Cross-Cultural Competency Dilemmas: Thai Automotive Companies

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Abstract

Today, those in managerial positions have become increasingly aware of the importance that cross-cultural understanding plays in enabling their staff, wherever located, to work positively. Such knowledge will become increasingly important as a result of increasing globalization. Competency is a problematic notion encompassing attitudes, values and knowledge affecting job performance. The possible lack of intercultural competency may be a possible hurdle for multicultural organizations in Thailand, in particular those with aspirations to become global in the future. The purpose of this study is to identify the competencies required by those involved in services of an intercultural nature. Obstacles need to be identified and addressed according to the differing cultures in such companies. Interviews were conducted with nine participants in top management from four international automotive companies in Eastern Thailand. The data was collected through in-depth, semi-structured interviews. Several issues were highlighted, including the need to orientate foreigners about Thai culture; the varying range of differences in working styles, apropos to their cultures; the barriers experienced by competing cultures; the perception of success in an intercultural environment and, finally, how diversity can strengthen team building.

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1. Introduction

Recently, as Wheelen and Hunger (2004) noted, there has been a move towards awareness of the higher levels of competency needed in the global business environment and among human resource development (HRD) practitioners, thereby facing up to the challenges of a global business environment. Some have argued that there is a high demand for international experience among multinational firms, across a plethora of industries, because employees with global experience are dealing with diverse cultures as never before. Daft (2008) observed that those in senior management positions are now considering how HRD can have an impact on intercultural perspectives and whether it is cost effective to pursue further training in such spheres. It is imperative, therefore, that participants in multicultural organizations be fully aware of the part cultural influences play, both positively and negatively, in influencing company practices and management.

Hager and Gonczi (1996) proffered the notion, when describing competency, that the task description should not be the sole focus, as direct observation is impossible. However, high job performance can define competency (Park, 2003). The leaders in the globalized world try to focus on sustainability, albeit that such a difficult task inevitably involves competition. It can be argued that the concept of a 'workforce diversity team' is an all encompassing statement referring to different people in today's world (Jackson and Schuler, 2002). Furthermore, as Gomez-Mejia *et al*. (2004) asserted, HR strategies can be utilized by organizations to fulfill desired goals. Finally, Jones and George (2003) concluded that a global perspective is what businesses primarily need to focus on, given the conflicting forces that challenge them in the 21st century.

The three main purposes of this research, therefore, are: identification of required competencies by intercultural consultancy service managers in Thai automotive companies, in order to optimize the

consequences of cultural diversity; further investigation of paths that permit such diversity to be effective and, finally, to pinpoint obstacles confronted by varying cultures in international companies. In doing so, it is necessary to answer this research question: **w**hat competencies are needed by managers providing services in the intercultural field and how do they use them effectively in the Thailand scenario? Attempts will also be made to answer the following questions: what are the main competencies for managers providing services of an intercultural nature? What ways could be identified to show how diversity works effectively? What are the obstacles encountered by international automotive companies in dealing with cultural diversity?

2. Review of Literature

As a plethora of companies restructure their organizations in the competitive global market, HRD practitioners consider the meaning of competency and evaluate the efficacy of its expectations by determining individual employees competencies as a vital component in reaching their optimum targets (Gomez-Mejia *et al.*, 2004). Yang (2003) asserted that the concept of culture needs to be understood to gain insight into managerial practices and, in particular, to teams operating in differing cultural backgrounds. Adler (2002) commented that the effectiveness of cultural diversity is the prime objective of these diverse teams. Hewapathirana and Pruetipibultham (2006) put together some objectives for achieving success: a skilled workforce; the development of global business surroundings; encouragement of foreign investment; flexibility and co-operation in interacting with other countries and positive response from customers vis-à-vis, service and quality. By way of contrast, their conclusions found some other challenges, including a workforce ignorant of overseas cultures and markets, variations in theoretical models and differing management styles.

