Organization Development in Thailand

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When Organization Development (OD) is practiced in cultures other than the U.S. culture, is it effective? In this paper, the author explores this question with respect to the Thai experience. The author reviewed the literature, visited seven organizations in Thailand, and interviewed a practitioner scholar and reports his findings.

Organization development (OD) in Thailand is a relatively new field, and very little has been written or published about it. This paper will explore the brief history of OD in Thailand, hypothesize about potential reasons for OD's failure in the Thai context, and report on observations of OD practice in Thailand made during visits to seven organizations. Finally, some recommendations will be made which will be aimed at improving the effectiveness of organization development practice in Thailand.

Definition of Organization Development

Many authors have proposed definitions of organization development (OD), and most of these authors have been U.S.-based (e.g., Beckhard, 1969; Bennis, 1969; Burke, 1982; McLagan, 1989, as cited in Rothwell, Sullivan & McLean, 1995). Beckhard's definition is often cited: "Organization Development is an effort (1) planned, (2) organization-wide, and (3) managed from the top, to (4) increase organization effectiveness and health through (5) planned interventions in the organization's "processes," using behavioral-science knowledge" (as cited in Rothwell et al., 1995, p. 6). This will be the definition used as the basis for this paper as it was cited by S. Waranusantikule (personal communication, May 22, 2000) as being the definition commonly used by practitioners and scholars in Thailand.

Although a Thai definition for OD was not apparent in the literature, one could hypothesize that it would be different based on the differences between the U.S. concept of HRD and the Thai concept of HRD. McLean (1998) observed that, while U.S. definitions of HRD focus on the performance of the organization, his "...experiences in Thailand suggest that HRD has a broader emphasis that extends beyond the organization to the community" (p. 2). Indeed, Na-Chiangmai (1998, as cited in Wattanapong, 2000) wrote that HRD in Thailand encompasses companies, employees and society or community. These differences may have implications for the definition and, therefore, practice of organization development in the Thai context.

Brief History of OD in Thailand

A number of OD-type interventions have been implemented in Thai organizations, including 1) T-groups, 2) Quality Control, 3) 5 Ss (Seiri—structurize, Seiton—systemize, Seiso—sanitize, Seiketsu—standardize, and Shitsuke—self-discipline), 4) Reengineering, and 5) ISO. The first of these to be introduced into Thailand was T-groups in 1974 (S. Waranusantikule, personal communication, November, 1999). As a result, even today, many managers view T-groups and OD as one and the same (S. Waranusantikule, personal communication, November, 1999). One note of interest in the introduction and subsequent growth of OD practice in Thailand is that each of these interventions was developed outside of Thailand (especially in the U.S. and Japan), and the majority of them have been introduced and implemented in Thailand by foreign consultants (Wattanapong, 2000).

Despite more than twenty-five years of OD practice in Thailand, most of the literature reflects that success of OD interventions in Thai organizations has been limited. Wattanapong (2000) stated that "...many OD practices did not work well in Thai organizations because of the culture" (p. 54). Waranusantikule (personal communication, May 22, 2000) agreed that open communication in Thai culture is very difficult, and participation is limited due to the respect given to hierarchy in Thai organizations. However, this point increases the importance of top-down implementation and buy-in when conducting OD interventions. Additionally, the concept of face limits confrontation and presents barriers to the evaluation of OD interventions. Others have made similar observations. Kind (1997, as cited in Wattanapong, 2000) wrote that implementing OD interventions in Thailand was not easy because the need for change could be cause for loss of face for some executives. While some authors here have concluded that OD in Thailand has not been successful, the lack of

success is only perceived and is up for debate. According to Waranusantikule (personal communication, May 22, 2000), many of these early OD interventions were implemented because company leadership mandated them without any diagnosis/analysis phase and without following the intervention with any sort of evaluation that was tied to performance of the organization.

The remainder of this paper will outline the principles of effective OD in the U.S. context and hypothesize why, if the same principles were used in implementing OD in Thailand, these interventions may fail. Finally, the author's own observations on OD practice in Thailand will be reported.

Methodology

Two primary approaches were used to accomplish the purposes of the study. First, available literature was reviewed. It appears, however, that little in the English literature has been written specifically on Organization Development in Thailand. While the Web was also searched, very few documents were located on the Web. Thus, the literature review, initially, yielded very few sources.

By far, however, the most useful information emerged through interviews and observations at organizations visited in Thailand. The author traveled to Thailand as a participant in an International Human Resource Development field trip during which seven organizations were visited. One organization was a government agency, four were Thai-owned companies, and two were foreign-owned multinationals operating in Thailand. See Table 1 for details on the organizations visited. The organizations visited were not from a random selection, and no statistical analyses have been applied. Further, given the exploratory nature of this study, no attempts have been made at generalization. Finally, the author interviewed Dr. Sithichoke Waranusantikle who is a professor at Thammasat University and who also practices as an OD consultant in Thailand.

