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Abdul Latif

Sylhet International University, Sylhet, Bangladesh

Tel: 01711996032, 0821713530

E-mail: novalatif@gmail.com

Mohsin Hossain

Sylhet International University, Sylhet, Bangladesh

Nipa Ghosh

Advanced Research and Education Center, Nayasarak, Sylhet

and

Abul Hasan

Advanced Research and Education Center, Nayasarak, Sylhet

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Abstract

The paper attempts to find out the decreasing trends of cinema hall business and ways to revival of that business in the golden age of 1980s in the viewpoints of the cinema loving cent percent respondents of Sylhet city. In searching the reasons of failing cinema hall business, the attraction to core product (Cinema) of audience and to the alternative ways of getting the products is also discussed. One hundred ninety nine respondents from different professions in different age categories were surveyed thorough a well constructed structured questionnaire including 12 vital questions to them as an audience. The responses were processed through Microsoft Excel 07 and SPSS 19 to get the output in simple statistical tool: cross tabulation. The outputs were analyzed objectively with the researchers' analysis on different matters. It is found that failure of making better movies with all required elements competitively with Hollywood and Bollywood is the main cause of deterioration cinema and cinema hall business in the country. Failure in releasing expected cinema in expected environment in (is) identified as the main reasons of decaying cinema hall business. So (,) to bring back the audiences to the cinema halls, Cinemas should be produced in expected quantity and quality and its forward linkage industry the Cinema halls should be reconstructed with modern technology and competitively modern environments.

Keywords: Cinema, Hollywood or Bollywood, Cinema Hall Business

1. Introduction

Entertainment is one of the basic needs of human and movie is the most common element of entertainment. People love to enjoy movies reflecting their own culture and norms. So, film industry is developed in every country to make films in their own language to make them understandable to all the people. Films requires as industry to generate the film in very complex process of mental and physical efforts with a forward industry cinema halls to reach its mass audience. Once, the movies were viewed only by theaters. So, like other countries, many cinema halls were developed to fulfill the need of people. Up to 2004, Bangladesh Film industry was flourishing with sufficient numbers of films produced in every year to fulfill the need of halls to entertain the viewers.

But the core product Bangladeshi Films were failing to entertain people with their different elements of movie; story, acting, photography and entertainment. The films of Hollywood, Bollywood, Taiwan and other countries with their high budget, technology, and better making has attracted the attention of Bangladeshi viewers though these can be viewed in small screen only. People find more entertainment in those films than Bangladeshi Movies. Similarly, the theaters of Bangladesh did not think about improving their hall environment. Thus the product, movie and its distribution by cinema halls disappointed the viewers day by day. The sky culture paves the way to the consumer of films to satisfy their need in alternative means. Ultimately, people moved far away from the cinema halls and cinema hall businesses become a business of decay. Shopping malls are constructed by demolition of halls. People adopted with sky culture in great cities much earlier than us but their theaters are not decreasing. In neighboring countries like India and Pakistan, the cinema hall business is increasing day by day. Due to the lack of the proper modification of products and distribution media, that is the cinema and halls, according to the demand of consumers, these businesses are dying.

Sylhet is a city of 165,000 people in 2004 with 8 theaters to fulfill the demand of movie lovers. Now with around 0.5 million population in the city and 2.7 million in the district (BBS 2010), the numbers of theaters reduced to 5 only; Nondita, Obokash, Lalkuti, Boteswar, BGB Auditorium in a decreasing trend of business. Cinema hall industry in divisional city, Sylhet is also facing various problems. The movie goers are reduced drastically at Sylhet from the beginning of this century. The hall owners are concentrating to build up mega shop or multi storied super shopping mall replacing cinema hall (popular Monika cinema hall at Kanishail road replaces a market). All the cinema halls are now on the verge of shutting down as the owners are incurring huge losses for want of movie-goers at Sylhet city and district (Shofiee 2012). A good number of women were the regular viewers of Sylhet cinema halls but they have completely stopped to go to cinema due to several reasons as vulgar films, poor sitting arrangements, bug bites, insufficient and poor washroom etc. The perception of common citizen is that movies are made for rickshaw puller and slum dwellers. Such people enjoy cinema at roadside tea stall, playing DVD at home, through cable television or even in mobile phone hand set without going theatre. As a result cinema owners are incurring huge losses in this business. People of Sylhet are not interested to watch movie going cinema hall because Bangladeshi movie makers are not making quality films due to the technological and financial shortcomings (Islam 2013).

Not only in Sylhet but also Cinema Hall business is deteriorating all over the country in the last 20 years. The numbers of halls are reduced from 1500 to 500. Average a hall is closing down in a week now (Masud C. 2011). It is important to search a turnaround strategy of the cinema hall business of the country to have to survival of entertaining people by the large screen of theaters. The viewers' opinion is most important to find out the actual reason of decay and way to survive. In the way of searching the limitation of product and distribution policy should be analyzed as it may not be the limitation of films or theaters only.

The researchers attempt to analyze the causes of failing cinema hall business in Bangladesh with special reference to Sylhet city to the viewpoint of consumers.

2. Literature Review

Cinema industry needs forward linkage with Cinema hall traders. . Customers search for some tangibles for the service such as interior as the physical eviandence (Lovelock, Wirtz and Chatterjee 2013). Cinema halls work as physical evidence of Cinema. Now a days Cinema Industry also using other media industry as its forward linkage industries but the Cinema hall has alone backward linkage industry- Cinema. The people of all the classes including the middle class have left the cinema halls since many years. This may be due to the sky culture, the failure or making minimum entertaining films or due to the poor environment of cinema halls (Masud, 2012). Due to that, the cinema hall business is deteriorating day by day in Bangladesh. The number of cinema halls have been decreased from 1230 in 1990 to 742 in 2010 (BFDC 2011).

Before 1980s the only way to watch movie was cinema halls and to entertain the audiences the production of movies was increased with a growth rate of 25%-30% in a every five years (Raju, 2011) Now movies can be enjoyed in small screen by various media like TV, online, DVD player etc. But the people of USA, European Countries and other countries are still going to the cinema halls to enjoy movies (Yeasmin, 2011). Even in India and Pakistan every shopping complex includes multiplex cinema hall but in Bangladesh Shopping complex are replacing the cinema halls (Masud, 2012).

Cinema halls are to display the cinemas. Cinema is the main product of Cinema halls. The movie lovers expect new films with new story which will be up to date with latest technology. These movies will be able to meet their satisfaction. As Cinema halls of Bangladesh have to display only the movies of Bangladesh, so the need of new movies in every week is a prerequisite to attract the viewers. But Bangladesh film industries are in declining trend in movie making. In 1996-2003 periods, the average film production was 80 in a year (Raju 2011) that is decreased to 35-40 in recent years (Yeasmin, 2011) and in 2013 it was reduced to only 30 (Daily Prothom Alo 2013). The crisis of Bangladeshi Cinema is apparent from its backward move and inferior quality of production (Ahmad 2010). Films of Bangladesh need to reach up to the standard of 'bhodro' (more civilized) family allow their members to enter the cinema halls (Masud C. 2011). Due to the crisis in quantity and quality of production and unhygienic condition of cinema halls, the audiences search the easy alternatives of satisfying themselves in Hollywood and Bollywood movies in a minimum cost or free of cost. From the starting of cinema from silent age to digital age, it is advancing through the use of technology. The poor

technology used by Bangladeshi movies deprived the viewers and ultimately they have gone away from Bangladeshi Cinema. The reasons of poor quality of Bangladeshi films as identified are: small budget, politics in Govt. contribution, poor storylines, copied story, play write, lack of emotional and rhythmic songs etc (Yeasmin 2011). Quality cinema is that cinema which is designed to send a message to the target customers and it will create an image to the audiences mind (Murshedul, 2010) as it created an image in 1960s when the local industry produced competitively better film than its competitors; Hollywood, Bollywood, Kolkata's Tollywood and Urdu films of West Pakistan (Masud C. 2011). But FDC of Bangladesh can't produce quality film due to different reasons. FDC is lagging 30 years behind the state-of-art film making, not only in global context but even to our sub-continent standard (Mokammel, 2012). Making better quality films with modern technology and comfortable, congenial environment of cinema halls can bring back the audience to the cinema halls as watching a film in big screen is different from watching them in small screen at home (Islam 2008). Cinema halls are (like) shops where the product is to be sold. After regular closure of cinema halls, now only 20-30 halls are in minimum middle class standard with only one multiplex hall in Dhaka where in India this number is 700. Even in Khathmundu, with a population of less than one million, the number of multiplex cinema hall is eight with 19 new under construction. The over taxation on cinema ticket is another barriers in development of film and cinema hall industry (Masud C. 2011).

3. Research objective

The main objective of that research is to find out the reason of failing cinema hall business in Bangladesh with special reference to Sylhet City. The specific objectives are as follows:

3.1 To find out the attitudes of people toward cinema according to different age categories and different professions of people.

3.2 To search the attitude of people towards cinema in different languages and proportion of people entertained by the cinema halls.

3.3 To search the causes of disliking the Bangladeshi Cinema those are displayed by cinema halls.

3.4 To search the reasons of audiences' discontinuation in watching movies in the theaters.

3.5 To search way of bringing back the audiences to Cinema halls and turnaround of cinema hall business.

4. Benefits of the Research

This study is significantly important for industries that are providing different services especially the entertainment to audiences. The consumers may leave the media of entertainment because of better alternatives and failure of existing media to satisfy the need of them. Besides, the product may become unattractive because of failure in improving the quality compared to the competitors. Awareness about the viewpoints of viewers may provide a guideline to the industry to bring back the audience to the product and to the media of enjoyment.

5. Methodology

This is a descriptive analytical research conducted by stratified type of probabilistic sampling. The data were collected through a structured questionnaire with 12 basic questions. The questions were set in accordance to the objectives of the research. The questionnaires were distributed to 325 targeted respondents. Of them, 205 have returned the questionnaire with their answers. Six of them were canceled due to outlier and incomplete answers.

The data were processed through Microsoft Excel 2007 and SPSS 19. The outputs were analyzed objectively with the judgments of researchers. Some recommendations were made according to the findings for survival of Cinema hall Business.

6. Findings

The respondents are divided into three major age categories to reflect the attitudes towards movies; up to 20, 20-35 years and above 35 to include all important stages of human life. Below 20 age is the stage where most of the people do not think more about the complexities of carrier. The 20-35 age is the stage of life where people have to fight more to start the carrier and the above 35 is the stage of settled life where people become stable in their carrier. It is found that (Table 1) in all those stages of life, people like to enjoy movies, as there are different types of movies; action, horror, comedy, war, religious, social, fantasy, science fiction, documentary and other to fulfill the demand of various requirements of different peoples. Recreation is thus become the basic need of human and as a common element of recreation movies are fulfilling the common recreation need of people of different age categories.

Language is the symbol of transmitting and receiving information. Similarly different language create obstacle to different people who are not able to understand that language. But movies have a common symbol of transmitting ideas. So, with lack of skill in a language people can enjoy movie of that language. In the present world English becomes a language of the world and Hollywood is leading the movie industry by their highest quality of movie making and distributing around the world. India is the second important place of movie making to the people of Bangladesh as it is the nearest place of Bangladesh with almost similar culture and norms and making the movies with their advanced technology and skill in that work. Most of the Indian movies are in Hindi, the language, understood by many people of Bangladesh. Songs of Indian movies are also very common to the people of Bangladesh. Movies in Bangla, are produced by Bangladesh and West Bengal. People are supposed to understand those movies well because of mother language. But the product quality is not comparable to the products of Hollywood and Bollywood because of technology and art of making.

The researchers are interested to find out the fascination of people under survey to the movies of different languages as the cinema halls are not allowed to show the movies of different languages, made in countries other than Bangladesh freely. Some English movies are released in specific Cinema halls in Bangladesh with the necessary permission. So people can not enjoy all of the mentioned movies in the Cinema Halls.

It is found that with a small difference in age categories, English movies are most popular among the respondents (43.7%). Bangla movies of Bangladesh and West Bengal are following the English movies (34.7%) that are followed by Hindi Movies (16.1%). It is not possible to watch the films of West Bengal and India (28.7% in total) in the cinema halls of Bangladesh because of unavailability. Most of the English Movies are not also available in the Cinema Halls due to the above mentioned reason. So Cinema halls are not able to entertain 72% (rest of 28%) people because of unavailability of products.

Among different professionals, students and housewives can manage time to enjoy movie more than other professionals. Other professionals are busier and it is harder for them to manage time to enjoy movies. Language is supposed to create more problems to the less educated persons. But in case of movie, people like to enjoy better movies irrespective of language. Generally English movies are well made and entertaining, so people of different professions like to enjoy English movies more. Housewives have shown more preference to Bangla movies than other professionals. Jointly Bangla movies made by Bangladesh and West Bengal got second highest preference among professionals because of mother language. It is followed by well made Hindi movies. From the above two tables, it is found that people like better movies irrespective of skill level in language. To understand movie an average skill is sufficient for the viewers. But there are preferences in mother language as people love Bangla film though these are not well made.

Cinema halls are only places to entertain people by movies with large screen and proper concentration as people have nothing to do in the halls but to watch movies. The other common ways to watch movies are: by CD, DVD, Online, Downloading from websites & watching by computers, TV channels and in special occasion by projectors etc. Common people are used to watch movie by TV channels. Every day around twenty bangla movies, twenty hindi movies and same number of English movies are available by different channels. People can select the movie and watch them in free of cost. The IT knowing people may enjoy movies from online and offline by CD or DVD player, computer, laptop, or android mobile phone. People can enjoy movies by all of these ways in minimum cost and homely environment. The availability of alternatives debar the viewers from the cinema halls. The other reasons of accepting the alternatives of small screen instead of large screen of cinema halls are: disliking Bangladeshi and imported English films available in cinema halls, time constraints, loving alternatives and saving money. It is found that, the main reason for aborting cinema hall is the unfavorable hall environment (28.6%) that is followed by disliking the imported English movie (27.6%). Another important reason of disliking cinema hall was time constraint of people that is people do not want or have the time of at least three hours to spend in the cinema hall (21.1%). People found alternative way of entertainment as the reason of abandoning cinema hall (12.6%). Thus it is established that public use alternative way of watching movies for lack of better hall environment, movies, and sufficient time to enjoy in the hall but they do not consider the alternatives as a substitute of big screen. Another important finding is, a very small portion of people (4.5%) consider the disliking of Bangla film as the reason of not going to cinema hall.

Cinema Halls are to view the cinemas. So cinema is the core product. Bangladeshi cinema halls are permitted to show only Bangladeshi and imported English Films. Mainly Bangladeshi Films are displayed in the halls. So movies are main important factor of attracting

viewers in the halls. The researchers feel the importance of searching the reasons for not liking the Bangladeshi films by the movie lovers. Factors are identified as: few number of films released, poor technology used in making the films, poor acting by the performers, unattractive stories of the movies, less attractive music, costume and choreography and lack of better performers.

Films are the product shown in cinema hall in large screen. In one sense there is no alternative of enjoying cinemas in large screen in multiple dimensions and with full attention as there is nothing to do in the cinema hall other than enjoying it. As the main product of cinema halls are Bangladeshi films, so it is important to search the reason of avoiding hall in disliking the product itself. It is shown in above table that around one fifth of the people like Bangladeshi Films. The researchers' findings regarding the reasons of disliking the films is shown in Table 5.

It is found that, with less variance in the age groups, the respondents consider the factors number of films (29.1%), technology (15.6%), acting (17.1%), story (19.1%) and entertaining elements (13.1%) as almost similar causes of not liking Bangladeshi Films. The leading cause is the number of movies, i.e. few numbers of films is released in halls regularly. Movie lovers like to enjoy new movies regularly. Lack of new movies disappoint them and drive them to search for new source of entertainment in movies. Movies of Hollywood or Bollywood may occupy the place of Bangladeshi films. The unattractive stories are the second important reason of disliking the films. The main attraction of films is story. Attractive story attract the viewers in hall for three hours at a stretch. Lacking in it, debar the viewers from viewing Bangladeshi movies. Similarly poor acting in those films dissatisfy the viewers in getting a perception of taste of real incidence by the movie. People express their feeling with the performers in the sequences of events in the films due to real like acting by the performers. Better technology and entertaining elements attract the viewers to the movie. But failure in providing it, disappoints the viewers and drives them to search alternative in English or Hindi movie.

Unattractive story is the main reason for disliking Bangladeshi film as found from the responses of Job holders and businessmen. The students and housewives identified the problem of few number of Bangladeshi Films released every year to entertain the viewers. Besides, the professionals identified the others reasons of not liking Bangladeshi films as quality in film making (technology & entertaining elements) and poor performances by the performers.

To search a turnaround strategy of cinema hall, it is important to analyze the viewers' viewpoint in this regard. Table 7 illustrates the prerequisites of regaining the cinema hall businesses in Bangladesh.

Viewers identified the hall environment as the main barriers of attractiveness and cause of failure of halls in attracting them. In consistency with it, most of the viewers (29.1%) suggest improving physical environment to regain the cinema hall business. In line with that option, they also suggest (21.1%) to build multiplex halls for more attraction. That is, 50% are in favor of improving the hall environment to bring back the audience to the halls. Film making by including more entertaining element and using high tech is optioned by 15.6% and 14.6% of the respondents. That is in total 36% viewers (making good films, using high tech and introducing more entertainment) are in favor of improving the products to attract the audience to the cinema hall. Besides, Another 11.6% are in favor of improving the hall products by importing good films from different countries.

7. Overall Interpretation

All the people love movies as different types of movies are able to entertain people of different walks of life and of different age categories, so the entertainment is the basic need of human and the movies become the common element to entertain all. Most of the people like to enjoy better movies, but they are not available in the cinema hall. People want to enjoy the films in mother language for better understanding but these films are not well made and the better options are available in the market. So cinema halls are failed to entertain 72% movie lovers as they are not providing the desired products to the customers. The rest of the population are supposed to enjoy movie in the cinema halls but due to the internal (time constraints) and external (hall environment, availability of alternative sources etc.) people do not go to the cinema hall to enjoy the movie in the big screen with full involvement. The limitation of Bangladeshi film in attracting the viewers are identified as; few numbers of films released each year, stories are not attractive, not well produced due to poor technology and less entertaining, and poor & limited numbers of performers. To regain the viewers in the halls, hall environment should be improved by more physical facilities and multiplex arrangement and the product should be improved by using better technology, well made by introducing more entertainment and outsourced by importing better films from other countries.

8. Conclusion

Cinema and Cinema Hall industry of Bangladesh is losing its place both in domestic as well as international market. The entertainment industry with its product cinema and forward linkage industry cinema halls is losing its place to it's competitors' products (cinemas of Hollywood and Bollywood) and other media (small screen). But the cent percent people like to enjoy cinema in Cinema Hall. To give greater satisfaction, cinema halls have no alternatives as no ways are available to watch cinema in greater screen without formal leave. Now people have de-tasted on both the Bangladeshi Cinema and cinema halls. So, both are to be improved as a complementary product. In the time of developing the products of competitive quality, the alternative products collected by importing from other countires should be used in the halls. Negligence in modification of products according to the requirements of viewers brings failure in any business.

9. Limitation of the Research

The cinema hall business in Bangladesh is falling in all over the country. But this research has the limitation of sampling frame error and sampling errors as the opinion of the audiences of other parts of the country is not reflected in that research though the researchers assumed the opinion may be similar in all over the country because of similar culture, race, income level and attitudes of population.

10. Further Research

There are many scope of further research by changing the sampling frame and by comparing the audiences of movie in other media. The failure of the product may be studied on different viewpoints.

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Appendices

Table 1 Movie Enjoying Attitudes of Respondents distributed by age group

			Enjoy Movie	Total
			Yes	
Age	Up to 20	Count	46	46
		% within Age	100.00%	100.00%
	20-35 years	Count	141	141
		% within Age	100.00%	100.00%
	35-above	Count	12	12
		% within Age	100.00%	100.00%
Total		Count	199	199
		% within Age	100.00%	100.00%

Source: Field survey conducted on May-July, 2014

Table 2 Liking of movies in different language distributed by age group

			Movie enjoy						Total
			Bangladeshi movie	Hindi Movie	English Movie	West Bengal's Movie	Irani Other	Other	
Age	Up to 20	Count	10	9	21	4	1	1	46
		% within Age	21.70%	19.60%	45.70%	8.70%	2.20%	2.20%	100.00%
	20-35 years	Count	32	20	61	19	7	2	141
		% within Age	22.70%	14.20%	43.30%	13.50%	5.00%	1.40%	100.00%
	35- above	Count	2	3	5	2	0	0	12
		% within Age	16.70%	25.00%	41.70%	16.70%	0.00%	0.00%	100.00%
Total		Count	44	32	87	25	8	3	199
		% within Age	22.10%	16.10%	43.70%	12.60%	4.00%	1.50%	100.00%

Source: Field survey conducted on May-July, 2014

Table 5 Reasons for not liking Bangladeshi Film distributed by age group

			Reasons not liking Bangladeshi Film						Total
			Few Number of film Released	Poor technology	Poor Acting	Unattractive Stories	less attractive music, costume, choreography	Actors & Actresses	
Age	Up to 20	Count	11	7	10	8	7	3	46
		% within Age	23.90%	15.20%	21.70%	17.40%	15.20%	6.50%	100.00%
	20-35 years	Count	43	22	22	28	17	9	141
		% within Age	30.50%	15.60%	15.60%	19.90%	12.10%	6.40%	100.00%
	35- above	Count	4	2	2	2	2	0	12
		% within Age	33.30%	16.70%	16.70%	16.70%	16.70%	0.00%	100.00%
Total		Count	58	31	34	38	26	12	199
		% within Age	29.10%	15.60%	17.10%	19.10%	13.10%	6.00%	100.00%

Source: Field survey conducted on May-July, 2014

Table 6 Reasons not liking Bangladeshi Film by Profession: Cross tabulation

			Reasons not liking Bangladeshi Film						Total
			Few Number of film Released	Poor technology	Poor Acting	Unattractive Stories	less attractive music, costume, choreography	Actors & Actresses	
Profession	Students	Count	38	24	24	20	20	7	133
		% within Profession	28.60%	18.00%	18.00%	15.00%	15.00%	5.30%	100.00%
	Job Holders	Count	10	2	3	11	4	3	33
		% within Profession	30.30%	6.10%	9.10%	33.30%	12.10%	9.10%	100.00%
	Businessmen	Count	4	5	5	5	2	1	22
		% within Profession	18.20%	22.70%	22.70%	22.70%	9.10%	4.50%	100.00%
	Housewives	Count	6	0	2	2	0	1	11
		% within Profession	54.50%	0.00%	18.20%	18.20%	0.00%	9.10%	100.00%
Total		Count	58	31	34	38	26	12	199
		% within Profession	29.10%	15.60%	17.10%	19.10%	13.10%	6.00%	100.00%

Source: Field survey conducted on May-July, 2014

Table 7 Prerequisite to regaining Cinema Hall Business distributed by age groups

			Prerequisite to regaining Cinema Hall Business in Bangladesh							Total
			Import good film	make good films like 1980s and earlier	Arrange high tech	More entertaining elements	Multiplex Halls	Improve physical facilities	Gender Friendly environment	
Age	Up to 20	Count	6	3	11	7	8	11	0	46
		% within Age	13.00%	6.50%	23.90%	15.20%	17.40%	23.90%	0.00%	100.00%
	20-35 years	Count	14	9	17	19	33	45	4	141
		% within Age	9.90%	6.40%	12.10%	13.50%	23.40%	31.90%	2.80%	100.00%
	35- above	Count	3	0	1	5	1	2	0	12
		% within Age	25.00%	0.00%	8.30%	41.70%	8.30%	16.70%	0.00%	100.00%
Total		Count	23	12	29	31	42	58	4	199
		% within Age	11.60%	6.00%	14.60%	15.60%	21.10%	29.10%	2.00%	100.00%

Source: Field survey conducted on May-July, 2014

THAI WORKFORCE-READY FOR ASEAN ECONOMIC COMMUNITY 2015?

by

Nancy Huyen Nguyen

University of the Thai Chamber of Commerce

E-mail: huyen.ng.nguyen@gmail.com

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Nancy Huyen Nguyen

University of the Thai Chamber of Commerce

E-mail: huyen.ng.nguyen@gmail.com

Abstract

ASEAN countries are moving briskly towards the launch of the ASEAN Economic Community (AEC) in 2015. Together with monetary and technological resources, human resources are also vital for ASEAN countries stay competitive in the single market of AEC. Taking the case of Thailand, this paper evaluates the readiness of the Thai workforce in preparing for the integration. It brings to light several fundamental issues of the Thai workforce: (1) the quality of labor in Thailand remains moderate; (2) productivity continues to stay behind other ASEAN countries such as Singapore. The failure of the Thai educational system and the workforce skill mismatch are primary attributes to the workforce's relatively low skill levels and productivity. Based on the empirical analysis, the paper suggests renewing the role of the Thai government in restructuring the national education system as well as cooperating workforce skill planning into the master development plan.

Keywords: workforce, labor, workers, Thailand, ASEAN, ASEAN Economic Community

1. Introduction

On 24 June 2013 in Bangkok, the Ministry of Education of Thailand through the Office of the Education Council, in collaboration with British Council Thailand, organized the two-day conference on “Educating the Next Generation of Workforce: ASEAN Perspectives on Innovation, Integration, and English”. The conference emphasized on three critical themes in the ASEAN human resource strategies: innovation, integration, and English. The conference was considered as an effort by the Thai government to prepare the Thai workforce in response to ASEAN integration (British Council 2013). The event indeed has triggered a fundamental question, which is also the topic of this research paper. It concerns if the Thai workforce is ready for ASEAN Economic Community 2015 given the fact that Thailand is classified as the 2nd largest economy in Southeast Asia, after Indonesia.

In search for the answer, the paper will begin to analyze the status of the Thai workforce in comparison with other ASEAN members. The analysis is conducted using data from the Labor Force Survey by the Thai National Statistical Office and ASEAN Statistics Database. The analysis is supported by the literature review on the relationship of labor and economic growth. The second part of the paper discusses the analysis's outcomes. The last section provides the conclusion and policy implication.

2. Contextual Background

ASEAN or Association of Southeast Asian nations was founded in 1967, currently consisting of Indonesia, Malaysia, Singapore, Brunei, the Philippines, Vietnam, Cambodia, Laos, Myanmar and Thailand. At the 9th ASEAN Summit in 2003, the ASEAN Leaders resolved that an ASEAN Community shall be established. Four years later, at the 12th ASEAN Summit in January 2007, the leaders signed the Cebu Declaration on the Acceleration of the Establishment of an ASEAN Community by 2015. The ASEAN Community is comprised of three pillars, namely the ASEAN Political-Security Community, ASEAN Economic Community (AEC) and ASEAN Socio-Cultural Community. The AEC is expected to transform ASEAN into a region with free movement of goods, services, investment, skilled labor, and freer flow of capital (ASEAN 2014). The convergence of ASEAN into a single market presents great opportunities for those who seek a larger market, especially when traditional markets such as Europe and the United States have not shown any vigorous recovery yet.

Thailand is one of the founding members of ASEAN, together with Indonesia, Malaysia, the Philippines and Singapore. Thailand has been a strong advocate for ASEAN's regional economic integration, which has taken shape since the inception of ASEAN Free Trade Agreement in 1992. Thailand proposed the concept of enhanced ASEAN connectivity in a comprehensive manner, comprising physical, institutional and people-to-people connectivity.

In its commitment to AEC, Thailand has already commenced on its National Single Window together with five other ASEAN member countries (Brunei, Indonesia, Malaysia, Philippines, and Singapore). Thailand also ratified the ASEAN Trade in Goods Agreement (ATIGA) in April 2010, allowing for the agreement to finally enter into force in May 2010. Thailand ratified the ASEAN Framework Agreement on Mutual Recognition Arrangement (MRA) in May 2002, which came into effect in December 2002. To date, seven MRAs have been signed, consisting of medical and dental practitioners, engineering services, nursing services, architectural services, surveying qualifications, and accountancy services (Thailand Ministry of Foreign Affairs 2014). Under MRAs, ASEAN professionals in these areas will be able to work in another ASEAN country providing they meet career certification and work permit requirements in each target country (ASEAN 2014).

The liberalization process under AEC is giving Thailand huge opportunities for the expansion of market and production. It has noted that one year after the opening of the Free Trade agreement (FTA) under which the goods tax rates of ASEAN member countries in the AEC decrease, Thailand's market share has increased to 35.8 percent. Such an increase resulted from the growth in the Thai export of the following goods to ASEAN: electrical appliances and electronics, petroleum products and coal, and motor vehicles and parts. Its market shares for these have increased 1.23 percent, 0.85 percent and 2.69 percent respectively. Thailand also has the highest export growth rate at 39.5 percent among ASEAN countries (UTCC 2011).

The regional liberalization, on the other hand, exposes Thailand to a stiff competition with other ASEAN members. The Thai rice sector, for example, has already tasted the bitter slide as soon as the ASEAN FTA came into effect. Rice is the main food for domestic consumption and is also Thailand's principal source of foreign income. Even though Thailand is still the

leading rice exporter of the world, it is now the second rice exporter in the ASEAN market, having been beaten for number one by Vietnam. In 2004, Thailand had a 51.2 percent market share, which was higher than Vietnam's share of 48.4 percent. In 2010, however, the Thai share in the ASEAN market was found to fall sharply to only 29.8 percent, while Vietnam's market's share had risen to 70.0 percent (UTCC 2011).

For this reason, in order to increase the national competitiveness and achieve sustainable economic growth in AEC, Thailand needs to strengthen the productivity throughout its economy. Thai workers must be capable of doing a larger variety of jobs, taking on more responsibility, and learning how to better meet the needs of their employers.

3. Literature Review

The primary driving force of economic growth is the growth of productivity, which is the ratio of economic output to inputs (including capital, labor, energy, materials and business services) (Saari 2006; Piero 2013). While some economists have argued that economic growth is determined by exogenous factors, others such as Romer (1986), Lucas (1988), Barro (1999) and Grossman and Helpman (1991) tried to explain that economic growth rate is closely linked to specific endogenous factors. The role of human capital and the skills of the working population in relation to economic growth are particularly emphasized in both neoclassical and endogenous growth models (Mankiv et. al 1992; Sala-i-Martin et al 2004; Romer 1990). Scholars in this school of economics agree that the wealth of a society is determined by its stock of *human capital*, and economic growth is the process of human capital accumulation at the level of an economy (Topel 1999).

Young's studies (1992, 1994, 1995, cited in Topel 1999) on the growth experience of the four "Asian tigers": South Korea, Hong Kong, Taiwan, and Singapore have shown a strong correlation between GDP per capital and labor productivity. He concluded that the remarkable growth record of these economies had resulted from labor accumulation and utilization, together with changes in the quantity and quality of physical capital. Between 1966 and 1990, output per worker in these economies grew at average annual rates of between 4 and 5 percent, far above the 1.4 percent rate achieved by the U.S. over this period. An increase in labor output contributed to the growth rate of GDP, which ranged between 7 percent and 10 percent in those countries while it in the U.S. was only 3 percent (Dougherty 1991; Young 1994, cited in Topel 1999).

In this light, the quality of workers is essential to enhance Thailand's national productivity. The opening of AEC will bring both opportunities and challenges to the Thai workforce (Saraithong 2012). At domestic level, the expansion of market and production will create more employment opportunities for Thai workers. At regional level, Thai workers will have chances to work abroad thanks to the free mobility of skilled labors. However, the free movement of labor among member countries will force Thai workers into a strong competition with other ASEAN's workers in the labor market, both domestically and regionally. In order to reap benefits from regional liberalization and survive the strong competition of the regional labor market, Thai workers need to get ready.

There are a number of studies that investigated the current status of the Thai workforce in the literature. For example, Lathapipat and Chucherd (2013) addressed the fundamental problems of the labor market efficiency in Thailand; Chalamwong, et. al. (2012) analyzed skills for employability of secondary school leavers in Thailand; Wongboonsin and Wongboonsin (2009) discussed competency development for the stock of the Thai workforce. However, the literature on the readiness of the Thai workforce for ASEAN integration in comparison with other ASEAN members is limited. There is thus a need for a more insightful study to fill this gap.

ASEAN has set up a number of criteria in the AEC Blue Print to monitor the member's implementation of transitional plans toward AEC. Those criteria focus on 4 points, including tariff liberalization, customs facilitation, investment, and compliance and coordination. Thailand's implementation rate under Phase II (2010-2011) reached 64 percent, higher than ASEAN's average of 55.8 percent (ASEAN 2012). Such a high score is supposed to reflect the country's high level of preparedness and commitment. However, it does not necessarily truly reflect the real situation on the ground and that if the Thai workforce is prepared for the regional integration. For this reason, further analyses are deemed required.

4. Definition, objective and scope of research

The objective of the research is to study the current status of the Thai workforce prior to the launch of the AEC in 2015. It aims to learn if the Thai workforce is ready for ASEAN Economic Community 2015. The research results will benefit the Thai government in its efforts to prepare the national workforce for the competition ahead.

The readiness for regional integration of the Thai workforce will be judged on two inter-correlated variables: (1) the quality of the workers and (2) labor productivity. The quality of workers is measured by knowledge and skills accumulated in the workers. The International Labor Organization (ILO) (1992) defines a *competent person* at the workplace is a person possessing adequate qualifications, such as suitable training and sufficient knowledge, experience and skill for the safe performance of the specific work. "Labor productivity", according to ILO (2013), is a measure of the efficiency of production and defined as the ratio of output (GDP) per unit of input (here, labor).

In 2008, the Ministry of Labor in Thailand conducted a survey indicating skills needed among all level of workers. The survey categorized six types of skills, including analytical skill, management skill, technical skill, teamwork skill, computer skill and foreign language skill (Chalamwong et.al. 2012).

World Bank (2014) defines a set of job-relevant skills, which includes skills relevant to the specific job of the workers as well as other skills that enhance their productivity. These other skills include:

- Problem-solving skills or the capacity to think critically and analyze.
- Learning skills or the ability to acquire new knowledge ("learning to learn"), distill lessons from experience, and apply them in search of innovations.
- Communication skills, including reading and writing, collecting and using information to communicate with others, and using a foreign language and information and communication technologies (ICTs) as communication tools.

- Personal skills for self-management, making sound judgments, and managing risks.
- Social skills to collaborate with and motivate others in a team, manage client relations, exercise leadership, resolve conflicts, and develop social networks.

Within its limited scope, this research attempts to find answers for the following questions:

- 1) Do the Thai workers have higher skills that produced through a university education or professional training, in order to compete with workers from other ASEAN members such as Singapore and Malaysia?
- 2) Do the Thai workers have sufficient communication skills in order to work in the AEC? (Communication skills are limited to English language proficiency, since English was chosen as the working language of ASEAN (Article 34 in the ASEAN Charter on 'Working Language of the ASEAN' reads: 'The working language of ASEAN shall be English' (ASEAN 2014)).
- 3) How does the current status of the Thai workforce affect the national productivity and competitiveness?

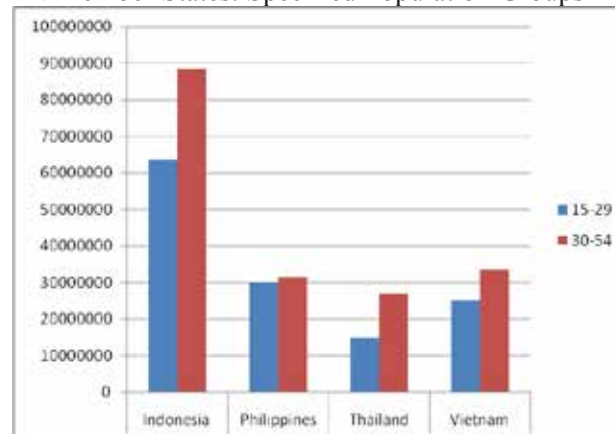
5. Thai workforce in ASEAN

5.1 Academic Competencies

The ASEAN is a vast region with a total land area of 4.436 million square kilometers. Based on the World Population data prepared by United Nations Population Division, the population of ASEAN will increase from 631 million people in 2015 to 721 million in 2030 and 734 million people in 2035, a rate of 0.85% per annum.

By 2015, Thailand will be the fourth largest ASEAN member in terms of population. Its projected population at 67 million in 2015 will account for 11 percent of the ASEAN total (Table 2 in the Appendices). Following this trend, by 2015, 61 percent of the Thai population, ranging from 15 to 54 year olds, will join the regional workforce. Of which, half of them are from 15 to 29 year old (Figure 1).

Figure 1 ASEAN Member States: Specified Population Groups



Source: The World Population Prospect: The Revision 2012, UN Population Division

Rapid changes in innovations and technologies are creating changes in employment structures and occupational patterns in ASEAN member states. High proportion of professions and occupations requiring advanced skills are found across the region. It particularly notes that more advanced economies, such as Singapore, Brunei Darussalam and Malaysia, rely very little on the agricultural sector but highly depend instead on the service sector where higher skills are required (Table 3 in the Appendices).

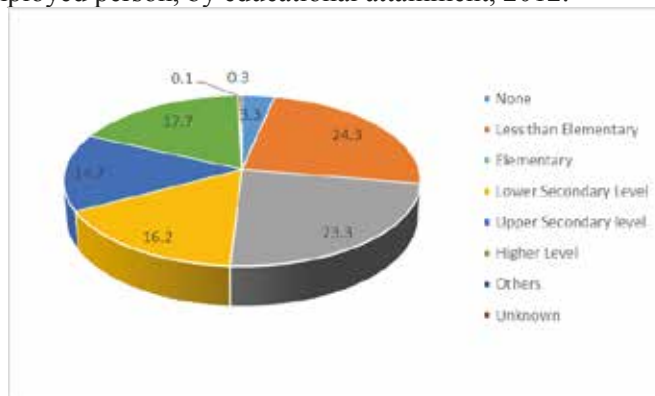
For several decades, Thailand has been a shining example of successful economic development in ASEAN, driven primarily by an expansion of employment in the industrial sector and capital investment. The vigorous transformation of the Thai Kingdom's economy has brought immense structural changes in the national occupational pattern. The country has been slowly shifting agricultural occupations with low-skilled labors toward professions demanding higher skills. The percentage of professionals and technicians and associate professionals, which require education and training equivalent to higher education, has been increased over years, from 7 percent in 2003 to 8 percent in 2012 (Table 4 in the Appendices)

Educational attainment of the Thai workforce has been constantly improved, thanks to their better access to education. The Thai government has been actively working to improve education in Thailand since the first National Education Development Scheme in 1932 (Russel 2007). They aim to promote a knowledge-based economy, focusing on innovation in scientific and high tech sectors. Since 2002, Thailand has successfully enforced the compulsory education that requires Thai citizens to attain at least 9 years of compulsory education under government support. Moreover, tertiary education has become much more assessable with the establishment of the student loan fund in 1996 (Lathapipat and Chucherd 2013).