Managers who operate in an international environment must become familiar with local laws and learn to respect and value local customs;

otherwise, not knowing how to act in a foreign country can cause them embarrassment and to miss out on business opportunities (Ghillyer, 2012). Ferrell and Ferrell (2009) found that effective leaders build, maintain and revise systems that support integrity in the organization, are knowledgeable and experienced enough to make wise decisions that are likely to produce an ethical culture based on shared values and forms of behaviour. However, different societies are confronted with different constraints and to cope, each community develops a unique culture and standard of ethics (Rodrigues, 2009). Consequently, Rodrigues concluded that managers of international enterprises are increasingly finding themselves with conflicting ethical responsibilities.

McFarlin and Sweeney (2006) synthesized some aspects that should be taken into account to maximize the performance of multicultural teams: the selection of relevant tasks; explicit identification of differences among members of different cultures; a clear mission/vision; provisions for equal status among team members and frequent feedback. Ivancevich *et al*. (2008) recommended that managers provide employees with greater opportunities to exercise discretion by providing direct feedback, new learning, delegation of scheduling, providing unique job characteristics, providing control over resources and encouraging personal accountability. Meanwhile, Nelson and Quick (2006) observed that managing a diverse workforce and bringing together employees of different backgrounds in work teams require good character, ethical behavior and personal integrity. Rodrigues (2009) found that Japanese managers are members of a group, avoid confrontation, prefer to use top-down, bottom-up communication and their authority and responsibility limits are not specified. By contrast, American managers lead a group, are more confrontational, and use top-down communication, while their authority and responsibility are determined and limited. In other words, there are differences of emphasis and opinion depending on which sample has been studied.

Perhaps surprisingly, Thomas (2008) argued that organizations seldom rely on technical expertise or competence as the most fundamental selection criterion for success in an overseas assignment. Instead, what was important was the development of global managers and their careers, which depended on the development of skills and abilities related to effective intercultural interactions and the role of bicultural individuals.

Snell and Bateman (2011) found that business knowledge, the courage to take a stand, the ability to bring out the best in people, integrity, insightfulness, commitment to success and a willingness to take risks are all indispensable competencies for international executives. Accordingly, they recommended that effective managers of diverse organizations must be capable of surmounting a number of challenges such as unexamined assumptions, lower cohesiveness, communication problems, mistrust, tension and stereotyping. Most importantly, a number of factors have proven to be effective in managing culturally diverse groups and these include: careful selection of members; identification of the group's goals; establishment of equal power and mutual respect among the participants and delivering positive feedback on performance (Luthans & Doh, 2009). Yi (2011) studied the essential structural themes of the intercultural leadership experiences of Chinese expatriate leaders working in Thailand and nine major themes resulted from this research: awareness of being different; collaboration with others; self-discovery; continuous learning; growth/development; adjustment; selecting and developing an employee; communicating actively and effectively; motivating and leading.

Unsurprisingly, individuals conducting business across cultures and languages often face communication difficulties, since meanings and interactions differ from one nation to another (Rodrigues, 2009). Thus, international business people must develop their ability to adapt to these differences in order to communicate effectively across cultures. Moreover, differences in status between the sender and the

receiver of communications, content of communications, differences in goals and face-saving tendencies, the role of ideology versus pragmatism, associative versus abstractive modes of thinking and the role of symbols are frequently considered obstacles to proper communication across national borders and cultures (Phatak *et al*., 2009). Nelson and Quick (2006) presented five communication barriers in such a situation: the physical separation of people in the work environment; status differences; gender differences; cultural diversity and language.

Finally, Robbins and Coulter (2005) provided insights into the characteristics associated with effective teams: clear goals, relevant skills, mutual trust, unified commitment, good communication, negotiating skills, appropriate leadership and internal and external support. Clarity on goals and deliverables, careful choice of team members and the building of relationships and trust from the outset were found to inhibit the establishment of effective cross-boundary teamwork (Evans *et al.*, 2011). Concisely, Cummings and Worley (2009) suggested that an organization's diversity approach is a function of internal and external pressures for and against diversity, including age, gender, race, disability, cultural values and sexual orientation.

