

Non-Transparent Leadership in Thailand & Its Impact on Western Expatriates' Job Performance



Dr. Allen Nazeri
Student ID 1626117

University of Bedfordshire
School of Business MBA

May 25th, 2018

Unit Co-ordinator: Dr Pauline Loewenberger
Supervisor: Dr James MacAskill

Executive Summary

The author of this study is from the United States and has been working in a family owned and managed, medium size, Thai business for the last 4 years. He continues to experience many challenges working as a senior executive in a hierarchical business structure as well as a consultant working on mergers and acquisitions with number of companies in Thailand where relevant business information is non-transparent.

The lack of transparency propagates a toxic culture in teams, delays the decision making process, and it decreases job performance leading to inter-personal conflicts and job dissatisfaction.

There are number of studies on the subject of failure rate among expatriates, but no studies are known to be available on the subject of non-transparent leadership in Thailand as it relates to Western Expatriate Professionals (WEP) who are accustomed working in a transparent environment where open sharing of information is essential to formation of bilateral trust among all stakeholders, business growth and the overall team dynamics.

This study is a of particular interest as Thailand is the second largest economy in southeast Asia and continues to attract Western professionals from multinational companies as consultants, management executives or investors. Thailand can offer a great lifestyle for many executives but prior to taking on a job assignment or settling in the country, it is important for those executives to comprehend the root causes of non-transparency and the steps they must take to increase their odds of success in a non-western style of leadership where information is often missing or non-transparent. The

Thai leaders can also benefit from the results of this study to better understand how their non-transparent behavior can annihilate trust, inhibit innovation and growth leading to job dissatisfaction. They can also learn from this study as how to implement further training programs in human resources department to educate both Thais and the newly arrived WEP, in the differences that exists between Thai and Western styles of leadership in order to bridge this gap.

A systematic review of literature and secondary data, identifies the contemporary theories leading to non-transparent and non-authentic leadership in Thailand and explores the cultural influences and differences that are the primary driver of this behavior. The author discusses the available literature in chapter 4 and draws a conclusion based on the results of this study in Chapter 5 and finally makes recommendations based on this study as well as his own personal experience working closely with various Thai leaders in Chapter 6.

“Thai leaders can also benefit from the results of this study to better understand how their non-transparent behavior can annihilate trust, inhibit innovation and growth leading to job dissatisfaction “

Executive Summary	2
Chapter 1: Introduction	5
1.1 Background & Rationale	5
1.2 Aims & Objectives	7
1.3 Theoretical Underpinning	8
1.4 Method of Analysis and Evidence Collection	10
1.5 Outline of the Report	12
Chapter 2: Literature Review	13
2.1 Transparent Leadership in Context	13
2.2 Possible theories leading to non-transparent leadership in Asia	15
2.3 Negative impact of Guanxi in a non-transparent Organization	20
2.4 Positive impact of Authentic and Transparent Leadership	21
2.5 Differences of Western and Thai Style Leadership- A historical and cultural perspective	23
2.6 Culturally Related Organizational Structure Studies on Thai Leadership	24
2.7 Recent views of preferred styles of leadership among Thais	27
Chapter 3: Research & Methodology	28
Chapter 4: Discussion	30
Chapter 5: Conclusion	41
Chapter 6: Recommendation	43
References	48

Chapter 1: Introduction

1.1 Background & Rationale

There is little research on the migration of Western Expatriate Professionals (WEP) to one particular developing country, Thailand. Their decision to move to a developing nation such as Thailand and the incentives vary for many expatriates. It ranges from career development, higher salary to improved lifestyle (Collings, Scullion and Morley, 2007). Higher education and improved lifestyles are the conduits for permanent migration (Howard 2009, LaPorte 2005, Meyer JB, 1999). Those who emigrate to Thailand are either on a work assignment from a MNC¹ or self-funded retirees (Howard, 2009). There are also freelancers engaged in digital commerce and are often referred to as “*Digital Nomads*”. Even though Thailand is on the 2014 list of developing countries produced by the UN study (United Nations, 2014), and is more developed than some of its neighbors; Various authors argue that Thailand is still a third world country and struggles with systemic corruption (Volrasarn & Harnpornchai 2014, Phong-paichit 1998), despite the 2014 military coup that promised to eradicate corruption as the country prepared to upgrade its status within the ASEAN² economic community. The subject of mobility of expatriates has been well documented in literature. The word “*Expatriate*” is used interchangeably (HOF, 2017). Even though the terms have been interchangeable, the classic terminology universally used is “*Expatriates*” (Leonard, 2010). Some authors refer to them as “*Skilled and Privileged Migrants*,” (Favell,

¹ Multi-National Companies

² ASEAN Association of Southeast Asian Nations originally established in 1967 but development of an economic community was established as of January 1st, 2015

Feldblum and Smith 2008). On the other hand, Sklair (2001) refers to them as “*Transnational Capitalists*”, and Meier (2006) refers to them as “*Global Elites*”. Others have argued that not all are economically privileged and have challenged the title as “*Free moving Elites*” (Conradson & Ladham 2005, Smith 2005, Scott 2006). Their argument is based on the fact that even though some expatriates could be economically privileged, they have difficulties in regards to establishing new residency and social integration, which exposes them to many other challenges. There are many studies on the subject of failure rate among expatriates (Yeaton & Hall, 2008), but the majority of studies, define failure as premature end of assignment (Harzing & Christensen, 2014), but limit the detail of failure to examples such as, poor employee selection, insufficient preparation of expats prior to departure, local factors such as housings, transportation and language (Harzing & Christensen, 2014), and less focused on style of Leadership that can increase the odds of job assignment failure among expatriates. There have been calls for more studies on skilled migration, especially in geographic areas with different social-cultural conditions than the west (HOF, 2017). Therefore, it is the aim of this research to complement the existing literature and to perform an in-depth review of contemporary theories surrounding Leadership Styles in Thailand as it relates to Non-Transparent Leadership in order to prepare WEP for their assignment. The study is intended to familiarize them with the organizational challenges they will encounter and the steps to take in order to increase their chance of success. In summary, the following are the rationale for this research:

- 1) Understand the fundamental principles of the current leadership styles in Thailand
- 2) Analyze possible theories that are the root of non-transparent behavior of Thai leaders
- 3) Create a list of recommendations for both Thai leaders as well as WEP to be able to work together in a more unified and aligned manner

1.2 Aims and Objectives

The research aims to investigate the common leadership style present in Thailand and the non-transparent management style that leads to frustration, barriers to Job performance and intracompany relational conflicts for WEP. The paper aims to achieve the following objectives:

- 1) To evaluate the body of knowledge on leadership style in Thai organization
 - Study the rationale behind current leadership style in Thai organization
 - Research contemporary theories related to non-transparent behavior in management
 - Investigate cultural differences between Westerners and Thais in leadership
- 2) Critically evaluate the institutional structure, and cultural influences in Asian owned and operated businesses on the emergence of non-transparent leadership styles with particular reference to expatriate

3) Identify the critical differences between Thai and Western leadership and recommendations to assist Thai leaders in helping WEP integrate easier into a Thai business culture

1.3 Theoretical Underpinning

A collection and analysis of secondary data obtained from various academic Journals, research papers, and official government reports were conducted investigating the contemporary theories related to Transparent Leadership and its application in Thai Organizations, where it is predominately based on “*Chinese Confucianism*”, and “*Social Capitalism*” is dominating this relationship. In Confucian philosophy, the stability of a society is based on *social hierarchy* (Huang, 2015). There is a large influence of Chinese migration into Thailand. During the nineteenth and twentieth centuries, Thailand attracted a large number of Chinese for infrastructural and other manual work and Thai-Chinese have been involved in operating small family run businesses (Mandarchitatra, 2014). According to CIA World Fact Book 2017, 14% of Thailand’s population are from Chinese descents, but they control nearly 70% of the businesses. The migration of Chinese continues and has been on the rise according to Bangkok Post, a major English newspaper in Thailand. The new Chinese emigrants differ from the old emigrants as they are mostly educated, well-funded, and are looking for economic opportunities compared to the older generation who were looking for economic survival (Bangkok Post, 2016). In a hierarchical society, questioning actions of a superior is not the accepted norm, and it can have a significant negative impact on the relationship between the person and even other individuals in the organization.

Authoritarian leaders desire to maintain personal status, power and dominance over subordinates (Cheng&Farh, 2004). They also tend to believe that because they are positional leaders due to their titles or tenure with an organization, they deserve respect, are superior, and their decisions must be final (Javidan, 2006).

Research indicates, there is a large Chinese influence in operating businesses in Thailand, thus research explores the commonly practiced Western theory of authentic transformational leadership and its application to Thai organizations with predominantly authoritarian style of leadership and hierarchal management based on Confucianism philosophy that stems from ancient China. The authoritarian leaders display lack of trust to subordinates by way of their adopted style of leadership whereas WEP from developed countries view trust, delegation and empowering employees essential to team building, organization's successful growth and creativity. Researchers and scholars have been very interested to identify mechanisms through which trust in leadership can be developed as well as factors that can aid leaders in moderating their relationship with subordinates (Mann, 2004). For Asian leaders trust is normally formed based on relational network and this is emphasized strongly in business dealings, much more than it is emphasized in the Western culture. This relationship is often referred to as "*Social Capitalism*" and gives Asian businesses a competitive advantage (Yucel, 2002). The WEP must consider Social Capital and attempt in leveraging it effectively in order to accomplish their mission.

