A STUDY ON THAI EMPLOYEES' JOB SATISFACTION WITH REGARDS TO JAPANESE COMPANIES BASED IN THAILAND

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Abstract- Current economic advances in ASEAN countries have made them an attractive investment destination for Japanese corporations. Among these countries, a number of Japanese companies have increased their presence in Thailand which accounts for 32% of overseas operations in ASEAN countries. However, due to the rather high turnover rate of employees changing jobs, especially college graduates after they are hired in Japanese companies, the managerial acts for these Thai employees has become an urgent problem. Previous researches have already highlighted that job satisfaction mainly affects the high turnover rate.In this study, a sheet questionnaire survey containing questions related to job satisfaction for Thai employees in Japanese companies has been applied, in which a statistic methodology of the t-Test was implemented. The factors of job satisfaction were induced to form a comparison between the Thai employees who were satisfied within their job, and those who were dissatisfied. The results uncovered some important factors from those who were satisfied with their jobs, where; (1) they were given a chance to participate in the decision making process at their working place so that they could become more conscientiousness to associate managerial parts, (2) they were given an objective personal evaluation and had an opportunity to know (or already knew) their evaluated results for their individual contribution to their corporations performance, and had received praise in front of the other employees, (3) they were able to choose a welfare program and career plan by themselves, (4) they could actively communicate with each other in their working place, and (5) they had a clear understanding of the job and human resource development adopted by the company.

Index terms- Japanese companies, Job satisfaction, Thai employee, Thailand,

I. INTRODUCTION

Economic developments in the ASEAN region have been so remarkable today that it has led to the area becoming an important economical region for Japan. The number of companies who had already established themselves in Thailand up to 2014 was as large as 1,956. This represents an increase rate as high as 31.9% with regards to the total Japanese companies in ASEAN. Also, this number has increased by 20 % compared with that of the figures from 2000 (1,635 companies) which represents the largest growing rate [1],[2].

Thus, Thailand has become one of the most important countries as an investment destination over these years. The advance of Japanese companies operating overseas is a beneficial scheme that spreads sales and increases domestic performances and production not only for large companies, but also for smaller or medium sized companies too [2]. Since the Japanese Ministry of Economy Trade and Industry has enhanced the supporting of oversea activities of Japanese corporations, the direct investment from large Japanese companies as well as smaller and medium companies, which is still as small as 13% in total investments for overseas, might increase further in the near future. However, the realization of overseas advancements does not always lead to business expansion, specifically in the current climate in Thailand, where either an extreme reduction of unemployment ratio or the revised minimum wage system have to be noticed and made to succeed in Thai's recent business environment are serious problems for Japanese companies [3]. A survey carried out by the Recruit Works Institute which assessed the situation regarding finding employment and changing jobs for graduates depending on which country they were located in, highlighted that in Thailand 50% of Thai people in their twenties (non-experienced people; 44.1% for male, 49.2% for female), and 69.5% of Thai people in their thirties experienced (non-experienced 35.8% male, 25.4% female) changed their jobs more frequently than in other ASEAN countries [5]. Comparing that data with China (experienced people in their twenties 50.4%, people in their thirties 59.5%), India (experienced people in their twenties 45.8%, people in their thirties 55.6%), Vietnam (experienced people in their twenties 45.8%, people in their thirties 55.6%), In Thailand, the rate of changing jobs is so high that how reduce this ratio is a serious managerial consideration for all overseas companies. The preceded researches have already reported a robust correlation between the employee leaving rate or their intention for leaving from a particular company and job satisfaction, and also pointed out that a satisfactory working environment could attribute to reducing the number of employees leaving a company [6]-[10].

Based on the problems mentioned above this paper will identify the necessary factors required to enhance job satisfaction. This will be clarified by analyzing the collected data from a questionnaire sheet for the Thai employees working in Japanese companies.

