Employee Commitment in U.S. and Japanese Firms in Thailand

Richard A. Colignon
Department of Sociology and Criminal Justice, Saint Louis University
3500 Lindell Ave., St. Louis, MO., USA
Tel: 1-314-977-3640  E-mail: rcoligno@slu.edu

Chikako Usui
Department of Sociology and Center for International Studies
University of Missouri-St. Louis
One University Blvd.
St. Louis, MO 63121
Tel: 1-314-516-6370  E-Mail:chikako@umsl.edu

Harold R. Kerbo
Department of Sociology, California Polytechnic State University
San Luis Obispo, CA 93407

Robert Slagter
Department of Sociology, Birmingham Southern College
900 Ackdelphia Road, Birmingham, AL 35254

Abstract
Foreign direct investment from transnational corporations across Southeast Asia provides an opportunity to examine the cross-cultural workplace. Most research on cross-cultural workplace takes place in developed countries, but little has been done on the cross-cultural workplace in developing countries. We examine the extent and determinants of organizational commitment among 959 Thai employees in 10 Japanese and American transplant corporations in the Bangkok area. These data were supplemented with in-depth interviews of Thai, Japanese and US managers in 24 transplant corporations and follow-up interviews.

Consistent with the literature, we found higher levels of identification and behavioral commitment among employees of U.S firms. In addition, confiding in one’s supervisor was positively related to both identification and behavioral comment in Japanese firms. Finally, females were more behaviorally committed in Japanese firms while males had significantly more identification commitment in U.S. firms.

Keywords: Japanese and United States transplant corporations, employee commitment, Thai employees, multinational corporations.

1. Introduction
Differences in workplace attitudes and behaviors between Japanese and American workers have been a topic of discussion for several decades (Cole 1979; Dore 1973; Azumi and McMillan 1975; Lincoln and Kalleberg 1985). Subsequent research focused on the workplace of transplant corporations between industrialized countries, such as Japanese transplants in the United States (Florida and Kenney 1991; Yang 1992). However, increasing foreign direct investment from industrialized countries like the United States and Japan to developing countries in Asia raises issues of employee-management relations and attitudes in cross-cultural workplaces in industrializing countries. This paper examines workplace attitudes and behaviors for Japanese and US firms in Thailand.

The Japanese manufacturing workplace has been characterized by commitment and loyalty, lower rates of turnover, absenteeism, and industrial conflict along with high levels of productivity and product quality. These features were assumed to result from Japanese commitment-maximizing management techniques and organizational structures. However, Cole (1979, 241) and Lincoln and Kalleberg (1985, 738) point out that although Japanese employees may have strong attachment to their company, they do not necessarily have high levels of behavioral or effort commitment. Indeed, Lincoln and Kalleberg’s empirical research found lower levels of both identification and behavioral commitment for Japanese
manufacturing workers when compared to their American counterparts. If Japanese managerial techniques and organizational structures generate lower levels of commitment, these differences should be apparent when comparing employees in Japanese and U.S. firms in developing countries. Moreover, we might expect the antecedents of organization commitment between Japanese and US firms. Alternatively, global technology and competition may have transnational corporation from other developing countries imitating “best practices” commitment maximizing managerial techniques and work design (Applebaum 2000) with little difference in level and causes of organizational commitment.

We examine the extent and determinants of organizational commitment among Thai employees in 10 Japanese and American transplant corporations in the Bangkok area through questionnaire data from 959 Thai employees of these corporations. Interviews with Thai, American and Japanese managers were used to complement and elaborate the findings. We begin with an examination of the concept and measurement of organizational commitment.

2. Organizational Commitment in Japan versus the United States

The concept of organizational commitment represents the strength of an individual’s involvement, identification, and motivation in a particular organization (Porter and Smith 1970; Mowday et al. 1982, Siders et al. 2001). Early work identified these dimensions of organizational commitment as identification, behavioral, and attachment commitment. Identification commitment represents a strong belief in and acceptance of the organization’s goals and values. Behavioral commitment represents a willingness to exert considerable effort on behalf of the organization. Attachment commitment is viewed as representing the preference for continuing to work in the organization (Applebaum 2000). Later work focused on identification commitment and behavioral commitment (Lincoln and Kalleberg 1996) because it was thought that attachment commitment did not represent the internalization of the organization’s goals, or strong feelings of loyalty.

Organizational commitment has been shown to be a reliable predictor of employee behaviors such as turnover and absenteeism (Crenson 1997; Moon 2000, Williams 2005). The conception of organizational commitment is appealing to managers, human resource administrators, and social scientists because of its association with academic as well as practical issues. Interest in the concept of organizational commitment traces its genealogy to early literature on organizational loyalty and institutionalization, where these processes were viewed as having positive consequences for the organization (Selznick 1949). Increased understanding of organizational commitment in cross-cultural circumstances will help us understand more precisely why and how individuals form bonds to collectivities in their environment and how people find purpose in their lives (Mowday et al 1982, 19).

Japanese organization and management practices received widespread recognition with the onset of rapid economic growth in Japan during the 1960s (Cole 1979). These features of Japanese management were recognized as different from Western nations, and attention turned to what appeared to be the advantages of the Japanese system. Most early research found that Japanese workers were more attached and committed, and this was attributed to Japanese organizational form, management, and human resource practices (Whitehill and Takezawa 1968; Marsh and Mannari 1977; Cole 1979; Ouchi 1980; Hatvany and Pucik 1981; Sours 1980; Ungson, Mowday and Steers 1983; McMillan 1984).


