CROSS-CULTURAL ADJUSTMENT OF JAPANESE EXPATRIATES WORKING IN BANKING INDUSTRY: A CASE STUDY: JAPANESE CORPORATE BANKING AT BANGKOK BANK PCL., THAILAND

By
Miss Ketsita Changtragool

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The Graduate School, Silpakorn University has approved and accredited the Independent Study title of “Cross-Cultural Adjustment of Japanese Expatriates working in Banking Industry: A Case Study of Japanese Corporate Banking at Bangkok Bank PCL., Thailand” submitted by Miss Ketsita Changtragool as a partial fulfillment of the requirements for the degree of Master of Business Administration in International Business.

.................................
(Associate Professor Panjai Tantatsanawong, Ph.D.)
Dean of Graduate School

.................................
The Independent Study Advisor
Keatkhamjorn Meekanon, Ph.D.

The Independent Study Examination Committee

................................. Chairman
(Assistant Professor Chaichana Teerasukittima, D.B.A.)
.................................
................................. Member
(Sujinda Popaitoon, Ph.D.)
.................................
................................. Member
(Keatkhamjorn Meekanon, Ph.D.)
.................................
This paper reviews the literature on the cross-cultural, expatriate adjustment and the key factors which influence or impact cross-cultural adjustment for expatriates who are working in Japanese Corporate at Bangkok Bank. The purpose of this study aims to study the possibility of the key factors that affect the expatriates the most and how they have managed with them during they are working in banking industry outside their domestic borders. This research will be benefit to Japanese Corporate Banking at Bangkok Bank. Moreover, to make the guideline for expatriates to adapt and participate their work life with the best adjustment ways.

To investigate the factors which influence cross-cultural adjustment, the study will be qualitative research using in-depth interview to collect the data from around 25 Japanese expatriates who are working in Japanese Corporate at Bangkok Bank Head Office, Silom Bangkok.
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CHAPTER 1
INTRODUCTION

Background of Study

As a competition in banking sector has been continuously increasing. A large number of local commercial banks in Thailand and global level have developed appropriate solution for enhancing their competitive advantages. Marketing strategies has quickly become one of the most important tools for improving comprehensive boundaries of the banks. Therefore, one strategy that Bangkok Bank has used is Japanese Corporate Banking which combines between Thai and Japanese staffs. For Japanese, there are more than 25 expatriates at Head Office, Silom Bangkok according to boosting its capabilities and personnel to provide clients in Thailand with a one-stop-service including loans, deposits and trade services for all customer segments.

However, not only in banking industry that has to complete their competitive advantages from their domestic borders into the dynamic world of international business but also more firms seem dramatic changes in international trade and business. Therefore, surprising to find that a large proportion of the workforce in an increasing number of firms, regardless of their national origin, is located in other countries. These trends are likely to continue well into the 21st century (Dowling/Welch/Schuler 1999, Black et al., 1999). In the current climate of rapid globalization, expatriation has been an important element of international business operations. Parent companies often send expatriates abroad as corporate representatives and ambassadors (Gregersen et al., 1996).

Problem Statement

Global human resource management plays an important role in determining the success of MNCs by facilitating the process of expatriation. Cross-cultural adjustment of expatriates is the major driving force for successful international expansion and expatriation. Each year, an increasing number of expatriates come to Thailand to take up international assignments of which the largest number is Japanese expatriates.
Multinational corporations (MNCs) establish subsidiaries in the international arena in order to sustain their competitive advantage (Moran, Plamer & Borstorff, 2007) in the ever changing environment of the business world (Haile, Jones & Emmanuel, 2007). Technological advancements, such as telecommunication, transportation, network system, infrastructure and government liberalization create strong networks that serve to link countries worldwide as well as lower national borders. These factors are powerful forces that stimulate international expansion. In order for these international expansions to be successful, expatriates are key success factors (Bonache, Brewster & Suutari, 2001). Expatriates with effective international capabilities, including the ability to adapt to different cultures and fluency in foreign languages, are always in demand (Black & Mendenhall, 1989; Haile et al., 2007). As expatriate’s premature return has on investment of the international assignment (McNulty & Tharenou, 2004). As a consequence, the issue of expatriates’ international adjustment has garnered much attention from scholars because adjustment is the catalyst in determining expatriate performance in the host country.

Multinational corporations (MNCs) use expatriates, not only for corporate control and expertise reasons in vital global markets, but so do bank with international operation and collaboration to facilitate entry into new markets or to develop international management competencies (Chew, 2004) particularly managerial and professional employees, as they are vital to the success of overseas assignments such as implementing international corporate tactics and managing and coordinating subsidiaries (Black, Mendenhall, & Gregersen, 1992). Expatriates are able to play tremendously significant roles during worldwide assignments. In particular, successful expatriate assignments are indispensable to MNCs for both developmental and functional reasons (Lee, 2006). Expatriating employees out of the parent company to work in an overseas subsidiary serves three major functions: filling staff vacancies, management development and organizational development (Edstrom & Galbraith, 1977). Through corporative development towards globalization, the expatriate employee turns into an emblematic example of a “sojourner”. The expatriates depart from their own nation with the intention of an eventual return.
The expatriates immerse themselves in new cultural surroundings that may be unfamiliar and unpredictable in almost all imaginable ways. Expatriates undertake executive practices in an unfamiliar work context; deal with a different mode of life and experience profound personal transformation. “Culture shock”, the stress and alienation experienced when confronted with normally incomprehensible surroundings (Oberg, 1960), sets the expatriate job apart from other jobs and is repeatedly revealed as the primary cause of an ineffective or unsuccessful expatriate assignment.

The demand for effective and qualified expatriates to operate in the overseas marketplace has increased significantly with the boom in internationalization (Bolino, 2007; Dwling, Festing & Engle, 2008). Unfortunately, MNCs have been severely plagued by the persistent and recurring problems with a significantly high premature return rate of expatriates (Mendenhall & Oddou, 1985; Haile et al., 2007; Tung, 1987) that creates explicit as well as opportunity costs. The focus of most MNCs is on the expatriates’ technical competencies to operate successfully on international assignments; however, cross-cultural knowledge has received scant attention.

Despite the recent instabilities, Thailand is a popular location for Foreign Direct Investment (FDI) and has been ranked 21st in the FDI confidence index in 2014 (The Board of Investment of Thailand). Multinational corporations together with their expatriates are increasingly important for the development of Thailand in gaining a competitive advantage against other countries (Clegg & Gray, 2002). As such, the issues of expatriates require the attention of both practitioners and researchers.

Thailand is an emerging economy with the availability of incentives for indirect investment and a robust supply network (Swierczek & Onishi, 2003). It is one of the most attractive destinations for the Japanese direct investment because it is rich in resources with a plentiful labor supply. Japanese companies invest in Thailand in order to sustain and enhance their manufacturing networks systems together with opportunities for export (Swierczek & Onishi, 2003). They also see Thailand as one of their potential markets. The total amount of Japanese Foreign Direct Investment (FDI) in Thailand is the indicator of the importance of Japanese investments in Thai economy. They play a significant role in the Thai economy and create huge employment opportunities for Thai workers. Hence, it is
important to understand Japanese expatriates’ cross-cultural adjustment in the Thai context. This will benefit not only the Japanese multinational corporations in Thailand and their Japanese expatriates but also Thai economy, employees and Thailand as a whole.