The discussion of this paper is focused on :

- Theories resulting in Non-Transparent behavior among Thai business leaders

- Differences in styles of Communication in Cultures
- Impact of Non-Transparent leadership on job performance of Western Expatriates

1.5 Method of Analysis & Evidence Collection

Utilizing Evidence Based Management (Briner, 2015) secondary research data and best available literature was collected to support this research. A systematic review of available literature in the last ten years was obtained as well a number of articles from older dates because there were lack of sufficient studies of the subject matter in Thailand. The keywords, Trust, Transparent Leadership, Authentic Leadership ,Social Capitalism, Guanxi, *Confucianism and Emerging Markets* were used by searching the Deepdyve.com, University of Bedfordshire Online Journal Library and also visiting Mahidol & Chulalongkorn Universities as well as the United Nations in Bangkok, resulted in fifty Quality literature articles and are considered highly reliable. By application of this method in collecting data and analyzing it, the study produced answers to the questions the author was seeking and produced practical and truthful answers for guiding future Western expatriates who plan to take on an assignment in Thailand (Denscombe, 2010).

Research Questions

This study aims to determine specifically as why non-transparency exists in Thai organizations compared to the western culture, and how it impacts WEP who take on an assignment in a Thai owned or a managed company.

Particular questions that the researcher aims to answer are:

1. What is the main cause(s) of non-transparent leadership in Thai owned / Thai run businesses?
2. Do Thai leaders who have spent time abroad have a different view on transparency within the Thai business?
3. What results does non-transparent leadership have on foreign workers within the Thai owned / Thai run businesses?
4. What action is required to improve integration of WEP in to Thai owned / Thai run businesses?

Assumptions

This study is conducted based on the following assumptions?

1. Non-transparency has a bigger effect on WEP than Thai workers
2. The main cause of non-transparency has various root causes and is multi-dimensional
3. WEP are not fully prepared for the experience of working with a Thai business
4. Non-Transparent Leadership is more common in family operated businesses than those publicly listed companies on Stock Exchange of Thailand (SET)

“14% of Thailand’s population are from Chinese descents, but they control nearly 70% of the businesses”

CIA World Fact Book 2017



Figure 1

Outline of the Report

Chapter 2 is designed to perform an in-depth literature review highlighting major theories surrounding “Non-transparent Leadership” by examining contemporary articles written as why it exists and positive and negative impacts of non-authentic and authentic leadership on the organization. Chapter 3 will explain in detail the method of analysis applied in this systematic review and the use of keywords, (Trust, Transparent Leadership, Authentic Leadership, Social Capitalism, Guanxi, Confucianism). The articles presented will lead the discussion in Chapter 4 by qualitatively analyzing the information obtained. Chapter 5 will draw conclusion on the framework of knowledge obtained regarding non-transparent leadership practices in Thailand and Chapter 6 makes some recommendation highlighting critical steps could be taken by western expatriate workers, prior to taking up an appointment to ensure an effective partnership is developed.

Chapter 2: Literature Review

The review of contemporary literature begins with understanding the integral elements of transparent and authentic leadership and concludes by categorizing the possible non-transparent practices into four theories. The data acquired in this section will be the basis of discussion and conclusion in the subsequent chapters.

The Global Leadership Forecast Report of 2011 suggests that only 35% of Thai leaders consider themselves as being effective (Boatman, Wellins & Chuensuksawadi, 2011).

Those numbers are drastically low compared to other countries creating a concern for the future of leadership in Thailand. In the last few years a great deal of attention has been put on this issue. Various sources described the situation as challenging (Roongrerngsuke & Liefoghe, 2012) and stressful (Talergnsri & McKenzie, 2013).

Therefore, in order to improve the quality of leadership and be competitive in the global markets Thai leaders need to analyze their management strengths and weaknesses and adjust their current practices to the worldwide standards. Given the current state of the leadership in Thailand it is worth examining the implications of leadership characteristics in the present Thai workplace.

2.1 Transparent Leadership in Context

According to Webster's Dictionary "transparency" is something that is clear, easy to understand and obvious. Vogelgesang states "Interactions characterized by sharing relevant information, being open to giving and receiving feedback, being forthcoming

regarding motives and the reasoning behind decisions, and displaying alignment between words and actions” (Vogelgesang, 2008). A more descriptive definition is whether or not all relevant and useful information is shared with the interested parties (Vogelgesang G. R., 2006). A leader’s critical challenge, regardless of where they are geographically situated, is to gain the trust of their followers. This is ever more important at times when the organization is facing turmoil or when it is going through a major milestone such as funding, merger or acquisition. Trust in a leader has desirable outcomes such as satisfaction, retention, commitment, organizational citizenship, behavior and performance (Steven M. Norman, 2010). The following are a collection of theoretical summaries that attributes as a result of a transparent leadership:

Positive Organizational Behavior

A leader’s positive psychological capacity, defined as the creation of hope and optimism as well as being both efficacious and resilient has shown to create a positive behavior among followers and is underlying commonality among high performing organizations (Luthan, 2007).

Trustworthiness

Trusting relationships are a critical aspect of transparent leadership. Scholars vary in definition of trust. According to Luthan, et al. when a leader displays a higher level of positivity as described earlier (hope, optimism, efficacy, and resilience), the leader portrays an image of competency and followers see the leader as more trustworthy (Luthan, 2007). Mineo describes trust as series of actions by a leader that includes a genuine concern for others, ability to admit weakness and it is not a momentary event

but a series of investments over time (Mineo, 2014). Other researchers explain trust in leadership can be related to working conditions, issues relating to personal status and the value management puts on fairness, all of which if not positively perceived, that can create negative emotions (Kiefer, 2005)

2.2 Possible theories leading to non-transparent leadership in Asia

In the review of literature (Figure 2) various theories were discovered that contributes to non-transparent activities within an organization. One or more theories may co-exist and is directly related to the leader.

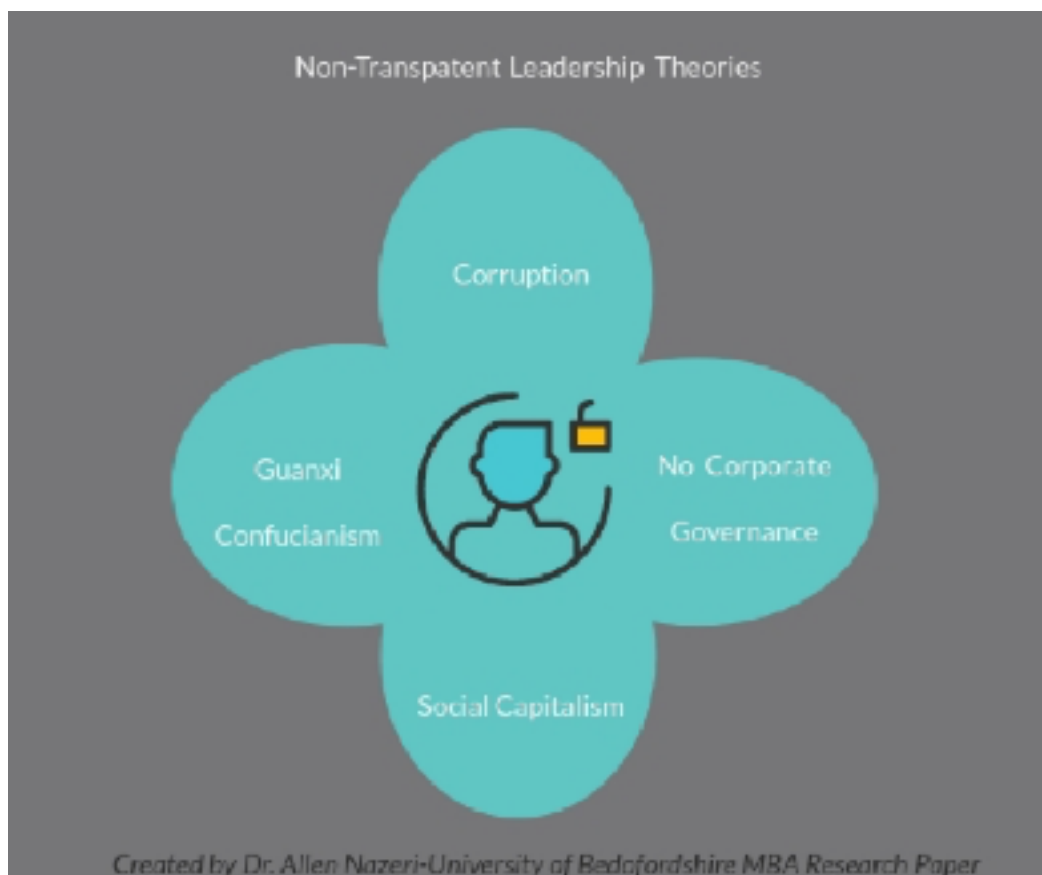


Figure 2- Theories surrounding non-transparent leadership Photo from the author

Corruption Theory

Could the corruption be the root cause of non-transparency in Asia? Volarsam and Harnppornchai, argue that corruption can stem from any of, or combination of four reasons, 1) A weak monitoring system, 2) Weak enforcement and punishment of corrupted individuals, 3) Desired benefits that come from corruption, 4) Corruption is allowed by the local culture that is dominated by the international culture. The transparencies of nations increase along with their levels of economic development, strong law enforcements and ratios of foreign share- holding in firms (Harnpornchai T. V., 2014). Callahan argues that corruption is due to social capitalism, defined as relational network that seeks for a common outcome (Callahan, 2005).