One explanation for Japanese worker’s strong loyalty to the organization is that Japanese companies are designed to elicit commitment from employees. This view contends that Japanese company success can be traced to the strategies and designs of Japanese managers. For example, Dore (1973) characterizes the Japanese employment system as “welfare corporatism” representing a bundle of organizational structures, practices, and processes designed to maximize a broad range of organizational commitments. However, Japanese companies have no monopoly on these strategies and designs and some authors contend that market and technological imperatives have produced a convergence in organizational structures and managerial strategies. To them, the modern firm is designed to be commitment-maximizing and the specific structures, practices, and processes contributing to this outcome are the same. Lincoln and Kalleberg (1985, 1990; 1996) suggest that differences between U.S. and Japanese work design are manifest in the organizational structure and the demographic characteristics of labor in Japanese companies. Yet, the authors point out that Western and Japanese corporations may be converging on work design and managerial strategies (Applebaum 2000). Therefore, the questions animating this research are whether there is variation in commitment among Thai employees working for Japanese and American transplants, and if so, whether this variation is attributed to different workplace experiences, job characteristics and structural features of the organization.

H1: There is no difference in organizational commitment between Japanese and U.S. firms.

3. Transplant Corporations

Differences between American and Japanese workers may result from differences in work design, workplace experience, organizational structures, and demographic characteristics. However, if Japanese work design, managerial techniques and organizational structures generate lower levels of commitment or support different forms of commitment, these differences should be apparent when comparing employees in Japanese and U.S. firms in developing countries, such as Thailand,
where external sources of variation (i.e. labor market, culture) are constant.

The establishment of transplant enterprises raises the question of the degree to which home-country management practices may be transplanted into the host culture or whether substantial adaptation is required. According to Yoshino (1976), transplanting Japanese organizations is difficult because their form and practices are culture-specific. On the other hand, Cole (1979) concluded that it might be possible to transplant the Japanese organizational model if it were adapted to local conditions. In developed countries like the United Kingdom and United States, a range of research suggests transplanting is successful in the automotive sector but more adaptation is required in electronics and service sectors (Florida and Kenney 1991; Yang 1992).

Although comparative analysis has focused on transplant firms from developed countries in other developed countries little attention has been given to transplants in developing parts of Asia. To what extent can Japanese transplants implement a Japanese system and cultivate a committed labor force? Unfortunately, the research that does exist considers only managerial interpretations as to whether the Japanese management system has been utilized and its effect in these transplant corporations. For example, Hiramoto (1995), Deyo (1995), and Frenkel (1995) surveyed Japanese management about their operations in Taiwan and Malaysia. Thianthai (1991) surveyed Japanese management in Thailand about their management practices, and Levine and Ohtsu (1991) reviewed several such articles. A common procedure of such research is to gather the views of Japanese management, with no interviews or questionnaire data from non-Japanese managers or employees about Japanese management styles, the reaction of Southeast Asian employees to these Japanese management practices, and whether they are accepted.

In the present research, we examine the extent of employee commitment among Thai employees of American and Japanese corporations in the Bangkok area. We examine two types of commitment found in previous research as expressed in identification with the corporation and commitment expressed in willingness to expend effort for the success of the organization. We complemented these quantitative findings with interviews of Thai, Japanese, and American managers. It must be noted here that we found wide variation in the implementation of Japanese management styles and methods. Some Japanese managers said that everything is done just as it is in their factories and offices back in Japan. Other managers said they did not try to follow any of the Japanese management techniques in Thailand because they believed they would never work. Even within the same industry there was wide variation in the implementation of Japanese work organization.

Although we were unable to measure the extent Japanese companies in Thailand implemented Japanese managerial strategies and structures, the question remains as to whether organizational commitment in Japanese and US firms follows from different configurations of job characteristics, organizational structures, work experiences and personnel characteristics. In particular, the question arises as to what degree and under what organizational circumstances Japanese and US transplants induce worker commitment in their host-country?

4. Sample and Methodology

The sample of firms was drawn from the lists of corporations published by the Japanese Chamber of Commerce (1994) and American Chamber of Commerce (1995). The selection of American and Japanese corporations was based on the likelihood of the firm having a significant number of Thai employees and being in the Bangkok area. The sample was randomly selected within these guidelines with letters of introduction sent from California to 100 Japanese corporations and 25 American corporations.

Detailed questionnaire data were obtained from 959 Thai employees in six Japanese and four large American corporations in the Bangkok area during several months in 1995 and 1996. A total of 549 employees from Japanese companies and 410 from U.S. transplant corporations. The employee questionnaire was taken primarily from Lincoln’s research on Japanese transplants in the United States (Lincoln, Hanada, and 1986; Lincoln, Hanada, and Olson 1981; Lincoln, Olson, and Hanada 1978) and consisted of 10 pages of items ranging from personal data to employee perceptions of workplace organization, job satisfaction, and standard measures of organizational commitment. The questionnaire was translated from English to Thai, back translated, and then the final Thai version produced.

In addition, two of the authors conducted interviews with Japanese, American and Thai managers in 24 Japanese and US transplant organization, including these ten corporations. Interviews lasted 1-3 hours. The interviews began by collecting background information and included semi-structured and open ended questions on the operations of the organization and relations between employees and management. These interviews were used to plumb some of the social mechanisms that might explain differences in management-employee relations and identification and behavioral commitment in U.S. and Japanese firms (Swedberg 2001). The interviews were transcribed and segments of interviews were categorized for recurring themes of manager’s perceptions of Thai workers and the impact of job characteristics and organizational structures on Thai attitudes and behaviors.

