

Managerial Styles of Asian Executives: The Case of Thailand

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Abstract—This research project is developed in order to study managerial styles of modern Thai executives. The thorough understanding will lead to continuous improvement and efficient performance of Thai business organizations. Regarding managerial skills, Thai executives focus heavily upon human skills. Also, the negotiator roles are most emphasis in their management. In addition, Thai executives pay most attention to the fundamental management principles including Harmony and Unity of Direction of the organizations. Moreover, the management techniques, consisting of Team work and Career Planning are of their main concern. Finally, Thai executives wish to enhance their firms' image and employees' morale through conducting the ethical and socially responsible activities. The major tactic deployed to stimulate employees' ethical behaviors and mindset is Code of Ethics development.

Keywords—Management, Managerial Styles, Asian Executives, Thailand.

I. INTRODUCTION

THIS research studied the management styles of Thai executives in leading organizations of the country. It is intended to understand the styles and the important characters of executives. Results from the study will be analyzed and implemented to improve the efficiency of the management and increase the competitive advantages of Thai businesses in the future. The study focused mainly on executives of the companies listed in the Stock Exchange of Thailand as these companies are the top organizations whose management style will be examples of other Thai businesses.

II. BRIEF REVIEW OF LITERATURE

Management and organization has been the important subject of business for a long time. [4] defined management as a group of people united with common purpose to accomplish certain objectives or goals of the group. All types of organizations must have people working together in the group. They must define the organization structure with authority and responsibility through management mechanism in order to facilitate the teamwork and allocate the organization resources to fulfill the goals or objectives stated. [1]

[4] divided management into three levels- top management, middle management, and junior management. Top managements make decision on the direction of the organization including objectives, strategies, and policies for the whole organization. Middle managements implement the objectives, strategies and policies set by top management. They also control and coordinate with junior managements.

Junior managements take policies set by middle management and implement it with their staffs.

According to the concept conceived by [5], all managements in three levels have three important managerial roles. The first role is the interpersonal role which is related to the interaction and communication within and outside the organization. The interpersonal roles comprises of figurehead role, leadership role, and liaison role. The second group of role is the informational role which consists of data acquisition and collection, information dissemination, and spokesperson role. The third group of role is the decision role which involves the decision making in the organization. The decision role consists of entrepreneurial role, the disturbance handler role, resource allocation role, and negotiator role.

Apart from these important management roles, there are three management skills required for the effective management – technical skill, human skill, and conceptual skill. The technical skill is the skill and specific experiences related directly to the works. The human skill is the interaction and communication skill needed to accomplish the job. The conceptual skill is the analysis and systematic thinking ability of the overall organization which must consider the relationships among all factors in the organization.

[3] studied the basic principle of management which is commonly used in many organizations worldwide. The basic principle of management comprise of 14 items including division of work, authority, discipline, unity of command, unity of direction, subordination of individual interests, remuneration, centralization, scalar chain, order, equity, stability of personnel, initiatives, and Esprit de Corps.

Beside the role and basic management principle, the executives must also consider ethic and social responsibility in managing the organization. This means the corporate governance, transparency, and impact of management to all stakeholders including stockholder, employee, customer, competitors, and the public in general. All of these stakeholders must receive fair return [6]; [2] so that the growth in every part of the society will be balanced. [1] proposed many techniques to promote ethical and social in the organization. First is the Code of Ethics which will be the guidelines for all personnel in the organization. Second is to organize the Ethics Committee who will define the policy on ethic and response to questions and problems related to ethics and social activities of all people in the organization. Third is the Ethics Hotlines which will be the source to notify any event in the organization that do not follow ethical standard. Fourth is the Ethics Training which is to educate the ethical

concept to every people in the organization. Last is the attachment of ethics and social responsibility to the evaluation.

III. RESEARCH METHODOLOGY

Data Collection

Primary Data

Data collection focuses on primary data through the application of questionnaires as the main instrument while the questionnaires are developed on the basis of widely accepted and practiced management principles which after being developed have undergone pilot study for a test on comprehension, correctness and reliability with the focus group of 10 executives in Thai corporations; the feedback of which already factored in the revised version of questionnaires.

The population of the study consists of companies listed in SET (Security Exchange of Thailand) because they are leading Thai companies which should produce a good representation of the general condition and pattern of management, particularly corporate with constant adjustments so as to be in line with changing environments. Besides, listed companies have already transformed into public companies having broad base of shareholders and more transparent disclosure resulting in more spontaneity and accuracy of the data gathered.