3. Methodology

The initial concept of the researcher was to identify a problem, write further about problems connected with the research and utilize knowledge from apposite areas of literature. Following that involved a constructivist research paradigm whereby, during the study, human behaviour was explored in the context of operations in a multicultural environment. The principal source of data was semi-structured personal interviews conducted on an in-depth basis with key informants.

Crabtree and Miller (1992) observed that, in a qualitative case study, researchers should attempt to pick a small number of informants who provide the knowledge needed to complete the study. Consequently, the researcher adopted a non-probability sampling or criterion-based sampling approach. However, David (2006) concluded that the common criticism of the case study is that the sample is small, which will not allow multiple hypotheses to emerge and hinders generalizability. Additionally, there are no fixed numbers as to how long interviews should be or how many interviews are needed to collect enough information; although Glesne and Peshkin (1992) found that short and few interview sessions characterise those who are inexperienced and incompetent investigators. Hence, with experience and competence, the number of interview sessions will probably increase.

Creswell and Clark (2007) suggested that qualitative research is not only to explore many settings or individuals but also to gather inclusive details about each site or individual. Merriam (1988: 86) discussed the pros and cons of interviewing as a technique and stressed the benefits from conducting it properly. Further, triangulation of data sources assists to help guarantee the dependability of a study. It can establish consistency and confidence in illustrating data and analyzing the findings, as well as setting it in the context of new emergent research questions (Freeman, 1998: 98). It also helps to minimize bias in findings (Miles & Huberman, 1984) and adds reliability (Richards and Morse, 2007: 91). This approach has been followed in this study.

Triangulation has also been sought by the development of three forms of data analysis, which are 'direct interpretation,' 'pattern identification' and 'naturalistic generalization.' In direct interpretation, Stake (1995) noted that the investigator can explore a single event or situation and interpret it without the need for multiple cases. By patterns, Stake means that the researcher develops some categories, charts or tables to show differences among data and this

process is sometimes called data display. Finally, Stake observed that researchers may develop naturalistic generalizations through analyzing the data, so that readers can learn from the case, as well as apply it elsewhere. Moreover, the researcher did not use documentation or observations as supplementary tools to triangulate the findings but, instead, the use of multiple strategies with interviews, such as field notes, reflexive journals and e-mail interaction with participants, resulting from the formative and rich information taken from the participants of this study. Hence, the analysis segment permitted those involved to review their information from the recorded interviews (some were translated from Thai to English) to check for accuracy and reliability. It further allowed the researcher to organize data according to the issues raised in a coherent order and to develop some codes from the replies given. In addition, comprehensive descriptions and illustrations were made and categories were developed with summaries after each session. The differing data was compared and contrasted with the purpose of synthesizing the documents into an inclusive portrayal of the completed process by drafting and redrafting. Moreover, considerations about the ethics and trustworthiness of the study were paramount. Research was carried out in four international automotive companies in Thailand's Eastern Seaboard, with leaders from nine such firms who are senior managers. Eight participants are Thais and the other Korean. However, Thais and Koreans are working with Americans, Japanese, Czech, and French at the companies where the interviews took place. Finally, the researcher disseminated the findings with input on specific information decided in collaboration with the participants themselves.

Gaining the trust of participants by a direct and honest approach was a prerequisite to eliciting vital information and giving a bona fide rapport to the research process. Furthermore, subjective or common sense notions were disregarded in favour of constructive, trustworthy ideals.

