

Organizational Culture of a Taiwanese Company in Thailand: A Case Study of a Selected Taiwanese Company

- Yang Haining
- Chalong Tubsree
- Anong Wisessuwan

Abstract: Thailand is one of those countries in which Taiwanese business has invested. It is usual in any organization that when people from different cultures work together they will face some difficulty and this will affect in the efficiency of work. The mismatch or clash of culture is assumed to be the cause of low efficiency of any employees including Thai employees. This study employ quantitative survey method for the data collection with two research questions, they were: 1. what was the opinion of Thai employees in the Taiwan Company in Thailand concerning the Taiwanese organization culture? 2. Does the difference in culture affect the working of Thai employees? The population of Thai employees in this company was 150 people. The samples of this study were 100 Thai employees selected from the above population. The instrument of this study was a set of 39 questions. The questionnaires were distributed to the participants and the completed questionnaires were sent back by both E-mail and postal mail. The data were analyzed by descriptive statistics to explore the opinion of Thai employees. The researcher used descriptive statistics namely, mean, standard deviation to analyze the data. For the result of research question one, it was concluded that working environment got the highest mean score among the six aspects of organization culture and the last was team work, getting the lowest score. In response to research question two, performance evaluation got the highest mean score among the six aspects of organization and work commitment got the lowest score.

Keywords: organizational culture, Taiwanese organizational culture, Thai employee, teamwork, performance evaluation, communication in organization, employee development, work environment, working commitment, work effectiveness.

Introduction

Taiwan is a state in East Asia and the first constitutional republic in Asia, which is one of Asia's great success stories. Its 23 million people have more purchasing power than the Japanese or the British, and their quality of life is among the highest in Asia. Anyone who owns an electronic device probably uses something made or designed at least partly by a Taiwanese company (Mishkin, Pilling, 2013). The success of Taiwan's economy encourages Taiwanese to go outside the country to invest in various businesses.

Thailand is one of those countries in which Taiwanese business has invested. Taiwanese businessmen have invested in Southeast Asia for thirty years (Department of Investment Services, 2013). According to information from BOI (Thailand Board of Investment), foreign investors are exempt from corporate income tax for a maximum of eight years, followed by a

50 percent reduction for another five years(Wei, 2012). There are good investment prospects in Thailand.

Taiwanese companies in Thailand, especially Taiwanese manufacturers play an important part in the Thai industrial scene. Taiwanese companies are active in the following areas: hardware, entertainment and restaurants, chemicals, packing and printing, business and trading, household merchandises, construction materials and decoration, travel and service, machinery, rubber and plastic, construction, textile/and garment, arts and stationery, shoes and leather, finance and banking, electronic and information, sport equipment, transportation, as well as food and household products (Bangkok Companies Ultimate Contact Database, 2013).

Statement of the Problem

For Thai employees, it is not an easy thing to adapt Taiwanese organizational culture immediately. An engineer who is a Thai employee in a Taiwanese company in Thailand said she felt that managers who came from Taiwan did not have good leadership and responsibility. It is usual in any organization that when people from different cultures work together they will face some difficulty and this will affect in the efficiency of work.

Taiwanese has their own culture, beliefs, values, which Thai also has their own culture, beliefs, and values. When they have to work together, the culture clash may occur. The mismatch or clash of culture is assumed to be the cause of low efficiency of any employees including Thai employees.

This study is aimed to investigate the experience of Thai employees who work in a Taiwanese company concerning the working culture that may affect their work efficiency.

Purpose of the Study

There are two purposes of the study, they were: 1. to study the opinion of Thai employees in the Taiwanese company in Thailand concerning the Taiwanese organization culture and 2. to study the effect of the Taiwan organization culture on Thai employee.

Scope of the Study

The study aimed to study the effect of Taiwanese organizational culture on Thai employees that covers six aspects of organizational culture: work commitment, communication in organization, employee development, working environment, team work, and performance evaluation.

Significance of the Study

The results of the study may be useful to other foreign companies operating in Chonburi province for:

Managing Thai employees who are working in their companies concerning the difference in the organizational culture.

Managing the diversity of cultural difference of foreign employees who will work in the companies for the coming AEC community.

Research Method

A quantitative research approach was applied to answering the research questions proposed for this study. This study used a questionnaire to collect data from 100 Thai employees who were purposively selected from the population of 150 Thai employees in a selected Taiwanese company.

Questionnaire Design and Development:

The researcher designed the questionnaire by herself by looking at the six elements of organizational culture namely: teamwork, performance evaluation, communication in organization, employee development, work environment and worker commitment.