**Objective of Study**

As the level of internationalization of the business world increases, the need for staffs to live and work in foreign countries also increases. It is therefore important to gain a better understanding of the adjustment process. For companies attempting to compete in an international business environment, understanding and managing effective adjustment of expatriate employees has become an important personnel issue.

The main purposes of this study are (1) To investigate the influence between cultural distance and the expatriates’ cross-cultural adjustment. (2) To investigate the influence between proficiency in language and the expatriates’ cross-cultural adjustment and (3) To investigate the influence between organizational socialize and the expatriates’ cross-cultural adjustment.

**Research Questions**

(1) To investigate the influence between cultural distance and the expatriates’ cross-cultural adjustment. (2) To investigate the influence between proficiency in language and the expatriates’ cross-cultural adjustment and (3) To investigate the influence between organizational socialize and the expatriates’ cross-cultural adjustment.

**Definitions of Terms**

**Adjustment:** The act of adjusting or the state of being adjusted.

**Cross-cultural adjustment:** Cross-cultural adjustment is a complex process in which a person becomes capable of functioning effectively in a culture other than the one he or she was originally socialized in. (Palthe (2004) defined cross-cultural adjustment as “the process of adaptation to living and working in a foreign culture” (p.39). Further,
the concept of adjustment involves the level of comfort or familiarity that a migrant psychologically perceives from his or her new country or place (Black, 1988; Black, Gregersen, Mendenhall, & Stroh, 1999). In the research on cross-cultural adjustment, the psychological perceptions of new migrants have been found to be influenced by many variables as self-efficacy (Harrison, Chadwick, & Scales, 1996), learning orientation (Porter & Tansky, 1999), work variables (Black & Gregersen, 1991), cultural similarity (Church, 1982), and family adjustment (Tung, 1981; Stroh, Dennis, & Cramer, 1994).

**Expatriate:** An expatriate is an employee who is sent by a multinational parent company on a work assignment to a foreign country (Aycan & Kanungo, 1997).

**Multinational Corporation (MNC):** An MNC is a parent company that engages in foreign production through its affiliates located in several countries, exercises direct control over the policies of its affiliates, and implements business strategies in production, marketing, finance and staffing that transcend national boundaries.

**Culture:** A construct and defined it as being “the collective programming of the mind which distinguishes one group from people in other groups” (Hofstede, G., 2001).

**Cultural distance:** Ridinger & Pastore (2000a) defined cultural distance as “the degree of agreeable between the campus culture and the culture of the person’s home town” (p. 14) and posited “the more distant or different the home and host culture are, the more time and effort it will take for the sojourner to adjust” (p. 15).

**Organizational socialize:** It may possibly occur by means of formal organizational schemes and individual efforts that familiarize expatriates with the processes and procedures of the host country organization. Organizational entry is a critical time for newcomers. A basic premise of organizational socialization practices is that the nature of a newcomer’s initial experiences is imperative to their adjustment to the new environment (Ostroff & Kozlowski, 1993).
Culture shock: The feeling of disorientation, loneliness, insecurity or confusion that can when someone leaves his or her home country to live in a new place and culture.

Adjustment: A construct of the individual's affective psychological response to the new environment (Mendenhall & Oddou, 1985; Black, 1988) and also can be defined as the act of adjusting or the state of being adjusted. Searle and Ward (1990) argued that adjustment during cross-cultural transitions can be broadly divided into two categories: psychological adjustment and sociocultural adjustment. Psychological adjustment is the feeling of well-being and satisfaction and sociocultural adjustment is the ability to 'fit in' and negotiate interactive aspects of the new culture.

Proficiency in language: The ability to use the language fluently and accurately on all levels pertinent to professional needs.

Significances of Research

The purpose of this study aims is to investigate the factors which influence cross-cultural adjustment and study the relationship between cultural distance, proficiency in language and organizational socialization and the expatriates' cross-cultural adjustment and how they have managed with them during they are working in banking industry outside their domestic borders.

Japanese Corporate Banking at Bangkok Bank is the only one department at Bangkok Bank which combines between Thai and Japanese staffs. For Japanese, there are more than 25 expatriates at Head Office, Silom Bangkok according to boosting its capabilities and personnel to provide clients in Thailand with a one-stop-service including loans, deposits and trade services for all customer segments. This department is taking care of all Japanese customers; therefore, in this case, Japanese expatriates are the key factor to drive the business for Japanese Corporate Banking move onward easily. These Japanese can be called as a core people who are so important.

According to this matter, this research will be benefit to Japanese Corporate Banking at Bangkok Bank. Moreover, to make the guideline for expatriates to adapt
and participate their work life with the best adjustment ways.

In addition, this research revealed that the factors which were a relationship with expatriates’ cross-cultural adjustment. It can help Bangkok Bank to manage of these factors aim at facilitating expatriate adjustment to the new environment and to avoid or at least to minimize the failure or premature return of expatriates. It can help to reduce timing and energy when the expatriates seem inescapable at times.

The other benefit of this research is a case study for further research because in the globalization many countries intense global competition seems as driving force for enterprises to perform in diverse place. Consequently, the world becomes smaller; this situation requires the competent expatriates to implement corporation strategies effectively. The overseas assignment of employees will have a significant impact on a firm’s success in international markets. Therefore, this research can be a way to fulfill understanding the factors and management with the expatriates’ cross-cultural adjustment in a company and other companies as well. Moreover, it is not only a crucial human resource issue, but also one of international market competition.
CHAPTER 2
LITERATURE REVIEW

Introduction

The main intention of this chapter is to present a general background on the available academic literature that relates to the major proposition, and that also explores the factors affecting the cross-cultural adjustment of Japanese expatriates who are working in Japanese Corporate at Bangkok Bank.

The literature covers: (1) adjustment (2) cross-cultural adjustment (3) U-curve Theory of adjustment (4) cultural distance - cross-cultural adjustment (5) proficiency in language - cross-cultural adjustment (6) organizational socialize - cross-cultural adjustment (7) expatriation (8) expatriate’s success and (9) organization socialize

Adjustment

A major material on this report, it is important to define what is meant by adjustment. Adjustment has been conceptualized in basically two different ways. The first conceptualization relates to the degree of psychological adjustment experienced by the individual or the degree of psychological comfort and familiarity that individual has for the new environment (Mendenhall & Oddou, 1985). Many variables have been affected the "adjustment" includes satisfaction (Abe & Wiseman, 1983; Torbiorn, 1982; Gudykunst, et. al., 1977) feelings of acceptance and coping with everyday activities (Brislin, 1981) as well as acquisition of culturally appropriate behavior and skills (Bochner, Lin, & McLeod, 1980; Furnharn & Bochner, 1986). The second conceptualization of degree of adjustment has focused on more objective data, such as performance ratings obtained from independent sources (Earley, 1987; Hawes & Kealey, 1981).

However, some researchers have maintained that adjustment is a construct of the individual's affective psychological response to the new environment and those variables, such as job performance and turnover, should not be thought of as objective
measures of adjustment, but rather as outcome variables that might be influenced by the degree of adjustment (Mendenhall & Oddou, 1985; Black, 1988). Searle & Ward (1990), however, argued that adjustment during cross-cultural transitions can be broadly divided into two categories: psychological adjustment and sociocultural adjustment. Here, psychological adjustment is the feeling of well-being and satisfaction and sociocultural adjustment is the ability to 'fit in' and negotiate interactive aspects of the new culture.