4. Findings

Altogether, nine themes emerging from the research will be discussed. These are presented in Figure 1, which described the features of an intercultural environment.
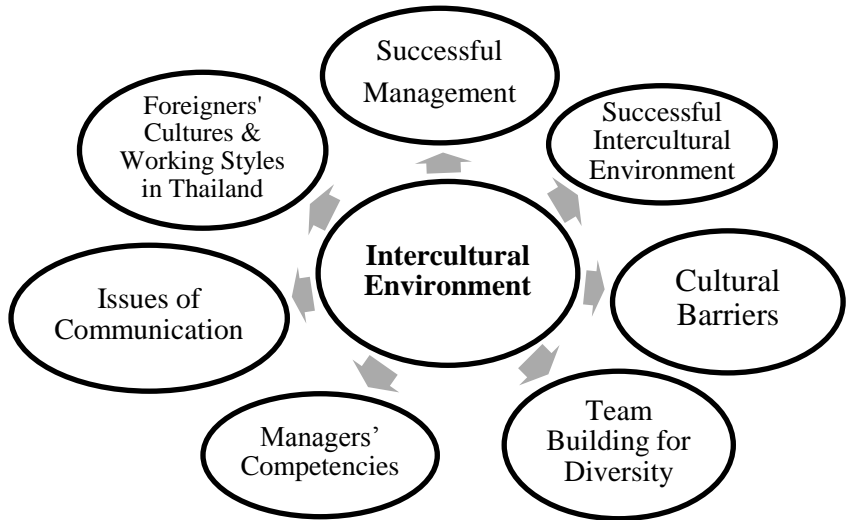

Figure 1: Intercultural Environment; source: Original Research

4.1. Managers' Competencies

The researcher found the prime competencies or characteristics for those leading international automotive companies to be: open-mindedness; global vision; specialist knowledge; skills in both management and leadership; conceptual understanding of HR and HRD; experience in working with foreigners; a broad-minded attitude to differing cultures; adaptability; maturity; innovation; responsibility; fairness and competence in foreign languages. Furthermore, one

participant felt that a fundamental improvement to competencies could be gained by demonstrating respect for people's differing cultures in the workplace and abhorring an ethnocentric attitude, even to the extent of showing a willingness to understand a different culture and its positive and negative aspects, as well as the willingness to adapt to cultures and traditions. Further interaction revealed that managers should be open-minded, accepting of others' points of view and even learning from them regardless of their position in the company. Motivation seems to be a key word in developing intercultural consultancy services. Managers should, therefore, be constantly looking for ways to urge on staff so that they can work more effectively. This will involve them and promote excellent communication and presentation skills.

People should be given room to communicate effectively by the manager, so that he/she can facilitate open, concise and frank discussion with Westerners. On the other hand, Westerners need to interact with indigenous workers in a systematic style, full of information and an awareness of their need to 'save face.' Furthermore, managers were respected if they were seen as mature and had been coaching and mentoring the necessary skills in their employees. Another participant talked of maturity as being the experience and length of service possessed, their adaptability and motivational skills.

4.2. Team Building for Diversity

It was concluded that various factors were necessary for the effective management of diversity or the development of intercultural teamwork, such as through joint projects. These include: listening to others; respecting and accepting them; seeking others' views; reaching a consensus; effective group/team working and activities; harmonious relationships built on trust; following the rules of the organization; cultural exchanges including family days and outings; staff education and development; creating values of sympathy; empathy, love and

loyalty. Furthermore, clarity and the nurturing of others' skills were also cited. Upon completion of the study, the participants believed they positively encouraged both local people and foreigners to work together harmoniously, whatever their status in the company, and empowered the staff to work as a team, co-operated interdepartmentally and observed each other's culture and language during On-the-Job-Training (OJT) programmes. The researcher noted during the study that there was an immediate need for bonding via such vehicles as company trips and family days to foster empathy and sympathy. One respondent observed:

> "I firmly believe that Thais and foreigners would do better if more sympathy and empathy were shown. Learning local ways through outings and observing cultural practices first hand can only be to the benefit of both parties."