Social Capitalism Theory

According to the Christoforou, the contemporary definition of “Social Capital” is regarded as network cooperation, reciprocity and trust that facilitates collective action for the achievement of a mutual benefit (Christoforou, 2013). According to a critical theorist, Bourdieu, he identifies social capital as resources benefited to an individual through social ties to secure social status and privilege to sustain prevailing structures of class and power (Bourdieu, 1986). Other literatures point to non-transparency in Asia compared to the Western countries are not necessary due to corruption but due to connections “Gaunxi”, in China, “Kankei” (Japan) and “Inmak” (Korea), which is the framework for many business dealings in Asia (Yeung & Tung, 1996). Even though Social Capital or Guanxi can attribute to corruption in a country like Thailand where the corruption level is high, in other countries with low level of corruption, such as

Japan can be an important competitive advantage for a business and it is certainly an important concept for Westerners to recognize and adopt in global markets (Yucel, 2002).

Confucianism and Guanxi Theory

The deep influence of Confucianism and Guanxi in Asia is notably one the main reasons for lack of transparency. According to Chen (2017), in Taiwan where Human Resource Management (HRM) is more developed than other Asian countries like Thailand, the SMEs are family controlled and nearly all of the major positions are held by close family members since non family members are often not trusted (Chen, Chuang, & Chen, 2017). However, Yucel also argues that there is lack of sufficient studies on the subject of Gaunxi because Westerners view it as a form of favoritism and nepotism while Chinese look at as a form of asset and rarely discuss it openly (Yucel, 2002). In reality, Gaunxi is a general term that is used for social networking but it is important to know how it differs from friendship in the west. In the Chinese hierarchical culture, the social relationships between individuals are interdependent of each other where in the west, the primary influence of behavior is self-interest (Yucel, 2002). Ying Fan defines Guanxi as the process of social interactions and argues that the existence of Guanxi base (special relationship) does not produce Guanxi. He classifies Guanxi into three categories: family, helper, and business; and critically examines the role of Guanxi in business. He argues firstly, that Guanxi is more tactical and not strategic. Secondly, Guanxi is a personal asset and not a competitive advantage and thirdly the Guanxi between a business person and a government official is inherently corrupt and ethically questionable (Fan, 2002).

Corporate Governance Theory

A transparent leader sets a good example at all levels of governance (Nnablife, 2010).

When non-transparencies lead to corrupted behavior, it is due to lack of corporate governance. Although corporate governance frameworks differ among countries and organizations, it is based on the legal, regulatory and institutional environment, and they have a common aim: to define clearly the rights, responsibilities and behaviors that are required of leaders, company's owners (the 'principals') and managers (the 'agents') for the business to operate successfully (Brooks, 2009). Brooks further defines transparent corporate governance into the following areas: Shareholder rights (The right of owners and investors to accurate information), Stakeholder rights (The recognition of company's efforts on broader groups such as the employees and customers), Financial Transparency (Disclosure of company's financial information, regarding the numeration of board members, senior executives and all related information related to management's performance), Proper Accounting (Recording of all business transactions accurately and openly, use of external audits to insure proper compliance), Information Sharing (Obligation to provide stakeholders such as employees as how the company is doing in a timely manner), Oversight (Creation of organizational bodies to oversee various business units and insure compliance), Review (Production of reports on implementation of policies and procedures) (Brooks, 2009).

Theories	Cited Authors	Summary for Non-Transparent Practices
Corruption	<i>Volarsam & Hamppornchai 2014</i>	<ul style="list-style-type: none"> • <i>Weak Monitoring</i> • <i>Lack of Punishment</i> • <i>Desired Benefit</i> • <i>Local Culture</i>
	<i>Callahan 2005</i>	<i>Social Capitalism</i>
Social Capitalism	<i>Christoforou 2013</i>	<i>Benefit to Close Network</i>
	<i>Bourdieu 1986</i>	<i>To hold Status and Power</i>
Confucianism and Guanxi	<i>Chuang & Chen 2017</i>	<i>Top management is held by family members with close ties</i>
	<i>Yucel 2002</i>	<i>Guanxi is a form of a business "Asset"</i>
	<i>Fan 2012</i>	<i>Guanxi is a form of personal asset not a business asset</i>
Corporate Governance Theory	<i>Brooks 2009</i>	<p><i>Lack of Corporate Governance in the following areas lead to Non-transparent and corrupted behavior: 1)Shareholder Rights,2)Stakeholder Rights,3)Financial Transparency,4)Proper Accounting,5)Information Sharing, 6) Oversight</i></p>

Table 1. Summary of Collective Theories for Lack of Transparency

2.3 Negative impact of Guanxi in a non-transparent Organization

Chen & Chen critically analyze Guanxi from a business perspective and its negative external effect on the organization. They argue that even though Guanxi or favoritism is important between people, practicing it in organizations can lead to lack of trust between subordinates and leaders as one group maybe favored more than others. This type of relationship does lead to non-transparency in leadership which affects the organizational relationship between people involved (Chen & Chen, 2005). Although Guanxi can have negative impacts on organizations, elimination of it is not feasible as it is deeply rooted in Confucianism. However, as Thailand develops further, similar to other Asian countries such as Taiwan, Hong Kong, and Singapore, organizations are realizing to become solely dependent on Guanxi and having an overly-hierarchical organization can hinder innovation and growth and there is a need to tap into talent outside of their social network (Zhang, 2016).

Negative Impact of Guanxi & Non-Transparent Leadership

- **Lack of Trust between Subordinates and the Leader** (Chen & Chen 2005)
- **Hinder Innovation & Growth** (Zhang 2016)

Figure 3

2.4 Positive impact of Authentic and Transparent Leadership

One way to mitigate the negative effects of social capitalism is for organizations to become more transparent through authenticity in leadership. Authentic Leadership (AL) is a behavior that is portrayed by a leader who is ethical and transparent. In an authentic and a transparent leadership there is a close relationship between the followers and the leader and promotes open sharing information and consideration of employees' viewpoints (Costas and Taheri 2012, Avolio et al., 2009, Malila, Lunkka and Suhonen 2018). The characteristics of AL enable employees to accurately assess the competency and action of a leader (Wang, Sui, Luthans, Wang, & Wu, 2014). There are critics of the concept of authentic and transparent leadership (Malila, Lunkka, & Suhonen, 2018). For example, some critiques point out certain shortcomings such as overlooking social and historical circumstances that can affect the behavior of a leader (Gardiner, 2011). Gardner et., al. argue that authentic leadership model refuses to acknowledge the imperfections of individuals and despite its attestations to seeking 'one's true, or core self (Gardner, 2005). However, they point out that authentic leaders do lead by example and demonstrate transparent decision making. Walumbwa et al. (2010) argued that these ethical behaviors make the leaders look more attractive and credible as role models (Walumbwa, 2010). As a result of AL, followers exhibit motivation and positive behavior on their jobs that is attributed to self-worth and obligation to reciprocate (Wang, Sui, Luthans, Wang, & Wu, 2014). Gardener & Schermerhorn suggest that AL influence their followers by invigorating them with a positive psychological state that has shown to be conducive to higher performance (Gardner&Schermerhorn, 2004).



Figure 4

2.5 Differences between Western and Thai Style Leadership: A historical and cultural perspective

Western cultures such as Anglo-Americans are typically known for their democratic style of leadership, and modern organizations have adopted more of a flat line organizational