II. METHDOLOGY

The survey on job satisfaction was performed with both Japanese and Thai employees in the Japanese companies located in a suburban industrial park located in Bangkok. The questionnaire sheet included questions to assess areas such as the level of motivation and satisfaction for a job and stresses caused by the work duties, with the attributed information such as age, sex, and education history. The sheet was firstly prepared in English and translated to the native language based on the employee's nationality. Every question consisted of a five leveled Likert scale as usually used in the t-Test. The survey was performed during the period of June to November in 2013 in collaboration with the Japanese Chamber of Commerce (JCC), Bangkok in Thailand and the Association of Japanese Industries located at the Industrial Park 304 in the east Prachin Buri province in Thailand. With regards to the collected results, the valid answers made up a total of 628 sheets for the 7200 sheets delivered, each written in Japanese and Thai respectively. The answers validated in Japanese made up a total of 272 (3.77%) and the answers validated in Thai made up a total of 357 (4.95%). After the answers were scrutinized based on the coherency between the questions and each answer, statistical analysis was applied to 211 answers using SPSS software. According to the definition of Spector , job satisfaction is "the extent to which people like (satisfaction) or dislike (dissatisfaction) in their jobs" [5]. In our analyses, the Thai employees working in Japanese companies were separated into two groups based on those who were satisfied with their jobs (82.1%) and those who were dissatisfied (7.5%). Those employees who were undecided employees were not included in the analysis. The Independent Sample t-Test for Thai employees allowed a comparison between the groups by utilizing the average score allotted to the all questions concerned to individual conscientiousness as well as enthusiasm for their job.

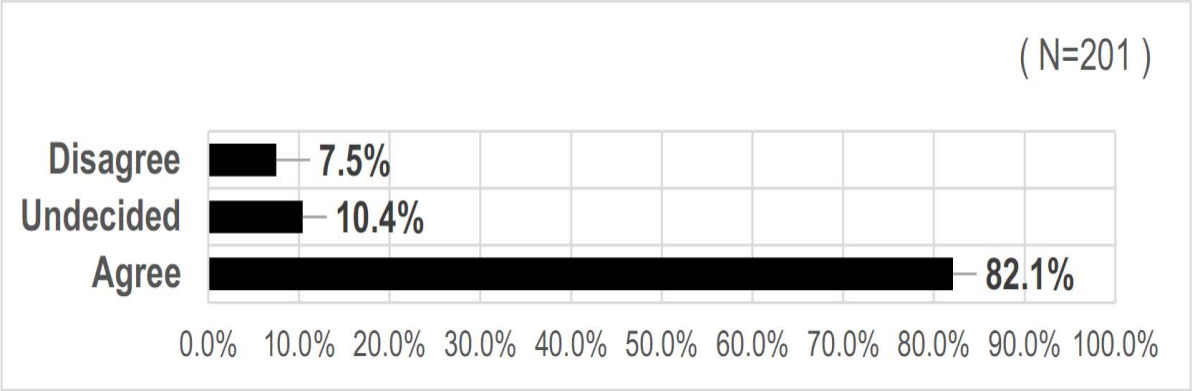


Fig.1 A survey result with regards to Thai employees job satisfaction from the question "Are you satisfied with your present job? "

(Note: The total number of those who 'Agree' is a combination of those who both 'Strongly Agree' and 'Agree'. The total number of those who 'Disagree' is a combination of those who both 'Strongly Disagree' and 'Disagree').