5. Concepts Related to Organizational Commitment

The literature on employee attitudes and behaviors presumes they are the outcome of characteristics of work. In addition, this literature recognizes that people respond differently to the same job, therefore the characteristics of the job holder are
important considerations. Moreover, it is assumed that the closeness to a fit between the job and the personnel filling the job affects organizational commitment. That is, the better an employee fits the job the higher their commitment. The literature suggests that major influences on the formation of organizational commitment have been more specifically broken down into job characteristics, structural characteristics, work experience, and personal characteristics (Steers 1977; Hackman and Oldham 1980; Lincoln and Kalleberg 1996).

5.1 Job Characteristics

Job characteristics are presumed to embody elements of a work design of commitment maximizing strategies. These job characteristics include job variety, availability of resources to accomplish the job, and rules and regulations that apply to the job. Job variety is linked to autonomy on the job. Autonomy is positively associated with job satisfaction and organizational commitment. However, the relationship between job variety and organizational commitment is complex. The basic idea is that increased scope of job requirements is thought to increase the challenge employees’ experience, which increases employee commitment. In addition, the availability of resources and the application of rules and regulations help the employee meet that challenge. Increasing job challenge and the rules, regulations, and resources to meet that challenge are thought to elicit an increased commitment from employees.

H2: Job variety is positively related to organizational commitment.

H3: Availability of resources is positively related to organizational commitment.

H4: Rules and regulations are positively related to organizational commitment.

Another job characteristic associated with organizational commitment is task interdependence or the extent to which one’s job requires working closely with others. Task interdependence is positively related to a sense of responsibility because others rely on you to complete the task. Organizational commitment has been found to be positively related to functional dependence of tasks (Morris and Steers 1980, Wageman 1995).

H5: Job requirements of working closely with others are positively related to organizational commitment.

5.2 Structural characteristics

In addition to job characteristics, some literature has focused on the manner in which organizational structure shapes the job position in a way that relates to organizational commitment. Decision making participation, rules and regulations, standard operating procedures, and hierarchical position have been found to be positively related to employee commitment. Employees experiencing greater decision-making participation, greater formality of written rules and regulations, standard operating procedures, and occupying a supervisory position were felt to elicit greater commitment to the organization.

A pervasive theme in the workplace commitment literature is that the development of workplace community is facilitated by mechanisms that allow employees to participate in decision making (Applebaum et al. 2000). These mechanisms provide the employee with a sense of control over the employment process and a partnership in the running of the firm. Decision-making participation was found to be positively related to commitment for Japanese employees and weakly but inversely related for American employees. This was attributed to the specific mechanisms of Japanese firms for drawing employees in to decision-making (e.g., quality circles and ringi) (Lincoln and Kalleberg 1985, 754).

H6: Participation in decision making is positively related to organizational commitment for employees in Japanese firms.

Formal rules, regulation, and standard operating procedures have negative effects on commitment for U.S. workers but a positive effect on Japanese commitment attitudes. Speculation was that these measures of formalization may contribute to social integration of the Japanese workplace by diminishing personal power relations as methods of control (Lincoln and Kalleberg 1985, 756). Formalization explicitly delineates rights and responsibilities and provides due process protection, thereby alleviating abuse and alienation associated with personal domination by supervisors (Lincoln and Kalleberg 1996, 44).

H7: Formal rules and regulations and standard operating procedures are negatively related to organizational commitment for U.S. employees and positively related to commitment for Japanese employees.

In addition, hierarchical position is suspected to vary in organizational commitment. However, Mowday et al. (1982) report that this was not substantiated in their research. Top executives and service employees were found not to differ significantly in their organizational commitment. On the other hand, Lincoln and Kalleberg (1985, 750) found authority position to have a greater effect on commitment for U.S. employees than for their Japanese counterparts. This result was attributed to the greater inequality in inducements over ranks in American firms.

H8: Supervisory position is positively associated with organizational commitment.

5.3 Work experience

Relative pay and benefits is thought to have a positive influence on organizational commitment. The logic behind this hypothesis involves an inducement contributions calculation where the employee perceives relative personal importance to the organization by higher relative appreciation on the part of the organization (relative to employees doing similar work...
in other organizations). Perceived higher appreciation by the organization is thought to translate into higher commitment on the part of the employee.

H9: Greater relative pay and benefit is positively associated with organizational commitment.

Lincoln and Kalleberg (1996, 44) suggest that relative earnings have no effect on commitment for Japanese workers, while earnings increase U.S. workers’ behavioral commitment but do not affect identification commitment.

H10: Relative pay is positively associated with behavioral commitment for employees in US firms.

Years of experience with a firm fosters commitment in at least two ways. First, it implies accumulation of investments in the organization. There is a feeling of commitment promoted by a sense of sunk costs in the organization. Second, years of experience are also associated with firm-specific socialization, which ties the employee to a single organization and infuses core values in the employee.

H11: Years of experience or tenure at a company is positively associated with organizational commitment.

Organizational commitment appears to be positively related to the employee’s degree of social involvement in the organization. The idea is that the greater the social interaction, contacts, or friendships of the employee, the more social ties the employee develops in the organization, the more the individual becomes attached to the employer (i.e. commitment). For example, Lincoln and Kalleberg (1996, 44) suggest friendships increase behavioral commitment among both Japanese and U.S. employees. The effect of friendships on identification commitment with the firm, however, is positive in Japan but negative in the United States. Japanese companies are noted for investing heavily in worker cohesion by sponsoring evening socializing, joint vacations, and even arranging marriages. The welfare corporatist firm “co-opts” informal ties and internalizes them within its program of commitment maximization. Such bonds increase attachment to the organization as incentives to come to work and keep the job, but, according to Lincoln and Kalleberg (1996, 44) they reduce identification with the firm.

It also holds that the opposite is true. The more management is viewed as detached or aloof from employees the lower their commitment.