Recently, the Thai government has formulated the Eleventh National Economic and Social Development Plan (2012-2016), placing a high priority on developing knowledgeable and skilled human capital. In the last ten years, the Ministry of Science and Technology supported more than 3,000 science and technology scholarships, from undergraduate to doctoral study, to incubate scientists and researchers in top universities and research institutions overseas. A number of programs have also been implemented to develop quality technicians and technologists through science-based technology schools, work-integrated learning program, dual system and cooperative education in universities, and Gifted Education through Science Schools (NESDB 2012).

Those efforts from the State have successfully added more labors holding qualifications into the national labor market. The average growth rate of the workforce with the Master degree level and higher in the period between 1991 and 2010 was 10.51 percent. In 2012, however, the percentage of employees who held high degrees in the Thai workforce increased to almost 18 percent (Figure 2).

Figure 2 Employed person, by educational attainment, 2012.



Source: National Statistical Office Database.

(Thailand's national classification of educational attainment and the National Statistical Office use the following categories: 1) "No education" refers to all persons who have never attended school; 2) "Lower secondary level" refers to all persons who have completed Matayom 3, which is the lower of secondary school; 3) "Upper secondary level": • "Academic" refers to all persons who completed Matayom 6 in a general education School; • "Vocational and technical" refers to all persons who have completed lower secondary school and then completed a three-year course in a vocational and technical college; • "Teacher training" refers to all persons who have completed the teacher training course and received a certificate equivalent to upper secondary level; 4) "Higher level" includes those who graduate the general/academic, vocational and teacher training levels).

Despite achievements in improving the years of schooling and better education, Thai workforce still lags behind, when compared with its neighbors such as Malaysia and Singapore. In 2012, while Thailand had approximately 8 percent of employed persons working as professionals and technicians, Singapore had 35 percent, followed by Malaysia with closely 20 percent (Table 5 in the Appendices). When the free movement of skilled labors comes into effect in AEC 2015, Thai workers, as a consequence, will become more vulnerable in the regional labor market. Currently, the majority of the Thai workforce is categorized as low-skilled with education below the lower secondary level (67 percent) (Chart 2). They will have to compete with more educated workers from low-wage countries in ASEAN coming to Thailand for employment search, such as Indonesia, the Philippines and Vietnam.

The Thai economy has become steadily more dependent on its export sector – specifically, of manufactured goods. Thai exports are expected to generate 70-80 percent of GDP in the period between 2015 and 2030 (Trading Economics 2013). Currently, Thai industries are attempting to move further up the global value chain and establish high-technology manufacturing. This will stimulate an increase in demand up to 250,000 skilled workers every year, particularly engineers, scientists and researchers of various disciplines. Automotive, electrical and electronics, software, alternative energy, biotechnology, medical services and healthcare are among industries with the highest demand for higher-skilled workers (The Economist 2012). However, the current status of the Thai workforce hardly meets this demand.

The large proportion of skilled workers in Thailand is reported to work in the agricultural and fishery sectors (between 30-40 percent) (Table 4 in the Appendices). Many employers indicated difficulties in filling professionals, higher-paying positions. Often, it took them five to seven weeks to fill a professional vacancy, and the difficulties are greatest in among exporters and firms with foreign direct investment. Employers also reported the lack of required generic and technical skills among applicants (The Economist 2012; World Bank 2006).

According to the latest labor force survey in Thailand in February 2014, most of unemployed persons had higher level of educational attainment (0.10 million or 1.3 percent), followed by those with lower secondary level (73 thousand or 1.2 percent), primary level (63 thousand or 0.7 percent), upper secondary level (57 thousand or 1.0 percent) and illiterate and less than primary level (34 thousand or 0.4 percent) (NSO 2014). This situation is different from Singapore, where the highest rate of unemployment is found among those with non-tertiary qualifications, followed by below secondary and secondary level (Ministry of Manpower 2014). The high percentage of educated Thais, who are unable to secure a job, strongly indicates that the Thai workforce not only lack of higher skills but also relevant skills for particular jobs. In order to solve the problem of skill shortage and skill mismatch, many multinational firms continue to bring in Thailand expatriate professionals (US Embassy 2014).

5.2 Communication Skills

As ASEAN countries are forging closer economic integration between its ten member countries and promoting stronger linkages to other key economies such as China, Japan, South Korea, India, Australia and New Zealand, communication skills as abilities to use English for communication are deemed essential.

In 2006, the World Bank conducted an enterprise survey with 1,043 manufacturing firms in Thailand and found that 64 percent of professional workers in surveyed firms were rated poor or very poor in their English language proficiency (World Bank 2006). A half decade later, although the English proficiency across Thailand have moved up 5 points, the country is still in the group categorized as ‘very low proficiency’, according to the recent report on English Proficiency Index released in November 2013 by the Education First Institute. This annual report attempts to rank countries based on the English language skills of their adults. Thailand placed at the 55th position, out of 60 countries surveyed. The progress that Thailand had made in the period between 2007 and 2012 is even lower than that in other ASEAN states such as Vietnam (Vietnam had scored up 7 points in the same period). Malaysia and Singapore scored quite well on the list, 11th and 12th position respectively (Education First Institute 2013).

Similarly, the Jobstreet.com, one of the leading Internet Recruitment websites in the Asia-Pacific, has recently run the JobStreet.com English Language Assessment (JELA). A total of 1,540,785 people, working in Singapore, the Philippines, Malaysia, Indonesia and Thailand, participated in the assessment. JELA consists of 40 questions randomly picked from the 1,000 questions of the programme. Thai workers, picked from all levels of employment (from the junior executives and senior executives to managers and senior managers), scored the lowest in English skills among counterparts in ASEAN (55 percent). Meanwhile, Singaporean workers scored highest at 81 percent, followed by Filipinos at 73 percent, Malaysians at 72 percent and

Indonesians at 59 percent. Keeping the dismal record consistent, many Thai workers who are working in the manufacturing sector could only manage 17% on average (The Nation 2013).

It is often found that shop assistants, service workers, even university-educated office employees are extremely reluctant to speak English to a foreigner needing assistance. Telephone calls from English-speaking customers are put on hold or given one transfer after another (Saiyasombut 2012). A recent report on Thailand's human resource competencies in the aviation industry has revealed that the failure among Thai employees in mastering English for effective communication has caused unnecessary delays in customer services, thus leading to business losses (Wattanacharoensil and Yoopetch 2012).

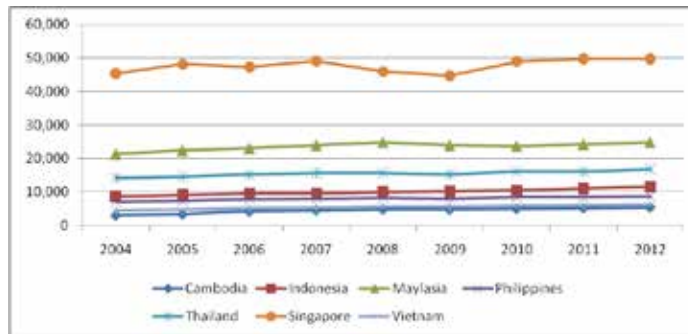
Many previous studies have reached a similar conclusion that English proficiency is a valuable asset for workers in order to compete in the era of increasing trade liberalization (Rooth and Saarela 2007; Kapur and Chakraborty 2008; Chiswick 2008, cited in Saraithong 2012). In their study on English skills among Indian workers, Kapur and Chakraborty (2008, cited in Saraithong 2012), for example, found that those who are fluent in English earn significantly higher relative wages and better occupational outcomes even for the same level of overall education. Looking back the case of Thailand, the relatively small number of competent adult English-speakers makes Thailand's international future seem gloomy in comparison to nearby countries, especially when the AEC's launch is approaching closely. The immediate effect would be that a large portion of employment in the mid-level labor market or the service sector in Thailand is taken by Filipinos given their higher percentage of literacy skills in English.

5.3 National Productivity

The limitations of its workforce are leading to comparatively low productivity in Thailand and offer Thailand non-promising hope to be a leading nation in the Southeast Asia. According the World Bank (2012), despite its achievements in economic development over the last two decades, productivity gains in Thailand have been relatively small and labor input has contributed to less than one-tenth of the growth.

Recent GDP per person employed of Thailand in 2012 was still far from competing with its neighboring countries such as Malaysia and Singapore (Figure 3). After showing little improvement between 2007 and 2009, GDP per person employed in Thailand slightly increased toward the end of 2012. However, the trend was least significant and fluctuated. Meanwhile other ASEAN countries, such as Vietnam, Cambodia, Indonesia and Philippines, posted solid increases during the same period (World Bank 2014).

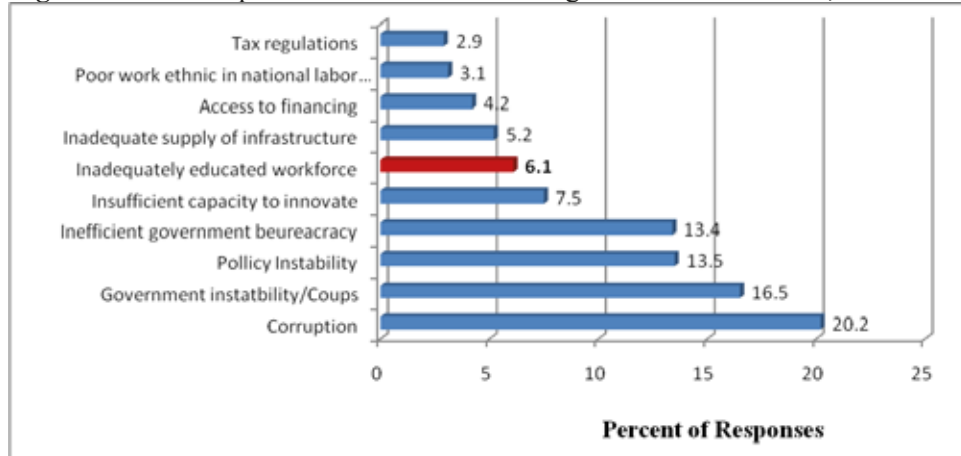
Figure 3 ASEAN Member States: GDP per person employed (constant 1990 PPP \$)



Source: Synthesized by the author from the database of World Bank 2014

Labor productivity directly reflects the country's competitiveness. Unlike Indonesia and the Philippines demonstrate rapid improvement in terms of competitiveness, Thailand's overall competitiveness score has seen fluctuated in the last ten years. The Thai inconsistent performance reveals the country's struggle in dealing with the competitiveness challenges. A one-notch gain for the second year in a row was a result of a very small improvement in its performance (39th in 2011 to 37th in 2013), according the Global Competitive Index (GCI) 2013-2014 (World Economic Forum 2013). Meanwhile, Indonesia climbed 12 places, followed by the Philippines (6 places) and Vietnam (5 places). An inadequately educated workforce has persistently remained among the top ten most problematic factors for doing business since 2009 (Figure 4).

Figure 4 The most problematic factors for doing business in Thailand, 2013-2014



Source: World Economic Forum 2013

The GCI 2013-2014 report also reveals the poor performance of Thailand in some fundamental areas related to the national workforce. Thailand scored particularly poorly in the areas of 'health and primary education' (ranked 81 out of 148 countries) (Table 5). The enrollment in and the quality of higher education remain abnormally low (ranked 66). These scores imply a considerable need for improvement in workforce development via vigorous educational reforms. It is anticipated that the electronics industry in Thailand, for example, with exports of \$US 49 billion and 200,000 employees, could shrink 50 percent in 3 years without educational and skill improvements (Fernquest 2012).

6. Conclusion and Policy Implication

Over the last two decades, the Thai workforce has seen significant changes in its structure and occupational patterns. There have been more workers holding higher qualifications in the labor market thanks to the state's efforts in higher education reforms. A sustained shift from agriculture to manufacturing, coupled with capital accumulation and skills-biased technological changes have resulted in a higher proportion of professionals and technicians in the national workforce.

However, such an achievement is still far from either meeting the demand of the national economic expansion on the ground or leading Thailand to efficiently compete in AEC. The majority of the Thai labors are still categorized as low-skilled with education below the lower secondary. A high percentage of skilled workers are found working in labor-intensive agriculture and fishery, rather than in more sophisticated manufacturing, such as electronics, computer parts, automobiles and parts, electrical appliances, machinery and equipment. Moreover, the high unemployment rate among university graduates strongly indicates that the Thai workforce is not able to provide skills which are relevant to some particular jobs.

As ASEAN states are moving closer to a fully-fledged community in 2015, communication skills and technical skills are equally important. Communication skills are considered, among other things such as reading and writing, collecting and using information to communicate with others, as an ability to speak English fluently. However, the Thai workforce score poorly in English proficiency test.

Skills constraints among Thai labors are impeding the national productivity and competitiveness. The total GDP per persons employed in Thailand is far below than countries with the smaller population and workforce such as Brunei Darussalam, Singapore and Malaysia. Despite the overall competitiveness ranking going up by one notch, second time in a row, Thailand has shown a very small improvement in its performance and faces considerable challenges.

The weak position of the Thai workforce, comparing with ASEAN countries, has revealed the failure of the national education system and a lack of effective workforce planning, despite the country's long history of higher education reforms. Two third of Thai students are reported to enroll in humanities and social sciences programs whereas the needs are clearly in science and technology (Bardhan et.al. 2010, cited in Yilmaz 2010). More surprisingly, many companies in Thailand do not see universities as important sources of either employees or training. Linkages between firms and higher education institutes to foster employee quality are rather weak (World Bank 2006).

According to the World Bank (2014), skills needed for productivity and economic growth require a combination of education, training, and labor market activities. Deeper integration as a result from launching the AEC in 2015 could induce reallocation of investment and production of industries, with implication for jobs in the country. In order to reap the benefits and sooth the severe competition in the regional labor market, it is critically important to call for the role of the

Thai Royal Government in formulating more appropriate education and skills development strategies that enhance productivity and competitiveness. In this regard, Thailand can learn from experiences from other ASEAN members such as Singapore, Malaysia and Vietnam. Those countries have successfully created the environment for providers of training to respond to the needs of the labor market via the government incentives.

In Singapore, the Ministry of Education grants the Institute of Technical Education (ITE) with substantial autonomy. The ministry holds ITE accountable for graduates' employment. This governance arrangement has prompted ITE to use business-like practices to ensure efficient services and effective pedagogical approaches, forge and sustain productive ties with industry, routinely report on graduates' and employers satisfaction with its services through surveys. Vietnam has allowed new tertiary level institutions under public-private partnerships to emerge in response to the demand for high-quality employment-oriented training. In order to ensure on-the-job training in smaller firms, Malaysia and Singapore collect payroll levies and use the funds to encourage small and medium-sized enterprises to invest in worker training. In Malaysia, the Penang Skills Development Center is a partnership of several enterprise coming together to benefit from industry-specified training services financed through membership subscriptions, fees, and a government subsidy (World Bank 2014).

Country conditions invariably differ, thus requiring the Thai government has to act quickly to respond to specific needs of the national labor market. The above analysis aims to shed some lights on the current status of the Thai workforce prior to the launch of the AEC in 2015. This could be useful for the government to prepare its national workforce for the competition ahead.

7. Suggestions for further research

This research only focused on the English language efficiency among Thai workers. Therefore, future research should be required for other job-relevant skills, such as analytical skill, management skill, technical skill, teamwork skill, computer skill. These skills are important for the Thai workers to adapt to changing market and to benefit from innovations and investments in new technologies, clean energy, health, and infrastructure.

The future study should also focus on more specific research questions, such as what are the skills needed by employers in ASEAN and in order to increase employability in AEC, what are the skills that Thai workers should emphasize.

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Appendices

Table 1 The emerging landscape of market convergence 2012-2013

Country/Region	Population million	Gross Domestic Product (at current prices)		Estimated 2013 GDP US\$ billion
		US\$ billion	PPPS billion	
ASEAN	616.6	2,311	3,619	2,526
EU-28	507	16,584	16,093	17,228
USA	314.2	15,685	15,685	16,238
China	1,354.00	8,227	12,406	9,020
India	1,223.20	1,825	4,684	1,973

* EU-28 includes: Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovak Republic, Slovenia, Spain, Sweden, and United Kingdom.

Source: ASEAN 2013

Table 2 ASEAN Population

Unit: Thousand

	2015	2020	2025	2030	2035	Avg. Annual Growth Rate
Brunei Dar.	429	454	478	499	518	1.40%
Cambodia	15,677	16,947	18,120	19,144	10,104	1.00%
Indonesia	255,709	269,413	282,011	293,482	303,382	0.74%
Lao PDR	7,020	7,651	8,253	8,806	9,319	1.06%
Malaysia	30,651	32,858	34,956	36,846	38,471	1.45%
Myanmar	54,164	56,125	57,650	58,698	59,267	0.56%
Philippines	101,803	110,404	119,219	127,797	135,919	1.66%
Singapore	5,619	6,057	6,334	6,578	6,769	0.93%
Thailand	67,401	67,858	67,900	67,554	66,774	0.29%
Vietnam	93,387	97,057	99,811	101,830	103,293	0.65%
Total	631,860	664,824	694,732	721,234	733,816	

Source: UN Population Division 2013

Table 3 ASEAN Member States: Employment by Sector

Sector	Brunei Darussalam	Cambodia	Indonesia	Philippines	Singapore	Thailand	Viet Nam	Malaysia
	-2009	-2012	-2012	-2012	-2012	-2012	-2011	-2012
Agriculture, Fishery & Forestry	4.09	54.85	35.09	32.3	-	38.87	48.39	12.59
Manufacturing	5.74	13.13	13.87	8.3	13.62	14.72	13.85	17.51
Construction	27.72	4.97	6.13	5.8	4.96	6.32	6.4	9.15
Wholesales & Retail Trade, Restaurants, & Hotels	27.26	17.02	20.9	22.3	21.27	21.24	15.54	24.15
Transportation, Storage, Communication	5.04	4.48	4.51	8	13.85	3.03	3.34	6.55

Finance, Insurance, Real Estate and Business Services	8.03	0.41	2.4	4.7	21.37a	3.1	1.27	5.5
Public Services	11.38	3.25	15.43	17.6	23.64b	12.04	9.81	22.78
Others (Mining & Quarrying, Electricity, Gas & Water, Unknown)	10.75	1.89	1.67	1	1.3	0.68	1.41	1.77
Total	100	100	100	100	100	100	100	100

Source: ASEAN Statistical Database

Table 4 Employed person by occupation, 2003-2012

Occupation/Year	2003	2006	2009	2012
Legislator, senior, officials and managers	6.81	6.6	2.61	3.21
Professionals	3.47	4.14	4.03	5.13
Technicians and associate professionals	3.61	4.18	3.93	3.67
Clerks	3.4	3.52	3.97	3.48
Service workers and shop and market sales workers	12.9	13.54	17.13	19.1
Skilled agricultural and fishery workers	41.24	38.23	38.46	31.5
Craftsmen and related trades workers	10.67	10.35	11.51	12.32
Plant and machine operators and assemblers	7.52	7.97	7.33	8.72
Elementary occupations	10.34	11.31	11	12.67
Others	0.04	0.16	0.03	0.07
Total (In percentage)	100	100	100	100
Total (In thousands)	34,676.40	36,344.50	38,371.50	38,516.40

Source: Thailand National Statistical Office Database, <http://web.nso.go.th>

Table 5 ASEAN Member States: Employment by Occupation, 2012

Occupation	Malaysia	Philippines	Singapore	Thailand
Professionals, technical and related workers	19.89	7.4	35.67	8.38
Administrative, executive and managerial workers	5.39	15.9	17	3.53
Clerical and related workers	9.2	5.7	13.03	3.53
Sales workers and services workers	20.64	18.4	12.47	18.46
Agricultural, animal husbandry and forestry workers; fishermen and hunters	9.24	13.8	-	35.92
Production and related workers, transport equipment operators and laborers	23.28	38.5	18.48	19.18
Others	12.36	0.03	3.34	11.42
Total	100	100	100	100

Source: ASEAN Statistical Database

Table 6 Thailand Rank-Global Competitiveness Index

	2005-2006	2009-2010	2011-2012	2012-2013	2013-2014
Thailand Rank	<u>33</u>	<u>36</u>	<u>39</u>	<u>38</u>	<u>37</u>
<i>Basic requirements (40.0%)</i>	<i>34</i>	<i>43</i>	<i>46</i>	<i>45</i>	<i>49</i>
Institutions	40	60	67	77	78
Infrastructure	37	40	42	46	47
Macroeconomic environment	11	22	28	27	31
Health and primary education	85	61	83	78	81
<i>Efficiency enhancers (50.0%)</i>	<i>41</i>	<i>40</i>	<i>43</i>	<i>47</i>	<i>40</i>
Higher education and training	43	54	62	60	66
Goods market efficiency	-	44	42	37	34
Labor market efficiency	-	25	30	76	62
Financial market development	-	49	50	43	32
Technological readiness	49	63	84	84	78
Market size	-	21	22	22	22
<i>Innovation and sophistication factors (10%)</i>	<i>38</i>	<i>47</i>	<i>51</i>	<i>55</i>	<i>52</i>
Business sophistication	39	43	47	46	40
Innovation	38	57	54	68	66

Source: Synthesized by the author from the database of World Economic Forum,
www.weforum.org

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by

Sakdipon Juasrikul

College of Entrepreneurship, University of the Thai Chamber of Commerce
E-mail: sakdipon_jua@utcc.ac.th

Zafrin Rahman

Carson College of Business, Washington State University
E-mail: zafrin.rahman@email.wsu.edu

and

Nessara Sukpanich

Faculty of Economics, Thammasat University
E-mail: nessara@econ.tu.ac.th

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by

Sakdipon Juasrikul

College of Entrepreneurship, University of the Thai Chamber of Commerce

E-mail: sakdipon_jua@utcc.ac.th

Zafrin Rahman

Carson College of Business, Washington State University

E-mail: zafrin.rahman@email.wsu.edu

and

Nessara Sukpanich

Faculty of Economics, Thammasat University

E-mail: nessara@econ.tu.ac.th

Abstract

This paper investigates the antecedents of individual entrepreneurial aptitude (IEA). Since IEA is associated with the potential to gain entrepreneurial competencies and skills which in turn play crucial roles in the economic development of a country, we propose three antecedents related to the individual's perceptions, including entrepreneurial education, start-up barrier and entrepreneurial social status. Using the data from the survey Flash Eurobarometer No.283, we conduct structural equation modeling to test the hypotheses. The result indicates that entrepreneurial education and social status are positively related to IEA and support the hypotheses.

Keywords: Individual Entrepreneurial Aptitude, Start-up Barrier, Entrepreneurial Education and Social Status

1. Introduction

Entrepreneurs play a crucial role in the economic growth of a country, act as value creators who innovate and introduce new activities into the market (Schumpeter, 1934), formulate new ideas and exploit market opportunities (Alvarez & Barney, 2005). Prior studies noted that certain individual characteristics, both psychological and non-psychological,

influence the decision to engage in entrepreneurial activities (Shane, 2003) but do not examine the influence within these factors. Furthermore, since the domain of entrepreneurship primarily focuses on the opportunity's exploration and exploitation (Shane & Venkataraman, 2000), scholars may overlook the antecedents of the entrepreneurial aptitude embedded at the individual level which is a key success factor that integrates human and economic resources to generate products and services.

In general, aptitude is a capacity or potential to gain competency or ability through training (Association, 2009). As such, entrepreneurial aptitude is associated with the potential to gain entrepreneurial ability. Bönte, Heblich, and Piegeler (2012) suggested eight personality traits, including autonomy, risk taking, innovativeness, proactiveness, competitiveness, general optimism, general self-efficacy and internal locus of control, that can be aligned to entrepreneurial ability. Further, we include luck dependency as the ninth personality trait. Each personality trait is associated with self-employment and capacity to become an entrepreneur. Our primary research question is what influences these personality traits which we refer to as individual entrepreneurial aptitude (IEA). Our research questions are "*What are the antecedents of IEA, and what are the relationships between the antecedents and IEA?*" We examined three antecedents of IEA, including entrepreneurial education, individual's perceptions of start-up barrier and social status of entrepreneurs.

First, distinguished from general education that individuals in society acquire in their childhood, entrepreneurial education may have some distinct effect on IEA. National policy makers pay close attention to entrepreneurial education since entrepreneurs are considered to be the key conductors of new venture formation and creators of economic growth. Prior studies provided contradictory findings on whether entrepreneurial education has a positive effect on entrepreneurial activity which in turn can lead to national economic growth (Von Graevenitz, Harhoff, & Weber, 2010). Shane (2003) suggested that *general* education increases a person's competency and skill to engage in entrepreneurial activities. Distinct from *general* education, *entrepreneurial* education has two concurrent motivations which are to produce entrepreneurs per se and to create entrepreneurial personalities (Kozlinska, 2011). Hence, whether IEA is influenced by entrepreneurial education is examined in this study.

Second, individuals' perceptions of start-up barrier could influence IEA. These perceptions may vary by an individual. The barrier to start-up a business may be associated with limited financial resources, complex business procedures, or insufficient information. Davidsson (1995) suggested the term perceived "know-how" to establish that individuals recognize their own capabilities which in turn determines the strength of their entrepreneurial intentions. When individuals perceive that starting up a business is difficult, individuals may not believe in their own ability to perform an entrepreneurial activity. Self-efficacy allows this study to describe this phenomenon. Bandura (1997) mentioned that self-efficacy is the belief of an individual's ability to perform certain tasks and reach goals. Perceptions of start-up barriers may decrease the belief of the individual's ability to create a new venture. As such, we investigate whether IEA is influenced by individuals' perceptions of start-up barrier.

Lastly, the social status of entrepreneurs could influence the willingness to be an entrepreneur. Social position refers to an individual's relationship to other individuals within the

social community in which he or she lives or works (Shane, 2003). As Shane (2003) suggested that researchers look at two aspects of individual's social position, these are social status and social ties. We focus on the social status aspect of social position in this study. In the entrepreneurial context, the aspect of status in terms of social position may refer to how others perceive that entrepreneur's rank in the social order within their community. Prior research found that people of higher social classes were more likely to become self-employed than people from lower social classes (Dolton & Makepeace, 1990). These positions may enhance individual willingness to increase their entrepreneurial ability.

Our objectives of this study are three folds. First, we aim to explore individual-level entrepreneurial which can help researchers understand and theorize the drivers of IEA. We propose three antecedents of IEA, namely entrepreneurial education, individual's perceptions of start-up barrier and social status of entrepreneurs. In addition, we explain the mechanism and logic behind each antecedents. Second, we aim to provide suggestions to both academic institutions and government agencies on how to develop entrepreneurial capabilities and skills. Given that entrepreneurs have a major role to play in driving economic growth, it is necessary to understand what and how to develop such entrepreneurial aptitude. Lastly, we aim to empirically test these antecedents by using individual-level data. Our empirical findings do confirm the existence of the phenomenon of IEA and its antecedents as highlighted in our hypothesis section.

This study highlights the importance of IEA and its antecedents. IEA represents the individual's competencies and skills to explore and exploit entrepreneurial activities which in turn are crucial for economic growth. The findings of this paper will allow national policy makers to engage and change the policy to promote IEA. To develop a more complete picture of entrepreneurship, we further extend prior literature by examining the source of entrepreneurial competencies and skills. In doing so, we propose the antecedents of IEA as well as examine their relationship. The remainder of this paper is ordered as follows. First, we discuss the literature background and develop hypotheses. Next, our method section describes our sources of data, variables, and methodology. To simultaneously test the hypotheses, we employ structural equation model by using data from Flash EB Entrepreneurship (2009). In the last section, we provide discussions, implications, and a conclusion for this study.

2. The Oretical Background and Hypotheses Development

2.1 Individual Entrepreneurial Aptitude (IEA)

Entrepreneurship is a complex process that is carried out by individuals living in specific cultural and social conditions. An individual is considered to be an entrepreneur when he or she plays a vital role in economic development and acts as a value creator by innovating and introducing new products and services into markets (Schumpeter, 1934). Remarkably, entrepreneurs formulate new ideas, explore and exploit market opportunities as well as create economic value (Alvarez & Barney, 2005). Hence, an entrepreneur, as an individual person, integrates human and economic resource to create product and services that generate value.

There are two perspectives to examine entrepreneurs. First, scholars focus on the personal characteristics of entrepreneurs. Shaver and Scott (1991) believe that to study any phenomenon, it is useful to describe the essential ingredient of a psychological approach which concentrates on the individual or person. Entrepreneurs are different from other people because entrepreneurs have particular personalities or traits which are distinct. For example, it has been assumed that entrepreneurs are committed and determined, courageous, leaders, opportunity obsessed, risk-takers, comfortable with ambiguity and uncertainty, creative, self-reliant and adaptable, and motivated to excel (Sexton & Bowman, 1985; Timmons, 1999). However, since different entrepreneurs have different personalities and success rates, it is quite difficult for scholars to provide a clear-cut difference between entrepreneurs and other people. Moreover, Shaver and Scott (1991) recommended that cognitive processes that arise within the individual are related to a psychological approach of new venture creation.

Another perspective that attempts to answer the questions employs cognitive mechanisms (Baron, 1998). This perspective was provoked by two studies. First, by using cognitive theory, Palich and Ray Bagby (1995) found that entrepreneurs didn't take more risks than non-entrepreneurs. They also found that entrepreneurs tend to have more strengths, opportunities, and competency to improve performance than non-entrepreneurs. Second, Rumelt, Schendel, and Teece (1994) investigated how managers and entrepreneurs tend to focus, make decisions and forecasts differently. As entrepreneurs usually confront situations that are uncertain, emotionally-charged, and time constrained, their cognitive mechanisms are required and this could be one of the reasons for the difference between entrepreneurs and non-entrepreneurs. Moreover, Busenitz and Barney (1997) pointed out that entrepreneurs manifest biases and heuristics in strategic decision making more than managers do. Entrepreneurs can enhance competitive advantage through their cognitive abilities as individual-specific resources that enable them to recognize opportunities and assemble resources (Alvarez & Busenitz, 2001; Arthurs & Busenitz, 2003). In the strategic management literature, recent empirical studies have found that the managerial cognition is a source of heterogeneity in firms which leads to better decision rules and superior performance (Gary & Wood, 2011).

However, in this study, we focus on entrepreneurial aptitude which contains the group of personality traits that can be matched to the tasks of entrepreneurs. American Psychological Association (APA, 2009, p.34) defines aptitude as: "The capacity to acquire competence or skill through training". Aptitude may be categorized into two dimensions. First, specific aptitude is referred to potential in a particular area such as musical, artistic, or mathematical aptitude. Second, general aptitude is referred to potential in several fields and does not distinguish outstanding talent or gift in any one particular field. As such, we define individual entrepreneurial aptitude (IEA) as the individual efficacy and competency to explore and exploit opportunities and new ideas to create new products and services that generate economic value. Bönte et al. (2012) suggested that prior studies identified eight personality traits including autonomy, risk-taking, innovativeness, proactiveness, competitiveness, general optimism, general self-efficacy, and internal locus of control. As mentioned above, we add one more trait called luck dependency to these eight personality traits. This group of nine personality traits is named individual entrepreneurial aptitude (IEA).

While psychological research focuses on the role of individual-environment interaction, this study examines the influence of environment perception such as entrepreneurial education, start-up barrier and entrepreneurial social status on IEA (Figure 1).

Insert Figure 1 about here

2.2 Entrepreneurial Education and IEA

Shane (2003) mentioned that it is more likely that a person who has more education will explore and exploit opportunities because of capabilities and skills that education provides. Education not only provides individual's stock of information but also allows individuals to process information and tap into opportunities. Empirical evidence has illustrated that education influences exploitation of opportunities, failure rates, and the profitability of new ventures (Shane, 2003). However, Kozlinska (2011) suggested that general and entrepreneurial education are different. Interestingly, the study on effects of entrepreneurial education still has a huge gap (Von Graevenitz et al., 2010). Several scholars attempt to examine whether entrepreneurial education can influence entrepreneurial perception, intentions and aptitude (Kuratko, 2005). Entrepreneurial education could provide an insight and enhance the entrepreneurial competency and potential at the individual level. Each entrepreneurial course may allow students to engage in entrepreneurial activities. Von Graevenitz et al. (2010) suggested that entrepreneurial education may not significantly shift entrepreneurial intentions but affects, adjusts and refines an entrepreneur's assessment of his or her entrepreneurial aptitude. Intuitively, the more entrepreneurial education that students receive, the more competency of entrepreneurial task is acquired by students. Thus, we hypothesize that

H1: Entrepreneurial education is positively associated with Individual Entrepreneurial Aptitude (IEA)

2.3 Individual's Perception of Start-up Barrier and IEA

Perception of start-up barrier refers to the information that an individual perceives regarding the barrier to starting up a new venture. National policy makers take actions designed to stimulate the growth of new businesses and aid in their survival by mitigating any barriers for entrepreneurs (Robertson, Collins, Medeira, & Slater, 2003). Unfortunately, individual perceptions regarding barriers are distinguished and could distort the competency of entrepreneurs. Previous literature found that individual's perception of entrepreneurial barriers play a mediating role in entrepreneurship (Van der Zwan, Zuurhout, & Hessels, 2013). However, in this study, individual's perception of start-up barrier comprises of five issues, including perceived financial barrier, perceived administrative complexities, perceived start-up informative barrier, an individual's fear of business failure and an individual's opportunities of second chance. Each dimension appears on the item in this construct. These five dimensions of barrier diminish entrepreneurial aptitude. For instance, an individual may perceive more informative barrier which in turn means individuals cannot access crucial information that can further develop their entrepreneurial aptitude. As such, the individual's perception of start-up barrier is mitigated by the willingness of that person to develop entrepreneurial competency. Therefore, we hypothesize that

H2: Individual's perception of start-up barrier is negatively associated with Individual Entrepreneurial Aptitude (IEA)

2.4 Social Status of Entrepreneurs and IEA

Societal perception about entrepreneurship as a career choice influences the attractiveness of entrepreneurship (Kelley, Singer, & Herrington, 2013). Shane (2003) suggested that social status increases a person's likelihood of exploiting an entrepreneurial opportunity. Social status also enhances social capital which plays a vital role in the creation of new ventures (Davidsson & Honig, 2003). For instance, social status and reputation of entrepreneurs can positively impact how effectively entrepreneurs can raising capital in the public market through Initial public offerings (IPOs) (Higgins & Gulati, 2006). Juasrikul, Sahaym, Arthurs, Lee, and Lee (2014) also found that entrepreneurs who tie with former government agents have a higher propensity of success in IPO. This coevolution interchangeably occurs within social impression of entrepreneurs, social status of entrepreneurs and entrepreneurial opportunities. In the present study, social status of entrepreneurs refers to the perception of individuals on entrepreneurship in the society. High social status not only enhances opportunities to engage in entrepreneurship but also increases the willingness to be an entrepreneur. Individuals with high social status are more likely to engage themselves to have entrepreneurial aptitude. Thus, we hypothesize that

H3: Social status of entrepreneurs is positively associated with Individual Entrepreneurial Aptitude (IEA)

3. Methodology

3.1 Sample and Procedure

Data for this study was collected from the survey Flash Eurobarometer No.283 "Entrepreneurship in the EU and beyond". Conducted by the Gallup Organization Hungary upon the request of Directorate-General for Enterprise and Industry, this survey data includes 36 countries and collected data from 2009. For each country, interviewers randomly selected samples of 500 or 1000 individuals who are representative of the national population from the age of fifteen years or older. Overall samples from the dataset include over 26,000 participants across EU nations and other nations. However, to avoid cultural differences, we select only one nation to test our hypotheses. Belgium is selected since the data provides the highest value of construct reliability, for each of the constructs of interest. Furthermore, the number of participants from Belgium is 1,007 individuals which allows us to conduct structural equation modeling. This survey has been accepted and used in entrepreneurship literature (Gohmann, 2012) and psychological literature (Verheul, Thurik, Grilo, & van der Zwan, 2012). As such, this survey data has legitimacy to be employed in this study.

This survey contains questions that can be used in the research topic such as the development of entrepreneurship, how entrepreneurial mindsets are being fuelled and what encourages individuals to become entrepreneurs. It includes data about public attitudes on issues such as entrepreneurship, entrepreneurial education, risk-taking, obstacles to entrepreneurship

and business failures. In this study, we selected scales from the questionnaire, including individual entrepreneurial aptitude (IEA), entrepreneurial education, individual's perception of start-up barriers, social position of entrepreneur, and demographic variables. As proposed by Bönte et al. (2012), IEA contains eight items of latent entrepreneurship variables. For this study, we introduced an additional question to this eight item scale: *"When confronted with difficult tasks I can count on luck and the help of others"* since luck and the help of others play a role in strategic management and entrepreneurship to some degree (Alvarez & Barney, 2007; Barney, 1986a). In fact, successful entrepreneurs must rely, at least partially, on their good fortune and luck (Barney, 1986b). Entrepreneurial education was measured using a four-item scale which had been used by Van der Zwan et al. (2013). Individual's perception of start-up barriers was measured by using the five-item scale which includes questions related to individual's perceived barriers to entrepreneurship through administrative complexity, insufficient information, limited access to finance, failure risk, and second chance opportunity. Prior literature has used this scale (Verheul et al., 2012). Social position of entrepreneur is reflected by the image of entrepreneurs which is measured by using a four-item scale. This scale measures how entrepreneurs are viewed in society. Lastly, demographics variables include gender, age, and living zone of respondents as shown in table 1.

Insert Table 1 about here

To estimate the relationship among proposed constructs and their correlations, a four-step procedure was used in this study to assess the factors that were likely to be associated with individual entrepreneurial aptitude (IEA): 1) measurement items for each construct were determined; 2) underlying constructs were validated using a confirmatory factor analysis (CFA); 3) reliability of each construct or Cronbach alpha was calculated by using SPSS version 20.0 composited reliability was also obtained and 4) the proposed structural equation model (Figure 1) was tested to examine the relationships hypothesized in the model.

The properties of the items of the four constructs (one exogenous and three endogenous) in the proposed model and the hypotheses were tested using LISREL 8.72 structural equation analysis package with maximum likelihood (ML) method of estimation, in combination with the two-stage process recommended.

3.2 Measurement model

First, we test a confirmatory measurement model for each construct. As the unidimensionality of measurements play a vital role in theory testing and development (Anderson & Gerbing, 1988; Gerbing & Anderson, 1988), the unidimensionality of each construct was evaluated individually (each construct contains at least four-items) (Sethi & King, 1994). To gain a better fit, social status of entrepreneurs and individual's perception of start-up barriers constructs were modified by correlating their items' error within the constructs. According to Figure 1, for individual's perception of entrepreneurs, we correlate item errors between items X8 and X9. For social position of entrepreneurs construct, we correlate items errors between items X11 and X13. Each construct achieves goodness of fit and an acceptable factor loading. Afterwards, the overall measurement model fit was tested (Anderson & Gerbing, 1988; Sethi & King, 1994).