III. RESULTS

The eighteen questions in Table 1.were prepared to survey the extent of enthusiasm, motivation, understanding, participation, human relation and self-confidence, etc., for the Thai employees. A p-value of the t-Test, which is a kind of parameter to indicate the validity of the data for analyses, whereby any data with a value of less than 0.05 was considered to be statistically significant. Regarding these questions, the employees, who had a rather high extent of job satisfaction, was compared with those employees who were dissatisfied. Employees who were satisfied with their job suggested that the important factors that contributed to this satisfaction were when they " knew how they contributed to the achievements of the company", had "an opportunity to participate in decision making", were able to "explain their work clearly", could "choose a career plan and welfare program", felt "appreciated in front of other employees", had "a chance to receive an objective individual evaluation", had " a chance to present their own performance within the company", and could "exchange ideas with the other employees who had similar jobs". There was no significant difference between the two separated employee groups (those who were satisfied and those who were dissatisfied) those who were satisfied preferred the questions in which they had "understanding the target duties that they are supposed", "an opportunity of recruiting to the company", understood "what kind of skills obtained from the present job", also knew " the midway target to achieve the goal", and had " a person who they perceive as an ideal person", "satisfaction with locally employed staff". For some strong points, especially when compared with the satisfied employees, those who were dissatisfied preferred "a rival in the company", and recognized themselves as "the only person who could perform their present job".

Table 1 Independent samples t-test for Satisfied vs. Dissatisfied employees (Employment consciousness)

	Satisfied (n=165)		Dissatisfied (n=15)			
Variables	Mean	SD	Mean	SD	t-value	p-value
I know how I contribute to the overall achievement of my company.	4.49	.631	3.93	.961	2.204	.043
I understand the target duties that I am supposed to fulfill.	4.67	.556	4.20	.941	1.891	.078
I have an opportunity to participate in the decision making of the workplace.	3.94	.922	3.07	1.280	2.581	.021
I can clearly explain my work to other people.	4.55	.619	4.00	1.000	3.113	.002
I have an opportunity to participate in the company's recruitment activities, such as applicants' interviews.	3.91	1.426	3.27	1.624	1.651	.101
There is a person in this company whom I see as an ideal person.	3.67	1.144	3.07	1.387	1.910	.058
I am satisfied with my relationship with the local staff in the company.	4.25	.730	3.67	1.175	1.904	.076
I have some strong points compared to other workers and the company is aware of these.	3.48	.860	3.40	1.056	.359	.720
I have a rival in the company.	2.61	1.135	2.67	1.397	-.194	.846
It is my own discretion to choose my career plan, welfare program, and so on.	2.82	1.283	2.00	1.309	2.379	.018
I have been praised in front of other employees.	3.50	.994	2.80	1.320	2.536	.012
I understand what kind of new skills I can learn from my present job.	4.28	.762	3.93	1.033	1.629	.105
I know my midway goal in order to achieve the final goal.	4.22	.820	3.67	1.175	1.779	.095
I have the opportunity to know the objective evaluation for myself in the company.	3.65	.998	2.67	1.234	3.597	.000
I know how I will be evaluated for my work in the company.	3.76	.936	2.40	1.404	3.688	.002
I have an opportunity to present the results of my work in the company.	4.09	.818	3.27	.961	3.683	.000
I have opportunities to exchange opinions with other employees that do similar work in the company.	4.12	.942	3.07	1.668	2.414	.029
I am the only one who can do my present job.	2.35	1.172	2.53	1.457	-.582	.561

Scale: 1=Strongly disagree, 2=Disagree, 3=Undecided, 4=Agree, 5=Strongly Agree

IV. DISCUSSION

In Thailand, according to the remarkable reduction of unemployment ratio and revisions to the minimum wage system, changes in the employment ratio has been so high that the situation has created a tendency to raise managerial problems in Japanese companies. The following five characteristics are noticeable when looking at the data from the Thai employees who have job satisfaction compared with those who are dissatisfied in Japanese companies in Thailand. First; an employee will become more conscientious if they are given a chance to take a part in the decision making process at their working