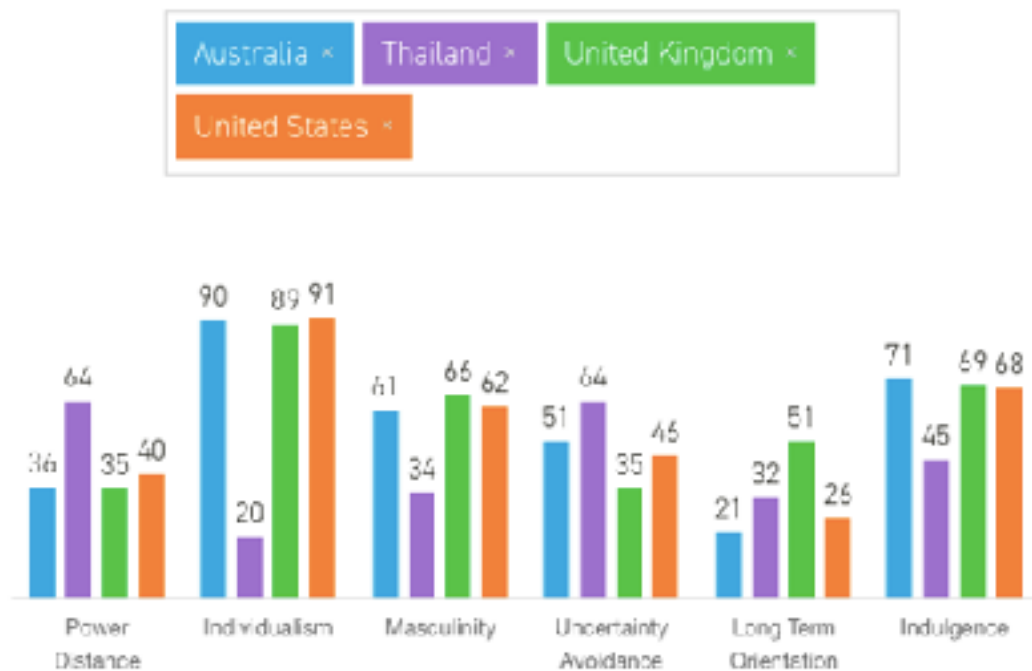
structure compared to Thai leadership which as discussed previously is more autocratic in nature (Cheng & Farh, 2004), and the organizational structures are typically very tall. For example, many Americans believe that liberal democracy must be the only option for any progressive society and other countries must follow the same pattern. Despite that belief, non-democratic views are commonly observant in most of the countries (Hilderbrand, 2016). The Buddhist teaching which is a strongly rooted philosophy in Thailand promotes the idea of a righteous dictator and Wisadavet argues therefore “democracy is not the ideal social system according to Buddhism” (Wisadavet, 2003). This idea is highly popular in Asia countries such as Singapore, Malaysia and China but not everyone agrees (Hilderbrand, 2016). Historians Pearse and Thompson point out that democracy can be viewed as chaotic in the eyes of people (Pearse, 2004). Countries such as Thailand prefer an orderly form of stability and safety to freedom and democracy. An example of this is frequent military coupes including the latest coup in 2014, which was highly popular among Thais for bringing stability back to their country. The country has been adopting new changes to the constitution almost once every four years since 1932 as a way to “gain legitimacy in the eyes of Western powers, not as something beneficial to the country “ (Hilderbrand, 2016).

2.6 Culturally Related Organizational Structure Studies on Thai Leadership

A study by Schwartz concluded that Thailand favors an organizational hierarchy and Thais can tolerate inequity in the distribution of power as they respect traditional values and social order (Schwartz, 1999). The data obtained from Hofstede insight (Figure 4) comparing Thailand to three major Western Cultures, Australia, United Kingdom and United States, revealed a better understanding of Thai leadership as it related to culture

(Hofstede, 2018). Hofstede and his team studied cultures of different countries on a national level for forty years. He noted the differences between the Thai and Western culture in that Thai (Score of 20) unlike the Westerners who scored high (90's) are more individualistic, they are more collective and value long-term relationships and Thailand scored high (64) in power distance compared to Westerners.

Power distance expresses the cultural tolerance of a society to inequality; a high number indicating the culture embraces inequality. In the area of Masculinity where is defined as a cultural attitude toward achievement, competitiveness, achievement and success Thailand scored low (34) compared to Westerners. The lower number is indicative of Thailand being a more feminine society that is less assertive and competitive. Uncertainty Avoidance and Long-Term Orientation indicates that Thailand does not accept change easily and change is slow and with suspicion. Western Culture



<https://www.hofstede-insights.com/country-comparison/australia,thailand,the-uk,the-usa/>

Figure 5

is more pragmatic and embraces change. In the category of indulgence, Thailand scored intermediately compared to Westerners but Thai culture traditionally is a “*Restrained*” and have control over their impulses and desires. One reason that Thailand maybe on the verge of becoming less restrained thus showing an average score, could be due to embracing further internationalization and adaptability to Western culture.

“Democracy is not the ideal social system according to Buddhism”

(Wisadavet, 2003)

Table 2 Six Dimensions of Thai Culture and scoring interpretation from Hofstede Studies

Dimension	Meaning	Score	Our Workplace Conclusion
Power Distance	<i>The extent to which the less powerful members of institutions and organizations within a country expect and accept that power is distributed unequally</i>	64	<i>Followers tend to accept the way things are, seldom speak up and can tolerate inequity and injustice in the organization. Tall organizational structures slows the decision process</i>
Individualism	<i>The degree of interdependence a society maintains among its members</i> <i>In Collectivist societies people belong to 'in groups' that take care of them in exchange for loyalty.</i>	20	<i>People are more loyal to each other and the group they belong to. They do not accept outsiders until loyalty is shown. If someone from the group leaves, the chances are other leave as well and it can have negative effect on the entire organization</i>
Masculinity	<i>The fundamental level of what motivates people. wanting to be the best (Masculine) or liking what you do (Feminine).</i> <i>A high score (Masculine) on this dimension indicates that the society will be driven by competition, achievement and success. A low score (Feminine) on the dimension means that the dominant values in society are caring for others and quality of life. A Feminine society is one where quality of life is the sign of success and standing out from the crowd is not admirable.</i>	34	<i>In Thai organizations, quality of life is more important than the being the best. People tend to have more fun at work, stress is reduced and employee turnover is low. The motivation to work hard and achieve success is not a priority as it is for Westerners.</i>
Uncertainty Avoidance	<i>Should we try to control the future or just let it happen? The extent to which the members of a culture feel threatened by ambiguous or unknown situations and have created beliefs and institutions that try to avoid these. The society does not readily accept change and is very risk adverse.</i>	64	<i>Thai organizations do not accept changes quickly as they are risk adverse and Western style of 'Quick Fix' mentality is not practical. This thinking brings changes slowly and can hinder growth as competition rises.</i>
Long Term Orientation	<i>How every society has to maintain some links with its own past while dealing with the challenges of the present and future? Low score indicates a "Normative" Society where staying with traditions are more common and societal changes are viewed with suspicion. High score indicates more</i> <i>'Pragmatic'. They encourage thrift and efforts in modern education as a way to prepare for the future.</i>	32	<i>Thai organizations are reluctant and suspicious to change. They look for absolute truth. The change takes a long time and can result in frustration of WEP and become a lost opportunity cost for Thais.</i>
Indulgence	<i>The extent to which people try to control their desires and impulses. Relatively weak control is called "Indulgence" and relatively strong control is called "Restraint". Cultures can, therefore, be described as Indulgent or Restrained.</i>	45	<i>Thais are in control of not showing their emotions and that can preserve relationships. It is great lesson for Westerners but at the same time too much restraint creates false feedback that can be interpreted as not genuine and honest.</i>

2.7 Recent views of preferred styles of leadership among Thais

A study conducted by Dr. Yongkondi (Yongkondi 2010) compared four different styles of leadership; Autocratic, Paternalistic, Consultative and Participative. The hypothesis before completing the study was that Thai employees preferred an autocratic style of leadership because of our earlier discussion looking at cultural dimensions presented in table 2. However, the results of this study pointed out a different view. 47% of the participants preferred a consultative manager and 42% preferred to be led by participative leaders compared to only 1% who picked autocratic style of leadership. The rest of the group thought Paternalistic leadership was the best choice for them (Yongkondi 2010, Hilderbrand 2016). In other studies, Limsila, & Ogunlana found that transformational leadership was the preferred choice among a group of construction workers (Limsila, & Ogunlana 2005). It is concluded that even persons in lower working class preferred not to be led under an autocratic style of leadership.

Preference of Leadership by Thai Employees

“47% of the participants preferred a consultative manager and 42% preferred to be led by participative leaders compared to only 1% who picked autocratic style of leadership”

(Yongkondi 2010)

Chapter 3: Research & Methodology

3.1 – Purpose of the study

As discussed in Chapter one, the aim of this study is to identify the root causes of non-transparent leadership in Thai organizations and its impact on western expatriate professionals who work in a Thai company. The data gathered from this study is used to make a list of recommendations to assist both WEP and Thai leaders to collaborate more effectively and bridge the cultural gap that may result in failure of this relationship.

3.2 – Data collection

The data to support this study was collected from various academic sources, journals, research papers and official government reports. To make the results as relevant as possible data collected is focused on Thai owned and Thai operated businesses in Thailand, and those specifically employing Western expatriates. A Westerner for the purpose of this study is defined as from a country included in the European union, United Kingdom, USA, Canada, Australia, New Zealand, and parts of Latin America.

3.3- Data Limitation

There were some limitations in conducting this study. First, there were lack of primary or secondary research on Western Expatriate Professionals who hold high level executive positions. High level positions are referred to C-Level executives or a director. Second, the study is limited as it generalizes SME and large publicly listed companies, all in the

same category and it does not take into account Thai leaders who have been exposed to western style management through work experience or education abroad.

3.3– Research questions

1. What is the main cause(s) of non-transparent leadership in Thai owned / Thai run businesses?
2. What effect does the amount of time the Thai leader has spent abroad have on transparency within the Thai business?
3. What results does non-transparent leadership have on foreign workers within the Thai owned / Thai run businesses?
4. What action is required to improve integration of WEP in to Thai owned / Thai run businesses?

