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BUSINESS ACROSS CULTURES: THE COMPARISON OF SOME BUSINESS PRACTICES IN THAILAND AND AUSTRALIA

PHILIP HUGHES AND BRIAN SHEEHAN.

The McLuhan understanding of the world as a global village has become a reality in the arena of business. More than ever in the history of humanity, business people are thinking of the whole world in terms of their operations: both in production and in marketing. A company may manufacture some components in one country, some in another, assemble in yet another, and distribute around the world.¹

Conducting business across cultures is never easy. The most evident problem is often one of language. But that is only one part of a whole complex of problems we might describe as understanding other cultures. To conduct business effectively in different countries, one needs to understand the different attitudes and values, the ways of thinking and acting.

¹ See, for example, the account of ABB in William Taylor, "The Logic of Global Business: An Interview with ABB's Percy Barnevik", in Harvard Business Review, March-April, 1991, pp. 91-105.
Today cities around the world often look superficially similar. Motorcars and buses share the paved streets. Buildings of concrete and glass dominate the horizons. Yet, behind the similarities are centuries of differences in tradition and way of life. Crossing these differences can be a daunting process. Many business people would love to do business in other countries but consider the risks too high. The problem is not the product they have to sell, but that of communication with people whose ways of life and thought are very different. Even the problem of language is diminishing in significance, and it may not be long before computers provide us with rough, but usable instantaneous translations. The problem of culture, however, remains.

Some multinational corporations have behaved as though their values and philosophies can replace local traditions and cultural patterns. However, Percy Barnevik, a senior manager in a multinational company, refers to the need for certain aspects of the business to be "superlocal".

You also want to have deep local roots everywhere you operate-building products in the countries where you sell them, recruiting the best local talent from the universities, working with the local government to increase exports.²

In this paper, we argue that the need to be "superlocal" applies to management philosophies as well as the understanding of local needs, resources,

² Ibid., p. 92.
and governments, but also to management philosophies. In developing business transnationally, it is important to take account of local cultural attitudes, values, and philosophies of life. Our argument revolves around two case-studies of companies which both operate in Australia and Thailand. One is a multinational company with headquarters in the U.S.A., Eastman Kodak, while the other is a comparatively small Australian company with a manufacturing operation in Thailand, Artex Leathergoods.

In these two case-studies, we examined two aspects of the business culture:

1. personnel management;
2. quality control.

A. EASTMAN KODAK (REFERRED TO AS "KODAK")

The headquarters of Kodak in the United States establishes a wide range of policies covering subsidiary companies in the many countries in which the corporation operates. They state these policies in the form of aims and objectives rather than as specific directives. The subsidiary companies, as we understand it, are allowed to work towards these aims in their own ways and at their own pace.

Despite the latitude, there is a "corporate culture" which Kodak Eastman is trying to develop. Some aspects of it are set out in a document entitled "Values and Principles" which emanates from Corporate Headquarters. There are several principles which are particularly relevant to the themes of this case-study
and it will be instructive to see how those principles are developed in the different cultural environments of Thailand and Australia.

1. PRINCIPLES OF PERSONNEL MANAGEMENT

Personnel management in Kodak revolves around team-work. These policies are summarised by Kodak as follows:

Teamwork: We will encourage the active participation of all employees in a team environment where all contribute to the achievement of our goals. We achieve more as a team than from the sum of our individual efforts.

Employee involvement and recognition: Every employee will participate in decision-making and problem-solving processes as part of a team. We will encourage and reinforce the contributions of teams and individuals.

Thai employees of Kodak use the English word "team-work" without translating it. It is not generally translated into Thai concepts. When asked about the meaning of team-work there was a ready response from all the Thai employees we interviewed. They all mentioned a slogan used frequently in the company in Thailand which summarised the primary meaning of teamwork for them: "รวมพลังไทย" which we translate loosely as "gathering the Thai energy". They were all seeking to do their best, pulling together for the benefit of the whole company.