4.3. Barriers Attributable to Differences in Culture

Various respondents proffered their thoughts quite voluntarily that such stumbling blocks as disrespecting others, blocking people's thinking, inequality, nepotism, bias, ethnocentric attitudes, inappropriate behaviour, incompatibility, irresponsibility, lack of integrity, ambiguity, bossiness, misunderstandings, language barriers, unfamiliarity and historical events have occurred in their organizations. Where purposeful interaction was not succeeding, respondents remarked that some workers were not working well together. There were unresolved issues just below the surface whereby they felt they could not talk freely for fear of conflict. When Thais smile, for example, some foreigners interpret this as being looked down on and resent it. Different attitudes cause further friction. For example, Thais may suggest an appointment to which a foreigner may agree, whereupon on the said day the Thai will abrogate responsibility for not keeping the obligation on the premise that the appointment was not confirmed, causing annoyance and confusion.

Additional obstacles that were highlighted included nepotism. In such cases, it was perceived that those in positions of power would appoint family members over others unfairly. When the Japanese wanted to move someone to another department, for example, they did so without consideration of their abilities. Overseas appointments to Thailand seemed to be made in a similar vein, giving rise to disrespect and creating potential for conflict. Behavioural discrepancies were also noted, including irresponsibility at work, which means Thais might not accept their own mistakes but rather blame others. This can be more troublesome when interacting in an intercultural setting. Furthermore, inequality was cited as problematic. The Japanese were often perceived as having more authority than Thais. Important decisions were made without consulting the Thai staff and where a Thai might be in a position to have a certain degree of autonomy, too often he or she would be obliged to defer to their Japanese colleagues to gain final approval. As one respondent observed in this context:

> "Because the Japanese own the company they have more opportunities than Thais, often controlling the organizations hierarchy which in turn becomes contentious, particularly as the Japanese will never accept being thought of as less than the Thais in status."

The explicit and implicit rules within which the company operates are foreign ones. The local culture and environment are too often ignored, as another respondent observed:

> "We are obliged to accept the rules from our Japanese bosses, for example over salary systems. In Japan, a step or rules system governs salary structure but in Thailand that sort of system does not operate, yet they impose it universally here."

4.4. Successful Intercultural Environment

Success factors collated from this study included foreigners' introduction of improved technology accompanied by a plethora of innovation and new knowledge. Further examples were foreign investments, use of high quality materials, stable financing, globalization, exchanging work practices and experiences, sustainable development and welfare benefits. It was also noted that, overall, there was an enjoyment of working with foreigners in an international company. Good attitudes persisted, with a mutual respect and trust of each others' beliefs, fostering unity and harmony. The respondents noted how their organization achieved low costs and efficiency by sourcing materials worldwide and achieving cost savings seldom met by indigenous manufacturers. The fact that foreigners were a part of the workforce meant, in negotiating with contacts overseas, a rapport was built up with those from a common background.

Further mention was made of the value of diversity. In areas of foreign investment where a country, such as Korea, was able to introduce new foreign capital to the company, it was evident that the company became stronger than a competitor who only had access to finance from their home resources. There was recognition of the benefit from the interchange of ideas. Staff, who could accept the differences, learn, respect, and take the good points from each other's ideas were also seen as contributing to the greater good of the whole.

4.5. Foreigners' Cultures and Working Styles in Thailand

The working styles of the Japanese and Koreans were compared to those of the Thais, as were those of the Europeans and Americans. The Japanese approach to dissemination of commands from their superiors was just to listen passively. They in turn, expect Thais, who they perceive to be less knowledgeable, to act in a similar way. The notion that Thais may know better is not considered. One respondent noted:

> "The Japanese just listen to their bosses never questioning with the workers, likewise, implementing immediately and unquestionably, what has been designated to them."

Korean perceptions were often seen to mirror that of the Europeans. The Korean work ethic of being on time is sacrosanct, whereas the Thais were seen as dilatory, often arriving late. Furthermore, the Korean work rate is impressive. They are highly responsible, self-disciplined and think logically. In like manner, Koreans talked loudly, which was contrary to their Thai colleagues whose softly spoken tones indicated politeness and respect. In such cases, the foreigner's manner could be perceived as aggressive or implying dissatisfaction in some way. Koreans engaged in discussions might suddenly put their feet on a table, which would offend Thai culture, in which showing the soles of a person's shoes is considered highly rude. The respect for seniority is important for Koreans too. Should a worker have finished work, it would be seen as improper to leave before the boss. The same protocol applies when dining with your superior in that they must initiate the leaving.