H12: The perception that management sticks together (managerial aloofness) is negatively related to employee commitment.

Some related approaches emphasize the social context of work. These approaches incorporate the broader context of work by paying attention to the social relations at work in an attempt to identify social features that are positively associated with employee attitudes and commitments. Some of these characteristics include the number of friends an employee has in the organization and confiding in your supervisor personal information about oneself which are considered positively related to organizational commitment.

H13: The number of friends in the organization and confiding personal information with one’s supervisor are positively related to commitment.

Job satisfaction provides a global measure of an employee’s overall evaluation of their job and is presumed to have a positive relationship to organizational commitment. It is used as an overall indicator of the quality of the work experience or how well the job characteristics and social relationships of employment fit the needs of the employee (Applebaum et al. 2000).

H14: Job satisfaction is positively related to organizational commitment.

5.4 Personal characteristics

Personal characteristics include age, tenure, educational level, and gender. Although these variables are sometimes used as control variables to identify some more interesting theoretical factors, differences in comparative analysis are worth noting. Age and tenure are thought to be positively related to organizational commitment (Steers 1977). As age increase, the employee’s opportunities for alternative employment decrease. This limit on the individual’s options may increase the perceived attractiveness of the present employer leading to formation of an attachment to the organization. Age was found to be more positively related to commitment for Japanese employees (Lincoln and Kalleberg 1985, 749).

H15: Age is positively related to identification and behavioral commitment.

As we said, tenure is thought to foster commitment through multiple paths. Similar to age, tenure represents accumulated investment in the company and lack of market alternatives. Yet, tenure was found to have little association with commitment when age was in the model (Lincoln and Kalleberg 1985, 749).

H16: Tenure is not related to either dimension of commitment, when controlling for the effects of age.

Educational level has been found to be inversely related to organizational commitment (Morris and Steers 1980; Steers 1977). It has been suggested that this inverse relationship results because more educated individuals have higher expectations that the organization may be unable to meet. In addition, more educated individuals may form attachments to professional and trade organizations diffusing their commitment to the employing organization.

H17: Education is inversely related to both forms of commitment.

Traditionally, women have been found to be positively related to organizational commitment (Grusky 1966). Grusky argued
that often women have to overcome more barriers to attaining employment, thereby making their organizational membership more important to them. This is similar to the idea of initiation rights as an influence on behavioral and psychological commitment. In their earlier work, Lincoln and Kalleberg (1985) found females had more positive work attitudes among both U.S. and Japanese employees. However, in their later work they suggest that males are more behaviorally committed in Japan than in the United States (Lincoln and Kalleberg 1996, 43).

H18a: Women have higher identification commitment.
H18b: Males have more behavioral commitment in Japanese organizations than their counterparts in American organizations.

Appendix A summarizes the measurement of each variable.

6. Results

Table 1 shows the descriptive statistics for our variables broken down by responses from employees of U.S. and Japanese firms. Average identification and behavioral commitment is higher for Thai employees in U.S. firms (7.09 and 4.075) than those in Japanese firms (6.675 and 3.858). The differences are both significant at the .05 level. This result is consistent with the literature. Thai employees in U.S. firms report higher levels of job variety, resource availability, working closely with others, participation in decision making, higher pay compared to others doing the same job, more satisfaction with the job and organization, more social contact in and out of the organization, and more likely to feel they can confide personal matters with their supervisor. They were also older and more educated on average than their counterparts in Japanese firms.

In contrast, Thai employees in Japanese firms report on average a greater necessity for rules and regulations to do their jobs well, perceive greater standard operating procedures applied to their work, were more likely to be supervisors, received higher comparative benefits, perceive more managerial aloofness, are more likely to be female, younger, and less educated, but have slightly more tenure with their company than their counterparts in American firms. Although some of these differences are significant, it is the configuration of these features with the two dimensions of commitment that animates this paper.

6.1 Identification Commitment

Table 2 presents analysis of identification commitment of Thai workers in Japanese and American firms. This analysis presents job characteristics, structural characteristics, work experience, and personal characteristics as they relate to identification commitment. The small difference in R-square indicates the model has similar application to both U.S. and Japanese firms. However, the pattern of significant independent variables indicates the way identification commitment is elicited is different.

The regression coefficients in Table 2 indicate functional interdependence of the job, job autonomy, standard operating procedures and job satisfaction are positively and significantly related to identification in US firms. With the exception of standard operating procedures, these findings are consistent with the literature. The positive relationship between identification commitment and standard operating procedures is counter to Lincoln and Kalleberg’s work who found standard operating procedures were negatively related to commitment for US workers and positively related to Japanese employees.

What was surprising was that job variety, decision-making participation, available resources, relative pay and benefits, and perceived need for rules and regulations were not found to be related to identification commitment in U.S. firms. In addition, contrary to the literature, age and tenure were negatively, although not significantly, related to identification commitment, which suggests a profile of identification for Thai employees in U.S. firms. The less educated and males provide the strongest identification commitment in U.S. firms.

Our index of standard operating procedures is positively related to identification commitment for Thai employees of both US and Japanese firms. Our measure of functional interdependence of work “work close” is positively related to identification commitment in both US and Japanese firms and consistent with the ligatures. We find a perception among Thai employees in U.S. firms that their work requires close cooperation and that standard operating procedures provide them with a job context that elicits greater identification with the firm.

