Thai Expatriate Managers: The Issues Facing Thai Hotels Operating Abroad

Ms. Nitchamon Ongkasuwan

A Thesis Submitted in Partial Fulfillment of the Requirements for the Degree of Master of Business Administration
Graduate School of Business
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By

Nitchamon Ongkasuwan

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By  Ms. Nitchamon Ongkasuwan
Major  General MBA
Thesis Advisor  Ismail Ali Siad, DBA
Co-Advisor  Mr. Jean Dautrey
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K. Phothikitti
Dean of the Graduate School of Business

(Kitti Phothikitti, Ph.D.)

THESIS EXAMINATION COMMITTEE

Chairman
(Adarsh Batra, Ph.D.)

Thesis Advisor
(Ismail Ali Siad, DBA)

Co-Advisor
(Mr. Jean Dautrey)

External Member
(Associate Professor Thanachai Yomjinda)

Member
(John Barnes, Ph.D.)

Member
(Aaron Loh, Ph.D.)
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.
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June 2015
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CHAPTER 1

INTRODUCTION AND BACKGROUND TO THIS RESEARCH

This chapter provides the background to this study and is divided into five sections. First, the researcher provides information about outbound Thai foreign direct investment (FDI), followed by information on outbound Thai FDI in relation to the hotel sector. Third, is the statement of the research problem. Fourthly, the scope and significance for this research, and the limitations of the study are discussed. Finally the research questions and the definitions of terms are detailed.

1.1 BACKGROUND TO THE STUDY

Foreign direct investment (FDI) can be broadly defined as investing in another country. A company can invest abroad by opening a subsidiary in a foreign country. It may also form a joint venture or acquire a company. Historically, FDI flew from developed to developing countries. Yet, today, we are seeing a sharp increase in reversed FDI, that is, companies headquartered in developing countries investing in developed countries. Thailand is also no exception. A number of large Bangkok-based have been investing in developed countries (essentially in the EU and the USA). One example that readily comes to mind is Central Group that acquired La Rinascente, an Italian high-end retailer with 11 stores across the country, and Illum, a luxurious Danish department store in Copenhagen.

Generally, when a home operates in a foreign country, the top managers in that foreign subsidiary are from the company. They are sent abroad by the company Head Quarter. This is also the modus operandi for Thai companies. In Thailand, however, internationalization is becoming a challenge, because companies must find more talented managers willing to relocate abroad. Those managers, known as expatriates, usually come from middle or top management level.

Expatriate managers (hereinafter ‘expatriates’) are responsible for making sure that local employees in the foreign subsidiary understand clearly the objectives and work toward achieving the company’s goals. Expatriates thus need to work with local employees to make the process run smoothly. They have to deal with potential conflicts between home and host countries’ cultures. Differences in the cultures can also affect the expatriates’ performance in the work place. Expatriates need to have
strong communication skills in order to relate well with the locals and also solid adaptability skills so that feel comfortable working in a foreign country.

Expatriates play a big role in the success of a company abroad. Their ability to manage their host subsidiary according to the Company’s HQ mandate is critical. If the assignment abroad fails, the company may end up losing a lot of money and incur opportunity costs. Being an expatriate is also a way for many managers to move up the managerial ladder. Many CEOs have had to successfully complete at least one assignment overseas (Carpenter, Sanders and Gregersen, 2001).

1.2 OUTBOUND THAI FOREIGN DIRECT INVESTMENT

Outbound Thai foreign direct investment has been growing rapidly with over US$400 million dollars on average annually during 1996 to 2004 and it is expected to expand more in the future to reach around US$18 billion dollars in 2020 (https://www.bot.or.th/Thai/FinancialMarkets/ThaiDirectInvestment/Documents/Thailand_Hilights_ErnstAndYoung.pdf, accessed on March 8, 2015). However, investing abroad was not a new activity for Thai companies since it was strong leading up to the 1990’s. Yet, FDI was not really successful due to restrictive government policies and a lack of knowledge and experience on the part of Thai businessmen. The financial crisis in 1997 caused a pause in outbound FDI but this slowly recovered. Since there was a high level of competition in the global market, most Thai multinationals did not seek the cost advantages of going abroad but preferred to review their value chains in order to reduce the risk and increase profit instead. Yet, the Thai Board of Investment (BOI) supported Thai multinationals wishing to invest abroad and it was also signaled that would promote the global market as well. The FDI outflow often focuses on accessing intellectual property and searches for skilled workers in developed countries. Most Thai companies that invest abroad are the major public companies including Bangkok Bank, Amata, Thai Union, and CP.

FDI is the activity that generally involves opening a subsidiary in a foreign country. Traditionally, FDI flow is from developed countries to developing countries. Today, though we are seeing a sharp increase in reverse FDI, which arises when companies in developing countries invest in developed countries. Thailand is no exception. Starting in 1950s, Bangkok Bank was the first Thai company investing
abroad. At the time, it was not really successful due to the lack of international knowledge, which was often the case in the early stages of Thailand’s FDI outflow. The main destination countries during that time were Hong Kong, Singapore and US. However, policy restrictions on foreign exchange transactions and lack of knowledge and information about international business, hampered Thai companies and limited their ability to move into the global market at that time. The Thai FDI outflow started to increase rapidly during the 1980s and 1990s when free trade among some ASEAN countries included Cambodia, Lao, Myanmar and Vietnam (CLMV), and some European Union countries, was introduced. In addition, in the 1990’s, there was a trend for “Third World Multinational Enterprises”, which involved those developing countries that started to invest overseas and started to do international business, including Thailand, China, and India. However, during the financial crisis in 1997, most Thai multinational companies were having problems due to the weak currency and this made the FDI outflow decline. There was a lot of repatriation of capital and some companies had to sell their assets in order to remain “afloat”. More Thai investors at that time focused on the neighborhood countries especially members of ASEAN such as CLMV.

In 2001, when the Thai baht had appreciated, the FDI outflow was rapidly increasing, rising from $5 billion in 2001 to $23 billion in 2006 yet it fell back in 2007. However, Thai FDI outflow bounced back in 2003 when the BOI supported FDI and also assisted Thai investors who wished to invest abroad. This BOI policy helped Thai FDI outflow to continue to increase especially with the ASEAN countries. The main sector of Thai industry that invests abroad is the manufacturing sector, which is 32% overall (www.apeaweb.org/confer/osaka13/papers/Sermcheep_Sineenat.pdf+&cd=1&hl=en &ct=clnk&gl=th, accessed March 7, 2015)

There are many reasons for Thai companies going abroad such as finding new resources for cheaper cost of production, finding new markets or maintaining their market share and finding new technology to produce more efficiently. However, the most important reason for investing abroad is to maintain their growth and gain competitive advantage in the global market. Currently Thai outward FDI is highly developed and the government also supports more investment abroad.
Thai companies are also more likely to invest in a country that is far away from home, rather than the neighborhood countries, like other Asian countries. One reason is that most of the investors are going international in order to improve their value chain rather than seeking new markets or customers. Moreover, Thai investors also seem to focus on controlling their subsidiaries in the host markets, which means most of them depend on the HQ. According to a survey from Ernst and Young (2012), Thai companies also apply different priorities when investing overseas between the countries in the emerging markets and those in developed markets. And from 2003, until now, Thailand has been considered in a reemerging stage with respect to outbound FDI, as outbound FDI is expected to increase continuously in the future. In addition, Thai investors have already learned that seeking low-cost international markets has been replaced by a new trend for global business, searching for efficiency and strategic assets.

**Figure 1.1: Expected Growth for Outbound Thai FDI**

![Figure 1: Outward FDI is expected to rise rapidly for Thai companies](https://www.bot.or.th/Thai/FinancialMarkets/ThaiDirectInvestment/Documents/Thailand_Hilights_ErnstAndYoung.pdf)

Source: https://www.bot.or.th/Thai/FinancialMarkets/ThaiDirectInvestment/Documents/Thailand_Hilights_ErnstAndYoung.pdf, accessed March 8, 2015
Table 1.1: Outbound Thai Foreign Direct Investment in 2008-2013 in South East Asia

(In Millions of US Dollars)

<table>
<thead>
<tr>
<th>Region/Country</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
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<tr>
<td>South East Asia</td>
<td>33,958</td>
<td>43,071</td>
<td>57,572</td>
<td>58,380</td>
<td>53,847</td>
<td>56,374</td>
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<tr>
<td>Indonesia</td>
<td>5,900</td>
<td>2,249</td>
<td>2,664</td>
<td>7,713</td>
<td>5,422</td>
<td>3,676</td>
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<tr>
<td>Malaysia</td>
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<td>13,399</td>
<td>15,249</td>
<td>17,115</td>
<td>13,600</td>
</tr>
<tr>
<td>Philippines</td>
<td>1,970</td>
<td>1,897</td>
<td>2,712</td>
<td>2,350</td>
<td>4,173</td>
<td>3,642</td>
</tr>
<tr>
<td>Singapore</td>
<td>6,806</td>
<td>26,239</td>
<td>33,377</td>
<td>23,492</td>
<td>13,462</td>
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<tr>
<td>Thailand</td>
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<td>6,620</td>
<td>12,869</td>
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<tr>
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<td>900</td>
<td>950</td>
<td>1,200</td>
<td>1,956</td>
<td></td>
</tr>
</tbody>
</table>


Next, this study will focus on outbound FDI in the hotel business since the level of FDI outflows into this sector will provide an understanding of the need for more Thais to become professional expatriates.

1.3 OUTBOUND THAI FDI IN THE HOTEL SECTOR

Some Thai hotel chains have decided to diversify risk and expand outside the country by investing abroad. Thai hotel businesses started to go international during 1993-1997 together with other non-manufacturing sectors, including services, hotel and real estate. The outflow by these service sectors accounted for more than 60% of outward FDI. Australia is ranked to be the top destination for Thai hotel investors. In 2008, the value of investments in Australia was around US$188.21 million. Three Thai-based hotel chains currently operate overseas:

- Centara hotel and Resort, the largest hotel and resort in Thailand.
- Dusit International Hotels and Resort
- Minor International Pcl

1. Centara Hotel and Resort: first operated hotels and resorts in 1986, located in HuaHin, Thailand. The Centara Hotel was operated under the Central Group and listed as a public company. Later expansions were:-
- 2009, Centara Hotel and Resort was first operated outside Thailand under the brand Centara Hotel and Resort. The destination at that time was in Maldives and the second international branch in India.
- 2012, The first Centara Hotel and Resort in Vietnam, Philippines, Indonesia, Sri Lanka China and Mauritius
- 2013, Ethiopia and Qatar.

Nowadays, Centara Hotel and Resort owns 46 properties in Thailand, 21 properties in the Indian Ocean region and more to come in the future.

2. Dusit International Hotels and Resort: has been successful in the hotel and hospitality businesses for more than 60 years already. And now this brand is becoming the leader of the hotel industry in Thailand. Dusit started the business in 1948 under the name ‘Princess’ Hotel and has since expanded as appears below:

- 1995, The company acquired the Hotel Nikko in Manila, Philippines and changed the name to DusitThani Manila in 2008.
- 2001, the company expand their subsidiaries to the Middle East.
- 2007 in Dubai, UAE under the name Pearl Coast Premier Hotel.
- 2010 in Cairo under the name DusitThani Lakeview Cairo (first time in African continent)
- 2012 in Mudhdhoo, Maldives under the name DusitThani Maldives.
- 2013 in Abu Dhabi

3. Minor International Pcl.: The company started as a hotel business in 1978 under the name Royal Garden Resort in Pattaya, Thailand. The first hotel brand was launched in 2001, under the name Anantara. In 2005 the company changed its name to Minor International Pcl..

- 2007, the company invested in 20% of a hotel in Sri Lanka
- 2008, the first hotel under Anantara management was opened and acquired 50% of a hotel in Africa under the name Elewana Collection.
- 2011, the first wholly owned hotel in Maldives was opened under the brand Anantara and also acquired the largest hotel in Australia, which is Oaks hotel and resort limited.
- nm
- 2013, acquired major stakes in Hoi An, Vietnam and Mozambique. The company is also establishing partnerships in Africa.

However, these Thai investors from the hotel sector are still planning to invest more outside Thailand. As the owner of Minor International Plc has stated, now the revenue from hotel businesses are 65% from Thai market and 35% from international markets but the companies are planning to invest more to make it 50% from both Thailand and international [http://www.bangkokbiznews.com/news/detail/514431, accessed March 7, 2015].

With investment overseas steadily increasing, other hotel chains are seeking to cross borders and open subsidiaries; hence the need for more Thai expatriates. Finding the right expatriates to take on managerial positions overseas is becoming a most issue for Thai MNCs in order to achieve a competitive advantage and succeed in the global market. However, as indicated by many prior research studies (Causin, Ayoun and Moreo, 2011, Harzing and Cristensen, 2004), it is not easy for MNCs, in the hotel sector or in other industries, to find the right expatriates and they report a high rate of expatriate failure

1.4 STATEMENT OF THE PROBLEM AND OBJECTIVES OF THE STUDY

While, with globalization, the number of multinational companies around the world has increased, it has brought with it many challenges and seen the advent of “global managers” who, more often than not, are expatriate workers having to adjust to working in and across foreign cultures. This arises because, as companies establish subsidiaries in foreign countries, they need to send their managers from their Head Quarters to control and work with the local employees, and the recruitment and training of these professional expatriates is now becoming increasing critical to the success of overseas ventures. These expatriates have to be able to work under pressure and it is one of the most challenging tasks in their professional life. It is becoming more critical for the expatriates in the service industries, especially the hospitality industry, to perform efficiently and well. In Thailand, as discussed above, there are more foreign investments from the hotel industry coming from Thailand than ever before and the lifestyles of the Thai people, and Thai culture, are very different from those of many other cultures.
Since as we saw earlier there are now many Thai companies that invest overseas, more expatriates are needed not just in hotel businesses but also businesses from other industries as well. For this reason the expatriate employment market is becoming more competitive. In addition regional integration is increasing as the Asean Economic Community (AEC) is scheduled to come into operation within the next twelve months and so more companies will invest in these countries, hence companies need to find responsible expatriate managers. Most Thai hotels are anxious to find Thai people to be expatriate managers due to the preferences of foreign customers for Thai service providers. If a company can find an appropriate expatriate and complete the assignment within a specific period of time, the company will gain a competitive advantage in international business. But it is difficult for many companies to find a Thai person willing to work abroad since most Thai people do not prefer to work outside Thailand for a long period.

This study aims to explore the factors giving rise to the issues of finding and retaining competent expatriate workers. To this end, it focuses on expatriate employment issues in the hotel sector in Thailand. Specifically, it uses interviews to determine the nature of these issues. In order to provide a more general view of the range of issues involved, interviewees were conducted with hotel owners and managers in various parts of the country who have subsidiaries overseas or have expatriates working for them in Thailand. Also interviewed are students enrolled in the Hotel Management Course at Assumption University, Bangkok.

This study seeks to determine:

1. The nature of the difficulties experienced by hotel managers when recruiting expatriates
2. The particular attributes they look for in the potential expatriates
3. The package they offer to make assignments attractive
4. The level of motivation and interest among Thai employees to take assignment abroad
5. The factors making the assignments successful or problematic
The extent to which being married or single, a male or a female, or having children may interfere with the expatriates’ performance abroad

The expectations expatriates entertain upon their return and whether they wish or even willing to take another assignment abroad

1.5 RESEARCH QUESTIONS

This study seeks to answer the following questions:

1. How difficult it is to recruit expatriates for overseas assignment?
2. What specific qualities do hotels look for when they select expatriates?
3. What incentives do companies offer them?
4. Are Thais generally willing to accept assignments abroad?
5. What are the most likely affects the performance of expatriates on assignment?

This particular topic raises a lot more questions which will be addressed in Chapter 5 as sub-questions. They include:

- Does the fact that a potential expat is single/married make a difference in terms of accepting an assignment abroad?
- Does the fact that a potential expat has children make a difference in terms of accepting an assignment abroad?
- Is it usual for Thai expats not to complete their overseas assignments?
- What are the expectations of expatriates when they return from an assignment abroad?
- Is it usual for Thai expats to accept more than one assignment abroad?
- Does it make any difference whether the expatriate applicants are males or females?