Without resorting to sampling the researcher adopts the census method of survey from a population of 480 listed companies for related information in details; questions are distributed to one executive of each company via letters addressed to him citing the objective, the scope and benefits expected from the study and should there be no response within three weeks, a follow-up letter will be sent as a reminder and repeated request. Eventually there are 126 respondents accounting to a response rate of 26.25%.

Secondary Data

In addition to primary data, additional business data are obtained from secondary sources such as SET database, company reports and related business articles from academic journals to ensure more lucid interpretation and explanation of the result from analysis of primary data.

Data Analysis

The collected data must undergo statistical analysis by the application of SPSS program in which both descriptive and inferential methods are used.

IV. RESULT OF STUDY

o Background of the Respondents

Following are the proportions of respondents in which 63.4% are male, 36.6% are female; aged over 50 years 47.6% aged between 41-50 years 28.6%, remain in service over 3-5 years 14.3% which show that Thai managerial personnel are senior persons, reflecting the seniority system in Thai culture.

As far as education is concerned, almost all of them have tertiary education upward, in which there are 42.9% of Bachelor degree, 40.5% higher than Bachelor degree, only 16.7% lower than Bachelor degree reflecting higher level of education in Thai management when compared to their past qualification while it is found that the present positions assumed by respondents show 50% of them in top management, 33.3% in middle management, and 16.7% in lower management and a majority of them in marketing, accounting and finance, production and services and personnel and purchasing department.

o Management Styles of Thai Executives

From the data in Table I, human skills are the most significant skills with a mean of 4.38 and percentage of evaluation of 47.62 from total respondents. This is because Thai managerial culture lays great emphasis on internal relations mutual consideration and forbearance within an organization and the fact that personal relationship occupies a crucial position in business performance, followed by conceptual skills, ranking second in importance the quality leaving much to be desired in Thai managerial personnel because of the incapability in getting an overall picture about the linkage of all functions in the organization in a comprehensive manner. The skills are essential in determining the course of business operation. While technical skills rank third in importance in comparison with the above two items because such skills are viewed as categorically important and normally most practitioners in the field have been specially trained for purpose or they are able to receive related training in the future.

On the other hand the most important role of management personnel is the negotiator role with a mean value of 4.45 which is attributed to the fact that negotiation with external interest groups including customers, trading partners, competitors and other related public groups for highest benefits in business is deemed crucial to the existence and success of business operation as this drive is the most challenging one at present.

The management principles propounded by [3] which Thai management gives the highest importance to are harmony with a mean value of 4.55 and unity of direction with a mean value of 4.55 reflecting the fact that the focus is on cohesion and common direction in business operation thus avoiding commotion in the same organization. This phenomenon is also connected to the organization culture of giving direction, setting goal and course of operation so that everyone follows the path laid down by top management.

The next are the remuneration principle with a mean value of 4.50 and equity with a mean value of 4.45 considered as very important to Thai organizations because they are among issues having highest effect on the staff's morale and in a large part linked to comparative personal remuneration and often criticized as focusing more on patronage system than merit system thereby giving rise to the needs for improvement to a more transparent and equitable personnel system.

TABLE I
MANAGERIAL SKILL

	Least Important	Not Important	Average	Important	Most Important	Mean
Technical Skills	3	0	27	51	45	4.07
	2.38%	.00%	21.43%	40.48%	35.71%	
Human Skills	0	3	6	57	60	4.38
	.00%	2.38%	4.76%	45.24%	47.62%	
Conceptual Skills	0	0	12	66	48	4.29
	.00%	.00%	9.52%	52.38%	38.10%	

Note: N = 126

TABLE II
ROLES OF THAI EXECUTIVES

	Least Important	Not Important	Average	Important	Most Important	Mean
Leadership Role	0	0	9	60	57	4.38
	.00%	.00%	7.14%	47.62%	45.24%	
Figurehead Role	0	6	39	63	18	3.74
	.00%	4.76%	30.95%	50.00%	14.29%	
Liaison Role	0	6	15	69	36	4.07
	.00%	4.76%	11.90%	54.76%	28.57%	
Monitoring Role	3	6	36	57	24	3.74
	2.38%	4.76%	28.57%	45.24%	19.05%	
Disseminator Role	3	6	30	69	18	3.74
	2.38%	4.76%	23.81%	54.76%	14.29%	
Spokesperson	0	18	42	57	9	3.45
	.00%	14.29%	33.33%	45.24%	7.14%	
Entrepreneur	0	0	15	69	42	4.21
	.00%	.00%	11.90%	54.76%	33.33%	
Disturbance Handler Role	0	0	27	66	33	4.05
	.00%	.00%	21.43%	52.38%	26.19%	
Resource Allocates Role	0	6	21	72	27	3.95
	.00%	4.76%	16.67%	57.14%	21.43%	
Negotiator Role	0	3	9	42	72	4.45
	.00%	2.38%	7.14%	33.33%	57.14%	