Thai employees’ identification commitment with Japanese firms also demonstrates a positive and significant relationship with functional interdependence (working closely with others) and satisfaction with work and the organization. However, in contrast with employees of American firms, managerial aloofness, job variety, and employed perceptions that can confide in their supervisor were related to identification commitment in Japanese firms. The positive relationship of job variety and those that confide personal information with their supervisor is consistent with the literature. In addition, the negative relationship of identification commitment with employee perceptions of management aloofness supports a broadly held characterization of Japanese management of transplant firms that hinders integration of local workers and their organizational commitment. It is interesting that identification commitment is negatively and significant related to those Thai employees that perceive management as aloof but positively related for those that confide in their supervisor.

Personal characteristics of sex, age, education and tenure were not found to be related to identification commitment in Japanese firms. This suggests that Japanese firms may have less inequality of inducements across status levels, gender, and seniority levels.
To summarize the findings in Table 2, we see that identification commitment is higher in American firms, in part because of the perception of standard operating procedures and working closely with others to perform one’s job well. However, identification commitment is lower among women in US firms. The factors found important for employee identification commitment in Japanese firms are job variety, job satisfaction, working closely with others to get the job done, confiding personal matters with your supervisor, and negatively related to perceived managerial aloofness. What is distinctive about the results for Japanese firms is the perceived managerial aloofness which appears to discourage employee commitment in Japanese firms.

6.2 Behavioral Commitment

Once again, Table 1 indicates a higher average level of behavioral commitment for employees of US firms and Table 3 indicates our model explains more of variance, in US firms than Japanese firms, R-sq. = .204 versus .176, respectively. However, our model explains less variance when compared with our results in Table 2.

Table 3 presents the analysis of workers’ willingness to exert effort on a company’s behalf our behavioral measure of commitment. Consistent with the literature, the perceived presence of standard operating procedures, working closely with others and satisfaction with the job and organization indicate strong positive relationships to commitment for Thai employees in American firms. However, in contrast with the literature we find Thai employees of US firms indicate a strong negative relationship between behavioral commitment and variety of tasks.

What we do not find are associations between behavioral commitment and available resources, perceived need for rules and regulations, participation in decision making, supervisory authority, comparative pay and benefits and managerial aloofness. Several of these coefficients were in the opposite direction as indicated by the literature suggesting further research. Also, in contrast to the identification commitment of workers in U.S. firms, higher levels of education were associated with our measure of behavioral commitment. Sex, age, and tenure are not associated with behavioral commitment in U.S. firms.

As indicated, the key factor associated with behavioral commitment for Thai employees of Japanese firms was the functional interdependence of working closely with others to do their jobs well and confiding with your supervisor, which are consistent with the literature. Unlike identification commitment to the company, sex was positively and significantly associated with behavioral commitment, meaning female workers are associated with greater behavioral commitment in Japanese firms. These results are consistent with the literature.

In summary, we find that our independent variables in Table 3 explain less well the variance in behavioral commitment among Thai employees than the variables did identification commitment presented in Table 2. This suggests that the two dimensions of commitment are empirically distinct. Satisfaction with the job and organization, the existence of standard operating procedures, and working closely with others to do the job well are strongly associated with behavioral commitment for employees in U.S., while task variety is negatively related to behavioral commitment in these same firms. For employees of Japanese firms behavioral commitment is positively associated with working closely with others, confiding in the supervisor and being female, while the number of friends in the organization is negatively associated with behavioral commitment.

6.3 Analysis of Management Interviews

Several themes relevant to employee relations were uncovered in our detailed interviews with Thai, American and Japanese. First, job variety is positively related to identification commitment in Japanese firms and negatively related to behavioral commitment in U.S. firms.

On further analysis we found that job variety is significantly and positively related to standard operating procedures and the perceived need for rules and regulations, but not significantly related among these variables in U.S. firms. This suggests that tasks in Japanese firms are tighter configurations of variety, standardization and rules and regulations. Part of the explanation may be related to differences in managerial flexibility. A Thai manager in an American company put it this way: “An advantage in U.S. corporations is the flexibility of U.S. managers. But, he added as an afterthought, “a disadvantage of U.S. corporations is too much flexibility and change: sometimes there is too much change and we don’t know what to expect, and we are not told enough about changes.” It is this statement, heard in different words by other Thai managers, that seems to get at the heart of Thai employees’ perceptions of variety on the job and clear standard operating procedures. Japanese firms provide more SOP and rules within which variety is appreciated.

Another theme distinguishing the Japanese and American management approaches in Thailand related to commitment is perceived “trust” between management and workers. Managerial aloofness is negatively related to both types of commitment for employees of both U.S. and Japanese firms. However, the relationship is significant for identification commitment for employees of Japanese firms. One of the most significant problems for Japanese companies in Thailand (and elsewhere) is the inability of Japanese managers to completely trust foreign employees. When the top Thai manager in the company and the top Japanese manager were being interviewed together, the Japanese manager referred to his company’s joint venture with the Thai company as being like a marriage, to which the Thai manager quickly added, “if it is like a marriage I wonder sometimes what side of the family is still being represented and protected.” Further discussion showed she felt that the Japanese would not completely trust the Thais or allow them to be equal partners. In other companies, we were told by Thai as well as Japanese managers that there are often two important managerial meetings, one with both top Thai and
Japanese managers, and later another one with only Japanese managers present. One Japanese manager admitted to us that they hold “Japanese only” meetings on the weekends hoping the Thais will not find out about them. Another Thai manager of a big U.S. firm who had previous employment in a Japanese company put it this way: “When Japanese delegate they don’t really delegate. The Japanese are still going to monitor very closely.” It is somewhat puzzling that Thais did not express less satisfaction when compared to American companies.