To measure construct reliability and validity, we assessed individual items in each construct in the overall measurement model. For face validity, we reviewed the related literature and justified the content of the items which is consistent with the construct definition. As illustrated in Table 3, all construct reliability and Cronbach alpha are higher than 0.8, except entrepreneurial education construct which is higher than 0.7. For convergent validity, all items' factor loadings for each construct are .5 or higher (except item Y7 on IEA construct, the loading is 0.49 which we justified to be acceptable). Average variance extracted (AVE) is also greater than the square of the correlation between the factor and other factors which provides evidence of discriminant validity (See Table 4). To demonstrate nomological validity in the model, the construct correlations are assessed as shown in Table 5. As partially predicted by the theoretical framework, all correlations are positive and significant. As noted in hypotheses development, the correlation between individual's perception of start-up barriers and IEA should be negative. But the result of the construct correlation between these constructs is positive and significant. However, the overall fit indices of the final measurement model were chi-square₍₂₀₁₎ = 448.23 (p = 0.0); GFI = .96; AGFI = .95; NFI = .98; NNFI = .99; CFI = .99; IFI = .99; RFI = .97; PGFI = .76; PNFI = .85; and critical N = 563.36. In addition, the standardized root mean square residual (RMR) was .03 and the Root Mean Square Error of Approximation (RMSEA) was .035. Hence, the model provides a good fit.

 Insert Table 2, 3, 4 and 5 about here

3.3. Structural equation model

The theoretical model was estimated with four constructs and three paths. The chi-square value with 201 degrees of freedom was 448.23. All of the other fit indices examined in this study indicated that the proposed theoretical model was acceptable (GFI = .96; AGFI = .95; NFI = .98; NNFI = .99; CFI = .99; IFI = .99; RFI = .97; PGFI = .76; PNFI = .85; and critical N = 563.36). In addition, the standardized root mean square residual (RMR) was .03 and the Root Mean Square Error of Approximation (RMSEA) was .035.

4. Results

Table 1 illustrates the demographic variables of the respondents. Respondents comprise of 35.6 percent males and 64.4 percent females. Approximately 50 percent of the respondents are living in the rural areas and are over 55 years old. Table 2 contains descriptive statistics and a correlations matrix for all observable variables utilized in this study. None of the correlations are over .80 which indicates non multi-collinearity. In Figure 2, we illustrated the estimated path coefficients and significant links between the exogenous constructs and the one endogenous construct. Our study proposes that entrepreneurial education, individual's perception of start-up barrier and social position of entrepreneurs are the antecedents of individual entrepreneurial aptitude (IEA).

 Insert Figure 2 about here

As illustrated in Table 3, two of our three hypotheses were supported. The first hypothesis proposed that entrepreneurial education is positively associated with IEA. This hypothesis was supported (completely standardized $b = 0.17$; t -value = 5.52). In the third hypothesis, we proposed that social status of entrepreneurs has a positive effect on IEA. The result supports this hypothesis (completely standardized $b = 0.20$; t -value = 5.66). However, for the second hypothesis, we proposed that individual's perception of start-up barrier has a negative effect on IEA. The result indicates an opposite but significant ($p < .05$) relationship, which does not support the second hypothesis (completely standardized $b = 0.03$; t -value = 2.14). This finding may indicate that the perception of start-up barriers may challenge rather than frighten individuals to become entrepreneurs. Since the entrepreneurial path partially consists of barriers, individuals who have high IEA may already accept the barriers.

Insert Table 6 about here

5. Discussion and Conclusion

5.1 Discussion

This study investigates the latent factor of entrepreneurship, namely individual entrepreneurial aptitude (IEA), given that entrepreneurs assemble resources and formulate new ideas and opportunities (Alvarez & Barney, 2005). Since IEA improves the national level of entrepreneurial activities which is crucial to economic growth, a primary research question in this study is what are antecedents of IEA. We propose three antecedents of IEA, including entrepreneurial education, individual's perception of start-up barrier and social status of entrepreneurs. By emphasizing individual level analysis, we focus on the perception of each antecedent and their influence on IEA by using the IEA measurement proposed by Bönte et al. (2012).

The findings indicate that the perception of individuals with entrepreneurial education is positively associated with IEA. An individual who perceives that his or her school provides education related to entrepreneurship has competency in entrepreneurial tasks. While much of the entrepreneurial education literature focuses on which course should be taught in the entrepreneurship department, we believe that the initial knowledge of entrepreneurship is very important and leads to IEA. An individual could extend his or her knowledge later after receiving an initial start from school. We highlight the difference between *general* education and *entrepreneurial* education which exists in the literature (Von Graevenitz et al, 2010; Kozlinska, 2011). The result also suggests that social status of entrepreneurs has a positive influence on IEA. Our result also extends prior literature which examines whether entrepreneurial education positively impacts entrepreneurial perceptions and aptitude (Kuratko, 2005). Social status not only promotes the opportunities' of exploitation but also enhances IEA. The attractiveness of entrepreneurship is derived from impressions of entrepreneurship within the society (Kelly et al, 2013). Each society's perceptions and impressions of an entrepreneurial job or self-employment will be different. This paper, which uses an individual-level sample, provides an insight into individual's perception of social status of entrepreneurs and how this is positively associated with the competency of entrepreneurial task.

Interestingly, the result indicates an opposite direction for our second hypothesis. We proposed that the perception of start-up barriers is negatively related to IEA. Logically, when individuals perceive many barriers in the creation of a new venture, it dampens the willingness to enhance their competency in entrepreneurial task (Robertson et al, 2003). Conversely, the finding shows that the individual's perception of start-up barrier is positively associated with IEA. The reason for this result may imply that if the individual perceives higher start-up barriers, he or she is more likely to develop his or her competency in entrepreneurship tasks and skills. Entrepreneurs faced with start-up barriers may have more hunger to make it work and to overcome these perceived barriers. Furthermore, start-up barriers may ignite individuals in society to explore entrepreneurial knowledge to overcome the barriers. This is done by enhancing their IEA. This can therefore explain the positive and significant relationship at the individual level between start-up barriers and IEA.

5.2 Contribution and Limitation

This paper contributes to extend the entrepreneurship literature, which primary focuses on the opportunity's exploration and exploitation (Shane & Venkataraman, 2000) by investigating the antecedents of individual entrepreneurial aptitude. Entrepreneurial aptitude also plays a vital role since it is the competence to integrate the existing resources to generate new products and services which then has an impact on economic growth. As policy makers attempt to develop this competency, this study may provide an implication in terms of policy direction. For instance, policy makers may pay attention to the entrepreneurial education by raising the importance of entrepreneurial education at the school or university levels rather than at the department level. A focus on entrepreneurship knowledge could be stressed in all departments not just the business department. In addition, to develop entrepreneurial aptitude, policy makers may promote the social status of entrepreneurs which will impact the individual perceptions of entrepreneurs.

We offer several benefits to both academic institutions and government agencies in this study. First, our empirical results significantly supports our proposal that entrepreneurial education is one of the antecedents of IEA. Although many business schools already initiate and offer entrepreneurship programs, the lack of capable professors and knowledge of entrepreneurship are required to enhance, maintain and broaden such existing programs. To create a new young generation of entrepreneurs in society, business schools need to improve their entrepreneurship programs which requires vast skillsets different from other business disciplines. The government also plays a prominent role in the dissemination and enhancement of entrepreneurial knowledge. Government agencies can create entrepreneurial incubators and hold conference meetings to train young entrepreneurs. Second, the result for our second hypothesis is quite intriguing. As researchers believe that perceiving start-up barriers can impede entrepreneurial aptitude, our results show that such barriers catalyze individuals to gain entrepreneurial skills and knowledge rather than discouraging them from gaining such skills and abilities. This is an important finding from our empirical test of the model. Lastly, we demonstrate the importance of entrepreneurial social status on IEA. Both academic institutions and government agencies can enlighten the young generation and society in their positive perceptions of societal status of entrepreneurs. The more a society perceives the social status of entrepreneurs to be positive, the more likely both venture creation and economic activity in that society will be increased.

This present study is not without limitations. First, even though the survey data covered countries all across Europe as well as some other countries such as the USA and China, we were only able to select the data from Belgium as it showed good reliability within the constructs. Moreover, due to the limitations of the dataset used, we were only able to examine one year of the data point. A panel study could be conducted for future research which would greatly increase our understanding of any dynamic nature of IEA. Secondly, we used secondary data which may limit the ability to design the model in this study. Additional constructs can be included in this model such as entrepreneurial attitude, entrepreneurial aspiration and entrepreneurial intention. Future research could investigate the relationship among entrepreneurial attitude, aspiration, aptitude and intention at the individual level.

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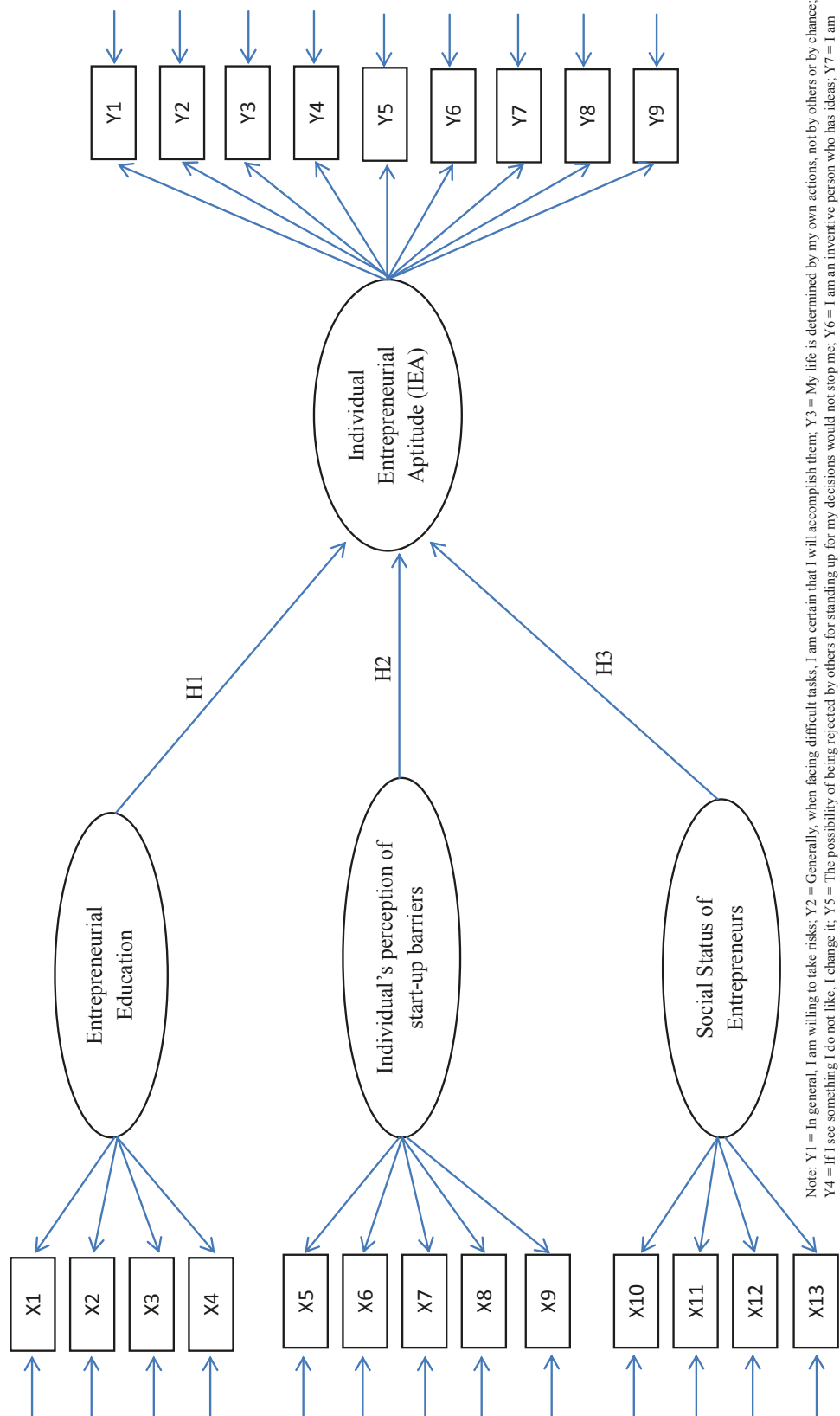
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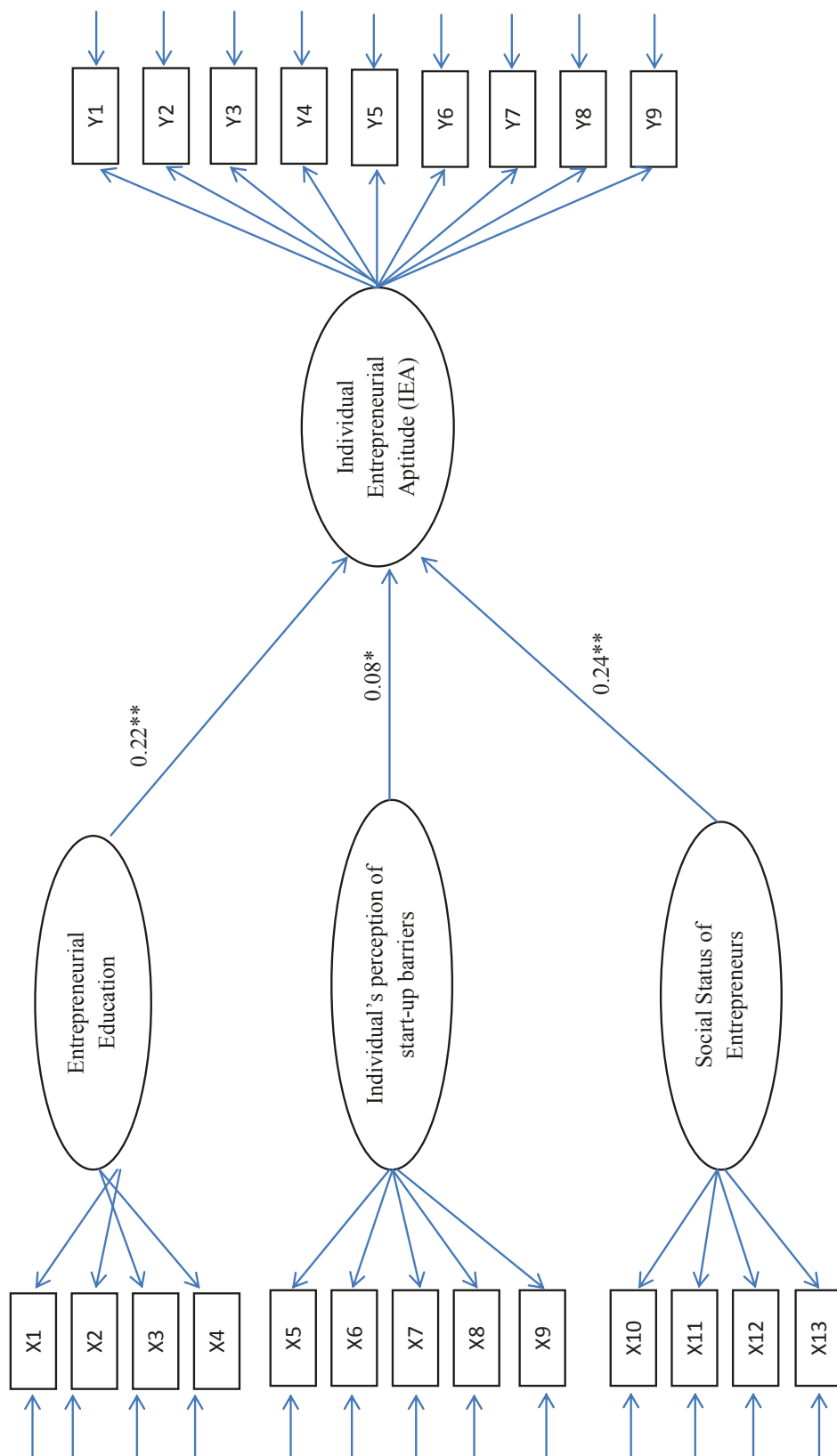
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Figure 1 Proposed Model of relationships among Individual Entrepreneurial Aptitude (IEA) and its correlates



Note: Y1 = In general, I am willing to take risks; Y2 = Generally, when facing difficult tasks, I am certain that I will accomplish them; Y3 = My life is determined by my own actions, not by others or by chance; Y4 = If I see something I do not like, I change it; Y5 = The possibility of being rejected by others for standing up for my decisions would not stop me; Y6 = I am an inventive person who has ideas; Y7 = I am optimistic about my future; Y8 = I like situations in which I compete with others; Y9 = When confronted with difficult tasks I can count on luck and the help of others; X1 = My school education helped me to develop my sense of initiative – a sort of entrepreneurial attitude; X2 = My school education helped me to better understand the role of entrepreneurs in society; X3 = My school education made me interested to become an Entrepreneur; X4 = My school education gave me skills and know how that enable me to run a business; X5 = It is difficult to start one's own business due to a lack of available financial support; X6 = It is difficult to start one's own business due to the complex administrative procedures; X7 = It is difficult to obtain sufficient information on how to start a business; X8 = One should not start a business if there is a risk it might fail X9 = People who have started their own business and have failed should be given a second chance X10 = Entrepreneurs create new products and services and benefit us all X11 = Entrepreneurs think only about their own wallet X12 = Entrepreneurs are job creators X13 = Entrepreneurs exploit other people's work

Figure 2 Results of LISREL model test of relationships among Individual Entrepreneurial Aptitude (IEA) and its correlates



Note: *Significant $p < .05$, **Significant $p < .01$

Table 1 Demographic Variables of the respondents

Demographic Variables	Frequency	Percent
Gender		
Male	358	35.6
Female	649	64.4
Age		
15-24	47	4.7
25-39	103	10.2
40-54	294	29.2
55+	556	55.2
DK/NA	7	0.7
Living Zone		
Metropolitan zone	133	13.2
Other town/urban center	380	37.7
Rural zone	492	48.9
DK/NA	2	0.2

Table 2 Descriptive Statistics and Correlations Matrix

	Mean	S.D.	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	X1	X2	X3	X4	X5	X6	X7	X8	X9	X10	X11	X12
Y1	2.74	1.583																					
Y2	2.32	1.621	.370**																				
Y3	2.28	1.635	.321**	.460**																			
Y4	2.34	1.725	.373**	.446**	.401**																		
Y5	2.45	1.87	.370**	.460**	.375**	.403**																	
Y6	2.33	1.606	.450**	.517**	.476**	.467**	.402**																
Y7	2.4	1.652	.291**	.344**	.355**	.313**	.279**	.323**															
Y8	2.74	1.702	.387**	.440**	.446**	.431**	.372**	.489**	.324**														
Y9	2.36	1.507	.394**	.486**	.451**	.529**	.383**	.464**	.368**	.482**													
X1	2.85	1.763	.149**	.214**	.242**	.156**	.194**	.253**	.161**	.202**	.191**												
X2	3.09	1.794	.140**	.184**	.175**	.186**	.168**	.221**	.117**	.214**	.206**	.719**											
X3	3.41	1.733	.092**	.149**	.156**	.137**	.165**	.209**	.131**	.171**	.148**	.607**	.633**										
X4	3.17	1.7	.149**	.177**	.201**	.175**	.186**	.238**	.129**	.203**	.201**	.701**	.662**	.670**									
X5	3.44	3.052	.130**	.115**	.105**	.125**	.104**	.136**	.002	.129**	.082**	.190**	.237**	.263**	.264**								
X6	3.38	3.016	.080*	.109**	.073*	.141**	.105**	.108**	.011	.138**	.099**	.187**	.224**	.215**	.242**	.726**							
X7	4.08	3.088	.135**	.123**	.088**	.124**	.105**	.101**	.018	.125**	.095**	.182**	.234**	.238**	.268**	.657**	.653**						
X8	3.6	2.763	.078*	.161**	.138**	.148**	.138**	.156**	.061	.166**	.139**	.271**	.269**	.234**	.254**	.649**	.623**	.552**					
X9	3.1	2.748	.097**	.100**	.132**	.173**	.130**	.156**	.089**	.150**	.140**	.248**	.262**	.228**	.241**	.654**	.649**	.592**	.710**				
X10	2.73	2.119	.078*	.183**	.172**	.140**	.117**	.225**	.093**	.154**	.160**	.230**	.189**	.203**	.205**	.105**	.060	.110**	.160**	.121**			
X11	2.87	2.024	.118**	.102**	.119**	.206**	.061	.154**	.057	.101**	.090**	.149**	.164**	.153**	.182**	.136**	.116**	.147**	.151**	.178**	.388**		
X12	2.17	1.713	.087**	.219**	.190**	.202**	.147**	.245**	.215**	.172**	.195**	.322**	.278**	.238**	.294**	.143**	.140**	.114**	.223**	.230**	.551**	.431**	
X13	3.1	2.032	.060	.125**	.085**	.171**	.075*	.124**	.035	.092**	.110**	.136**	.187**	.158**	.168**	.129**	.118**	.138**	.165**	.126**	.418**	.544**	.451**

Note: *Significant $p < .05$ (2-tailed), **Significant $p < .01$ (2-tailed)

N = 1,007

Table 3 Measurement scale properties (N= 1,007)

Constructs and indicators	Mean	S.D.	Completely standardized loading	Indicators reliability	Error Variance
Individual Entrepreneurial Aptitude (IEA) (1 = Strongly agree, 4 = Strongly disagree) ($\alpha=0.86$)				0.862^a	0.41^b
Y1) In general, I am willing to take risks	2.74	1.583	0.57	0.32	0.68
Y2) Generally, when facing difficult tasks, I am certain that I will accomplish them	2.32	1.621	0.70	0.49	0.51
Y3) My life is determined by my own actions, not by others or by chance	2.28	1.635	0.65	0.42	0.58
Y4) If I see something I do not like, I change it	2.34	1.725	0.66	0.44	0.56
Y5) The possibility of being rejected by others for standing up for my decisions would not stop me	2.45	1.870	0.59	0.35	0.65
Y6) I am an inventive person who has ideas	2.33	1.606	0.72	0.52	0.48
Y7) I am optimistic about my future	2.40	1.652	0.49	0.24	0.76
Y8) I like situations in which I compete with others	2.74	1.702	0.67	0.45	0.55
Y9) When confronted with difficult tasks I can count on luck and the help of others	2.36	1.507	0.70	0.49	0.51
Entrepreneurial Education (1 = Strongly agree, 4 = Strongly disagree) ($\alpha=0.89$)				0.888^a	0.67^b
X1) My school education helped me to develop my sense of initiative – a sort of entrepreneurial attitude	2.85	1.763	0.84	0.71	0.29
X2) My school education helped me to better understand the role of entrepreneurs in society	3.09	1.794	0.83	0.69	0.31
X3) My school education made me interested to become an Entrepreneur	3.41	1.733	0.79	0.58	0.42
X4) My school education gave me skills and know-how that enable me to run a business	3.17	1.700	0.83	0.69	0.31
Individual's Perception of Start-up Barriers (1 = Strongly agree, 4 = Strongly disagree) ($\alpha=0.90$)				0.898^a	0.64^b
X5) It is difficult to start one's own business due to a lack of available financial support	3.44	3.052	0.86	0.74	0.26
X6) It is difficult to start one's own business due to the complex administrative procedures	3.38	3.016	0.84	0.71	0.29
X7) It is difficult to obtain sufficient information on how to start a business	4.08	3.088	0.77	0.59	0.41
X8) One should not start a business if there is a risk it might Fail	3.60	2.763	0.75	0.56	0.44
X9) People who have started their own business and have failed should be given a second chance	3.10	2.748	0.77	0.59	0.41
Social Status of Entrepreneur (1 = Strongly agree, 4 = Strongly disagree) ($\alpha=0.77$)				0.748^a	0.43^b
X10) Entrepreneurs create new products and services that benefit us all	2.73	2.119	0.69	0.48	0.52
X11) Entrepreneurs think only about their own wallet	2.87	2.024	0.54	0.29	0.71
X12) Entrepreneurs are job creators	2.17	1.713	0.80	0.64	0.63
X13) Entrepreneurs exploit other people's work	3.10	2.032	0.57	0.32	0.68

^a Indicates each construct reliability (composited reliability)

^b Indicates average variance extracted (AVE)

Table 4 Discriminant Validity Assessment

Construct	AVE	Square-Interconstruct Correlations (SIC)			
		IEA	Education	Start-up Barrier	Social Status
IEA	0.4132	1			
Education	0.6653	0.123	1		
Start-up Barrier	0.6387	0.044	0.123	1	
Social Status	0.4332	0.123	0.160	0.058	1

Table 5 Nomological Validity Assessment

Construct	IEA	Education	Start-up Barrier	Social Status
IEA	1			
Education	0.35 (0.03) 10.77	1		
Start-up Barrier	0.21 (0.03) 6.19	0.35 (0.03) 11.13	1	
Social Status	0.35 (0.03) 9.94	0.40 (0.03) 12.12	0.24 (0.04) 6.57	1

Table 6 Result of the hypothesized relationships

Hypothesized relationships	Standardized coefficients (t-values)	Results
H1: Entrepreneurial Education → Individual Entrepreneurial Aptitude (IEA)	0.22 (5.52)	Supported
H2: Individual's Perception of start-up Barrier → Individual Entrepreneurial Aptitude (IEA)	0.08 (2.14)	Not supported
H3: Social Status of Entrepreneurs → Individual Entrepreneurial Aptitude (IEA)	0.24 (5.66)	Supported

A COMPARISON OF FAMILY AND NON-FAMILY BUSINESS GROWTH IN THE STOCK EXCHANGE OF THAILAND

by

Akachai Apisakkul
biz@utcc.ac.th

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A COMPARISON OF FAMILY AND NON-FAMILY BUSINESS GROWTH IN THE STOCK EXCHANGE OF THAILAND

Akachai Apisakkul

Abstract

The objective of this study is to compare the performance of family business companies against those of non-family businesses listed in the Stock Exchange of Thailand. Family business is defined as meeting the criteria of 1) under the control of the founding family, 2) at least one of the top 5 directors being member(s) of the family, and 3) member(s) of the family (all together) holding significant proportion of the shares to become strategic shareholder. Market capitalization measured by the compound annual growth rate (CAGR) is used as the indicator of business performance for comparison between the Family Business group and the Non-Family Business group. Based on the data for 2009-2014, the CAGR of the Family Business group is found to be higher than that of Non-Family Business group and that of the entire market. The t-test statistics indicates that the higher growth rate is statistically significant at level of 0.05.

Keywords: Family Business, Market Capitalization, CAGR

1. Introduction

Family business is found to have significant impact in both developed and developing countries to the extent that between 70-90% of Gross Domestic Product (GDP) is contributed by family businesses. For North America the proportion of GDP from family businesses is between 80-90% and that for the U.S. is 64% while responsible for 62% of its employment (Gaille, 2014). The buoyancy of family businesses is the key driver of an economy. The market value of family business firms in Thailand is estimated at 28 trillion Baht compared to the total market value of all business firms at 39 trillion Baht accounting for 70% of the economy. Considering only those businesses listed in the Stock Exchange of Thailand (SET), the number of businesses recognized as family businesses or controlled by member of the founding family accounts for up to 50.4% (Srihong, 2013).

There are several factors contributing to the competitive advantage of family businesses compared to those of non-family businesses. For example, the speedy and unified decision making process provides greater resilience in business operations compared to structured decision-making system of other companies. The entrepreneurship of the family member owning the business is the source of creativity and bravery in venturing into uncharted grounds (Srihong, 2013). Nevertheless, several challenges remain for the family business founders and their successors to uncover and learn to tread over smoothly. These posing competitive pressures include the volatility of the world economy, trade liberalization under the formation of the AEC, expansion of urbanization with consequent changes in consumer behavior. The family businesses must be prepared and develop its resources to keep the business operation going.

Some companies choose to utilize the SET to ensure the continuity of their businesses notwithstanding the readiness of the heirs to take over or not. While some other companies take advantage of the capital market to expand their operations. Certain entrepreneurs are pleased not having to put up their own personal guarantee to secure bank loan because banks are more willing to provide credit lines to companies listed in the stock exchange (Chanchainarong, n.d.)

The succession decision reflects the views of the business owners who best know their own business goals. In addition to business goals, the owners need to take into account the goals of the family members. Several family businesses undertake to be listed in the stock exchange mainly to prevent the potential conflict between members of succeeding generations of heirs. The advantage of being publicly listed company is the access to capital funding for business expansion, lowering the cost of capital and the burden of debt. Loans can be secured without personal guarantee and the company would gain trustworthiness in the views of lenders, trading partners, customers, employees and the society in general. The company could attract capable and good quality people to work for, including the heirs of the founder (Chainarong, 2014).

There are two main advantages of being listed in the stock exchange. They are the provision of business opportunity and the long-run sustainability of the business. The company could grow from being a family business into one being managed by professional turning its operations to meet international standards. It would attain a highly competitive position which is the goal of every entrepreneur. Being a listed company in the SET allows the company to gain access to long-term financial resources, increasing the flexibility of financial management from the availability of several sources of capital. It also improves company image and trustworthiness. These contribute to the opportunity for business to grow securely.

The number of family businesses in Thailand account for 70 percent of the total number of businesses (Bureau of Industrial Development, Department of Industrial Promotion, 2001; The Stock of Exchange of Thailand, 2007). Based on the criteria of family business set out by Family Business Center, University of the Thai Chamber of Commerce (UTCC), family businesses account for 46.91 percent of the listed companies in SET with market capitalization of 5,315,551.89 million Baht in 2014 (SET, 2014). It would, therefore, be interesting to study the business performance of such companies. There are several indicators for measuring business operations, such as business growth, profitability, profits, returns on investment, stock price, etc. (INSEAD, 2002). Market value of the stock or market capitalization (Market Cap in short) is used in this study to reflect the business performance. The data between 2007-2014 were gathered to analyze the operation efficiency of family businesses listed in SET.

2. Measurement of Business Performance

2.1 Selection of sample and data

Of the total of 518 listed companies, 243 companies can be classified as Family Businesses, 200 companies as Non-Family Businesses, and 75 others being mutual funds/SP which would not be included in the analysis.

The criteria used for classifying a company as a Family Business according to the Family Business Center, UTCC are:

1. The family having control of the company is the founding family,
2. At least one in the first 5 directors is a member of the family, and
3. Members of the family holding shares (all combined) are major shareholders called Strategic Shareholders.

Note: Strategic shareholder: According to the Securities and Exchange Commission (SEC), “controlling power” means (1) the holding of shares with voting rights of greater than 50 percent of total voting shares of the juristic person (2) having control of majority votes at the shareholder meeting of the juristic person either directly or indirectly or by any other reason (3) having power to appoint or remove half or more of the directors either directly or indirectly.

The data for the analysis are from SETSMART database, calculating for the Market Capitalization value between 2007-2014 (as at 8 December 2014) which is the product of the closing price of the listed security multiplied by the number of shares. Currently, the reported market capitalization is given for common stocks, preferred stocks, corporate bond, and warrants based of the formula (SET, 2009):

[Closing price of security * Number of shares listed with the Exchange]

** excluding Foreign security because of the value being the same as common stock

2.2 Criteria for measuring business performance

The assessment of business performance of Family Business is measured from the Compound Annual Growth Rate (CAGR) of the Market Cap by the formula:

$$CAGR = \left[\frac{\text{Ending Value}}{\text{Beginning Value}} \right]^{(1/\text{No. of Years})} - 1$$

Beginning Value refers to the value at the beginning of the starting year of period of calculation, and Ending Value refers to the value in the last year of the period. No. of Years refers to the number of years used in the calculation.

CAGR could measure the rate of returns on investment for the given period. The CAGR is also the “smoothing out” of the returns rate because it would measure the growth of capital investment at average annual fixed rate for the selected period of 2009-2014, with 2007 as base year.

The comparison of difference in the compound annual growth rate (CAGR) is statistically tested by independent sample t-test.

3. Results of Data Analysis

The study made an analysis of the market capitalization of 243 companies in the Family Business group (FB) compared to 200 companies in the Non-Family Business group.

** excluding 75 other securities being SP/mutual fund.

3.1 Annual Market Capitalization of securities in SET between 2007-2017

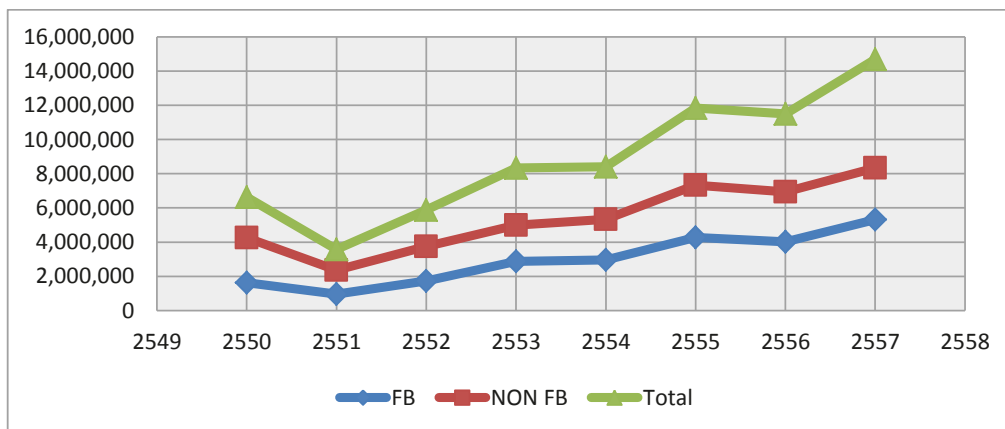
From the data on market capitalization (given in Table 1 and Figure 1), the total market capitalization of the Family Business (FB) group is less than that of the Non-Family Business (Non-FB) group. Both groups show an increasing trend in line with that of the entire market.

Table 1 Annual Market Capitalization (million Baht) of listed securities in the SET between 2007-2014.

Group/Year	Annual Market Capitalization (million Baht)							
	2007	2008	2009	2010	2011	2012	2013	2014
FB	1,630,089.91	963,623.68	1,736,371.56	2,874,028.86	2,960,003.17	4,272,186.07	4,020,714.60	5,315,551.89
NON FB	4,265,574.14	2,357,648.55	3,750,425.18	4,993,006.04	5,329,166.94	7,331,160.23	6,941,107.41	8,330,494.22
Total	6,636,068.73	3,568,223.48	5,873,100.93	8,334,684.11	8,407,696.09	11,831,448.07	11,496,765.17	14,678,357.88

*Note: FB = Family Business Group, NON FB = Non-Family Business Group, Total = Market Capitalization of entire market

Figure 1 Annual Market Capitalization Trend (million Baht) of listed securities in the SET between 2007-2014



3.2 Compound Annual Growth Rate (CAGR) for 2009-2014

Comparison of the compound annual growth rate (CAGR) taking 2007 as the base year (see Table 2 and Figure 2) shows the growth rate of the FB group to be higher than that of the Non-FB group, as well as that of the entire market.

Table 2 Compound Annual Growth Rate (CAGR) with year 2007 as base year.

Group/Year	Compound Annual Growth Rate (percent) (CAGR)					
	2009	2010	2011	2012	2013	2014
FB	3.21	20.81	16.08	21.25	16.24	18.4
NON FB	-6.23	5.39	5.72	11.44	8.45	10.03
Total	-5.92	7.89	6.09	12.26	9.59	12.01

*Note: FB = Family Business Group, NON FB = Non-Family Business Group, Total = Market Capitalization of entire market

3.3 Comparison of CAGR with 2007 as base year.

Comparison of the compound annual growth rate (CAGR) of the two groups between 2009-2014 with 2007 as base year using t-test (Table 3), the FB group is found to have CAGR higher than the Non-FB group at statistically significant level of .05.

Table 3 Comparison of Compound Annual Growth Rate (percent) between FB group and Non-FB group.

Groups compared	\bar{X}	SD	t	sig
Family Business group (FB) -	16.00	6.633	2.806	0.010
Non-Family Business group (NON FB)	7.88	2.498		

4. Conclusion and Discussion

From the comparison of market capitalization of the groups of companies listed in the Stock Exchange of Thailand (SET) for years 2007-2014, even though the value for the Family Business (FB) group is less than that of the Non-Family Business group (Non-FB), but both groups show increasing trends over the years in line with that of the entire market. The computed Compound Annual Growth Rate (CAGR) of the market capitalization for 2009-2014 of the FB group show higher rates than those of Non-FB group, and that of the entire market. This higher growth rate is found to be statistically significant at the level of .05 for several reasons.

Family businesses possess certain comparative advantages in achieving long-term success. The key factors contributing to business performance of Family Business better than that of other business include leadership developed from within the family, quick decision-making, employee loyalty, and investment for business expansion of the family owning the business (Heck R.K.Z. et al., 2005). The ownership and control is a special characteristic of family business. This ownership aspect has often brought about success to the business which greatly improves its profitability, due to the fact that the members of the family would focus on the successful achievement of the founder in both personal life and the business whose personal value system and ethics were passed on to the succeeding generation(s) (Stafford, Duncan, Dane, and Winter, 1989). This is consistent with the study of Seidman College of Business (2014) indicating that the heir's decision to take over the business is self-made as part of shared family value and desire to succeed as a family. This is the most important reason for entering the family

business. Such unity and desire to accomplish the goals of the family business of family members with their sense of ownership is a key factor contributing to competitive advantage and success of family business (Jaffe, 2003). Decision making in family business is relatively quicker. Business operations are performed under cordial relations between family members conducive for cooperative participation of all members and upholding of contractual promises. This is a competitive advantage that most firms do not have or have less of (Arnoff and Ward, 1995). The finding is consistent with the study of Nawawongsatien (2010) pointing out that competitive advantages of family businesses include business operation under smooth relations among family members, full commitment of all family members to the business, and fulfilling of stated promises.

In addition, Lee (2006) also found that family businesses are very likely to grow rapidly and more profitable than businesses in general. The performance of family business would be better if members of the family are given roles in the management. The higher growth rate would stabilize and fixed at approximately the same rate as most businesses. Lee (2004) also found that family businesses owned and run by the family tend to be more efficient and effective with higher rate of returns on investment compared to businesses in general. This is consistent with the study of Martikainen et al. (2007) on groups of companies listed in S&P 500. Block et al. (2004) also found that business performance would be positively influenced by the management ownership of the founding family especially in the case where the majority shareholders are family members who would have advantages in access to information, high remunerations for executive control positions and lower costs of supervision. The study of Ernst and Young (2010) and the ESCP European Business School found family businesses to be stronger than most businesses with respect to the growth of added value, rate of turnover, cash flow, and job creation. It pointed out that family businesses possess special characteristics in the areas of long-term focus, flexibility, management of good competent employees, and close relations with customers. The three most prominent factors responsible for success of family businesses under the management of successive generation of heirs with clear and focused strategy are long-term management perspective, establishing brand and customer loyalty, and alignment of owner and management interests (Credit Suisse, 2012).

