyses, the outcome of proactive group shows

that "In a multi-culture management organization, people with high initiative and proactive manner will receive better benefit to the individual and the organization." is true. The result of the performance in the last chapter shows that organization performance is improved. This proves that these proactive people give higher organizational performance than others.

V. RECOMMENDATIONS

This is a useful topic in the present Thai economic situation. This study is applicable to general life style. Fast and detail research will benefit the Thai employees. This will help in the modern globalized economy as localized in the Domestic Economy. It will open up Thai employees to understand more about business in a multi-culture background. Further study results can be applied to create advantage to the counter party in effective and respective way. Therefore, it is strongly recommended to research details on the impact of cultural changes affecting organization and individual performance.

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