Another theme that emerged from the interviews that complements the quantitative analysis is the cultural pre-disposition of Thai’s to expect a strong tie of personal, emotional and obligatory relationship between the employee and their supervisor and the organization. This is demonstrated in the positive relationship between both measures of commitment in U.S. and Japanese firms with employees indicating they confide in their supervisors about their personal lives. This may result from what Thai’s call *bunkhun*. *Bunkhun* relationships are personal, involve the exchange of favors or benefits, and are mutually beneficial. For a subordinate person, doing a favor for a superior creates a sense of obligation on the part of the superior; the favor must be recognized and reciprocated. (Slagter and Kerbo 2000). Both superior and subordinate are expected to be tied together in a relationship of commitment and obligation in what Thai’s think of as a spirit of brotherhood which is believed to be an important quality of superiors and organizations.

One reason why this relationship might be stronger in Japanese firms is the similarity of the supervisor-employee relationship in Thailand and Japan. In both countries, the superior is expected to not only exercise power and give direction but also to provide protection and become involved in many personal affairs such as marriages, and funerals, giving support and advice (Slagter and Kerbo 2000).

A Thai manager in an American firm said: “Some Americans have a problem with the Thai propensity to inquire about what seems to be personal matters such as birthdays and family. He went on to explain: This is a genuine attempt by Thais to be nice and to know the other person. They might want to know a person’s birthday to give them a little present and make the other person feel good. Also a Thai manager in a Japanese firm said that she likes that you can talk to Japanese bosses, which you can’t Thai bosses (although not direct—some questions appear to compare the transplant firm (Japanese or US) with Thai firms.

Gender effects are the final result that bear on both quantitative and qualitative data. Sex is negatively related to identification commitment in U.S. firms but positively related to behavioral commitment in Japanese firms. This gender effect contrasts with accusations of sexism in Japanese culture. A theme expressed repeatedly by Thai and Japanese managers was how Thai women were preferred employees over Thai men. They work harder, can and will do tedious work, are more practical and rational, more motivated and easier to supervise. As one Japanese manager in a Japanese electronics firm said, “Ninety-nine per cent of the employees in his factory are women because of the tedious work and no heavy lifting. He thought Thai women were more skilled and worked harder than (women/men) in other countries.” He admitted that Thai males give him trouble (implied obedience). But he goes on to say that Thai women are preferred in management and points out that 17 of 20 Thai managers are women. Thai women appeared to be favored employees by Thai and Japanese managers.

7. Conclusion

As transplant corporations move around the world in ever greater numbers we need more research to allow a better understanding of the multicultural workplace and factors promoting, employee commitment, cooperation, profitability, and mutual benefits to both nationalities in the economic venture. Although this is a small sample of Japanese and US transplant corporations in Thailand, our results suggest fertile areas of further investigation.

We found higher average levels of both identification and behavioral commitment from Thai employees of in US firms. This is consistent with the literature and presents an interesting issue. It is important to note that the higher level of worker commitment among American companies in Thailand comes despite what most people would agree are extensive cultural contrasts between Thais and Americans. Cultural contrasts and similarities among Thais, Americans, and Japanese are clearly complex, with a mix of similarities and differences among all thee parties (Fieg 1989; Komin 1991; Holmes and Tangtongtavvy 1997; Slagter and Kerbo 2000). However, the research reported here helps to explain some of the differences in employee commitment among Thai employees in U.S. and Japanese firms without direct reference to cultural similarities or differences. However, the leading question of this paper is the identification of distinctive models for explaining the variance for identification and behavioral commitment for US and Japanese firms in Thailand.

We also found identification and behavioral commitment in both U.S. and Japanese firms related to jobs requiring working closely with others and satisfaction with the job and organization. These results are consistent with the literature. However, differences between employees of U.S. and Japanese firms more directly address our concerns in this paper. We found the combination of both quantitative and qualitative data provides a fertile complement of information that allows us to more deeply probe observed relationships. The advantage of this complement of forms of data include: 1) the interviews open the analysis to issues how culture provides both context and mediates the relationships between work structures and employee attitudes. 2) The interviews with managers provide better interpretations of why and how one variable is related to another (instead of the typical ad hoc interpretation of quantitative relationships).

Our interviews indicate that managerial flexibility may be curvilinearly related to employee commitment. A certain amount of
flexibility may be positively related to commitment but there may be too much flexibility or not sufficient among of structure to task requirements which lower commitment. “Anything goes” flexibility may create too much ambiguity or uncertainty and frustrate employee commitment to the organization. Japanese managers indicated motivation and education of Thai employees limited their ability to implement quality control circles (p.8-9), but no similar level was voiced by American managers. Job variety was positively related to identification commitment in Japanese firms, but negatively related to behavioral commitment in US firms. This suggests the curvilinear relationship between job variety and employee commitment and that there may be too much job variety in US firms. In Japanese firms variety is positively related the existence of standard operating procedures and the perceived importance of rules, but these variables are unrelated in US firms. This suggests that notions of autonomy, variety and flexibility may be considered as part of a more holistic grouping of organizational and task related features of employment.

Other results that distinguish the employees of U.S. and Japanese firms involve differences in social and cultural features of employee relationships. This involves the negative relationship between identification commitment and employee perceptions in Japanese firms that “managers stick to themselves” (managerial aloofness). We related this result to managerial interviews that indicated the perception that there was a lack of “trust” between Japanese management and Thai employees. These social and cultural features were also expressed in the positive relationship between identification and behavioral commitment with confiding in one’s supervisor about personal matters for employees of both U.S. and Japanese firms.

Although both measures of commitment are negatively related to management aloofness and positively related to confiding in your supervisor, in Japanese firms identification commitment is significantly and negatively related to the perception of managers as being aloof, but significantly and positively related to confiding personal matters with your advisor. This suggests bonds of trust run between employees and their supervisors but are broken between employees and managers in Japanese firms.