1.6 SCOPE AND SIGNIFICANCE OF THIS RESEARCH

As just mentioned above, this study includes hotels in Bangkok, Ubonratchatani and Chiang Rai, and students, many of whom from outside Bangkok. The scope of this study is thus regional-national (it is not limited to Bangkok people, hotels and professional experiences).
Due to the nature of the issues tackled, this study can help multinational companies in Thailand in the service industry that have subsidiaries overseas and need to send expatriates to work abroad to better understand the difficulties and challenges they may face. It can especially help those that are naturally keen to reduce the failure rate so prevalent among professional expatriate workers. It may also help those companies figure out and understand what factors, which include task assignments, mode of entry of the subsidiary into the host country, family situation, the differences between host and home cultures, and skills that are needed by an expatriate and affect his or her performance. The conclusions drawn in this study should enable a corporation to be better able to select the right person for an overseas assignment and to provide an appropriate training regime. It goes without saying that a decreasing expatriate failure rate will help a company reduce its costs since sending expatriates to a subsidiary involves significant outlay. Any failure with regard to an expatriate’s assignment will cause the company to suffer both financially and in strategic terms. To understand expatriate performance will also help companies to increase their competitive advantage, because if the assignment is successful and the company will not lose good quality of employees. In addition, this study is also intended to help a company select the right person to work as an expatriate and to help ensure the selected person fits the requirements and the goals of the organization.

1.7 LIMITATIONS OF THE RESEARCH

In this study, there are several limitations since the researcher has only researched expatriate assignment issues in the hotel industry in Thailand and the respondents were limited to individuals who work and study in the hotel sector in Thailand. Secondly, the interviews with the respondents were limited and personal opinions and attitudes of the interviewees may not be fully reflected in the responses obtained. Thirdly, since some of the respondents were concerned to share all their information about their work the names of the hotels remain confidential in terms of undertakings given by the researcher to respondents. In addition, the interviewees may have felt unsure about the exact purpose of this research so they may not have been confident to give all the information that the researcher needed. Fourthly, the results of the interviews and the personal observations made by the researcher were focusing on Thai people only so the results may not be applicable to people from different cultures. Studying the behaviors of a limited number of people may not a complete
picture of what people think and feel because not all people are going to perceive issues in the same way. Lastly the other major limitations of this research were the limited number of respondents, the time frame for the research, which was limited to only 3 months of interviewing for data collection, as were the resources available to conduct the research.

1.8 DEFINITIONS OF TERMS

**Cross cultural understanding:** The knowledge and understanding of the differences between home country and host countries of the subsidiaries. Lacking knowledge in cross cultural understanding can lead to misunderstanding in the workplace, which can lead to the failure of the assignment (McEvoy and Parker, 1995).

**Expatriate Adjustment:** The measurement of how much a person understands the psychological comforts and how they deal with unpredictable situations in the different environments (Gregersen and Black, 1990).

**Expatriate Assignment:** An assignment which aims to control or develop the management structure in one of the subsidiaries abroad in order to transfer technical skills or management knowledge to the local employees for the purpose of making them synchronize with the HQ (Edstorm and Galbraith, 1977).
Expatriate Failure: Managers quitting or premature return to the home country before or without completing the assignment has completed due to many situations (Magnini and Honeycutt, 2003).

Expatriate Manager: The person mostly from middle to top level of management that assigned by a company to be responsible for an assignment abroad in one of their subsidiaries in a manager position for a specific period of time (mostly 3-5 years) in order to fill the manager position where local employees have lack of knowledge (Harzing 2004).

Expatriate Performance: The ability of expatriate to work in the subsidiary during the assignment overseas, which can be measured from adjustment, commitment, risk taking and completing the assignment required (Kraimer and Wayne, 2004).

Influences of Country of Origin: People from are from different countries may perceive things differently, which made their way of thinking different based on what they have beliefs. (Ayoun and Moreo, 2009).

International Staffing Policy: The activity of the companies that applied to select a person for working abroad affect from the way they selected the expatriates, which included ethnocentric approach, polycentric approach, geocentric approach and regional centric approach (Harvey,

**Hofstede’s Framework:**
The framework that shows how people from different cultures have different behaviors and how it may influence the management style in terms of working abroad, which included individualism-collectivism, power distance, uncertainty avoidance and femininity-masculinity (Hofstede, 1980).

**Thai Management Characteristics:**
Based on the Analysis from Hofstede’s cultural dimension, Thai management characteristics are collectivist, high power distance, high uncertainty avoidance and feminist (Prpic and Kanjanapanyakom 2004). Moreover, Thai management style is categorized in high-context cultures.

**Perceived Organizational Support:**
Perceptions of expatriates themselves on how the HQ treated or supported them during the assignment in order to help them complete it (Eisenberger, Huntington, Hutchison and Sowa 1986).
CHAPTER 2

LITERATURE REVIEW

The review of the literature relevant to this research is divided into two parts. Firstly, the researcher provides the definitions of each key concept related to the topic of the study and the research questions. Secondly, seven previous studies, which can be characterized as secondary data of relevance to this study, are discussed in detail.

2.1 KEY CONCEPTS

2.1.1 What is expatriate manager?

In the international context, an expatriate is a person who is staying or working in a country that is not their own native country. Nowadays, many are international managers who are assigned to complete a specific assignment in a foreign country (Laserre, 2007). Generally, a professional expatriate manager, as a corporate executive, is a person employed overseas, more often than not by a multinational corporation (MNC). He or she is often assigned to do an overseas posting in a subsidiary of an MNC, in a host country, for a specific period of time. He or she, as a professional, is usually an individual in the middle to top level of management who understands the mission and vision of company clearly (Harzing 2004). Often such an expatriate will be assigned to manage in a subsidiary of an MNC in a host country to ensure that the objectives, mission and vision of that subsidiary relate in all respects to the parent company. Expatriates are invariably assigned to work with the local employees during the assignment and need to transfer knowledge and experience to the local managers so they in turn can transfer knowledge to other local employees to ensure that processes can run smoothly, with the same levels of quality, as the parent company. The expatriate’s role is often to report to the parent company, acting as a go-between, to ensure the parent company and the subsidiary are going to the same direction.

A company may have several objectives in sending an expatriate to work in an overseas subsidiary. Firstly, to fill positions because the local managers and employees lack the knowledge and experience to manage a specific issue and thereby to share knowledge from the parent company with local employees in both management and technical terms. Secondly, to develop and enhance management
processes to ensure that quality is achieved to international standards. Secondly, expatriates may be posted overseas to develop the organization (Edström and Galbraith, 1977). Finally, expatriates are often assigned to work in the overseas subsidiaries of MNC’s where strategic concerns are involved.

However, if the local employees in the host country are dissatisfied working with an expatriate, there may be a high chance of failure of such an assignment (Chen, Tzeng and Tang, 2005). Research indicates that approximately 40% of expatriate assignments fail, and because most of them are at middle to top management level, the cost of failure is very high (Lewis, 2006).

To be successful an expatriate should have the right characteristics and hence it is the task of the Human Resources Department, (HR), of the MNC to find the person who has the appropriate skills to work overseas. The first characteristic is flexibility. An expatriate should be able to adapt himself or herself to any circumstances to work in a new environment with different lifestyles in both daily life and working life. Expatriates should have cultural sensitivity and have an open-mindset to be able to understand the differences between people and between different cultures. Leadership skills are also needed by expatriate managers because their most important task is often to manage and teach the local employees to follow the objectives of the parent company. Hence, an expatriate should thoroughly understand the mission, vision and objectives of their company so they can share their knowledge, and especially their strategic management skills, with local employees in a host country. Leadership skill is often considered to be the most important characteristic that an expatriate manager should have (Yooyanyong and Muenjohn, 2010)

2.1.2 Expatriate Adjustment

Expatriate adjustment can be defined in terms of the degree of psychological comfort an individual has with different cultures (Gregersen and Black, 1990). Even though training and theory will provide some understanding to the expatriate much depends on each individual as to whether they can change or adapt based on the situation confronted in the host country (Black 1988,1992) and how much it will influence the tasks they are given (Nicholson, 1984).
There are three dimensions for expatriate assignment as discussed by Mendenhall and Oddou, (1985). These authors identify the relationship dimension, the perceptual dimension and the self-dimension. First is the relationship dimension, which is related to the relationship that the expatriate builds with the local employees in the host country. To make the work run smoothly and succeed, a good relationship will create a good work environment and reduce pressure on the expatriate. It will help them to communicate more effectively so they can deal with the problems faster and have better outcomes. So the better the level of expatriate adjustment, which includes good social skills, the better the relationship with locals in both work life and daily life (Hechanova, Beehr and Christiansen, 2003).

Secondly, the perceptual dimension relates to the understanding of the differences in behaviors of the local people and knowing how to interact with them appropriately. Different people have different belief systems and that can cause conflict if expatriates do not understand this dimension (Mendenhall and Oddou, 1985). Cultural differences are very sensitive and can influence work outcomes, which means that if there is a conflict between an expatriate and local employees, in terms of different ways of thinking for example, the job performance may be lower. So the perceptual dimension may require that the expatriate, to be successful, must to adapt to new behaviors to improve job performance by reducing the cultural gap (Yiu and Sanner, 2000). It may also help if the MNC has in-depth knowledge of the country they are investing in.

Thirdly, this self-dimension, which relates to the expatriate’s personal ability to deal with stress, and how confident he or she is when working in a new environment (Black et al., 1999). The expatriate who has a high self-confidence level will be able to perform the work better in an unfamiliar situation and adapt faster to new cultures (Chao and Sun, 1997). The other ability that is important is the ability to deal with stress and to handle unexpected problem situations even when under a lot of pressure and this in turn relates to the overall level of emotional stability by the individual (Fraser and Tucker, 1997).

Collectively, these factors show how an expatriate assignment differs from a domestic work assignment. They illustrate that an expatriate who is better adjusted to a host country will have higher levels of self-efficacy (Harrison, Chadwick and Scales, 1996). The research indicates that better expatriate adjustment results in higher
chances of success with international assignments as it leads to better expatriate performance. Training therefore plays an important role in terms of improving adjustment skills, particularly in relation to the control of emotions and increased flexibility skills. Ideally, expatriates need to understand in advance the new environment they are entering as well as the unfamiliar problems they may face.

Based on the findings from Bhaskar-Shrinivas, Schaffer and Luk (2005), indicate that the ability to adjust to the host country is one of the strongest factors that may determine the performance and effectiveness of expatriates and whether they are going to complete their assignment abroad or not.

2.1.3 Expatriate Failure

Expatriate failure can be defined as managers quitting and returning to their home country before the assignment is completed (Magnini and Honeycutt, 2003). There are several factors that may lead to failure of performance. First, an expatriate may not have enough ability to adapt to a foreign environment so he or she may be faced with culture shock and feel stress, which makes the quality of their work fall below standard. Secondly, when their families do not support them well during the assignment, or the family cannot adapt to the new environment, this will make them work under greater pressure. Thirdly, it will be more difficult for an expatriate to run a business process smoothly if they do not get enough support from the parent company. In some circumstances an expatriate may be able to give up the assignment voluntarily before it is completed. Fourthly, expatriates will not be able to work well with local people if they do not have an open-mindset and also do not open themselves to learn new things. Finally, a lack of technical experience on the part of either party may make it more difficult for the expatriate to share knowledge with the local managers (Lee, 2007).

However, expatriate failure does not always mean that the expatriate managers withdraw from their assignment and return prematurely to their home country. Failure may occur when corporate performance has declined, productivity decreased, market share or competitive advantage is lost, or if local employees cease to be manageable. These problems linked to a psychological failure that can effect the company as well (Shaffer and Harrison, 1999). As the survey data collected by Shay and Tracey (1997) indicates, the failure rates in the hospitality industry are similar to
those in other industries. Yet, the failure rate was seen to increase significantly especially when expatriate managers were assigned to work in developing countries.

2.1.4 Expatriate Assignment

Generally, expatriate assignments are made for developing the administration or to control an overseas subsidiary (Edstorm and Galbraith, 1977). Often this involves expatriates being sent to a subsidiary not only to transfer technical skills to the local employees but also to control and coordinate the management structure, operational processes, and the overall strategies of the company. And, with most international assignments, they will have a chance to develop their own skills to work internationally and thereby become a more valuable employee for the company in the future. Generally an overseas assignment will help expatriates to improve their innovation skills and personal skills (Adler and Ghadar, 1990). Expatriates are often assigned at an early stage of a company making an investment abroad (Franko, 1973). Expatriate assignment is a very challenging task especially in relation to the quality control function because the success of the multinational company may depend on the quality of their products or performance. The expatriate manager may have to control the quality of performance in a difficult environment to ensure that the company can gain or maintain a competitive advantage through better quality control. An MNC may make an expatriate assignment to control issues of quality control both directly and indirectly, which means that corporate norms and corporate culture have to be monitored by the expatriate manager. The research indicates that the effectiveness of expatriate assignments is often based on managing the differences between the home and the host country cultures (Gatignon and Anderson, 1988).

In the context of the hospitality industry, expatriates are often assigned to host countries in order to transfer knowledge, transfer the skills (Adler and Rigg, 2012), transfer the technical expertise, (AsadSadi and Henderson, 2005), and to transfer technology. They may also have to manage issues relating to the corporate structure of a local subsidiary to ensure that it relates to that of the head quarters. This is one of the most important factors in the hotel business, and hence for sending home office managers to control overseas operations (Lomax, 2001, cited by Ho, 2012). Moreover, Ho (2012) found that the most difficult management challenges facing expatriate managers in the hotel industry are the differences in cultures and religions,
language barriers, management style variables and conflict between work and family life.

2.1.5 Expatriate Performance

Expatriate performance is defined in terms of the expatriates’ ability to work effectively in the subsidiary during the assignment overseas. The performance measure is based on the ability to adjust, how they commit to the company, how well they do on their task and whether they complete the assignment within a specific period (Kraimer and Wayne, 2004). Expatriate performance can be defined as both task performance and contextual performance, which is viewed as a multidimensional construct (Motowidlo and Van Scotter, 1994). The effectiveness of performance can also be measured when expatriates perform their task directly and indirectly, as the task performance relates to how well the expatriate adjusts to, or reacts with, the psychological environment of the host country; this is their “contextual performance”.

2.1.6 Perceived Organizational Support

Organizational support can be defined as the perception of expatriates on how the organizational treats them during the overseas assignment (Eisenberger, Huntington, Hutchison and Sowa 1986). If the company provides good support to the expatriate, he or she will feel more loyal to the company, which helps to improve their performance and reduce the turnover rate. The perceived organizational support is usually measured by asking the expatriate about their opinion and perception, rather than attempting to assess from the existing performance.

2.1.7 Cross-Cultural Understanding

Research indicates that lacking knowledge relative to cultural understanding may easily lead to the failure of an international assignment (McEvoy and Parker, 1995). Hence most companies focus on cross cultural training as essential pre-departure training for the expatriate to ensure better adjustment on an overseas assignment. There are several factors focused on such as, the expatriate’s personality (Caliguiri, 2000), or knowledge learnt from previous overseas assignments (Black, 1988). The work that the expatriate is assigned overseas may be different from their domestic work and additionally the assignee may also have to deal with different cultures. The assignee will have to have high levels of adaptability skill.
Language differences is one of the most important factors in terms of cultural variables that expatriates have to deal with. Differences in languages may make communication less effective. Furthermore, a different cultural context may reduce communication skills (Shaffer et al., 1999). It will be a bigger challenge if the expatriate is working in a country where English is not spoken and greater social skill will therefore be required to communicate with the local employees and to develop a better working relationship to ensure better communication. Expatriates may experience more stress if they have to deal with the language barrier if the language from the home country is totally different from that of the host country.

In order to give expatriates a deeper understanding of cross-cultural differences, a company needs to provide them with culture-specific training. Cross-cultural training can be separated into awareness training and specific training. Cross-cultural awareness trains individuals to deal with different challenges when working in a foreign workplace. Each culture has different characteristics and expatriates need to have different knowledge sets for different cultures (Gliatis, 1992). Culture specific training will allow the expatriate to go to the specific country that they are assigned to and to interact directly, more effectively, with the local people. It will help them to learn how to build better relationships within that specific culture. Cross cultural training should make expatriates learn from their weaknesses to improve themselves, or at least to know what skills they are lacking. For hotel managers, cross-cultural training is often focused on the “do’s and don’ts” that apply when managers are staying abroad and have to deal with local managers. (Dewald and Self, 2008). Many hotel companies use real-time training on location. (Magnini, 2009)

2.1.8 Country of Origin Influences

Different countries may have the different managerial practices. And different nations have different ways of thinking and perceiving as well as acting (Hofstede, 1980). Hotel managers, if they come from different countries, may have different philosophies on how to create their strategies. They may perceive a situation in different ways and solve problems based on these beliefs (Ayoun and Moreo, 2009). From research relating to American expatriates, besides family problems, most American expatriates fail because they do not have the ability to adapt themselves to a new environment. European expatriates often failed because of adjustment problems, which include their family’s adjustment. If expatriates are assigned to work in a
country that is similar to their country of origin, there is a higher chance that the assignment will be successful.