“A Westerner for the purpose of this study is defined as from a country included in the European union, United Kingdom, USA, Canada, Australia, New Zealand, and parts of Latin America”

Chapter 4: Analysis & Discussion

Why Thai Leaders Are Not Transparent? Discussion of Theories

Analyzing the data from Table one shows four theories for non-transparency, which are, Corruption, Social capitalism, Confucianism and Guanxi, and Corporate Government theory. It could be viewed that these four areas share many links. Callahan (2005) argues that corruption is due to social capitalism. The research proves that Corruption is used in the same way as social capitalism, both to attain social status and along with that financial gain. There is very little data to suggest that corruption is the main reason for non-transparency, but a non-transparent behavior in organizations do lead to corruptive organizations. According to OECD³, a review of successful corruption prosecuted cases revealed, there were always evidence of unethical decision making by a higher rank executive in a non-transparent environment (Alison Taylor, 2015). However, literature review pointed to non-transparent behavior more towards Confucianism and Guanxi. Confucianism and Guanxi has been highly researched by Chen (2017) and displays evidence that can relate to Thailand's problem with transparency, as nearly seventy percent of Thai owned businesses are family owned; there is a sense of "keeping things in the family" and "not sharing with outsiders" even if these people worked for the same organization. This theory as detailed by Chen (2017) states anyone from outside the family cannot be trusted. Using this theory, if a foreigner is working with a Thai family owned business they would certainly be considered an outsider and as Kapur-Fik (1998) stated they are "different". This certainly explains the difficulties for the WEP to integrate well in to the company. The literature review did not

³ The Organization for Economic Co-operation and Development

reveal any available studies to indicate whether or not the level of information sharing with a Thai outsider, a non-family member, was any different than sharing information with an outsider such as WEP for the purpose of this study.

There were also no available research on how common the problem of non-transparent leadership is involving publicly listed companies in Stock Exchange of Thailand (SET).

One would assume that lack of transparency is only limited to closely held family SME Thai businesses. However, history shows even in western cultures such as the United States, where transparent leadership is more common and corporate governance is an expected practice, non-transparent leadership have resulted in various scandals in the past; Wells Fargo (2016), Lehman Brothers (2008) and AIG Insurance (2005), MCI WorldCom (2002), Tyco (2002), Enron (2001) are only a few examples. According to a survey by Transparency International, a global organization that fights corruption, 33% of American business executives are corrupted (Transparency International, 2017).

Therefore it is safe to assume that because there is a high level of non-transparency in Thai culture due to various factors as discussed earlier, the probability of larger Thai companies and those that are listed on SET to engage in corrupted behavior is extremely high. One reason for this is that majority of shares of these companies are being held by close family members much more than is seen in the west. Brook (2009) argues that transparent corporate governance is not about being transparent in one area but it is a complete transparency in all areas such as shareholder and stakeholder rights, financial transparency, proper accounting, information sharing and oversight. Volarasam & Harnnpochai (2014) point out that non-transparent practices leading to corruption is the result of weak monitoring, lack of punishment, desired benefits for parties involved and local culture. Therefore, According to Volarasam & Harnnpochai, it can be concluded that any company in Thailand regardless of its size and whether or

not is a private or a publicly listed company with higher level of corporate governance is assumed to engage in a non-transparent and corrupted behavior as the leaders of these companies can get away with weak monitoring systems and lack of punishment. The summary from Hofstede Studies (2018) points to the local culture as the source of non-transparent behavior among Thai leaders. For example, Thailand scored very high in “*Power Distance*” and very low in “*Individualism*”, both which explains further this topic. The Power Distance, explains how Thais accept “The way things are..” and seldom speak up. This cultural attitude can lead to power abuse including non-transparent behavior by organizational leaders. Hofstede studies also point to the fact that Thais are less individualistic than other countries. This national characteristic is good as people tend to be more of a community and form their own group within an organization. However, this characteristic also encourages non-transparent behavior as anyone standing up or questioning a leader is isolated from the group and treated as an outsider which in return affects the Guanxi that is so important to Thais.

Differences in styles of Communication in Cultures

The word transparency is synonymous with “*Clarity*” in the Webster Dictionary. To be transparent, a clear communication is necessary between a leader and followers. Vogelgesang (2008) argues that relevant and useful information must be shared by leaders regardless of where geographically they located to gain trust of followers. However, the study does not take into account the difference in language and culture and how those may affect transparency of information. The lack of clarity due to language barrier and cultural differences in conveying messages can also be a source of perceived non-transparency in Thai organizations. WEP value being direct with co-

workers regardless of their position or title but Thais are non-direct to avoid conflicts and causing the individual to lose face.

According to Kittler & Mackinnon, different cultures communicate and convey messages differently (Kittler & Mackinnon 2011 This difference is referred to as “ *Intercultural Communication*” and it depends on where the people of one country measure on High-Low context.(Figure 6)

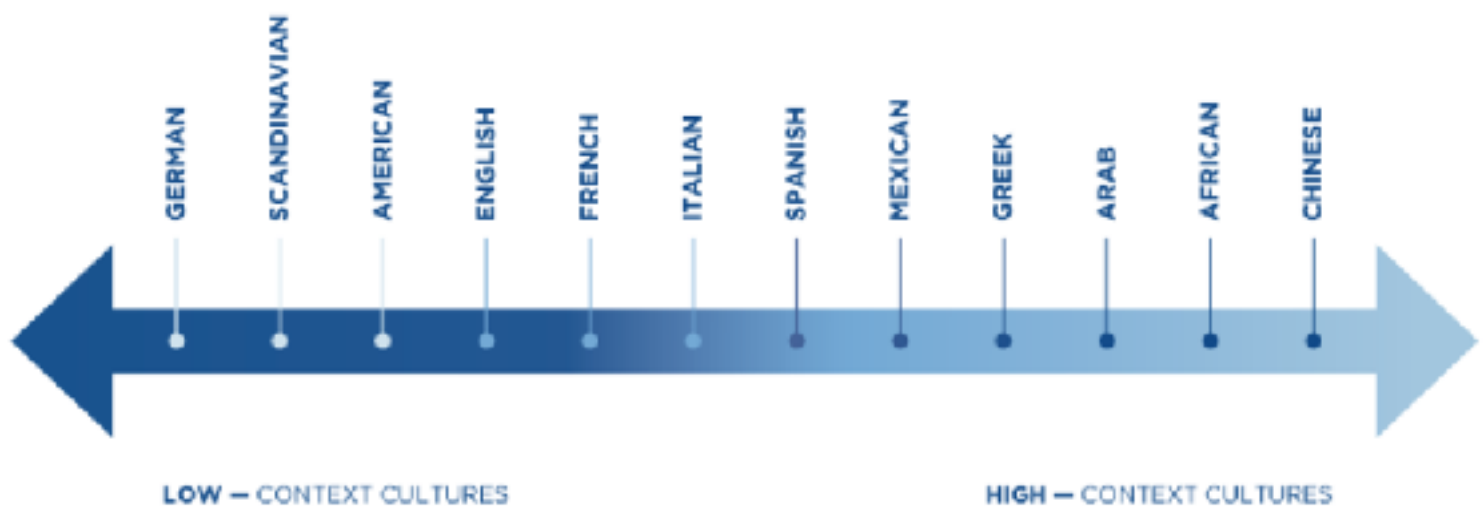


Figure 6 Source Intercultural Communication: High- and Low-Context Cultures

Brian Neese- Southeastern University Online Learning August 17th, 2016

According to Neese’s definition (Table 3) Chinese culture which is predominantly majority owned businesses in Thailand and has deep cultural root is considered “ *High-Context*”.

Cultural Difference	High Context	Low Context
Association	Relationships build slowly and depend on trust. Productivity depends on relationships and the group process. An individual's identity is rooted in groups (family, culture, work). Social structure and authority are centralized.	Relationships begin and end quickly. Productivity depends on procedures and paying attention to the goal. The identity of individuals is rooted in themselves and their accomplishments. Social structure is decentralized.
Interactions	Nonverbal elements such as voice tone, gestures, facial expression and eye movement are significant. Verbal messages are indirect, and communication is seen as an art form or way of engaging someone. Disagreement is personalized, and a person is sensitive to conflict expressed in someone else's nonverbal communication.	Nonverbal elements are not significant. Verbal messages are explicit, and communication is seen as a way of exchanging information, ideas and opinions. Disagreement is depersonalized; the focus is on rational (not personal) solutions. An individual can be explicit about another person's bothersome behavior
Territoriality	Space is communal. People stand close to each other and share the same space.	Space is compartmentalized. Privacy is important, so people stand farther apart.
Temporality	Everything has its own time, and time is not easily scheduled. Change is slow, and time is a process that belongs to others and nature.	Events and tasks are scheduled and to be done at particular times. Change is fast, and time is a commodity to be spent or saved. One's time is one's own.
Learning	Multiple sources of information are used. Thinking proceeds from general to specific. Learning occurs by observing others as they model or demonstrate and then practicing. Groups are preferred, and accuracy is valued.	One source of information is used. Thinking proceeds from specific to general. Learning occurs by following the explicit directions and explanations of others. Individual orientation is preferred, and speed is valued.

Table 3 Constructed by Author Information Source is Adopted from Author Brian Neese-Southeastern University Online Learning August 17th, 2016 <https://online.seu.edu/high-and-low-context-cultures>

The lack of clarity from Thai leaders can indeed be demoralizing for WEP and can make them feel as an outsider and not part of the team. It also affects the relationship of the WEP with other team members or subordinates as they are also very reluctant to share any information with WEP in fear of upsetting their Thai bosses, even though the WEP may hold a high level position in the company. Victor Lipman (2017) argues in *Psychology Today* that “*Inadvertent Demoralization*” is a major problem when employees are not provided with a clarity and talented employees who like to succeed based on a clear direction and precise information become resentful (Lipman, 2017).