The finding of this study is supported by several other researches pointing out that the better performance of large publicly-listed family businesses or ordinary-sized ones compared to non-family businesses in the United States (Anderson and Reeb, 2003; Villalonga and Amit, 2006). In Germany, the family index climbed 206 percent, while the non-family stocks increased just 47 percent. In France, the family index surged 203 percent, while its counterpart rose only 76 percent. Family businesses also outperformed their counterparts in Switzerland, Spain, Britain and Italy (Leach, 1991). While the supporting evidences from Europe and Asia are fewer (Claessens et al., 2002; Cronqvist and Nilsson, 2005; Maury, 2006). Several studies on business performance of large family business found the positive relationship between operational performance and family ownership management or the better performance being associated with having family member managers (Andres, 2008; Barontini and Caprio, 2006; Hamadi, 2010; Kowalewski et al. 2009; Lee, 2006; Martikainen et al., 2007; Maury, 2006; Minichilli et al., 2010; Sraer and Thesmar, 2007). Some found positive relationship between performance and family ownership (Block et al., 2004; Ehrhardt et al., 2006; Lee, 2006; Lee, 2004; Martikainen et al., 2009; Martinez et al., 2007). The return on assets of family businesses is 6.5% better than

non-family businesses (Gaille, 2014). Chief Executive Officer (CEO) being owner family members of firms achieving higher rate of return on assets could be the consequence of their greater willingness to invest in the future of the firms, while CEOs being non-family members would be more successful with respect to debt/total asset ratio because they would be more cautious in assuming debt (Özer, 2012). This is consistent with Machek's et al., (2013) finding that the rate of return on assets (ROA) and the rate of return on equity (ROE) of family businesses would be greater than those of non-family businesses, while the latter are more efficient with respect to rate of return on sales (ROS) and labor productivity. Allouche et al. (2008) found family businesses to perform better than other businesses in the areas of profitability and financial structure, and that the level of family control would greatly influence business performance at least with respect to profitability. This is supported by Ehrhardt et al. (2006) finding that operating performance of family businesses is better than that of non-family businesses, even though the transfer of operation control to succeeding heirs would have negative impact on operational performance in the short-run. The better performance affirms the appropriateness of the long-run strategic decision of the family. Although firms with founding family ownership and family member managers (CEO) would clearly perform better than other firms with respect to profitability, firms with founding family ownership and CEOs being family members or non-members combined would be able to achieve higher market capitalization (Anderson and Reeb, 2003) because both types of CEOs different advantages and disadvantages.

5. Recommendations

The performance of family businesses listed in the Stock Exchange of Thailand could be measured by several indicators. Measuring by the Market Capitalization value is a preliminary step. There are other important factors affecting the performance of business. To be more reliable, the measured data should extend over a long period of years. For listed companies, one of the indicators that should be considered is the SET index. Some studies have developed specific index to measure the performance of family businesses in the stock exchange. One example is the Loyola University of Chicago Family Firm Stock Index (LUCFFSI) which could more reliably and validly measure the performance of listed family firms than the total market index which is calculated based on only a selected list of representative stocks. This index could be used as performance benchmark to assess performance of a firm or an industry.

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A STRUCTURAL ANALYSIS OF MOTIVATION, FAMILIARITY, CONSTRAINT, IMAGE AND TRAVEL INTENTION OF CHINESE NON-VISITORS TO THAILAND

by

Sheng Zhong

Assumption University, Graduate School of Business
zhongxi77@hotmail.com

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Abstract

Tourism is one of the biggest industries in the world and one of the economical sectors, which grows rapidly. The recognition that tourism is a leading contributor to a nation has led this industry to be increasingly developed and marketed. While this approach helps ingenerating employment as well as improving the local infrastructure, more often than not development is rushed, taking little or no consideration of the product's life cycle or the environment. This practice of unsustainable tourism eventually threatens the attractiveness of a tourist destination and strips the competitiveness of that destination. The purpose of this paper is to provide empirical evidence on the types of tourist visiting Huangshan. A total of 384 useable questionnaires were obtained and subsequently analyzed. For types of tourists were identified (1) hard-core (2) dedicated (3) mainstream (4) casual. In studying the above, one will be able to understand the effort in rendering the preservation and sustainable development in China. In this study, the researcher investigates the tourist's perception of environment impact towards sustainability. Finally, this study draws conclusions that different types of tourist have different perceptions of sustainable tourism. Different types of tourists have different background and demands. So they have different perceptions and these different perceptions will influence their behaviors. It makes useful recommendations to governments, tourists, planners and stakeholders who are concerned to further improve the sustainability effort in China.

Keywords: Huangshan, Sustainable Tourism, Tourist Attitude, Eco Tourism, Ecosystems, Tourist Typology

1. Introduction

Mount Huangshan, also known as the Yellow Mountain, edges itself into one of China's most a luring tourist attractions with the Great Wall and the Terracotta Warriors. Located in the southern part of Anhui Province, Huangshan serves as the perfect site for tourists to breathe the fresh air and to experience the natural beauty of China in holidays. In 1990, Huangshan was listed as an official World Heritage Site for its unique pine trees, geological formations, dreamlike clouds and reputable hot springs, which gained Huangshan the title of "The First Mountain under Heaven". The eighty awe-inspiring peaks of Huangshan are in the height of more than 1,000 meters. Mount Huangshan is a protected area that has been designated as a

World Heritage Site. It attracts more than 2.3 million visitors annually. It is indeed a challenge to maintain its scenic beauty and wild habitats. Huangshan Scenic Site Administrative Committee (HSAC) carries out a very comprehensive innovative program to protect the ecosystem. The program commits to have human beings live in harmony with nature in the context of the cultural and historical tradition. Chinese have kept for thousands of years to balance the protection and usage to achieve a win-win situation. The agenda on this program includes land protection, visual aesthetics, water and waste management, energy efficiency and the preservation of art and culture.

In order to effectively manage the large number of visitors who come to Huangshan annually, a twofold system was employed by Huangshan Scenic Site Administrative Committee. The system is a rotating system which could close different sections of spots at different time to promote regeneration. Advanced technologies are applied to adjust the flow of visitors and control the number of visitors to minimize negative effects. The staff in HSAC could reduce and redirect the visitors in a short time through the usage of 58 vidicons and devices, and monitoring over 200 vehicles and four cable-car networks. The system prevented the over-consumption of natural resources which is conducive to maintaining a quiet and peaceful Huangshan as depicted in many art works. Hotels in Huangshan have to maintain a “green team”, in charge of recycling and the green team is made up with more than 30 people. This system significantly reduces effluents and wastes, and saves energy that achieves the goal of energy conservation and emission reduction. In addition, low-emission fuels and solar power are used in Huangshan. The power lines are hidden under the ground to preserve the natural characteristics. (Dong Xing, 2006)

In terms of intangible cultural heritage, HSAC makes great efforts to preserve the local art, culture and traditional architectures. HSAC has also preserved art, culture and traditional architecture in Huangshan. More than 30 ancient pavilions and ancient monasteries and bridges that date back to the Ming Dynasty were restored or reconstructed by HASC.

In terms of local economy development, HSAC has striven to increase the number of tourists and develop the tourism related industries. 4, 500 jobs were created because of the management of the Scenic Area and 20,000 tourism-related jobs were generated in the surrounding area.

Huangshan is successful not only in the management of 2 million tourists annually but also in minimizing the negative environmental impacts under such condition.

2. Literature Review

2.1 Sustainable Development

Tourism is not only one of the largest industries in the world but also the largest employer in the world. (WTTC 2002). Every country or organization has their own definition that is related to their culture or objectives. According to Etchart (2008), sustainable development is an expression used by ecologists, media, and politicians, but it does not always carry the same concise meaning. The tourist industry provides opportunities for employment and business, improves infrastructures, increases the foreign exchange and tax revenues and makes contribution to the economic development. However, the tourist industry causes negative

impacts on environment, makes overconsumption of natural resources and generates huge amount of waste. According to APEC (2002), an unsustainable tourism could result in the increase of solid wastes, destruction of cultural relics and heritage, reduction in biological diversity, degradation of wildlife and pollution in rivers, lakes and oceans. Many researchers speak of such concerns to ensure the need of environmental protection and economic sustainable development in the tourist industry. Miller (2003) found in his research that the environment is an important factor that customers considered in the choice of tourism products. Sustainable tourism has become a vital standard in attracting tourists and the most widely accepted definition for sustainable development is the development which could meet our current needs without hurting the benefits of future generations. (Brundtland Report 1987).

2.2 Sustainable Tourism

Environment, economy and culture are the three important components in sustainable tourism with each having relation with the other two. The United Nations Environment Program (UNEP) is an organization provides leadership and encourages partnership in protecting environment by motivating, informing and improving the well-being of nations and people without compromising the ability of the future generations. Both UNEP and WTO define sustainable tourism as the travel mode of keeping the living and development ability of a region after a period of time. The sustainable tourism development meets the needs of tourists and the host region and provides opportunities to protect and improve the future. Such assumption leads to the management of all resources in an economic, social and aesthetic way which could be fulfilled, in the meantime, maintains the cultural completeness, ecological completeness, biological diversity and life support system (WTO. 2001), (UNEP, 2001).

Except ensuring the environmental protection, tourism activities should preserve the local culture and provide sufficient economic opportunities for the local people (Leposky 1997). Sustainable tourism development should optimize the use of environmental resources with protecting the natural heritages and biological diversities. Sustainable tourism development should respect the local culture and preserve the cultural relics and heritages through the local communities. In addition, the sustainable tourism development should ensure the sustainable and equal economic operations, local employment opportunities and community services to alleviate the poverty (UNEP, 2001).

Many efforts have been generated through collaboration for this largest industry.

In 2001 UNEP produced a report titled *Towards a Green Economy* in which the green economy was described as to improve the well-being of human and the social equity, and to significantly reduce ethical scarcities. Government, companies and stakeholders are recognized as important leaders in developing the economy for the nation's well being.

2.3 Perception of Tourist

There are many definitions for the term perception. And perception is usually viewed as an enduring disposition to respond consistently in a given manner to various aspects of the world, including persons, events and objects.

According to Nilsson and Kuller (2000), perception is defined as psychological construct, composed of affective, cognitive, and behavioral components, which may be used to describe human evaluative response'. Perception have long been a topic of interest to social psychologists because of the ease with which perceptions determine positive and negative feelings towards certain activities. However, while perceptions are a good basis from which to judge one's willingness to participate in, for example , a leisure activity does not always mean that the individual will not participate in that activity. For example, one may have a negative perception towards TV, but yet still watch it daily. In addition, perceptions are just one determinant of behavior. The theory of planned behavior (Ajzen, 1991) suggests that behavior is a function of perception, subjective norms, and perceived behavior control.

In most cases, tourists are brought from other nations or other provinces to a place of interest. Their knowledge, their attitude and their character plays a part in the success of sustainable development effort in the places they visit. Understanding the perception of tourist helps to investigate the current problems faced in tourism. Problems that are created by the tourist become the problem of the local communities whereby stakeholders and tourists benefit from the tourism operations. (Watson and Hill, 1997)

2.4 Perception towards Sustainability

The number of aspects found in the literature was much too large to consider in this study; therefore a selection had to be made although this was not exhaustive (Ankersmid & Kelder, 2000). Those aspects most commonly used in the literature were selected; however, they were limited to aspects that tourists could feasibly evaluate and perceive important.

2.4.1 Ecological aspects

1. Pollution of environment, water and air
2. Disturbing of plants and animals
3. The loss of variety of plants and animals
4. The loss of rare plants and animals.
5. Exhaustion of water and energy resources
6. Urbanization, more buildings at the cost of the green area.

2.4.2 Social cultural aspects

1. Crowding, too many tourists around
2. Social problems like criminality, alcoholism, vandalism and drugs
3. The loss of local traditional habits
4. Tolerance: local people being less tolerant against tourists.

2.4.3 Economic aspects

1. Increase of price at facilities or products
2. Distribution of income from tourism
3. Distribution of more jobs in the tourism labor market

2.5 Tourist Typology

A tour group is made up of many individuals with different characteristics and different travel experiences. Because of the differences in various aspects such as age, gender, knowledge level, characteristics, social status and blood type, the tourist types varies and the characters of different types varies greatly. The study which analyzes and researches tourist types is called tourist typology. Different researchers divided the tourists into different types based on different standards. In terms of age, tourists can be divided into teenager tourist, youth tourist, middle-aged tourist and senior tourist. In terms of gender, tourists can be divided into male tourists and female tourists. In terms of the different education level, tourists can be divided into tourists with primary school level, middle school level, bachelor degree, master degree and PhD. The tourists can also be divided based on their family income, their professions in terms of demography. According to their purposes of travel, tourists can be divided into leisure tourists, business tourists, and tourists on family and individual issues. The different types of tourists could have different travel experiences which could result in different perceptions on ecological tourism and tourism sustainability. (Lindberg, 1991) In this study, the tourist types taken into consideration are:

Hard-core: A person who want to research local knowledge or local natural data for scientific research or education. Many this kind of tourists comes from government, some educational institutions or company. They want to collect some useful data or information for some special purpose. Most of them have some professional knowledge.

Dedicated: A person who want to see some special things, natural view or culture in their trip. They are interested these and try to understand them. Most this kind of tourist comes from some specific group or club. For example, hiking clubs. Their purpose is not for record or business. They want to test and learn some different thing. Most of them have some specific skill.

Mainstream: A person who visit some usual destinations for a holiday. They have a target. Before they travel, they will to find some information about their destinations. This kind of tourists is the main type of tourist. Almost 60% tourists are this kind of tourist. Tourists also have the biggest influence on environment. They are main target of operation and formulation of policy.

Casual: A person who take a trip just for leisure. They do not care about any information of them destinations. A lot of them choose a one day trip. This kind of tourists are few in developing countries but a lot of in developed country. Sometimes difference of cultural also can influence the number of this kind of tourists.

2.6 Trip Characteristics of Trip

According to Goeldner (2000) any person on a trip between two or more countries or between two or more localities within his/her country of usual residence, the single person on a trip call individual tourist, and more than two people on a trip call group tourist.

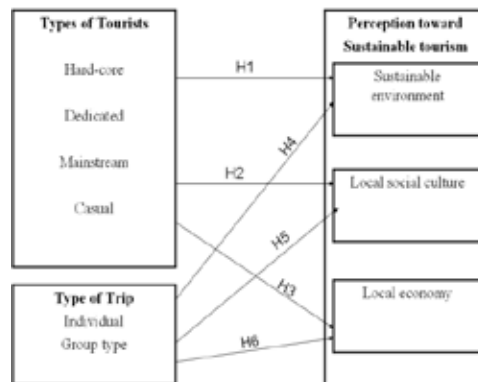
The type of trip influences the needs and wants of tourists. Groups of travelers have different check-in, check-out, dining, drinking, meeting, and entertainment requirements compared to individual travelers (Bowie & Buttle, 2004). Many travel parties are however

composed not of individuals but of couples, friends, and assorted family groupings. Senior couples dominate long-distance car touring in Australia (Pearce, 1999), small shifting friendship groups characterize backpacker travel (Buchanan & Rossetto, 1997), family groups are common in zoos and attractions (Turley, 2001), and gay male couples like travelling to many Mediterranean resorts (Clift, Callister & Luongo, 2002). Family travelers becomes obvious, the travel and tourism industry has developed products and services, including family suites, grand travel activities, and vacation packages for family reunions and weddings, to target this particular segment (Blum, 1996).

3. Conceptual Framework and Research Hypotheses

The proposed conceptual framework is drawn with the independent variables being the typology of tourists, trip types and the dependent variables being the perception of tourists. The main objectives of this study are to examine tourist perception and the three areas of concern (sustainable environment, Socio-cultural and economic) on sustainable tourism in Huangshan. The models are used as representations of theoretical systems so that the research can be tested, examined, and analyzed.

Figure 1 A total of 6 hypotheses are used for this study (see Appendices).



4. Research Methodology

Descriptive research is used in this study. The main purpose of descriptive research is to describe a situation usually is to describe the market characteristics or market functions (Churchill, 1995). Also According to Dawson (2002) descriptive research try to describe systematically some situations, problems, phenomena, services or programmes, or try to provides some information about , say, living condition of community, or describes perceptions towards an issue.

Survey is a research methods that collect the information from sample of population. In this research the questionnaire is used. For data collection based on communication with a

representative sample of individuals. A survey is an action that collects information in an organised and methodical manner about characteristics of interest from some or all units of a population using well-defined concepts, methods and procedures, and compiles such information into a useful summary form (Fellegi, 2010).

The target population of this research is the visitors who visited Huangshan in 2009 a total of 17 million. The minimum requirement for this research was 384 respondents.

Data collection involved two steps. In the first stage, the researcher conducted a pretest by distributing 40 questionnaires on Huangshan scenic area. In the second stage, researcher selected people on the Huangshan scenic area busiest section as respondents, using convenience sampling.

The questionnaire has three parts. Part one, asks about the respondents personal data. Part two, tourist's type. Part three, tourists' perceptions towards dimension of sustainable tourism. Parts two and part three uses a 5 point Likert scale from strongly disagree to strongly agreeing. The questionnaire has a total has 36 questions.

5. Results

From Data that collected from 384 respondents. There have 189 females (49.2%) and 195 males (50.8%). Male respondents are more than female. Respondents who above 56 years was 57 (14.8%), 47-56 years was 66 (17.2%), 37-46 years was 131 (34.1%), 27-36 years was 41 (10.7%), and 17-26 years was 89 (23.2%). The major respondents are in the age range of 37-46 years old. There have 56 respondents at the education level of elementary school, 88 respondents at the education level of middle school, and 92 respondents at the education level of high school, 133 respondents at the education level of bachelor's degree, 15 respondents at the education level of master's degree. The major education level is bachelor's degree. The major respondents is Chinese, which is 207 (53.9%), followed by Japanese 83 (21.6%), Korean 71 (18.5%), Taiwan 6 (1.6%), westerns 17 (4.4%). The major tourists have been to Huangshan. The number is 230 (59.9%). About 154 (40.1%) respondents say that this is the first time to come to Huangshan.

Question: For me vacation means totally immersing me in the different culture 133 (34.6%) respondents chose disagree. This means almost half of respondents (41.6%) didn't like to immerse themselves in the different culture. Most of them traveled to Huangshan not for the culture. 31.5% respondents chose natural, most of them are mainstream, and they do not have a clear image about different culture. Testing different culture is very important but not is all purpose for this kind of tourists. So a lot of them chose neutral. Researcher deletes this group in calculation.

Question: I like to study something about the local culture and customs 152 (39.6%) respondents chose disagree. It shows a lot of (49%) respondents didn't like to study the local culture and local customs. A few respondents chose agree and strongly agree, the number is 71 (18.5%) and 18 (4.8%). Neutral is 27.7%. Researcher deletes neutral group in calculation. It not influences the result.

Question: I like to test and research some local food. Many people (33.3%) like to test and research some local food. Local food is an important attraction for tourists. Neutral is 27.6%. Researcher deletes neutral group in calculation. It not influences the result.

Question: I like to learn and research the local language 144 (37.5%) respondents chose disagree. This shows that tourists didn't like to learn and research the local language. The major purpose of most people (67.0%) travel to Huangshan is to enjoy the beautiful nature. Neutral is 27.1%. Researcher deletes neutral group in calculation. It not influences the result.

Question: I like it when a guide tells stories and things worth know in culture 192 (50.0%) respondents chose agree. This shows a lot of tourists (56.0%) like to know some local stories and some interest things. Neutral is 23.7%. Researcher deletes neutral group in calculation. It not influences the result.

Question: I always take a travel guide and a map of the area with me on trip 189 (49.2%) respondents chose agree. This shows that a lot of tourists (51.8%) take a guide or map when they traveled to Huangshan. They are interested in this area. So they want to gain more information about it. Neutral is 22.9%. Researcher deletes neutral group in calculation. It not influences the result.

Question: I always read the word boards or monuments at tourists' sites 166 (43.2%) respondents chose agree. This shows that half of tourists (50.3%) always read the word boards and steles at tourists' sites.

Question: I like relieve the stress of everyday life in nature 201 (52.3%) respondents chose agree and 68 (17.7%) respondents chose strongly agree. This show most tourists' purpose (70.0%) of travelling to Huangshan is to relieve the stress of everyday life in nature.

Question: My important motivation is to be close to nature and test different culture 206 (53.6%) respondents chose agree and 53 (13.9%) respondents chose strongly agree. This shows most tourists (67.5%) want to close nature and to enjoy different culture.

Question: I like collect some information about the destination before my trip 197 (51.3%) respondents chose agree. This shows that many tourists (60.4%) like collect some information about their destination before their trip. This is the characteristic of mainstream.

Question: I like pay money to some travel agencies, let them to help me 221 (57.6%) respondents chose agree and 75 (19.5%) respondents chose strongly agree. This shows that most tourists (77.1%) will choose a travel agency. This is an apparent characteristic of mainstream tourists.

Question: Nature and culture are least of my interests 177 (46.1%) respondents chose disagree. This show that most tourists (55.4%) have interesting in nature and culture of their destination. Neutral is 23.7%. Researcher deletes neutral group in calculation. It not influences the result.

Question: I am a fun seeking person, like cozy and busy with a lot of people 192 (50.0%) respondents chose disagree and 83 (21.6%) respondents chose strongly disagree. This shows most people (71.6%) care about the environment. Tourists didn't like noise and cozy.

Question: I like visiting sunshine, leisure and relaxed destination 131 (34.1%) respondents chose agree. These shows many tourists (39.6%) think sunshine, leisure and relaxed destinations are more attractive. Neutral is 28.6%. Researcher deletes neutral group in calculation. It not influences the result.

Question: Tourism can results in pollution of environment in Huangshan 113 (29.4%) respondents chose agree and 77 (20.1%) respondents chose strongly agree. This shows that half of tourists (49.5%) think tourists results in pollution of environment in Huangshan.

Question: Tourism may leads to a lot of plants and animals disappear in Huangshan 121 (31.5%) respondents chose disagree and 66 (17.2%) respondents chose strongly disagree. This shows that half of tourists (48.7%) think tourism is not the major reason that leads to reduction of plants and animals.

Question: Tourism is a kind of Low-pollution industry 144 (37.5%) respondents chose agree. This shows that most tourists (51.5%) think tourism industry is a kind of Low-pollution industry. It is clearer than heavy industry.

Question: The tourism can awaken people's awareness of environmental protection 122 (31.8%) respondents chose agree. This shows that a lot of tourists (42.1%) think that tourism can awake people's awareness of environment protection. It can educate people.

Question: Tourism can resulted in construction of too many buildings at the cost of green space 172 (44.8%) respondents chose agree. This shows that half of tourists (47.8%) think tourism lead to the lack of green space. Too many hotels and restaurants were built on green space.

Question: Tourism can promote cultural exchange 233 (60.7%) respondents chose agree. This shows that most tourists (71.7%) think tourism industry is very useful for promoting culture exchange. People can test different culture by their trip.

Question: Tourism leads to crowding, too many tourists around 123 (32.0%) respondents chose agree and 61 (15.9%) respondents chose strongly agree. This shows many tourists (47.9%) think Tourism leads to crowding. And 117 respondents have no ideas about this condition.

Question: Tourism can be responsible for crime, drug, prostitution and alcoholism 171 (44.5%) respondents chose agree and 152 (39.6%) respondents chose disagree. This shows some tourists agree this. But also a lot of tourists (42.5%) think tourism does not matter with the increasing of rates of crime, drug, prostitution and alcoholism.

Question: Local people being less tolerant towards other people 199 (51.8%) respondents chose disagree. This shows that many tourists (59.9%) didn't think local people

being less tolerant towards other people. Many tourists say that they can feel the enthusiasm of the local people.

Question: Tourism has improved the local infrastructure 201 (52.3%) respondents chose agree. This shows most tourists (58.3%) think tourism has improved the local infrastructure. For example road and some post office.

Question: Prices of many goods and services in the region increasing because of increasing in tourism 138 (35.9%) respondents chose disagree. This shows that many tourists (46.6%) think that the increasing of prices of goods and services are not related to tourism.

Question: The income from tourism should distribute more to local people 182 (47.4%) respondents chose agree. This shows that many tourists (53.4%) think the income from tourism should distribute more to local people. The increasing of income is very important for local people.

Question: Tourism will increase the standard of life of local people 192 (50.0%) respondents chose agree. 101 (26.3%) chose disagree. This shows many tourists (51.6%) think tourism will increase the standard of life of local people. But also many people (31.2%) think tourism industry cannot increase the standard of life of local people.

Question: Tourism created a lot of jobs for local people 223 (58.1%) respondents chose agree. This shows that most of respondents (63.1%) agree that Tourism created a lot of jobs for local people. Tourism industry is labor-intensive industries.

Question: Foreigner investors have excessive influence local economy 109 (28.4%) respondents chose disagree, 110 (28.6%) respondents chose neutral and 126 (32.8%) respondents chose agree. This show many tourists have opposing views.

In this study, the research used SPSS software. SPSS software will provide some statistical result in form of frequencies and percentage. SPSS was used to code, facilitate tabulation and process statistical data.

Table 1 Summary of hypotheses testing results

Hypotheses	Statistics test	Sig and 2-tailed Sig		Results
H1o: There are no differences among these types of tourists in their perceptions toward sustainable environment aspect of tourism in Huangshan	One-way ANOVA	Question 1	0.000	Rejected Ho
		Question 2	0.000	
		Question 3	0.000	
		Question 4	0.000	
		Question 5	0.000	
H2o: There are no differences among these types of tourists in their perceptions toward local social culture aspect of tourism in Huangshan.	One-way ANOVA	Question 1	0.000	Rejected Ho
		Question 2	0.000	
		Question 3	0.000	
		Question 4	0.000	
		Question 5	0.000	

Hypotheses	Statistics test	Sig and 2-tailed Sig		Results
H3o: There are no differences among these types of tourists in their perceptions toward local economy aspect of tourism in Huangshan.	One-way ANOVA	Question 1	0.000	Rejected Ho
		Question 2	0.000	
		Question 3	0.000	
		Question 4	0.000	
		Question 5	0.014	
H4o: There are no differences among tourists in their perceptions toward sustainable environment aspect of tourism in Huangshan in different types of trip	Independent T-test	Question 1	0.001	Rejected Ho
		Question 2	0.014	
		Question 3	0.018	
		Question 4	0.001	
		Question 5	0.007	
H5o: There are no differences among tourists in their perceptions toward local social culture aspect of tourism in Huangshan in different types of trip	Independent T-test	Question 1	0.442	Failed to reject Ho
		Question 2	0.773	
		Question 3	0.946	
		Question 4	0.640	
		Question 5	0.587	
H6o: There are no differences among tourists in their perceptions toward local economy aspect of tourism in Huangshan in different types of trip.	Independent T-test	Question 1	0.836	Failed to reject Ho
		Question 2	0.651	
		Question 3	0.891	
		Question 4	0.981	
		Question 5	0.286	

6. Summary of Hypothesis Testing

Ho1: There are no differences among these types of tourists in their perceptions toward sustainable environment aspect of tourism in Huangshan. This hypothesis was rejected. This means there have significant difference in four types of tourists. Because different types of tourists have different background and demands, these differences will influence their perceptions of sustainable environment.

Ho2: There are no differences among these types of tourists in their perceptions toward local social culture aspect of tourism in Huangshan. This hypothesis was rejected. This means there have significant difference in four types of tourists. Because different types of tourists have different background and demands, these differences will influence their perceptions of local social culture.

Ho3: There are no differences among these types of tourists in their perceptions toward local economy aspect of tourism in Huangshan. This hypothesis was rejected. This means there have significant difference in four types of tourists. Because different types of tourists have different background and demands, these differences will influence their perceptions of local local economy.

Ho4: There are no differences among tourists in their perceptions toward sustainable environment aspect of tourism in Huangshan in different types of trip. This hypothesis was rejected. This means there have significant difference in two types of trip .Because group tourists

sometimes pay more attention on the other group members. It will distract their attention on environment.

Ho5: There are no differences among tourists in their perceptions toward local social culture aspect of tourism in Huangshan in different types of trip. This hypothesis was failed to reject. This means there have significant difference in two types of trip.

Ho6: There are no differences among tourists in their perceptions toward local economy aspect of tourism in Huangshan in different types of trip. This hypothesis was failed to reject. This means there have significant difference in two types of trip

7. Conclusion and Recommendations

Tourists are sensitive towards sustainability issues and judge the ecological dimension as the most important, such as environment, and air pollution, loss and disturbance of the plants and animals, responsible for exhaustion of the water and energy resource, as can be seen in detail in descriptive results. About tourism result in unpleasantly crowded areas, many buildings and tourism facilities on the facilities on the beaches, green space, some of respondents are uncertain. However, the majority of the respondents agreed, therefore it can be concluded that tourism results in negative impact on the environment of Huangshan.

Tourists' perception on socio-cultural dimension both negative and positive consequences. Infrastructure such as local transportation has improved due to tourism development. Another the other hand, overcrowding can have adverse effects on the environment. Meeting local people was a valuable experience and the sustainable of traditional culture has a positive result. Most respondents are not certain about this aspect as they are native also.

Tourism has a penetration effect, especially in small city. The tourism development led to increase in jobs for local people that resolve current employment issues. Prices in foods and services also increase which means better profit margin for locals. The standard of living has also increased. These are all positive effect.

In Environment aspect, hard-core and dedicated types are more sensitive towards the environment issue because they seek high quality of environment and they have high awareness on the environmental conservation. The mainstream type of tourists always likes to evaluate, because they like to compare each destination. The casual type of tourists exploiting and using resource, they want to enjoy man-made environment. Previous studies showed that tourists' motivation can influence tourists' perceptions. In ecological aspect, different kinds of tourist have different standard of environment protection. Findings of this study also support previous studies (Cottrell, 2003).

In socio-cultural aspect, hard-core type of tourists is very sensitive towards socio-cultural issue. They had strongly positive influence on the local culture. Dedicated type of tourists can clearly define positive and negative effect from tourism development to Huangshan, but could not give any suggestions. Mainstream tourists want to know the special local culture but they do

not focus on it. Casual type of tourists do not care about local socio-culture, they just had a few feelings. Previous studies showed that culture also very important for tourists. There are 2 purposes of tourists, testing natural view and different cultures. Previous researchers found that different types tourist have different expectation of culture. Findings of this study also support previous studies. (Cottrell, 2003)

In economical aspect, hard-core tourists very much care about development of local tourism industry. Dedicated and mainstream tourists know economical aspect is very important for the local tourism industry, but they do not have a clear idea about it. Casual do not care about the economical aspect. Previous studies showed that most tourists do not care about economy of destination. Only hard-core have clearly images of economical aspect. In addition, they can give some suggestions to operators and government. Findings of this study also support previous studies.

The scale of tourist industry in Huangshan became bigger and bigger. There are many potential capabilities for business travelers, eco-tourists and socio-cultural tourists.

First, tourism planners should be able to manage or implement guidelines on the allocation of resources. Environment has been identified as important issues in determining tourists' overall satisfaction levels, nevertheless visitors wanting to experience an environment that is clean. Second, next tourism management sector should ensure the government conservation planning and policy work effectively and environment quality controlling system should work more strictly, Thirdly, tourism management sector should promote how to take care of environment, not just slogan, but also should be addressed detailed messages and which can be easily understood. The studies from the attitudes and types of tourist could help tourism management adjust to the necessary needs and wants of the tourists.

This study noted that the socio-cultural attraction is the least of tourists' interest. Tourism planner should pay more attention on building or rehabilitation of historical and cultural attractions to attract more tourists. Promotion of Huangshan's image should be promoted historical and cultural attraction together, to build tourism product more diversification. Additionally, tourism planner should also pay more attention on residents' perceptions towards sustainable tourism in Huangshan.

Economic dimension of sustainability means economic returns and challenges come from the vision of long-term growth and benefits, the tourism planner should be given to the use of tourism as an economic development tool, in which ability of resources and is commended as necessary conditions before proceeding with tourism-related developments. Planning should be the optimal priority, tourist attitudes should also be viewed as essential. Therefore, tourists' attitudes, attractions, involvement and participation are need for maximizing economic benefits of tourism for this region

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Appendices

Hypothesis 1: There have differences among the types of tourists in their perceptions of the sustainable environment aspect of tourism in Huangshan.

Hypothesis 2: There have differences among the types of tourists in their perceptions of the local social culture aspect of tourism in Huangshan.

Hypothesis 3: There have differences among the types of tourists in their perceptions of the local economy aspect of tourism in Huangshan.

Hypothesis 4: There have differences among tourists in their perceptions of the sustainable environment aspect of tourism in Huangshan in different types of trip.

Hypothesis 5: There are no differences among tourists in their perceptions of the local social culture aspect of tourism in Huangshan in different types of trip.

Hypothesis 6: There are no differences among tourists in their perceptions of the local economy aspect of tourism in Huangshan in different types of trip.

**A STUDY ON THE RELATIONSHIP OF RELIGIOUS TOURIST
MOTIVATION, TOURISM IMAGE, SATISFACTION AND
LOYALTY - A CASE STUDY OF TOURISTS
VISITING JING'AN TEMPLE, CHINA**

by

Xi Zhong

Assumption University, Graduate School of Business

zhongxi77@hotmail.com

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Xi Zhong

Assumption University, Graduate School of Business

Abstract

This research aims to study the relationship between religious tourism motivation, religious tourism image, satisfaction and loyalty that tourists visiting Jing'An temple. In addition, this research aims to study the religious tourism motivation, religious tourism image, satisfaction and loyalty of tourists who visit Jing'An temple. In this study, the researcher identifies the factors of the four variables: religious tourism motivation (relaxation, self-exploration, learning, and nature and culture resource), tourism image (landscapes attractive and convenience of transportation and equipment), satisfaction (environment, transportation and accommodation, service and religion culture) and loyalty. The researcher distributed total 400 questionnaires to tourists who visited Jing'An temple and use the regression analysis as the appropriate statistical method to test the hypothesis. The main findings of the relationship between religious tourism motivations, tourism images, satisfaction and loyalty are following: religious tourism motivations have manifest impact on the tourism images and satisfaction; religious tourism image have manifest impact on the tourists' satisfaction; tourists' satisfaction have manifest impact on the tourists' loyalty; religious tourism motivation and tourism images have impact on the tourists' loyalty but not manifest. Tourists visit Jing'An temple with different motivation will have different satisfaction. Finally, this study draws conclusion that the four variables (religious tourism motivation, tourism image, satisfaction and loyalty) have relationship with each other but the degree is different. It makes useful recommendations like improve the restroom, attitude of the service personnel and attitude of the restaurant to build high loyalty of tourists who visit Jing'An temple.

Keywords: Jing'An temple, Religious Tourism, Tourist, Religious Tourism Motivation, Tourism Image, Satisfaction, Loyalty

1. Introduction

Religious tourism has existed for long time, and is different from other types of tourism. It is not only for relaxation purposes (Sebastian, 2011). If it is not from the religious aspect, looks at from the point of view, pilgrimage sightseeing, travelling, and visiting different places and, in some cases, transport travel by air or sea etc. and buying souvenirs, as some tourists like

to do. Now most of the tourists change the way that undertakes the religious trips because of the contemporary road does not cross the old route. Therefore, now most of pilgrim age tourists do not know about the old villages also and they do not even pass the old villages. In the past, the major pilgrimage centers did not just provide food and accommodation, also the major center provide spiritual help for the pilgrims (Gupta, 1999).

Religious tourism is different to other tourism. Other tourist destinations may not have journeys undertaken with a spiritual feel in mind. Spiritual travel in India has deep religious roots and may be linked with pleasing a deity or asking for something that one deeply desires, thanksgiving or a belief that it will wash away the sins or bonding with the Supreme Power. Spiritual tourism has differences as compared with other tourism. There are large quantity of researches on the management of spiritual and cultural tourism sites and many factors that play a role in influencing the tourist experience. These include infrastructure, accommodation, transport, variety of food, management of queues. Technologies also play a role in managing travel and access to the various spiritual destinations. Some of the aspects covered in the like's category are variety of food, history, attractions of heritage, safety, good weather, parks, accommodation, variety of things to do, entertainment, nice music, many festivals and events. Some of the elements in the dislikes category are weather, parking, disappointing service encounters, bad public transport, too crowded, not attraction construction, lack of public facilities, long travel distance, lack of park facilities, lack of variety, noise, too commercial (Jauhari & Sanjeev, 2010).

Sizer (1999) lists four kind of pilgrimage tour operator. First, the only travel by religious tour package that just a small number of companies offer. Second is the educational tour that most of companies offer. Third is Jewish dimension to the Christian faith package that small groups of Zionist- or Israeli-owned companies offer. Fourth are only a few operators actively encouraging contact with the Palestinian church. In addition, Sizer (1999) point out that political turmoil is a very important factor that influences religious tourists to come to the destination. In some people's mind, the Palestinians whatever Muslim or Christian are always like terrorists.

The four religions born in India - Hinduism, Buddhism, Jainism and Sikhism, are following by 25 per cent of the world's population. Buddhist and Hindu people have set strong "moral rules" for committing religious as well as social and economic actions because of the religious "spirit". "Spirit" and "Beliefs" are two most important elements that make people respect religion. China is a multi-religious country. Taoism originated in China, it has 1,700 years of history, and Buddhism came to China about 2000 ago. Islam introduced to China in the 7th century, the Hui, Uygur and other 10-minority region it; Christianity and Catholicism introduced to China after the Opium War.

According to the statistics of the Bureau of Religious Affairs, China has 1.3 million Buddhist temples including Tibetan Buddhism, Lama 3,000 monasteries and more than 1,600 temples of Pali Buddhism. Also China has more than 1,500 Taoist temples, Islam mosques more than 30,000 seats, Catholic churches, clubs more than 4,600 seats, 12,000 churches of the Christian (Protestant) and simple places (meeting point) of 2.5 million. There are many places of religious activity, religious monuments, religious and cultural sites in China. It is almost half of the existing major attractions. Until 2009, China has announced the six groups of 2351 national

key cultural relics' protection units, religious spots over 600, accounting for 26.7%. Visible, religious monuments are an important part of our precious historical and cultural heritage, and historical heritage of the religious culture of the statues sculpture, painting and stone sculpture, are valuable tourism resources.

Jing'An Temple is located in Jing'An District 1686 is the famous Temple of Shanghai. The temple named as Chong-Yuan Temple, Chong-Yun Temple before 1008 DC. Jing'An District is also famous by the Jing'An Temple. This Temple is very good place to do spiritual at the downtown area. Jing'An temple is consisting of the Main Hall, King Hall and San-Sheng Hall three main buildings. The Temple is also in possession of many paintings. Qing Tongzhi reign (1862), concession building Road of Happy Valley to Jing'An Temple, the formation of the Road of Jing'An Temple (now Road of Nanjing West). Over a hundred years later, due to geographic proximity to the Jing'An Temple is the central component of the transport network to become the starting point of the Huxi urbanization process. Now the Shanghai MRT even has the station named Jing'An station.

2. Literature Review

2.1 Religious Tourism

Religious culture is a very important part of the human culture. Religious have influence on people' thinking, realization, life habits and so on. The religious tourism includes visit the religious place, pilgrimage, and any activates that relates with the religious (Chen, 2004). In this research, religious tourism is the tourists go to Jing'An temple for relaxation, self-exploration, learning, nature and culture resources motivations. Religious tourist might have different motivations, but these four motivations are the basic of all motivations.