One dimension of the meaning of this policy was the fact that it was a "Thai" team. They were proud
to be working for a company that was now completely Thai, at least in personnel, and working for the Thai people. There were several people who hinted that things had improved in the company in several ways since the three expatriate managers had been replaced with Thai staff, with the result that all management was now Thai. Some were aware that profits went to the United States, but they understood that there were profit-sharing arrangements that meant that at least some benefits of their work stayed in Thailand.

For the managing director, Khun Narong, the idea of the whole company working as a team was important. He spoke about the need for a balance in all parts of the company. There had to be a harmony between demands and supply, and between sales and accountants. Thus, the company as a whole would be a "winning team", another phrase used by the employees.

Australian employees of Kodak were also familiar with the phrase "a winning team". They noted that it had been used in logos and on letterheads. They spoke of the phrase referring to the importance of cooperation to achieve world-class standards.

However, when asked about "team-work", the initial responses of the Australian employees were quite different from those of their Thai counterparts. They spoke of the natural teams into which employees had been placed so that they could work through issues together.

This policy of the development of small teams in the workplace in Australia has been in the process of development since 1984. It began with ad hoc teams
developed for particular processes and for solving particular problems. It led into structured teams that focussed on improving their part in the business. In 1991, there was a further development towards "natural teams" at all levels of the business, managing their part of the business and making their own decisions. The idea is that these teams will, in the future, be fully multi-skilled and self-managing.

Everyone is expected to participate in the decision-making within these teams. The teams work without much supervision. The company seeks to develop an atmosphere of trust. For 16 hours a day, top management is not present at the plant in Australia. The company does not use inspectors any more. Each team does its own inspecting.

Most teams have a high degree of autonomy. In some teams, particularly those formed for a specific project, a leader is appointed. In other cases, leadership is generally taken by "the expert" in the particular area under discussion. Another employee said that there was a time when consensus was considered essential. However, people are usually happy for the person who would have to take the action making up his or her own mind after hearing the comments of everyone else on the team.

Behind the policy of developing small teams is the idea that such structures have benefits for motivation. As people take responsibility for their own work, so they take more pride in their work and produce better results. Employees said that through the teams, people pulled together and gave each other support. Joint wisdom, they said, was better than that of the individual.
The team is accountable as a whole to the management. The management checks the quality and quantity of the production of the team and discusses that with the team.

In Thailand, the policy of team-work within the company has been put into operation in some areas. The employees to whom we spoke were not working in teams. They did speak about team-work among the sales representatives, however. One person who had been a sales representative said that there had been policies that had made them very competitive. Each sales representative was measured against each other person. It had led to some sales representatives poaching on the areas and customers of other sales representatives and caused some hard feelings.

To overcome this, the sales representatives had been formed into teams. It seemed that there had been some choice about whom they worked with, although to some extent it depended on geographical areas. The results of their work were then measured together rather than as individuals. The top team, instead of the top individual, was rewarded by being made a member of the "Top One Club" in the company and given some special privileges.

Khun Narong mentioned that sales representatives would now help each other if one of them had some bad luck and lost a customer. They would band together to see if they could work out the problem together and win some sales back.

Khun Narong spoke of his desire to develop further the idea of the small team. He used the analogy
of the development of many small, independent companies. Each of these has the opportunity to improve itself and to take some responsibility for itself. Khun Narong spoke of the idea of these teams receiving some salary, but supplementing it with a proportion of the profits and thus become "separate entrepreneurial companies". He would like to see teams taking the risk of earning a lot more and being more independent, although he said that few people were willing to take such risks. However, the Kodak Express shops operated this way, each shop being independently managed.

Team-work as it existed among the sales representatives or elsewhere in the Thai company had not come to mean joint decision-making. There was a clear sense of hierarchy in the company and a clear sense that those higher in the hierarchy made the decisions. Several employees mentioned that there were some opportunities for people lower down the ranks to express their opinions about what should be done. One person who had some quite definite ideas said that she wrote notes and that these were generally accepted by her superiors. Others were more cautious suggesting that ideas were occasionally accepted. However, even if junior employees made suggestions, senior management would still need to issue the commands.

Some authority was delegated. One employee mentioned that he liked the clear lines of authority and systems of delegation in Kodak. He knew where he could make decisions and where he could not.