According to Pearse (2014), Thai people prefer more orderly process than freedom and democracy. This is because, Thais are non-confrontational in nature and believe when they speak their mind by being democratic can provoke conflicts which they try to avoid at all cost. On the other hand, WEP are used to democracy within organizations and easily speak up with their job dissatisfaction when they are not clear, feel that relevant information is kept away from them or they see the rights of others is being violated. They believe being direct minimizes misunderstandings. WEP such as Germans, Scandinavians, Americans and English are considered “*Low-Context*” cultures according to Neese (Figure 6) and they use verbal and direct communication as a tool to prioritize and accomplish goals. They also unlike Thais depersonalize their communication and focus their attention on the main objectives where Thais tend to personalize comments and take it to the heart.

Impact of Non-Transparencies on job performance of Western Expatriates

Chen & Chen (2005) report that non-transparent behavior leads to lack of trust between subordinates and the leader and Zhang (2016) points out that when non-transparency exists in an organization, it hinders innovation and growth. As we discussed before, WEP are used to being completely engaged in western cultures and are empowered to make decisions based on openness of management in sharing information. WEP arriving on a job assignment in Thailand, are already at a disadvantage from cultural, social and language barriers that exists; and experiencing lack of willingness of Thai leaders to fully disclose job related relevant information cannot only be demoralizing (Limpman 2017) but it can make them quickly, feel isolated and disengaged. This also affects WEP relationship with subordinates in two different ways. First, WEP is not clear as what information is allowed to be shared with subordinates to prevent upsetting other Thai leaders; secondly, not being able to freely obtain the information he/she needs from other divisions or departments when others are reluctant to share information undermines their position in the company. Finally, the non-transparent behavior of Thai leaders toward WEP, sends a clear signal to the rest of the company, that the WEP must not be trusted as he or she is not part of our group; all which is not only demoralizing for WEP but promotes an unhealthy and negative work environment (Figure 2) where WEP feels unappreciated and undervalued.

Thai – Foreign Divide Mindset

The Thai people refer to all foreigners as “Farangs”. In a western culture to label a full class of people together with one name could be described as racial discrimination.

Non-Thais who visit or live in Thailand are generally not treated with racism they are just treated “differently”, not due to the color of their skin, but simply because they are different. (Kapur-Fik, 1998). Kapur-Fik states non-Thais are “*different*”, this term could imply segregation in the mind of Thais, between them and other nationalities. A mindset of “us” vs “them”. It must be asked how tolerant are Thais of non-Thais? Does this mindset have an effect in the working environment? Thais are slow and sometimes unwilling to accept change, as noted by Neese (2016), High-Context cultures, “Everything has its own time, and time is not easily scheduled. Change is slow, and time is a process that belongs to others and nature”. Could this be a reason for preventing WEP to easily integrate in to a Thai business culture? Additionally, Kapur-Fik (1998) continues to discuss how Thais who have travelled or lived outside of Thailand for a length of time are more tolerant to foreigners within their own country. Being exposed to a foreign culture outside of Thailand has helped to develop Thais to have a different perception that foreigners are not better or worse, but simply different.

The Importance of transparency in business has been highlighted throughout this paper. The diagram below by Schnackenberg & Tomlinson (2014) highlights how important transparency is in business and how much focus has been put on the issue within the nineteen-year period. The data shows how many time “transparency” has been referenced in academic papers in four year intervals. Based on the literature in this paper, it can be stated that transparency has many positive benefits to an organization.

Transparency provides clarity (Vogelgesang 2008), it provides trust (Luthan 2007, Norman 2010, Mineo 2014) and also provides positivity, which is essential for any high performance organization (Luthan 2008). Also, in this section, cultural differences have been discussed between Low-Context cultures such as the Western cultures and High-Context Cultures such as the Chinese or Thai culture. Understanding these cultural differences can be significant in understanding why non-transparencies exist. For example in table 3 “Association” shows that in low context cultures, relationships start very slowly and that can be an explanation as why Thais are not willing to share information and how WEP are willing to share openly what they know for the benefit of the organization. If Thais and WEP are not aware of these differences, their actions are perceived differently resulting in a wider gap between them.

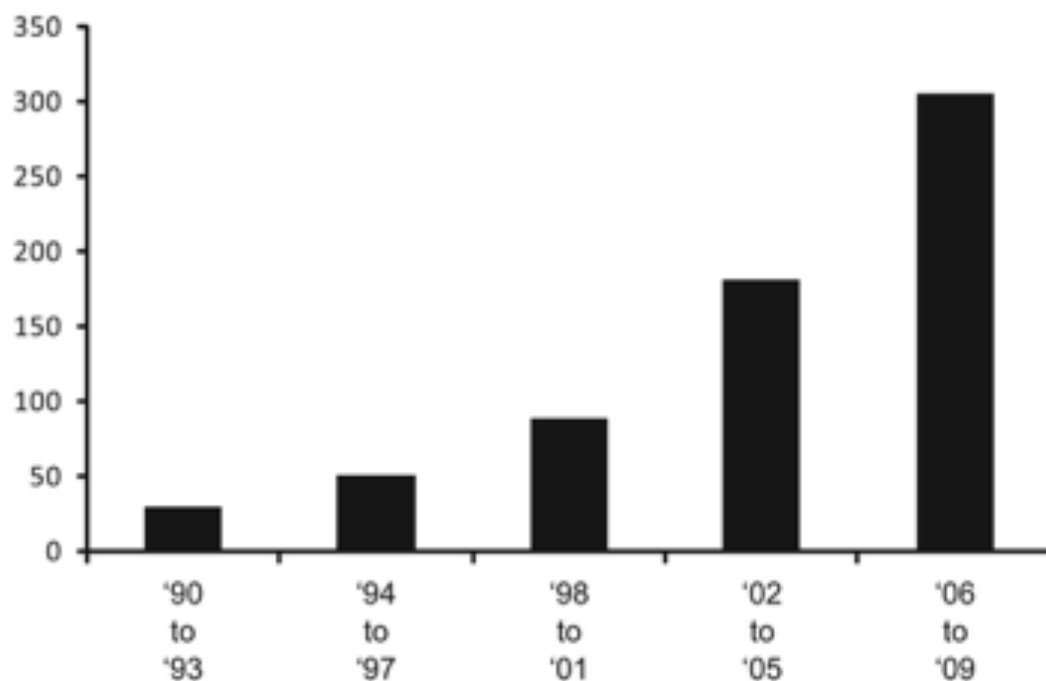


Figure 5 Number of Articles From Selected Business Journals Referencing Transparency (1990 to 2009)

Note: Articles were included if the word *transparency* or *transparent* was included in the title, abstract, or text. Articles were extracted from the following journals: *Academy of Management Review* (106, 16%), *Journal of Finance* (97, 15%), *Journal of Accounting Research* (95, 14%), *Strategic Management Journal* (66, 10%), *Academy of Management Journal* (64, 10%), *MIS Quarterly* (60, 9%), *Journal of Marketing* (51, 8%), *Administrative Science Quarterly* (48, 7%), *Organization Science* (45, 7%), *Information Systems Research* (27, 4%).