Rather than describing adjustment strictly in terms of curve functions, other researchers (Hall, 1959; Oberg, 1960; Bock, 1970; Lundstedt, 1963) have imagined adjustment in verbal terms as a series of sequential stages. Culture shock is also the phenomenon that occurs during this adjustment process. According to Oberg (1960), culture shock refers to the disorientation and anxiety experienced by sojourners in cross-cultural transition. It is the natural outcome of adjusting to a new culture, language, norms, etc. and usually includes such symptoms as anxiety, irritability, and psychological discomfort.

There are four key stages in the overseas experience reflecting an individual's psychological and cultural adjustment to a new environment. Stage one is a period of incubation, during which time the sojourner may feel highly elated. Stage two is a period of crisis resulting from the genuine difficulties that the sojourner may begin to encounter in a different culture. At this stage, the activities of daily living that has been previously taken for granted become insurmountable problems. Culture shock occurs at the transition between stage two and stage three, when the person has received the maximum amount of negative feedback but as yet has very little idea as to what is appropriate behavior. (In the U-curve, this is represented by the trough in the adjustment curve). Stage three is a period of recovery in which the sojourner begins to understand some of the cues of the host culture. Stage four is the complete period of recovery in which the sojourner accepts the host culture. (Researchers found that not all individual experienced the same degree of culture shock).

Although different writers may emphasize different aspects of culture shock, their descriptions of the causes, content and symptoms of this phenomenon are all quite similar. Hall (1959: 156) defined culture shock as a removal or distortion of many of the familiar cues one encounters at home and the substitution for them of other cues
which are strange. Bock (1970) described culture shock as a disturbing feeling of disorientation and helplessness resulting from exposure to alien society. Lundstedt (1963) described culture shock as a reaction to stress in an environment where the satisfaction of important psychological and physical demands is usually uncertain and difficult to foresee.

Cross-Cultural adjustment

Cross-cultural adjustment has been defined in various ways (Oberg, 1960; Lazarus, 1976; Church, 1982; Black, 1988). It is a complex process in which a person becomes capable of functioning effectively in a culture other than the one he or she was originally socialized in. According to the Oxford English dictionary, “adjustment” means “a small change made to something in order to correct or improves it” and “a change in the way a person behaves or thinks”. The word “adaptation” has also been used frequently in cross-cultural research, and it is very often defined as the process of a change in behavior in order to suit a new situation or environment (Hurh & Kim, 1990; Berry, 1997; Ward & Kennedy, 1999; Du-Babcock, 2000; Yang et al., 2005). Berry (1997) defined “adaptation” as “changes that take place in individuals or groups in response to environment demands” (p.13). Adaptation could happen immediately, depending on the individual, and it could sometimes last for a long time. In previous intercultural studies, both “adaptation” and “adjustment” have been widely used. For instance, researchers use “cross-cultural adjustment” or “cross-cultural adaptation” when sojourners are living or working overseas, to describe the process of change in their behavior in order to function properly in the new foreign environment. Matsumoto et al. (2007) defined and drew a distinction between “adaptation” and “adjustment”. They refer to “adaptation” as “the process of altering one's behavior to fit in with a changed environment or circumstances, or as a response to social pressure” based on the studies of Berry, Kim & Boski (1988) and Ward et al. (2001). Berry, Kim & Boski (1988) identified four categories – “integrators”, “marginalizers”, “separators” and “assimilators” – when conducting research into sojourners' interaction styles and their behavioral changes in a new environment. “Adjustment” was defined as “the subjective experiences that are associated with and result from
attempts at adaptation” (Matsumoto et al., 2007, p.77). A number of studies have identified or developed the features or factors of adjustment (Church, 1982; Black & Stephen, 1989; Aycan, 1997; Ward et al., 2001). This is discussed in further detail in section 2.3. I have chosen to use the term “cross-cultural adjustment” in this study because most of the important cross-cultural studies have used this term in their frameworks (Black and Mendenhall, 1991; Parker and McEvoy, 1993). Furthermore, following the distinction between “adaptation” and “adjustment” (Matsumoto et al., 2007), this study aims to investigate the factors and features of Japanese expatriates adjustment rather than their behavioral changes to adapt to the new environment. Thus, “adjustment” is the term chosen for use in this study.

The concept of cross-cultural adjustment was initially conceived by Oberg, 1960. He claims “culture shock” to be “an occupational disease of people who have been suddenly transplanted abroad” (Oberg, 1960, p.177). As the cross-cultural adjustment process requires behavioral and cognitive responses to the new culture, people who suffer from culture shock might have the symptoms of helplessness, frustration and anxiety (Ward et al., 2001). However, after Oberg, some researchers use “cross-cultural adjustment” or “sojourner adjustment” to describe the cross-cultural phenomena or symptoms which sojourners might have (Church, 1982; Black, 1988). Some scholars divide cross-cultural adjustment into two aspects; socio-cultural adjustment and psychological adjustment (Searle & Ward, 1990; Ward et al., 2001). There are also acculturation studies which include socio-cultural adjustment, psychological adjustment and work adjustment, the three facets in the cross-cultural adjustment framework (Aycan, 1997). Socio-cultural adjustment focuses on expatriates' ability to reinterpret the new host environment and learn how to function properly. Psychological adjustment focuses on expatriates' well-being and emotions (Swagler & Jome, 2005). Work adjustment refers to expatriates' attitudes towards the new work role, and commitment to the new organization and required tasks (Aycan, 1997).

Cross-cultural adjustment takes place over time. People do not adjust to living and working in a foreign culture immediately. Lysgaard (1955) was one of the first to suggest that sojourners pass through a series of stages of adjustment that take the form of a U-curve. The U-curve essentially describes the course of adjustment of
sojourners abroad. According to this view, people tend to start off their sojourn in good shape. Their well-being may even increase a little with entry into a new culture. Later, as they come to grips with the foreign culture, their sense of well-being declines. Then as they learn to cope, they come to feel better about themselves and the world around them. The U-shaped pattern has been reported for expatriates and students, among others, residing in a particular location on a temporary basis.

However, the U-curve hypothesis has received surprisingly little empirical support. There is a good deal of anecdotal evidence, but Church (1982: 542), in his review of the literature, concluded that evidence for the U-curve is "weak, inconclusive, and overgeneralized." There are, according to him, about as many studies confirming as disconfirming the U-curve, and the most comprehensive study to date (Klineberg & Hull, 1979) found no support for the U-curve hypothesis. Funham and Bochner (1986: 132) point out that the rate of cultural learning is not the same across sojourners and that the U-curve hypothesis is too vague and too generalized to be of much use in predicting or understanding sojourner adjustment." Gullick (1988) suggests that cultural adaptation is best viewed as a learning process depicted by step or cyclical models rather than U-shaped diagrams.

U-Curve theory of adjustment

Cross-cultural adjustment occurred in four phases often referred to as the U-curve.

![Cultural Adaptation Curve](Source: www1.wne.edu)
Cross-cultural adjustment takes place over time. People do not adjust to living and working in a foreign culture immediately. Lysgaard (1955) was one of the first to suggest that sojourners pass through a series of stages of adjustment that take the form of a U-curve. The U-curve essentially describes the course of adjustment of sojourners abroad. Early research on expatriate adjustment focused mostly on cross-cultural adjustment issues; adjusting to a culture in closer proximity to one’s own can reduce stress arising from psychological uncertainty begin by a new learning situation (Black et al., 1991). Learning is facilitated if an experienced person can guide a new expatriate in the new environment (Mendenhall & Oddou, 1985), but a relationship is more likely if there is cultural proximity.

