DISSERTATION

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Title

A Study of Cultural Barriers in Multi Cultural Organizations

- Focusing on Thai's Small and Medium Enterprises

Abstract

Due to Globalization, companies are entering into new countries, at the same time, they bring with them their cultures and expectations that are sometimes incompatible with local cultures and expectations. This causes failures within overseas branches. In addition, cultural barriers have and will most likely continue to increase and pose new challenges and opportunities for business. Understanding the cultural differences of local branches is an important element for overseas organizations. Nowadays, many overseas firms are investing in Thailand in various forms. A lot of historical data shows that many overseas investors are facing unique challenges in coordinating with local Thai labor due to the cultural and/ or communication barriers. However, Thai SME can be considered as a good example of a multi cultural organization, because there are not only local Thai culture but also cultures of migrant laborers who come from Myanmar, Laos, and Cambodia in one organization. In order to overcome those cultural and/ or communication barriers inside multi cultural organization, a computational experiment models can be used as a platform for overseas investors and also for local investors to design or explore effective multi cultural team in Thai SMEs.

This research aims to compare the performance of various combinations of multi cultural team that are affected by communication barriers, which can be considered one type of cultural barrier. This research reveals the difficulties of communicating and coordinating among different nationality of laborers inside a multi cultural organization. It makes an initial attempt at developing a computational experiment to predict the impact of differing cultural elements on team performance in a multi cultural organization. The computational experiment in this research was developed into three types of models, based on the complexity of tasks, to simulate multi cultural labor team, in order to seek better organization designs when considering the dimension of labor hiring or the human resource. In every type of model, the effects of changes in actors or laborers were found to be significant and different.

This research found that the effects of changes of actors or laborers in three different types of computational experiment models show interesting correlations between task complexity and the variety of nationalities of actors, and offered initial evidence that the results had been encoded correctly, since the predictions of the experiment align with existing theory.

Moreover, globalization brings together participants from multiple national, organizational with different backgrounds of cultures and expectations. This research as well as its findings can exhibit the possible framework for designing the multi cultural team with less communication barriers among team members.

Key Words

Multi Cultural, Cultural Barriers, Communication Barriers, Cultural Differences, Thai SMEs