According to Sebastian (2011) found that the most famous holy cities are Jerusalem, Mecca and Varanasi. The most famous holy sites are the Church of the Nativity, The Western Wall, Brahma Temple at Pushkar and the Kaaba. However, in China Jerusalem and Christian are not the main regions. In China, the most famous regions are Tao and Buddhism. The most famous religious place in China is Jiuhuashan. Shanghai Jing'An temple is also a famous temple in China. Sebastian (2011) also found that pilgrims travel to Jerusalem for some reasons like to learn and enjoy their religion through real experience, to feel reliable about their beliefs, and to connect between themselves and the holy city. For people who are Buddhism go to temple is a good way to show their sincerity.

Wright (2007) thinks most of the travel agents consider that the pilgrimages are constituted by low-income travelers and the pilgrimages industry are low-profit, but the truth is most of the pilgrims changed their purchasing habit. Bar and Cohen-Hattab (2003) rate that pilgrim spend for shopping are the highest of all other types of travelers. In China, Buddhism will purchase a lot of Buddhism product for their region.

Smith's (1992) and Collins-Kreiner and Kliot's (2000) identify five types of visitors to holy land, namely:

1. Pious pilgrims: the motivation is only for the pilgrims.
 2. More pilgrims than tourists: the main motivation is for pilgrims.
 3. Pilgrims-tourists or religious tourists: the motivation of tourist for pilgrims and others are half of half.
 4. More tourists than pilgrims: the pilgrims' motivation is just secondary.
 5. Secular tourists: travel without the pilgrims' motivation.
- This identification is only depending on the motivation of the tourist. It just points out the degrees of the motivation of the tourists.

2.2 Motivation

Below are some of the explanations of tourism motivation. Tourism motivation is like a process of inside human brain psychological factors (needs and wants) that produce a state of disproportion within individuals (Crompton, 1979). According to Goossens (2000), motivation implies action that an individual act to do something. Schiffman & Kanuk (2004) say that motivations are the driving power within individual that impel them to actions. Motivation has very important influence to take shape the tourism image (Moutinho, 1987; Schiffman & Kanuk, 1978). Dann (1981) says motives are the individuals or group travelers' mental state, tourism motive means the needs of individuals participate the tourism activates.

According to Jang and Wu (2006) listed the nine factors of tourism motivation: escape, self-exploration, relaxation, prestige, regression, kinship-enhancement, social interaction, novelty (Crompton, 1979). In addition, Crompton put forward the Push and Pull Model of the tourism motivation. First, push factor, its push people hope to leave home and travel to other place (Kim & Lee, 2002). Second, pull factor, people attract by the destination. The push factor is the inside needs. The pull factor is outside state (Klenosky, 2002). Yoon & Uysal (2005) think that the push factor is personal emotions, like escape, leisure, social-interaction, knowledge and amusement. Those psychological motivations have impact in the destination image. Jang & Wu (2006) think that the push factors are learning and relax with family, the pull factors are environment, spending, equipment and safety. In religious tourism motivation, people went to holy land have different motives such as feel God's love, vows to God, contact with God, belief, spiritual peace (Collins-Kreiner and Klot, 2000), "having objects blessed", "lighting candles" and "participating in mass" (Bar and Cohen-Hattab, 2003). Triantafillidou, Koritos, Chatzipanagiotou, Vassilikopoulou (2010) according to in-depth interviews the tourists who travel to holy land find that most of the travelers are motivated by their faith or religious reasons. There have many other motive like baptism as the "completeness of faith and religion", pray for family, want closer to God, visit religion attractions in the New Testament, get inspired, show the faith and made vow to restore from sick. Many people in China have no religion, so some of tourists go to temple are for relaxation and learning. After they learn about Buddhism, they may adopt it as their religion later.

Hsu, Tsai and Wu (2009) point out the six factors at the motive of choose destination model.

1. Psychological factor, it is including escape and self-actualization.
2. Physical factor, it is including rest & relaxation, medical treatment and health & fitness.
3. Social interaction, it is including relative new people or visiting friends.

4. Seeking, it is including novelty seeking, culture exploration, and enjoying nightlife & shopping.

5. Tangible factor, it is including accommodation and transportation facilities, friendliness of people, quality of food, personal safety, price, resources, environmental safety & quality.

6. Intangible factor, it is including destination image and benefits expectations.

The psychological, physical, social interaction and seeking factors are push factor. The tangible and intangible factors are pull factor. In this research, religious tourism motivation will focus on psychological factor, physical factor, seeking, and tangible factor.

RET (religious experience tourism) means that travel for the religious purpose. All tourism acts for religious purposes are pilgrimage or RET. Tourists undertakes pilgrimages with different motives: religion, diversion, or both (Finney & Orwig, 2008).

Chen (2004) finds that domestic and international tourists have different motivation for the religious travel. However, cultural immersion, newly seeking and religious attraction are the key motivational factors for tourists visiting the religious destination. Yooshik & Muzaffer (2005) use the push and pull model to research the relationship between tourism motivations, satisfaction and loyalty find that the push factors of motivation significantly affect the satisfaction and loyalty, also tourism satisfaction have positive affect the destination loyalty. Therefore, this research will use the push factors of motivation to test the hypothesis for relationships between religious tourism motivation, satisfaction and loyalty.

According the push-pull model the researcher list out the push motivation of religious tourism: God's love, vows to God, contact with God, belief, spiritual peace, "having objects blessed", "lighting candles" and "participating in mass", cultural immersion, get inspired, novelty seeking, faith, pray for family, want closer to God, show the faith and made vow to restore from sick. The pull motivations of religious tourism include visit religion attractions in the New Testament, and religious attraction, different religious culture. However, for some of the tourists visit Jing'An temple is not Buddhism. Those tourists may not have those motivations, so this research identifies the tourism motivation's main reason that drive tourist to choose the destination. In this research, the main tourists are Chinese and some of them are non-religious people, so the religious tourism motivation might not able to use in this research. The motivations of religious tourism in this research include relaxation, self-exploration, learning, and nature and culture resources.

2.3 Image and satisfaction

Image is individual or group's idea. It is include cognitive and evaluative (Embacher & Buttle, 1989). Kotler, Haider and Rein (1994a) think destination image is a form of ideas, impression and beliefs. The destination image is form by a link of cognitive, affective and conative (Gartner 1993). The image's main characteristic is the complexity of the attitude, also it's include compound, relativity and dynamic (Gallarza, Sura & Garcia, 2002). Kim & Klenosky (2003) think that destination image is tourists' overall impression of the destination include beliefs, ideas, expect and emotions. In addition, it will be accumulated by time.

Fakeye and Crompton (1991) listed out the three step of the image: Organic Image, Induced Image and Complex Image. Organic image means tourists are not get information by proactive usually those information from the newspaper, book or magazine. Induced image means tourists get influence by the information that deliberately arranged by operators. Complex image means tourists' experience after they go to the destination. Echtner & Ritchie (1991) propose the tourism image composition by three parts. First, functional and psychological, functional is tangible, psychological is intangible. The second is common and unique. The third is holistic and attribute-based axes. Goossens (2000) says tourists use two ways to choose the destination by the information step. Emotion way is explicit property. Process information way is assessment property.

This research think destination image is individual or group gets effected by the interaction of beliefs, ideas, impression, expect. This research tourism images include Landscapes attractive, Convenience of transportation and equipment. In this research, religious tourism image is as the complex image, because the other two kinds of images are hard to do the questionnaire. The complex image is as the impressing of the tourists who visit the Jing'An temple. Therefore, the complex image is easy to get from the tourists who visit Jing'An temple. The researcher can send the questionnaire hand-by-hand at the Jing'An temple.

Destination image have significant impact on tourist satisfaction. The tourists expect form by destination image. Tourists compare the real experience and expectation can be a factor that changes the destination image (Font, 1997). Baloglu and McCleary (1999), Beeril and Martins (2004) say that individual psychological (motive or characteristics) has impact on destination image. Goeldner & Ritchie (2009) according their research find that destination image is the course of perceived quality, satisfaction, return and recommend to other people. Destination image has positive effect on behavior. The perceived quality has positive effect on satisfaction. Destination image is like a link to connect motivation and destination choosing.

Chi and Qu (2008) finding that destination image is direct impact on tourism satisfaction; destination image and satisfaction property are the antecedent of the overall satisfaction; overall satisfaction and satisfaction property are direct impact on destination loyalty. Images affect the level of satisfaction with tourists' experience. Positive images will get high level of satisfaction; negative images will get low level of satisfaction (Salem, 2009). In this research, the researcher strongly agrees with Chi and Qu's (2008) finding, so this study will be testing the relationship between religious destination image with satisfaction and loyalty.

Kozak & Rimmington (2000) satisfaction is the most important factor that influence tourists make decision. Satisfaction relates with destination environment, destination service and destination chooses. Satisfaction is the first step of loyalty formed, but it is influenced by other factors like public relationship, individual determination (Oliver, 1999). Baker & Crompton (2000) think that satisfaction is the feeling of tourist after activate. Tourists get good experience will get good satisfaction (Lee, 2007).

The initial satisfaction will effect on revisit and reputation (Kozak & Rimmington, 2000). Oliver & Swan (1989) find that good reputation increases by the level of satisfaction. The highly

not satisfied and highly satisfied tourists have talk with other people more than normal not satisfied tourists' do. Highly not satisfied tourists do reputation more than highly satisfied tourists do (Anderson, 1998). Kotler, Haider and Rein (1994b) find out that satisfaction will influence the tourists' activities, satisfied tourists have rated highly to revisit destination and have good reputation.

Kozak & Rimmington (2000) point out the highly satisfaction of tourists' experience have positive effect on tourists to revisit. This research identifies satisfaction as tourists' view and feeling that after the trip. It includes environment, transport and accommodation, service, religion culture.

Spreng, Mankenzie and Olshavsky (1996) use expectation-disconfirmation model found satisfaction is the result that expect compare with perceive. Perceive better than expect will feel satisfied, perceive worse than expect will feel not satisfied. Chen & Tsai (2007) use factor analysis and structural equation modeling found that satisfaction has conspicuous effect on tourist behavioral intentions. Hui, Wan and Ho (2007) use expectation-disconfirmation model found that satisfaction has conspicuous effect on revisit and propaganda by reputation. Yuksel & Yuksel (2007) use structural equation modeling found satisfaction has conspicuous effect on loyalty.

Parauraman, Zeithaml and Berry (1985) propose SERVQUAL model, satisfaction good or not depend on quality of service and tourist experience. SERVQUAL make up by reliability, responsiveness, assurance, empathy and tangibility of five service qualities' different between cognitive and expect. Reliability is the ability of service's accuracy. Responsiveness is the ability that service provider response to customers' needs. Assurance is the services provide employer's knowledge and manners. Empathy is the highly pay attention on customer. Tangibility is the service exact properties.

2.4 Loyalty

Patterson & Spreng (1997) find satisfaction has close relationship with revisit desire and satisfaction is the key of future behavioral intentions. A good behavioral intention represents the loyalty. Customer loyalty is very important for company. Loyalty customer will tell good experience to their friends, family or other potential customers (Shoemaker & Lewis, 1999). Satisfied customer will do more reputation to show their loyalty (Antanassopoulos, Gournaris & Stathakopoulos, 2001). Wangenheim and Bayon (2004) point out reputation effect on satisfaction and loyalty, satisfaction produce good reputation then derivative revisit plan.

Identify of loyalty: evaluate the measures of both attitude and behavior. Customer loyalty has four steps: cognitive loyalty, affective loyalty, conation loyalty and action loyalty (Oliver1999). The action loyalty is hard to measure in reality, normally use behavior intentions to research (Yang & Peterson, 2004). Destination loyalty always uses revisit and good reputation to be the measure factors (Chen & Tsai, 2007).

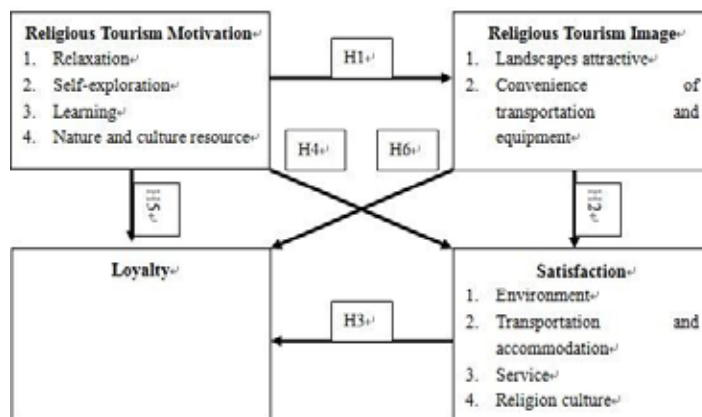
Chen and Chen (2010) use structural equation modeling and found experience quality, perceived value and satisfaction have influence with each other. Satisfaction has positive impact on

behavioral intentions. Baker and Crompton (1979) mentioned quality have positive impact on satisfaction; satisfaction has positive impact on behavioral intention; behavioral intention positive impact on loyalty.

3. Conceptual Framework and Research Hypotheses

This study was to order to the solution of the Chinese locals involving religious trip to Jing'An Temple Travel motivations, and to explore its tourist image, satisfaction, and loyalty after the experience and Analysis those four factors' relationship to establish the theoretical framework of this study.

Figure 1 A total of 6 hypotheses are used for this study (see Appendices).



4. Research Methodology

This study uses descriptive and Multiple Regression research methods which according Zikmund (2003) and Chen (2004). In this study, some respondents who visit Jing'An temple will answer the questions about personal information, tourism motivation, image, satisfaction and loyalty. The responders have to fill out the 5-point Likert scale questionnaire.

The target population of this study is the Chinese tourists who take a religious tourism to visit Jing'An temple during December 2012. In this study, the sample design is by non-probability sampling in which units of the sample are selected based on researcher's judgment or convenience. The researcher selects tourist who has visited Jing'An temple during December 2012.

A questionnaire distributed to 400 Chinese people who visit the Jing'An temple. The questionnaire and the data collected during two day on December 2012. Total 389 questionnaires are collected from respondents by researcher.

5. Results

From Data that collected from 389 respondents find that the first six religious tourism motivations are to open the mind (4.60), At Jing'An temple have mood to meditate (4.58), To feel the religious culture (4.56), To definite self-value (4.54), To escape daily routine (4.52), To alleviate stress and tension (4.51). In aspect of religious tourism image, clear and tidy of landscape (4.65) is the highest, then is the public equipment (4.49), the lowest is the transportation of Jing'An temple (4.27). In aspect of satisfaction, the artistic of Jing'An temple's construction (4.58) is the highest then is atmosphere of religion (4.57), the abundant of religion lesson (4.53), temple's preservation and maintenance (4.46). In aspect of loyalty, revisit to Jing'An temple (4.64) is the highest. Give the negative information to other people (2.91) is the lowest.

From the result, Nature and culture motivation of resources have max impact on religious tourism image of landscapes attractive, relaxation, learning and self-exploration as well.

Motivation of learning has maximum impact on religious tourism image of convenience of transportation and equipment.

Motivation of learning has maximum impact on satisfaction of environment.

Motivation of relaxation has maximum impact on satisfaction of transportation and accommodation.

Motivation of relaxation has maximum impact on satisfaction of service.

Motivation of learning has maximum impact on satisfaction of religion culture.

Motivation of learning has maximum impact on tourist's loyalty.

From the result, the image of landscapes attractive has maximum impact on satisfaction of environment.

The image of landscapes attractive has maximum impact on satisfaction of transportation and accommodation.

The image of convenience of transportation and equipment has maximum impact on satisfaction of service.

The image of landscapes attractive has maximum impact on satisfaction of religion culture.

The image of landscapes attractive has maximum impact on tourist's loyalty.

From the result, Satisfaction of religion culture has maximum impact on tourist's loyalty.

Table 1 Summary of hypotheses testing results

Hypotheses	Statistics test	F-value		Results
Ho1: The religious tourism motivations do not have impact on the religious tourism image	Regression Analysis	Landscapes attractive	94.342	Rejected Ho
		Convenience of transportation and equipment	55.441	
Ho2: The religious tourism images do not have impact on the tourist's satisfaction	Regression Analysis	Environment	307.249	Rejected Ho
		Transportation and accommodation	242.642	
		Service	245.472	
		Religious culture	209.532	
Ho3: The visitor's satisfactions do not have impact on the tourist's loyalty	Regression Analysis	Tourist's loyalty	180.473	Rejected Ho
Ho4: The religious tourism motivations do not have impact on tourist's satisfaction.	Regression Analysis	Environment	33.423	Rejected Ho
		Transportation and accommodation	89.429	
		Service	63.249	
		Religious culture	70.730	
Ho5: The religious tourism motivations do not have impact on tourist's loyalty	Regression Analysis	Tourist's loyalty	13.423	Rejected Ho
Ho6: The religious tourism images do not have impact on tourist's loyalty	Regression Analysis	Tourist's loyalty	25.822	Rejected Ho

6. Summary of Hypothesis Testing

Ho1: The religious tourism motivations do not have impact on the religious tourism image. This hypothesis is rejected. This means the religious tourism motivations do have impact on the religious tourism image especially on the image of the landscapes attractive.

Ho2: The religious tourism images do not have impact on the tourist's satisfaction. This hypothesis is rejected. This means religious tourism images do have impact on the tourist's satisfaction especially on the satisfaction of the environment.

Ho3: The tourist's satisfactions do not have impact on the tourist's loyalty. This hypothesis is rejected. This means the tourist's satisfactions do have impact on the tourist's loyalty.

Ho4: The religious tourism motivations do not have impact on tourist's satisfaction. This hypothesis is rejected. This means the religious tourism motivations do have impact on tourist's satisfaction especially on the satisfaction of the transportation and accommodation.

Ho5: The religious tourism motivations do not have impact on tourist's loyalty. This hypothesis fails to reject. This means the religious tourism motivations do have impact on visitor's loyalty. Nevertheless, the F-value of this hypothesis is very low, it means the religious tourism motivation have very low impact on tourist's loyalty.

Ho6: The religious tourism images do not have impact on tourist's loyalty. This hypothesis fails to reject. This means religious tourism image do have impact on tourist's loyalty. Nevertheless, the F-value of this hypothesis is low, it means the religious tourism image have low impact on tourist's loyalty.

7. Conclusion and Recommendations

Religious tourism motivation have positive impact on religious tourism image, also the different motivations will have different impact on the religious tourism image. For example, the tourists with motivation of nature and culture resources motivation enjoy the landscapes and it attracts them. The tourists with motivation of learning will need more convenience of transportation and equipment. Therefore, upgrade the transportation and equipment will attract more tourists who have the learning motivation.

Only the push factors of the religious tourism motivation have impact on the tourists' satisfaction. Tourists with relaxation motivation require more transportation, accommodation and service. Therefore, upgrade the transportation, accommodation and service will increase the satisfaction of the tourists with relaxation motivation. However, the tourists with learning motivation will increase satisfaction if the Jing'An temple has more religion culture.

Religious tourism motivations have very low impact on the tourists' loyalty. However, the tourists with learning motivation have manifested impact on the tourists' loyalty.

Religious tourism image have positive impact on the satisfaction. The different religious tourism image will have different kind of satisfaction. For example, if the Jing'An temple can make a nice landscape and with more religious atmosphere, it will increase the satisfaction of the tourists who are interested in religious tourism image.

Religious tourism image have low impact on the tourists' loyalty. However, religious tourism image of landscapes attractive still can influence tourists' loyalty. So the good landscapes attractive will build higher loyalty of the tourists.

Satisfaction will have positive impact on the tourists' loyalty. In addition, the different aspect of satisfaction will have different impact on the tourists' loyalty. The satisfaction of the religious culture has the most impact on the tourists' loyalty than the satisfaction of service and

environment. Satisfaction of the transportation and accommodation does not even influence the tourists' loyalty.

Most of Chinese do not have religion. The main push motivation of the non-religion tourists is learning. Jing'An temple is a good place to learn the culture of Buddhism. For Buddhism people main motivations are relaxation, self-exploration as push factors of motivations. The pull factor in this research is only the nature and culture resources. Therefore, Jing'An temple has to know the different kinds of motivation that will help to build high satisfaction and loyalty.

This research finds the religious tourism image have very high impact on satisfaction of the tourists. The good landscapes attractive, transportation and equipment will build high satisfaction. High satisfaction will build high loyalty.

Most of the tourists visit Jing'An temple has high satisfaction. It means Jing'An temple is a good place for tourism. However, tourists do not feel very satisfied in some aspect like restroom, attitude of the service personnel and attitude of the restaurant waiter. Therefore, Jing'An temple should improve the restroom, attitude of the service personnel and attitude of the restaurant.

Most of the tourists will revisit Jing'An temple and recommend Jing'An temple to friends. Its mean tourists who visit Jing'An temple will have high loyalty. Still have a small part of people will give the negative information to other people. Those people might not have good satisfaction about the restroom, attitude of the service personnel and attitude of the restaurant waiter.

Jing'An temple should have more introductions in English, because there are some foreign tourists around. It will make Jing'An as an international destination. In addition, it will attract more tourists that are international.

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Appendices

Hypothesis 1: The religious tourism motivations have impact on the religious tourism image.

Hypothesis 2: The religious tourism images do have impact on the tourist's satisfaction.

Hypothesis 3: The tourist's satisfactions do have impact on the tourist's loyalty.

Hypothesis 4: The religious tourism motivations do have impact on tourist's satisfaction.

Hypothesis 5: The religious tourism motivations have impact on tourist's satisfaction.

Hypothesis 6: The religious tourism images have impact on tourist's loyalty.

INVESTIGATING FACTORS AFFECTING PURCHASE INTENTION OF IPHONE

by

Sirirat Chatrattikorn

International College, University of the Thai Chamber of Commerce

and

Nattapan Buavaraporn

International College, University of the Thai Chamber of Commerce

nattapan_bua@utcc.ac.th

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Abstract

Purpose - The purpose of this study is to investigate factors affecting purchase intention of iPhone. Which is the world famous product. That can be seen from the trend of the iPhone which is very popular among big cities allure the world. This study found the reason why consumers purchase intention of iPhone product and chooses the only people who use iPhone.

Design/methodology/approach - The hypothesis were tested with a random survey (People use iPhone only) of 419 respondents in Bangkok area and using face-to-face and email survey method. Structural equation modeling (SEM) was used to analyze the empirical data.

Finding - The results indicated that the person who has the power to purchase iPhone in Bangkok (Thailand) is influenced by brand consciousness and perceived quality as mediator and positive related with future purchase intention.

Research limitations/implications - Results of this study are limited by a group of people living in Bangkok area. Which may lead to the data received from the questionnaires, the only group of people in the capital and results of the study may not have been enough. To provide the guidelines for practitioner in enhancing the purchase intention, in this particular study of smartphone as iPhone brand.

Originality/value - The topic of the smartphone marketing through iPhone is important to marketing researcher in Bangkok and the researches contribute to fulfilling the need for research evidence.

Keywords: Brand name, smartphone, iPhone, Brand consciousness, Perceived quality, Purchase intention.

1. Introduction

In highly competitive market, a brand name of a product becomes one of the most imperative factors in gaining competitive advantage among competitors. Moreover base on the empirical researches they mainly focused on determining critical factors which help understand the way in which the product owner can stimulate purchase intention of customer, particularly in the brand name product. This study aims primarily in investigating factors affecting purchase intention of iPhone and will empirically determine how the factors of brand name product; such as brand consciousness and perceived quality, affect the purchase intention. Globalization is a popular phenomenon that provides global companies and brands with new opportunities (Alden et al., 1999). These are influences to be homogeneous effect a global consumer culture that is oriented toward global brands (Alden et al., 2006). Consumer brand knowledge determines how a consumer thinks about brand (Keller, 1993), and how the consumer responds to different stimuli regarding a brand. For example, it would be easier for an advertisement to meet its communication objectives if consumers are positively predisposed towards the brand being advertised (Ray, 1982; Rossiter and Percy, 1987). Leclerc et al. (1994), study the possibility which was conducted by people who examined the effects of foreign branding on product perceptions and attitudes, and found that the spelling or pronounce a brand name in a foreign language thus the meaning of the cultural origins of a brand have differentiated brand perceptions more than country of origin information. The brand name of products has always been considered to be the great importance in determining perceptions of brand quality and attitudes towards the product (Srinivasan and Till, 2002). Branding has increased the consumer awareness of the product and generally added value to products and the consumer loyalty (Prendergast and Marr, 1997a) to be successful with the consumers, the companies must respond to their faddish nature, offer trend, brand name of innovative designs products and quality workmanship (Moore and Smith, 2004; Rabon and Evans, 1998).

Farnsworth and Austrin, 2010 started how smartphone has changed from being an object of “conspicuous consumption”. It helps feed consumer addictions to other smartphone trends that have emerged since 2007 in Malaysia (Euromonitor, 2010b). For example iPhone and BlackBerry have larger and higher resolution screens and offer consumers a wide array of features, including mobile web browsing, thousands of apps, e-mail, instant messaging, picture messaging, video and audio playback, GPS, games, a video camera, picture and video editing, and much more (Ajax and Irfan, 2012).

This study examined Apple branded and specific to the smartphone product that is iPhone. iPhone brand is well recognized by consumers around the world. Its first generation of iPhone was sold in six countries like Ireland, the United Kingdom, France, Germany, Austria and the USA. Currently iPhone are sold in 70 countries including ASEAN countries. Singapore and Philippines is the official distributors of the iPhone. In Thailand, began with the release of the iPhone 3G on January, 2009 by True Move, True move is the authorized dealer in Thailand (<http://th.wikipedia.org>).

This research investigated how factors influence the consumers’ purchase intention iPhone. The targeted respondents of the study are Thai consumers’ in Bangkok area because it has wide varieties of group of people, for all over Thailand to live in. For this reason, it an math with the research objectives are; to investigate factors affecting purchase intention of brand name product and to provide the guidelines for practitioner in enhancing the purchase intention.

2. Literature Review

This part is a literature review which helps to identify critical factors affecting purchase intention of brand name product.

2.1 Brand consciousness

Jamal and Goode (2001) defined brand consciousness as a shopping orientation which is characterized by the degree to which a consumer is oriented toward buying well-known branded products. They use brand consciousness as a decision-making rule linking brand perceptions and consumers' self/gender consciousness. Goode (2001) suggested that consumers with high levels of brand consciousness believe that brands can represent status and prestige, and are more likely to buy expensive and high status brands. Brand names gradually become a part of consumers' language, brand consciousness is the important role in their decision making process, thus making branded products is a symbol of their status (Liao and Wang, 2009).

2.1.1 Self consciousness

Self-consciousness is the one of the central concepts in social psychology, for sample it affects divergent approaches to individuals of behavior and lifestyle (Evans et al., 2009; Fenigstein et al., 1975; Wheeler et al., 2007). Buss's (1980) theory concept of self-consciousness which an individual's attention is in directed toward the environment or focused internally on the self. The person's of social object is defined as self-consciousness with an acute awareness of other people's perspective about himself or herself (Fenigstein et al., 1975). Self-consciousness can impact an individual's cognition and emotions, and necessary to regulate the goal pursuits and related behaviors (Calogero and Watson, 2009; Caver and Scheier, 2009; Evans et al., 2009). Although this is a numerous studies regarding self-consciousness for respected to the Western culture, where cultural values, such as collectivism, affected to consumers' self-consciousness and related to consumer behaviors (Abe et al., 1996).

2.1.2 Self oriented

Giovannini and Sarah (2012) study examined that the influence of the young consumers' on self-oriented (brand-self congruency) and social-oriented (conspicuous consumption) motivated for luxury fashion consumption. Wiedmann et al., (2009) defined several self-oriented motivations of consumption including hedonic self-gift giving, self-directed pleasure, life enrichment, and brand-self congruency. Who are driven by self-oriented motivations when purchasing luxury products are setting goals in mind, to experience a new adventure, to build a connection with a product or brand, or to show individual style (Silverstein et al, 2003) and the relationships between the self- oriented and social-oriented consumption motivations and the consumption behaviors were examined (Giovannini and Sarah, 2012).

2.2 Perceived quality

Zeithaml (1988) defined that the perceive quality is a consumer's subjective evaluation of the product. The experienced consumers can give a reason why they want to repurchase and

differential among competitive brands (Min & Dee and Youn, 2008). It tends to be more comprehensive than perceived quality (Bolton and Drew, 1991b; Holbrook, 1994; Holbrook and Corfman, 1985). Olshavsky (1985) and Rowley, (1998) view the quality as a form of an overall evaluation of a product. Similarly, Holbrook and Corfman (1981), Rowley, (1998) suggested that quality act as a relatively global value judgment. Zeithaml (1988) treats perceived quality as a beneficial attribute and distinguishes it from price. Low and Lamp (2000), defined that the perceived qualities are strong brands which add value to consumers' purchase evaluations, and can be called a perpetual outcome generated from processing the product attributes lead to the consumers for make decisions about the quality of the product (Lindquist and Sirgy, 2003). Northen (2000) defined that the "perceived quality" approach analyzes to the product quality from consumers' viewpoint and making a quality of the "subjective assessment" dependent on perceptions. Garvin's (1987) defined the dimension of quality perceptions that conforms to requirements because manager defined dimension of the operational objective quality and does not related to objective of capturing consumers' perceptions of quality. Parasuraman et al., (1988); Bitner (1990) suggested that perceived quality be similar to individual's attitude and can be concluded that perceived quality factor should be influenced to an associated products and an attributed evaluation, Dodds et., al (1991). According to Czellar (2003), consumers will transfer the association of product quality perception to the new extended product. Lassar et al. (1995) recognized the following constructs: perceived quality, capturing the performance of the brand. Aaker (1991) defined measures for perceived quality were adapted from For example, respondents were asked to rate the statement "Brand X is reliable".

2.2.1 Brand image

Nelson (1970) suggested that the consumers' utilize to country image and be concluded the quality of foreign brand because they are unable to detect its true quality prior to purchase-use. As Garvin's suggested by proposed dimensions of "perceived quality", defined as image, and "aesthetics," and also included references to brand image and appearance. Brand image and aesthetics are similar to each other and both are rooted in the symbolic of the product or what ownership of the product is meant that self and others. Moreover, Zimmer et al. (1999) found that perceived quality and brand image perceptions toward nostalgic brands were influenced to consumer's needs. Follow Keller (1993) about brand image are defined consumer' perceptions of the brand reflected by brand associations which are held in consumer memory.

2.2.2 Price

Price of product may have a positive role which can be a factor to determine the perception of high quality when referring to luxury goods (Erichson and Johansson, 1985; Lichtenstein at al., 1988). Etgar and Malhotra (1981) examined the effect of price-quality inferences on selected quality cues such as price, comfort, durability, and appearance. To the marketer, a high perceived quality to support a premium price, will create a greater profit margin for firm and can reinvest in brand equity (Yoo et al., 2000). Recent article, Bartikowski et al., (2010) commented that the higher quality perceptions lead to increased profits due to premium prices, to effective business growth, involving both market expansion and market share gains. Monroe & Krishnan (1985); Rao & Monroe (1988) found that it has a positive link between perceived price and quality.

2.2.3 Value

Recently, several studies have explored the motivation for adopting smartphone and mobile internet from a variety of perspectives, such as perceived value (Cheong and Park, 2005; Kim et al., 2007; Park and Chen, 2007). The perceived value is the main determinant of payment intention (Kim et al., 2007). Mobile internet services feature a range of value added services, such as online music and mobile shopping (Kuo-Lun, 2013). For example innovative products, the smartphone is an “good experience”, thus consumers must be experienced its value and are more ambiguous about its potential uses (Kim, 2008). In similar, fashion-conscious consumers will find mobile tools that provide them with the quick and efficient information (Zhang, 2006; Park and Gretzel, 2010). There are several definitions of value existing in various contexts. Value is considered as the consumer’s overall assessment of the utility of product. Moreover it depends on consumers’ value perceptions (Zeithaml, 1988, p. 14). Grewal et al. (1998) considered transaction and acquisition values for measuring perceived value and Gronroos (1997) considered the value in terms of emotional and cognitive features.

2.3 Purchase intention

Dodds et al. (1991) explained that the purchase intention represents the possibility for consumer to buy products. Engel et al. (2001) proposed that the purchase intention involves the subjective of future behavior. Okonkwo (2009) considered relationships between purchase motivation and the motivating factors affect consumers’ inner purchase intention on luxury brands. This has been supported by many scholars who have studied the significance of purchase intention (e.g. Dubois and Paternault, 1995; Yoo and Lee, 2009; Zeithaml, 1988). Antecedents of luxury brand purchase intention have been explored by Berthon et al. (2009), Tsai (2005). Researcher Tsai (2005), Vigneron and Johnson (1999, 2004), and Wiedmann et al., (2009) found that social influence impacted on consumers’ luxury brand purchase intention.

2.3.1 Behavior

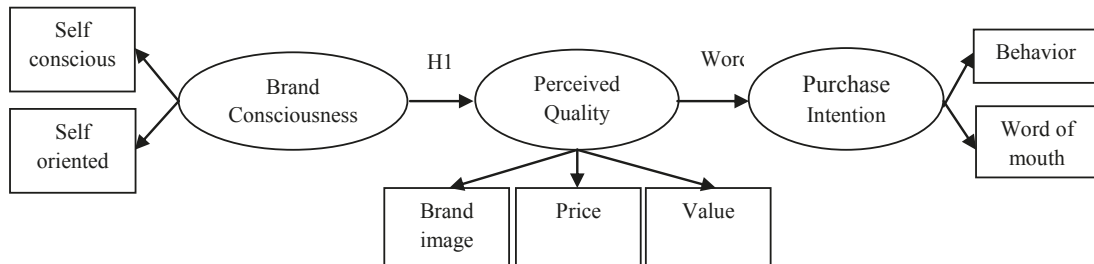
From the previous research, mobile marketing has focused on themes such as mobile phone usage, behaviors, and motivations (Hanley and Becker, 2008; Jin and Villegas, 2008; Grant and O’Donohoe, 2007). According to Pine (1993) and McKenna (1997) found that the consumers look for personalized or customized products and know exactly what they want and their shopping patterns and behaviors are different from those who prefer standardized products. As a result, consumers’ expectations for future purchase behavior will be affected by their past experience depending on smartphone because of the underlying motives (Kuhlmeier and Knight, 2005). This is supported by the Mafe and Blas (2006) study which found that consumers’ high dependency on smartphone is positively correlated with consumers’ future purchase behavior. From previous research of Peters (2009) found that experience of smartphone users depends on smartphone which has a direct effect on the formation of predictive expectations in future purchase behavior. A smartphone’s functionality may be changed the user’s behavior and intention to purchase mobile internet services (Kuo-Lun, 2013).

2.3.2 Word of mouth

Basaglia et al. (2009) studied that smartphone can make a good impression to others, consumers' dependency on it will increase and consequently will lead to a positive word of mouth communication to others and consumers who are more likely to incorporate and rely on positive word of mouth opinions on the importance of smartphone. On the other hand word of mouth might influence on consumers belief and decision making on purchase. Word of mouth indicated that individual evaluations on brands, products, services, or organizations are made without commercial intention and diffused through face to face or other communication channels throughout social networks (Ying-Feng; Tzu-Li; Shu-Chen, 2013). Word of mouth intentions refer to the customer's belief that he or she will discuss on an incident with another person who is not directly related to the service encounter (Swanson and Davis, 2003). The profitable results from a positive word of mouth are people always talk about their good experiences on products and services to family, friends, co-workers, and others, that can influence to other customers to purchase (Reichheld and Sasser, 1990, Fornell and Wernerfelt, 1987, 1988; Fornell, 1992; Berry et al., 1994; Dawkins and Reichheld, 1990; Zeithaml, 2000; Zeithaml et al., 1996; Greising, 1994; Rust et al., 1995; Anderson et al., 1994).

Base on the literature review, conceptual framework is development as figure 1.

Figure 1 Conceptual framework



2.4 Hypothesis

Hypothesis 1: Brand consciousness affects Perceived quality.

Brand consciousness is positively related to a product and a perceived quality. Brand name and country of origin based on this reasoning can be posited that Mexican students who are brand conscious will have a positive perception toward the quality of a US apparel brand. (Jamal and Goode, 2001; Nelson and McLeod, 2005; Lee et al., 2008)

Hypothesis 2: Perceived quality affects Purchase intention.

A number of studies have examined empirically the effect of perceived quality on purchase intentions (Chang and Wildt, 1994; Dodds et al., 1991; Monroe and Krishnan, 1985; Rajendran and Hariharan, 1996; Tsiotsou, 2006). And indirect relation between perceived quality and purchase intention mediated by perceived value (Chang and Wildt, 1994; Dodds et al., 1991; Rajendran and Hariharan, 1996). In some studies, perceived quality has been found to have a

positive direct effect on purchase intentions (Boulding et al., 1993; Parasuraman et al., 1996). Perceived quality also had a direct positive impact on purchase intention which supports existing findings in the literature (Parasuraman et al., 1996).

3. Methodology

The methodology approach of this study showed two topics that are data collection and data analysis.

3.1 Data collection

Data were collected from 419 respondents who use iPhone in Bangkok Thailand. Three universities are Kasetsart university, university of the Thai chamber of commerce, Chulalongkorn university seven shopping malls are Fashion Island, The mall Bangkok, Max value, MBK, Central world, Tesco lotus sukapibarn 1, Big C sukapibarn 1. The scope of random sampling is from population who are between the ages of 15 to above 46 years old. To achieve the objective of this research, the samplings researched are adopted from qualitative method. And it is only on iPhone users. The questions used to measure the variables were adopted from a wide range of relevant previous research e.g. Brand consciousness (Fenigstien et al., 1975; Amatulli and Guido's, 2001; Sirgy, 1980), Perceived quality (Somthers, 1993; Davis et al., 2009; Lichtenstien et al., 1993; Sproles and Kendall, 1986; Lichtenstien et al., 1993; Anderson and Gerbing 1988; Bagozzi and Phillips, 1982; Chaudhuri and Hollbrook, 2001; Dodds et al., 1991), Purchase intention (Cronin and Taylor, 1992; Brady et al. 2005; Raj, 1982; Gremler and Gwinner, 2000; Harrison-Walker, 2001).

3.2 Data analysis

The hypotheses are developed to examine as the objective of study to "investigating factors affecting purchase intention of iPhone", which is the conceptual framework of this study and used LISREL 8.8 which are selected as it allows for the detection the main effect of independent and dependent variables. The 5- point Likert-type scale was applied to measure the level of agreement of variables. It is considered as the most of appropriated and reliable measurement scale for the types of questions widely used in research survey (Likert scale, Wikipedia, 2007).

4. Results

Results showed the demographic of respondents, factor analysis and reliability test.