According to this view, people tend to start off their sojourn in good shape. Their well-being may even increase a little with entry into a new culture. Later, as they come to grips with the foreign culture, their sense of well-being declines. Then as they learn to cope, they come to feel better about themselves and the world around them. The U-shaped pattern has been reported for expatriates residing in a particular location on a temporary basis.

The U-curve theory has three parts: anticipation, culture shock and adjustment. But it can also be separated in four parts: honeymoon, crisis/hostility, recovery and adjustment. According to the article from Baldwin, the crisis stage includes hostility and stereotypes, which can also be called culture shock. Baldwin’s the recovery stage is described as the response to the culture stress, which is flex, where one learns to deal with, even embrace cultural differences or to work with them with stability and a good attitude (Baldwin, 2011).

For the figure, it demonstrated that U-curve theory consist of four steps namely the first phase, honeymoon, occurs during the first few weeks after arrival. At this time the new arrival is fascinated with the new and difference aspects of the foreign culture and country. The second stage, culture shock, the person discovered that her or his parts behaviors are inappropriate in the new culture but as yet has not learned what to substitute in their stage. The third stage, adjustment, It begin as he individual acquires some language skills and ability to move around on his or her own. This stage the individual also has developed some proficiency in performing the new set of behaviors. The fourth stage, mastery, the individual’s adjustment is generally
complete. The individual now knows and can properly perform the necessary behaviors to function effectively and without anxiety due to cultural differences (Black & Mendenhall, 1991).

The initial time in a new culture is exciting for the expatriate, plotting on a chart as a high point. However, as time progresses, they begin to feel the stress of adjusting and can begin to feel low, depressed, and even physically ill. Finally, they emerge at a higher point as they have adjusted to the new culture by learning how to cope and operate in the new environment. They are better able to interpret new cues, have eased past the communication breakdown and resolved their identity crisis. It is not as high as the exuberance they may have felt at the start, but reflects a more moderate attitude that is healthily sustainable in the long run (Gammel, 1998).

The degree of adjustment is measured not by conformity to the host country culture but in terms of variables such as comfort or satisfaction with the new environment, attitudes, contact with host nationals, or difficulties with aspects of the new environment (Torbjorn 1982; Black & Mendenhall 1990).

The different stages suggest a transition in cultural understanding and perceived quality of living when relocating. Initially, difficulties of adjustment may be overridden by a cultural infatuation caused by the newness of the environment. Culture shock sets in when coping with the new environment on a daily basis becomes necessary because an individual begins to recognize some degree of unpreparedness for dealing effectively with the environment. Adjustment is marked by an increasing degree of satisfaction in being able to cope. Increasing satisfaction arises from a better knowledge of how to function effectively within the host country. Familiarity with the host country may result in more realistic expectations of that culture and people, rather than any desire to follow that culture (Usunier, 1998)

**Cultural distance – Cross-cultural adjustment**

Ridinger & Pastore (2000a) suggested cultural distance as another adjustment antecedent. They defined cultural distance as “the degree of incongruence between the campus culture and the culture of the student athlete’s home town” (p. 14) and posited “the more distant or different the home and host culture are, the more time and effort it will take for the sojourner to adjust” (p. 15).
According to Sousa & Bradley (2008), cultural differences can be measured by two separate and distinct concepts: cultural distance and psychic distance. Cultural distance refers to cultural differences at a national level, and related norms and values; while psychic distance refers to cultural differences at an individual level, related with individuals’ perceptions of national cultural differences.

In the context of expatriation, cultural distance exists regardless of individual perceptions of cultural differences and psychic distance may occur regardless of cultural distance. Cultural distance and psychic distance seem to account for the effects of cultural differences and have been applied to different topic areas such as the study of multinationals’ choice of an entry mode into a foreign market (Harzing, 2003; Kogut & Singh, 1988) and the study of expatriation (Colakoglu & Caligiuri, 2008; Selmer, 2006; Selmer, Chiu & Shenkar, 2007; Ward & Kennedy, 1993). The main assumption is that cultural differences between home and foreign countries create a “distance” that affects both the firms’ activity abroad and the expatriation of human resources. The transaction cost theory (Williamson, 1985) helps underscore how greater cultural differences increase transaction costs (e.g. information acquisition costs and integration costs), impact firm and individual performance, and thus, overall success abroad. The empirical evidence supporting these connections, however, has been mixed. Some researchers have found support for a significant influence of cultural differences on the firms’ entry mode (Kogut & Singh, 1988), performance (Colakoglu & Caligiuri, 2008; Reus & Lamont, 2008), and expatriates’ adjustment (Bhaskar-Shrinivas et al., 2005; Black et al., 1991; Ward & Kennedy, 1993), while others have found no significant relationships between those variables (Harzing, 2003; Jun & Gentry, 2005; Selmer, 2006; Selmer et al., 2007). Although a number of studies attempted to measure cultural differences using the concepts of cultural distance and psychic distance indistinctively, Sousa & Bradley (2008) argue that these two concepts are distinct. Cultural distance refers to cultural differences measured at a national level, while psychic distance refers to individuals’ perceptions of cultural differences. Acknowledging these conceptual differences is important to the expatriation literature because it sheds some more light on the assessment of cultural differences and helps to understand their effects on expatriation. The theoretical and empirical clarification of how cultural differences can be differently
assessed by cultural distance and psychic distance, and how each construct affect expatriation, notably expatriation adjustment, satisfaction and turnover is also a step forward in the discussion of culture influence.

**Proficiency in language – Cross-cultural adjustment**

Since language proficiency in ethnically diverse teams in MNCs is understudied and a forgotten factor that should be considered, subsequently team members can face challenges because of the language of communication (Henderson, 2005). Cross-cultural adaptation is important since it happens when a person moves from one culture to another and has to adapt to the norms and values of the new culture or environment (Jandt, 2010). Cross-cultural adaptation is strongly connected to the culture and behavior; if team members have a hard time to adapt the interaction between them will suffer (Anawati & Craig, 2006).

Cross-cultural communication competence is about team members’ ability to interact in ethnically diverse teams. This is important since it affects the performance of multicultural teams. They must have basic knowledge about team members’ cultures and understand their personalities, conflict behavior and experience (Trinadis & Singelis, 1998). Individuals with cross-cultural communication competence are better able to communicate and work effectively within the team. They are able to deal with societal systems, establish interpersonal relationships and facilitate communication (Spitzberg, 1983). Today’s global business requires excessive expertise and understanding of cultural diversity; cross-culturally competent team members perform more effectively and efficiently (Matveev & Nelson, 2004).