2.1.9 International Staffing Policy

International staffing policies may be applied in selecting a person to work abroad (Bonache, Brewster and Suutari, 2001). There are several ways that the person can be selected. Firstly, the ethnocentric approach or exportive orientation approach. This approach focuses on the parent company and is based on their structure and attitudes. The parent company selects the person from HQ to fill a post in the host country subsidiary so they can have the full leadership over the subsidiary. The second approach is the polycentric approach or adaptive orientation. This approach is applied to respond to the local environment more and focus on the structure of the subsidiary in the host country. The polycentric approach is best used for a company that needs local knowledge. The third is the geocentric approach or integrative orientation. Based on the current levels of globalization, this approach is the most used among international businesses. This approach involves selecting the person who is the most appropriate without being concerned about their nationality. Flexibility is the main purpose for this approach. The last approach is termed regional-centric. The person who is selected will be made responsible for a specific region during the international assignment (Harvey et al., 2001; Perlmutter, 1969; Taylor et al., 1996).

2.1.10: Hofstede’s Framework (Conflicting in Management Style)

There are four cultural dimensions based on Hofstede’s framework, which reflect the possible sources of conflict that can arise between different cultures especially in multinational companies.

1. Individualism-collectivism: individualism and collectivism is the degree of how much people concern for themselves or how much they will put themselves into the group. People who are from Europe and the U.S focus more on individual goals rather than team work while the people who are from Asia or other collectivist cultures will focus more on the successful outcomes of the team work (Hofstede, 2010).

2. Power distance: Power distance is measured by how a person with different power or position reacts towards others. In addition, it shows how a culture
accepts the differences in terms of power shared unequally. Countries with high power distance exhibit fewer relationships between different power positions than the countries that have less power distance (Hofstede, 2010).

3. Uncertainty avoidance: Uncertainty avoidance shows how people from one country are willing to take risks or deal with the unpredictable situations. The countries that have high uncertainty avoidance tend to avoid risk or feel uncomfortable when they are facing the unpredictable (Hofstede, 2010).

4. Femininity and masculinity: The femininity characteristic relates to caring for the weak and having high levels of modesty while masculinity is related to competition, rewards and assertiveness (Hofstede, 2010).

2.1.11 Thai Management Characteristics

As culture is one of the most important factors that could affect the management structure in a company, it is important for management to understand their own organizational culture and learn the culture of host countries. Siengthai and Vadhanasindhu (1991) found out that Thai employees in Thai organizations have management characteristic based on Thai cultural norms. Based on the analysis of Thai culture by using Hofstede’s cultural dimensions, Prpic and Kanjanapanyakom (2004) found that Thai culture is collectivist, having high power distance, and high uncertainty avoidance, and feminist traits.

In terms of management style, Thai managers are categorized as being “high-context” managers and avoid confrontation. Niratpattanasai (2000) mentioned that when Thai people disagree with their team members, they tend to stay silence. Moreover, they tend to avoid making decisions on the spur of the moment so it seems like Thai employees always agree when having a discussion, even though they do not really agree with what is being proposed. Thai people consider that it is impolite if you challenge someone’s decision when in a meeting. Thai characteristics are also totally different from the Westerners in terms of smiling and keeping quiet in both good and bad situations. These factors can give rise to conflict in terms of management when Thai managers have to communicate with their subordinates. Based on (Hofstede, 1991), Thai employees prefer to be told exactly what they have to do in detail on an assignment unlike Westerners. If these employees are not given directions they may feel uncomfortable. Lastly, the
working style of Thai people is easy-going especially in terms of timing and punctuality. Most people working with Thais become aware that they are often late, a factor which conflicts with the characteristics of punctuality displayed by Westerners (https://www.academia.edu/5296154/The_Thai_Cultural_and_Management_Style, accessed on April 1, 2015).

2.2 PREVIOUS STUDIES


2.2.1 Expatriates in the Hotel Industry: An Exploratory Study of Management Skills and Cultural Training by Gina Fe Causin, Baker Ayoun and Patrick Moreo

Causin, Ayoun and Moreo (2011) studied expatriation in the hotel industry. This research studied the expatriation skills needed for the hotel industry to improve effectiveness of expatriate forms of cross-cultural training. This research involved an exploratory study of the management skills and cultural training. In this study, the researchers focus on the international hotel business and which skills were needed for expatriation. Most research that focuses on expatriate employment ignores the hotel industry where there is a high rate of failure; many expatriates do not complete their assignments in the hotel industry. There are three factors identified in this research which assist expatriate success rates. The first factor is level of management skills. Most of the companies will select expatriates based on their technical skills because
they want expatriates to transfer the know-how to the local managers and employees. This research focused on the personal skills in terms of management strategies of each expatriate. Successful expatriates must be able to get along well with other people because when they work in a new environment, they need to be a good team player and lead the team to the goal. Psychological factors play an important role in how expatriates deal with complex situations in a workplace which may be unfamiliar and also how they deal with the local employees to gain their trust. The expatriates who already have high management skills will need less training. The second factor is the influence of the country of origin. The researchers believed that different people from different nationalities will perceived, beliefs and react to things differently. Even though they are all in the same situation the pattern of thinking may be different based on where they are from and how they have been taught. This research indicated that if expatriates were assigned to a country which is similar to the country of origin, the chance of succeeding is also higher as there is only small adjustment gap. If the gap is wider more training is needed. The final factor is cultural training. Cultural training in terms of the hotel business aims to prepare expatriates for the new environment in the host country and what they must do to succeed in the new environment. Training will focus on the things that they should do and should not do. First of all, expatriates need to understand their own culture before they can adapt to the host culture. There may be difficulties in the hotel business, if there are language barriers and differences in culture at the top levels management between the home and the host country. Training is needed for both pre-departure and during the assignment to make expatriates have self-awareness in order to reduce the failure rate. The most important skills are how expatriates fit in with the organization and how they get along with the new environment, which includes their mental capacities and how they understand complex situations. It is also depends on how much expatriates understand international business, international marketing, and how to negotiate in the foreign countries. So they need to have a high level of cultural balancing between home and host country as well.

2.2.2 Expatriate General Managers’ Perception of Hotel Management in Jamaican Four and Five Stars Properties by Howard Adler and Julaine S. Rigg

Adler and Rigg (2011) studied Expatriate Hotel General Managers in Jamaica, and their perceptions of human resource, organizational, and operational challenges.
This paper studied the expatriates’ work in the hospitality industry in the Caribbean. It shows the perspectives of expatriates in Jamaica, which has a different culture from many other countries. The researchers focused on how expatriates could adapt themselves to the new environment to reduce the failure rate. The reasons that companies sent expatriate to work overseas for hotel industry is to control the local subsidiary by transferring knowledge to the local people and to global. According to past research, they found out that there is a high rate of expatriate failure in the hotel industry worldwide and when an assignment fails, it costs the business from two to four times of the annual salary of the expatriate. From this study, the researcher found that all expatriates who work with the Jamaican people feel that it is very easy and they all receive a warm welcome from the local people and the level of hospitality in this country is higher than what they expected. But the problem is that Jamaican’s level of service quality is low when compared with other countries due to the lower skill and education levels in this country. The researchers found that this is a weakness facing the expansion of the hotel industry in Jamaica. There is also a significant challenge for expatriates to deal with the local employees and make the operations run successfully. From this study, the researcher found that if expatriates wish to be successful in their assignment, they need to be flexible to adjust to the host country. In order to adjust to the new environment, it takes time, so patience is a must, as well as respecting other people. So from this research, it helps expatriates to understand more about another country when the local employees are friendly and pleasant, even though their service skills for hotel business may be a weakness in terms of a company’s expansion strategies. So a company should send expatriates who can help improve service quality and also motivate local employees.

2.2.3 Expatriate Hotel Managers’ Perspective on Cross-Cultural Skills by Maria-Cristina Iorgulescu and Anamaria Sidonia Ravar

Iorgulescu and Ravar (2014) studied the management facing expatriates in the hotel businesses in Romania. The researchers explored which skills expatriates should have in order to manage an international assignment and how the hotel companies should provide effective cross-cultural training. Since there are more and more multinational companies, as well as hotel businesses, interested in investing abroad, expatriates are needed in subsidiaries in order to manage operations in host countries. To be successful in international business, firms need expatriates who can help
companies reduce costs and gain competitive advantage. However, can be a very challenging assignment to work in the new country where they are unfamiliar with the native population. That is one of the reasons why many companies provide cross-cultural training for their managers in order to prepare them. In this study, the researchers focused on the expatriates in the hotel businesses. The respondents were six expatriate managers from a hotel in Bucharest and from Skål International Romania, which is an international association of travel and tourism professionals. The methodology used in this research involved interviews, as this qualitative methodology was considered best in understanding the perspectives of each expatriate.

The researcher separated the results into three sections; the characteristics of expatriate managers, preparation before, and performance during an assignment. Firstly, the characteristics of the managers who are going to be expatriates should reflect open-mindedness and optimism. Moreover, in terms of working, expatriate managers should be able to work independently, have high leadership skills and be good team players. In the hospitality industry expatriate managers need motivation to develop service quality in the host subsidiary. The expatriate hotel managers are more likely to have better performance if they are able to adapt to the new environment and get acceptance from the local employees. Most importantly, if expatriate managers are satisfied with their assignment abroad, the results shows that the customers are also satisfied with the overall service they receive in the subsidiary hotel. Secondly, the researchers also focused on the training of expatriate managers to ensure that they achieve high performance levels. However, most of the respondents’ companies did not provide a pre-departure training programs. The preparation sometimes included a short visit to the host subsidiary before the assignment started. Moreover, the managers mentioned that they would like to have training in terms of cultural understanding. This suggests that the companies should provide as much information as possible about the cultures of host countries so that expatriate managers can be well prepared. As for family issues, providing a house for the expatriate and his or her family, as well as the school fees for their children, could affect the decision of accepting the assignments and also performance overseas as well. Finally, this research considered how expatriates adapt to the new cultures. Based on theory, cultural adjustment is a difficult part in terms of succeeding the assignments. In contrast, the researcher found that most managers perceived cultural issues as the
greatest challenge, yet not too difficult to handle. Managers see cultural issues as a
new experience and the opportunity to see the wider world. The hardest challenge
faced by these managers was the different functions and the different management
styles from country to country. In addition, during the economic downturns, maintaining a
good financial status is difficult also. Expatriate managers are expected to be
rewarded properly in terms of salary as well and if they perceive that they are not
fairly paid this will de-motivate them and affect to their performance.

2.2.4 Cross-Cultural Challenges and Adjustments of Expatriates: A Case Study
in Malaysia by Aida Hafitah Mohd Tahir and Maimunah Ismail

Tahir and Ismail (2007) studied the challenges expatriates may face and how
to adjust to the challenges that occur due to cultural differences. In this study, the
researchers focused on expatriates working in Malaysia. In Malaysia, expatriates
come mostly from Asian countries like Japan, Taiwan and Korea. In addition, there
are also groups of expatriates from Europe and America. Expatriates face different
challenges in terms of culture and lifestyle that may influence their performance.
Cultural adjustment is needed to ensure expatriates succeed in their assignment
abroad. In Malaysia, the biggest challenges for expatriates relate to the local services,
environmental issues and the local media that is stricter than in their home countries.
Moreover, in Malaysia, the gender of expatriates is also a most important factor that
may affect expatriates, especially females since Malaysia is the male-dominated
country. Companies that send female expatriates to Malaysia may face greater
problems with female expatriate adjustment than with male expatriate’s adjustment.
However, companies can prepare expatriates before assignments by providing cross
cultural training to reduce possible conflicts or problems that may occur during
assignments. Cultural training helps expatriates decrease ‘culture shock’ levels
because they have already prepared and understand the issues before arrival. In
addition, the researchers focused on identifying the different types of orientation for
each company including ethnocentric orientation, polycentric orientation, region-
centric orientation and geocentric orientation.

In this study, the researchers applied a phenomenological qualitative
methodology in order to study the challenges faced by expatriates and how to adjust
to their challenges. The respondents were expatriates who worked in Malaysia,
including both males and females. All respondents had lived in Malaysia for more
than six months as the researchers perceived that the longer the duration of the expatriates’ residence in the country, the more information they could provide based on their experience. The respondents worked in a range of different industries including the hotel, medical, educational, engineering and communication industries. The expatriates from these industries all had managerial knowledge and experience and the researchers collected the data by using semi-structured interviews.

The researchers found that the main challenges that expatriates face while working in Malaysia related firstly to the attitudes of Malaysian people. The characteristics and behavior of the Malaysians reflect a high-context culture which means that they do not express their own feelings and thinking to the others directly. As in many other Asian cultures many Malaysians avoid saying anything directly that might offend other people’s feelings. In addition, the Asian cultural characteristic of uncertainty avoidance, (based on Hofstede’s cultural dimension), means that people avoid personal conflict. The second area of significant difference causing a major challenge to expatriates was identified by the researchers in terms of religion including dress code. Female expatriates appeared to face more cultural challenges than the males. Expatriates gain higher levels of acceptance from the locals if they follow their culture. The most important issue faced by many expatriates related to the local religion which is predominantly Muslim. There are many strict rules and expatriates should aware of making mistakes, and even though people may not say anything directly they may feel pressure from the local people making it even more difficult for them to adjust. These researchers also explored whether expatriates’ children also have problems in the schools based on religion issues.

A third issue explored by these researchers related to social status, which is different from the other countries. In this case, it can be related to power distance, which means that the way they recognize social status including showing respect to the elderly. A fourth issue centers on gender, especially involving women as mentioned above. Most Asian countries perceived the status of women differently from the way they are perceived in Western countries. Malaysian people perceived that women should never be alone; Malaysia is categorized as a male-dominant society where the rights of women are often secondary. Fifthly the researchers considered working habits. Expatriates face challenges in terms of low levels of service efficiency in Malaysia. Lastly, challenges came from cross-cultural training as expatriates often do not
receive sufficient training to make them fully prepared before coming to Malaysia. These researchers recommended that proper training of expatriates in terms of cultural understanding be undertaken before they take up their assignments.

2.2.5 Cross-Cultural Training for Expatriate Hotel Managers: An Exploratory Study by Ben Dewald and John T. Self

Dewald and Self (2008) studied expatriate managers in the hotel industry in China. In this study, the researchers explored cross-cultural training to see whether there are measures that could be taken to help expatriates adjust themselves to host countries more easily, given that many researchers have found high failure rates associated with sending expatriates on overseas assignments. However, the researchers also recognized that failure rates were often dependent on the countries where expatriates were assigned and that there is a high financial investment by multinational companies sending expatriates abroad. The researchers found that culture is the most important factor in terms of both behavior and business success. The research acknowledges that people from different cultures can create conflict in both daily life and also within the organization. Most companies, they found, provide cross-cultural training to their managers to reduce the conflict and provide better understanding about other cultures. The researchers focused on the Chinese market, as today China is the second most important market after that of the USA, in terms of business importance. Many hotel businesses around the world view China as a great market for expansion due to the huge population. However, expanding into China is not simple particularly as Chinese people are very conservative.

The researchers selected three hotel chains that are located in China. All of them have head-quarters outside China as the multinational hotels included American, and Asian head-quartered businesses. The researchers adopted three steps in sampling procedures. First they interviewed respondents. The researchers ask the respondents about their backgrounds. Secondly, there were in-depth interviews. All respondents were asked the same questions including topics on human resources, culture and training. Finally the interviews were analyzed and the findings indicated that found that the people who are in top levels of management or hotel owners perceived that cross-cultural training is unnecessary, so there is not financial support. Moreover, the managers from America seem to have more problems arising from cultural differences than those from Asian countries. The researchers concluded that cross-cultural
training helps expatriates adjust to new countries to a small degree and that most companies only provided some basic knowledge to managers based on theory. The researchers recommended that hotels should focus initially on training upper levels of management, however, training should also be provided to people in other positions in hotels also. It would be wasted effort if the hotels see training as an unnecessary issue. Cross-cultural training is a great investment that hotels should be concerned with if they wish to succeed in international business.