4.1 Demographic of respondents

Bangkok (Thailand) is a multicultural city various groups of people. The sample of this study focused on people who have the power to purchase iPhone in Bangkok area. Therefore, the data analyzed is used LISREL8.8 to conduct the determinant of respondents. (See Table 1)

Table 1 Demographic of respondents

Demographic	Frequency (N= 419)	Percent
Gender		
Male	155	37
Female	264	63
Age		
15-25	129	30.8
26-35	186	44.4
36-45	70	16.7
46 up	34	8.1
Education level		
Below Bachelor	102	24.34
Bachelor	265	63.25
Master or above	52	12.41
Occupation		
Student	74	17.66
Officer staff	210	50.12
Freelance	102	24.34
Government officer	15	3.58
Others	18	4.3
Income per month (Bath)		
Below 20,000	171	40.81
20,001-30,000	136	32.46
30,001-40,000	73	17.42
40,001 up	39	9.31

From table I, among 419 respondents, 37.0 percent of respondents are male. 63.0 percent are female. In terms of age, 30.80 percent of respondents' age is between 15-25 years old, followed by 44.40 percent of age group of 26-35 years old which are the majority group, 16.70 percent age between 36-45 years old and 8.10 percent in the range of aged 46 years and above. Referring to education level, 24.34 percent are below bachelor degree, 63.25 percent which is the majority group bachelor degree, and 12.41 percent are Master degree or above. Regarding to the occupation, 17.66 percent of respondents are a student group, 50.12 percent of respondents are an officer group, 24.34 percent of respondents was a freelance group, 3.58 percent of respondents was a government group and 4.30 percent of respondents were an others. About of the income per month, there were 40.81 percent of respondents of who was the biggest group to getting income below 20,000 baht/month, 32.46 percent of respondents of income among 20,001- 30,000 baht/month, 17.42 percent of respondents got income among 30,001- 40,000 baht/month and the last group got the income more than 40,001 baht/month were 9.31 percent of respondents.

4.2 Factor analysis and reliability test

The pretest was conducted with 30 people for instruments testing and checking understandable questions. Validity test was done by using the Item Objective Congruence (IOC) > 0.75 (Rovinelli and Hambleton, 1977). Three academicians were selected to measure the objective of each question which is developed by the researcher and assess correlation of the entire question. All of the items of this study are greater than 0.75 which meant valid. The reliability test is a process of measuring the consistency or repeatability of the scale. Cronbach's alpha was selected to conduct the reliability test as it is the most common tool for internal consistency reliability coefficient in particular psychometric measurement. And it should be at least 0.7 or higher 0.7 to obtain an adequate scale (Cronbach, 1951). According to above reliability test results, Cronbach's alpha shown the reliability test was higher than 0.7; among 0.7249 to 0.9226 obtains an adequate scale to a "good scale" greater than 0.8 that valid for measuring all the topics of this research (see Table 2).

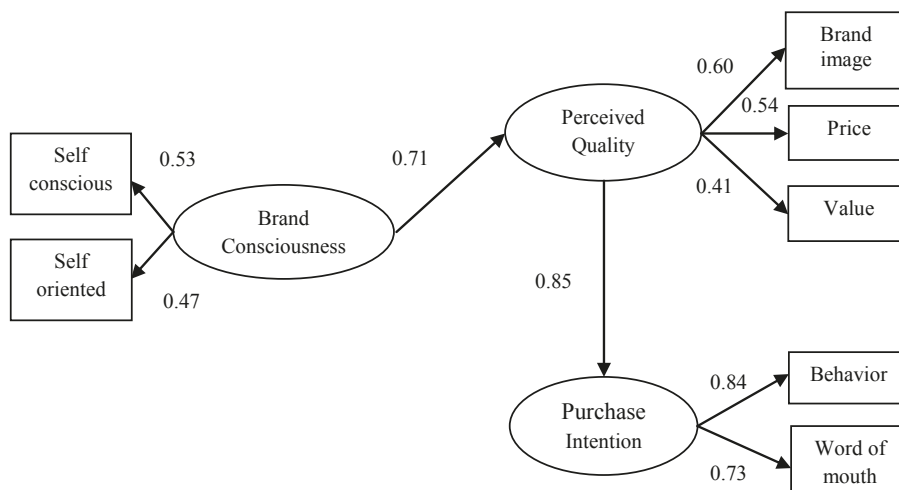
Table 2 Cronbach's alpha for each variable

Variables	Dimensions	Amount of items	Cronbach's alpha value
Brand Consciousness	Self - conscious	I am conscious about the way I look, I am concerned about the way I present myself, I am concerned about what other people think of me, One of the last things I do before leaving my house is looking in a mirror.	0.7355
	Self - oriented	I never buy luxury brands inconsistent with the characteristics with which I describe myself, The luxury brands I buy match what and who I really am, My choice of luxury brands depends on what they reflect how I see myself not other people see me.	0.7249
Perceived quality	Brand image	This brand's image is comparable with how I see myself, iPhone has good reputation, iPhone has been prestigious brand, In comparison to other smart phone, iPhone has a high quality, iPhone product has a rich history, Customers (we) can reliably predict how this product/brand will perform.	0.8228
	Price	The higher the price the better the quality, The old saying "you get what you pay for" is generally true, I consider price first, I look carefully to find the best value for money for goods/services.	0.7384
	Value	If I buy iPhone most people are who important to me will appreciate it, When purchasing iPhone, I will compare the prices of different brands to be sure I will get the best value for my money, I feel good when I use iPhone, The price shown for my favorite brand , iPhone is very acceptable.	0.8222
Purchase intention	Behavioral	I will certainly recommend iPhone to friends and acquaintances, iPhone is always my first choice, In buying a new phone , I will re- purchase iPhone 100% .	0.8845
	Word of mouth	I encourage friends and family member to buy this brand, I recommend this brand whenever anyone seeks my advice, I mention this product to others quite frequently, I have told may people about iPhone more than about other smartphones, I seldom miss an opportunity to tell others about this product.	0.9226

The fit of CFA models were assessed by means of diverse fit indicators. Specifically, the researchers used the chi-square (χ^2), related to Chi-square (χ^2/df), root mean square error of approximation (RMSEA) and root mean square residual (RMR). Other relative fit indicators that were used to include goodness-of-fit index (GFI) and adjusted goodness of fit index (AGFI) (Bollen, 1989; Hair et al., 2010).

Based on the model fit indices obtained, the model has adequate and acceptable goodness-of-fit indices: $\chi^2 = 9.67$ at p – value 0.47 (>0.05), $\chi^2/df = 0.967$ (< 2), GFI = 0.99 (> 0.9), AGFI = 0.98 (> 0.9), RMR = 0.01 (nearly 0), RMSEA = 0.00 (< 0.05). The results indicated that brand consciousness, perceived quality and purchase intention are valid. Brand consciousness had direct the effect on perceived quality as ($\beta = 0.76$, $p = 0.01$) which was a significant positive effect relationship and proved brand consciousness has the positive effect on the perceived quality. Thus, H1 is supported. Moreover, the result indicated that perceived quality had the direct effect on the purchase intention as ($\beta = 0.85$, $p = 0.01$). Therefore, the second hypothesis (H2) is supported.

Figure 2 Standardized solution result



5. Discussion and managerial implications

This study has investigated and made clear the impact of brand consciousness and perceived quality on who have a purchase power in Bangkok Thailand and the impact on purchase intention of iPhone. The finding showed that there is a significant and positive relationship between brand consciousness and people who have power in Bangkok on iPhone at $p = 0.01$ level. Thus, the first hypothesis (H1) is supported. There are two main measurements of brand consciousness including self conscious and self-oriented. The result presented the relationship between independent variable and independent variable between brand consciousness and perceived quality; it was found that the brand consciousness had the positive effect on perceived quality, many empirical researches supported this finding and support a positive relationship (Jamal and Goode, 2001; Nelson and McLeod, 2005; Lee et al., 2008). The

brand consciousness importance to the consumer needs to perceive quality with the increasing purchase power and growing size of the consumers in Bangkok market. It is the strategic importance for the mobile industry to understand the consumption behaviors of this group before purchase intention.

This study also found that there was the significant and positive relationship between perceived quality and who has power in Bangkok (Thailand) at $p = 0.01$ level. Hence, the second hypothesis (H_2) is supported. The perceived quality included the three measurements as brand image, price and value. Furthermore, the result presented the relationship between independent variable and dependent variable between perceived quality and purchase intention. The result of perceived quality had the positive effect on purchase intention (Zeithaml, 1988; Dodds et al., 1991; Boulding et al., 1999, Monroe and Krishnan, 1985; Monroe and Rao, 1987; Chang and Wildt, 1994; Rajendran and Hariharan, 1996; Tsotsou, 2006; Boulding et al., 1993; Parasuraman et al., 1996, Kang, 2002; Sirgy et al., 1997, McConnell, 1968; Yoo et al., 2000, Yoo and Donthu, 2002. this study investigated of the purchase intention influence of perceived quality of consumer' for iPhone. The perceived quality importance to the consumer needs to provide the purchase intention with the increasing purchase power and growing size of the consumers in Bangkok market. It is of strategic importance for the mobile industry to understand the consumption behaviors of this group before purchase intention.

A significant was positive relationship between purchase intention and who has power in Bangkok Thailand. Purchase intention consisted of two measures e.g. behavior and word of mouth. And it also had the positive direct effect on purchase intention. In addition, the indirect effect of brand consciousness had the positive effect on purchase intention which consisted of brand consciousness and had the positive indirect effect on purchase intention path through the perceived quality. In conclusion, direct and indirect relationships had the best result as brand consciousness.

6. Limitation of research

There are a few limitations on this research finding. In this study, the respondents' revealed that majority of the respondents were in Bangkok Thailand. First, the literature review is based primarily on academic journal, and textbooks, doctoral dissertations, internet and master's theses have not been included. Second, the journals covered in this research are limited the particular databases. Third, keywords search may not be sufficiently exhaustive to cover every possible paper related to purchase intention. Finally, this study investigated a group of people living in the Bangkok area, which may lead to receive the data from the questionnaires, only the group of people in the capital city.

Future research, First of all, it should extend to a wider scope in gathering the data and find out the difference between Bangkok area and suburban area to provide strategic direction on luxury brand products. Second, it should extend to other smartphones such as Samsung, Black berry, Nokia, Oppo, hTC and etc. Third, this study can apply to other luxury products to provide practitioner with strategic direction. Finally, culture and advertising variables quality should be target to investigate for consumer's decision making because some of difference cultures can help increase the consumers' perceptions influence on purchase intention.

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**CONTEMPORARY ISSUES IN CROSS-CULTURAL BUSINESS
INTERACTION AMONGST OFFICE AND
MANAGERIAL STAFF IN THAILAND**

by

Sofya Epifanova

E-mail: epifanova.sonia@gmail.com

and

Andreas Hild

School of Business, University of the Thai Chamber of Commerce

E-mail: andreas.hild@utcc.ac.th

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Abstract

Studies on cross-cultural management have been a prominent theme in international management research. Nonetheless, most studies primarily focus on expatriate managers, without detailed descriptions of local practices and contexts. With the aid of narratives from in-depth interviews, this article addresses the issue of cross-cultural adjustment to an unfamiliar work environment by highlighting routine features of business interaction in Thailand. It shows how cultural differences can be the source of miscommunication and conflict and explores how office and managerial staff rely on shared reference points in their mutual sense making activities. It investigates how staff deploys specific communication strategies for smoothing and handling differences in day-to-day interaction, as well as the limitations many face in terms of altering working practices.

1. Introduction

Cross-cultural business has significantly increased over the last decades in the light of globalization. While the challenges of globally competent workforces and global labor markets are an important topic (Parker & Clegg 2006), most studies in international business and management retain functionalist and managerialist inclinations (Westwood 2006). The study of cross-cultural interactions in work and business settings is primarily undertaken under the label of cross cultural management, which is often regarded as a discipline of international management. However, most studies on the subject are focusing on the cultural encounters of managers from the global North in multinational or transnational companies. Although some authors suggest that the concepts of well-defined and homogeneous entities such as organizations and nation-states are questionable in terms of conceptualizing cross-cultural practices (Søderberg & Holden 2002), detailed empirical investigations of local practices and organizational contexts

– in which cross-cultural interactions happen – are scares.

While there has been a notable increase of empirical studies on China, research on cross-cultural management in Thailand is rare. Notable exceptions are a few studies conducted in multinational corporations in Thailand on *e.g.* Australian managers (Clegg & Gray 2002), American and Japanese managers (Stening 1990) and Swedish executives (Selmer 1996), as well as “Western” expatriate consultants working in Thailand (Fisher & Härtel 2003). The importance of the topic – beyond the narrow focus of work values and performance criteria in multinational corporations – for understanding work and business practices in Thailand should not be underestimated, especially with the Association of Southeast Asian Nations (ASEAN) forming an economic community by 2015.

Hence, the central research question that this article aims to highlight is the various issues in cross-cultural business interaction amongst office and managerial staff in Thailand. The implications of this work are twofold. At a conceptual level it tries to give a modest overview by mapping the existing domain of cross-cultural management and tries to trace its development.

At a more applied level its aims to highlight the contemporary issues in cross-cultural business interaction that may be beneficial for a range of individuals and companies who operate in Thailand. The results of this study can be useful in understanding Thai business interactions, thereby aiding the formation of expectations and lowering the risk of misunderstandings and misguidance. It may also aid an understanding of the local techniques of smoothing and handling the differences in mundane business interactions in Thailand for those who are natives of other cultures adjusting to Thai culture.

2. Literature review

The literature on cross-cultural management is broad and diverse, informed by a range of social science disciplines, without having converged into a homogeneous field of inquiry. International social interaction as a subject of scientific interest had become prominent since the 1960s in studies of cross-cultural differences in international companies. Scholars on cross-cultural business interaction during the 1960-80s, as Karjalainen (2010) argues, were mostly negative about cultural differences between workers. Cultural differences were seen as causing misunderstanding, lower performance, higher conflict rate, less cooperation, and more difficulties for workers to establish common goals (*e.g.* Bivens & Lowell 1966; Killing 1983; Shenkar & Zeira 1992).

Anthropological studies of interactions between members of different cultures took a rather pragmatic approach and tried to understand differences as basic patterns of interactions that are specific to each culture. In particular, Hall (1959) investigates non-verbal communication and how taken-for-granted linguistic patterns, body rhythms, personality dynamics, and educational goals differ across cultures (Hall 1976). A key concept, developed by Hall is the distinction between low-context and high-context cultures, where emphasis on non-verbal communication, situational cue, and actual spoken words differ across cultures. Many of Hall's conceptual developments were applied to cross-cultural management studies and contributed to the development of international communication as a major research topic (Dulek

et al. 1991).

Around the same time, social psychologists such as Inkeles and Levinson (1969) and Hofstede (1980) investigated how national cultures influence groups of people and organizations. Inkeles and Levinson conceptualized four dimensions or basic problems, which Hofstede used as the basis for collecting data, on an unprecedented scale, from IBM employees located in more than 50 countries. His work demonstrates how values held in national cultures influence behavior of societies and organizations, while individuals may not necessarily reflect the tendencies of general populations. Nonetheless Hofstede's much publicized cultural dimensions theory has been criticized in terms of the assumption of cultural homogeneity of nations; especially for countries such as Australia, Canada, and Brazil that are culturally plural or diverse, such a ridge value framework remains highly controversial (Berry 1997).

By contrast, Edgar Schein's social psychological view of organizational behavior presupposes a classical distinction between the conscious and unconscious mind. Schein (1985) refers to culture in organizational context as a pattern of basic assumptions that a group learns as it successfully solves problems; a set of assumptions is considered as the correct way to perceive, think, and feel in relation to those problems, while new members of the group are expected to study these patterns in order to create shared assumptions. Schein stresses that behavior is partly a reflection of contingent, environmental stimuli and individual experiences; therefore it might be difficult to distinguish between observed behavior regularities or cultural manifestation. Schein compares his conceptual framework with Hofstede's four cultural dimensions and infers significant similarities, and sees a confirmation of his own findings on a global level in Hofstede's empirical work.

During the 1980s the literature in applied psychology on cross-cultural adjustment began to focus on acculturation attitudes (Berry 1984). Berry *et al.* (1987) defines four modes of acculturation which rests on a two-fold value dimension: *i.e.* value of own cultural identity and value of the relationship with other. In this way, *Separation* (rejecting of host country culture) and *Marginalization* (vacillating between two non-compatible cultures) pertain to the former, whereas *Assimilation* (going native) and *Integration* (synthesizing two cultures) to the latter. In a similar vein, Nicholson's (1984) theory of work role transitions presents a conceptual framework for understanding modes of work adjustment in a new cultural environment. It distinguishes between *Replication* (not modifying either the new role or own attitudes and behaviors), *Absorption* (modifying own behaviors and attitudes to fit the new role), *Determination* (modifying the new role, but not own attitudes and behaviors), and *Exploration* (modifying both own attitude and behaviors and the new work role).

Yet, since Edward Said's foundational work in post-colonial studies in 1978, it has been suggested that cultural representations generated on the basis of binary oppositions (Self / Other, Occident / Orient, or Expatriate / Host) are constructs, which are mutually constitutive and cannot exist independently of each other. Zimmermann and Sparrow's (2007) mutual adjustment model appears to shift cross-cultural management precisely in this direction (see Table 1). Accordingly they argue that adjustment to a new working place in another culture depends not only on the person's own efforts and strategy, but also on the involvement of the people whom they encountered within the new culture.

Table 1 Modes of mutual adjustment according to Zimmermann and Sparrow (2007)

Change of attitudes and behaviors on one side	Change of attitudes and behaviors on the other side	
	Low	High
Low	Low	Separation
High	High	Own assimilation

While scholars such as Zimmermann and Sparrow highlight communication as a basis for mutual adjustment in cross-cultural encounters, others have pointed to the notable differences in conflict management approaches between scholars from the “East” and the “West”. Kim and Leung (2000), for instance, argue that authors such as Blake and Mouton (1964) and Rahim and Bonoma (1979), group dimensions of conflict management, rather than actual communicative practices. While authors such as Ting-Toomey (1991) argue that conflict management styles are patterned responses to conflict situations through diverse communication strategies, direct comparisons across cultures are problematic, especially when these rely on exogenous conceptualization.

Weldon and Jehn (1995) argue that cross-cultural differences in conflict management are difficult to interpret, when “Western” concepts are applied to “non-Western cultures” without examining the cross-cultural equivalence or relevance of the constructs. As Kim and Leung (2000) suggest, typologies that originate from Hofstede’s individualism / collectivism dimension of culture have often an implicit “Western” assumption; *i.e.* avoidant conflict solving strategies relate to specific personality characteristics, such as general anxiety, low tolerance for ambiguity, lacking self-control, lacking emotional maturity, or being introverted (Richmond & McCroskey 1995). By contrast, as Ting-Toomey (1994) points out, in Asian cultures conflict indeed is generally perceived as something that ought to be avoided, because it is a potential source of group dysfunction, interpersonal embarrassment, or humiliation in front of others.

3. Methodology

The research undertaken for this study builds on semiotic concepts of culture that conceptualise human behaviour within the dimension of symbolic action, which aims to surpass the dichotomy of subjective and objective perspectives. It is a methodological approach that strives to understand context with minimal external references or meta-categories, by merely relying on the own inter-definitions and taken-for-granted world views of the research participants. It aims to provide accounts that contain some level of “thick descriptions” (Geertz 1973) by highlighting the contexts in which actual practices happen, while specifying internal relationships in detailed and self-referential ways. It does not aim to generate a “General Theory”; instead it provides ways to generalise within cases through an intelligible frame that is

carefully interwoven with wider concepts that have emerged within existing academic discussions.

Although drawing on ethnographic research techniques, this study aims to avoid disjuncture and distance to the field that traditional ethnography with its strong commitment to detached observations has been criticised (cf. Pollner and Emerson 2001). As such it is ethnomethodologically inspired –drawing on the role of active practitioners– by combining autoethnographic elements with interviews that are characterised by necessity and constraints of the interlocutors' participation in a context. The autoethnographic descriptions (Bochner, 1994; Ellis *et al.*, 2011) are hindsight accounts of personal and interpersonal experiences from the lead author of this article, who had a substantial amount of work experience as administrative office assistant in Thailand. These reflections served primarily in shaping the development of conversation topics for seventeen in-depth interviews that were conducted.

Access to interviewees was generated through informal networks of both authors. Six out of the seventeen interviewees worked in higher education in administrative or academic positions, while the remaining were either entrepreneurs, managers, or office workers in various sectors, including wholesale export, aviation, finance, tourism, retail and manufacturing. The male to female ratio was thirteen to four respectively, with an age range of 23 to 54 years. The countries of origin were Belgium, Canada, China, India, Russia, Thailand, Ukraine, USA, and Vietnam; the ratio of Thai and non-Thai origins were seven to ten respectively. The duration of work experience in Thailand for non-Thais varied from half a year to more than ten years.

All interviews were conducted in line with the statement of ethical practice for the British Sociological Association of which one of the authors is a member. The interviews were standardized and nonscheduled (Briggs 1986) that commenced with the following prompt '*Overall, what is your experience of working in Thailand?*' A list of conversation topics aided the interviewer in responding in non-directive ways while maintaining some focus as the narratives unfolded; this ensured an exploration of the interviewees' concern within the wider demarcation of the chosen area of cross-cultural business interaction.

The interviews were recorded and then transcribed verbatim, which provided the source for a thematic analysis. Themes in this sense are patterns across collected data that are important to the description of a phenomenon and are associated to a specific research question (Daly *et al.*, 1997). The highlighted reoccurring patterns were divided into three groups - major topics, unique topics and leftover topics (Tesch, 1990); this was aided by compiling an interactive cross-reference index in HTML code of the entirety of the "text". The analysis of each theme was primarily done at a semantic level rather than interpretive (Boyatzis 1998). In other words themes were identified within the explicit or surface meanings of the data by simply organizing and summarizing showing patterns in its semantic content (Patton 1990).

4. Analysis

A common and reoccurring theme amongst the interviewed office and managerial staff was the problem of facing situations of complete or partial misunderstandings in cross-cultural

business interaction. The key issues that emerged were differences in shared basic reference points and common assumptions, which in turn resulted in negative emotions and frustration for some interviewees.

My first graphic designer [in Thailand] didn't know who [Pablo] Picasso is. [...] So you are talking; they [Thai staff] don't really understand where you want to go. (Francois, Belgium, entrepreneur)

The issue is further aggravated particularly when trying to develop shared reference points and common assumptions is complicated though specific organizational constraints. Francois's story makes this quite clear; his online retail business that primarily focuses on customers in Europe, while incidentally operating from Thailand, presents particular challenges for Thai staff that have little understanding of the context of Francophone Europe. The lack of shared reference points might be overwhelming that makes it difficult and a long-term endeavor to create a common understanding, especially when modes of communication are drastically different.

Moreover, differences in communication modes presented a particular problem for most Eastern European interviewees who expected open and direct interjections to clarify when their interlocutor did not understand a phrase or a word. They often assumed that silence meant some form of understanding. By contrast for Thai people the key message in this situation was precisely what was left unsaid and a lack of positive feedback may indicate no understanding.

It makes working process very difficult, because it's easier just to say honestly "I don't understand, please explain to me one more time". (Pavel, Russia, administrative staff)

Conversing in a foreign language, either in English or Thai, not only requires mastering verbal communication, but also needs meta-communicative competence at a non-verbal level, as well as context awareness. Some interviewees felt that their ability to speak a foreign language in the office with their colleagues is adequate in terms of grammar and vocabulary, but using the correct phrases, tones, volume, and themes to create and maintain conversations in the *relevant context* is considerably more difficult.

"Sabai dii mai?" means "How are you?" You shouldn't say that [as a greeting], because people think you think they are sick. [...] They say [to greet each other] "Have you eaten [rice]?" (Michel, France, consultant)

Michel, who grew up in a bilingual English and French speaking context, illustrates the very subtle nature in a shift in meaning. In the United States, as Garfinkel (1967) points out, the question *"How are you?"* is usually not meant as a specific inquiry about people's well-being; Garfinkel's breaching experiments exactly show the confusion and pain that occurs when people take this as literal question. By contrast, in Thai culture it would only make sense to greet someone like this if circumstance is suspected to have changed, such as a long time has passed or someone is ill; the source of confusion this subtle shift presents might be apparent.

Misinterpretations in terms of non-verbal communication were also common. In Thai culture the display of emotion during interaction tends to be rather mediated and can be strongly

modified depending on context. By contrast in Eastern European cultures, for instance, emotions are shown as they are experienced and if people do not experience positive emotions they generally do not display them; smiling for instance tends to be reserved to express high levels of enjoyment or appreciation and is not being used for mundane interaction. Thai people, however, may feel uncertain or disconcerting in the absence of a positive face.

If you work with Thai people and you don't smile they become closed [...] When I arrived here I didn't know that because in my country, in Europe, when people want to buy something they just buy something, never think about smiling to anyone. (Mat, Ukraine, administrative staff)

For Eastern Europeans being polite strongly focuses on the choice of words, whereas in Thai culture there seems to be several other dimensions such as tone and volume of the voice. Several Russian interviewees for instance felt that the Thai interlocutors sometimes perceived their stern tone of voice as negative emotions. In Russia, raising one's voices at the workplace is not unusual (Richmond, 1996), whereas speaking softly or being quiet will most likely be considered a weakness. By contrast, in Thailand a soft voice and being calm is expected during business interactions or within the place of work. In addition, European and North American interviewees tended to define politeness as a social behavior that does not strongly differentiate in terms of personal attributes such as age, position, or social status. This stands in sharp contrast to Southeast Asian cultures where age, position and social status afford considerably different levels of politeness.

Business interactions in Thailand are also characterized by specific concerns for group harmony that is deeply intertwined with the way how people communicate with each other. In North American and European cultures constructive criticism is generally part and parcel of working life. Being criticized and criticizing others is not unusual and often seen as part of a problem solving strategy. By contrast in Thai cultures criticism is often seen as some form of conflict that always contains the possibility of upsetting the harmony of interpersonal relations, especially at the point of face-to-face interaction. Many interviewees highlighted that in Thai office culture personalized work relations are of considerable importance in mundane conduct; this in turn presents some limitation to pursuing agendas that might damage relationships. In settings of working-based group interaction where gift exchange, food-centered socialization and shared recreational activities are not unusual, the potential of open conflict is routinely sought to be minimized by staying clear off that which may make the other feel uneasy.

While many non-Thai interviewees found some appeal in this approach, some felt disquiet about the difficulties this appears to present when dealing with challenging situations that may require more direct feedback, and by doing so risking potential conflict. Especially those in managerial positions felt immediate and unbridled feedback from their employees was important, regardless whether positive or negative. The rationale behind this immediacy and directness appears to be a pragmatic focus on taking remedying action. By contrast Thais prefer an approach that appears to focus on minimizing the damage a crisis may have in terms of interpersonal relations; deferral and deference are often seen as a sound strategy, as the unfolding of time and new events may shed a different light on an existing problem. Most Eastern Europeans and North Americans found this aspect rather difficult.

Here you'll never hear the bad news. They want to shield you from that. [...] In [North] America, if you work for me – I want the bad news fast, if something is wrong – I need to fix this, I don't want it sugarcoated. I don't want it to be hidden from me. (James, USA, chief executive)

Of course getting adequate information is important for any kind of operation; yet James's story leaves it open as to whether there is no exchange of information. One may indeed not hear the "bad news" being uttered, but still know about it as it is conveyed in more subtle and indirect ways. The "sugarcoated" talking that may sound misguided at a point of crises or disagreement for people from the US, is not unusual in a culture where saving face is prominent. Nonetheless, this aspect of Thai culture was also seen as challenging for interviewees from China and Vietnam.

In Vietnam, team members can argue among each other, maybe disagree a little bit [...] But the language we use to criticize each other has to be modest. For Thai it goes up extreme, it has to be very subtle [it] must be seen like nothing, nothing at all happened. (Holly, Vietnam, research manager)

It is precisely this indirect mode of communication that makes the actual communicative practice of handling conflict in Thai culture different.

You have to be able to read between the lines from the Thais in these long messages that are nice and friendly. So it's always a tricky part for foreigners who work here. When they get a yes, they think it's a yes, but it doesn't always mean a yes. (Nam, Thailand, entrepreneur)

While it may allow for the possibility for face saving work in front of others, it may also to the unaccustomed ear create an impression that there is no conflict or people do not respond to a situation. The potential for misspreceptions are evident in this way, especially when cross-cultural exposure and adjustment has been limited.

5. Discussion

According to Schein (1985), visible structures of cultures are relatively easy to observe but are more difficult to decipher. This study found that people may adjust to some degree by becoming familiar with each others ways of verbal and non-verbal communication, but developing common basic assumptions in order to adequately and meaningfully communicate on the basis of a shared understanding was considerably more difficult. The lack of shared reference points appears to go along with some form of othering process, where "Others" are created that are alien to the "Self". In this reading of Schein, the process of examining one's own basic assumptions always carries a danger of temporarily destabilizing one's understanding of the interpersonal world and thereby creating some form of primordial anxiety. Many interviewees expressed that they and their interlocutors had on occasions experienced frustration, stress, and anger with each other as they were unable to comprehend how certain actions (or lack of it) can be a transgression or violation of certain norms.

Making sufficient efforts of acquiring the local language is presupposed a necessary condition for comprehending the espoused values and underlying assumptions of one's peers; this in turn may facilitate a deeper immersing into a specific work and life context. This study found

that people tend to readily deploy their acquired Thai or English language skills, or happily introduce features of Thai language (e.g. polite particles *krub* and *ka*) when speaking English, in order to fit into their international office contexts in Thailand. However, much of the interaction, and with it the sense-making activities, appeared to be taken-for-granted. It was often at the moment of misunderstanding or infraction that value expectations and assumption-based context reference points became apparent.

While the above may look like learning be doing, miscommunication may also temporarily entail a lack of a potential communication that could facilitate integrating or absorbing each others assumptions. Many interviewees sometimes felt that their mode of communication were drastically different, especially when they originated from – what Hall described as a low-context culture – as their attempts to expose the differences by “talking it through” where sometimes met with puzzlement or embarrassment by their Thai colleagues.

Zimmermann and Sparrow (2007) argue that communication is the basis for mutual adjustment, and whatever precedes such as a change of views, evaluation of differences, negotiation, and control rests upon the foundation of a common understanding and shared expectations. For example, Europeans and Americans generally express their emotions outwardly in more direct forms of communication, whereas Asians tend to deploy more indirect communication, where the context provides clues for the uttered and unuttered. It is this awareness that many interviewees displayed in this study – that subject avoidance or unfinished sentences in Thai culture can mean “No”, or that an Eastern European speaking boldly in Thailand may not be intended to be rude or disrespectful. Yet it appears to be a constant endeavor, that might in the words of Garfinkel (1967) be understood as “normal trouble”: *i.e.* part and parcel of cross-cultural adaptation work with which the people involved have become familiar. It is not merely confined to adjusting to the more extreme differences such as between Thai and Russian culture, but also appears to be relevant for other Asian people adjusting to Thai culture. Indeed Chinese and Vietnamese staff in this study for instance were sometimes grappling with the differences in levels of indirect communication in comparison to their own country.

Most people who are native to North American or European cultures generally see a positive potential in constructive face-to-face confrontation. In contrast, in Thailand people tend to emphasis harmonious relations and try to avoid interaction that could potentially result in negative emotions or stress. Cross-cultural tensions can be an issue especially for people from cultures, where reluctance to engage in a potential conflict is often seen as a sign of weakness. Kim and Leung’s (2000) review of conflict solving strategies highlights the common misinterpretation that avoidance strategies equate to failure. This study confirms this, by finding that interviewees from Europe, who have been in Thailand less than two years, seemed to be subject to a similar misunderstanding. However, people who had been living and working in Thailand for more than two years, tended to avoid conflict in order to maintain 'face' and personalised work relationships. This confirms Zimmermann *et alia*'s (2003) findings from a study of German managers working in subsidiaries in Southern China, who adjusted to interaction differences in terms of 'face' and personalised work relationships by using a mode of assimilation.

In terms of adjustment to work practices, especially in terms of leadership, this study found that European or North American managers tended to expect from their Thai staff direct feedback on on-going operations. Many managers found it difficult or impossible to alter their expectation about their job role in particular in terms of confronting their staff about contentious issues. In some cases it even led to individuals resigning from their jobs, as they felt they were not able to adjust their leadership approaches in order to fit into a work culture of interpersonal harmony and strategic deferral and deference. Similarly this confirms, to some degree, Zimmermann *et alia's* (2003) findings of German managers adjusting their work role in the light of the different expectations by their Chinese subordinates, more in a “determination” mode (Nicholson 1984). In particular, in terms of taken blame and responsibility, or deploying systematic reporting and documentation procedures, these managers favoured changes in local working practices through preliminary training and on-going mentioning, or where not possible through an increase in control and follow-ups.

6. Conclusion

This article is based on an in-depth study of cross-cultural business interactions amongst office and managerial staff in Thailand. It explored differences in perspective of a range of people from diverse cultural backgrounds and how they adjust to living and working in a new environment. It highlighted how common understanding and shared expectations are the basis for meaningful communication. This article also showed how modes of speaking depend on social and cultural norms and how for instance in some cultures – in contrast to Thai culture – more open, direct, and confrontational modes of talking are acceptable. This in turn points to the normality of finding the right balance over time as people adjust to a different culture. The implication for practitioners who find themselves in cross-cultural settings might be manifold at individual level; yet dealing with cross-cultural differences does generally result in some change – in gradual or abrupt transformations – that have real consequences for working practices. It is this awareness for workers as well as for leaders that can help to mediate the processes of change in more manageable ways.

Though its focus on the transformational processes of adaptation, this study also raises another set of more conceptual questions in terms of how wider socio-political issues may affect the different modes of cross-cultural adjustment. The fact that managers tend to integrate or assimilate local practices as they gradually master day-to-day interpersonal interaction, stands in sharp contrast to managers appearing to attempt the assimilation of local workers into non-local working and governance practices. Further research may shed light onto the extent power relations that constitute organizational practices might be affected by – what Sørensen and Holden (2002) describe as – a growing complexity of inter- and intra-organizational connections and identities.

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THE WELL-BEING OF FOREIGN TEACHERS IN BANGKOK SCHOOLS AND ITS IMPACT ON QUALITY TEACHING

by

James Nyame Boateng
E-mail: kojo96b@gmail.com

and

Suthawan Chirapanda
School of Business, University of the Thai Chamber of Commerce
E-mail: suthawan_chi@utcc.ac.th

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Abstract

The literature part shows how employees and management need to pay attention to the dimensions of well-being and related field, and how these dimension of well-being are connected that can influence quality teaching and employee well-being. Most businesses and organizations increasingly understand that workers are their most valuable assets. Since employees now working longer hours, research shows that health is at risk. Therefore, those employees who maintain a healthy lifestyle are generally in better health. The aim of this thesis is to provide the necessary information about teachers' well-being. The result showed a great impact of well-being on quality teaching and tends to be more positive than negative and it is quite clear that workforce's well-being has a direct impact on students and the organization.

Keywords: well-being, career, social, physical activity, quality, exercise, stress, workload

1. Introduction

The Association of Southeast Asian Nations (ASEAN) aim of economic growth, social progress and cultural development among its members with the idea of English language as its medium of communication by 2015 has led to Thailand recruiting more foreign teachers to teach English in all schools than ever. A brief statistics shows that in 2011, Bangkok Metropolitan Administration (BMA) data released 16 districts in Bangkok with 436 schools, 324,156 students, and 14,385 teachers as the total number of students, teachers and schools in Bangkok (source: Educational Strategy Office, Education Department, 2011). Employee well-being is widely considered as a growing concern in organizations. Well-being, if not check on early stage can affect productivity or teaching due to illnesses, absenteeism and loss of worksite days that can have financial implications for the organization. According to Mulvihill (2005) employees who are physically healthier seem to have more energy and stamina to do their work. Therefore, this study aims to evaluate the impact of foreign teachers' well-being on quality teaching.

“If Teachers are not ‘fit ‘to cope with the never-ending, ever-changing series of demands and pressure they face moment to moment, they will not provide the quality teaching and learning experience expected of them” (Lovewell,2012). In other words, employee health status directly influences employee work behavior, work attendance and on-the job performance.

2. The research objective

2.1 To discover the relationships among foreign teachers ideas on well-being and quality teaching from different dimensions.

2.2 To provide organizations with the necessary information to understand employees’ well-being that can contribute to future organizational strategy and decision making.

2.3 To emphasise on how important is the role of the employees’ well-being in the organization effectiveness and success and ways to improve the situation

3. Literature Review and Theory

3.1 Well-being

Different specialists have different ideas and opinions on well-being, everyone says what they know and what they think is the best and only way. The differences are based on theories and findings, however, much of the similarities gears to improve on health status and well-being of employees, because employees’ health status directly or indirectly influences employee work behavior, work attendance and on-the-job performance as explained by Boles et al., (2004).

According to Huppert (2008) the concept of well-being has two main elements: feeling good and functioning well. That feelings of happiness, contentment, enjoyment, curiosity and engagement are characteristics of a person with a positive experiences of life and relationships , having control over your life and a sense of purpose are all important attributes of well-being. Ryan & Deci (2001) explain that well-being on Hedonic approach concerns happiness, as the pleasure attainment and pain avoidance. While the eudaimonic approach focuses on meaning and self-realization and define well-being as the degree to which a person is fully functioning. If your employees are well and feel looked after, they are more likely to engage and achieve success with you. Healthy and happy teachers are great role models and ambassadors for students and the community. The awareness and acceptance of cultural differences is important to help people understand the knowledge and interpersonal skills in appreciating and working with individuals from cultures other than ones culture. ‘One of the most important challenges for organization is adapting to people who are different’, that is workforce diversity (Robins & Timothy, 2012). Individuals with a strong sense of well-being will only contribute to a satisfied, productive and stable workforce when they are respected and valued. The primary mission of any school is to educate it students to ensure that they achieve academic excellence and are prepared to become productive citizens of society and the community. And therefore, Teachers also need the support of management and colleagues to help students reach that goal. Ilies et al., (2010) mention that there is a link between workload and emotional distress, physical health and daily well-being.

3.2 Physical well-being

Physical well-being is about being positive to health and bodily function, exercise and good nutrition, safety and access to good health care services. Healthier people are those that feel better to deal with stress and get involve in their work which results to higher work output. It is supported by Vuori (1998, p.100) saying that physical activity rather seem to improve health related quality of life by encouraging psychological well-being (e.g. self-confident, self-esteem, mood ,etc.). Improving on health and physical activity helps employees feel better about themselves and their job and want to be more productive in their position, therefore, there is a possible change of mood and worker satisfaction and companies have to find ways to invest to support better health. The importance of exercise for well-being is that, it is for all ages, “health promotion is action aimed at improving physical, mental, and social well-being” (Jonas, 2000).

3.3 Social well-being

From the book of John Wild (2012, p.75) relates to social well-being as a group associations based on the collection of two or more people who identify and interact with each other. Connecting with people around you like family, friends, colleagues and neighbors at work, home, school or your local community is the most essential aspect of life that, building these relationships will support and enrich you personally. The socially well person has a network of friends and family to whom he can turn to for support and sharing life experiences. From your family, without happy healthy relationship, there is no hope of honest open communication, respectful attitudes, kind behavior or constructive support (Lovewell, 2012). Social relations are so important that they make you aware that you not alone in times of need. There is so much emotional support when in difficult times. However, the lack of social support from others or poor relations with supervisors, colleagues and subordinates (Sauter et al 1992) can be a potential source of stress and strain problems (Cox and Griffiths 2008).