5. Major Study Findings and Observations

5.1. Managerial Competencies

Certain relevant competencies were noted by the researcher as being a prerequisite for leaders in the top management of international companies. The most relevant were having a global perspective, leadership and managerial skills, coupled with open-mindedness in working with foreigners. Other useful competencies were HR and HRD concepts, a non ethnocentric attitude, being perceived as fair and responsible, having foreign language competence and being eager to learn. Maturity, problem-solving skills and being innovative were also important.

Gibson (1998) suggested the importance of being willing to monitor one's own ethnocentrism and adapting oneself to different cultures. He added that flexibility in intervention techniques and strategies appropriate to the situation was necessary. Other studies emphasized the necessity of being open-minded and responding quickly to contingencies to achieve the target, while being able to interact in a positive and friendly way. Managers need to be able to deal with the complexity of problem-solving without obvious anxiety, building trust and confidence in others, often empowering and motivating them at the same time, which may involve a degree of teaching too. Other previous studies have found that managers need first to develop their own personal characteristics to manage and support diversity. Professionals in all fields need to develop positive mindsets, as well as knowledge and competencies, now that HRD has had such a significant role in the East Asian region.

5.2. Team Building for Diversity

The respondents in the research reported their willingness to try to foster harmony between themselves and Thai workers, and vice versa, and to be seen as neutral in dealing with them regardless of who was the superior. Furthermore, empowering the employees to work in co-operation with each other in a team within the various departments, imbibing the culture and language too whenever possible such as in OJT programmes, was a goal of all concerned. They conceded that their leaders should try to foresee and avoid problematic situations wherever possible, ignoring minor irritations while having the humility to talk reasonably together when matters might come to a head, so as to reach the company's objectives and visions.

Previous studies, such as those by Zakaria *et al*. (2004), found successful outcomes were more likely when effective team leadership was created which could deal with conflicts among global teams. This, they argued, would come about when trusting relationships, aware of cross cultural differences, were pursued. There were

substantial challenges to be noted. Marquardt and Horvath (2001) in maintaining communication and handling co-ordination and diversity whilst attempting to manage cultural differences. A further insight was offered by Van Der Zee and Oudenhoven (2000). who observed four intercultural competencies necessary for the development of specific training, which can be arranged in various ways according to the participants' requirements. For each competence, the authors developed specific training that can be mixed in different ways, depending on the needs of the individual or group. For managerial functions, for instance, building commitment should be the key, while for non-managerial functions, intercultural communication will take place. Managing uncertainty depends on the cultural group involved in the task. Finally, intercultural sensitivity should always be trained but it depends on whether we are dealing with an existing multicultural group or with individuals who are not working as a team. It was strongly noted by the researcher that the need for factors such as empathy and bonding, as experienced in family days and company trips, was evident, while team-building was most successful when effective communication and trusting relationships were fostered.

5.3. Cultural Barriers: Examples

Cultural diversity affects different management styles whereby the rules, communication styles and relationships can produce workplace friction, not least of which being stress among team members, mistrust and stereotyping (Chesla, 2000). The cohesion hoped for is not easily achieved when leaders bring their own perceptions and values to intercultural teams. One of the study's participants commented on the difficulty of compromise and finding the middle way when Thais and foreigners interact. In an attempt to apply this to his company, differing cultural approaches did not allow an effective working environment. Adler (2002) highlighted this, citing the problematic nature of intercultural teams, including mistrust and stress, resulting from miscommunication. Lower attractiveness,

inaccurate stereotypes and their reinforcement, Marquardt and Horvath (2001) noted, were symptoms of mistrust. Miscommunication and attempts to correct this by speaking unnaturally slowly, caused language barriers. They further commented that a lack of cohesion resulted in ineffective and inefficient cultural teams, caused by lack of positive action when consensus was not achieved.