2.2.6 A Framework of Intercultural Training in Hotel Workplace by Xu Li

Xu (2008) studied intercultural training for hotel businesses. In this research, the researcher focused on the conflict in terms of cultures within organizations. The study indicated that cultural conflict can affect the performance of the employees in a company. Moreover, as hotel businesses are now focusing on going global more hotels are sending their local managers to work as expatriates in the different countries. In this study, the researcher designed a new training model for the hotel workplace by adapting and combining several cultural models, including Harzing’s Cross-cultural Training Model and Hofstede’s Ten Synthetic Culture Model.

The researcher developed a new intercultural training model based on case studies and semi-structured interviews which were analyzing to create an effective model for intercultural training. The new training program designed by the researcher has been called the ‘Intercultural Training Framework’, and includes a five part training program based on each of the following, a Needs Assessment, the Objective Setting, Program Design, Implementation and Evaluation.

The case studies by this researcher indicated conflicts in terms of cultural differences can cause problems as well as misunderstandings in the workplace. Hence there was a need for hotel businesses to create training programs that focusing on cultural awareness to reduce these problems. In addition, semi-structured interviews were conducted two groups, include managers and staff. These semi-structured interviews helped to the need to create the new Intercultural Training Program. The results from semi-structured interviews also supported the finding that a “Needs Assessment” is important for both managers and staff in the hotel businesses in order to make them aware of the importance of recognizing cultural differences. The new Intercultural Training model was developed to suit the needs of hotel
Moreover, the problems of the culture are have no limits, as are the solutions. The researcher recommended that lectures or case studies could help the training become more effective, as well as using computers that could help the training become more interesting so that employees did not become bored. The different parts of the Intercultural Training Program are aimed at making training even more effective to ensure that employees in the hotel business are able to response better in a foreign environment. The research also indicated that conflict is decreased if communication between people from different cultures, having different values and norms, is improved.

2.2.7 What Makes Hotel Expatriates Remain in Their Overseas Assignments: A Grounded Theory Study by Zoe Ju-Yu Ho

Ho (2012) explored why expatriates in hotel businesses decide to remain in their assignments abroad. The researcher found that there are more hotels going international that send their managers as expatriates to work abroad. However, assignments abroad do not always progress as smoothly as expected even though expatriates were assigned to the countries they wished to work in. Moreover, some expatriates may be assigned to the developing countries where the locals’ lives are totally different from their home countries. In this study, the researcher conducted in-depth research targeting hotel expatriates in order to understand their perceptions. In addition, the researcher explored how hotel businesses could provide proper preparation of expatriates, starting from recruitment and selecting the right person.

In this research, a qualitative method was been adopted by the researcher. The researcher focused on cultural differences and how expatriates could adjust themselves to a new environment. The researcher chose to study the perceptions of expatriates from Western countries who were assigned to work in Great China Area (GCA) which includes China, Hong Kong and Taiwan. Moreover, the researcher herself has experienced working with expatriates in hotel businesses in Taiwan. So in this study, the researcher became an instrument for collecting data as a “participant observer”, working along with four expatriates in this research project. The researcher applied semi-structured, in-depth interviews to collect the primary data. In addition, personal observations and documents supporting this process were collated. In order to analyze the data, grounded theory was then used as an aspect of a qualitative methodology.
The results indicated that all respondents were active participants in hotel businesses and had high levels of social skills, which meant they preferred to meet and interact with other people. As a consequence, all respondents were able to get along comfortably with many people from around the world. In addition, all respondents had experience working in hotel businesses for long periods of time, and showed loyalty to this industry. All indicated a willingness to learn new things from other countries. The researcher found that this characteristic displayed by the respondents was a significant factor for their success in working on assignments abroad. All respondents had accepted assignments abroad not because of money but due to their motivation to be in the different working environments. However, the most difficult challenge for all of them related to cultural issues in countries that were unique or new to them. In conclusion, the researcher stated that in order to succeed in international business the successful expatriate manager should be a person who thinks globally but acts locally, in this case, as a hotel manager.
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<tr>
<th>Author name/year</th>
<th>Country</th>
<th>Sample size</th>
<th>Response Rate</th>
<th>Survey Method</th>
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<tr>
<td>Causin, Ayoun and Moreo (2011)</td>
<td>Random</td>
<td>200</td>
<td>66</td>
<td>Web-based survey and interviews</td>
<td>Descriptive Statistic, ANOVA, independent T-test</td>
<td>Asian hotel expatriates are related more on skills about human relationship - Expatriates from different countries develop different management skills - Cross cultural training can make the assignment more effective and successful</td>
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<td>Adler and Rigg (2011)</td>
<td>Jamaica</td>
<td>19</td>
<td>9</td>
<td>Interviews (Semi-structured)</td>
<td>Exploratory Study</td>
<td>Challenges for expatriates are - Working with less-skilled workers - Low salary - Efficiency is a problem - Lack of punctuality - Low Quality - High bureaucratic inefficiencies effect business operations</td>
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| Iorgulescu and Ravar (2014) | Romania | 6 | 4 | Interviews (Structured) | Qualitative Study | 1. Profile of expatriates, expatriate managers for hotels should be open minded, optimistic, independent, good leader and good team player  
2. Preparation for assignments  
  - Consider short visit to host  
  - Obtain information for host countries  
  - Hotels support for family  
3. Adjusting  
  - Cultural understanding  
  - Understand the industry and their functions  
  - Achieving good financial results |
| Tahir and Ismail (2007) | Malaysia | 16 | 16 | Interviews | Phenomenological Qualitative Study | - Attitude of people  
- Perceptions towards Westerners (White)  
- Religions and dress code for women  
- Working habit of locals  
- Did not receive proper training before |
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<th>Author name/year</th>
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<th>Major Findings</th>
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| Dewald and Self (2008) | China | 3 hotel chains | 3 hotel chains | Interviews | Exploratory Study | - Upper level of management should help supporting for CCT and perceived as a good investment for hotels  
- CCT should provide for other positions beside managers  
- Focusing more on cultural understanding |
| Xu (2008) | England, Japan, Korea, U.S and China | 5 case studies | 5 case studies | Case studies and interviews (semi-structured) | Single-Case Analysis and Cross-Case Analysis | - It is a need for managers in hotels to have intercultural awareness.  
- Hotels should provide effective training program for better understanding. |
| Ho (2012) | Western and Great China Area | 4 | Interviews (semi-structured), personal observation, documents | Grounded theory | - Expatriates’ personal characteristics are important for succeeding the assignment abroad.  
- Culture is the most difficult challenges.  
- Motivation of expatriates who are success is their willingness to learn new cultures. |
Analysis

Based on the above studies, the major findings indicate similar conclusions in relation to the significance of culture differences and culture awareness to successful expatriate adjustment. All findings indicated that cultural issues are the most difficult challenges for expatriates worldwide. In terms of cultural issues, conflicts usually arise due to the differences between the expatriate’s culture and local culture. There are many delicate issues that are difficult to fully understand unless expatriates are actually exposed to a particular culture themselves. Moreover, studies 1, 3 and 5 found that providing proper cross-cultural training for hotel managers could help them adjust to a foreign local environment more successfully. It also appears that many companies do not put enough effort into providing complete training for managers and as a consequence managers are often ill prepared for assignments abroad. In addition, studies 1, 3, 6 and 7 found that careful and selective recruiting of expatriates is important for success in the international assignments. Companies should focus on the personal characteristic of expatriates as they indicate how well an individual is able to react to other people and hence, to manage in other cultures. Findings indicated that to be successful expatriates should have intercultural awareness and high social skills. They should also be the individuals who are willing to learn new things and open-heartedly accept the differences within other cultures.

In terms of survey methods used in these researches, all studies adopted personal interviews as their principle technique. As this topic is about the understanding the perceptions of managers and expatriates in hotel businesses, opinions, attitudes and beliefs were best elicited using a qualitative research model. Most interviews included both semi-structured and structured questioning formats but in addition it is noted that Study 1 used a web-based survey methodology, and Study 6 combined a survey with a case study approach.
CHAPTER 3

RESEARCH METHODOLOGY

This chapter introduces the methodology used in this study to collect data and address the research questions, focusing first on the main features of a mixed methodological approach and on what essentially distinguish them from those in a quantitative study. It then discusses data collection, starting with interviews (structured, semi-structured, and unstructured) and continuing with the survey questionnaire, personal observations, and documents. The chapter ends with a brief discussion of the data analysis process.

3.1 MIXED METHODOLOGIES

In this study, a mixed methodology was chosen as the research methodology. A mixed approach means that elements of a qualitative research are combined with elements of a quantitative research. The quantitative element in this particular study is a survey questionnaire. It should be noted right away that his study research is primarily qualitative as the qualitative elements (interviews, personal observations, and documents) by far outweigh the quantitative ones.

3.1.1 Why a Mixed Methodologies?

The reason for this choice is simple. While perceptions, opinions, ideas, and facts – not numbers – constitute the gist of the evidence gathered to address the issues raised in this research, an added layer of evidence in the form of a questionnaire (a quantitative element) helps affirm – or disaffirm – the preponderant findings. The opinions gathered from a group of respondents thus add to the reliability of the findings. Unlike in a quantitative research study though, the quantitative element added to the qualitative research is not outcome determinative. What this means is that whereas in a purely quantitative research the computation of numbers and statistics (at the core of a quantitative analysis – and its raison d’être) is an end in itself, in mixed predominantly qualitative research, the quantitative data is only part of a much larger qualitative data base of which it comes in support.

Given that the survey comes as additional material, and not as the only data available, and given the strong and definite qualitative orientation of this research study, there is therefore no need to conduct a statistical analysis using Statistical Package of Social Science (SPSS). In other words, whatever correlations there may be between the data obtained
through a qualitative methodology (interviews, observations, and documents), they need not be proven by a statistical method since the survey operates as a supplement to the qualitative data which is almost self-sufficient, in and by itself. In essence, this research does not have to include a survey questionnaire to be valid (most qualitative research remain purely qualitative and do not incorporate any quantitative elements) but the researcher feels that the quantitative element (the questionnaire) adds credibility to the research.

3.1.2 The Qualitative Element of the Mix

With regard to qualitative data, there is no single approach to the collection and analysis of qualitative data that covers all types of research. There are, however, some general common characteristics which apply to this research study:

- The collection and analysis of data tend to be an evolving process as opposed to just a one-off event taking place at a single point in time.
- As emphasized by Denscombe (2010), the analysis also tends to be inductive, i.e., “to work from the particular to the general,” i.e., to lead to generalized statements about the topic.
- Another important point is that this kind of approach tends to be more researcher-centered as the values and experiences of the researcher may influence the analysis.
- A qualitative approach can also provide additional depth and denotation derived from individuals’ familiarity with the topic (in this case, expatriates) and from their beliefs and feelings.
- Finally, a qualitative approach differs from a quantitative approach in that it is smaller in terms of frameworks and scale and is less statistically oriented.

One significant advantage of a qualitative analysis and one of particular importance to this researcher, especially with regard to interviews - is that it allows for ‘spontaneity’ and draws on the interpretive skills of the researcher. Another advantage of qualitative research is that the data is “grounded in reality” (Bryman and Bell, 2007).

However, the flip-side to this is that the data might be less representative and in a few instances not capable of being generalized. Another obvious disadvantage is that, as Denscombe (2010) put it: “the interpretation is bound with the self of the researcher.” In addition, there is a risk of oversimplifying the explanation. Bearing these factors in mind, the
researcher was cautious not to disregard data that may not have fitted with the generalization and made sure to approach the analysis with an open mind.

Qualitative data can be produced by open-ended questions as part of a survey questionnaire or via a discussion/interview. This research uses a mix of leading and open-ended questions for both the survey questionnaire and the interviews. Qualitative data can also be created by a variety of other research methods, including observations and documents, both of which are used in this study.

One important issue regarding data is their validity (Frick, 2013). As Silverman (2006) pointed out, the credibility of a research project, however, applies as much to qualitative research as it does to quantitative research. The main point to keep in mind is that good research does not ignore data that may disconfirm the researcher's analysis (the so-called “outliers”). Good research strives to be impartial and neutral and relies on data collection and data-analysis processes that are fair and even-handed. In this study, the researcher is committed to take into account all the data collected, no matter whether it does or does not accommodate the mainstream views and opinions expressed. Outliers do matter as much as any other data.

3.2 SAMPLING PROCEDURES

This research applies the non-probability sampling method since the population is unknown. The judgmental sampling and snowball sampling are also applied as follows.

3.3.1 Judgmental Sampling

In this study, the researcher selected the respondents based on personal judgment due to the unknown population. The researcher selected respondents who have similar characteristics that are appropriate and related to the topic of the study since the purpose is to satisfy the researcher. The respondents are separated into 4 groups:

1. Owners of 3-4 stars hotels based in Thailand that either recruit expatriate managers or foreign employees in their hotels or have subsidiaries overseas.

2. Thai expatriates who have experienced working as expatriate managers in the hotel industry.
3. Thai managers in 3-5 stars hotels based in Thailand that have subsidiaries overseas (these Thai managers could be expatriates in those hotels overseas).

4. ABAC students who are enrolled in the Hotel management program as part of their Master Degree in Business Administration.

3.3.2 Snowball Sampling

Snowball sampling can be defined as the chain method recommended for searching for respondents over and over until enough data is received (Patton, 2002). In this study, the researcher applied the snowball technique by obtaining more respondents from the recommendation of the previous respondents or from acquaintances. This snowball technique is useful for building relationship and obtaining information and involves low cost because the researcher does not have to spend a lot of money to search for respondents. There is also no need for complex planning.

3.3 SAMPLE SIZE

Since this study uses qualitative research, the sample size is smaller than in a quantitative study (Ritchie, Lewis and Elam, 2003). In terms of sample size, the number of the respondents is not excluded in the process since qualitative research is to study about “why,” unlike quantitative research that studies about “what” they do. So, the size of the sample that is collected may not be known in advance. The researcher applied the concept of data saturation in order to define the sample size.

Data saturation is generally described as the process of collecting data from new respondents as primary data until enough data is obtained or the research has reached the diminishing return point. Morse (1995) conceptualized saturation in a qualitative research as the key to a successful and excellent study. In this case, the saturation of the data collection is reached when there is nothing new to be found through this study (Bowen, 2008; Miles and Huberman, 1994). So for qualitative research, the method of finding the sample size is related to the data saturation and diminishing return concepts. In addition, although qualitative researchers cannot agree on the exact amount or number of data to be collected, the factors and scope of the study can define the sample size and achieve data saturation. In short, there is no exact rule for finding the sample size in qualitative study.
So in this study, the researcher did not define the exact sample size but kept interviewing the respondents until their answers were very much the same and nothing new was coming up. If the sample size is too large, the data will be repeated and not useful.

3.4 DATA COLLECTION

In this research, both primary and secondary data are collected. Primary data are gathered via (1) structured (2) semi-structured (3) and unstructured interviews, (4) a questionnaire, and (5) personal observations. Secondary data are collected from documents.

It should be noted that in response to the interviewees’ requests to maintain full confidentiality their names and those of the hotels with which they are associated have not been disclosed. What will be shown is the level of responsibility of the persons interviewed, their areas of expertise and the category of hotels they work for (for example, large international luxury hotel).

According to Denscombe (2000), the potential of interviews as a data collection method is “better exploited” when they are used for the exploration of complex issues. Interviews are especially suitable to gain valuable insights and produce information which deals with the topic in detail and can be checked for validity and relevance. They are also likely to produce a very high response rate.

A qualitative interview can be structured, semi-structured, or unstructured. The number of interviews depends on the level of saturation, that is the level at which the researcher feels that one more interview will not significantly to the data obtained.

3.4.1 Structured Interviews

Six structured interviews were conducted; five with hotel owners and one with a Thai expatriate.

The hotel owners were interviewed from an HR perspective. The interviews seek the owners’ views on recruiting and working with expatriates. The researcher prepared the same set of questions for all hotel owners, which were answered in the same order.

The owner-interviewees are the owners of the luxury hotels in Thailand, who have expatriates working in their hotels. All the interviews were first contacted via telephone calls and/or via e-mail. The five interviewees include:
- One owner of a medium hotel located in Ubonrachathani (North East) with an expatriate working in the hotel (the hotel has no subsidiary abroad).
- Two owners of luxury hotels located in Bangkok with expatriates working in the hotels (the hotels have no subsidiary abroad).
- One hotel owner of a large five-star hotel located in Bangkok with expatriates working in the hotel and with subsidiaries abroad employing Thai expatriates.
- One owner of a hotel located in Chiang Rai (North) where expatriates are employed (The hotel has no subsidiary overseas).