The sense of team-work in terms of joint decision-making is not appropriate in a culture in which social
relationships are strongly hierarchical as in Thailand. Australia, on the other hand, has a strong tradition of egalitarianism. One Australian employee spoke of a manager who suggested that they should do as they were told because that was what they were paid to do. She indicated that many employees were most unhappy about that attitude.

The difference in the sense of hierarchy in the Australian and Thai cultures was reflected in the ways people viewed the senior managers. Most of the Thai employees initiated observations about Khun Narong. They spoke warmly of his desire to spend time with the employees, with his "meet the boss" occasions, and even eating lunch with the drivers. His interest in the employees was very important to the feeling in the company.

In Australia, several employees mentioned the "Open Door Philosophy" of the company and the fact that they had access to the Chief Executive Officer. They did not expect that person to "come down" to them, but did value the freedom of being able to "go up" to the manager.

We asked employees whether they would go to the company for help if there was a crisis at home. In both places, there was some sense that people preferred to go to relatives and friends first. However, in Thailand, there was an expectation that senior people should "notice" their plight and offer help. This might occur through the employees' club, for example, in which senior company employees generally took positions of responsibility. In Australia, employees would not wait to be noticed. Several said they might
go to the company for assistance, but it would usually be for a loan which could be repaid.

Differences in attitude to the nature of employment were reflected in responses to two other questions asked of employees. Thai and Australian employees were asked whether they felt that they had any "rights" as employees. The English word "rights" cannot be easily translated into Thai. The closest word in Thai was สิทธิ "sit", but this word has connotations of "privileges" and "good luck". The English word refers to what an employee considers he deserves or what conditions he should have merely by the fact of his being an employee.

Having explained the concept to Thai employees at Kodak, there was a general agreement that they did not think in terms of "rights". The company offered them many benefits, such as insurance cover, medical expenses, and so on, but they considered these were bonuses or extras. Another person spoke of the authority that had been delegated to him as part of his "rights".

Both the linguistic problem and the lack of understanding of the idea of "rights" reflect an understanding of employment as a relationship. The individual enters freely into the relationship. Within that relationship, the employer may offer a variety of benefits, but the employee does not consider that they have a right to them.

Australian employees, however, agreed readily that they had "rights". The basis was a fair salary and good conditions. They expected appropriate equip-
ment to do the job they were required to do. They expected the company to provide a career path. These differences are symptomatic of different attitudes towards the very nature of employment. For Thai employees, it has to do primarily with those who employ. The "employer" was seen, almost invariably, as Khun Narong or another senior manager. For Australian employees, it has much more to do with entering into a task-oriented contract. The employer was identified as the organisation. Seen as a contract with a company rather than as a personal relationship, the rights are inimical to the contract.

Thai and Australian employees were also at variance in what they said they liked about working for Kodak. In both countries, employees mentioned the attraction of working for a large multi-national corporation. In Thailand, however, a senior manager and a secretary both spoke of the "fun" of working for Kodak. They enjoyed the work environment and the friends they had made at the company. They valued employment primarily for the people with whom they worked and the fun they had in their company.

Amongst Australian employees, all spoke of the interest and challenge that they found in the work, although they expressed this in different ways. One spoke of the input he had had in the development of the "Quality Leadership Process". Another spoke about the philosophy of the company as a "learning organisation" and the excitement in the company's development. Another spoke of enjoying the challenge of the work, its variety and its responsibilities. In each case, however, they found their primary enjoy-
ment in the tasks they performed, rather than in the environment or people with whom they worked.

These differences in the attractiveness of work in the company point to the fundamental difference in the way employment is seen, and its task orientation in Australia, compared to the relationship and environment orientation in Thailand.

2. MOTIVATION FOR QUALITY

Kodak summarises its international policy on quality control in the following terms: Continuous Improvement: Every level of performance will be improved through the Kodak Quality Leadership Process. We will work to continuously improve our products, services and processes and therefore our business results.