The researcher then developed questionnaire items out of each element. The researcher has asked experts to validate the developed questionnaire using IOC (index of items-objective congruence) as indicator. The research selected the questionnaire item that has the IOC value of 0.50 or higher to be used in the study.

Data Collection

The researcher has contacted the administration of the selected company for the permission to collect the data. The questionnaires were distributed to the participants and the completed questionnaires were sent back by both E-mail and postal mail.

The data generated by questionnaire from 100 Thai employees were analyzed by descriptive statistics to explore the opinion of Thai employees on those six factors in their company.

Data Analysis

The data generated by questionnaire from 100 Thai employees were analyzed by descriptive statistics to explore the opinion of Thai employees. The researcher used descriptive statistics namely, mean, standard deviation and percentage to analyze the data. The results of the data analysis then were reported. To interpret the data, the following scale was utilized:

- 4.50 -5.00= highest
- 3.50- 4.49 = high
- 2.50- 3.49 = average
- 1.50- 2.49 = low
- 1.00- 1.49 = lowest

To answer the two research questions, the 100 participants were asked to specify their opinion towards working in the Taiwan Company. They responded on a five-point scale from '1' (lowest) to '5' (highest) on the questionnaire. Mean scores, standard deviations, rank and level for each opinion was calculated.

Rigor of the Study

To assure the quality of the instrument, the researcher tried out the developed questionnaire with 30 Thai employees to validate the reliability of the questionnaire. The split-half reliability assessment was used for this purpose.

Split-Half Reliability is a common statistical method used to determine the reliability of a typical test. It is used for multiple choice tests most often, but it can be used on any test that can be divided in half and scored consistently (Thompson, 2010).

A reliability of 0.80 and higher is generally considered to be good. As the result, the reliability of the whole set of questionnaires was found to be 0.79.

Findings and Discussion

The opinion of Thai workers in the Taiwan Company in Thailand concerning the Taiwanese organization culture.

Table 1 The summary of the opinion of Thai workers in a selected Taiwanese Company in Thailand concerning 6 aspects of organization culture

No.	Description	\bar{x}	Level	Rank
1	Team work	2.17	Low	6
2	Performance evaluation	2.56	Average	3
3	Communication in organization	2.61	Average	2
4	Employee development	2.45	Low	4
5	Work environment	2.83	Average	1
6	Work commitment	2.28	Low	5

The overall responses of the 100 Thai employees of the selected Taiwanese Company gave the first rank to “work environment of the company”, with the mean of 2.83 which is the average level. Second rank was given to “communication in organization”, with the mean of 2.61. The next is “performance evaluation” with the mean of 2.56, “employee development” came fourth, followed by work commitment. The lowest rank was for “teamwork”.

Table 2 The opinion of the Thai workers in a selected Taiwan Company in Thailand concerning teamwork.

No.	Description	\bar{x}	SD	Level
1	How much do you think you can work together with other employee in this company?	2.00	0.69	Low
3	How much do think you can trust in other employees in this company?	2.41	0.69	Low
5	How much do you think employees in this company can help each other with difficulties in this company?	2.12	0.81	Low

The data in Table 2 concerning teamwork showed that the 100 Thai employees of the selected Taiwanese Company gave the highest rank (mean= 2.41) to the item of “trust in other employees in this company”.

Table 3 The opinion of the Thai workers in a selected Taiwan Company in Thailand concerning performance evaluation.

No.	Description	\bar{x}	SD	Level
6	How much do you agree that the company evaluate employee according to performance?	2.36	0.77	Low
8	How much do you think the administration provides feedback to employees to improve themselves	2.64	0.87	Average
9	How much do you think the administration make the disciplinary decisions in this company?	2.70	0.81	Average

The data in Table 3 showed that employees gave the highest rank (mean= 2.70) to the item of "administration making the disciplinary decisions in this company".

Table 4 The opinion of the Thai workers in a selected Taiwan Company in Thailand concerning communication in organization.

No.	Description	\bar{x}	SD	Level
11	How well do you think the communication in this company?	2.68	0.82	Average
13	How much do you think the information sharing is done in this company?	2.86	0.63	Average
15	How much do you think the communication between administration and employee works in this company?	2.50	0.89	Average
17	How well do you think the communications among colleagues work in this company?	2.43	0.70	Low

The data in Table 4 showed that employees gave the highest rank (mean= 2.86) to the item of "information sharing in this company".

Table 5 The opinion of the Thai workers in a selected Taiwan Company in Thailand concerning employee development.

No.	Description	\bar{x}	SD	Level
19	How much do you think employee development is provided in the organization?	2.51	0.73	Average
21	How well do you think the company assign appropriate job to employee?	2.36	0.68	Low
23	How much do you think the administration respect individual dignity in this company?	2.49	0.61	Low

The data in Table 5 showed that employees gave the highest rank (mean= 2.51) to the item of "employee development in this company".

