

Social norms and HRM Practice in Thai Subsidiary Corporations: An Exploration into ‘Emic’ Cultural Influence

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ABSTRACT

Adopting the ‘emic’ (inside-out) perspective on cultural norms and practice, this study explores the influence of indigenous social constructs on the practice of managerial selection, recruitment and appraisal. Current research in international organizations to date – especially within the confines of the Western-headquartered MNC subsidiary – has produced a body of work which explores how culture shapes the local implementation of corporate HR policy. However, with sparse exceptions, such work has remained focused on the ‘etic’ culture dimension drawn from the increasingly dated ‘national culture models’ (instanced by individualism-collectivism and power distance) in seeking to explain cross-border differences in the way local organizational actors are recruited and appraised. While this comparative, universal approach on culture’s consequences has surfaced some valuable insights, the lack of detail and refinement in understanding has led a growing number of cross-cultural management researchers to focus instead on concepts indigenous to the local environment. An additional caveat is that research to date has remained primarily cross-section in its analysis, bearing a lack of process-oriented empirical examinations to understand more deeply the mechanisms underlying cultural influence.

In this study, using a process-oriented, mixed-methods approach we seek to address these caveats, focusing our investigation on the Thai subsidiaries of Western-headquartered hospitality brands. Based on our own experiences and as identified within the recent literature, we centered our attention on the Thai construct of *bunghun*. As an influential and prevalent construct, across the Greater Mekong Sub-region, *bunghun* denotes the norms and practices embodied in reciprocated favors among interpersonal networks. Drawn from a sample of 16 HR executives (7 Western, 9 Thai) we collected data through a mix of semi-structured interviews (as our primary source), observation and company documentation. Results suggest that *bunghun* shapes the process and practice of recruitment and appraisal in a number of ways both direct and indirect. Key to our findings lay in the uncovering of how the selection process was influenced by the *bunghun* between individual applicant/candidate/employee and remained however unbeknown to the corporate executives concerned – specifically due to being bound in subtle, invisible, long-standing networks of personal connections. Through the use of a specific indigenous construct on the ground – as used and interpreted by local organizational actors – we were able to identify, highlight and unpack its influence at a deeper level than in prior researched grounded in point-in-time analysis of etic constructs.

This research extends and refines how we understand the influence of culture on international HRM theory and practice. It adds to the growing corpus of literature explaining how indigenous norms and values the adoption and use of Western-oriented HRM principles and practice



specifically recruitment and appraisal in emerging ASEAN. Our findings also serve to expand current knowledge into the to date under-researched ‘emic’ dimensions of culture in non-western societal environments. Implications for theory in cross-border HRM policy implementation, as well as for corporate practitioners, are discussed to conclude the study.

Keywords: International HRM; Emic culture constructs; National culture models; Bunkhun; Recruitment & appraisal; Thai subsidiary corporation.