Khun Narong distinguished between two aspects of quality control, one of which was technical. In the Kodak Express shops there was a programme of monitoring which would ensure that the mini-labs produced good quality results. This was a comparatively easy matter to implement. The appropriate technical tests were introduced. Each shop had its own testing programme and this was widely advertised as of great benefit to the customer under the logo of QMS, or Quality Monitoring Service. Incentives could be given to employees encouraging them to raise the quality of their work to technically defined standards.

The more difficult side of quality control to
Implement was the policy of encouraging everyone to do their job more effectively, through the **Quality Leadership Process**. It was difficult to find benchmarks by which those in administration, or in communication and advertising, for example, might be evaluated. It is easy to understand that information might be produced more or less effectively, but difficult to know how to measure communication accurately.

In Australia, the idea of technical quality was readily accepted. In the factory, a matrix of twenty-four basic measures, all related to productivity, was used in measuring quality. The employees who were interviewed readily accepted the Quality Leadership Process. They spoke of the necessity of continuous improvement in all areas of work. One person said that this process provided the agenda for most discussions with those to whom she was responsible. Another person spoke of it replacing older ideas about quality control so that development was seen as a process of improvement rather than merely reaching certain standards.

The differences between the Thai and Australian company were apparent in the motivational factors encouraging the development of quality in work. In both Thailand and Australia, charts illustrating recent progress towards the goals which had been set covered the walls of the offices, and provided constant feedback on the attainment of those goals. However, few employees mentioned these charts in either Australia or Thailand as important in motivation to attain quality.
All employees in Australia spoke of the importance of education in motivation. Employees must understand that QLP is important to their work and to whole operation of the company, they said. Through an educational process, the appropriate attitudes would be developed. One employee in Australia noted that the natural teams had a role here. Through the discussion and planning, people were involved in publicly setting goals which they then sought to attain.

Among the Thai employees, there was no hint of motivation through joint decision-making processes. Motivation was achieved through the hierarchical relationships. People were willing to work well for people they liked and respected. Two people said that the manager of Kodas was a nice person and they wanted to please him. The personality of their immediate boss was also very important. If he was a person who spoke politely and did what he said, that would be of great encouragement. One employee who was in a senior management position mentioned how he was careful to refer to those responsible to him as assistants. In this way they would receive some honour and not be "put down".

When pushed a little further in interviews, both Thai and Australian employees mentioned other forms of motivation which had to do with receiving financial rewards, bonuses, and presents. A second form of motivation had to do with the general atmosphere of the company. Everyone was working well, and that encouraged others to make their contribution.

The bottom line in motivation was the needs of the client. It was recognised that if they wanted to
keep their clients, they had to perform well. An interesting variant, however, came from one Australian employee. He suggested that the task of Kodak was not just to meet the expectations of clients, but to form them. He saw Kodak seeking to create a better life for people providing products and services to enhance life. Ultimately, Kodak was seeking a total cultural change in which people would look for higher quality.

In many respects, the Thai and Australian companies were similar in their understanding of the nature of quality control, but different in some forms of motivation. The differences reflect the contrast between seeing employment as a contract for a task among Australian employees and employment as a hierarchical relationship with an employer among Thai employees. Australian employees were motivated primarily through an understanding of the processes of QLP and through taking personal responsibility for these. The Thai employees were motivated through good relationships with those to whom they were responsible, and knowing that their good work would be appreciated.

**B. ARTEX LEATHERGOODS CO. PTY. LTD.**

Artex is quite a different case to Kodak. While it operates trans-nationally, it is not a world-wide company in the style of Kodak. There is no explicit intention to develop a particular culture in the business in Thailand. There are several reasons for this:

1. Artex is simply trying to create a product in Thailand. In the past it has not been permitted
to sell in the local market. All its products have been exported. Thus the operation is a very limited one of production in the factory and there has been no need to build an image of themselves in Thailand to sell to the market there.

2. Michael Lawrence, the joint owner/manager, encourages a "hands off" approach in relation to the operation in Thailand. There are two reasons for this. The first is that he generally feels that employees should be employed to do the job for which they have been hired. The second is that he feels it is culturally more appropriate to allow the local machinery to work out its own methods to develop a smooth operation to fulfil the limited aims of the operation.