The following six questions were asked to the interviewees:

**Question 1:** What quality do you look for in an expatriate?

**Question 2:** What incentives do you provide to expatriates?

**Question 3:** Do you have training program for an expatriate?

**Question 4:** Is it difficult to find qualified expatriates willing to go abroad?

**Question 5:** Have you ever faced the problem with expatriate before?

**Question 6:** Do managers abroad have to be Thai nationality? If not, why?

The sixth structured interview was conducted with a Thai expatriate with the purpose of hearing the perspective of an expatriate. This interviewee worked as an expatriate for a hotel chain in China and in Australia and is now working as the HR Director of one of the largest luxury five-star Bangkok-based hotel chain. The hotel chain has Thai expatriates in its wholly-owned subsidiaries and also employs expatriates in its Bangkok outlet.

A different set of questions to be answered step by step about his experience working as an expatriate in China and Australia was prepared. The interviewee was contacted via e-mail to set an appointment for a face-to-face interview at his office at the interviewee’s convenience. The following six open-ended questions were asked:

**Question 1:** Please talk about your assignments

**Question 2:** What is the most difficult part of being an expatriate and how did you deal with it?
Question 3: How did you manage your daily private and work life? How did you adapt in the first place?

Question 4: What are the most important skills that expatriate should have?

Question 5: What were your expectations as an expatriate and when you were repatriated?

Question 6: What recommendations would you give to Thai people who want to work abroad as expatriates?

3.4.2 Semi-Structured Interviews

Unlike a structured interview, which has an extremely prearranged set list of questions to which the respondent is encouraged to provide restricted choice responses, a semi-structured interview is an interview in which the questions posed to the interviewee are not extremely pre-arranged, allowing for naturalness and for questions to build up during the progress of the interview. In short, semi-structured interviews are more flexible than structured interviews (Darmer, 1995).

Semi-structured interviews generally involve the use of open-ended questions; a technique which enables the interviewer to adapt questions as necessary. Much of this depends on the ideas and questions that come up in the course of the interview (Denscombe, 2010). In another departure from structured interviews, where each respondent is basically asked the same questions, semi-structured interviews often involve different sets of questions as part of the spontaneity which they allow. The interviewer may move from the agenda and use new questions as a result of the interviewee’s answers (Bryman and Bell, 2007). Thus, some of the questions and answers might not be part of the interview questions which the researcher initially prepared.

This is exactly why the researcher opted to include semi-structured interviews in this research as it allows for much more flexibility and probing into the issues considered. Another reason is that, as Denscombe (2010) argued, semi-structured interviews also allow the interviewee to build up his/her ideas and speak more freely and widely on the issues raised by the researcher since the target of the researcher is to persuade the interviewee to unreservedly share his/her personal views. This absence of mandated preset questions and tight control over the wording of the questions, however, takes away the benefit of consistency which structured interviews provide (Bryman and Bell, 2007).
Ten semi-structured interviews were constructed. The respondents interviewed were managers in the hotel sector and students enrolled in a Hotel Management Program (their major) or in the Master of Business Administration (MBA) program at a Bangkok university (the students are interviewed as potential expatriates). Five hotel managers and five students were interviewed.

The five hotel managers interviewed were first contacted via telephone and the interviews were conducted either via telephone or as face-to-face interviews at the office of the managers pursuant to the appointments made. The five hotel managers include:

- One hotel manager working at a Bangkok-based luxury hotel chain that has wholly-owned subsidiaries in various countries and also has foreigners working at their Bangkok hotel.
- Two hotel managers working in luxury hotels in Bangkok that have expatriates working there (the hotels do not have subsidiaries overseas).
- One hotel manager working at a luxury hotel in Ubonratchatani that has expatriates working at the hotel (the hotel has no subsidiary overseas).
- One hotel manager working at a luxury hotel in Chiang Rai that has expatriates working at the hotel (the hotel has no subsidiary overseas).

The five students interviewed are enrolled at Assumption University of Thailand in Bangkok. They were first contacted via e-mail and were interviewed via telephone. The five students include:

- Three students currently studying in M.B.A program at Assumption University.
- Two students currently enrolled in the Hotel Management program at Assumption University.

The interviewer used open-ended questions. All the interviews started with the same question:

- If you had an opportunity from your current (or future) employer to work as an expatriate in one of their subsidiaries for 3-5 years, would you volunteer for the assignment?

The questions that followed were different for each interviewee as they depended on their answers to the preceding question.
3.4.3 Unstructured Interviews

Typically, unstructured interviews (also referred to as ‘informal’ or ‘conversational’ interviews) do not involve pre-set questions but are based instead on the natural invention of questions in a natural interaction (Gall, Gall and Borg, 2003). The interviewer converses with people in the field informally and builds questions as he/she moves forward (http://www.qualres.org/HomeInfo-3631.html accessed on May 15, 2014). The researcher’s responsibility is to be as inconspicuous as possible once the ball gets rolling and the subject is introduced and allow the interviewee to build up his/her thought and pursue them. This kind of interview is therefore somewhat unpredictable due to the changeability in the interview questions (Creswell, 2007). The interaction with the interviewee very much determines the interview development (McNamara, 2008).

The unstructured interviews were conducted with people working in the hotel business in Thailand as managers as well as with people who have experience working abroad with foreigners. All interviews were in form of natural conversations, which means, among others, that no question has been prepared before the interview. All the interviews were face-to-face interviews and were conducted as informal meetings. It goes without saying that all the questions were different for each interview and adapted to the answers provided by the interviewees. Each interview lasted for about 15-20 minutes.

3.2.4 Survey Questionnaires

This research uses qualitative rather than quantitative questionnaires. Qualitative questionnaires can be used to collect particulars regarding peoples’ attitudes, their mind-set, and knowledge. Surveys and questionnaires are general ways of obtaining primary data.

The target population for the questionnaire survey is 30 students enrolled in the Hotel Management program at Assumption University. Although all the respondents have the same major, they are in different levels (junior or senior). Some of them are still studying but others have already graduated.

Thirty questionnaires were randomly distributed to the target respondents who were available and found it convenient to answer. The respondents were first briefly told by the researcher about the topic and the purposes of this study.
Most of the questions are close-ended questions with a few open-ended questions to enable respondents to articulate their opinions. The questionnaires were prepared in English but all the respondents are Thai. They are self-administered, which means the respondents answer the questions by themselves without any help from the researcher.

Each questionnaire consists of three parts.

- Part one includes screening questions meant to find out about the students’ experience working in the hotel sector and with foreigners.
- Part two consists of ranking questions (close ended questions) about the respondents’ opinions about working abroad. It applies a 5-point Likert scale.
- Part three establishes the respondents’ profile as it asks questions about their demographic characteristics (gender, age and education level).

3.4.5 Personal Observations

This category of observation refers to what the researcher observed and paid attention to in relation to the topic of this research. In other words, the researcher looked at the world around her and tried to draw conclusions from what she observed (Thomas, 2003). As part of the spontaneity that characterizes a qualitative research, observations can be made in a variety of contexts and surroundings and can be planned or unplanned.

Observation gives the observer the benefit of being able to obtain data from intrinsic situations without planning in advance. In short, it provides for spontaneity, which in turn may provide for valuable input (much like with semi-structured or unstructured interviews as mentioned earlier).

It is clear from the above definitions that observations can take place in many places. Moreover, they can happen in many situations, including on the spur of the moment. Many of the observations made for this study were made by dint of circumstances; a discussion with a friend, a family member, a colleague at the company where the researcher was previously employed.

3.4.6 Documents

Documents can be defined as material that provides knowledge. They provide additional information that complements the data collected through the survey questionnaires,
interviews, and personal observations. As Yin (2003) stated, “the most important use of documents is to substantiate and supplement other sources.”

For the purpose of this study, the term ‘document’ refers to publications (e.g. magazines, newspapers, articles, and books) and various websites such as, for example, the bank of Thailand website. One of the main advantages of using secondary data is that it is fairly easily accessible and its collection takes less time (Bryman and Bell, 2007).

3.5 DATA ANALYSIS

Qualitative data analysis is “the process of bringing order” (Marshall and Rossman, 1999). Unlike quantitative data, which are amenable to being presented in a concise fashion, qualitative data analysis involves a relatively large volume of data. Some of this data needs to be aggregated and edited. As Eriksson, Rubach and Hillebrand (2006) argued, it is up to the researcher to decide how to compile the information. During the diminution procedure stage, the data, which has been noted down and recorded, is reduced, simplified and compiled (Miles and Huberman, 1994).

It should be noted that some of the personal observations and findings drawn from specific documents shall be reported together in Chapter 4 (as opposed to being reported in separate parts) as part of the compilation process. The reason for mingling information drawn from documents with personal observations is simple. Many personal observations which the researcher made have been supported by documents. This comes as part of the reducing, simplifying and compiling process.
CHAPTER 4

RESEARCH FINDINGS

This chapter presents the analysis of the data gathered for this study via (1) structured, semi-structured and unstructured interviews, (2) a questionnaire, (3) personal observations, and (4) documents as discussed in the preceding chapter. Bar graphs, pies, charts, and tables are used to report the findings.

It should be noted that all the findings discussed in this chapter have been grouped in themes as laid out in the interview questions and survey questionnaire. They also include observations that come in supplement to the other data collected. As a result, the various themes discussed reflect the content of the interviews, survey questionnaire, observations and documents.

4.1 FINDINGS FROM THE INTERVIEWS

As explained in the preceding chapter, a total of 21 interviews were conducted; 6 structured interviews, 10 semi-structured interviews, and 5 unstructured interviews.

4.1.1 Structured Interviews

Out of the 6 structured interviews conducted for this research, 5 were with the owners of hotels located in various parts of the country (3 in Bangkok, 1 in Ubonrachathani in the North East, and 1 in Chiang Rai in the North) and 1 was with a Thai citizen who worked as an expatriate in the past and is now working as the head of the HR department at one five star hotel in Bangkok. All interviewees were first contacted by telephone in order to set an appointment for an interview. The interviews were conducted by using face-to-face interviews and via telephone.

All the interviews conducted with hotel owners used the same questions (see Chapter 3). While related, the questions to the Thai expatriate were somewhat different. The answers provided for each question have been grouped when similar. Each question is considered separately, starting with question 1. The content of the interviews with hotel managers are considered first.

4.1.1.a Structured Interviews with Hotel Owners

Question 1: What quality do you look for in an expatriate?
All of the hotel owners emphasized the fact that any expatriate they would hire must have a high level of adaptability and strong social skills. All of them prefer expatriates who can get along easily with other people. They also all concurred that to work as expatriates managers must be able to make decisions effectively and appropriately when facing the unpredictable problems either personal or work-related.

One of the interviewees indicated that expatriates must have a strong desire to work abroad and be independent enough to go somewhere alone (which does not mean as single but as the only Thai expatriate). They also need to have self-confidence. Two owners mentioned that expatriates must have a lot of perseverance because the assignments are generally not as simple as in the home country. Expatriates have to deal with many unpredictable assignments and face a lot of pressure from the work itself and their colleagues.

Question 2: What incentives do you provide to expatriates?

Answers: All hotel owners said that it depended on the destination and the needs of each expatriate, which means that each of them may receive different incentives, based on his/her motivation. Typically, the incentives provided include a higher salary (not necessarily double what it is at home) and additional benefits such as insurance and perhaps a company car. One of them offered to provide a ticket back home for expatriates once or twice a year. One of the owners also mentioned that if that expatriate was exactly the one whom they were looking for and if they were confident that this person would help the company achieve their goals, even though the cost would be higher, the company would be willing to offer more money and benefits.

Two interviewees added that any promotion upon the expatriates’ return was not part of the incentive package. While the expatriate could be promoted (many have according to them), this could not be part of a contractual arrangement as promotion was highly dependent on the performance of the expatriate with regard to his/her assignment. ..
Question 3: Do you have training program for expatriates?

**Answers:** All of hotel owners answered ‘yes’ to this question. The training programs are mostly cultural training programs meant to provide information for expatriates about the assigned countries on the ‘Do’ and ‘Don’t’ and also about the management structure to ensure that that the expatriates understand clearly all the company’s processes and operations. Since the assignments abroad would involve a similar managerial position, two interviewees added that there is no need to train them specifically for those.

One interviewee noted that the training may be more extensive for some countries and also for women as codes and expectations for men and women in some parts of the world may vastly differ.

Question 4: Is it difficult to find qualified expatriates willing to go abroad?

**Answers:** According to the interviewees, nowadays, at least in theory, there are more qualified expatriates as many people can speak English fluently and are more multi skilled than before. Still, most of the hotel owners said it was difficult to find the right one for the assignment.

Hotel owners in the provinces, however, said that it was more difficult for them due to the location of their hotels (people in the provinces tend to be less cosmopolitan as they have less daily contacts with foreigners). One solution that was suggested by one interviewee could be to rotate prospective expatriates throughout the organization and thus have them exposed to more ‘foreignness.’

Question 5: Have you ever faced problems with expatriates before?

**Answers:** According to the interviewees, they never really had to deal with major problems caused by expatriates but, as they pointed out, that may be due to the fact that they only have one or two expatriates working abroad at any given
time. Another reason that was mentioned was that they prepared them well to face many issues.

As one of them indicated, however, if some small problems kept recurring, problems that may end up hurting the bottom line or the management structures of the company, they may have to recall the expatriate as a last resort. As stressed by the interviewee, it is not good for the company if they keep changing their employees.

One problem encountered by one interviewee occurred before the assignment started. One of the interviewees mentioned that he was once faced with the problem of an employee who was about to go abroad on a two-year assignment as an expatriate and had already signed the contract and had planned everything out but had to cancel almost at the last minute due to his family situation. Obviously it was a challenge to find a last-minute replacement.

**Question 6: Do managers abroad have to be Thai nationals? If not, why?**

**Answers:** All the people interviewed said that they would most likely give priority to Thai employees in their companies provided they qualify for the assignment. But they also added that it does not necessarily have to be Thai managers. If foreign employees are better qualified and better suited for the assignment considered, then so they would ask them to be expatriates for the company. One of the hotel owners said that choosing between Thai and foreign managers also depend on the destination of the assignment.

As two interviewees pointed out, Thai managers are better in terms of customer service especially in the hotel business so mostly a company may try to choose Thai managers first. However, if the company wishes to concentrate on the operation side of the assignment, it may offer the assignment first to foreign employees as they tend to be stricter, more rigorous, and better at focusing on their work.
4.1.1.b Structured Interview with a Thai Expatriate

As explained earlier, the researcher interviewed one expatriate with experience working abroad as an expatriate (China and Australia). Since some of the questions asked are different, the content of the interview needs to be considered separately. The researcher contacted by telephone in order to set the appointment for interview. The interview is conducted by using face-to-face interview.

Question 1: Please talk about your assignments

Answer: The interviewee is now working as the head of the HR department at an international five stars hotel in Bangkok. Before that, he had been assigned as an expatriate in China and then Australia for a total of 8 years. For both assignments, he received what he considers a generous expatriate package. In China, he held a sales and marketing position and in Australia, a quality control position. According to him, he learned a lot in the process which allows him to understand foreign customers and employees better and relate to them more easily.

Question 2: What is the most difficult part of being an expatriate and how did you deal with it?

Answer: When asked about the difficult part of working as an expatriate, the interviewee explained that while China and Australia involved clearly distinct problems both are related to culture. One of the challenges in China was that in his own experience people tend to be more conservative and less open to change or innovation in the workplace so it is difficult to make them accept anything new. It was hard for them to accept new ideas. While he expected some resistance to change (many cultures share that trait), he did not expect it to be that high. As the interviewee explained, to deal with it, he quickly learned that it was important to explain the reasons for the changes and implement them gradually.
Another problem with Chinese people, at least when he was there, was the language barrier as few could use English to effectively communicate. He had to rely on the few who could speak well and have them speak in Chinese to the other employees.

The problems encountered in Australia were completely different although they also had to do with cultural traits, in this case, the well-entrenched belief among Australians that Asians lack initiative and cannot get things done. It was difficult to make Western people trust Asians to be able to achieve the job on their own. In their eyes, whether in the work place or at school, Asians tend to lack confidence and tend to feel inferior to them. Of course, as the interviewee pointed out, this is a big cliché but one that is not easy to shake. It took a few months for them to change their view as they realized I could be assertive when needed. Being nice, smiling and not as straightforward as Westerners does not mean that Asians lack authority or the ability to get things done. Our soft approach is misleading.

Question 3: How did you manage your daily private and work life? How did you adapt in the first place?