3.4 Financial Well-being

When it comes to well-being money is one of the twelve job characteristics mentioned by Makikangas et al., (2007, p.201) and Warr (1990) thus, physical security, valued social position, supportive supervision, career outlook, equity, opportunity for personal control, opportunity for skill use, external generated goals, variety, environmental clarity ,and contacts with others all have influence on the well-being of subordinates. The more availability of these characteristics to employees, the better is their well-being (Warr 1990). Some studies say that benefits and compensation are not the main elements of engagement and well-being, however, they are needed to play a part in an employment deal. But Diener (2002) argued that income enhances subjective well-being only if it helps people meet their basic needs and beyond. According to Landy (2010) the importance of work in people’s lives is that, most people need to earn money, and to do so by working. The National Research Council adds support to his observation by people responding to questions like “If you were to get enough money to live as comfortably as you would like for the rest of your life, would you continue to work or would you stop working?” the percentage that agreed continuing working was 70% since 1973. This is the strong testimony to the meaning of work, not particular job but the experience of working, defines who we are (Landy, p.4). Financial well-being is all about a healthy budget to manage both income

and expenditures. It is another way saying, employees can be motivated toward the organization's goals through empowerment (Hilton & Platt, 2011) and the way employees are paid affects their quality of their work and even willingness to be flexible and learn new skills (Milkovich & Newman, 1999), because, low financial well-being can lead to stress, anxiety, headaches and depression.

3.5 Career well-being

In order to enable employees to be consistent with their own needs, talents, values and the organization needs, organizations may have from time to time periodically interview employees about issues such as individual progress, problems, expectations, options, well-being, training need and career issues (Schabracq et al., 2003). And the individual also need to try something new or rediscover an old interest, sign up for a course that you may be interested, and maybe take on a different responsibility at work. The continuation of learning through life can encourage individual's self-esteem, social interaction and a more active life and even sometimes, educational activities help lift older people out of depression (Kirkwood et al., 2008). "Career is defined as the pattern of work-related experiences that span the course of a person's life" (Greenhaus, 2000). All careers have objective and subjective elements that together form the basis of an individual's career. And career management (Greenhaus, 2000, p.18) is seen as an ongoing problem-solving process in which information is collected, increased the awareness of the individual and his environment, career goals and strategies are developed and feedback is obtained. This process can help the person deal with tasks and issues they face in various stages of their careers. The willingness to explore, set goals, develop and implement plans can make a difference in the quality of a person's career and life.

. It is rewarding to have a successful career with a helpful developed attitude of commitment. To add to the above, careers need planning as Schreuder and Theron (1997) indicates that "career planning can be described as the process by which employees obtain knowledge about themselves (their values, personality, preferences, interests, abilities, etc.), information about the working environment, and then make an effort to achieve a proper match".

3.6 Other domains that contribute to quality teaching

The following domains such as environment, less stress, resources, safety, empathy and classroom management play a great role in enhancing quality teaching.

Research shows aspects of organization cultures like, physical environment, leadership effectiveness and working relationships, as well as people's sense of competency, their aspirations and need for personal growth has impact on employee well-being and performance (Watson, 2010).

There are some factors at the workplace that affects employee health and well-being, like the change from constant and stable to a more turbulent environment where (Ginn & Henry, 2003), many organizations or business restructure, merge or downsize to survive in times of economic downturn. As a result, these changes have huge stress factors on employees and are forced to adapt to the situation of change in order to survive economically and remain active to

earn a living. According to Hillier et al., (2005), the literature is clear about work-related stress factors in the work place, such as excessive demands and workloads, lack of control and poor working conditions and relationships that could impede teachers work on inspiring students to reach goals and dreams. Mullins (p.445) listed five dimensions of service quality: tangibles (appearance of physical facilities, equipment, personnel, and communication materials), reliability (ability to perform), responsiveness (willingness to help), (assurance knowledge and courtesy of employees and their ability to convey trust and confidence) and empathy (caring). So, quality is about the relationship between the provider (teacher) and the recipient (students) that lack of self-control and classroom management shows signs of stress escalating. This is not quality teaching, because there is no room for fun, creativity, rapport building, healthy interaction or learning. Relationships with students are keys to productive and progressive learning.

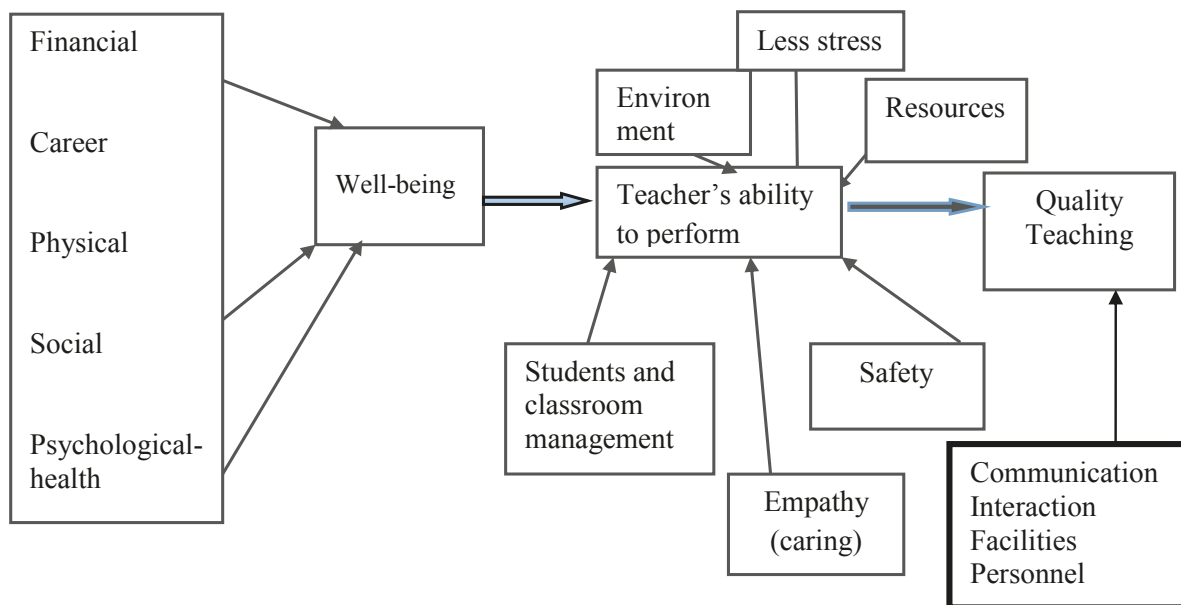
Kyriacou (2001) and Spector (2002) saw stress as a negative feeling or emotional state resulting in teacher's work and for that matter impede performance and these unpleasant feelings may begin to involve anger, tension, frustration, and depression that may become a threat to well-being and self-esteem. Social relationship at work has also been shown to boost employee retention, safety, work quality and interaction. To mention "Quality of working life", a term which emphasizes the relationship between the working environment and personal health. Its aim is to promote employees mental and physical health, safety and satisfaction and emotional well-being of employees such as, providing opportunities for growth and development (Ivancevich & Matteson, 2002). Therefore, in order to cope with stress, work load, strain on job demand, environment, job control, managers have to take the responsibility to help employees are in good health and less stressful.

3.7 The impact of Well-being on Quality Teaching

According to Lovewell (2012) well-being in schools is a fundamental pre-requisite for healthy, constructive and productive quality teaching and learning. A school with low staff retention rates generates low levels of quality learning. In marketing, it is said "marketers create needs, so do teachers, also create inspiration (Mullins & Walker, 2010). Teachers inspire students to reach goals and dreams they thought could not be attained. They support and encourage by challenging students to reach beyond expectations and doubts.

Quality teaching is the result of having an underlying structure that supports the learner and the teacher (Lovewell, 2012). Then she went on to say that lack of self-control and classroom management due to teachers shouting as a means of communication, shows some doubt that productivity, respect and control is lost. This is not quality teaching, because there is no room for fun, creativity, rapport building, healthy interaction or learning. Relationships with students are keys to productive and progressive learning.

Figure 1 A Theoretical Conceptual framework



From the framework, it shows how the four dimension of well-being (financial, physical, social and career) are positively connected to enhance individual well-being (Aked et al, 2008). According to Watson (2010) definition of well-being, it encompasses three interconnected aspects of an individual's "work life", such as Physical health, social and Psychological health (stress, confidence, safety, empowerment, etc.). When these elements of well-being are strong in connecting each other, then, it is sustainable and for well-being to have an impact on quality teaching, it is necessary for other factors such as less stress on teachers, availability of resources and competence (knowledge, classroom management, and confidence) must be taken into consideration (Mullins,2010 p.445).

3.8 Expected Outcome as a summary of the model

A success outcome can reinforce each other and improvement in these areas will possibly reduce stress complaints and provide a higher level of well-being and health. When attention is given to employees' quality of life at the work, it definitely results to productive workplace and a happier workforce (Hillier et al., 2005). A good working climate and few stress complaints among employees are of influence on the corporate image and that shows the corporate takes its values about well-being and health seriously (Schabracq et al., 2003 p.595).

4. Methodology

4.1 Population

The research setting in Bangkok is considered an appropriate area to study the impact of well-being on quality teaching from foreign teachers' perspectives and the effects of well-being on teachers' performance in different schools.

This study pursued a qualitative research method approach. The reason for choosing this technique is applying the exploratory approach to provide the researcher information for further development in research.

4.2 Sample design and instrument used

The interviews or observation collected was based on 15 participants in different schools in Bangkok on references (snowball). Most of the effort was made through web search for schools. The only expectation for the sample is that the teachers are foreign teachers.

With semi-structured interview, that is open-ended questions asking for short essay type of answers from respondents (Zikmund et al., 2013 p.1), the interview is based on 16 questions divided into three sections 1, 2 and 3 and subsections. Section 1 is about well-being, 2 is ability to teach and 3 is about quality teaching. Using a qualitative study in an exploratory approach in that, the researcher will listen to participants and built an understanding based on their ideas (Creswell, 2007 p.33).

Overall, a Phenomenological study approach appeared most suitable in this case, because it involved human experiences based on the relationship they have with the physical environment, objects, people and situations (Zikmund et al 2013, p. 136). It seeks to describe, reflect upon, and interpret experiences. See below the summary of participants' information in table 1

Table 1 Participants information

Sex, age	School	level/Position	Country of origin
M, 25-35	Rajavinit	secondary	Ghana
M, 25-35	watweruwaram	primary	Uganda
M, 36-45	TriamUdom	secondary	Greece
M, 46-55	TriamUdom	secondary	Belgium
F, 25-35	TriamUdom	secondary	South Africa
F, 25-35	WittayaKhom	secondary	Philippines
F, 56 above	Bangkok Adventist	upper primary	Myanmar
F, 46-55	Bangkok Adventist	primary	Philippines
M, 25-35	Khemasiri	primary	USA
M, 46-55	Bangkok Adventist Intl	primary	Philippines
M, 25-35	Unn Academy	primary	Ghana
M, 46-55	Professional lang. edu	all levels	Ghana
M, 25-35	St Dominic Catholic	primary	Germany
M, 25-35	St Dominic Catholic	secondary	UK
M, 36-45	Harrow	primary	UK

Ethical considerations

Participants were given knowledge about the topic of study for the research and were assured of confidentiality measures to protect them from any risk and therefore to be part voluntarily. A consent form which protects their privacy was provided for participants to read and sign, providing name, country, age and gender. The advantage of this interview is to get full range of in-depth information from the participants, and conduct the research only in English.

4.3 Thematic analysis and descriptive narrative approach

The main aim of this interview is to evaluate and understand the differences of ideas and experiences of these teachers' well-being on quality teaching. As Kawulich (2004) stated that analyzing qualitative data typically involves getting oneself deep in the data to be familiar with it, then looking for patterns and themes, and various relationships between data that help the researcher to understand what they have and write up the information. The data collected was transcribed for such purpose to identifying all the repeating patterns into themes.

Desantis and Ugarriza (2000) defined a theme as abstract entity that brings meaning and identity to a recurrent experience and its variant manifestations into a meaningful whole (p.362). They suggest that a theme involves five aspects

1. the overall entity or experience
2. the structure or the basis of the experience;
3. the function or the nature of the experience into a meaningful whole;
4. the form or the stability or variability of the various manifestation of the experience
5. the mode or the recurrence of the experience.

Content analysis used for the interview data and sorted across the transcripts in attempt to understand and explain the similarities and differences for well-being and its impact on quality teaching (Howard and Johnson, 2004) and then determining these patterns in data and making the conclusions much more reliable.

The following four criteria were proposed for evaluating sounding quality research and these are credibility, transferability, dependability (trustworthiness) and conformability. A good qualitative research should be trustworthy (Kenyon, 2004). This means that the outcome (finding) of the research should be worth paying attention to. Qualitative study is seen valid, only if it is credible (Babbie & Mouton, 2006), "just as a quantitative study cannot be considered valid unless it is reliable, so is qualitative study cannot be called transferable unless it is credible" (Mouton, 2006). For example, Triangulation as a method was used to ensure credibility, that is, different questions can be asked from different angles during the interview. The credibility and trustworthiness is based on the differences in the answers, not owing to the questions but the differences and similarities among the participants. And the dependability, if the study was to be repeated with the same participant in the same or similar context, the outcome should yield the same findings. Lincoln & Guba (1985), state that there is no credibility without dependability. To enhance dependability, an audit inquiry could be done (Babbie & Moton, 2006).

These records will leave enough evidence for the evaluator to be able to decide whether the result is a product from the interview (Kenyon, 2004; Babbie & Mouton, 2006).

5. Analysis and Results

This chapter presents research results from the qualitative interviews conducted. The data was collected by means of recorded interview with 15 participants agreed to answer questions that relates to their experiences. The interviews were remarkably spontaneous and consistent in their individual response that seems very similar (Von der Lippe, 2010). Content analysis was used to identify themes per question and further look for similarities and differences.

5.1 Below is the Summary of Participants response to interview questions.

Question 1: As a teacher, tell me about your understanding of well-being.

Participants shown different perceptions on well-being but shared a common assumptions, which to them is about, being more comfortable in life with less stress. They pointed out that being positive in your mind set and be fit for the students you teach means, taking good care of yourself.

Question1.1: What do you do to keep healthy?

All the participants agreed that they do some exercise to keep healthy and is really good for their health. Some indicated that going to the gym also help them to make new friends (socialize).

Question 1.2: How do you benefit by belonging to a social group or community?

All participants indicated that they benefit from friends or colleagues by sharing ideas, supports, helping each other and getting good advice from them.

Question 1.3: How important is financial well-being to you as a teacher?

Most of the participants described financial well-being as important to them because they earn some income that helps them to consistently take care of things around them, like, having plans to own a business in future. While, one of the participants had a different opinion that financial well-being is not important to her, however, having enough money to live a normal life is very essential to her. To those that sees financial well-being as important and may not survive without it also expressed their concern.

Question 1.4: What meaning does career have in your life as a teacher?

Participants raised concerned about moving forward in life. And they all seem to agree on upgrading themselves by taking opportunities and having their own business, to them, career plays a major role in their lives. To some participants, career as a teacher is like a dream come true. Taken together, these domains are considered important components of well-being.

Question 2.1: What role does being competent play in your teaching?

The participants seem to be in agreement about competence by outlining their experiences involving professionalism and knowledge, techniques and skills, the environment and resources, language skills, materials and students participation in class.

Question 2.2: What impact does the availability of resources have in your teaching?

Participants were emphatic about the use of resources as being important in their teaching. The following were mentioned by all participants; internet, textbooks, games, audio-visual aids, microphones and materials (projectors).

Question 2.3: What are some of the day-to-day stresses you face teaching in this school?

The Participants indicated some situations that they face in their schools and was somehow stressful to them, like, classroom management, managerial style, disagreement with colleagues, and communication problems.

Question 2.4: What can teachers do to help classroom management?

Participants in their experience and role as a teacher mentioned that a teacher must control their emotion and be professional and try to manage or calm his/her class by using games, motivation and sometimes relying on Thai teachers for assistance. Foreign teachers in particular do experience some classroom management issues, either, lack of respect from the kids or they find it difficult to understand you speak to them.

Question 2.5: How essential is taking care of your students have an impact on your teaching?

Participants indicated that connecting, involving, helping, supporting and building a relationship with students did improve their learning abilities and confidence. Students learn so easily if they can interact with each other and work in a group.

Question 2.6: What safety measures are provided for teachers in your school?

Some participants mention safety measures that include security gates, health insurance and health clinic. Others only believe the measure they know is security at the entrance, nothing else.

Question 3.1: What factors are important in evaluating quality teaching?

Participants were very positive in their opinion that factors such as being well-trained as a teacher, confidence, knowledgeable, using techniques and skills, the importance of time factor, communication, feedback from students and a good relation with your supervisor, lesson achievable and resources are all a major factor to evaluating quality teaching. All the above mentioned domains plays a very important role in evaluating quality teaching, because, if all

these underlying structures are not in proper use to support the learner and the teacher, then, the result of teaching outcome would not be quality enough (Lovewell,2012).

Question 3.2: What role does communication play in your teaching?

Proper communication with students and colleagues help the teacher's confidence, as the participants agreed on that. They also said communication help get feedback, being comfortable interacting with others, easy access to materials and resources and making your messages clearly heard by the students, thus, able to understand you.

Feedbacks in communication also help to evaluate whether the person understand you or not, though, not that easy.

Question 3.3: How does your interaction with students and colleagues help in your teaching?

From the responses it seems that participants spontaneously shared similar experiences about interaction. They mentioned that students learn easily and comfortable through interaction and that, colleagues share good advice and ideas. There's also some respect, motivation and fun with the students.

Question 3.4: What kind of facilities can be used to support and encourage students to reach their expectations?

Participants were in accordance with facilities such as use of projectors, computer rooms, sport field, library, swimming pool, science lab, health clinic, internet, and air-conditioned rooms, from the teachers' experience, were necessary to encourage students reach their expectations.

Question 3.5: What role do personnel in your school play to make teaching more a learning and creative center?

Participants focused on issues such as personnel providing cleaned rooms, food, textbooks, materials, photocopying machines and stationaries, Thai teachers assisting foreigners with students' affairs and immigration issues and security staff offering help and maintenance services.

In conclusion to this section, the data reporting was instead summarized by key themes, using selected quotes to illustrate findings (Kawulich, 2004, p. 105).

5.2 The findings by themes emerged from data. Various relevant themes were identified from the interview.

The findings (naturalistic study) are reported in a descriptive narrative approach rather than a scientific report (Creswell, 2009, p.211) which, the stages of the interview questions were fundamentally developed from the conceptual framework.

Stage 1 contained questions that were on well-being, Stage 2 was information about the ability to teach and the stage 3 requested information about the factors that evaluates quality teaching.

5.2.1 Well-being

The participants' shared different understanding about well-being that seems similar with the literature, like, emotional, physical, financial, psychological or positive mindset, comfortable, feeling good and taking care of oneself (Huppert, 2008; Rath & Harter, 2010). The majority of respondents agree to the importance of employers paying more attention to staff well-being and that exercises enhances physical well-being, health plan, less stress, respect and fairness at work and encouraging social relationships. It is clear from the feedback that participants' perception about well-being was positive.

Physical well-being

Physical well-being is one of the dimensions participant saw to contribute to well-being. They said eating healthy, walking, and jogging or doing some exercises is good for health and well-being. As one of the participant put in a candid way that "maintaining your energy level for the kids you teach matters a lot". This finding is in line with (Lovewell, 2012), who indicates that if teachers are not fit to cope with the demands and pressure on them, they will not provide the quality teaching expected from them. Also those observations made by the participants were confirmed by Mulvihill, (2005).

Social well-being (SWB)

The benefit of belonging to a social group is a factor that supports the sustainability of SWB. Participants mentioned that they benefit from sharing ideas, emotional support, assistance from colleagues and friends that you can rely on, (Wild, 2012; Lovewell, 2012; La Guardia & Patrick, 2008) confirm through their research that SWB will support and enrich you personally for optimal growth and well-being.

Financial well-being (FWB)

Financial well-being was mentioned as a means to contribute to well-being and this in line with (Makikangas et al., 2007; Warr, 1990) findings which highlighted the importance of it. Participants believe having money to take care of needs and family and expense are very essential (Diener, 2002). Having enough money to live a normal and perhaps own a business is the most important thing some of the participants anticipate.

Career well-being

Participants indicated on many times during the interview that is extremely necessary to take opportunities to advance in a career or continues education, upgrade skills or own a business, and have a stable income (Kirkwood et al., 2008; Schabracq et al., 2003; Aked et al., 2008)

5.2.2 Ability to teach

According to the Participants, competence, being knowledgeable, language proficiency and proper communication, techniques, confidence, use of materials and having students to participate in your lessons are a major attribute to teaching (Lovewell,2012;Mullins,2010). The availability of the following factors were considered has enhancing performance.

Resources

The availability of resources is great says the participants and having access to resources like the internet, textbooks, games, audio-visual aids, speakers and materials help your lesson plan. Participants agreed that the need for resources made available is important for a teacher's lesson (Mullins, 2010).

Stress

All the participants indicated that they face stress in the class, thus, students' noisy, uncontrollable, disagreement among colleagues, lack of managerial authority, and poor communication channels (Kinman & Jones, 2005; Love et al., 2006). Sometimes they do get assistance from the Thai teachers to help solve some issues or control classroom management.

Classroom management

Thai teachers' involvement, according to the participants, help in controlling classroom management. They also suggested using games, involve the students in an activity to motivate them, and being friendly and controlling your emotions is a key factor (Lovewell, 2012).

Empathy

Participants were in accordance with the idea that empathy is a good way to connect with students and interact freely by involving them in your lessons, build their confidence and that shows mutual respect, provide help and support towards a relationship building (Aked et al., 2008; Mullins 2010).

Safety

Most participants disagree concerning safety measures. Some says there are no any safety measures in their school. Others did mention measures like, health insurance for teachers, health clinic, fire extinguishers, and air-conditions in most classrooms.

However, participants seem to agree on security gates at all schools as a safety measure (Ivancevich & Matteson, 2002).

It is therefore imperative that if teacher's well-being is not properly taken care of, then, the willingness to perform in a professional level would be in doubt. So, all these dimensions mentioned should not be ignored. Schools should provide the necessary resources, better

environment to teach and learn with proper communication channels and safety measures, stress reduction and good interaction with students and colleagues for teachers to diligently deliver their expertise. Teachers' ability to teach depends on its well-being and the availability of resources and equipment in place.

5.2.3 Quality teaching

The factors that were considered by participants to evaluate quality teaching includes; a well-trained teacher, confidence, knowledgeable, applying techniques and skills in teaching, resources, time factor, communication, feedback from supervisor and students, and the meaning of lesson outcome (Lovewell,2012; Mullins,2010; Aked et al.,2008).

Communication

Participants said with their experience, communication is vital, because without it then there is no teaching. They indicate that it makes them confident, get feedback and interaction with students is great, get students' attention if they can hear you and understand what you saying with the use of materials (Mullins, 2010).

Interaction

According to the participants, first they said, their experience with students' interaction is good because they learn so easily, feel comfortable around you, can trust and respect you, have fun and motivate them. With colleagues, participants agreed that they freely share ideas and experiences, provide good advice and are supportive. To them it helps a lot to establish interaction with your students and colleagues. Mullins & Walker (2010) mentioned that quality is about the relationship between the provider (teacher) and recipient (students) to make fun for interaction or learning (Lovewell, 2012).

Facilities

Participants mentioned they have projectors, computer rooms, sport field, swimming pool, science lab, microphones internet, and library and health clinic to support students learning. They said using these kinds of facilities encourages students the more to learn and are rather motivated to reach their expectations (Mullins, 2010).

Personnel

Participants were pleased to mention that personnel in their schools provide cleaned rooms, food, textbooks and materials, photocopy machine, and the security staff provide maintenance services. Some did say that the Thai teachers assist foreign teachers with their immigration issues.

Majority of respondents from the interview thought that there is a positive link between quality teaching and honest open communication, cooperation among teachers to work together, improving facilities to make teaching a lot better and that teachers are role models to students (Mullins 2010; Lovewell, 2012).

Resources

The availability of resources is great says the participants and having access to resources like the internet, textbooks, games, audio-visual aids, speakers and materials help your lesson plan. Participants agreed that the need for resources made available is important for a teacher's lesson (Mullins, 2010).

Classroom management

Thai teachers' involvement, according to the participants, help in controlling classroom management. They also suggested using games, involve the students in an activity to motivate them, and being friendly and controlling your emotions is a key factor (Lovewell, 2012).

Results

The findings presented offered strong support for well-being having an impact on quality teaching and therefore, results suggest that teachers can contribute to students and people's overall sense of happiness if all this domains are in proper place to help shape their lifestyle (Ilies et al., 2010). And also in line with the literature (Rath & Harter, 2010) says *"it is about the combination of our love for what we do each day, the quality of our relationships, the security of our finances, the vibrancy of our physical health, and the pride we take in what we have contributed to our communities. Most importantly, it's about how these five elements (physical, career, social, community and financial) interacts"*.

Therefore, the relationship among the variables demonstrates that financial, physical, career, and social has a direct positive influence on well-being.

Also there is negative link between classroom management and stress, however, indication from participants shows that their Thai colleagues or personnel help in classroom management and reflect positively on physical health due to less stress.

Empathy and interaction with students and colleagues has a positive effect on communication. Students were able to participate in class activities freely without any fears or worries.

Overall, participants indicated that they found the availability of resources, environment, and safety measures, personnel and time factor, communication, classroom management and interaction with students has positive effect on competence and the ability to teach. Therefore, Teacher's well-being has effect on ability to teach and that enhances quality teaching.

Finally, the interview themes are presented, findings are compared and triangulation used to provide validity to the findings (Creswell, 2013, p.251). The link between overall well-being and quality teaching has, however, been established in research (Makikangas et al., 2007; Hillier et al., 2005; Vuori, 1998; Lovewell, 2012; Warr, 1990; Diener, 2002; Kyriacou, 2001 & Spector, 2002; Mullins, 2010).

This section has shown the importance of well-being and quality teaching components that should not be misunderstood but rather shows the role it plays in a teacher's life and making the school a learning and creative center for students. This is to provide organizations with the necessary information to help understand teacher's well-being and teaching.

6. Conclusion

Based on this study, it is not the purpose of qualitative research to produce generalizable findings applicable to whole population, since the data collected was conveniently a small group of foreign teachers from different schools sharing their various experiences about well-being and quality teaching.

The findings offered strong support from the teachers' view that confirms conceptual research on well-being (mainly with psychological and sociological background), if all the dimensions relates with each other, then, well-being has a connection and therefore has an impact that might be positive or negative on quality teaching (Lovewell, 2012; Mullins, 2010; Rath & Harter, 2010), applied to some schools in Bangkok.

Therefore, feedback from the interview gave a good indication that well-being has an impact on quality teaching, through the analysis in the results chapter, the connection between well-being and quality teaching were highlighted. The only situation that was identified in the interview was about the safety measures, where, participants couldn't tell what kind of measures the schools have. Hence, judgment as whether safety had any contribution to affect well-being and quality teaching was not clear.

In general terms, participants choice of words that sounded similar in all dimension were comfortable and feeling good, confidence, support, sharing ideas, upgrading oneself and being professional, use of materials, motivation, connecting, involving, communication and feedback and respect were all strong features of the participants' talk.

Quality Teaching

According to Lovewell (2012), well-being in schools is a fundamental base for healthy, constructive and productive quality learning. That, quality teaching is the result of having an underlying structure supporting the learner and the receiver. This research confirms the importance of teacher's ideas and experiences on the factors that evaluate quality teaching, like, a well-trained teacher, confidence, and knowledgeable, using techniques in teaching, skills, time factor, communication, feedback and meaning of the outcome.

7. Implications for Business

Practically speaking, if the results of the current study are perhaps applied to the teaching profession in Bangkok, it can cause a lot betterment for the schools and organization, showing the interaction of the domains of well-being and quality teaching relating to psychological and social concern. This is in support with existing ideas as the findings of this research fit in the framework and model of the literature.

Well-being, if not check on early stage can affect productivity or teaching due to illnesses, absenteeism and loss of worksite days that can have financial implications for the organization.

Management would be very much at ease if teachers and personnel are satisfied with their job and their well-being taken care of and provisions are made for them to be motivated to take good care of themselves.

For Business, the implication of these findings is that teachers' well-being and voice concerning teaching should be considered as to promote opportunities for them to be involved in decision making that could be a cross fertilization effect on quality work-life and teaching. The ability to promote well-being is of considerable benefit to not only the employees in the community but to the employer as well, due to profitability, productivity, customer royalty and turnover. The development of ideas concerning well-being interaction with quality teaching and giving examples on how these can be applied to schools in Bangkok is partially the conceptual framework of this research. The purpose of this paper is to demonstrate through the effort of the teachers, that, the importance of well-being at work has far been neglected and therefore portrays the overview link between well-being and quality teaching.

From the findings ,well-being linking with quality teaching is without doubt that the various dimensions, like, physical, social, career, and financial alongside interacting with other dimensions such as communication, less stress, competence, personnel, safety, classroom management resources and facilities ,together, played a major role in well-being having a more positive than negative impact on quality teaching.

Therefore, the valuable contribution that can be made in this area is management focusing on their teachers and employees well-being. This current study provides the endeavors for organizations as the means for well-being considered important that can create an ultimate lead to quality teaching. Similarly, the success or failure of an organization to promote well-being of employees can explicitly be attributable to trust in management and supervisory support. Therefore, the business case for employees' well-being may succeed not because of any kind of longtime corporate policy or culture of the organization but due to linkages of trust between management and employees. So, organizations and schools could start with investing more resources into improving the well-being of teachers and its employees, resulting in business success, which is in accordance with this study objective. With this in mind, it is time to tighten the link between teachers' well-being and quality teaching and embrace the benefits of this new dimension that has been overlooked. It is ideal to find the result of this research highly helpful and the study provides vital information of what to expect concerning teacher's well-being and quality teaching.

8. Research Limitation

There were a few challenging when collecting the data:

8.1 The time framework was not enough to collect more data. It would be fair the time frame is revisited for future research purpose.

8.2 It would be appropriate to investigate the entire foreign teachers in Thailand to assess the experience of others so that schools are well-prepared.

8.3 Also access to entering or visiting school premises should be permissible by the Schools, to welcome interviewer meeting participants.

8.4 Mixed method could be more appropriate in the future to complete a very precise result through testing.

9. Recommendation

This study is not without its limitation. The sample limited the generalisation of the results. This can be strengthened by increasing the sample size as the data analysis results and findings may vary. As foreign teachers in Bangkok, only may not represent the whole region or Thailand. The involvement of more teachers could create a more diffused results and findings. So the current results are only applicable to the Bangkok schools.

10. Further Research

Despite these limitations, this study provides an integrative approach to guide future research in this well-being and related domains. With an increase in sample size, a more detailed scientific study among independent variables and the variables that have multiple categories can be correlated and analyzed and reported in a future study.

To deal with these issues, future research on well-being and impact on quality teaching should be considered using a multidisciplinary research team of experts for further in-depth investigations and identify other significant variables that can enhance the intention.

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Appendices

Semi-structured interview questions

1. Well-being

As a teacher, tell me about your understanding of well-being.?

1.1 Physical well-being

What do you do to keep healthy?

1.2 Social relations

How do you benefit by belonging to a social group or the community?

1.3 Financial well-being

How important is financial well-being to you as a teacher?

1.4 Career well-being

What meaning does career have in your life as a teacher?

2. Ability to teach

2.1 Competence

What role does being competent play in your teaching?

2.2 Resources

What impact does the availability of resources have in your teaching?

2.3 Stress

What are some of the day-to-day stresses that you face teaching in this school?

2.4 Classroom management

What can teachers do to help classroom management?

2.5 Empathy

How essential is taking care of your students have an impact on your teaching?

2.6 Safety

What safety measures are provided for teachers in your School?

3.

3.1 Quality teaching

What factors are important in evaluating quality teaching?

3.2 Communication

What role does communication play in your teaching?

3.3 Interaction

How does your interaction with students and colleagues help in your teaching?

3.4 Facilities

What kind of facilities can be used to support and encourage students to reach their expectations?

3.5 Personnel

What role do Personnel in your School play to make teaching more a learning and creative center?

A Consent Form for Research

Semi-structured interview questions

Dear Participant,

My name is James Boateng from University of the Thai Chamber of Commerce. The following information is provided for you to decide whether you wish to be part of this interview about foreign teachers' well-being and its impact on quality teaching. You are free to decide not to participate without affecting you in any circumstances.

The purpose of this study is to understand the process and experience of well-being in a Master level course. Data collection will involve audio-tape one-on-one interview. There are no known risks and /or discomforts associated with this study. The expected benefits associated with your participation are the information about the experiences and the opportunity to be part of this interview.

Please provide the necessary information and sign your consent with full knowledge of the nature and purpose of the procedures.

Name: _____

Age: ☐ 25-35 ☐ 36-45 ☐ 46-55 ☐ Above 56

Continent: _____ Country: _____

Gender: ☐ Female ☐ Male

Name of School: _____ Level: _____ (e.g. Primary, etc)

Years of teaching: _____

Signature: _____

Date: (_____) Time: (_____)

THE COMPETENCY OF HUMAN RESOURCES PERSONNEL IMPACTING A HIGH PERFORMANCE AND SUSTAINABLE ORGANIZATION IN THAILAND

by

Suthira Anantachart

Graduate School of Commerce, Burapha University
E-mail: oakky23@hotmail.com

and

Krit Jarinto

Graduate School of Commerce, Burapha University
E-mail: krit.dbal@gmail.com

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Graduate School of Commerce, Burapha University

E-mail: oakky23@hotmail.com

and

Krit Jarinto

Graduate School of Commerce, Burapha University

E-mail: krit.dbal@gmail.com

Abstract

This article is intended to study the competency of human resources personnel which impacts a high performance and sustainable organization in Thailand through qualitative researches and in-depth interviews by using purposive sampling method. Samples were divided into 3 groups: 1) experts from public and state enterprise sectors 2) experts from private sectors and 3) experts from human resources professional standard agencies. All data was then processed in ATLAS.ti Program.

The finding from this study reveals details or sub-elements of twelve importance competencies of human resources personnel which impacts a high performance and sustainable organization including change management, communication, relationship, training and development, performance management, business acumen, compensation management, talent management, leadership, technology and information system, business strategy, and workforce planning.

Keywords: Competency, Human Resource Competency, High Performance Organization, Sustainable Organization, Thailand, Qualitative Research

1. Introduction

In the global environment today, drastic and significant changes are seen prevalently and there are several factors affecting human resources aspect of both internal and external organizations. They include demographic factors such as more older resources working in an organization, the lack of skilled, knowledgeable and competent labor, the lack of skilled labor in science and technology, and innovation initiatives; economic factors such as fierce competition leading to business mergers and seeking more strategic partners; globalization factors leading to less rules and regulations, borderless trading, high business growth, more competition, new

emerging competitors and new labor force. These factors lead to a more internationalized human resources management and operation approach. (Society of Human Resource Management [SHRM], 2002)

Therefore, Ulrich, Younger, Brockbank, and Ulrich (2012) conducted a study and concluded upcoming trends on external environment outside an organization which will impact human resources operation. These trends include social changes in the way of living such as family, ethics, religions, the seek for better wellbeing, technological changes in terms of concepts and constant development of new gadgets, economic changes with borderless investment flow, political changes where people place higher expectation on the government, environmental changes by the lack of resources which lead to more attention on social responsibility, and demographic changes in terms of birth rate, income level and education level impacting employee's behaviors.

Beside these changes of external environment, there is one crucial aspect in this context: the opening of free trade area in many regions which will lead to higher product and service quality development. Moreover, there will be higher trade barriers. Organizations must adapt to serve this competition properly, not just nationally but also internationally or globally. There will be issues of diversity of workforce, job nature and descriptions which will send a direct impact on human resources operation (Dessler, 2006). All of these factors determine that human resources personnel must be professional, knowledgeable, highly skilled and competent to weather the organizations through the storm of drastic environmental changes effectively and efficiently. Consequently, it will lead put an organization on a competitive advantageous position. (Christopher & Sumantra, 2002).

A changing competitive market impacts the way an organization obtain competitive advantages in a globalized world such as patents, economy of scale, access to investment, market regulations as well as high demand in timely innovations to serve the market, adaptation, and low cost management. All of these advantages are deemed obsolete in driving differentiation or competitive edges of an organization. However, employee's core competency is a crucial factor that will lead to the development of new product and service excellence (Pfeffer, 1994). This is consistent with the concept introduced by Hamel and Prahalad (1994) that employee's skills, knowledge and competency will have a direct impact on the profitability of an organization.

These important aspects will increasingly impact human resources operation. If human resources personnel possess a strong and effective competency, it will affect an organization performance and sustainability as a result. Modern organizations should continuously focus on, plan, and continue to improve human resources personnel's core competency to meet the demands of a changing environment in the future.

2. Literature Review

A competency is a basic trait of each person relative to their performance and efficiency outside their jobs, roles, or situations (McClelland, 1973). This is similar to what Boyatzis (1982) defined as a basic trait of each person that affects their performance on the job or outside their jobs. Spencer and Spencer (1993) stated that a competency is a more permanent personality of each person which will lead to their behaviors and performance.

A core competency of human resources personnel that leads to their professionalism includes a set of outstanding knowledge or competence forged by a continuous and systematic learning process. By knowledge, a human resource personnel must be able to effectively apply their knowledge to the business (Brockbank, Ulrich, & Beatty, 1999). HR Certification will be used to endorse a long-term commitment to this profession and show their much needed HR professionalism toward their colleagues, fellow employees and the organization (Human Resource Certification Institute [HRCI], 2013).

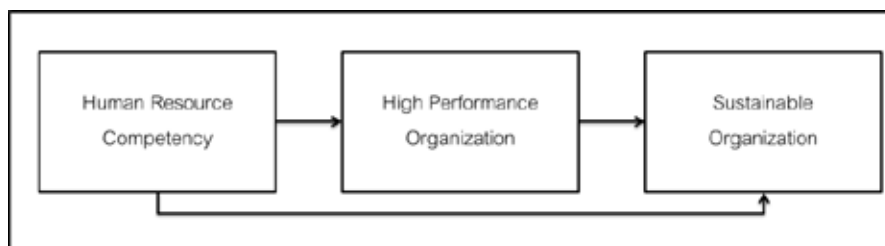
A high performance organization is an organization with an ability to respond to external environment, understand the market and their customers before and better than any other organizations in the same industry, and focus long-term talent retention (Buytendjik, 2006). Waal (2006, 2007) further explained that this organization must be able to achieve higher financial and other accomplishments than their counterparts in the same industry at least for 5-10 years. This organization must focus on organization and HR development by investing in HR development, establishing internal communication processes, fostering organization culture, and putting in place a good performance assessment system (Armitage & Keeble, 2007).