3. There is no explicit business "culture" in Artex. Some general principles, which are usually implicit, guide the family business. There is a general tradition in the company which Lawrence would like to maintain. This tradition is not written down anywhere, but is transmitted through the personal relationships in the company.

While Artex is not seeking to establish a culture in its operations, some trans-cultural issues are raised by having a Thai factory as part of the Australian operation. The Thai operation does have to produce for Australian and foreign markets and this has meant the imposition of some values, particularly in the area of quality control which is very important to nature of the Artex operation.

There were also some issues in personnel management. Part of the general business philosophy of Artex has
been that through caring for the quality of the staff and developing their loyalty, a smooth operation is ensured. Could this philosophy be transferred to the Thai situation?

1. PERSONNEL MANAGEMENT

Lawrence has a definite philosophy of personnel management. He sees the people in the company as very important and values the personal relationships that he has with the individuals he employs. Most of his employees stay a long time with the company. Lawrence goes out of his way to take a personal interest in his employees and their welfare. He tries to develop a family atmosphere in the business. The success of this policy was strongly affirmed by the Australian employees, all of whom volunteered the feeling that the company was like a family.

Lawrence also believes that the employees are hired for their abilities, and should be left to do the tasks for which they are hired. In other words, he delegates a great deal of authority and expects people to be involved in decision-making. As in Kodak Australia, there is an attempt to recognise the contribution of each individual in the business through consultation. Regular meetings are held at different levels in the company in Australia in which employees are asked for their ideas on how things might be done to the advantage of all.

The particular nature of Lawrence's operation became obvious in relation to a particular incident. There was some pressure due to the recession in Australia. Some employees in the warehouse were asked to work for thirty-six hours a week instead of
thirty-eight for a short period of time. At the end of this period, the situation was reviewed as promised and the employees were asked if they were willing to continue in that arrangement (the owner's preference) or whether they wished to revert to a thirty-eight hours a week. The seven people were unable to resolve the issue among themselves. Instead of returning for further discussions with Lawrence, they telephoned the union for advice. Lawrence was most disappointed. He would have preferred full and open communication on such matters without recourse to third parties such as unions.

The action of the employees might be seen in terms of their view of employment as a contract with certain conditions between an organisation and themselves. Consequently it would not be inappropriate to engage a third party to work out these conditions. Lawrence would rather see employment as not just a contract but as the development of a personal relationship in which there can be open communication. He believes that this is in the interests of a smooth and successful operation.

Lawrence's philosophy has produced different attitudes towards employment in the company in Australia compared with those found in Kodak. All the Australian employees said that they felt that they did have rights. One person put it in terms of receiving a fair day's pay for a fair day's work. He also added that he felt that it was his right that employers did not "talk down" to him. However, all employees indicated that there had to be "give and take", an idea which was not mentioned explicitly by the Kodak employees. One person said she wanted to be respected for what
she did, and would give respect to others. She would give her "50 cents worth", and expected management to do the same. Another employee, when asked about rights, responded in terms of the importance of trust. It was not a matter of getting what she was "entitled to". Rather, she was grateful for the trust in the company. It would be assumed, for example, that if she was late to work she had genuine reasons. In other words, there has been a modification of the contractual understanding of employment, so that it has become overlayed with the philosophy of employment as a personal relationship based on trust and reciprocity.

All the Australian employees spoke of the way in which the company had been generous to people. In times of crisis, the company had helped. In one case this was giving extra time off on the death of the spouse's parent. In another case a car had been lent in a time of need. The company was seen as very benevolent.

Lawrence would like to see this philosophy operative in the Thai situation although he is well aware that he cannot ensure this personally. He regrets that he could not get to know the individuals in the Thai company and is very restricted in his communication with many of them because of language. He is also aware of the importance of social hierarchy in Thailand and the need to protect the face of those in management positions.