place. Local staff participation to a managerial part necessitates the devolution of authorized rights from a head company in Japan, and encourage the localization of the overseas company has to be realized. Among the larger Japanese companies located in ASEAN, Japanese staffs staying short term tend to have the authority, and the situation is strongly linked to the dissatisfaction of the locally hired staffs. It is necessary to handover more responsibility and rights to Thai employees to raise their job satisfaction. During an interview conducted with a Thai employee after the questionnaire survey, he explained his dissatisfaction concerning devolution, as he felt that though the Japanese company had prepared the opportunity to learn business knowledge, the internal education was time consuming in terms of delays regarding promotion and it taking several years for devolution from the head company. Since these unsatisfactory comments had been already found in the previous surveys, our results show no progress with this issue in Japanese companies [10]. Second; the employee, who has strong conscientiousness for approval from the company, preferred the questions relating to " recognition on the personal contribution level to the company", "appreciation in front of the other employees", "chance to explain their own achievement", and "recognizing the company evaluation for their own activity". Regarding the results of the survey, in order to increase the level of job satisfaction with Thai employees, objective validation regarding each individual's contribution to the company has to be reflected by wage increments. In the case of many Japanese companies, the overseas advancing has been driven by the manufacturing division office as rapid growing globalization without the consideration on an association with foreign culture to hire the people outside of Japan, so that the traditional Japanese human resource system still remains within the overseas companies [11]. In spite of current needs for a nonbiased promotion and a fair positioning applying to the local employees in overseas companies, a retrospective system is still observed. The reason is sometimes attributed to the fact that Japanese people are proud and respect themselves, but they do not share the same feelings for foreign culture and have different thoughts from them [11], [12]. Third; the employee who has a positive thoughts towards the working environment agreed with the questions relating to "discretion to choose a career plan and welfare program". In order to increase the job satisfaction of Thai employees, it is necessary to explain the programs which can improve individual careers, welfare programs and credit flexible selection by themselves. Thai people are generally more individualistic than Japanese people [13]-[16]. That suggests that a uniformly prepared welfare program might not be adopted in Thailand and a cafeteria plan, for which evaluation has been so successful in Japan, would be a welcome introduction for Thai employees. Fourth; the employees who had a strong intension for human development agree with "an explanation of their job to the other employees". In order to obtain job satisfaction, the need for recognition based on their improvement of experiences through tutorial roles for newly hired recruits. As mentioned above, Thai people are generally more individualistic that the instructive activities for subordinates or sending know-how to relating persons are rare because these activities are seen as threatening their position. In order to change the situation, some advantageous schemes like an increase in wage and accepting the instructive or tutorial activities for subordinates are expected. Fifth; the employee, who has a desire for mutual communication in the working place, agrees to make "the opportunities to exchange opinions with other employees that do similar work in the company", hence, in order to improve job satisfaction some places and hours need to be dedicated for Thai employees. A Thai employee's comment mentioned their annoyance that the Japanese employees usually associate only amongst themselves and rarely associate with the Thai employees. Even though they have some handicaps regarding communication, some communication with the local employees is particularly desired, as well as an effort to the learning of the Thai language is expected regardless of communicative ability.

CONCLUSIONS

In this study, the factors for increasing the level of job satisfaction with regards to Thai employees in Japanese companies in Thailand has been clarified by the analyses of our questionnaire data. Objectively, the employees who are satisfied with their jobs have, ①strong consciousness to participate in managerial decisions, ②robust expectation for the approval of personnel results, ③ robust intention to choose the optimum working environment by themselves, ④self-assertive consciousness to personnel training, and ⑤a strong desire for communication within their working place. It seems the results could all be applied in the current companies in Thailand. Though some understanding for the analytical results might indicate the job satisfaction factors are very similar to those of Japanese domestic companies, they have to be reassessed in a different context which considers and respects the culture of Thai Employees that differ from those of Japanese employees. For instance, regarding the management participation of an employee, a specific seniority system or a social ranking structure depending on age and job experience in Thailand has to be considered by the Japanese head company towards the overseas company [17]. On the desires for personal approval within the job, an employee's evaluation in areas

such as the welfare system in working environments sometimes has to be examined from a different perspective than the way a Japanese company would operate in Japan, because the evaluation results contain a specific context explained along a deeper human interaction and more personal care is required in Thailand than in other Asian countries [17]. These reexaminations also have to be applied to the evaluation for employee training and communication processes in Thailand.

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