Adler (2002) added that disagreement on such issues as content made for tension, resulting in stress. These factors in total produced conflicts and unacceptable behavioural symptoms amongst individuals. These challenges, Greenberg (2005) noted, illuminated some issues which challenged researchers in cross-cultural communication. Firstly, vocabulary does not always have the same meaning in interaction when one word has several meanings in differing cultures. The Thais' basic English was thought to hamper effective communication, as did differing behavioural gestures, such as the Thai propensity to smile, which some foreigners interpreted as them 'looking down' on the foreigner. However, there were common challenges to international cross-cultural management in such areas as 'ethnocentrism' and cultural diversity. Holden (2002) observed that this does not address, in itself, why conflicts arise. Where there was ignorance of cultural diversity in the workforce and of foreign markets to be considered, a possibility of differing managerial styles and varying theoretical models and practices showed the need for education in these areas (Hewapathirana & Pruetipibultham, 2006).

The research reported here further emphasized how nepotism was seen as divisive. One participant cited how the Japanese manager wanted to move a friend to another department without consideration of the individual's ability in the new role. Thai reluctance to be responsible for their actions and behaviour, preferring to pass responsibility to someone else, was also seen as a problem. This in part might stem from the way foreigners were perceived as managing by their own systems and rules, which did not take into account local traditions and customs. Finally, research suggested Thais often have

negative feelings towards their neighbours in nearby countries, which is often the result of historic events that had a great influence on their inter-cultural perceptions.

5.4. Positive Intercultural Environment

There were some successful factors which emerged from this study and which were highlighted by previous research. Van Der Zee and Oudenhoven (2000) conducted a Dutch study that offered five dimensions for analyzing the success or otherwise of intercultural work environments, based around personality factors for the adjustment and performance of expatriate workers. Factors included, for example, how well cultural empathy was exercised in interactions with people from differing backgrounds, how flexible the worker was in adapting to changing situations, their open-mindedness in dealing equally with a diverse workforce, their emotional stability in dealing with stressful situations and, finally, being socially proactive in initiating events for integration of employees. Wiersinga (2003) argued these factors may carry different weights, depending where, geographically, they take place. However, Adler (2002) found that good management of cultural diversity would allow teams to outperform those operating in a homogenous culture.

The more an organization is globalised, the more diversity exists and the more that consequent global business practices are based on these intercultural teams. Marquardt and Horvath (2001) highlighted further advantages to intercultural teams, including the ability to reduce costs by consequent economies of scale, the recruitment of talent from worldwide organizations and that of the organization's future leaders, better solutions to twenty-first century problems, the promise of logistical efficiency, making the organization truly global while giving a personalized service to customers, opportunities to force alliances, gain knowledge and information, and to have the increased ability to become a global learning organization. Their findings demonstrated common criteria for effective teams. According to their study, these

criteria include technically based activities or others supporting environmental issues, while yet others may focus on the social relationships between individuals. This corresponded with the participants of this study, who proffered opinions on how their companies achieved low costs by sourcing materials from suppliers they knew from other countries. Furthermore, the staff in those countries are able to negotiate on a more personal level, thereby obtaining further cost savings.

Successful engagement by international companies was further evinced by positive surroundings for global business, a highly skilled workforce and the encouraging of foreign investment. Hewapathirana and Pruetipibultham (2006) further found that a flexible and co-operative approach when dealing with clients met with positive feedback about the level of service and quality on offer. Participants of this study were keen to point out the benefit of joint ventures whereby Koreans, for example, were able to secure a large amount of foreign investment for the company through the diversity of their operations. Further, success was noted where unity and harmony were implicit in the intercultural environment, for example when working as one and listening to each other's opinions with no differentiation between Thais or foreigners. In addition, the concept of learning from one's colleagues was evident. When Thais were more diligent than Koreans, the latter had superior knowledge of technology which, when shared, contributed to the mutual benefit of all involved, not least the company itself. Smith (1995) concluded that acquaintance with one's colleagues and adaptability to cultural changes lessens any cultural shock, since people can more quickly adapt and be flexible in negotiating values between competing cultures.