On the other hand, this ethos of management can be put into practice in some ways through John Ten Buuren, the expatriate Operations Director in
Thailand. Ten Buuren spoke of helping the people around him. He himself did not have close contact with most of the employees and the personnel management was left largely to the production manager. However, he sought to extend the benevolent attitudes within his sphere of influence. For example, he became aware of some problems his driver was facing who did not have a good roof over his head. He lent his driver some money to help, and did not press for that money to be repaid. He felt that it would be most appropriate for him to attend weddings or other special family festivals of the top two levels of management, and would give gifts, and would make speeches. However, he was wary that this could be overdone: it was possible for people to take advantage of him.

Some employees said they could ask for special help if it was needed. The administration was seen as benevolent. It is interesting that one person who would not ask for help was the production manager. He saw problems as things he would have to work out himself. One other person said she would be too แก่งใจ 'grengjai", recognising her social inferiority, to ask for assistance. She would not want to risk the possibility of upsetting smooth relationships. On the other hand, one had the feeling that she might try some indirect way of making known her plight and would be very grateful if help was given. She said that she would definitely invite management to personal celebrations, although she would not necessarily expect them to come.

Ten Buuren likes to see the top level of management working in a consultative way. He
makes decisions with the accountant and the production manager. However, it seems that in practice there is a strong sense of hierarchy with himself at the top of the pyramid. There are many occasions when Ten Buuren issues direct instructions to his production manager. The production manager referred to Ten Buuren as his boss, along with Lawrence. Joint decision-making is not necessary, or even easily understandable in the Thai context.

The sense of employment being a personal relationship was strong in the Thai company. When asked about their employer, there was no hesitation in naming names. The employer was not named as Artex, but usually "Mr. John" (Ten Burren), occasionally "Mr. Chairat", the production manager, for those a little lower down the hierarchy, and "Mr. Michael" for those closer to the top. Chairat referred to "Mr. John" as a father figure. Australian employees, however, without exception, spoke of the employer as Artex, the company rather than the person.

In Artex, then, employment was seen initially as a contract in Australia, with a recognition that employees had rights. However, this had been modified through the deliberate attempts by management to develop good personal relationships with the employees, involving trust and mutual good will. In Thailand, the idea of having rights as an employee was not understood. Employment was seen purely in terms of personal relationships.

The other major difference between the Thai and Australian operations in personnel management was
in the importance of hierarchy in the Thai context and its absence in the Australian. Several Australian employees notes the importance of being able to communicate freely with management. They valued the opportunity to have a say in the operations of the company and the fact no one "looked down" on them. In Thailand, there was a strong sense of hierarchy of social relationships in the operation and the importance of doing what was required by those above was emphasised with little emphasis on joint decision-making.

2. MOVITATION TO QUALITY

Quality control has been a major issue for the Artex company. Part of the tradition of the parent company, Alexanders, was to market goods of high quality. They serve the middle and upper ends of the market in leather goods. Lawrence said he was not interested in competing with the cheap traders who make money quickly but then disappear. Alexanders is a long-standing company with a tradition and a great deal of "good will". They want to maintain this and they want their sales people to feel comfortable recommending their products.

Thus quality control was something that had to be developed in the Thai context. There were several ways in which they have sought to do this. At first, the only check was made at the time of packaging. This was found to be inadequate and it was decided to institute a "quality control department".

The problem remained one of how to encourage people to perform high quality work. As in the Thai
Kodak company, relationships were important in motivating people to do high quality work. A secretary at Artex mentioned the idea of people having a sense of belonging in the company. She spoke of the idea of recognising birthdays as one way in which this might be done. She also said how important it was to be polite in relationships, and to understand people. She said that it was important to follow through inter-personal problems and seek to solve them.

Several people mentioned that they did good quality work in order to please "Mr. John". He, or other managers, should, in turn take an interest in the people, speak with them, and show appreciation. Financial rewards, presents, and bonuses also played a part in motivation.

Motivation to encourage the Australian employees to maintain high quality work took different forms. The employees spoke of the motivation of knowing they were doing high quality work for the customers. Unless their work was good quality, their goods would not be sold. Indeed, they believed that their jobs depended on maintaining high quality.

There was also inner motivation. Two employees mentioned the adage that if a job is worth doing it is worth doing well. This motivation is related to the nature of the task.