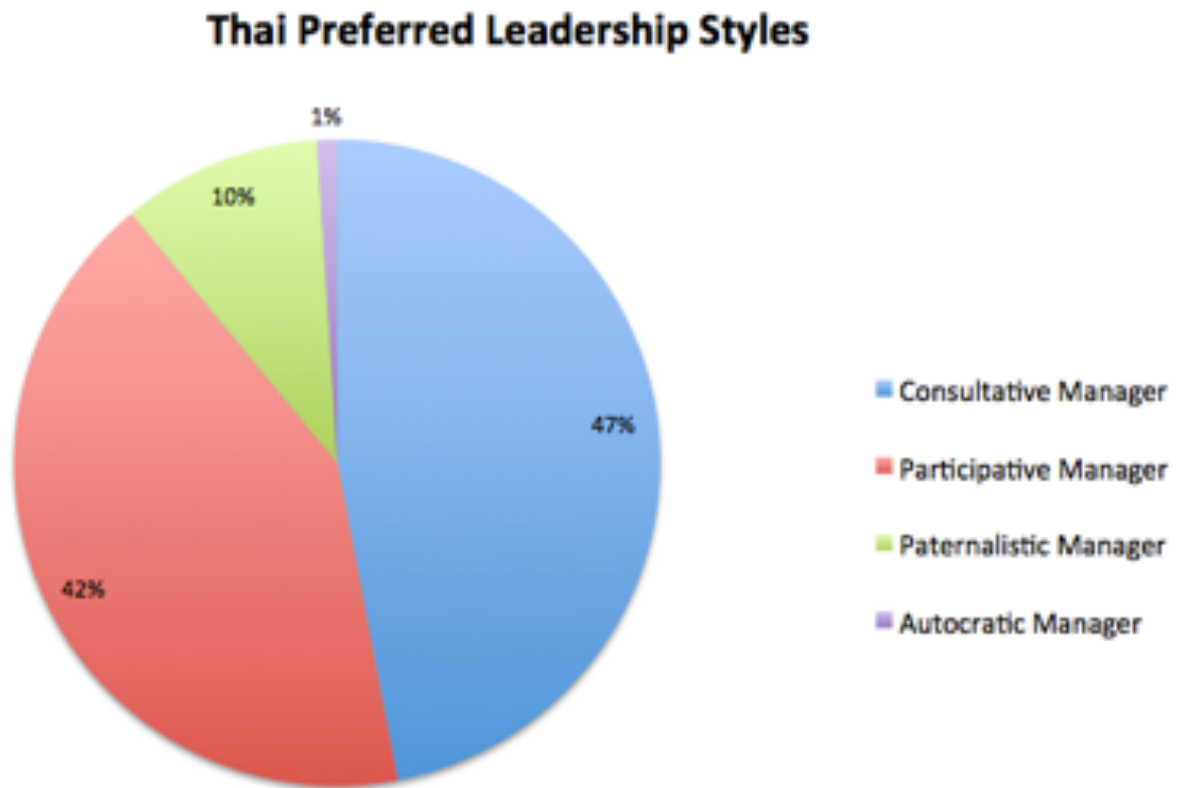


Figure 6. Preferred leadership style by Thais

The graph above shows the preferred leadership styles from Thailand. A study conducted showed 47% would prefer a consultative manager, 42% would prefer a participative manager, 10% would prefer a paternalistic manager and only 1% wanted a Autocratic manager (Yongkondi 2010, Hilderbrand 2016). This clearly displays that the preference is to have a consultative manager, but this graph does not display the current situation. Thailand suffers with more autocratic leaders mainly due to a large Chinese presence (Javidan 2006). The difference in leadership styles between Thai businesses and western businesses displays a big culture shift for any WEP working for

a Thai business. As described above the Thai leadership autocratic, there is very little discussion where as the western system is democratic, they are more involved, share and discussing ideas come naturally as described by Cheng & Farh (2004). What effect does this have on the WEP? Moving from a western country where they feel completely engaged and immersed into business activities to an Asian country where very little is clear and little is shared.

“Non-Thais who visit or live in Thailand are generally not treated with racism they are just treated “differently”, not due to the color of their skin, but simply because they are different”

(Kapur-Fik, 1998)

Chapter 5: Conclusion

Globalization and ease of mobility is encouraging many expatriate professionals to move across borders. Thailand is one fast developing country and the second largest economy in southeast Asia that is the recipient of many expatriates especially from Western countries due to their high level of expertise in business operation and management. Western expatriates find moving and settling in Thailand generally very satisfying. However, they do find working in a Thai company quite challenging and many times frustrating leading to interpersonal conflicts with their Thai colleagues. There are many reasons such as cultural and communication barriers that fuels these conflicts but in this study, a particular attention was given to “ Non-Transparent “ leadership that not only demoralizes WEP and make them feel as an outsider but also, hinders their innovative talent and ultimately affecting their performance. From this study, it is concluded that non-transparent behavior of Thai leaders are more culturally rooted as it is based on Chinese Confucianism where people outside of the family are generally not trusted and less related to corruption theory. However, it is likely that non-transparencies do lead to corrupted behavior in most organizations because weak monitoring systems, desired benefits for parties involved, lack of punishment and local cultural factors such as Thais not willing to speak up in light of discovery of corrupted behavior, to avoid confrontation, can support and even heighten corrupted activities in Thai organizations. Understanding various cultural dimensions between the Western culture and Thais is also essential to better understand this relationship. In Western culture, people tend to have a very fast connection at the onset and they

communicate more verbally to express their concern and they depersonalize their disagreements. In Thai culture, the relationship starts slow and is nurtured over time and they are not direct in their communication. Understanding these cultural differences can also help WEP to become more patient and better understand Thais reluctance to share information openly. On the other hand, Thais must also understand the primary reason for recruiting WEP is to leverage their experience and know-how from the west. As Boatman, Wellins & Chuensuksawadi (2011) surveyed showed, majority of Thai leaders already, know that they are not effective leaders. Therefore, it seems ironic that Thai companies undergo a large commitment in recruitment, expense and legal requirements such as issuance of work permit for WEP, and yet they refuse to share relevant information with them. Thais who have studied at universities abroad or have worked and lived in a foreign country seem to think differently than Thai leaders who have not been exposed to an international culture over a period length of time. They tend to be more transformational and transparent leaders than autocratic and non-transparent. Therefore, it can be concluded from this study that as Thailand develops further, there will be a shift from non-transparency to a more authentic and transparent leadership. There are two major factors that will contribute to this paradigm shift in Thai leadership. First, more and more western educated Thais will enter the work force and secondly, the influx of capital from international markets for investment in Thai SME will demand companies to become completely transparent.

Chapter 6: Recommendation

Based on the evidence collected from this study as well as the author's personal experience working in a senior level management of a Thai company and as a consultant attempting to establish his practice in Thailand, in the area of mergers and acquisitions, where transparency is a key component in completing transactions, the following are general recommendation to Thai leaders and Western Expatriate Professionals to maximize integration and to minimize interpersonal conflicts. These recommendations are based on Table 3, differences in cultural dimensions between Thais (High-Context) and WEP (Low Context).

Recommendation to Thai Leaders

Association: In western culture, personal identity is more important than group identity. Therefore its best to focus on the individual rather than what group or family ties they have. Begin to accept and trust WEP as they tend to trust Thais very quickly. If you are concerned about lack of trust, work with contracts to protect your company. WEP are used to signing legal contracts that prevents them from sharing information.

Interactions: WEP communicates directly without any hidden agendas. The results are the most important to WEP to get the job done and instructions can be precise and explicit so parties involved can understand. Try not to personalize comments and value the direct communication. WEP do not use nonverbal clues to communicate, therefore there is no need to guess on what is being communicated.

Territoriality: Unlike Thais that like to work in groups, WEP value their privacy and they like to be productive in their own space. Do not position them in small working spaces surrounded by other employees and insure that they have a working environment that is based on accepted level of international standards.

Temporality: Time is of an essence to WEP. They like to get things done fast. This is one of the reasons that Western cultures have accomplished so much and generally are regarded as a reference in all aspects of management and leadership. Become sensitive to timelines and response times. Know that WEP is there to help move organization forward and learn work with them at their speed.

Learning: WEP values speed and relies on one credible source for information not multiple sources. Learn to trust the recommended source is of a high quality and do not waste time going to multiple sources for information as this can send a wrong signal that WEP is not trusted and can be demoralizing. This is the reason WEP was recruited so do not second guess the information they share. In general, treat WEP as part of your team, get to know them, connect with them and be transparent in all your activities. Unequal treatment of WEP can undermine WEP's position in the company and can become a source of labor grievances and disputes. It is also recommended that Thai leaders to implement HR training for both Thai employees and WEP to familiarize each with different styles of leadership to aid in improving the working Relationship.

Recommendation to WEP

Association: Belonging to Thai groups is important. Learning the language and local culture can benefit WEP greatly to integrate well. It takes time for a trusting relationship to build and it is a two-way process.

Interactions: Learning non-verbal clues is important. Thais do not express themselves freely and they have a soft approach in their interactions. WEP can learn from their softer approach in interacting and managing others. If possible, communicate indirectly through another individual.

Territoriality: WEP must make it clear of their expectation regarding their working hours, conditions and environment. If it affects their productivity, it is recommended that their work is carried out from a different place.

Temporality: Time is not as important to Thais and WEP may find it frustrating as meetings may not start on time. Educate Thai leaders about the importance of time but become flexible and patient.

Learning: Thai like to verify WEP's recommendations and this process can be slow. WEP must understand this is not about them not trusting WEP but Thais make decisions and change very slowly. To speed up process, present all facts and comparisons to them and repeat as necessary to make sure they understand.

The following are additional barriers that WEP need to be aware of that can affect their performance followed by some recommendations:

Bureaucracy

Thailand can be a very unclear place, especially when it comes to paperwork and expectations. The processing of any type of paperwork (i.e. management reports or company information for work permit) can be long and complex. Part of this problem is lack of transparencies that exists and they are reluctant to share any type of information or disclose details. WEP must become patient in obtaining documents. If it is affecting their job, WEP is recommended to speak up. WEP is also recommended to inform the management of their expectations prior to taking on a job assignment.

Language Barrier

A seemingly obvious issue, although Thailand is more developed than its neighboring countries, it does struggle with its English Language proficiency. In the English proficiency index (2017) Thailand ranked 15 out of 20 with a score of 49.78%.

Communication is an issue and even many senior managers do not speak and understand English. It is recommended WEP to invest in a formal language training to increase their ability for communication and be able to better integrate within the Thai culture. A proficiency in Thai language can minimize language related transparency issues.

Cultural differences

Although Thailand has a diverse culture, WEP and Thais must always be aware of other cultural beliefs. Thais are very fixed on their own cultural beliefs, which are mainly Buddhist and as explained by Hilderbrand (2016) that democracy does not fit with Buddhist beliefs, this could be at a possible conflict with WEP who have been brought up in a democracy. There is also the issue of cultural understating in communication even if a Thai speaks perfect English, there can still be misunderstanding. For example, when a Thai person says “yes” they may not mean “yes” this may simply mean they understand or they heard you, Thais never want to lose face, they don’t like to say “no” or “I don’t understand”. Following the above recommendations, WEP and Thai leaders can work more effectively together and truly add value to each other as friends and co-workers.