Table 6 The opinion of the Thai workers in a selected Taiwan Company in Thailand concerning work environment.

No.	Description	\bar{x}	SD	Level
25	How safety does you think your workplace is in this company?	2.45	0.67	Low
27	How comfortable do you feel of your workplace in the company?	2.53	0.57	Average
29	How much do you think workplace bullying occur in this company?	3.51	1.08	High

The data in Table 6 showed that employees gave the highest rank (mean= 3.51) to the item of “workplace bullying in this company”.

Table 7 The opinion of the Thai workers in a selected Taiwan Company in Thailand concerning work commitment.

No.	Description	\bar{x}	SD	Level
31	How much do you think the empowerment is provided in this company?	2.43	0.60	Low
33	How much do you feel stressful in this company?	2.21	0.64	Low
35	How much do you feel of democracy in this company?	2.50	0.62	Average
37	How much do you feel of job security in this company?	2.29	0.78	Low
39	Job satisfaction at this company make me stay with this company	2.00	0.69	Low

The data in Table 7 showed that employees of the selected Taiwanese Company gave the highest rank (mean= 2.50) to the item of “democracy in this company”.

2. The difference in culture that affects the working of Thai worker.

Table 8 Summary of the opinion of Thai workers in a selected Taiwan Company in Thailand concerning the 6 aspects of culture that affect the working of Thai worker

Number	Aspects	\bar{x}	Level	Rank
1	Team work	2.42	Low	3
2	Performance evaluation	2.64	Average	1
3	Communication in organization	2.38	Low	4
4	Employee development	2.33	Low	5
5	Work environment	2.62	Average	2
6	Work commitment	2.31	Low	6

The overall response of the 100 Thai employees of the selected Taiwanese Company ranked the importance of aspects of culture that affect the working of Thai worker as follow; the difference in culture affect the “performance evaluation” is ranked first (mean= 2.64) which is average level, follows by “work environment” with the mean of 2.62. The next is “team work” with the mean of 2.42; “communication in organization” came fourth, followed by “employee development”. The lowest in rank was “work commitment”.

Table 9 The opinion of Thai workers in a selected Taiwanese Company in Thailand concerning the difference in teamwork that affect the working of Thai worker

No.	Description	\bar{x}	SD	Level
2	How much workings together with other employees affect your work?	2.48	0.94	low
4	How much trust other employees affect your work?	2.37	0.74	Low

The data in Table 9 showed that the 100 Thai employees of the selected Taiwanese Company gave the highest score (mean= 2.48) to the item of “working together with other employees affect your work in this company”.

Table 10 The opinion of Thai workers in a selected Taiwanese Company in Thailand concerning the difference in performance evaluation that affect the working of Thai worker.

No.	Description	\bar{x}	SD	Level
7	How much do you agree that the performance evaluation affect your work?	2.60	0.75	Average
10	How much the disciplinary decisions affect your work?	2.69	0.78	Average

The data in Table 10 showed that employees gave the highest score (mean= 2.69) to the item of “the disciplinary decisions affect your work in this company”.

Table 11 The opinion of Thai workers in a selected Taiwanese Company in Thailand concerning the difference in communication in organization that affect the working of Thai worker

No.	Description	\bar{x}	SD	Level
12	How much the communications in this company affect your work?	2.28	0.98	Low
14	How much the information sharing in this company affects your work?	2.45	0.85	Low
16	How much the communication between administration and employee affects your work?	2.48	0.94	Low
18	How much communications among colleagues affect your work?	2.34	0.58	Low

The data in Table 4-11 showed that employees gave the highest score (mean= 2.48) to the item of “communication between administration and employees affect your work”.

Table 12 The opinion of Thai workers in a selected Taiwanese Company in Thailand concerning the difference in employee development that affect the working of Thai workers

No.	Description	\bar{x}	SD	Level
20	How much the company developing employee potential affects your work?	2.33	0.65	Low
22	How much appropriate jobs affect your work?	2.20	0.63	Low
24	How much the company's respecting individual dignity affects your work?	2.46	0.73	Low

The data in Table 12 showed that employees rated the highest score (mean= 2.46) to the item of “the company's respecting individual dignity affect your work in this company”.

Table 13 The opinion of Thai workers in a selected Taiwanese Company in Thailand concerning the difference in work environment that affect the working of Thai worker

No.	Description	\bar{x}	SD	Level
26	How much the safety workplace affects your work?	2.41	0.75	Low
28	How much comfortable workplace affects your work?	2.37	0.48	Average
30	How much workplace bullying affect your work?	3.10	1.15	Average

The data in Table 13 showed that employees rated the highest score (mean= 3.10) to the item of “workplace bullying affect your work in this company”.