Relationships were also seen as significant in encouraging work of high quality in Australia. One employee said that the company got people to take pride in their work. Several mentioned that good work
was noticed and rewarded in small ways. The company provided little extras when goals were reached such as a refrigerator of soft drinks. There was no "employee of the month" scheme, but employees said that they knew that good work would be noticed and appreciation would be quietly shown. Unlike the Thai employees, the Australian ones did not seek to work to a high level of quality to be rewarded with the appreciation of the management. But the appreciation shown by the management was certainly seen as an encouragement.

Employment as Task-Oriented or Relationship-Oriented

Some clear differences between the Thai and Australian cultures as found in the world of business have been revealed in these two case studies despite the differences in the nature of their operations. In Thailand, employment is seen primarily in terms of personal relationships with the employer, while in Australia it is as a contract to perform certain tasks. These differences were seen most sharply in Kodak. For Artex, the picture was a little different in that the Australian manager had deliberately sought to overlay the contractual arrangements with good personal relationships in which there was trust and a desire to reciprocate the good will shown by the management towards the employees.

The differences in the concept of employment were visible in relation to the responses to several questions.

1. **Employees' rights.** The question had little meaning for the Thai employees, while all the Australians
responded readily that they felt they had rights as employees.

2. What attracted employees to their employment. Australian employees almost invariably mentioned that they enjoyed their work because it was interesting, and, sometimes, challenging. Thai employees spoke of the sense of fun in the work place and the good relationships they enjoyed with others there.

3. Joint decision-making. Joint decision-making had not been seen as closely related to the concept of "team" in the Kodak operation in Thailand. "Team" had taken on other connotations, particularly those of cooperation and combined effort for the good of the company and ultimately of the Thai people.

4. Motivations to maintain work of high quality. In Thailand, the major motivation for doing work of high quality was that of pleasing those to whom one was responsible. In Australia, the major emphasis was placed on understanding the nature of the task. Nevertheless, in both cultures, the positive signs of appreciation shown by the management were much appreciated by the employees. In both cultures, there was a sense that the final word for quality was that of the customer.

5. Conception of quality. Although it is not possible to confirm this from the interviews conducted so far, the data suggests that, to some extent, the notion of quality may vary from one culture to
another. In Australia, quality is measured primarily in terms of achieving certain task-oriented goals. While there are technical measures of quality in Thailand, it may be seen to a greater extent as what pleases the employer or customer, having its roots, finally, in the nature of relationships.

Another cultural difference which emerged at several points was the social hierarchy in Thailand and the egalitarianism in Australian culture. This was particularly apparent in relation to the decision-making processes. In both Australian operations, joint decision-making was highly valued. In Kodak, this had been institutionalised in the form of "natural teams". In Thailand, it was expected that the right to make decisions was derived from social position within the company. The manager could make any decisions, and could delegate if he wished to do so.

It was also evident in the importance given to social recognition. The importance of receiving recognition from those higher in the social ladder was evident for the motivations of individual employees to perform work of high quality.

The Thai patterns are founded on developing personal relationships in a hierarchical social structure as the means to a better life. These patterns reflect what Neils Mulder and many other analysts have said that Thai society revolves around patron-client relations. One gains power by attaching oneself to

superior power, to seek higher patrons. The client seeks to please and is obedient to the patron, while the patron should be benevolent to the client. This structure has been a flexible one in that it has been expected that clients might move any time to another patron if they felt that the present arrangements were not in their interest. In such a hierarchical society, the "team" concept, in terms of the sharing of decision-making, makes little sense.

Motivation has much more to do with good hierarchical relationships than with taking responsibility for one's own work. One works well to please others, rather than to get the job done well for its own satisfaction.

These patterns reflect the reality that pre-modern Siam was feudal. There was a strong hierarchical distinction between the royalty and noble classes on the one hand, and the peasants on the other. The way that a peasant might ensure that he enjoyed some security and prosperity was to ensure that he maintained good relationships with a patron. He did this by carefully showing respect to the patron and by being obedient. In return, the patron would care for his clients. These feudal patterns have persisted into modern employer-employee relationships.⁴

In contract, the development of the middle classes at the time of the Renaissance changed the focus of finding a way of life for many people in the Western world. The means to a better life depended

upon one's abilities and courage as a merchant rather than dependence on the nobility. The industrial revolution brought further changes. The means of production was often dependent on having the appropriate machinery for production. Thus, for a large section of the population, the way to a better life in the West has revolved around the accomplishment of tasks in an efficient way.

