ABSTRACT

In order to succeed abroad, multinational corporations (MNCs) need, among others, to carefully recruit their expatriate managers (those managers running their overseas subsidiaries). This has become a key issue for MNCs to achieve and maintain a competitive advantage in a global market. In Thailand, selecting competent and reliable expatriate managers is all the more critical as outward foreign direct investment by Thai companies is rapidly increasing, most notably in the hotel sector. Many Thai hotel chains are now investing abroad to diversify risk and expand their customer base, which also means that more and more expatriate managers are needed to run their overseas operations.

This paper focuses on those expatriate managers and on the issues Thai hotels face finding and retaining competent “expats.” Data are primarily collected from interviews with hotel managers and hotel owners that have subsidiaries overseas or have expatriates working for them. A survey of students enrolled in a Hotel Management Course at one Bangkok-based university adds to the lore of data. Still, even though a mixed methodology is used as a result, this study remains quintessentially qualitative as most of the data is collected from interviews, personal observations and documents.

The findings show that the demand for expatriate managers in the hotel sector is growing and that finding qualified managers and convincing them to accept positions abroad remains challenging. Several reasons account for this situation. Firstly, most Thai managers prefer not to change their habits as going abroad equates with a radical change of routine. Secondly, many found that living outside Thailand is not worth the effort. Hotel management students, on the other hand, are more inclined to accept a work assignment abroad but acceptance is conditioned upon the destination country. By far, though, the most important factor affecting potential expatriate managers’ decision to work abroad is culture. The more alien a culture, the less likely expatriate managers are to take the assignment.