The results of the literature review, observations made at the visited organizations and the interview were then synthesized, and conclusions and recommendations were made.

Effective OD in the U.S.

Even within the U.S., many OD interventions fail. Rothwell et al. (1995) outlined four key principles from the U.S.-based definition of OD that speak to OD's potential for success. First, OD is long-range in perspective. Second, top managers must support OD. Third, OD effects change chiefly, though not exclusively, through education. And, fourth, OD emphasizes employee participation in diagnosing problems, considering solutions, selecting a solution, identifying change objectives, implementing planned change, and evaluating results.

OD in the Thai Context

At a very high level, if OD is perceived to be not successful in Thailand, a couple of possibilities exist; either OD is poorly practiced, which results in poor outcomes, or the OD that is good practice in one cultural context (U.S.) is not appropriate in another. Hillion and McLean (1997) stated that, when HRD principles that have originated in the U.S. have been applied internationally, the nature and purposes of HRD activities differ in each country. Assuming that "good" U.S. OD practice, as described above, was used in implementing OD in Thailand, are there aspects of Thai culture that may affect the outcomes? The next section will examine each of the principles for successful OD as listed above and compare them to what is known about Thai culture.

Table 1. Summary of Organizations Visited in Thailand

Organization Name	Date Visited	Type of Organization
Siam Cement	18 May, 2000	Thai-owned Crown company
Office of the Civil Service Commission	18 May, 2000	Government agency
Toyota Thailand	19 May, 2000	Foreign-owned multinational (Japanese)
EGAT (Electric Generating Authority of Thailand)	19 May, 2000	Thai-owned cooperative in the process of privatizing
Thompson Television	20 May, 2000	Foreign-owned multinational (French)
Thai Airways	22 May, 2000	Thai-owned company
TelecommASIA	22 May 2000	Thai-owned company

OD is About Change

The U.S.-based definition of OD can be paraphrased as trying to create purposeful change in organizations. The Thai view of change may be a barrier to implementing OD. On Trompenaars' (as cited in Rothwell et al., 1995) continuum of internal control of nature (human dominance over nature) vs. external control of nature (human subjugation to nature), Thai culture would fall closer to external control relative to U.S. American culture. Because of this view of nature, Thais feel that change will happen by itself and that humans should not initiate change (Fieg, 1980). In contrast, the U.S. American view of nature is one of internal control whereby humans control nature.

On the other hand, Thais also take the law of impermanence from the Buddhist religion (S. Waranusantikule, personal communication, May 22, 2000). The result is that Thais will adapt to change with relatively little resistance. These two seemingly contradictory views may be reconciled by saying that slow change led by a respected and trusted leader will be more successful than radical change. These differences with respect to assumptions about change certainly have implications for implementing OD in Thai organizations.

OD is Long-Range in Perspective

Very little could be found in the literature regarding Thai's time orientation, especially as it relates to change or OD. In an interview, S. Waranusantikule (personal communication, May 22, 2000) stated that Thais do not typically plan for the long-term. Additionally, because OD is a long-term process, many line managers find it difficult to attribute changes to specific OD interventions and, thus, discount its value. However, foreign ownership of the organization may heavily influence time orientation in specific organizations in Thailand. For example, the author observed that the culture at Toyota Thailand was strongly influenced by its Japanese owners (e.g., Japanese language spoken in the office). The Japanese culture has a very strong future, long-term orientation. Therefore, the Thai employees at Toyota Thailand may plan better for the long-term.

OD Should Be Supported by Top Managers

An argument could be made that Thai culture supports this principle of U.S.-based OD. Hofstede's (1991) research shows that Thailand ranks high in power distance relative to the U.S. Power distance refers to "...the extent to which the less powerful members of institutions and organizations within a country expect and accept that power is distributed unequally" (p. 28). Therefore, top managers should have the authority to commit to and drive change through their organizations. However, it is important to remember how OD has been implemented in Thailand. Wattanapong (2000) described foreign consultants as primarily the ones who have introduced and initiated OD interventions in Thai organizations. Using foreign consultants poses a risk to top managers because there is high potential for a loss of face for them. "Face is lost when the individual, either through his action or that of people closely related to him, fails to meet essential requirements placed upon him by virtue of the social position he occupies" (Ho, as cited in Hofstede, 1991, p. 61). Because of the Thai culture's strong power distance, top managers are expected to know all of the answers. If top managers need a foreign consultant to tell them the answers, this may cause the manager not to meet the essential requirements based on his/her position.