These more cultural features are distinct from work design features discussed above. This work design/socio-cultural distinction was expressed by managers in their interviews. One of the new Japanese managers who had only been in Thailand for two months told us that he was surprised when he came to the factory: “It was striking it is so much like in Japan here.” But the Thai manager who worked in the plant for 5 years spoke up to say “they do have to modify some things to respect Thai culture.” He made an important distinction: “Yes, the assembly line and how work is done is just like in Japan and with Japanese management styles such as QCC (quality control circles). But with respect to treating employees, they try to respect Thai culture.” Although not the same point we are making here, this interview indicates that managers make a distinction between work design and the culture elements of manager-employee relations. This pragmatic managerial distinction supports our academic distinction between factors involved in work design and those involved in the cultural elements of management-employee relationships. This suggests that Japanese managers might consider strategies of changing the negative employee perceptions that they “stick together.”

References


<table>
<thead>
<tr>
<th>Table 1. Descriptive Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Identification Commitment</td>
</tr>
<tr>
<td>Behavioral Commitment</td>
</tr>
<tr>
<td>Job-Related</td>
</tr>
<tr>
<td>Job Variety</td>
</tr>
<tr>
<td>Resources Availability</td>
</tr>
<tr>
<td>Rules Necessary</td>
</tr>
<tr>
<td>Work Close</td>
</tr>
<tr>
<td>Autonomy</td>
</tr>
<tr>
<td>Structure-related</td>
</tr>
<tr>
<td>Supervis. Pos.</td>
</tr>
<tr>
<td>Work-experience</td>
</tr>
<tr>
<td>Compare Pay</td>
</tr>
<tr>
<td>Compare Benefits</td>
</tr>
<tr>
<td>Management Aloofness</td>
</tr>
<tr>
<td>Satisfaction Index</td>
</tr>
<tr>
<td>Friends in Org.</td>
</tr>
<tr>
<td>Confide in Super.</td>
</tr>
<tr>
<td>Personal</td>
</tr>
<tr>
<td>Sex</td>
</tr>
<tr>
<td>Tenure</td>
</tr>
</tbody>
</table>
Table 2. Zero-Order Correlations and Regression Coefficients of Workplace and Personal Variables with Identification Commitment

<table>
<thead>
<tr>
<th></th>
<th>United States</th>
<th>Japan</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Zero-Order Coefficient</td>
<td>Zero-Order Coefficient</td>
</tr>
<tr>
<td>Job-Related</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Job Variety</td>
<td>.044</td>
<td>.257</td>
</tr>
<tr>
<td>Resources Availability</td>
<td>.193</td>
<td>.001</td>
</tr>
<tr>
<td>Rules Necessary</td>
<td>.177</td>
<td>.207</td>
</tr>
<tr>
<td>Work Close</td>
<td>.199</td>
<td>.183</td>
</tr>
<tr>
<td>Autonomy</td>
<td>.088</td>
<td>.034</td>
</tr>
<tr>
<td>Structure-related</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Standard Operating Procedures</td>
<td>.144</td>
<td>.162</td>
</tr>
<tr>
<td>Participation</td>
<td>-.061</td>
<td>-.002</td>
</tr>
<tr>
<td>Supervis. Pos.</td>
<td>.034</td>
<td>.074</td>
</tr>
<tr>
<td>Work-experience</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compare Pay</td>
<td>.099</td>
<td>.257</td>
</tr>
<tr>
<td>Compare Benefits</td>
<td>.135</td>
<td>.256</td>
</tr>
<tr>
<td>Management Aloofness</td>
<td>-.220</td>
<td>-.228</td>
</tr>
<tr>
<td>Satisfaction Index</td>
<td>.462</td>
<td>.434</td>
</tr>
<tr>
<td>Friends in Org.</td>
<td>.175</td>
<td>.126</td>
</tr>
<tr>
<td>Confide in Super.</td>
<td>.268</td>
<td>.266</td>
</tr>
<tr>
<td>Personal</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sex</td>
<td>-.152</td>
<td>-.152</td>
</tr>
<tr>
<td>Age</td>
<td>-.034</td>
<td>-.045</td>
</tr>
<tr>
<td>Education</td>
<td>-.100</td>
<td>-.099</td>
</tr>
<tr>
<td>Tenure</td>
<td>.011</td>
<td>-.020</td>
</tr>
<tr>
<td></td>
<td>Rsq=.367</td>
<td>Rsq=.345</td>
</tr>
</tbody>
</table>

* * < .05 probability  
** ** < .01 probability

Table 3. Zero-Order Correlations and Regression of Workplace and Worker Variables with Behavioral Commitment

<table>
<thead>
<tr>
<th></th>
<th>U.S.</th>
<th>Japan</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Correlation Coefficient</td>
<td>Correlation Coefficient</td>
</tr>
<tr>
<td>Job-Related</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Job Variety</td>
<td>-.085</td>
<td>-.033*</td>
</tr>
<tr>
<td>Resources Availability</td>
<td>.044</td>
<td>.012</td>
</tr>
<tr>
<td>Rules Necessary</td>
<td>-.028</td>
<td>.145</td>
</tr>
<tr>
<td>Work Close</td>
<td>.124</td>
<td>.197</td>
</tr>
<tr>
<td>Autonomy</td>
<td>.094</td>
<td>-.033</td>
</tr>
<tr>
<td>Structure-related</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Standard Operating Procedures</td>
<td>.131</td>
<td>.029</td>
</tr>
<tr>
<td>Participation</td>
<td>.115</td>
<td>-.023</td>
</tr>
</tbody>
</table>