Research on cross-cultural communication competence has left aside the role of language proficiency. Language proficiency is important because ethnically diverse team members may encounter barriers because of the level of language proficiency, since they might not understand the meaning of the symbols that are communicated. Since language is imbedded in culture, this can sometimes affect the new shared language; as team members may translate their ideas from their own native language to the new shared language (Chen & Kilmoski, 2003). Besides culture, team members’ linguistic competence plays a role in how effective the communication is.
(Geluykens & Kraft, 2003). According to Henderson (2005), the area of language proficiency in ethnically diverse teams in MNCs is understudied and the language proficiency factor is often overlooked, therefore, the interpersonal interaction that takes place through language is not covered. Henderson (2005) argues that there is evidence that teams who work across languages can face challenges and tensions that can affect team work and relationship building. Another important competency that is not covered in the communication between ethnically diverse team members is cross-cultural adaptation. According to Jandt (2010), cross-cultural adaptation takes place when a person moves from one culture to another and learns and applies the norms and the values of a new culture or environment. Adaptation is about behavior and culture and the more the cultures differ, the more difficult it is to interact (Anawati & Craig, 2006).

The value of effective cross-cultural communication has elevated because of growth of global commerce and workforce diversity. With cross cultural communication competence, team members can express themselves clearly and better understand their colleagues, which enhance the likelihood of a higher quality in team performance (Matveev & Nelson, 2004). The literature has proven that successful performance of ethnically diverse teams is an essential contributor to organizational success (Williams & O’Reilly, 2005).

**Organizational socialize – Cross-cultural adjustment**

Organizational socialization is the third major category of impact factor to cross-cultural adjustment. It is defined as the process whereby an individual develops an appreciation for the values, expected behaviors, and social knowledge that are essential for assuming an organizational role and for participating as an organizational member (Chatman, 1991). It is concerned with the learning content and process by which an individual adjusts to a specific role in an organization (Chao, O’Leary-Kelly, Wolf, Klein, & Gardner, 1994).

Socialization of expatriates can be viewed as the process by which the expatriates’ values and norms become closely aligned with those of the host organization abroad, while retaining a role and membership in the parent organization in the home country.
Since the expatriate is only on a temporary assignment in the host company abroad, and the parent company is fundamentally responsible for the administration of the process, the expatriate may be socialized in both the host and parent companies. In other words, expatriates need to develop a dual understanding of the values, expected behaviors, and social knowledge that are essential for assuming an organizational role and for participating as an organizational member in both the parent organization and host organization.

Although current socialization research has tended to focus primarily on new comer adjustment, socialization theory would describe it as an ongoing, lifelong process (Chao et al., 1994), suggesting that “old timers” such as expatriates may well experience situations in ways similar to newcomers in organizations. However, the international adjustment literature has tended to neglect the role that organization socialization plays in expatriate adjustment (Black et al., 1991). More recently, the expatriate adjustment literature has dealt with adjustment through the reduction of uncertainty (Gregersen & Stroh, 1997) and others have emphasized the need for expatriates to make sense of their new cultural environments abroad (Mendenhall & Macomber, 1997).

Expatriation

For many organizations, sending expatriates abroad to develop global competencies is consistent with their overall strategic human resource plan. In general, expatriates find the position to offer developmental experiences and report having gained tangible skills that are value-added for their organizations. Oddou & Mendenhall (1991) surveyed expatriates and found that 90 percent report an increase in their global perspectives, 80 percent report being able to communicate more effectively with people from culturally diverse backgrounds, and 80 percent are better able to comprehend business trends. These results indicate a tremendous developmental benefit from foreign assignments.
Louis (1980), studying work transitions, discussed the changes, contrasts, and surprises within the organization which newcomers to organizations experience and attempt to understand. Expatriates will need to make sense of not only the new organizational facility, but also the foreign country. The foreign country may entail different political, economic, and monetary systems, a different language, and different norms and standards of behavior compared to the expatriate’s home country, which results in the expatriate having to overcome culture shock (Oberg, 1960). Thus, expatriate job assignments require adaptation to multiple environments. Furthermore, current organizational members have been identified as playing a key role in aiding newcomers’ sense making processes. (Louis, 1980; Reichers, 1985). However, due to cultural differences and language barriers, it may be even more difficult for expatriates to rely on current organizational members and native citizens in making sense of their new environment.

The aim of the international staff transfer can be categorized into three broad areas. First, to fill a specific job such as a vacancy exists in a subsidiary operation. Second, for management development purposes such as job rotation as part of building an internationally-experienced team of workers, and the last, for organization development purpose such as control and coordination, knowledge transfer, and cooperate culture (Edstrom & Galbraith, 1977). The expatriates need to perform the same set of functions but in a completely different environment which can cause lot of stress to the person. The cultural stress will have significant impact on various aspects of the job related behavior. Most of the expatriate failures are related lack of adjustment in new culture. Hence while defining the competencies for the expatriates’ human resource professionals also need to assess the soft skills of employees which will be handy in the new environment like tolerance of cultural difference, ability to adapt new culture and interpersonal relationships.

The cross-cultural skills required for successful expatriate assignment can be listed broadly as (Hofstede, 2001): the capacity to communicate respects, the capacity to be non-judgmental, the capacity to understand relativity of one’s own knowledge and perception, the capacity to display empathy, the capacity to be flexible and tolerance for ambiguity.
Expatriates’ success

Multinational corporations, wanting consistency in culture across their subsidiaries, might try to export the parent company’s culture by staffing expatriates in key positions of its foreign subsidiaries. MNCs using this tactic believe that expatriates can significantly impact the subsidiaries’ cultures (Kobrin, 1988). Selecting expatriates for foreign assignments would be quite simple for MNCs if success in domestic assignments were predictive of success in foreign assignments.

Unfortunately, the failure rate of expatriates is extraordinarily high despite the fact that it is generally the more successful domestic employees who are sent abroad (Tung, 1981). The high failure rate is understandable since many MNCs use the same employee selection procedures to select both expatriates and domestic employees with the same job title. But the performance requirements for domestic and expatriate jobs are likely to differ.

The expatriates in a given subsidiary, however, are generally working in environments comprised of many more host nationals than compatriot expatriates. This results in an organizational culture more similar to the host country than that of the more familiar parent country (Louis, 1980). Expatriates will adapt their behaviors, norms, and values to fit in and ultimately succeed in the cross-cultural environment.

MNCs can maximize the likelihood of expatriate’s success through appropriate selection programs. Since the dimensions comprising the performance construct for expatriate positions differ from performance in domestic positions, expatriate employees in a foreign environment need a somewhat different set of skills and abilities to accomplish the same job they performed successfully in a domestic environment (Tung, 1981).

Organizational socialize

Many previous researches have investigated the linkage of organizational socialization and expatriates' success in global assignments as below information. Therefore, in this study has been speculated that organizational factor have a significant influence on how individuals, particularly organization expatriates, adapt themselves to their roles in overseas assignment.
Socialization is the process by which newcomers learn the behaviors, values, beliefs, and social knowledge to accept their new roles and function effectively within the organization. Expatriates undergo a socialization and acculturation process that affects their career identities. They must learn new ways of thinking and acting, and accumulate knowledge in both task and cultural contexts. Although the expatriate works for the same employer, the assignment country may be so different from the home office that it represents a new employment and psychological contract (Mezias & Scandura, 2005).

Organizational socialization may possibly occur by means of formal organizational schemes and individual efforts that familiarize expatriates with the processes and procedures of the host country organization. Organizational entry is a critical time for newcomers. A basic premise of organizational socialization practices is that the nature of a newcomer’s initial experiences is imperative to their adjustment to the new environment (Ostroff & Kozlowski, 1993).

Dissimilar newcomers are unlikely to receive social support, so a firm-initiated program may be the only way to ensure that mentoring relationships are established. Peer support was the strongest influence on expatriate adjustment, and supervisor support was not significant (Shaffer & Harrison, 1998).