Another aspect of Thai culture increases the risk to top managers in the situation above. Thailand ranks very low on Hofstede's (1991) individualism scale, which means that it has a collectivist culture. One aspect of collectivist cultures is that there exists an in-group ("we") and an out-group ("they") (Hofstede, 1991). The fact that the foreign consultants implementing OD were from the "out-group" increases the chance for loss of face by top management. Waranusantikule (personal communication, May 22, 2000) cited the Bank of Thailand's OD effort as an example of this type of situation. It was unsuccessful because employees couldn't accept the possibility that foreign consultants could understand their corporate culture well enough to effect change in it.

OD Emphasizes Employee Participation

Again, Thai culture's strong power distance means "...the traditional Thai pattern has been more authoritarian or autocratic..." (Fieg, 1980, p. 67). "Employees are expected to be told what to do" (Hofstede, 1991, p. 35). If OD is implemented using a U.S. model that includes a high degree of employee participation, the Thai culture may create barriers to the success of the implementation. Not only might employees feel uncomfortable being asked to participate, they may not even know how. In addition, the OD implementation may not work because it is essential to have employee participation for it to work, and Thai culture creates barriers to letting that happen.

Other Factors Related to Implementation of OD in Thailand

In addition to the cultural factors listed above, even the history of OD in Thailand may have created barriers to the success of OD in Thailand. As stated earlier, the first OD interventions in Thailand were T-groups and, even today, many managers equate OD with T-groups (S. Waranusantikule, personal communication, November, 1999). However, T-groups are "...based on honest and direct sharing of feelings about other people. Such training methods are unfit for use in collectivist cultures...Relationships between people are never seen as 'transactions' between individuals: they are moral in nature, not calculative" (Hofstede, 1991, p. 66).

In conclusion, there is a very good possibility that, in light of Thai culture, the way in which OD has been implemented in Thailand has contributed to its perceived failure.

The next section of this paper reports on the author's actual observations of OD practice during his visit to seven organizations in Thailand.

Observations Made During Company Visits

The responsibility for OD practice in the organizations visited fell primarily on senior management rather than a separate HRD/OD department. This seemed to be the case despite a lack of training for management in the area of OD. The exception to this was Siam Cement where management at least received training in HRD. This approach is not unique to Thailand. As Burke (1994, as cited in Church et al., 1996) noted: "Much of what is called OD is the use of OD techniques...but using OD techniques is not necessarily providing organization development" (p. 12). "If someone formally trained in engineering or advanced mathematics winds up in a HR department and conducts an attitude survey, they can claim they are doing OD and the field will believe them" (Church, 1996, p. 9). This was the case at Toyota Thailand where the head of HRD had come from the field of finance. The problem with this approach, as Church et al. (1996) explained, is that OD is often practiced without any sort of standard for quality.

One might ask, then, how is OD practiced in the companies visited in Thailand? The practice of OD apparent in these companies varied significantly from Siam Cement where an entire Corporate Total Quality Promotion Center was devoted to creating change and enabling Total Quality Commitment (TQC) to EGAT (Electricity Generating Authority of Thailand) where the organization was in the midst of privatizing and appeared to be taking no systematic approach.

One example of OD in a company was observed at Siam Cement around their twenty-year path towards quality. Due to a crisis driven by a shift in the company's markets from over demand to over supply, top management made a commitment to improving the quality of its products and services to better satisfy its customers. In 1980, the company began bottom up activities by introducing and promoting quality and safety activities. In 1983, Siam Cement established a Corporate Productivity Improvement Committee (PICC) to promote quality management focusing on productivity rather than quality. In 1987, the Japanese 5 S system of Seiri (Sort), Seiton (Set in order), Seiso (Shine), Seiketsu (Standardize), and Shitsuke (Sustain) was promoted. In 1989, a suggestion system was implemented. In 1992, top management proclaimed the Siam Cement policy on Total Quality Commitment (TQC). Today, the Corporate Total Quality Promotion Center, an extensive organization of professionals, is responsible for activities to enable TQC such as training and development, consulting, and promotion.

The Siam Cement example demonstrates some of the key aspects of OD. Top management was committed to change and a long-range perspective was taken. One might question the amount of planning that took place and the level of employee involvement, but overall, this was one of the better examples of OD observed at the companies visited.