Table 14 The opinion of Thai workers in a selected Taiwanese Company in Thailand concerning the difference in work commitment that affect the working of Thai worker

No.	Description	\bar{x}	SD	Level
32	How much the empowerments of this company affect your work?	2.39	0.64	Low
34	How much the stress affects your work?	2.20	0.68	Low
36	How much democracy affects your work?	2.48	0.64	Low
38	How much job security affects your work?	2.19	0.87	Low

The data in Table 14 showed that employees gave the highest score (mean= 2.48) to the item of “democracy affect your work in this company”.

Conclusion

Response to the research question one, "What is the opinion of Thai workers in the Taiwan Company in Thailand concerning the Taiwanese organization culture?" The Thai employees have expressed their feelings about work in the Taiwanese Company in Thailand concerning the Taiwanese organization culture. There are three levels that can show how the 100 Thai employees feel in these six aspects, which are low, average and high level.

1. It was concluded that working environment gets the highest mean score among the six aspects of organization culture (with the mean score of 2.83), followed by communication in organization (with the mean score of 2.61). Third, is performance evaluation (with the mean score of 2.56). Forth, is employee development (with the mean score of 2.45). Fifth, is work commitment (with the mean score of 2.28), and the last is team work (with the mean score of 2.17).

In response to research question two, "Does the difference in culture affect the working of Thai worker?" the Thai workers mean scores were as follow:

2. Performance evaluation gets the highest mean score among the six aspects of organization (with the mean score of 2.64), number two is work environment (with the mean score of 2.62), number three is teamwork (with the mean score of 2.42), number four is communication in organization (with the mean score of 2.38), number five is employee development (with the mean score of 2.33), number six is work commitment (with the mean score of 2.31).

Implication

Employee development, work commitment and teamwork all get the low level from the comment of 100 Thai employees. It can show this Taiwanese company is poor at these three aspects. They can improve these three aspects to make their company better. Performance evaluation gets the highest score in six aspects of organization culture, which has the strongest effect to the working of Thai workers. If company wants to make their employees to work more effective and have more loyalty to the company, they should improve this aspect. From the results of research question one, we can see the performance evaluation get the number three in the rank, it is in an average level. This Taiwanese company has a big space to improve it.

Follow by work environment, teamwork, those two aspects respectively get number two and number three in six aspects of organizational culture. The company also should to care about these two aspects, because those two aspects also have strong effect to the working of employees.

Recommendation for Further Research

From the results of the study, the research has proposed the following recommendations:

1. Working environment aspect is the most considered in the Taiwanese company among those six aspects. The further study could be studying why working environment in the company gets the most attention from the Taiwanese company?
2. The team work in this company get the lowest score from the question "what is the opinion of Thai workers in the Taiwan Company in Thailand concerning the Taiwanese

organization culture” among six aspects. The further study could be studying why team work in the company gets the lowest attention from the Taiwanese company?

3. Performance evaluation gets the highest score from the question “Does the difference in culture affect the working of Thai worker”. Performance evaluation is the most important aspect that can affect the working of Thai employee. The further study could be studying why performance evaluation in the company can affect the working of Thai employees the most?

4. Work commitment gets the lowest score from the question of “Does the difference in culture affect the working of Thai worker” in these six aspects. The further study could be studying why work commitment in the company can affect the working of Thai employees the lowest?

References

- Bangkok Companies Ultimate Contact Database. (2013). *Taiwanese companies in Thailand, Taiwanese manufacturer*. Retrieved from http://bangkok-companies.com/categories/thai_companies_p641.htm
- Department of Investment Services. (2013). *A service group for overseas Taiwanese businesses in Kuala Lumpur*. Retrieved from http://www.moea.gov.tw/Mns/english/news/News.aspx?kind=6&menu_id=176&news_id=30673
- Mishkin, S., & David P. (2013). *Taiwan: Time to change gear*. Retrieved from <http://www.ft.com/cms/s/0/1faf59d8-9e04-11e2-9ccc-00144feabdc0.html#axzz2WshtIBgX>
- Thompson, T. (2010). *Using split-half reliability with tests*. Oregon: Oregon department of Education.
- Wei, T. (2012). *Chinese firms ramp up presence in Thailand*. Retrieved from http://europe.chinadaily.com.cn/business/2012-09/11/content_15749433.htm
- Zaiontz, C. (2014). *Real statistics using excel*. Retrieved from <http://www.real-statistics.com/reliability/split-half-methodology/>