Many studies have shown that diversity can indeed promote innovation and creativity, which are the hallmarks of a successful company. Cox (1991) identified how cultural variations influenced a group's co-operative and competitive behaviour. It was noted that, where workers were familiar with a diverse cultural environment,

there was far more co-operation compared to the much more competitive culture where a monoculture existed. A study of Microsoft by Ivancevich and Matteson (1999) highlighted the success of diversity where employees with differing talents and backgrounds assimilated to the effectiveness of the company by producing products suitable to the needs of a diverse world. In conclusion, this study concurred with findings in other, previous studies, that successful global organizations were so because of dedicated intercultural teams. Twenty-first century challenges are better served by companies who have integration and are striving for a cohesive workforce committed to a common purpose of sustainable development.

5.5. Working Patterns and Cultural Anomalies

The respondents to this study perceived how the Japanese passively listened and then unquestionably acted on orders from their bosses. Further, they perceived themselves as secondary to managers from Europe or America. The Koreans, initially more open minded, particularly when they first came to Thailand, would be more open to Thais' abilities and let them manage operations whilst acting in a more specialist or consultative role. In a study of Korean secretaries, Yoo (2000) found their preference was to work in an intercultural environment, despite there being cultural differences, they were prepared to accept the challenges as they perceived a chance to learn other cultures and different work procedures.

These studies' respondents realised the importance of cross-cultural adaptability. The Thai propensity to 'always smile' was often disarming in tense situations and helped in fostering corporate social responsibility. Smith's study (1995) too found that success came from getting acquainted with the behavioural norms of co-workers and being ready for cultural shocks along the way. Success comes from being willing to emerge, adjust and be flexible to various cultures. Holden (2002) added that having positive reactions and developing intervention skills was also useful.

5.6. Issues of Communication

The perennial difficulty of communication was frequently mentioned by respondents. Tensions could arise if employees were not dealt with equally and fairly, whether in meetings, orientations or in general interaction. Foreigners need to talk succinctly, systematically and directly to work together successfully and a similar approach is effective with Thai managers too. This was noted in the study by Zakaria *et al.* (2004), where competence in intercultural communication should be a consideration in implementing global teams.

5.7. Successful Management

Standards in management were of concern to respondents. Employees were deferential to those managers who had earned their position solely through merit and were able to offer genuine methods and tools to facilitate their work. Thais were often willing to help foreign personnel with issues of understanding culture where adaptations could be made and, when they could not, how to live with the differences. Foreigners need to be wary of trying to impose their culture as standard. Consequently, a better awareness of the foreigners' culture through cultural exchanges, for example, would foster a mutual respect of both. Apart from Colignon *et al*. (2007), the researcher found little research has been done regarding this topic in developing countries as most has been conducted in developed nations.

6. Conclusion

The purpose of this study was to identify the competencies required by those involved in services of an intercultural nature and investigate avenues which allow such diversity to work effectively. Furthermore, the study analysed obstacles stemming from the different cultures in international automotive companies in Eastern Thailand. Based on this

extensive research, several issues emerged as follows: managerial competencies; team building for diversity; barriers attributable to differences in culture; successful intercultural environment; and foreigners' cultures and working styles in Thailand.

A qualitative approach was selected as the basis for this study, being thought the most appropriate for diversity in multicultural organizations. However, for additional research in the cross-cultural workplace, a mixed method approach might be necessary given the need for an authentic assessment to evaluate the advancement of both skills and attitudes in this sphere. However, a quantitative approach, using both random and non-random sampling in future studies, would give equal opportunity to participants.

Acknowledgements

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