The Renaissance and Industrial Revolutions meant an end to the dominance of the nobility in attaining a good life in the West. Position in the social hierarchy has come to have less influence on achieving a good life. Thus, there has been a gradual decrease in focus on social hierarchy.

Australian culture has a particular history of fierce egalitarianism. While its modern development began as an isolated settlement for convicts, free settlers who were hoping to make money soon arrived. The influx of these free settlers increased dramatically when gold was discovered in several parts of Australia and the opportunity for poor people to become rich very quickly attracted millions of people. Australia was seen as a "workingman's paradise", a land of opportunity and salvation for all-comers.\(^5\) These people saw materials goods rather than social relationships as the means to a better life. Social hierarchy had no place or prestige on the gold fields.

These ideals have continued. Among the immigrants from the West, there has never been an established class. People have made their way in Australia through work or good fortune, finding gold or other minerals, or working the land or developing trade and manufacturing. During the boom period of the 1950s, Australia was sold as a place where everyone was on an equal footing.

Throughout this wide-ranging land, where outback station and city night-club are equally part of the social fabric, and where opal gouger, crocodile hunter, city clerk and atomic scientist are all members of its community, one language prevails; and its people are united in customs, character and tradition. Few are so rich that they need not work; none so poor that he cannot enjoy recreation.⁶

Recent sociological study has demonstrated that there is some continuing truth to this. The inequalities that do exist are found primarily in occupations rather than in positions, and there is considerable room for mobility.

The high occupational mobility in Australia suggests that this is a relatively open society, with a considerable amount of achieved or circular mobility from one generation to the next and during the span of individual

careers. Moreover, although there is some transmission of privilege and disadvantage from one generation to the next, there is evidence to suggest that this rarely persists beyond two generations.\(^7\)

At the same time there has been a strong distrust of authority in any form has its roots in the penal origins of modern Australian society. But it has persisted as Australians have struggled to make a livelihood for themselves in a harsh land and environment where freedom provided the necessary context. Recent descriptions of Australian society continue to speak of the "suspicion of authority".\(^8\)

The idea of joint decision-making in which everyone has a place and can have a say fits well in such a culture. It overcomes the problems associated with a distrust of authority that can easily be transferred onto the commands of the employer. It encourages employees to see themselves as responsible for their own work, and ultimately for their own future. In this way, it would have the effect of encouraging a sense of responsibility for the quality and productivity of the work.

As occupational mobility increases in Thailand, and as the economy moves increasingly to a dependence on manufacture and trade, it is possible


that the nature of patron-client relationships will change. People may find that production and success in accomplishing tasks come to have greater significance for their well-being than the formation of good patron-client relationships. There are some hints that such changes have begun to take place.

**Neils Mulder suggests that:**

the tremendous power of money has begun to overshadow the more personal and addressable power of politics and administration. Patron-client relationships have been replaced or subverted by business-like relationships and experience with power is becoming increasingly impersonal.⁹

This was supported by Khun Narong at Kodak. He said that patronage was not important any more in business and that this was a significant change he had seen during the last ten years. He argued that the relationship of employer to employee was seen largely in monetary terms. If better rewards could be gained elsewhere, then the person would move. Loyalty to the company or a personal relationship with the "patron" amounted to little. While the strength of Khun Narong's ideas was not born out in the interviews, it did appear that most employees did not see the company as a patron, supporting the client in all spheres of life.

⁹ Ibid., p. 39.
The change in economic structures and institutions may have played some part in changing Thai culture. This change may mean, in the long term, that employer-employee relationships are no longer seen primarily in personal terms and concerning the whole person, but are seen more in terms of impersonal contracts with limited applicability in time and place, oriented around particular tasks. Culture is not static. Changes in conditions and new types of institutions produce changes in culture.