Kamoche (2000) studied that personal networks of expatriates indicates that mentoring is an effective human resource practice for helping expatriate overcome international assignment challenges. Mentor in networks gave advice, transmitted organizational culture, and helped expatriates realize their role in the firm. Network gave expatriates more visibility, and advances their careers.

Lee & Liu (2006) found that organizational socialization in the host country was also an important predicator of cross-cultural adjustment. Expatriates should be encouraged to strengthen work-related relationships and networks. Expatriate job-relevant information could be developed to support the establishment of expatriate networks. Multinational corporations need to recognize that modifying the socialization policies and practices can have positive influence on their expatriates’ adjustment.
Conclusion

Even though, these three factors; cultural distance, proficiency in language and organizational socialize are the key factors which influence or impact to cross-cultural adjustment for these Japanese expatriates, but there are also some of the impact factors left which haven’t been mentioned in this research which are job satisfaction & personal goal, demographic characteristics, family support and learning orientation etc.

However, the left key factors which influence or impact them may according to expatriate’s age, position, status and work experiences individually.

Preliminary Conceptual Framework

Major Proposition

The difference factors will influence or impact to cross-cultural adjustment for the Japanese expatriates who are working in Bangkok Bank differently.
1. Cultural distance will influence or impact to cross-cultural adjustment for the Japanese expatriates
2. Proficiency in language will influence or impact to cross-cultural adjustment for the Japanese expatriates
3. Organizational socialize will influence or impact to cross-cultural adjustment for the Japanese expatriates
CHAPTER 3
METHODOLOGY

Introduction

This section is about methodology used to conduct this research. The research design will be identified, follow by interviewee selection of the research. The data analysis will be discussed at the last of all.

Research Design

In research, there is a qualitative method. Qualitative research is a type of scientific research. In general terms, scientific research consists of an investigation that seeks answers to a question, systematically uses a predefined set of procedures to answer the question, collects evidence, produces findings that were not determined in advance and produces findings that are applicable beyond the immediate boundaries of the study.

Additionally, it seeks to understand a given research problem or topic from the perspectives of the local population it involves. Qualitative research is especially effective in obtaining culturally specific information about the values, opinions, behaviors, and social contexts of particular populations.

With qualitative methods, the relationship between the researcher and the participant is often less formal than in quantitative research. Participants have the opportunity to respond more elaborately and in greater detail than is typically the case with quantitative methods. In turn, researchers have the opportunity to respond immediately to what participants say by tailoring subsequent questions to information the participant has provided.

The reasons of using qualitative for this research because there are a less of interviewees selection size due to the amount of Japanese expatriates who are working in Japanese Corporate at Bangkok Bank.
Qualitative method is the way that able to get the deep information about the factors which influenced or impacted to cross-cultural adjustment for the Japanese expatriates.

Data was collected from Japanese expatriates who are working in Japanese Corporate at Bangkok Bank.

**Selection of Interviewees**

There are 26 Japanese expatriates who are working in Japanese Corporate Banking. The head of this department is also Japanese Director.

However, all of the interviewees selection are not the English Native speakers which some of the detail may dislocated but the main point of the answers still remain.

**Overall Characteristics of Interviewees**

Japanese Expatriate staffs (All of them were represented as the pseudonyms)

<table>
<thead>
<tr>
<th>Name - Surname</th>
<th>Age</th>
<th>Gender</th>
<th>Position</th>
<th>Status</th>
<th>Work experience (Years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mrs. A</td>
<td>33</td>
<td>Female</td>
<td>Coordinate Officer</td>
<td>Married</td>
<td>6</td>
</tr>
<tr>
<td>Ms. B</td>
<td>27</td>
<td>Female</td>
<td>Corporate Officer</td>
<td>Single</td>
<td>3</td>
</tr>
<tr>
<td>Mr. C</td>
<td>42</td>
<td>Male</td>
<td>Assistant Vice President</td>
<td>Married</td>
<td>20</td>
</tr>
<tr>
<td>Mr. D</td>
<td>38</td>
<td>Male</td>
<td>Assistant Vice President</td>
<td>Married</td>
<td>14</td>
</tr>
<tr>
<td>Mr. E</td>
<td>38</td>
<td>Male</td>
<td>Assistant Vice President</td>
<td>Married</td>
<td>13</td>
</tr>
<tr>
<td>Mr. F</td>
<td>37</td>
<td>Male</td>
<td>Assistant Vice President</td>
<td>Married</td>
<td>10</td>
</tr>
<tr>
<td>Mr. G</td>
<td>30</td>
<td>Male</td>
<td>Assistant Vice President</td>
<td>Married</td>
<td>6</td>
</tr>
<tr>
<td>Mr. H</td>
<td>31</td>
<td>Male</td>
<td>Assistant Vice President</td>
<td>Married</td>
<td>6</td>
</tr>
<tr>
<td>Mr. I</td>
<td>30</td>
<td>Male</td>
<td>Assistant Vice President</td>
<td>Married</td>
<td>5</td>
</tr>
<tr>
<td>Mr. J</td>
<td>32</td>
<td>Male</td>
<td>Assistant Vice President</td>
<td>Single</td>
<td>7</td>
</tr>
</tbody>
</table>

**Research Instruments**

To investigate the factors which influence and impact to cross-cultural adjustment.
The study will be qualitative research using in-depth interview to collect the data from around 25 Japanese expatriates who are working in Japanese Corporate at Bangkok Bank Head Office, Silom Bangkok.

The interview guide is the major instrument used in this study. It is divided into 3 parts;

**Part 1**: This part mentioned regarding the cultural distance

**Part 2**: This part mentioned regarding the proficiency in language

**Part 3**: This part mentioned regarding the organizational socialize

**Data Collection**

The duration for all of the interviewees, 10 expatriates, used is about 2-3 days to return the interview questions. All of the interview questions were English total of 3 pages which divided into 3 parts.

These interview questions were in form of paper which distributed to all of the Japanese expatriates because it was better than e-mail interview questions. It was official and written response. It should be noted that the sample for this study is quite small. The subjects for this study reacted to the distribute interview questions to Japanese expatriates who work in Japanese Corporate Banking at Bangkok Bank, which might not represent the entire viewpoints of all expatriates who work at international companies in Thailand.

Moreover, these interview questions were in form of paper according to the limitation of the time provided of Japanese expatriates, this made the answers collection could not recorded by the recorder as it used should be.

**Conclusion**

According to limitation of time and less of interviewees’ selection size due to the amount of Japanese expatriates who are working in Japanese Corporate at Bangkok Bank, that was why using qualitative for this research.

Qualitative method is the way that able to get the deep information about the factors which influenced or impacted to cross-cultural adjustment for the Japanese expatriates.
CHAPTER 4
DATA ANALYSIS

Introduction

Normally, all of the customers which belong to this department are Japanese who hold the shares of the companies more than or equivalent to 49% in Thailand. Therefore, the Japanese expatriates in Japanese Corporate Banking are very important according to boosting its capabilities and personnel to provide the Japanese clients with a one-stop-service including loans, deposits and trade services for all customer segments.

The nature behaviors of the Japanese are always request and trust to communicate between the compatriots more than foreigners. So, in this case, Japanese expatriates are the key factor to drive the business for Japanese Corporate Banking move onward easily.