Note: N = 126

On the other front, the principles with lower rankings in importance are stability of personnel (mean value of 4.38), order (mean value of 4.36) subordination of individual interests (mean value of 4.26) authority (mean value of 4.19). The emphasis is still on creating a feeling of stability in employment or the life-time employment policy, widely praised in Asia. Moreover, it is considered a crucial matter that there should be regulations requiring systematic implementation of business within the set framework because of the many more facets in Thai personnel meeting close supervision, and care should be taken in instilling an attitude

of treating interests of the majority with overriding concerns as well as allocation of authority to suit individual responsibility.

Interestingly, the initiatives principle (mean value of 4.14) gets comparatively the lowest attention although it is the main factor contributing to success in the business world of today, which signifies that R & D has not been given due attention in Thai organizations.

TABLE III
CONCEPT OF BASIC PRINCIPLES ON ORGANIZATIONAL MANAGEMENT

	Least Important	Not Important	Average	Important	Most Important	Mean
Division of Labor	0	0	12	93	21	4.07
	.00%	.00%	9.52%	73.81%	16.67%	
Authority	0	0	9	84	33	4.19
	.00%	.00%	7.14%	66.67%	26.19%	
Discipline	0	3	3	66	54	4.36
	.00%	2.38%	2.38%	52.38%	42.86%	
Unity of Command	3	24	48	30	21	3.33
	2.38%	19.05%	38.10%	23.81%	16.67%	
Unity of Direction	0	0	3	51	72	4.55
	.00%	.00%	2.38%	40.48%	57.14%	
Subordination of Individual Interests	0	6	15	45	60	4.26
	.00%	4.76%	11.90%	35.71%	47.62%	
Remuneration	0	0	0	63	63	4.50
	.00%	.00%	.00%	50.00%	50.00%	
Centralization	0	9	60	48	9	3.45
	.00%	7.14%	47.62%	38.10%	7.14%	
Scalar Chain	0	0	33	60	33	4.00
	.00%	.00%	26.19%	47.62%	26.19%	
Order	0	0	12	69	45	4.36
	.00%	.00%	9.52%	54.76%	35.71%	
Equity	0	0	3	63	60	4.45
	.00%	.00%	2.38%	50.00%	47.62%	
Stability of Personnel	0	0	6	66	54	4.38
	.00%	.00%	4.76%	52.38%	42.86%	
Initiatives	0	0	12	84	30	4.14
	.00%	.00%	9.52%	66.67%	23.81%	
Harmony	0	0	3	51	72	4.55
	.00%	.00%	2.38%	40.48%	57.14%	

Note: N = 126

TABLE IV
ATTITUDE OF THAI EXECUTIVES

	Least Important	Not Important	Average	Important	Most Important	Mean
Avoiding work	15	21	39	39	12	3.10
	11.90%	16.67%	30.95%	30.95%	9.52%	
No enthusiasm to work	12	18	51	33	12	3.12
	9.52%	14.29%	40.48%	26.19%	9.52%	
Not responsible	12	21	39	30	24	3.26
	9.52%	16.67%	30.95%	23.81%	19.05%	
Need guidance or lead	3	15	45	57	6	3.38
	2.38%	11.90%	35.71%	45.24%	4.76%	
High Determination in work	3	0	30	63	30	3.93
	2.38%	.00%	23.81%	50.00%	23.81%	
Responsible	0	3	21	54	48	4.17
	.00%	2.38%	16.67%	42.86%	38.10%	
Can work independently	0	0	15	99	12	3.98
	.00%	.00%	11.90%	78.57%	9.52%	
Creative	0	3	51	45	27	3.76
	.00%	2.38%	40.48%	35.71%	21.43%	