Answer: When relocating abroad, the personal or work life will change for sure and you have to accept that. At work, expatriates have to adapt themselves to the local employees or the culture of the host countries even though they are working in a higher position and have a lot of authority. Understanding their culture is critical. It is also important to show respect for their culture and values and norms.

As the interviewee explained, although he had received some training on the cultural differences which he was to face, he still had a lot to discover. So that in the first few months, he took every opportunity he had to learn more about those cultural differences and how to deal with them.
Question 4: What are the most important skills that expatriates should have?

Answer:  
Expatriates must be patient because everything takes time. They must also have high adaptability because they have to deal with many cultural differences in each country they work. You should be accepted by your staff so you need to understand where they come from.

Expatriates should also understand themselves and know their strengths and weaknesses. They should know that what are their objectives and goals. Are they profit-driven or opportunity-driven? Each person has different motivations in their life. If they fully understand themselves, it is easier for them to compare the work with the benefits they will receive from the company, which makes it easier for a company to meet the need of its expatriates.

Question 5: What were your expectations as an expatriate and when you were repatriated?

Answer:  
As an expatriate, one should not try to recreate what he/she has at home as everything is a total change in and outside the office. He/she has to accept that the normal routine in Thailand is going to change especially the connections with family and friends. But this is not a big problem because there is internet.

An expatriate also has to be on-call or available 24 hours a day. He also has to adapt a lot to the local employees even though he/she is in a higher position.

When the interviewee was repatriated, he expected a better position and a higher salary and he was given both. As he pointed out, though, the company did not promise anything before he left. They talked about it but only as a possibility not a certainty. He was also offered jobs by many other companies.

But less predictable for those who have never worked abroad, he also had to readjust to Thai life when he returned. This is one of the problems with repatriation. It is just like when first going abroad. It is all about re-adapting one lifestyle and working style and fit again in Thailand. Working abroad inevitably affects expatriates, their thinking process, life style, and work style.
in particular. They come back somewhat different. When abroad, many expatriates develop an ability to work multi-skills or work on many things at the same time.

**Question 6: What recommendations would you give to Thai people who want to work abroad as expatriates?**

**Answer:** The interviewee made the following recommendations:

- If Thai people would like to work as expatriates, first, they have to change their way of thinking because Thai people generally rely more on relationship and are less focused on producing good results from the operation. In the end, they need to reach the target that the company sets. So when they go abroad, they should make sure not to privilege relationships as the cultural context is different.

- Thai people mostly focus on increasing revenue rather than reducing costs but they should look at both and not just at one at the expense of the others.

- They often are less confident than other foreign expatriates so while they should remain humble, they need to be assertive, which their position as expatriate should help them do.

- Thai people should understand their own strengths and thrive on them.

- Thai people also tend to be too kind and that can harm them in the working environment.

- And of course, they should do their homework and learn about the culture and the country in which they are doing to be living and working.

### 4.1.2 Semi-Structured Interviews

The researcher started with the same questions to both the 5 hotel managers and 5 hotel students and then let the interviews follow their own course, which in some cases meant improvising some questions. All interviewees were first contacted by telephone in order to set an appointment for an interview. The interviews were conducted by using face-to-face interviews and via telephone. The following questions summarize the content of the interviews.
1. Would they accept an assignment abroad and why?

**Answer:** This was the first question with which all the interviews were started. The question said that the assignment would be from for 3 to 5 years in one of the hotels’ wholly-owned subsidiaries.

Three managers answered that they would accept because they would like to improve their careers. They were then asked if the implication was that upon their return they would be promoted and they all said that this was what they would expect for accepting to make big changes in their lives.

Two said ‘no’ because they are not interested in going abroad. When pressed further, they said they are happy in Thailand and do not want to relocate. They also added when asked that they did not expect this would affect their careers in a negative way.

All five students said they would gladly accept an assignment abroad as expatriates because it is the opportunity for them to improve themselves, discover new managerial methods, and enhance their chances of having a quick promotion after.

2. Where would they prefer to go and why?

**Answer:** All the managers, including those who answered ‘no’ to the first question, said they prefer to go to Europe, or Asia or to countries that they feel familiar with rather than unknown far-away places which Thai people are not really familiar with. They were especially interested in English-speaking countries. Of course, when it was mentioned to them that if everybody wants to go to these places, who then would go to the less desirable ones. Those who said ‘yes’ to the first question, replied that they would have to be given more incentives and they would have to go there first to see the place and see if they could live and work there for a few years.

As to students, none of them want to go to countries that do not use English because it would be too difficult for them to communicate with the employees there and they fear that it could make the assignment fail. When asked if they would take language classes to learn other languages, three said it would not
change their mind. Two said that they would consider the assignment as it could be a chance to develop some linguistic skills.

Both managers and students are also not interested in the countries that are too dangerous such as Africa or Middle East.

Most Thai hotel chains have their subsidiaries in famous countries but some are in what they see as less attractive places such as the in Maldives, which some of the mangers and students indicated are very interesting country for tourists and for travelling but very boring for working.

3. **What kind of compensation package would they expect?**

**Answer:** Most managers believe that working abroad can help them earn more money. The expectation is that they can save more money working abroad than they can if working in Thailand. But as one of the manager mentioned, the truth of the matter is that working abroad does not necessarily translate into more savings as the cost of living abroad is generally higher and commensurate with the higher income. In short, one earns more but also spends a lot more. Still according to that manager, earning more money also makes one’s life abroad more complicated than in Thailand. This is one reason that he has turned down assignments as an expatriate before. He said that living in Thailand is very simple and easy because you can go anywhere you want and everything in Thailand is cheap. When you go and work abroad, you may earn higher salary but the living cost is also much higher and in the end you may not be better off (taking a taxi or dining out can be quite pricey unlike in Bangkok). So, in his view, it is very important for expatriates to conduct a cost/benefit analysis before accepting the assignment. If it is not as you expected, you may feel pressure when you stay abroad.

All the interviews with students also show that a good compensation package is part of the expectations. In fact, they rank it as their top motivation. They expect their salary to be much higher and also the company to pay for their air fare and their accommodation abroad. Some also mentioned additional perks such as insurance, country club fees or a car.
However, as one manager realistically pointed out, with more qualified expatriates available for companies to select, the benefits granted tend to be less generous than they used to be. So this is one of the reasons why that this manager will not accept an assignment abroad. In his view, the money is not worth all the troubles which expatriates may have to deal with.

4. Could they easily adapt to cultural changes?

Answer: Both managers and students agree that today cultural differences are less of a problem than they were when there was no internet. IT has made it easier for people to communicate with one another and also for people to learn about other cultures. Some students, however, said they would be concerned about the culture shock they would be subjected to if they were assigned to countries which they do not feel familiar with.

But as one manager pointed out, in many cases, people often fall in love with a new place before they go through a culture shock (usually the second stage when living abroad). Most managers also mentioned that they have to be open-minded and ready to learn new things, and accept and understand the differences between cultures. Sometimes as some of the managers and the students stated, though, it is difficult to accept if it is in sharp contrast with Thai culture.

The most difficult part about cultures might be the nonverbal aspect of communication; the body language. It tends to be more difficult to learn than verbal communication. Sometimes, body language can create serious misunderstandings between people as well. All the interviewees agree that is an important aspect of a culture to grasp.

5. Do they see an assignment abroad as a necessary step to career improvement?

Answer: All managers believe that successfully completing an assignment abroad as an expatriate tend to boost one’s career. Two of them, however, realize that this is not a given anymore as they have seen expatriates not being promoting upon
their return and managers who never worked abroad moved up the managerial ladder.

As they pointed out, on the long term it would probably help them to get promoted because of the experience gained abroad in dealing with foreigners, making decisions, and learning from foreigners would eventually pay off and make them perform better and thus be eligible for promotion. In fact, one manager said that he would like to work abroad as an expatriate in order to gain a lot of experience in this field, which would be good for his long-term career plan either with the same hotel chain or with a different one.

A few of the managers also indicated that in the hotel businesses, experience can be more important than education, hence the value of going abroad. In their views, the opportunity to gain much experience, new knowledge, and insights working abroad is invaluable and one of the best way to ensure a successful career even if going abroad does not necessarily mean immediate promotion upon returning. Being an expatriate would help them improve their skills and learn best practices from other countries as expatriates are often assigned to countries that are better than Thailand in terms of management style or technology.

Students, on the other hand, see the benefits of going abroad less in terms of career plans and more in terms of opportunities to improve their language skills and ability to work with different types of people. If they can succeed in acquiring better skills in these two areas, they believe it will help them achieve a good career in the long term as their work performance will show they are able to work with people from other countries and feel more confident dealing with them (the self-confidence gained is also viewed as key in the long run).

4.1.3 Unstructured Interviews

This part reports the content of the informal interviews/conversations with the researcher had with some other hotel managers. No specific question was asked, except one initial question to get the conversation going (how is it to work with expatriates?).
In response to this initial question, the managers pointed out the difference in terms of working style between Thai and foreigners. This was mentioned several times in the course of the interviews. According to the managers, the Thai working style is mostly based on relationships whereas the foreign style is essentially based on producing a good outcome for the company. As stressed by the interviewees, this can result in both advantages and disadvantages to the companies and the individuals concerned.

Relationships can create benefit in terms of trust gained from the local employees. Thai managers have more of an ability to form good and lasting relationships due to their tolerance and easy-going attitude as well as their flexibility and ready accommodation of others’ shortcomings (seek harmony rather than confrontation).

But one of the disadvantages is that sometimes Thai managers can easily gain the trust from local employees but that in itself may not ensure a good performance or one as good as it should be. As one manager stated, this is especially true in a foreign context where being close to employees may be counterproductive or when dealing with foreigners employed in Thailand (the very experience of this manager). Too much reliance on relationship can harm the working style and if the Thai managers have problems with one of their team members, they may find it difficult to take harsh remedial measures. When the issue was raised with two of the managers, they said that it was a weakness of Thai people. They cannot separate personal problems from the work to be done so if they have problems with one member in the team, the result of the work may not be good as Thai people prefer to work with people they like and can relate to. They work very well if they have their friends in a team but when foreigners are thrown into the team leaders or team members, according to those managers, there may be a lack of synergy detrimental to the whole team’s performance.

Foreigners in the experience of the managers interviewed, on the other hand, especially Westerners, are more individualistic and less focus on relationship and more on getting things done, this even though they may have personal issues with some employees in the work place. They try not to let relational issues interfere with their work and the job at hand. In the end, it does not really affect their performance much. Obviously, this is something Thai managers assigned abroad need to understand and one way for them to realize it is to have experience in hotels in Thailand working with foreigners. All the managers concurred on the fact that they have been learning invaluable things from having foreign managers in their team or as team leaders. Should these interviewees have an
opportunity (with their current employer or with a different one) to go and work abroad, they feel they will have been well prepared to deal with some of the cultural differences they would encounter. In any case, they feel they know what to look for and realize that it is important to understand cultural differences well.

4.2 FINDINGS FROM QUESTIONNAIRES

Part 1: Respondents’ Profile

Table 4.1: Respondents’ Gender

<table>
<thead>
<tr>
<th>Gender</th>
<th>Frequency (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>8 (26.67%)</td>
</tr>
<tr>
<td>Female</td>
<td>22 (73.33%)</td>
</tr>
</tbody>
</table>

As shown in Table 4.1, the majority of the students who study in Hotel management and answered the questionnaire are females; 22 out of 30 students, which is equal to 73.33%. They were only 8 male students (26.67%).

Table 4.2: Respondent’s Age

<table>
<thead>
<tr>
<th>Age</th>
<th>Frequency (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 20</td>
<td>0 (0%)</td>
</tr>
<tr>
<td>20-23</td>
<td>19 (63.33%)</td>
</tr>
<tr>
<td>More than 23</td>
<td>11 (36.67%)</td>
</tr>
</tbody>
</table>

As Table 4.2 shows, the majority of the respondents are between 20-23 years old (63.33%). There is no respondent under 20 years old.

Table 4.3: Respondents’ Education Level

<table>
<thead>
<tr>
<th>Education Level</th>
<th>Frequency (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Freshmen</td>
<td>0 (0%)</td>
</tr>
<tr>
<td>Sophomore</td>
<td>2 (7%)</td>
</tr>
<tr>
<td>Junior</td>
<td>6 (20%)</td>
</tr>
</tbody>
</table>
As indicated in Table 4.3, the majority of the respondents already graduated from Hotel management programs (73.33%). Another 20% were junior. There was no freshmen and senior from the Hotel Management School among the respondents.

Part 2: Screening

The purpose of this section is to determine the percentage of respondents who have experience working in the hotel business and working with foreigners and staying abroad.

Table 4.4: Respondents’ Experience Working in Hotels

<table>
<thead>
<tr>
<th>Experience working in hotel</th>
<th>Frequency (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>14 (46.67%)</td>
</tr>
<tr>
<td>No</td>
<td>16 (53.33%)</td>
</tr>
</tbody>
</table>

Table 4.5: Respondents’ Experience Working with Foreigners

<table>
<thead>
<tr>
<th>Experience working with foreigners</th>
<th>Frequency (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>19 (63.33%)</td>
</tr>
<tr>
<td>No</td>
<td>11 (36.67%)</td>
</tr>
</tbody>
</table>

Table 4.6: Respondents’ Experience Staying Abroad

<table>
<thead>
<tr>
<th>Experience staying abroad</th>
<th>Frequency (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 1 week</td>
<td>7 (23.33%)</td>
</tr>
<tr>
<td>1 week – 1 month</td>
<td>13 (43.33%)</td>
</tr>
<tr>
<td>More than 1 month</td>
<td>9 (30%)</td>
</tr>
<tr>
<td>Never go abroad</td>
<td>1 (0.33%)</td>
</tr>
</tbody>
</table>
Table 4.7: Being Around Foreigners

<table>
<thead>
<tr>
<th>Prefer to be around foreigners</th>
<th>Frequency (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>26 (86.67%)</td>
</tr>
<tr>
<td>No</td>
<td>4 (1.33%)</td>
</tr>
</tbody>
</table>

Table 4.8: Accepting an Assignment

<table>
<thead>
<tr>
<th>Choose to be an expatriate</th>
<th>Frequency (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>25 (83.33%)</td>
</tr>
<tr>
<td>No</td>
<td>5 (16.67%)</td>
</tr>
</tbody>
</table>

Respondents asked what they would do if they were offered an opportunity by their current employers to be an expatriate in one of their subsidiaries for 3-5 years. As Table 4.8 indicates, an overwhelming majority of them would choose to go (83.33%).

The respondents were also asked why they would opt to go or not to go. Those who answered yes, said that it was to gain more experience working abroad, improve their career, language skills, and themselves and get more money. For those who would not take the assignments, the main reasons for turning down the offer are the countries are too far from Thailand, the family situation and, the difficulty of working with different people.

Table 4.9: Respondents’ Regional Preferences

<table>
<thead>
<tr>
<th>Region</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe</td>
<td>24</td>
</tr>
<tr>
<td>America</td>
<td>21</td>
</tr>
<tr>
<td>Asia</td>
<td>10</td>
</tr>
<tr>
<td>Oceania</td>
<td>3</td>
</tr>
<tr>
<td>Middle East</td>
<td>3</td>
</tr>
</tbody>
</table>

As shown in Table 4.9, among the region which respondents would choose or accept to go to as expatriates Europe came first (24 respondents) followed by America (21
respondents), Asia third (10 respondents) with Oceania and the Middle East as the least desirable options (3 respondents each).

Part 3: Ranking

In this part, respondents were asked to rank the attributes of an expatriate which they consider the most important (what would make working abroad and working with foreigners easier) using a Likert scale (1 as strongly disagree to 5 as strongly agree). The results are shown in Table 4.10.

Table 4.10: Ranking of Attributes

<table>
<thead>
<tr>
<th>Questions</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. My English skills are good</td>
<td>3.46</td>
</tr>
<tr>
<td>2. I feel comfortable being around foreigners</td>
<td>3.5</td>
</tr>
<tr>
<td>3. I feel comfortable working around foreigners</td>
<td>3.43</td>
</tr>
<tr>
<td>4. Going abroad is exciting for me</td>
<td>4.2</td>
</tr>
<tr>
<td>5. I like to experience new things especially about other cultures</td>
<td>4.13</td>
</tr>
<tr>
<td>6. I like to go to countries where I have never been before</td>
<td>4.1</td>
</tr>
<tr>
<td>7. I can get along with other people</td>
<td>3.76</td>
</tr>
<tr>
<td>8. I am an independent person</td>
<td>3.73</td>
</tr>
</tbody>
</table>

Figure 4.1: Respondents’ Interest in Being an Expatriate
Figure 4.1 shows that most of the respondents are fairly interested in becoming an expatriate. 40% are interested, with 30%, very interested and 17% interested. Only 13% would not even consider the option (7%, very uninterested and 6% uninterested).