Findings

The main aim of this study was to investigate factors which influence expatriates’ culture-adjustment in Japanese Corporate Banking at Bangkok Bank. The research was a qualitative research using in-depth interview to collect the data from around 25 Japanese expatriates who are working in Japanese Corporate at Bangkok Bank Head Office, Silom Bangkok during March until June, 2015. Around 25 interview questions were distributed to Japanese expatriates but only 10 interview questions were completed and returned, calculate as 40 percent of total.

Various people make various answers; for this research, about 70% of the total of interviewees was agreed that proficiency in language is the main factor which impact to cross-cultural adjustment while they are working in Japanese Corporate at Bangkok Bank.

Moreover, about 20% of total was agreed that cultural distance become the main secondly which impact to their cross-cultural adjustment and the last thirdly was organizational socialize were about 10% respectively.
The results are presented as follows;

Mrs. A:

<table>
<thead>
<tr>
<th>Proficiency in language</th>
<th>“English is benefit to my daily life while I’m living in Thailand”</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cultural distance</td>
<td>Difference culture can be learned and take time</td>
</tr>
<tr>
<td>Organizational socialize</td>
<td>Thai people are fun, kind and friendly</td>
</tr>
</tbody>
</table>

Ms. B:

<table>
<thead>
<tr>
<th>Proficiency in language</th>
<th>“Sometimes miscommunication will bring the business worse ”</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cultural distance</td>
<td>We are quite the same in term of culture; punctual and respect older</td>
</tr>
<tr>
<td>Organizational socialize</td>
<td>Thai and Japanese should party more to get closer to each other</td>
</tr>
</tbody>
</table>

Mr. C:

<table>
<thead>
<tr>
<th>Proficiency in language</th>
<th>Languages can express via many ways such as words and body language</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cultural distance</td>
<td>“It is difficult for expatriates to learn and adapt themselves to the new culture”</td>
</tr>
<tr>
<td>Organizational socialize</td>
<td>Thai people are relax but Japanese are serious</td>
</tr>
</tbody>
</table>

Mr. D:

<table>
<thead>
<tr>
<th>Proficiency in language</th>
<th>Thai language can also help when communicate with Thai people</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cultural distance</td>
<td>I think our cultures are similar, respect the seniority</td>
</tr>
<tr>
<td>Organizational socialize</td>
<td>“Colleagues, friendship and workplace environment are the most important issues”</td>
</tr>
</tbody>
</table>

Mr. E:

<table>
<thead>
<tr>
<th>Proficiency in language</th>
<th>“Miscommunication make the business not run smooth”</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cultural distance</td>
<td>Thai and Japanese are little differences but we can learn each other</td>
</tr>
<tr>
<td>Organizational socialize</td>
<td>Thai staffs are nice and always support me and every Japanese</td>
</tr>
</tbody>
</table>
Mr. F :

<table>
<thead>
<tr>
<th>Proficiency in language</th>
<th>“I started to study Thai language since last 2 years instead to reduce this mistake happen from English miscommunication with Thai staffs”</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cultural distance</td>
<td>Culture is adaptable for people</td>
</tr>
<tr>
<td>Organizational socialize</td>
<td>Thai and Japanese should always hang out after work to know more and closer to each other</td>
</tr>
</tbody>
</table>

Mr. G :

<table>
<thead>
<tr>
<th>Proficiency in language</th>
<th>Language can be learned anytime</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cultural distance</td>
<td>“Culture is very important in everyday life even though my normal days”</td>
</tr>
<tr>
<td>Organizational socialize</td>
<td>Thai staffs at BBL always hang out with me so we are closer than the past</td>
</tr>
</tbody>
</table>

Mr. H :

<table>
<thead>
<tr>
<th>Proficiency in language</th>
<th>“My English is not good so, it is so important to me while working with Thai staffs”</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cultural distance</td>
<td>Thai staffs here are punctual same as Japanese culture</td>
</tr>
<tr>
<td>Organizational socialize</td>
<td>I like Thai staffs here, they always support me</td>
</tr>
</tbody>
</table>

Mr. I :

<table>
<thead>
<tr>
<th>Proficiency in language</th>
<th>“I am learning Thai language too, to understand more when talk with Thai people”</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cultural distance</td>
<td>For me, Japanese and Thai are the same so it will have no problem</td>
</tr>
<tr>
<td>Organizational socialize</td>
<td>I already satisfy with Thai staffs here, they are kind and always support me</td>
</tr>
</tbody>
</table>
Mr. J:

<table>
<thead>
<tr>
<th><strong>Proficiency in language</strong></th>
<th>“My English is ok but anyway it is still the most important thing for communicate with other nationality people”</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cultural distance</td>
<td>Cultures are not so differences between Thai and Japanese which make us work together easily</td>
</tr>
<tr>
<td>Organizational socialize</td>
<td>I like Thai staffs at BBL, they make me feel like I’m home</td>
</tr>
</tbody>
</table>

**Proficiency in language**

This section research consisted of 4 questions about proficiency in language. The results from the table revealed that exactly majority of the respondents about 7 expatriates stated that proficiency in language was the main factor which impacts to their cross-cultural adjustment the most while they are working in Japanese Corporate at Bangkok Bank.

However, Mrs. A, Ms. B, Mr. E, Mr. H and Mr. I have stated that proficiency in language impact them the most because of their main duty were to coordinate with Thai staffs to issue the loans and on the other hands, they also have to became as a translator between Japanese customers and Thai staffs. Many mistakes happened while using English as a main language to communicate and may ruin the business productivity sometimes because of misunderstanding among colleagues.

Apart from that, Mr. F and Mr. J, they also have stated that proficiency in language impact them but they were so lucky that they started to study Thai language since last 2 years instead to reduce this mistake happen from English miscommunication with Thai staffs and this will be benefit to their daily life while they are living in Thailand also.

**Cultural distance**

This section research consisted of 4 questions about cultural distance. In term of cultural distance, there were 2 expatriates which were Mr. C and Mr. G have stated that the reason that proficiency in language wasn’t their main factor but cultural distance instead because languages can express via many ways; such as words and body
language. Language can be learned anytime.

But for culture, it was quite difficult for expatriates to learn and adapt themselves to the new culture which they haven’t familiar with since they were young. Culture is very important in everyday life even though their normal days with general people in public or their working days with Thai colleagues in Bangkok Bank.

These support reasons revealed that they believed that cultural distance will impacts to their cross-cultural adjustment the most while they are working in Japanese Corporate at Bangkok Bank.

**Organizational socialize**

This section research consisted of 4 questions about organizational socialize. For an organizational socialize factor, there was only 1 expatriate which was Mr.D has stated that the reason why proficiency in language and cultural distance weren’t his main factors but organizational socialize did because of colleagues, friendship and workplace environment are the most important issues for him. The working atmosphere was also important for the Japanese expatriate like him.

Moreover, he also suggested that organizational socialize is a key success factor in the international assignment. Therefore, Bangkok Bank should set the program to encourage the expatriates in various ways such as introduce organization culture, clarify organization goal, policy, objective and job description to avoid role conflict, role ambiguity, set up the mentor program for helping expatriate overcome international assignment challenges, set up the expatriate network to share their experiences and give the recommendation for the newcomer.

Furthermore, Bangkok Bank should encourage two way communication between expatriate and superior/colleagues to avoid the conflict.