Another example of OD was observed in the strategic planning and public sector reform processes at the Office of the Civil Service Commission, a Thai governmental agency. A number of factors lead to the need to reform the government in the late 1990s, including a major economic crisis, a new constitution, increasing demand for greater transparency and participation, and for better services (Office of the Civil Service Commission, 1999). The Deputy Secretary – General to the Office of the Civil Service Commission, Dr. Chalerm Sriphadoong, was appointed to lead the Public Sector Reform Committee. An extensive assessment lead to creation of the Public Sector Management Reform Plan. This plan outlines the rationale and objectives of the proposed changes and the focus and scope of these changes (Office of the Civil Service Commission, 1999). In a presentation to a University of Minnesota class, Dr. C. Sriphadoong (personal communication, May 18, 2000) spoke of the effort he and his team were making to involve citizens in their reform activities. He also spoke about the need to have the highest level officials leading this change and the long-term nature of this initiative. One of the risks he mentioned was the potentially short-term

nature of an elected government. What happens if the next government has a different vision and a different approach? This lack of continuity works against the implementation of good OD practice in government.

These are just two examples of how OD is practiced in Thailand. At the other organizations visited, the evidence of OD and OD activities was less apparent. Most human resource development activities focused more on training and development and less on organization development.

The next section of this paper proposes recommendations for addressing the practice of OD in Thailand.

A Possible Approach to OD in Thailand

Based on the information in this paper and a conversation with S. Waranusantikule (personal communication, May 22, 2000) about one of his clients, the following is a hypothetical scenario for how OD might be practiced successfully in Thailand.

Top management at a company recognizes that there is low morale and low productivity throughout the ranks. They call an expert OD consultant (probably foreign given the lack of OD expertise currently resident in Thailand) who understands Thai culture and a Thai partner to consult with them to address these issues. The consultants organize a retreat with the President and his staff. Instead of discussing ideas verbally, the participants draw pictures to convey images of how they perceive the current culture and climate. Drawing decreases the staff members' reluctance to express their views to their boss. The exercise is repeated for a desired future state. Once the ideas have been expressed in a graphical format, a more open discussion can follow with the objective of coalescing around a single vision. This becomes the company's vision.

Next, the consultants lead a discussion of the company's culture and how it could align the culture to achieve its vision. The emphasis is not on the current culture being good or bad, but just not aligned with the vision. This approach limits the possibility for loss of face for the management team.

The consultants pose the question, "How should the culture be changed to align it with the vision?" Responses are written on cards and submitted anonymously so as to optimize participation despite the Thai culture's high power distance. Based on the final options, projects are identified. The President assigns staff members to projects. Their job is to gather input from their employees for the next meeting. Knowing that lower level employees are hesitant to participate, the President's staff members

employ a transformative style of leadership, relying on personal relationships and appealing to the hearts of their employees, as opposed to taking a very transactional and rational approach. This is effective because Thailand scores very high on Hofstede's (1991) femininity scale in which relationships are valued.

At the next meeting, each staff member brings the input they have gathered and the consultants lead an action planning session where the input from the employees is considered and integrated into the plan and an evaluation strategy is defined. Each staff member is again assigned responsibility for specific actions to effect change. The OD consultant and the Thai partner work with the President and his/her staff to adapt OD principles into their approach to organizational change. The President's staff members would likely lead the change since this is the expectation from the employees of the company in Thailand's high power distance culture. Throughout the change process, the consultants work with the President and his/her staff to evaluate and track progress. Additionally, the consultants continually work to transfer their OD knowledge to their clients to make them self-sufficient in the future.

Recommendations

As the previous scenario illustrates, it may be possible to follow U.S. principles of OD and modify the practice, taking into account the differences in Thai culture, to create a successful OD outcome. However, more research needs to be done. The following are recommendations for how the practice of OD in Thailand may be improved.

First, HRD academicians who are native to Thailand need to conduct more research on OD in Thailand. This will increase the likelihood of the next recommendation coming to fruition.

Second, a Thai definition and model for OD needs to be developed. As has been outlined throughout this paper, the U.S.-based OD definition and model may not be appropriate to the Thai context.

Finally, more Thais need to be educated in the theory and practice of OD. This is an important step if OD efforts in Thailand are to be led by in-country personnel.

Summary

This paper has reviewed the brief history of OD in Thailand, highlighted the perceived failure of OD, hypothesized reasons for this failure, reported the author's observations of OD practice at seven organizations in Thailand, and provided some

recommendations for improving the practice of OD in Thailand in the future. While organization development is a relatively new field in Thailand, many opportunities exist for developing the field. Academicians in HRD are increasing in Thailand, and practitioners are gaining more experience. Out of this education and experience, a common definition and model for OD can be developed. While foreign models and experience may provide a foundation for this journey, a truly effective model of OD for Thailand needs to be developed taking into account the unique characteristics of Thai culture.

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