4.3 FINDINGS FROM PERSONAL OBSERVATIONS

The following is a summary of some personal observations related to the issue of expatriates which I have making.

1. Thai people staying abroad for a while seem more likely to miss their home country than non-Thai citizens:

   **Answer:** This observation is based on what the research has noted with friends or acquaintances staying abroad and from foreigners living in Thailand. Thai people seem to miss their home countries more than foreigners do. For one thing, Thai people cannot stay away from Thai food for long and will often exclusively look for Thai restaurants abroad instead of trying foreign cuisine. This is even truer in places where the food is totally different from Thai food. Thai people do not easily adapt to international food, which in a business context may be a problem and may be seen as an insult by the locals entertaining them. Moreover, having to search for Thai food can make them feel more home sick.

   While foreigners may also crave food from home, they seem more open to other cuisines when traveling and in some cases eager to try new food. In short, they appear to be more adventurous, which, when transferred in the business realm may prove useful, especially when expatriates have to attend local events.

2. Staying with local people as much as possible as opposed to staying with a group of Thai people makes it easier to adapt and helps to learn about other cultures and otherness

   **Answer:** This observation is based on the researcher’s own experience living in the U.S for 1 year. Making Thai friends when abroad can make one feel happier and help one to get through the culture shock but too much time spent with only
the Thai community means less of a chance to adapt rapidly. It also keeps one from opening to another culture and learning about it and about the country.

3. Socializing almost exclusively with Thai people is frequent among the Thai community abroad.

Answer: Many of the researcher’s friends who study abroad have only Thai friends, which apart from keeping them from learning about the culture and people’s habits also keep them from improving their language skills.

Also should their friends move back to Thailand or to other places, they may not be able to survive by themselves (the same could happen with expatriates). But if they spent more time with local people, you would get to know them and learn about their way of life and would be less dependent on other Thai people for their social life. This would also make it easier to get over the culture shock. It mostly depends on the visitor/expatriate to a foreign country to open up to others and get along with local people.

4. Thai people have difficulty traveling/ working/ studying alone in a foreign country.

Answer: From my conversation with friends who have experience working and study abroad, it seems that Thai people do not like to stay alone outside Thailand. Very few Thais will go abroad for more than a few days if there are not parts of a group. Thai people will generally be very happy if they meet other Thai people abroad. They tend to feel less home sick if they have some friends who are Thai so they can talk about their problems. They also tend to feel more confident when they have their Thai friends staying around. The same is not really true of foreigners who seem to be more independent minded.

When sending Thai expatriates abroad, there may not be room for such an option. Thai managers in the hotel industry may end up being one of the very few Thai in the country, which means they must be strong and independent. The risk of feeling home sick may thus be high in certain places with few Thais.
5. Difficult to duplicate the lifestyle at home when abroad

**Answer:** The researcher also noted that there is also a problem for Thai people when they have to stay in a country with high living costs. Every time they decide to do some activities or go somewhere, they have to spend a lot more money and think even more than they would in Thailand because everything is very expensive, unlike in Thailand. As the researcher observed, most of the people who have the opportunity to go abroad have a good life in Thailand and so when they stay abroad, it may be difficult for them to duplicate that lifestyle, which may be a source of anguish.

Most Thai people going abroad to work expect that when they will be able to earn more money, which is true but is also a wrong way of thinking; earning more money does not necessarily mean saving more money.

Thai expatriates may thus have to lower their expectations in terms of saving money. They should understand this first before accepting an assignment abroad. Even though the company may provide a much higher salary, they have to compare it with the cost of living in that country. Having unrealistic expectations may be a source of trouble while abroad. When added to other issues and unrealistic expectations (nurtured either by the expatriate him/herself or by the company), it may cause some expatriates to return back home before the assignment is completed.

4.4 FINDINGS FROM DOCUMENTS

The following information supplements some of the points already made. It was obtained from documents, most notably from local newspapers.

1. **Married couples and expatriation in Singapore**

**Answer:** A recent article in The Nation year 2014, a Bangkok daily, indicated that the lack of managers unwilling to accept an assignment abroad is hurting Singapore companies. The reason cited for the less than enthusiastic responses was the spouse’s career and children. It appears that Singapore managers are unwilling to compromise their spouse’s career (he/she may have to quit his/her job in order to follow his/her spouse). Potential expatriates are also concerned
about the education of their children whom they prefer to be schooled in Singapore rather than in some remote places where the education level may be lower.

2. Working abroad to move up the MNC ladder

Answer: Related to the above article, the Singaporean news, the English local daily, pointed out on September 11, 2013 recently reported the Prime Minister’s concerns about the lack of enthusiasm among managers to go and work abroad (mostly for the reasons indicated above) and his warning that if managers turn down assignments abroad, it will hinder development of their career at Multinational companies (MNCs). The subtext is clear. In order to become a top manager in a MNC, it is necessary for the aspiring managers to have experience all over the world and not just in Singapore. This is a veil threat meant as an incentive.

The Prime Minister mentioned that it would be better to take assignments in ‘difficult countries’ in order to learn a lot rather than just focus on South-East Asia. He also plans to send students abroad as part of the remedies so that they can have education overseas.

This article and the one above show that if you want to be successful in your career, you have to get out of your comfort zone and be willing to work overseas under difficult circumstances in order to gain as much experience as possible in order to be a good leader in the future. Working abroad helps you prepare yourself to be ready for higher positions.

They also tell us that unlike what was mentioned in the interviews, being an expatriate in Singapore clearly means setting oneself on a path to promotion (although nothing is said whether it would automatically happen upon one’s return).

There is no such move expected in Thailand where finding expatriates has not reached the level of governmental concerns it has in Singapore (http://www.straitstimes.com/breaking-news/singapore/story/reluctance-work-abroad-limits-us-pm-lee-20130911, accessed on March 11, 2015).
3. **Hospitality business in Thailand faces downturn**

**Answer:** In a news from Bangkok Post pointed out on October 20, 2014, release about the Onyx hospitality group introducing their new subsidiary in the Maldives, the reasons mentioned by Onyx for investing overseas is that there is a high risk that the Thai hotel business in Thailand will face a downturn. As is the case with many MNCs, the reason for Onyx to cross borders is to expand its market as the local market is saturated. On a larger scheme of things, this means that some other hotel chains in Thailand may also expand abroad, which in turn means that more expatriates and employees will be needed to work in their subsidiaries. This situation may make it harder for MNCs to find expatriates. Finding expatriates can be one major problem for MNCs in the future if they keep expanding overseas (http://www.bangkokpost.com/business/news/440365/onyx-touts-maldives-resort, accessed on March 11, 2015).

4. **Difficult to find Thai expatriates**

**Answer:** In line with the information above, an article in the Bangkok Post, pointed out on October 21, 2013 about Central Group of Companies going overseas quoted Mr. Sudhitham, the CEO as saying that it was very difficult to invest in business overseas in part because it was not easy to find Thai managers to work overseas in this particular industry. In his experience, he added, Thai people are not really that motivated to work outside Thailand especially in places that are very far. But even neighborhood countries, it is still difficult to find expatriates.

Obviously, as the article suggests, the difficulty for Thai MNCs to find qualified managers willing to work abroad for them (as reported by the CEO) can be a brake on their expansion overseas (http://www.bangkokpost.com/business/news/375559/central-to-splurge-b10bn-a-year-on-overseas-shopping, accessed on March 11, 2015).
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<th>Sample Size</th>
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<td>- Difficult for Thai managers to gain trust from working with Westerners.</td>
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<td>- Culture is still the most important issue.</td>
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<td>- Thai people found that living outside Thailand is too complicate and not worth the effort.</td>
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CHAPTER 5

CONCLUSIONS AND RECOMMENDATIONS

This chapter addresses the Research Questions (and sub-questions) outlined in Chapter 1, based on the findings as reported in Chapter 4, and then goes on to summarize conclusions and to propose suggestions for further study.

5.1 ANSWERS TO THE RESEARCH QUESTIONS

The purpose of this study was to determine how challenging it is for Thailand-based companies in the hotel industry operating abroad to find Thai people who are willing to work abroad as expatriates and successfully complete their overseas assignments. In order to achieve the objectives of this study, data were collected using a mixed methodology; a combination of qualitative and quantitative research methodologies. The primary data were collected using structured, semi-structured, and unstructured interviews, a survey questionnaire, and personal observations. All the interviewees are people who work in the hotel industry or are individuals who study hotel management as their major. A total of 21 interviews were conducted and 30 respondents were selected to respond to the survey questionnaire. All respondents were Thai citizens.

The following five research questions are addressed in this chapter using the findings as discussed in Chapter 4. The sub-questions outlined in Chapter 1 will be addressed as a part of these five research questions.

1. How difficult is it to recruit expatriates for overseas assignments?
2. What specific qualities do hotels look for when they select expatriates?
3. What incentives do companies offer them?
4. Are Thais generally willing to accept assignments abroad?
5. What is mostly likely to affect the performance of expatriates on assignments?

Research Question 1: How difficult is it to recruit expatriates for overseas assignments?
Based on the data collected and analyzed, it can be determined that the difficulty in finding expatriates willing to accept overseas assignments is mostly due to the following factors:

(i) **Assignments not attractive enough for qualified managers to accept:**
As the interviews make it abundantly clear most of managers tend to turn down assignments in countries that they do not feel familiar with. Even if nowadays, there are more qualified managers who can speak English fluently or have multi-skills, many owners of Thai hotels still feel that it is difficult to find the right individual to work as an expatriate for their companies. The researcher also found that the younger generations as hotel management students are more interested to go abroad because they want to get the opportunity to improve themselves. Currently employed managers (who are qualified) do not appear to be interested to work abroad but prefer to remain in their current employment and seek to get promoted and develop their careers within Thailand.

(ii) **Country destinations (Cultural gap):** Most managers said they would have problems with countries that do not use English as their main language. Moreover, some managers are not able to adapt and open themselves to learn about cultures that are totally different from the Thai culture. Given that Thai people have a high level of “uncertainty avoidance”, a characteristic which includes the propensity to avoid risk, this is hardly surprising. However, this cultural factor is one of the most important factors for expatriates worldwide. Moreover, in order to attract managers to accept the assignments in the less attractive countries, employers may need to offer higher pay.

(iii) **Fear of selecting the wrong person:** This is a real challenge for hotel owners as finding a suitable individual to work as an expatriate in specific countries is very difficult. A manager who performs well in Thailand may not be able to work well in other countries. Even if the hotels can find managers who accept an assignment to work abroad this it does not guarantee that these managers are going to succeed.

(iv) **Family issues:** It is clear from the interviews that the younger generation (students) is more interested in working abroad than those who are already working as managers. A critical factor relates to family issues. Individuals
who are qualified to be expatriate managers often have families of their own. So if they accept the assignment abroad and take their family with them, the company has to pay higher cost to cover relocating the whole family. On the other hand, it is a more difficult choice for managers to leave their family, especially young children, here in Thailand for many years. Thus, two of the most important factors in terms of finding Thai expatriates include country destinations and family issues. Combining these factors, risk avoidance and family commitments, makes it difficult to find qualified individuals who are willing to work abroad.

Sub-question (1), addresses the question of whether the marital status of a potential expatriate makes a difference in terms of accepting an assignment abroad. Managers who are single tend to accept assignments abroad more frequently as they have greater freedom to choose. The married interviewees were less likely to accept overseas assignments. Yet this depends on individual choice. Some people, if they are married and still do not have children, may take their spouse with them, if only for a few years. Alternatively, they can go by themselves if their spouse has responsibilities in the home country. But mostly, the expatriates who are single are more likely to accept an assignment and it is easier for companies to employ them as they do not have to cover the cost for the spouse or children in the host countries. However, most of the potential expatriates who are working in managerial positions are already married and have children. So, it often comes down to a negotiation between the hotel and the expatriate whether the cost of paying family members will be part of an employment contract.

Sub-question 2, addresses a similar issue. Expatriates who do not have family are more likely to accept an overseas posting for around 3-5 years. The managers who already have children are more concerned about their children and whether they should go by themselves and leave the children in the care of their spouse, rather than take the whole family with them to the host country. The researcher found that hotel companies normally do not pay the costs for children in terms of school fees, and this is especially true of the small companies as the cost is too high. So when expatriates have to take their children with them, they need to responsible for these costs themselves. Moreover, changing schools too often is not considered good for the welfare of their children.
In addition, the findings relating to this question also relate to sub-question 6, as to whether it makes any difference if the applicant is a male or female. The findings show that male respondents tend to accept assignments more readily than females. As mentioned above, most people already working in managerial positions have a family of their own. Moreover, some male managers who are married still accept an assignment abroad while females that are married rarely accept international postings. In addition, gender also makes a difference in terms of country of destination. Some countries are not suitable for female managers even though they are qualified, while males are able to go anywhere in the world. In contrast, student respondents, male and female, indicated that they would go anywhere in the world to work as an expatriate sometime in the future. The younger female generation seems to have more confidence in going abroad. However, the gender related differences can be related to the country of destination in terms of some specific countries. This suggests that Thai hotels need to do more research and learn more about the cultures of the countries they are investing in. For example, in Dubai, female expatriates may need to have an understanding of dress codes. If females do not follow the rules strictly, they may get the negative feedback from the local people making it more difficult for them to get accepted or get along with local people.

Research Question 2: What specific qualities do hotels look for when they select Thai expatriates?

As collated from the interviews and the questionnaire, companies look for the following specific skills:

(i) **High social skills:** As hotel businesses are focusing on service as the most important aspect of their business, people who are able to work in this industry, both domestically and internationally, should have levels of high social skills. It is also one of the preferences from foreign customers towards Thai people in terms of customer satisfaction. This characteristic is related to one of the Thai cultural characteristics, namely, Thais tend to be ”relationship-building” people. However, apart from meeting clients’ needs expatriates must have the social skills to get along with the local employees in the host countries as well.

(ii) **High adaptability skills:** An expatriate needs to be very flexible in both life and work style. Since they need to work in places that can be vastly
different from working in Thailand, hence, they need to get along with other people and be open-minded to learn and manage cultural the differences. They need to accept that not everything is going to be the same as in Thailand. For example, in Thailand, the employees generally have to listen to, and follow exactly, what managers say as Thailand has a “high power distance” culture, while working in the host subsidiary, they may need to listen more to local employees and try to adapt themselves to the local working practices.

(iii) **High Management skills:** A good manager needs to be able to make decisions under pressure or when in an unfamiliar situation. As well, the manager has to deal with the local employees and direct their work to meet company directives. When working in unfamiliar places, there may be many unpredictable things that the expatriate needs to control and often he or she has to make decisions on the spur of the moment.

(iv) **Patience:** expatriates should be patient. Being acceptable, from other peoples’ perspectives takes time also especially when there is the need to build a relationship with the local people in their new work places. They should understand the differences between the people in the host country and be accepted by those they work with. Changing people’s perceptions takes time especially if they come from diverse backgrounds. If expatriates are patient and get acceptance from the local employees, it will help the work process run smoothly and the overseas assignment will be completed successfully.

(v) **Knowing yourself:** Managers should understand themselves in terms of what they need in their lives and the limits of their abilities. Each person has different motivations and goals in their lives and if expatriates can specify their main objectives it becomes easier for them to negotiate with the company, to meet their own needs, and those of the company as well.

**Research Question 3: What incentives do companies typically offer expatriates?**

The incentives or the packages for Thai expatriates provided by companies are different for each hotel. Some hotels may provide the incentives in terms of expatriate packages, which include more salary and cover all the living costs including rental. However, incentives provided for each expatriate can be different as a result of the
country assigned and the needs of each expatriate. It means that even managers from the same hotel should be offered different incentives. In this case, it is because the needs and motivations of each expatriate are not the same. For example, some managers who are single may receive less than those who are married and have children. Moreover, the expatriates who are assigned to different countries, by the same company, may also receive different types of incentives.

Typical incentives include:

(i) **Higher salary**: Usually the incentives that hotel owners and HR departments provide to expatriates amount to higher salary, but this does not always mean double salary. In this case, it depends on the country of destination, but the salary is always higher than in domestic market.

(ii) **Benefits**: Most hotels are prepared to increase the budget when they send expatriates abroad especially if expatriates are willing to go to countries where others do not normally want to go. Additional benefits may include insurances and some hotels may even provide a company car.