**Additional Findings**

Even though, these three factors; cultural distance, proficiency in language and organizational socialize are the key factors which influence or impact to cross-cultural adjustment for these Japanese expatriates, but still some of the interviewees have
mentioned more factors which they have agreed that they also could influence or impact; which are job satisfaction & personal goal, demographic characteristics, family support and learning orientation etc.

**Conclusion**

All above results, it can be concluded that the factors which influence on expatriates ‘cross-cultural adjustment that exactly majority of the respondents about 7 expatriates stated that proficiency in language was the main factor, secondly was cultural distance about 2 expatriates and thirdly was organizational socialize about 1 expatriate respectively while they are working in Japanese Corporate at Bangkok Bank.

The findings from this study could provide information about the cross-cultural adjustment of expatriates and factors that influence their cross-cultural adjustment in oversea assignment. The result of this study could be beneficial to be the guideline for understanding the factors consisted of cultural distance, proficiency in language and organizational socialize that were a significant relationship with cross-cultural adjustment.

Therefore, it will guideline for the Bangkok Bank to preparation according to the expatriates’ need, satisfaction with their current job, ability to cope with unexpected events, obtain excellent international expatriate performance, and achieve their personal and company goals.

However, the answers were still various according to their different aspects such as age, gender, position, status and work experiences which were totally unlike.
CHAPTER 5
CONCLUSION AND RECOMMENDATIONS

Introduction

The purpose of this study aims is to investigate the factors which influence cross-cultural adjustment and study the relationship between cultural distance, proficiency in language and organizational socialization and the expatriates’ cross-cultural adjustment and how they have managed with them during they are working in banking industry outside their domestic borders. This chapter is composed of two sections: the conclusion and limitations and recommendations for future study.

This research will be benefit to Japanese Corporate Banking at Bangkok Bank. Moreover, to make the guideline for expatriates to adapt and participate their work life with the best adjustment ways.

The reasons of using qualitative for this research because there are a less of interviewees selection size due to the amount of Japanese expatriates who are working in Japanese Corporate at Bangkok Bank. Qualitative method is the way that able to get the deep information about the factors which influenced or impacted to cross-cultural adjustment for the Japanese expatriates. Data was collected from Japanese expatriates who are working in Japanese Corporate at Bangkok Bank. Around 25 interview questions were distributed to Japanese expatriates but only 10 interview questions were completed and returned, calculate as 40 percent of total.

Part 1 This part mentioned regarding the cultural distance
Part 2 This part mentioned regarding the proficiency in language
Part 3 This part mentioned regarding the organizational socialize

Discussion

Consistent with the previous research results, it revealed that proficiency in language is the main factor which influences and impact to cross-cultural adjustment for Japanese expatriates the most while they are working in Thailand in all industry of careers.
It should be noted that, even though the proficiency in language is the main influenced factor, however, the cross-cultural training is very important and is required for the expatriates in the oversea assignments. It needs assessment training design input at different expatriates levels that can contribute to more effective expatriate training and, ultimately, to expatriate performance. For today’s organizations to build a truly global orientation, we believe that training expatriate levels could be very beneficial in guiding the needs assessment process (Wexley & Latham, 1991) leading to the development of effective performance objectives and the actual design of expatriate training especially on language.

While there is still much to be learned about cross-cultural adjustment, this research makes several contributions. First, it extends past research by demonstrating the important role of proficiency in language. Second, it extends past research by demonstrating the important role of cultural distance and third, it extends past research by demonstrating the important role of organizational socialization in enhancing expatriate interaction and general adjustment in the cross-cultural adjustment literature.

**Research Limitations**

The method for collect data in this research was by distributed the paper interview questions better than e-mail interview questions. It was official and written response. It should be noted that the sample for this study is quite small. The subjects for this study reacted to the distribute interview questions to Japanese expatriates who work in Japanese Corporate Banking at Bangkok Bank, which might not represent the entire viewpoints of all expatriates who work at international companies in Thailand.

However, the researcher sought as much consistency responses as possible from all responses come from 10 Japanese expatriates to ensure that the results of this study would provide initial insights to guide factor that influence on cross-cultural adjustment at Bangkok Bank.

Therefore, the further research should be survey with all Thai Commercial Banks in Thailand to compare the past and this research and to educate that different organization will be presented the different result.
Recommendations

For my personal opinion, the cross-cultural training is very important and is required for the expatriates in the oversea assignments. Bangkok Bank should set up the cross-cultural training course for the expatriates to fulfill their needs, to familiar with host culture, improve their efficiency and achieve the personal and company goal.

Moreover, the further research should be survey with all Thai Commercial Banks in Thailand to compare the past and this research and to educate that different organization will be presented the different result.

To handle with these differentiations, the language course is very important and is required for the expatriates in the oversea assignments. Bangkok Bank should set up the language course for the expatriates to fulfill their needs, to familiar with host language, improve their efficiency communication and achieve the personal and company goal.

Final Conclusion

The purpose of this study aims to investigate the factors which influence cross-cultural adjustment and study the relationship between cultural distance, proficiency in language and organizational socialize and the expatriates’ cross-cultural adjustment of Japanese expatriates who work in Japanese Corporate Banking at Bangkok Bank and how they have managed with them during they are working in banking industry outside their domestic borders.

All of 3 given factors (Cultural distance, Proficiency in language and Organizational socialize) are totally important for expatriates, even though they arranged the level of influence and impaction differently which depended on each personal’s perspective. Not specific for only Japanese but others nationalities also.

Finally, there are also some of the impact factors left which haven’t been mentioned in this research which are job satisfaction & personal goal, demographic characteristics, family support and learning orientation etc. However, the left key factors which influence or impact them may according to expatriate’s age, position, status and work experiences individually.
REFERENCES


APPENDIX

The study will be qualitative research using in-depth interview to collect the data from around 25 Japanese expatriates who are working in Japanese Corporate at Bangkok Bank Head Office, Silom Bangkok.

An interview question is the major instrument used in this study. It is divided into 3 parts;

**Interview Questions**

**Cultural distance**
1. What are differentiates between Thai and Japanese cultures at Bangkok Bank workplace?
2. If difference, does it affect while you are working at Bangkok Bank workplace? How?
3. What are similarities between Thai and Japanese cultures at Bangkok Bank workplace?
4. If similar, does it affect while you are working at Bangkok Bank workplace? How?

**Proficiency in language**
1. How many languages can you speak? What are they?
2. Between Thai and English, which one you prefer more to use while you are working with Thai staffs? Why?
3. Do you think your language ability is effecting to your work scope with Thai staffs?
4. Are there any other ways which can support your work scope with Thai staffs from the language?

**Organizational socialization**
1. Do you satisfy with your Thai colleagues and workplace environment at Bangkok Bank? How?
2. How do you adapt yourself with Thai colleagues during your work time?
3. During work time, are there any differentiates and similarities between Thai and Japanese colleagues?
4. What will be your suggestion for your Thai colleagues to get better along with Japanese colleagues?
BIOGRAPHY

Researcher: Ms. Ketsita Changtragool

Tel: 082-4411-722

E-mail: Changtragool_k@silpakorn.edu

Faculty: International Business

Academic Institute: Silpakorn University International College

Advisor: Keatkhamjorn Meekanon, Ph.D.

Position: Japanese Corporate Relationship Officer

Workplace: Bangkok Bank PCL., Thailand