United Nation's Brundtland Report defined a sustainable organization as one with a development plan to meet the current demands of their personnel while maintaining the right to meet the demands of the future generation (World Commission on Environment and Development [WCED], 1987 cited in Harris, 2003). Litman (2011) further added that a sustainable organization must set an ultimate goal or what it aims to achieve by properly considering both direct and indirect social, economic, and environmental impacts in the long term.

3. Conceptual Framework

This study aims to study the core competency of HR personnel that will impact a high performance and sustainable organization in Thai context.

Figure 1 Study Framework



4. Methodology

This study mainly focuses on qualitative research approach through in-depth interviews by using purposive sampling method. Samples were divided into 3 groups: 1) 8 experts from public and state enterprise sectors 2) 8 experts from private sectors and 3) 4 experts from human resources professional standard agencies. At minimum, all respondents are mid-level managers with at least 10-year experience in human resources management. After collecting qualitative research data, it was then processed in ATLAS.ti Program with a process (Frieze, 2013) as follows:

- 1). Create a project or file to enter qualitative research data, including data, coding, structure under the same name
- 2.) Enter all data in ATLAS.ti
- 3.) Read and select interesting findings, identify and code those findings, create a note and suggestions
- 4.) Compare each data point per identified code
- 5.) Manage similar or redundant data
- 6.) Find data findings based on research questions
- 7.) Define groups of coded words
- 8.) Create a written report per record in each step

5. Data Analysis

After conducting a qualitative research through in-depth interviews with 20 HR experts from public, state enterprise, private sectors and human resources professional standard agencies, it is found that there are 12 core competences of HR personnel which impacts a high performance and sustainable organization. Detailed findings are as follows:

5.1 Change Management

Figure 2 The competency of human resources personnel impacting a high performance and sustainable organization

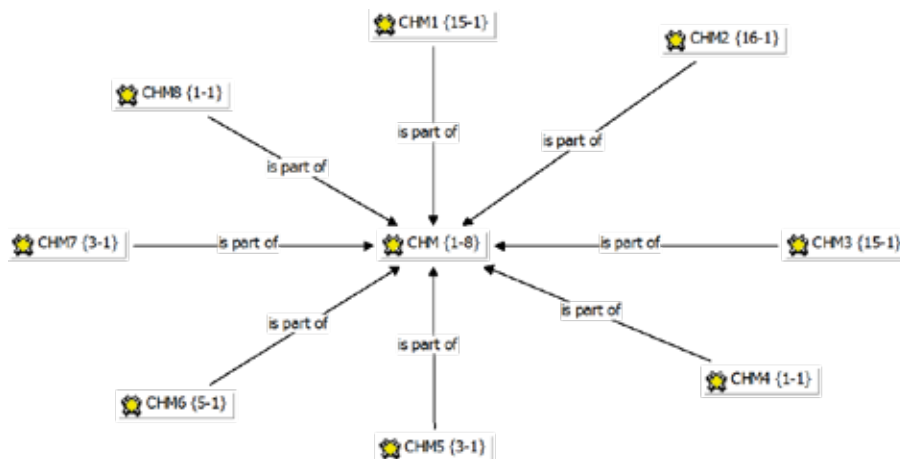


Table 1 The competency of human resources personnel impacting a high performance and sustainable organization in Thailand

Code	Definition	Frequency	Percentage
CHM1	Current and future situation analysis to respond to change	15	25.42%

CHM2	Change Planning	16	27.12%
CHM3	Change championship	15	25.42%
CHM4	Application of technology to change management	1	1.69%
CHM5	Basic understanding of human psychology	3	5.08%
CHM6	Personal traits: Thinking process, creativity, open mind, fast learning, quick adaptation, flexibility, positive thinking, service mind	5	8.47%
CHM7	Understanding of vision, business, organization's business strategies, and management tools to apply to change management	3	5.08%
CHM8	Decision making	1	1.69%
CHM	Change management competency	59	100%

From Table 1, it reveals that the in-depth interviewees, HR experts, suggested that the competencies of human resources personnel impacting a high performance and sustainable organization on change management consist of 8 sub-components. Among the top three are (1) Change management with 16 frequencies (27.12%), (2) Current and future situation analysis to respond to change with 15 frequencies (25.42%), on par with (3) Change championship with 15 frequencies (25.42%).

5.2 Communication

Figure 3 The competency of human resources personnel impacting a high performance and sustainable organization

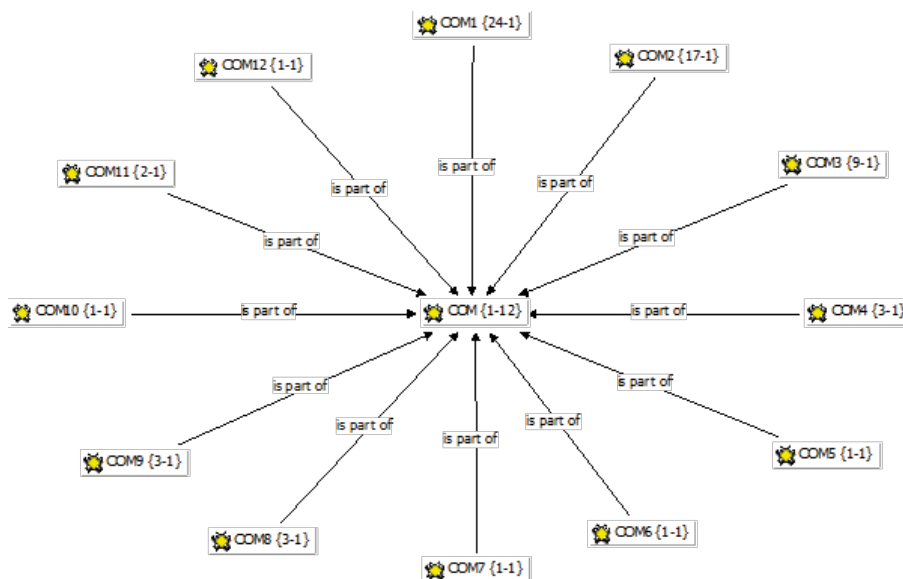


Table 2 The competencies of human resources personnel impacting a high performance and sustainable organization

Code	Definition	Frequency	Percentage
COM1	Proactive communication planning and execution	24	36.36%
COM2	Effective speaking and writing	17	25.76%
COM3	Effective listening	9	13.64%
COM4	Counseling	3	4.55%
COM5	Application of technology to communication	1	1.52%
COM6	Crisis communication	1	1.52%
COM7	Buzz communication	1	1.52%
COM8	Communication creativity	3	4.55%
COM9	Basic Understanding of human psychology	3	4.55%
COM10	Coaching	1	1.52%
COM11	Emotion control	2	3.03%
COM12	Data accuracy	1	1.52%
COM	Communication competency	66	100.00%

From Table 2, it reveals that the in-depth interviewees, HR experts, suggested that the competencies of human resources personnel impacting a high performance and sustainable organization on communication consist of 12 sub-components. Among the top three are (1) Proactive communication planning and execution with 24 frequencies (36.36%), (2) Effective speaking and writing with 17 frequencies (25.76%) and (3) Effective listening with 9 frequencies (13.64%).

5.3 Relationship

Figure 4 The competency of human resources personnel impacting a high performance and sustainable organization

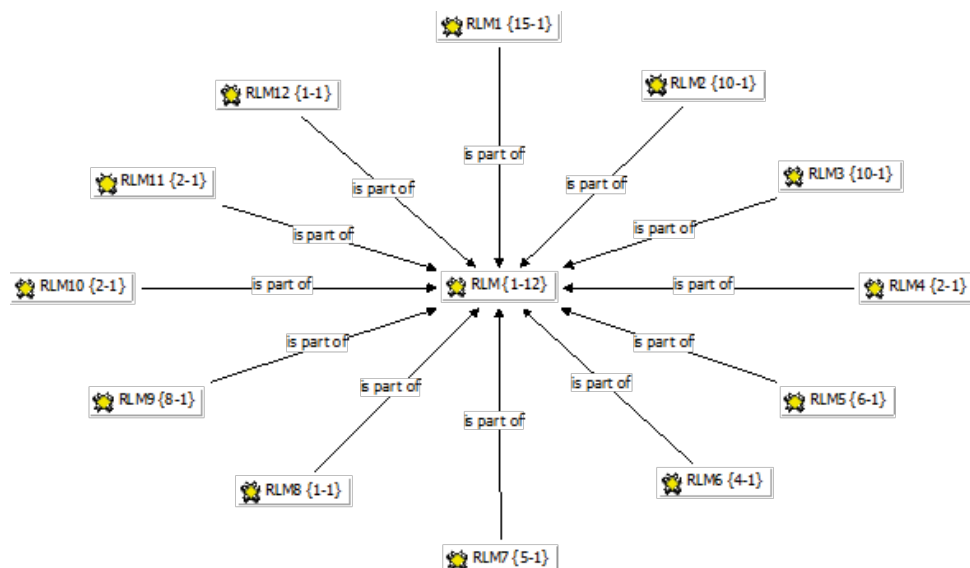


Table 3 The competencies of human resources personnel impacting a high performance and sustainable organization

Code	Definition	Frequency	Percentage
RLM1	Helping employees	15	22.73%
RLM2	Employee counseling	10	15.15%
RLM3	Responding to employee's needs	10	15.15%
RLM4	Teambuilding	2	3.03%
RLM5	Teamwork	6	9.09%
RLM6	Flexibility and adaptation	4	6.06%
RLM7	Building a network within an organization	5	7.58%
RLM8	Being a good leader and follower	1	1.52%
RLM9	Informal relationship	8	12.12%
RLM10	Basic understanding of human psychology	2	3.03%
RLM11	Communication	2	3.03%
RLM12	Decision making	1	1.52%
RLM	Relationship Competency	66	100.00%

From Table 3, it reveals that the in-depth interviewees, HR experts, suggested that the competencies of human resources personnel impacting a high performance and sustainable organization on relationship consist of 12 sub-components. Among the top three are (1) helping employees with 15 frequencies (22.73%), (2) Employee counseling with 10 frequencies (15.15%) on par with (3) Responding to employee's needs with 10 frequencies (15.15%).

5.4 Training and Development

Figure 5 The competency of human resources personnel impacting a high performance and sustainable organization

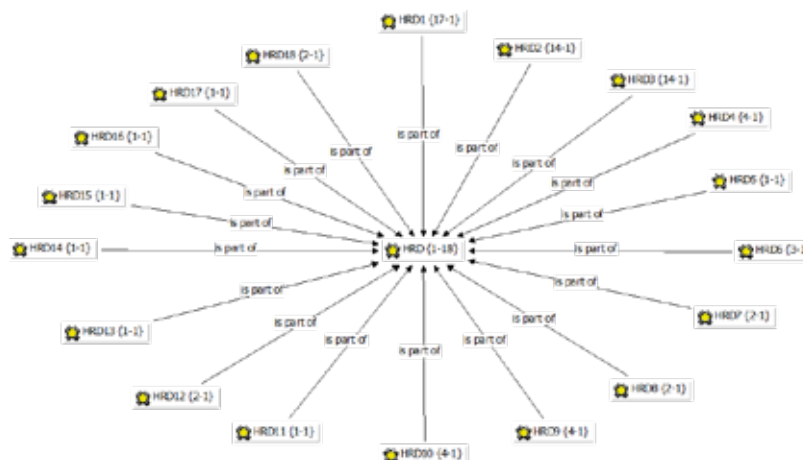


Table 4 The competencies of human resources personnel impacting a high performance and sustainable organization

Code	Definition	Frequency	Percentage
HRD1	Aligning training and development with organization's business strategies	17	22.67%
	Developing training and development tools		
HRD2		14	18.67%
HRD3	Always Seeking to learn	14	18.67%
HRD4	Need analysis for training and development attendees	4	5.33%
HRD5	Determining training and development content	1	1.33%
HRD6	Evaluating training and development	3	4.00%
HRD7	Project management	2	2.67%
HRD8	Building engagement	2	2.67%
HRD9	Knowledge management	4	5.33%
HRD10	Passion and spirit toward training and development	4	5.33%
HRD11	Intervention in an organization	1	1.33%
HRD12	Career development	2	2.67%
HRD13	Communication	1	1.33%
HRD14	Counseling	1	1.33%
HRD15	Realizing business opportunities and innovation	1	1.33%
HRD16	Adaptation and flexibility	1	1.33%
HRD17	Analysis of return on investment in training and development	1	1.33%
HRD18	Developing organization's trainers	2	2.67%
HRD	Training and Development Competency	75	100.00%

From Table 4, it reveals that the in-depth interviewees, HR experts, suggested that the competencies of human resources personnel impacting a high performance and sustainable organization on training and development consist of 18 sub-components. Among the top three are (1) Aligning training and development with organization's strategy with 17 frequencies (22.67%), (2) Developing training and development tools with 14 frequencies (18.67%) on par with (3) Always Seeking to learn with 14 frequencies (18.67%).

5.5 Performance Management

Figure 6 The competency of human resources personnel impacting a high performance and sustainable organization

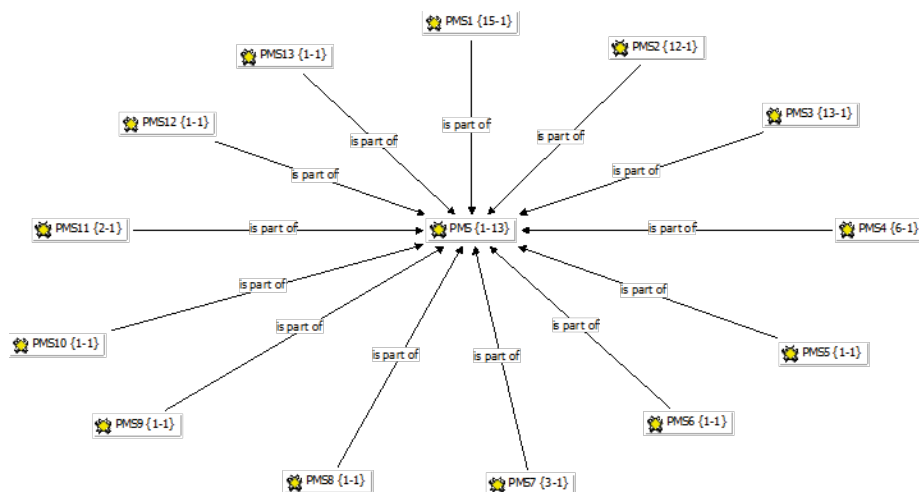


Table 5 The competencies of human resources personnel impacting a high performance and sustainable organization

Code	Definition	Frequency	Percentage
PMS1	Linking performance management with organization's business strategies	15	25.86%
PMS2	Policy, rule and regulations making to achieve organization's goals	12	20.69%
PMS3	Determining KPIs and benchmarking (locally and globally)	13	22.41%
PMS4	Communication	6	10.34%
PMS5	Creating environment in workplace	1	1.72%
PMS6	Building collaboration in workplace	1	1.72%
PMS7	Application of technology to performance management	3	5.17%
PMS8	Internal resource management	1	1.72%
PMS9	Controlling budget and fiscal policy relating to performance management	1	1.72%
PMS10	Knowledge on compensation and benefit management	1	1.72%
PMS11	Knowledge on competency	2	3.45%
PMS12	Knowledge on organization management	1	1.72%
PMS13	Knowledge on balanced scorecard	1	1.72%
PMS	Performance Management Competency	58	100.00%

From Table 5, it reveals that the in-depth interviewees, HR experts, suggested that the competencies of human resources personnel impacting a high performance and sustainable organization on performance management consist of 13 sub-components. Among the top three are (1) Linking performance management with organization's business strategies with 15 frequencies (25.86%), (2) Determining KPIs and benchmarking (locally and globally) with 13

frequencies (22.41%) and (3) Policy, rule and regulations making to achieve organization's goals with 12 frequencies (20.69%).

5.6 Business Acumen

Figure 7 The competency of human resources personnel impacting a high performance and sustainable organization

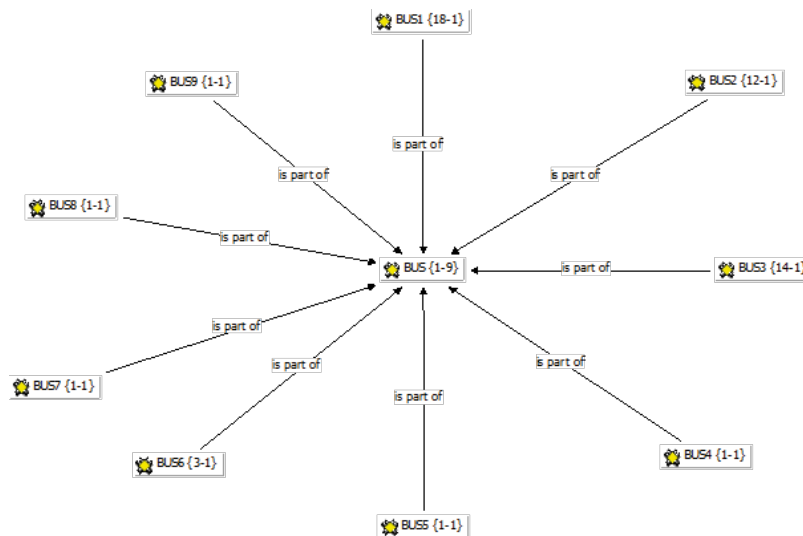


Table 6 The competencies of human resources personnel impacting a high performance and sustainable organization

Code	Definition	Frequency	Percentage
BUS1	Knowledge on overall current business	18	34.62%
BUS2	Knowledge on current industry and competition	12	23.08%
BUS3	Knowledge on basic marketing, operation and finance	14	26.92%
BUS4	Knowledge on other related functions	1	1.92%
BUS5	Integrative thinking	1	1.92%
BUS6	Analytical skills	3	5.77%
BUS7	Personality such as presentations, explanation, personal appearance, credibility	1	1.92%
BUS8	Environment and pollution management	1	1.92%
BUS9	SWOT analysis	1	1.92%
BUS	Business Acumen Competency	52	100.00%

From Table 6, it reveals that the in-depth interviewees, HR experts, suggested that the competencies of human resources personnel impacting a high performance and sustainable

organization on business acumen consist of 9 sub-components. Among the top three are (1) Knowledge on overall current business with 18 frequencies (34.62%), (2) Knowledge on basic marketing, operation and finance with 14 frequencies (26.92%) and (3) Knowledge on current industry and competition with 12 frequencies (23.08%)

5.7 Compensation Management

Figure 8 The competency of human resources personnel impacting a high performance and sustainable organization

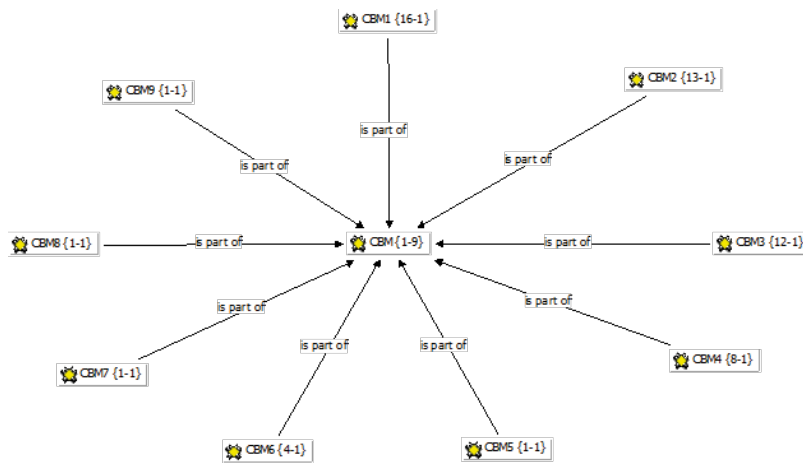


Table 7 The competencies of human resources personnel impacting a high performance and sustainable organization

Code	Definition	Frequency	Percentage
CBM1	Managing compensation properly and aligning with organization's business strategies	16	28.07%
CBM2	Managing compensation properly and aligning with organization's core competency	13	22.81%
CBM3	Ethics, confidentiality, and fairness	12	21.05%
CBM4	Learning and collecting compensation management information from within and outside the organization	8	14.04%
CBM5	Regular compensation management audit and evaluation	1	1.75%
CBM6	Accurate calculation	4	7.02%
CBM7	Persuasion and influence	1	1.75%
CBM8	Communication	1	1.75%
CBM9	Knowledge on labor laws	1	1.75%
CBM	Compensation Management Competency	57	100.00%

From Table 7, it reveals that the in-depth interviewees, HR experts, suggested that the competencies of human resources personnel impacting a high performance and sustainable organization on compensation management consist of 9 sub-components. Among the top three are (1) Managing compensation properly and aligning with organization's business strategies with 16 frequencies (28.07%), (2) Managing compensation properly and aligning with organization's core competency with 13 frequencies (22.81%) and (3) Ethics, confidentiality, and fairness with 12 frequencies (21.05%).

5.8 Talent Management

Figure 9 The competency of human resources personnel impacting a high performance and sustainable organization

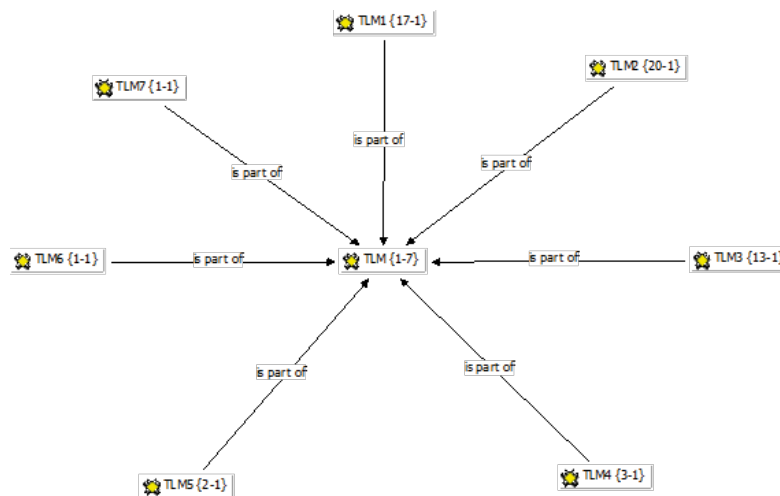


Table 8 The competencies of human resources personnel impacting a high performance and sustainable organization

Code	Definition	Frequency	Percentage
TLM1	Talent recruitment and selection	17	29.82%
TLM2	Talent planning and management	20	35.09%
TLM3	Talent retention	13	22.81%
TLM4	Communication	3	5.26%
TLM5	Knowledge on overall current business	2	3.51%
TLM6	Knowledge on competency	1	1.75%
TLM7	Knowledge on succession planning	1	1.75%
TLM	Talent Management Competency	57	100.00%

From Table 8, it reveals that the in-depth interviewees, HR experts, suggested that the competencies of human resources personnel impacting a high performance and sustainable

organization on talent management consist of 7 sub-components. Among the top three are (1) Talent planning and management with 20 frequencies (35.09%), (2) Talent recruitment and selection with 17 frequencies (29.82%) and (3) Talent retention with 13 frequencies (22.81%).

5.9 Leadership

Figure 10 The competency of human resources personnel impacting a high performance and sustainable organization

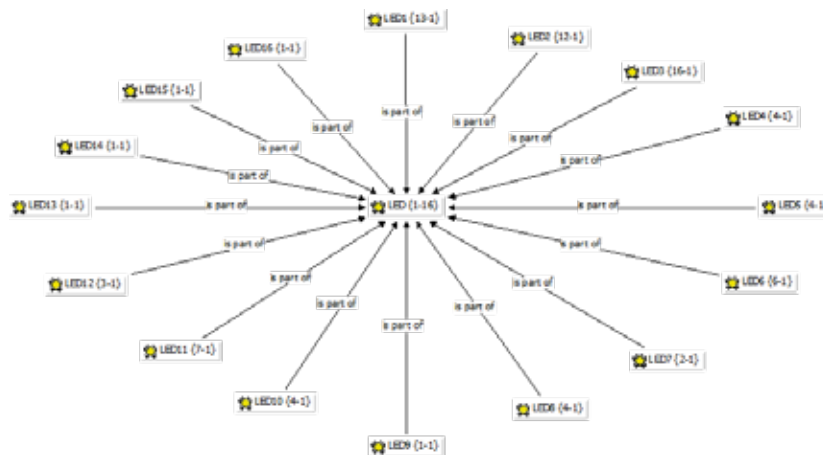


Table 9 The competencies of human resources personnel impacting a high performance and sustainable organization

Code	Definition	Frequency	Percentage
LED1	Responsibility	13	16.25%
LED2	Decision making and problem solving	12	15.00%
LED3	Team building	16	20.00%
LED4	Knowledge on overall current business	4	5.00%
LED5	Basic understanding of human psychology	4	5.00%
LED6	Internal communication	6	7.50%
LED7	Employee bonding	2	2.50%
LED8	Event and activity planning and execution within organization	4	5.00%
LED9	Effective management	1	1.25%
LED10	Up-to-date general knowledge	4	5.00%
LED11	Attention	7	8.75%
LED12	Personality and personal appearance	3	3.75%
LED13	Innovative thinking	1	1.25%
LED14	Conflict management	1	1.25%

LED15	Change management	1	1.25%
LED16	Flexibility and adaptation	1	1.25%
LED	Leadership competency	80	100.00%

From Table 9, it reveals that the in-depth interviewees, HR experts, suggested that the competencies of human resources personnel impacting a high performance and sustainable organization on leadership consist of 16 sub-components. Among the top three are (1) Team building with 13 frequencies (16.25%), (2) Responsibility with 13 frequencies (16.25%) and (3) Decision making and problem solving with 12 frequencies (15.00%).

5.10 Technology and Information System

Figure 11 The competency of human resources personnel impacting a high performance and sustainable organization

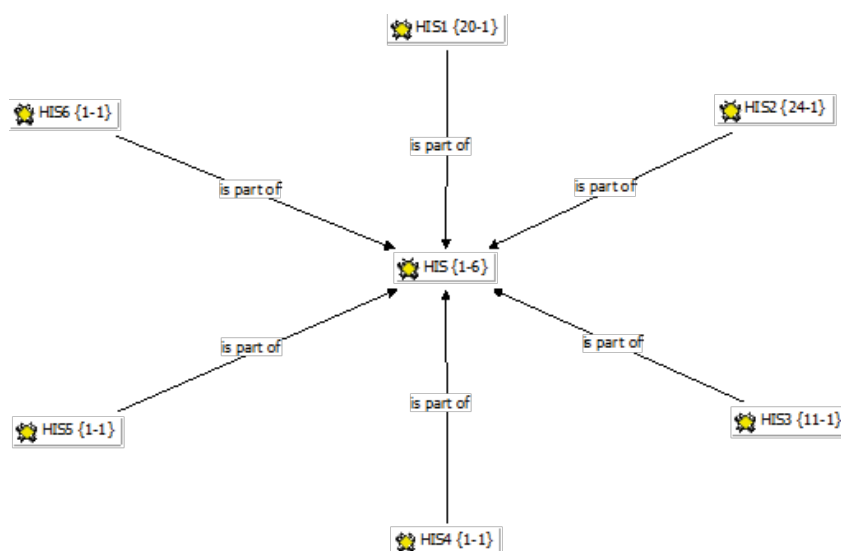


Table 10 The competencies of human resources personnel impacting a high performance and sustainable organization

Code	Definition	Frequency	Percentage
HIS1	Up-to-date knowledge of technology and information system	20	34.48%
HIS2	Knowledge on using HR technology and information system	24	41.38%
HIS3	Knowledge on designing HR technology and information system	11	18.97%
HIS4	Technology and information system audit	1	1.72%

HIS5	Developing business with internal technology and information system	1	1.72%
HIS6	Change management on internal HR technology and information system	1	1.72%
HIS	Technology and Information System Competency	58	100.00%

From Table 10, it reveals that the in-depth interviewees, HR experts, suggested that the competencies of human resources personnel impacting a high performance and sustainable organization on technology and information system consist of 6 sub-components. Among the top three are (1) Knowledge on using HR technology and information system with 24 frequencies (41.38%), (2) Up-to-date knowledge of technology and information system with 20 frequencies (34.48%) and (3) Knowledge on designing HR technology and information system with 11 frequencies (18.97%).

5.11 Business Strategy

Figure 12 The competency of human resources personnel impacting a high performance and sustainable organization

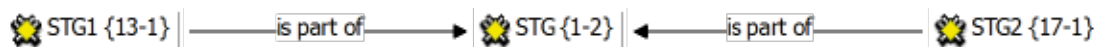


Table 11 The competencies of human resources personnel impacting a high performance and sustainable organization

Code	Definition	Frequency	Percentage
STG1	Keeping up with changing business environment regularly	13	43.33%
STG2	Determining HR strategies in line with organization's business strategies	17	56.67%
STG	Business Strategy Competency	30	100.00%

From Table 11, it reveals that the in-depth interviewees, HR experts, suggested that the competencies of human resources personnel impacting a high performance and sustainable organization on business strategy consist of 2 sub-components. Among the top 2 are (1) Determining HR strategies in line with organization's business strategies with 17 frequencies (56.67%) and (2) Keeping up with changing business environment regularly with 13 frequencies (43.33%).

5.12 Workforce Planning

Figure 13 The competency of human resources personnel impacting a high performance and sustainable organization

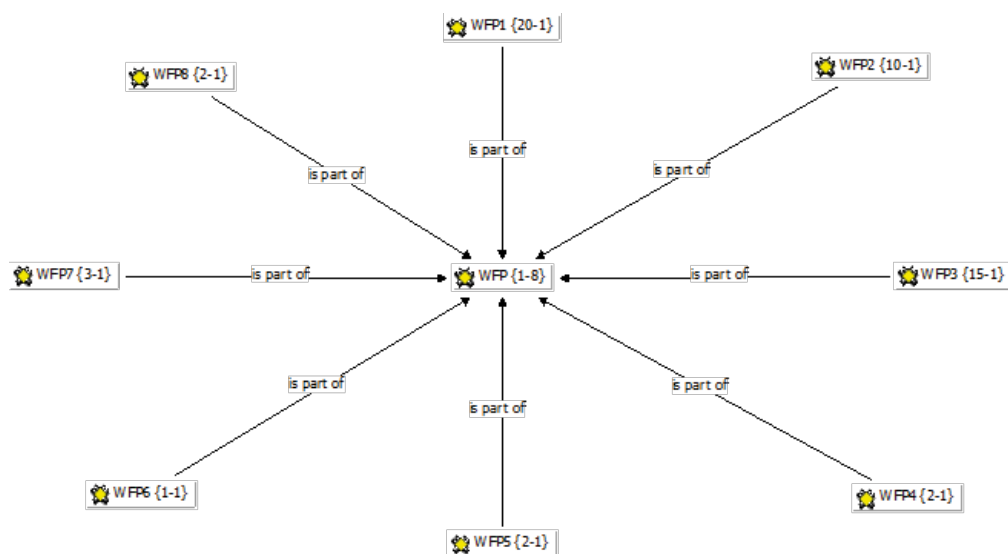


Table 12 The competencies of human resources personnel impacting a high performance and sustainable organization

Code	Definition	Frequency	Percentage
WFP1	Workforce and career development planning	20	36.36%
WFP2	Conducting Job analysis and function competency to apply with workforce planning	10	18.18%
WFP3	Analyzing business trends and job market to apply with workforce planning	15	27.27%
WFP4	Working with line managers	2	3.64%
WFP5	Recruitment and selection	2	3.64%
WFP6	Workplace analysis	1	1.82%
WFP7	Diversity management	3	5.45%
WFP8	Accurate calculation	2	3.64%
WFP	Workforce Planning Competency	55	100.00%

From Table 12, it reveals that the in-depth interviewees, HR experts, suggested that the competencies of human resources personnel impacting a high performance and sustainable organization on workforce planning consist of 8 sub-components. Among the top three are (1) Workforce and career development planning with 20 frequencies (36.36%), (2) Analyzing business trends and job market to apply with workforce planning with 15 frequencies (27.27%) and (3) Conducting Job analysis and function competency to apply with workforce planning with 10 frequencies (18.18%).

6. Conclusion

Based on abovementioned findings on qualitative researches and studies, it is found that there are 12 important core elements of human resources personnel's competency impacting a high performance and sustainable organization. Each competency consists of sub-elements (see Illustration 14) with details as follows:

6.1 Change Management Competency

requires skills, knowledge, and ability to analyze current situations and future trends in order to respond to change. Change management also includes change leadership.

6.2 Communication Competency

requires skills, knowledge, and ability to plan and execute proactive communication, effective speaking, writing and listening.

6.3 Relationship Competency

requires skills, knowledge, and ability to help employees, offer advice, and respond to employees' needs in any aspect.

6.4 Training and Development Competency

requires skills, knowledge, and ability to conduct training and development in line with organization's business strategies, develop training and development tools, and always seek to learn.

6.5 Performance Management Competency

requires skills, knowledge, and ability to link performance management to organization's business strategies, make policy, rule and regulations to achieve organization's goals, and establish KPIs and benchmarking locally and globally.

6.6 Business Acumen Competency

requires skills, knowledge, and ability to understand overall current business, current industry and competition, and basic marketing, operation, and finance.

6.7 Compensation Management Competency

requires skills, knowledge, and ability to properly manage compensation and align it with organization's business strategies and capabilities, as well as ethics, confidentiality, and fairness.

6.8 Talent Management Competency

requires skills, knowledge, and ability to recruit and select, plan and develop, and retain talent in long term.

6.9 Leadership Competency

requires skills, knowledge, and ability to make decisions and solve problems, be responsible, and build a team.

6.10 Technology and Information System Competency

requires skills, knowledge, and ability to select HR Technology and Information System, design HR Technology and Information System, and keep up with up-to-date HR technology and Information System news.

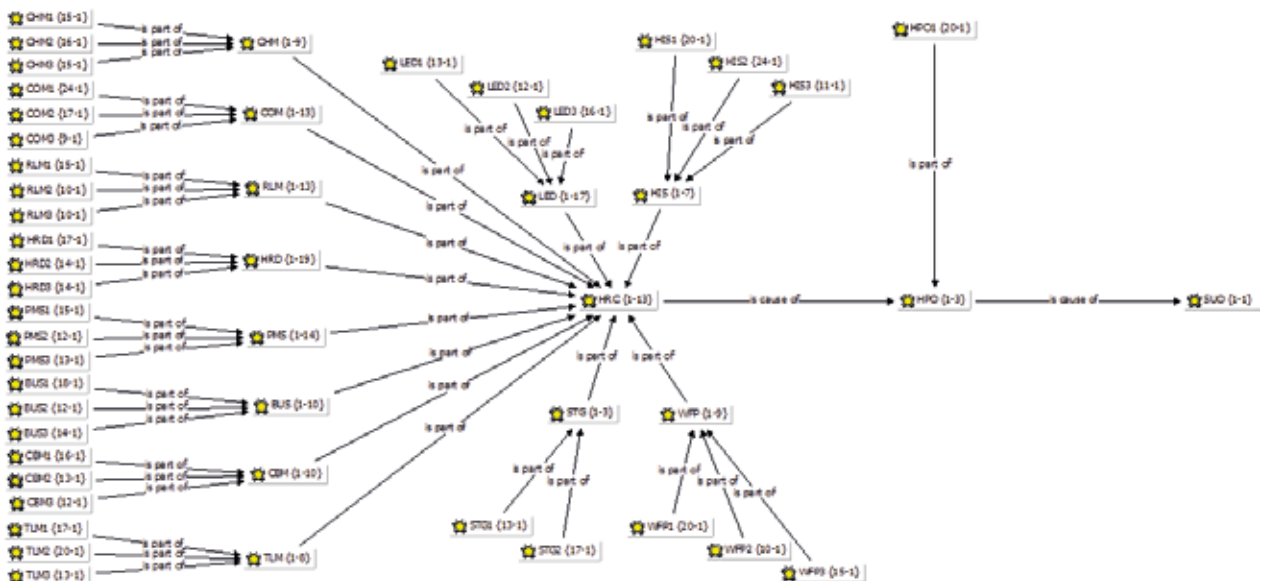
6.11 Business Strategy Competency

requires skills, knowledge, and ability to regularly learn about changing business environment and establish HR strategies in line with organization's business strategies.

6.12 Workforce Planning Competency

requires skills, knowledge, and ability to plan workforce and career development, conduct job analysis and determine competencies required on a function in order to plan the workforce, as well as conduct business and job market trends for workforce planning.

Figure 14 Core elements of human resources personnel's competency impacting a high performance and sustainable organization processed on ATLAS.ti



7. Discussion

Human resources personnel's competency impacting a high performance and sustainable organization aligns with The Harvard Model of Human Resource Management) introduced by Beer et al. (1984). This model originates the relationship of human resources management policy: influences on employee's performance, human resources flow, reward system, and work system. It affects the results of human resources management in terms of commitment, capability, consistency, and value, as well as long-term results for an organization in terms of individual wellbeing, organization efficiency, and social wellbeing. These lead to the benefits of organization's stakeholders', namely shareholders, management, employees, government, community, and labor unions.

It reveals that human resources management in an organization is crucial and sends an impact to a high performance organization and a sustainable organization. It also aligns with a concept introduced by Wright et al. (2001) which stated that human resources are of importance and a part of organization's capabilities. An organization's human resources must consist of 4 qualities: 1) valuable 2) rare 3) hard to imitate, and 4) well-managed. If an organization properly managed its human resources, this will impact its performance and lead to the ability to build sustainable competitive advantages in the long run. Findings from this study are consistent with such concept; it suggests that human resources operation is highly important to an organization, contributes to the development of a high performance organization, and building a sustainable organization. Human resources personnel in a public, state enterprise or private organization plays an important role in realizing this. Therefore, developing HR personnel's competencies is highly crucial to any organization.

8. Managerial Implication

From this study, the management may apply 12 human resources personnel's competencies impacting a high performance and sustainable organization in recruitment and selection process. This process is a stepping stone in HR management which will impact overall organization development. The management can use these competencies to determine and clarify job descriptions and job qualification of HR personnels, as well as to create a test and question structure for job interviews. This can be used to avoid recruiting talents based on non-job-related foundations such as emotions and feelings on the interviews, and to provide a guideline on selecting quality and potential HR personnel that best fits with the organization.

9. Recommendations for Findings Application

From this study, the concept framework of human resources personnel's competency impacting a high performance and sustainable organization in Thailand can be used to determine competencies of HR personnel in each type of organizations; namely, public, state enterprise and private sectors. The competencies include job type, management type, and general type. They can also be used to establish job roles, job descriptions, and recruitment and selection planning.

10. Recommendations for Future Researches

This article pertains the framework study of human resources personnel's competency impacting a high performance and sustainable organization in Thai public, state enterprise and private sectors. It is recommended that future study be conducted on other samples such as Small and Medium Enterprises (SMEs), family businesses, as well as other industries such as production, commerce, and services sectors.

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