(iii) **Plane tickets**: In addition, some hotels provide a ticket for expatriates to return back home once a year or even twice a year. A reason for this is because they don’t want expatriates to feel that they are left behind or forgotten by the company, and this ensures that they can also keep connections in their home country as well. In addition, before accepting the assignment, the hotels may provide a ticket for a short visit to the host country of the subsidiary for managers so they can gain experience and understand the culture in the host country before they have to relocate.

(iv) **Promotion**: This findings are also consistent with sub-question 4 relating to an expatriate’s expectations when he or she returns from an assignment abroad. Most expatriates who accept an assignment abroad expect to get promoted when they return back to the home country. Moreover, they expect a higher salary and a higher position within the company as well. All hotel managers that the researcher interviewed believed that an assignment abroad is an upward step for their career improvement. Moreover, in the hotel business, practical experiences are often considered more important than formal education. Gaining experience from international experience often leads to a higher position, and the offer of a
higher salary. Because doing the assignment abroad may help expatriates improve their own skills, even if they do not get promoted by their current companies, they can use the experience for future promotions. In addition, interviews with Thai expatriates, who have already completed an overseas assignment, indicated the assignment abroad could really help expatriates in their overall career development. Most importantly, the Thai expatriates said that they gained many skills while working overseas which included multi-skilling, that is, the ability to work at many things at the same time. Moreover, they gained the ability to think faster than working in the domestic context because working abroad involved dealing with many problems and working under pressure as well. In contrast, some managers see assignment abroad as most important for the improvement of language skills and other personal skills, and they gain the ability to work with many kinds of people.

Research Question 4: Are Thai people generally willing to accept assignments abroad?

Based on the characteristics of Thai people, and confirmed by personal observations, it appears that Thai people do not really like to relocate or go abroad by themselves. Generally Thai people do not like to take what they see as high risk decisions. As the survey indicated, however, most of the future graduates were willing to accept overseas assignments.

However, when considering other conditions, such as the period of time abroad, and country destination, many respondents expressed uncertainty. Some interviewees said that the time frame might be too long if they have responsibilities in their home country, hence they would only accept short postings. But mostly, as mentioned earlier in relation to question 1, Thai people are often not willing to accept the assignment to certain countries especially countries that do not use English as a main language for communication. Moreover, some countries also have very high living costs if compared with the incentives provided, hence it is not worth going as there is no net financial benefit given the incentives offered. But if the hotels or companies provide higher incentives and additional benefits to the selected managers, applicants may think that it is worth accepting an assignment. In contrast, countries in
Middle East and African are not acceptable to most Thai applicants as they consider them, whatever the incentives, to be too dangerous.

These findings are consistent with sub-question 5 about whether is it usual for Thai expatriates to accept more than one assignment abroad. Some of the Thai managers interviewed said they would accept more than one assignment abroad if they are available. One interviewee had already completed two assignments abroad. He accepted the first assignment when he was young but it was not for a managerial position. Moreover, he was not married and had no children. So it is possible that some Thai managers may accept more than one assignment abroad even if it is at a lower level of management, for example, sales and marketing or quality control management. Qualifying for managerial positions takes time and requires a lot of experience. By the time a manager gets to this level they may only accept one assignment as they are probably married and have a family.

Research Question 5: What is most likely to affect the performance of expatriates on assignments?

The interviews with Thai expatriates with experience working abroad show that the most important factors that influence performance are:

(i) **Cultures**: In terms of cultural difference, the difficult aspects that the expatriate has to deal with will vary from country to country. The Thai expatriate respondent, who had experience working in China and Australia, found the problems different in each country. In China, as in other Asian countries, most of people are conservative. This means that most of the people have a fixed way of thinking, reflecting the way they were taught since childhood. It is difficult for expatriates to change their perceptions or ways of thinking. Many appear not to be open-minded, especially the older people. They tend to believe that the way they do any procedure is the best. To introduce change takes time and patience, and often a reasonable explanation for the change being suggested. Moreover, the other important issue that expatriates will be faced with is language. Most Asian countries do not use English as their main language for communication and often people do not speak English fluently as in
Thailand. But this problem only arises in some countries. When a language barrier becomes a problem, it is difficult for expatriates to communicate with others in connection with working processes and relationship building.

(ii) **Gaining trust from Westerners:** As the interviews indicated, a Thai expatriate had the problem of gaining trust in the workplace when in Australia, a westernized country. The difficulties can relate to cultural traits, or the personal characteristics of individuals. Westerners may not accept Thai or Asian people as managers as they believe that they may lack initiative or confidence. For example, when in meetings, most Thai or Asian people do not really speak out or share their ideas, whether they agree or disagree. Thai and other Asian people often remain silent and simply do what others direct. In this situation, Westerners may not trust Asian people to do a job on their own, undirected. As a consequence, when expatriates and Thai people work for a subsidiary abroad in Western countries, it may take some time for the local employees to trust and believe in their ability. However, to gain peoples’ trust it takes time and expatriates have to be very patient.

(iii) **Understanding and adapting to otherness:** Expatriates have to deal with many different things when staying abroad starting with simple things such as food, and the language, but also more subtle dimensions, such as customs, and norms. This raises subtle issues, requiring skills not be gained through training or from theory, but rather from personal experience. The problems that arise can be totally different and new to the expatriate. Besides the problems in the work place, cultures can affect personal daily life as well. Sometimes, if expatriates cannot adapt themselves and accept the new environment, it may create immense pressure and impact on work performance also. Although the results of the interviews with the hotel managers and students, who have never been working abroad as expatriates, indicates that they consider that differences in culture may not affect their performance, this may be due to the influence of exposure to other cultures and behaviors via the internet and other media, or even to their lack of actual experience abroad. But when interviewing individuals who have experienced working abroad, they
considered that cultural issues were the most important issues that multinational companies should focus on.

(iv) **Expectation towards host countries:** Based on personal observation, the expectations towards the destination country can also affect expatriates’ performance especially when expatriates were assigned to go to country with a high cost of living. Expatriates may expect to earn a lot of money when given the chance to work in these countries, for example, European countries, but in fact the more money you earn, the more money you may need to spend on living expenses. Everything in Europe is more expensive than in Thailand. Moreover, many Thais find staying abroad is not as comfortable as living in Thailand. So high expectations may lead expatriate workers to feel pressure and experience disappointment.

These various factors affecting an expatriate’s performance also address sub-question 3 relative to whether it is usual for Thai expatriates not to complete overseas assignments. According to some interviewees, failing the assignment is somewhat unusual. What is more common is for local would-be expatriates, who have already signed a contract with a company and accepted an assignment abroad, to cancel at the last minute before going. Obviously, this adversely affects the company as it then needs to find someone else in a hurry and this may result in a poor choice. Moreover, it will be more costly for the company as it will then have to provide training to another manager.

5.2 CONCLUSIONS

With the number of Thai companies crossing borders and investing abroad increasing, as we saw in Chapter 1, the demand for expatriate managers is surging. However, in terms of human resource management, Thailand is still feeling its way compared with developed countries in the world market. Finding qualified managers to accept an international assignment in overseas subsidiaries can be a challenge for many Thai companies, especially as this study aims to show, in the hotel industry. Due to the characteristics of Thai people, which are similar to those of most other Asians, not many Thais feel comfortable with the international market or with working abroad with people from different cultures. This is especially true for those
people who are working in the middle to top levels of management who are rarely interested in relocating abroad. There are two main and distinct reasons for this situation. Firstly, they do not like to change the habits of a lifetime, and generally they are simply not interested in travelling abroad at all. Secondly, these individuals may have already had experience abroad and have found that living outside Thailand, is for them, complicated and not worth the effort, especially where this results in incurring very high living costs.

In contrast, the younger generation, who are gaining the skills to be expatriates in the future, are more interested in working abroad. Yet the researcher found that they still have high uncertainty avoidance as they indicated that they do not prefer to go to countries that do not use English. The rejection of countries by the younger generation was mainly on the basis that English is not spoken as a common second language and so if there is a problem they may not know how to deal with it. Hence it appears that this factor may prove difficult for Thai hotel businesses if they invest in such countries.

Moreover, the researcher found that while many Thai hotel companies are investing in the Middle East or in Africa (the Dusit in Kenya for instance), few Thai people, if any, are interested in relocating in these countries. It shows that the difficulty in terms of finding expatriates to work in subsidiaries in these areas is increasing as Thai people perceive that these countries are dangerous and hence unattractive in their eyes. Even if expatriates are assigned to these countries to work, they may feel pressure within themselves that may affect to their performance if they do not open their hearts to learn and understand the culture and the local people. In reality, these countries may not be as dangerous as Thai people think, but because of social networks and negative talk about these countries, many Thai people develop negative perceptions. This in turn makes it difficult for hotel companies to find Thai people willing to take on expatriate positions in these countries. On the other hand, for the younger generation, almost all who were interviewed indicated that if the assignments offered were to European, American or other Asian countries, that they would be interested and would want to accept the assignment. However, the difficulty arising in these countries is in terms of maintaining good performance by expatriates while staying abroad. When Thai people were assigned to Europe and America, they
begin with very high expectations, while in reality as the assignment progresses they may find that it is not as good as they expected.

Culture is still the most important issue for expatriate managers. Even if there are developments in technology that most people believe will help communication, this problem will persist. However, culture is a sensitive factor. Learning pure theory, or via cross-cultural training, cannot really guarantee that the expatriates understand managing cultural difference clearly. It is also dependent on the characteristic of each person. To be open-minded, flexible and willing to learn new things is the most important characteristic that could help expatriates to adjust to new countries and to work with less pressure and successfully complete their assignments.

5.3 RECOMMENDATIONS

Based on the information above, the following six recommendations can be made. It should be noted that these recommendations can be extended beyond the hotel industry to cover many other business sectors, hence the use of the term, “company” as opposed to “hotel” in many instances.

1. **Hotels should develop a way of making the performance of expatriates on assignments more predictable.** This, in the first place, suggests that more attention should be given to personal background when selecting expatriates. In terms of recruiting managers to work as expatriates, companies should observe the personal background of each manager. Their personal characteristics are one of the most important factors. Employers can observe their performance in the workplace, or ask their co-workers, to ascertain how well they interact with other people in the workplace. This may help managers receive the necessary feedback to assist them to integrate into the workplace more successfully.

2. **Hotels should be more receptive to the set of motivations of prospective expatriates as part of the recruiting process.** In terms of negotiation and offering assignments abroad, the researcher would like to suggest that hotel managers attempt to understand the motivations and the needs of each expatriate. Each person has different needs so each manager should receive an offer that corresponds to their needs. Hotels can provide the opportunity for
the selected managers to express their goals and needs. Some managers might focus on financial related issues but some may not. In this case, hotels can negotiate with applicants in ways that meet all parties’ needs.

3. **Hotels should focus on changing the negative perceptions that applicants have relative to some countries thus making recruitment easier.** For example, employers could work on changing the perceptions of their employees about the countries in the Middle East and Africa. They need to show that these countries are not as dangerous and unsafe as many people think. They could provide information about the people who have been successfully working in these countries. At present Thai people often learn from the media about how dangerous these countries are. However, if regions are too dangerous businesses would not be investing and expanding into those areas.

4. **Hotels should provide more in-depth and location-specific training programs.** Hotels should provide more specific training for managers. The training should focus on in-depth cultural understanding. Alternatively, hotels can provide tickets for short visits to the host countries because it is better for managers to explore the local environment before actually relocating. In addition, the hotels could provide cultural training for employees in non-management positions as all people who work in hotel businesses interact with people from different nations. Such training would also be a way to create self-confidence for staff when they are interacting with foreigners.

5. **Hotels should make sure that once expatriates are abroad on assignments, they still get consistent and efficient support from the headquarters.** During the assignments, the headquarters in Thailand should keep supporting the expatriates and providing them with all the help they need to succeed, especially at the start of the assignments. Helping expatriates to make the transition to another workplace in another country is especially critical and requires a dedicated focus.

6. **Hotels should make a more systematic use of “promotion upon return” as a recruiting tool.** When expatriate managers successfully return to Thailand, hotels should promoted them and to help them adjust back to the Thai work
place in order to create loyalty for them to stay. A successful “reintegration” would also send a positive message to other prospective expatriates who could then see the additional benefits to be gained from an assignment abroad.

5.4 SUGGESTIONS FOR FURTHER STUDIES

In this research, the researcher focused only the hotel businesses in Thailand. So the perceptions of the respondents are only related to hotels and the hotel industry in Thailand. Further studies could focus other industries in Thailand. Beside the managerial positions, there are also other postings available to expatriates in the different countries all around the world, and this may open up other avenues for further research.

In addition, there are many other factors that could influence to the actual performance of expatriate managers during an overseas assignment that could be explored across other industries. Finally, there are many factors relating to the behavior and perceptions of Thai people towards assignment abroad, and in relation to attitudes towards foreign countries, that could also be a focus of further research.


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Appendices

Appendix A: Structured Interviews

Appendix A1: Interview Questions for Hotel Owners

Question 1: What quality do you look for in an expatriate?

Question 2: What incentives do you provide to expatriate?

Question 3: Do you have training program for expatriates?

Question 4: Is it difficult to find qualified expatriates willing to go abroad?

Question 5: Have you ever faced the problem with expatriate before?

Question 6: Do managers abroad have to be Thai nationality? If not, why?

Appendix A2: Interview Questions for Thai citizen who have been working as an expatriate

Question 1: Please talk about your assignments

Question 2: What is the most difficult part of being an expatriate and how did you deal with it?

Question 3: How did you manage your daily private and work life? How did you adapt in the first place?

Question 4: What are the most important skills that expatriates should have?

Question 5: What were your expectations as an expatriate and when you were repatriated?

Question 6: What recommendations would you give to Thai people who want to work abroad as expatriates?

Appendix B: Semi-Structure Interview
Appendix B1: Interview Questions for hotel managers and students (As mentioned in Chapter 3, the interviews started with the same question and the next questions were improvised or taken from a list of questions prepared by the researcher in response to the various answers)

Question 1: If your current (or future) employer asked you to work abroad as a manager in one of their subsidiaries for 3 to 5 years, would you volunteer for the assignment?

Appendix C: Survey Questionnaires

This questionnaire is a partial fulfillment of the Thesis Requirement for Master Degree in Business Administration at Assumption University. On the topic of ‘Expatriates: The Issues Facing Thai Hotels Going International’. This questionnaire is separated into three parts, which are screening questions, ranking questions and demographic questions. Please respond by selecting the most suitable alternative by using a tick mark (✓) in the boxes provided or answer in the spaces provided.

Part 1: Screening Questions

1) Is your major Hotel Management?
   □ Yes     □ No

2) Do you have any experiences working in a hotel?
   □ Yes     □ No

3) Have you ever worked with the foreigners before?
   □ Yes     □ No

4) Have you ever been abroad?
   □ Yes     □ No (if no, skip to part 3)

5) How long was/were your trip(s)
   □ Less than 1 week □ 1 week-1 month □ more than 1 month

6) What was the reason for your trip abroad?____________________
7) Do you like being around by many foreigners?

☐ Yes ☐ No

8) If you were assigned a job abroad as an expatriate for 3-5 years, would you be willing to go?

☐ Yes (Skip to Question 12) ☐ No

9) What if your company offered a higher salary for accepting the assignment, would you still not go or would their incentives make you change your mind?

☐ Yes (Skip to Question 12) ☐ No

10) What if your company allowed you to visit the host country before you start the actual assignment, would you give a try?

☐ Yes (Skip to Question 12) ☐ No

11) What are the most important reasons for not willing to work abroad?

________________________________________________________________________________________
________________________________________________________________________________________
________________________________________________________________________________________
________________________________________________________________________________________
________________________________________________________________________________________

12) Which region do you prefer to go and work in as an expatriate??

☐ Asia ☐ Europe ☐ Africa ☐ Middle East

☐ Oceania ☐ America ☐ None of above

**Part 2 Ranking**

5= Strongly Agree

4= Agree

3= Neutral

2= Disagree

1= Strongly Disagree
1) My English skills are good
2) I feel comfortable around foreigners
3) I feel comfortable working with foreigners
4) Going abroad is exciting for me
5) I like to experience new things especially about other cultures
6) I like to go to new countries where I have never been before
7) I can get along with other people
8) I am an independent person
9) I would like to be an expatriate

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**Part 3 Demographic**

1) Gender: □ Male □ Female
2) Age: □ less than 20 □ 20-23 □ more than 23
3) Education level
   □ Freshmen
   □ Sophomore
   □ Junior
   □ Senior
   □ Graduated