Note: N = 126

TABLE V
TECHNIQUES IN HUMAN RESOURCE MANAGEMENT

	Least Important	Not Important	Average	Important	Most Important	Mean
Lifetime employment	15 11.90%	33 26.19%	45 35.71%	30 23.81%	3 2.38%	2.79
Teamwork	0 .00%	6 4.76%	15 11.90%	36 28.57%	69 54.76%	4.33
Seniority	3 2.38%	12 9.52%	81 64.29%	27 21.43%	3 2.38%	3.12
Job Rotation	0 .00%	12 9.52%	30 23.81%	75 59.52%	9 7.14%	3.64
Career Planning	0 .00%	0 .00%	21 16.67%	63 50.00%	42 33.33%	4.17
Resolution of Committee	0 .00%	9 7.14%	33 26.19%	72 57.14%	12 9.52%	3.69
Participation	3 2.38%	12 9.52%	18 14.29%	75 59.52%	18 14.29%	3.74

Note: N = 126

TABLE VI
IMPORTANCE OF SOCIAL RESPONSIBILITY AND ETHICS IN MANAGEMENT

	No	Yes	Total
Building good public image	14.29%	85.71%	100.00%
Encourage more purchase of goods / services	61.90%	38.10%	100.00%
Morale boost	35.71%	64.29%	100.00%
Loyalty	57.14%	42.86%	100.00%
Create confidence with business partner	47.62%	52.38%	100.00%

Note: N = 126

TABLE VII
TECHNIQUES IN PROMOTION OF ETHICS IN THE ORGANIZATION

	No	Yes	Total
Training on ethics	40.48%	59.52%	100.00%
Code of Ethics	38.10%	61.90%	100.00%
Ethics Committee	85.71%	14.29%	100.00%
Ethics Hotlines	83.33%	16.67%	100.00%
Linking activities on ethics to evaluation	66.67%	33.33%	100.00%

Note: N = 126

Basing on the X and Y theories to express positive and negative attitudes of Thai management on their personnel, an interview is conducted, the result of which shows that they have positive points of view on most of their staff and are arranged in order of the mean values respectively i.e. being responsible (4.17), can work independently (3.98), high determination in work (3.93) and creative (3.76).

The negative views relevant to the issue are: Thai personnel need guidance or lead (mean value of 3.38) and many of them lack enthusiasm and are evasive to work, this is often the opinion of the management toward unskilled labour which have influence on formulation of policy on personnel through imposing of stricter policy on the unskilled labour than the skilled labour.

The techniques in human resource management emphasized by Thai management comprise teamwork (mean value of 4.33)

and career planning (mean value of 4.17). This shows that team working is accorded with higher significance in implementation which many managerial people indicate this trend as an influence from Japanese management style in which emphasis is placed on teamwork with personnel from different chains of command resulting in the emanation creative thinking. While the concept of career planning is considered as quite innovative in Thai personnel management which in the past is only applied in large or leading enterprises. However the notion is gaining in popularity because it enables the personnel to have a clear knowledge about the growth in business and serves as a boost in motivating more efforts in work.

The tactics given considerable importance are participation (mean value of 3.74) job rotation (mean value of 3.64) and resolution by committee (mean value of 3.60); the reasons being similar to the above in the issue of attaching more

importance to personnel from all levels and that personnel should not be viewed simple as a small cog or mechanism in work as well as more transparency in decision making, showing less bias by forming committee in analyzing and decision making on more issues. One tactic gaining popularity is job rotation which in actuality is the variegated skill training to personnel in the whole organization. Most training is on-the-job training which is still efficient in the operation of Thai business.

The tactics gaining less popularity at present are seniority (mean value of 3.12) and lifetime employment (mean value of 2.79). Both tactics used to be focused on in the past due to the influence of Thai culture which show high distance in this aspect and putting emphasis on long-term no contract, unofficial employment, a total departure from western employment culture. However such concept has experienced tremendous transition nowadays, when seniority system is taking a lesser role due to the influence of western culture which focuses on the skill in work including the employment system with more pronounced evaluation of individual and is applied in combination with employment of personnel too.

Table VI shows that Thai management fully realize the importance in applying the concept of ethics and social responsibility in the organization due to the most important reason i.e. building good public image (85.71%), an external interest group with wide impact on the business. For certain, the social responsibility programs are implemented with expectation for long-term feedback.

Next items are morale boost (64.29%) and create confidence with business partner (52.38%) which is interest groups with direct significance to the business and doing so will create long-term positive result to the business. The last item in the list is more purchase of goods and services (38.10%). In conclusion, we will notice that Thai management have a long-term concept in the application of managerial ethics in practice and put their hope in long-term expectation rather than the mere short-term increase in purchases of goods and services.

On ethics, the tactics for promotion appears on Table VII in which the most popularly used one is the code of ethics (61.90%) which is in line with the approach commonly used in most leading international corporate as instrument for promoting social responsibility in personnel. The tactic with lower rank in importance is training on ethics (59.52%) which is gaining importance for inculcating such concept.