References

- Bangkok Post. (2016, September 23). New wave of Chinese coming to live in Thailand. *Bangkok Post*. Bangkok.
- Boatman, J., Wellinis, R. S., & Chuensuksawadi, S. (2011). Global Leadership Forecast 2011. The Personnel Management Association of Thailand. Pittsburgh, PA: Development Dimensions International, Inc.
- Bourdieu, P. (1986). The Forms of Capital,. *Handbook of Theory and Reserch for the Sociology Education*, 241-258.
- Briner, R. a. (2015). 'From Passively Received Wisdom to Actively Constructed Knowledge: Teaching Systematic Review Skills As a Foundation of Evidence-Based Management',. *Academy of Management Learning & Education*, 1, 63-80.
- Brooks, J. (2009). *Strengthening corporate governance to combat corruption*. Berlin: International Secretariat of Berlin.
- Callahan, W. A. (2005, August 26). Social Capital and Corruption: Vote Buying and the Politics of Reform in Thailand. *Prespective on Politics*, 3(3), 495-598.
- Chen, C., & Chen, X.-P. (2005, February 5). Negative externalities of close guanxi within organizations. *Asia Pacific Journal of Management*, 26, 37-53.
- Chen, S.-Y., Chuang, C.-H., & Chen, S.-j. (2017, June 6). A conceptual review of human resource management research and practice in Taiwan with comparison to select economies in East Asia. *Asia Pacific Journal of Management*, 35(1), 214-239.
- Cheng&Farh. (2004). Paternalistic leadership and subordinate responses. Establishing a leadeship model in Chinese organizations. *Asian Journal of Social Psychology*,, 7(1), 89-117.
- Christoforou, A. (2013, July 8). On the identity of social capital and the social capital of identity. *Cambridge Journal of Economics*, 37(4), 719-736.

- Denscombe, M. (2010). *The Good Research Guide For small-scale social research projects* (Vol. 4th). Open University Press.
- English Proficiency index. (2017) English in Asia: as diverse as the continent itself. Retrieved MAY 10, 2018 from <https://www.ef.com/epi/regions/asia/>
- Fan, Y. (2002). Questioning guanxi: definition, classification and implications. *International Business Review*, 11(5), 543-561.
- Gardiner, R. (2011). "A critique of the discourse of authentic leadership". *International Journal of Business and Social Science*, 2(15), 99-104.
- Gardner & Schermerhorn, J. R. (2004). Performance gains through positive organizational behavior and authentic leadership. *Organizational Dynamics*, 33, 270-281.
- Gardner, A. B. (2005). *Authentic leadership development: getting to the root of positive forms of leadership*. Leadership Quarterly.
- Harnpornchai, T. V. (2014, June 1st). The Estimation of Bounded Rational Corruption Model. *International Journal of Intelligent Technologies and Applied Statistics*, 147-158.
- Hilderbrand, K. (2016, July). A Literature review of Thai leadership style with application to Christian leadership models and church governance in Thailand. *Biola University*, pp. 1-14.
- HOF, H. (2017, Dec 4). 'Worklife Pathways' to Singapore and Japan: Gender and Racial Dynamics in Europeans' Mobility to Asia. *Social Science Japan Journal*, 24(1), 1-22.
- Hofstede, G. (2018, April 13). *Country Comparison*. Retrieved April 2018, from Hofstede Insight: <https://www.hofstede-insights.com/country-comparison/australia,thailand,the-uk,the-usa/>
- Howard, R. W. (2009, June 1st). The Migration of Westerners to Thailand: An Unusual Flow From Developed to Developing World. *International Migration*, 47(2), 1-34.
- Huang. (2015). When authoritarian leaders outperform transformational leaders: Firm performance in harsh economic environments. *Academy of Management Discoveries*, 1(2), 180-200.

- Javidan. (2006). In the eye of beholder: Cross cultural lessons in leadership from Project GLOBE. *Academy of Management Perspectives*, 20(1), 67-90.
- Kapur-Fic (1998). Thailand: Buddhism, Society, and Women.
- Kiefer, T. (2005). Feeling bad: Antecedents and consequences of negative emotions in ongoing change. *Journal of Organizational Behavior*, 26, 875-897.
- Kittler, M. G., Rygl, D., & Mackinnon, A.(2011). Beyond culture or beyond control? Reviewing the use of Hall's high-/low-context concept. *International Journal of Cross Cultural Management*, 11(1), 63–82
- Luthan, F. S. (2007). Psychological Capital: Measurement and Relationship with performance and satisfaction. *Personnel Psychology*, 541-572.
- Malila, N., Lunkka, N., & Suhonen, M. (2018, February 5th). Authentic leadership in healthcare: a scoping review. *Leadership in Health Services*, 31(1), 1-19.
- Mandarchitatra, R. (2014). "Old Traps for New Players" :Western Direct Retailing Investment in Emerging Asian Markets. *International Review of Management and Marketing*, 4(2), 150-159.
- Mann. (2004). Transformational leadership and shared values: The building blocks of trust. *Journal of Managerial Psychology*, 19, 588-607.
- Mineo, D. L. (2014). The Importance of Trust in Leadership. *Research Management Review*, 20(1), 1-6.
- Nnablife, N. K. (2010). Defining and enforcing ethical leadership in Nigeria. *African Journal of Economic and Management Studies*, 1(1), 25-41.
- Pearse, M. (2004). *Why the rest hates the West: Understanding the roots of global rage*. Downers Grove,IL: InterVarsity Press.
- Roongrerngsuke, S., & Liefoghe, A. P. (2012). Unlocking Leadership in Thailand. Bangkok, Thailand: Nation News Network Co., Ltd.
- Schwartz, S. (1999). A theory of cultural values and some implications for work. *Applied psychology: an international review*, 48(1), 23-47.
- Schnackenberg, A. & Tomlinson, E. (2014). Organizational Transparency: A New Perspective on Managing Trust in Organization-Stakeholder Relationships. *Journal of Management* . Vol 42, Issue 7, pp. 1784 - 1810. First Published March 10, 2014

- Sklair, L. (2001). *The Transnational Capitalist*. Wiley-Blackwell.
- Steven M. Norman, B. J. (2010). The impact of positivity and transparency on trust in leaders and their perceived effectiveness. *The Leadership Quarterly*, 21, 350–364.
- Talergnsri, A., & McKenzie, B. (2013). Future of Leadership in Thailand. The Macrotheme Review: A multidisciplinary journal of global macro trends , 2 (5).
- United Nations. (2014). *Development/Country Classification*. Retrieved Mar 2018, from UN.Org: http://www.un.org/en/development/desa/policy/wesp/wesp_current/2014wesp_country_classification.pdf
- UNPD. (2002,2015). *Population Data Base*. New York.
- Vogelgesang, G. R. (2006). Toward an understanding of interactional transparency. Washington, D.C..
- Vogelgesang, G. R. (2008). *How leader interactional transparency can impact follower psychological safety and role engagement*. Dissertation, University of Nebraska , Lincoln.
- Walumbwa, F. W. (2010). Psychological processes linking authentic leadership to follower behaviors. *The Leadership Quarterly*, 21, 910-914.
- Wang, H., Sui, Y., Luthans, F., Wang, D., & Wu, Y. (2014, Jan 1). Impact of authentic leadership on performance: Role of followers' positive psychological capital and relational processes. *Journal of Organizational Behavior*, 35(1), 5-21.
- Wisadavet, W. (2003). The Buddhist philosophy of education: Approaches and problems. *The Chulalongkorn Journal of Buddhist Studies*, 2(2), 159-188.
- Yeaton, K., & Hall, N. (2008, March 1st). Expatriates: Reducing failure rates. *ournal of Corporate Accounting & Finance* , , 19(3), 75-79.
- Yeung, I. Y., & Tung, R. L. (1996, Autumn). Achieving business success in Confucian societies: The importance of guanxi (connections). *Organizational Dynamics*, 25(2).
- Yucel, M. A.-u. (2002, August). The Importance of Social Capital to the Management of Multinational Enterprises: Relational Networks Among Asian and Western Firms. *Asia Pacific Journal of Management*, 19(2), 353-372.
- Zhang, Z. &. (2016). *China's innovation challenge: Overcoming the Middle-Income Trap*.. Cambridge: Cambridge University Press.

Dedication

I like to dedicate this research for my MBA studies to all to all those professional executives that are trained in a Western style of management and perhaps have worked in a democratic transparent organizations and perhaps are considering to relocate to a developing country such as Thailand. I also like to dedicate this study to my dear Thai leader friends who are heading various organizations where they have been a source of inspiration to me to learned about patience and perseverance from Thai culture.

Gratitude

I like to extend my gratitude to the following people who one way or another inspired and helped me to complete this study for my MBA Program.

Dr. Pauline Loweneberger (My Unit Coordinator)

Dr. James MacAskill (My Supervisor and Dean of Global Banking School)

Dr. Dr Vishwajeet Rana (My Professor and Founder of Global Banking School)

Dr. Sermsakul Wongtriaporn (My Employer and a Client)

Bitu Nazeri (My Spouse)

Nuchy Yelum (My Business Partner)