* * < .05 probability  
** ** < .01 probability
Table 4. Summary

<table>
<thead>
<tr>
<th>Identification Commitment Partials</th>
<th>Behavioral Commitment Partials</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>United States</td>
</tr>
<tr>
<td>Job Related</td>
<td>-</td>
</tr>
<tr>
<td>Job Variety</td>
<td>1</td>
</tr>
<tr>
<td>Res.Availability</td>
<td></td>
</tr>
<tr>
<td>Rules Necessary</td>
<td></td>
</tr>
<tr>
<td>Work Close +</td>
<td>+</td>
</tr>
<tr>
<td>Autonomy +</td>
<td>1</td>
</tr>
<tr>
<td>Structure-related</td>
<td></td>
</tr>
<tr>
<td>Participation</td>
<td></td>
</tr>
<tr>
<td>Super. Pos</td>
<td></td>
</tr>
<tr>
<td>Work-experience</td>
<td></td>
</tr>
<tr>
<td>Comp. Pay</td>
<td></td>
</tr>
<tr>
<td>Comp. Bene</td>
<td>-</td>
</tr>
<tr>
<td>Management Aloofness</td>
<td>-</td>
</tr>
<tr>
<td>Satisfaction +</td>
<td>+</td>
</tr>
<tr>
<td>Friends in organization</td>
<td></td>
</tr>
<tr>
<td>Confide in Supervisor</td>
<td>+</td>
</tr>
<tr>
<td>Personal</td>
<td></td>
</tr>
<tr>
<td>Sex</td>
<td>-</td>
</tr>
<tr>
<td>Age</td>
<td></td>
</tr>
<tr>
<td>Education</td>
<td>-</td>
</tr>
<tr>
<td>Tenure</td>
<td></td>
</tr>
</tbody>
</table>

| Supervis. Pos. | .144 | .010 | .178 | .213 |
| Work-experience | .007 | -.009 | .134 | .132 |
| Compare Pay | -.207 | -.063 | .144 | .095 |
| Compare Benefits | -.145 | -.012 | -.077 | -.011 |
| Management Aloofness | .246 | .051** | .146 | .019 |
| Satisfaction Index | .072 | .055 | -.137 | -.095* |
| Friends in Org. | .144 | .100* | .163 | .119* |

Rsq=.204  Rsq=.176
Appendix A: Measures

Dependent Variables:
Identity Commitment Index (summation of response to the following questions) (Alpha=.46)
“When I talk to a friend about this company, I feel a sense of pride” (scored 1-5).
“My values and the values of this company are quite similar” (scored 1-5).

Behavioral Commitment
“I am willing to work harder than I have to in order for this company to succeed” (scored 1-5).

Independent Variables:
Note: Respondents were asked how well the following statements described their organization. Unless otherwise noted, all the answer categories took a Likert-format: strongly agree (=5); somewhat agree (=4); neither agree nor disagree (=3); disagree (=2) and strongly disagree (=1).

Job and Structural Characteristics
Job variety index (summation of responses to the following three questions) (Alpha=.652)
“There is something new and different every day.”
“Most jobs have something different happening from day to day.”
“No two days are ever the same in this job.”

Available Resources Index (summation of responses to the following two questions)
“I have problems in getting needed information, which other members of this organization have” (reverse coded).
“I have problems finding needed resources, which other members or sections of this organization make available to me” (reverse coded).

Rules & Regulations
“Standard procedures are to be followed in almost all situations.”
“The organization has a manual of rules and regulations to be followed.”

Work Close (Task interdependence)
“I must work closely with others to do my job well.”

Decision Making Participation Index (summation of responses to the following four questions) (Alpha = .645)
“I have to check with the boss before I can do almost anything” (reverse coded).
“Any decision I made has to have the boss’ approval” (reverse coded).
“Even small matters have to be referred to some higher up for the final answer” (reverse coded).
“Only executives can decide how a job is to be done” (reverse coded).

Supervisory Position (scored 1=managers and supervisors, O=clerks, secretaries, office staff customer service, and assembly line positions)

Work Experience
Comparative Pay
“Compared to other workers in similar jobs in Thailand, do you feel your average is pay is less, about the same, or more? " (higher =3; about the same =2; less =1).

Comparative Benefits
“Considering all types of benefits you receive at this company and comparing to most workers in Thailand, do you feel your benefits are less, about the same, or greater? (higher =3; about the same =2; less =1).

Management aloofness
“Management here sticks pretty much to themselves.”

Satisfaction Index (summation of the following questions) (questions were scored; very satisfied=5, somewhat satisfied=4, undecided=3, somewhat dissatisfied=2, very dissatisfied=1)
“How satisfied are you with superiors?”
“How satisfied are you with fellow workers?”
“How satisfied are you with tasks?”
“How satisfied are you with subordinates?”
“How satisfied are you with organization?”
“How satisfied are you with individual’s job?”

**Socio-Cultural Variables**

Friends in the Organization

“How among your personal friends, how many work in this organization?” (0=none, 1=a few, 2=about half 3=many, 4=almost all).

Confide in Supervisor

“My superior is someone I confide in about my personal life.”

Organization Responsibility (summation of responses to the following two questions) (Alpha = .xxxx)

“A company should have a major responsibility for the health and welfare of its employees and their families.”

“A company should do as much as it can to help solve society’s problems such as poverty, pollution, etc.

Follow Leaders out of Personal Respect (obey personal)

“I respect my superior personally, and want to act in a way that merits his respect and admiration.”

Supervisor Personal Involvement

“I think that a supervisor in this company should be involved with his or her subordinate’s life and problems.”

**Personal Characteristics**

Gender (males=0, females=1)
Age (respondent’s age in years)
Years of Education (respondent’s years of formal education completed)
Tenure (respondent’s number years with this company)