The rather not-so-popular tactics are the use of criteria on ethics in evaluation of performance (33.33%) ethics hotlines (16.67%) and seeking help from ethics committee in deciding the appropriate behavior for all staff members in the organization (14.29%).

○ The Significant Relationship between the Background and Management Styles of Thai Executives

As regards the relationship between the skill and background of the executives, the organization under which the personnel work has a large influence on their focused skill. Managerial personnel in the department which have to work in collaboration with the other internal departments and external units on regular basis such as marketing, purchasing and production tend to place emphasis on human skills more than

what the R&D department would do. On the other hand, technical skills have been given more focus by personnel in accounting human resources and finance because the emphasis is on specialized skill and professional skills and the weight is devoted to achievement in performing the job more than interaction with external units.

Worthy of notice is the personnel department, an internal unit which should give high attention to human skills because of the necessity for a lot of contacts with personnel in the other departments, attaches less importance to this aspect than average. Thus it shows that personnel department in Thai Organizations still sticks to the original concept of focusing on data collection, issuing regulations, fixing wages and salaries and evaluation instead of working in alliance with other units or in ancillary manner to bring about total strength in competitiveness for the organization. This point is worthy of careful consideration too.

The conceptual skills have significant relationship with the level of education. With higher education more weight is put on the conceptual skills in particular, for a level of education higher than Bachelor degree, the importance of the skills is more distinctly realized. Therefore it can be said that assistance to gain higher education should contribute to more focus and development of the skills because of the realization about their efficiency in boosting management of the organization.

Apart from similarity of relationship as in above case, the relationship of conceptual skills and the position of managerial personnel is in such a way that the higher the position, the higher the focus on conceptual skills which is in compliance with the management theory stating that the top management must focus more on conceptual skills than the lower managerial personnel or the middle managerial personnel.

Following are the relationship between the background and the role which are of statistical significance in which the female have comparatively higher relationship to the focus on liaison role than the male because of the outstanding features of female managerial personnel in inclining towards more compromising stance and trying to minimize internal conflicts leading to good understanding from within while at the same time this trend might affect the resolute decision-making in the organization.

The situation is in compliance with the relationship between age range and the liaison role in which higher age group managerial personnel tend to attach more importance to this role or it might be stated that with higher age comes the tendency to be more relationship oriented and the efforts in liaisons in order to reduce conflicts for more cooperation in the future, while lower age group managerial personnel are inclined towards being more task oriented.

The spokesperson role has significant relationship with educational qualification where personnel with higher educational achievement will realize more about the necessity of this role in communication and disseminating information to external source so as to create a good understanding between the organization and the society at large as well as a good image and confidence in the organization. Besides, the role, if properly played, enables the organization to set industry standard for performance.

The unit under which the managerial persons work is connected to this role too, where managerial people from internal ancillary departments such as accounting & personnel shall focus less on the role than the departments needing to have interaction with external source ex. the marketing and purchasing departments.

In this case the male have much more focus on the role of being creative & pioneering entrepreneurs than the female because the male are comparatively more prone to changes and risk-taking. Besides, age is significantly related to the role of entrepreneur, the persons with age ranging from 31-40 tend to attach most importance to being entrepreneurs, followed by the age range of 41-50 and over 50 while the low age range of 22-30 focuses the least on this role because of the young age when job first begins therefore most focus is on increasing day-to-day efficiency.

As for the negotiator role, gender is related to it so as to reap highest benefits for the organization where the male focus more on this role than the female. Moreover, age also affects this role. The higher age managerial people tend to focus more on negotiator role; particularly the over-50-year group is more inclined to have higher awareness about its importance.

V. SUMMARY

Management styles of Thai executives nowadays have the highest focus in human skills, followed by conceptual skills. The roles considered to be important to focus on comprise negotiator role and next in the list are the role of providing direction to the overall operation and the role of pioneering and adventurous entrepreneurs. The basic principles being attached with the highest importance are harmony and unity of direction which will drive the corporate towards the desired course efficiently besides focus is also made on appropriate remuneration and equity.

In general, Thai executives have more positive attitudes than negative attitudes towards their subordinates. They are of the opinion that their staff are responsible and can work independently and have high determination to complete the work. As for as human resource management is concerned the tactics being focused most include team works, career planning respectively. On the front of ethics and social responsibility, the aim is made on getting feedback of good public image and morale-boost to subordinates. The tactics most commonly used as impetus for instilling ethics and social responsibility in the staff include ethical codes and training in ethics for all staff members.

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