AJMI Statement of Editorial Policy

The goal of the *ASEAN Journal of Management & Innovation* (AJMI) is to publish insightful, original and timely research that describes or potentially impacts management and/or innovation that has the potential to be applied in the ASEAN context. Topics that are either distinctly ASEAN-related, or are regional or international in scope are encouraged. AJMI is multidisciplinary in scope and interdisciplinary in research methodology and content. AJMI accepts papers that initiate or redirect a line of inquiry as well as papers that provide new insights into previous work.

Editorial

On behalf of the editorial staff at the *ASEAN Journal of Management & Innovation*, I am pleased to announce that the journal has recently been promoted to Level 1 of the Thai-Journal Citation Index (TCI). This means that AJMI is ranked in the top tier academic journal index in Thailand and will be considered to be in ASEAN Citation Index (ACI) in the near future. Kudos to contributing authors and to our staff who have helped make this achievement a reality.

The seven research papers presented this issue focus on two main themes: higher education and organizational performance. Four papers investigate trends in international higher education, including reasons undergraduates continue MBA studies at their alma mater, internationalizing a Thai university, the effects of task-based learning in English language education, and the link between incentives and gamification for continuing teacher education. Two very timely papers study topics especially relevant to the launch of the ASEAN Economic Community: development of intercultural corporate culture in international organizations, and the effects of ownership structure on post-IPO market performance in Thai SME's. Our seventh paper unites business and education in a study of factors that enable knowledge sharing among participants from universities and business in cooperative education programs.

Please consider submitting your research to Volume 2, Number 2 of AJMI, to be published in December, 2015. You can find details at our website, ajmi.stamford.edu. Whether its submissions or feedback, we'd love to hear from you.

Dolly Samson

Editor in Chief

ASEAN Journal of Management & Innovation

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An Investigation into the Development of Intercultural Corporate Culture

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Abstract

A number of literatures had identified positive influences of corporate culture on the organizational success. The main objective of this study is to examine how intercultural corporate culture evolves within the organization. The paper analyses how the corporate culture is communicated, as well as the influencing factors of the corporate culture, the corporate activities which said to shape the corporate culture and what role do intercultural differences play in the corporate culture. Qualitative methods were employed in order to obtain research data from series of in-depth interviews conducted with managers from a number of international companies. This study offers advantages and guidelines for managers and allows them to understand more about intercultural corporate culture and thus utilize corporate culture as the mean for organizational success. The result of the study highlights the significance of corporate culture and its crucial roles in organizational success.

Keywords: Corporate Culture, Intercultural differences, Creation and Development of Intercultural Corporate Culture

1. Introduction

Over the last decade, a number of studies have shed light on the important contribution of organizational culture to the management of organization. Organizational culture can be understood on three levels: basic assumptions; values; and artifacts (Schein, 1984). Other scholars simply put the definition of organization culture as "how things are done around here" (Martin, 2002). Organizational culture can be displayed in the typical characteristics of the organization; in other words, organizational culture should be regarded as the right way in which things are done or how problems should be understood in the organization. It is widely accepted that organizational culture is defined as the deeply rooted values and beliefs that are shared by personnel in an organization (Sun, 2008). Moreover, other studies found the linkage of organizational culture and leadership in which effective leadership and workable organization design and development programs must be based on sensitivity to and understanding of culture (Brown, 1992). Therefore, one cannot deny the significant contribution in understanding the development of organizational culture to the good of organizations.

Currently, the terms "internationalization" and "globalization" also play huge roles that simply move far beyond the economic relationship to areas such as social structure, work, and leisure patterns; the spread of knowledge; and concerns about the natural

environment (Grünig & Morschett, 2012). Due to growing globalization and internationalization, the significance of multinational enterprises has now increased more than ever. For these multinational enterprises, employees from different cultures are found to be working together. Therefore, there are rising intercultural teams, which may perhaps cause misunderstanding and conflict between different cultures. Moreover, the emerging economies are already producing corporations that are operating on a global scale. This internationalization of the markets goes hand in hand with the increasing transnational activities of corporations, thus, with enhanced cooperation between them and their employees and partners, competitors and colleagues from completely different cultures. Corporate culture can act as a keynote and a supply orientation for work processes and behavior patterns for all those who play a part in a corporation (Köppel & Sohm, 2008).

Given the significance of understanding the development of intercultural corporate culture, the question remains of how the intercultural corporate culture develops within an organization. Therefore, the main purpose of the research is to basically provide the answer to the question of what are the methods to create and develop an intercultural corporate culture. This main question, as earlier mentioned, has been the forefront of the study in the area of international business and global management. In addition to the main question, this study aims to satisfy a number of research objectives including: 1) to find out the values of the companies being investigated; 2) to find out the impact of these values on the corporate culture; 3) to analyze the methods to reach these values; 4) to analyze instruments to change, create and develop a corporate culture; and 5) to analyze the specialties of an intercultural corporate culture with regard to the international aspects.

This research study should provide benefits to managers in international companies. It can also help to improve collaboration between international teams. It enhances the understanding about corporate culture and how it can increase the success of a company. The results should provide some guidelines for companies on how to develop and create a successful intercultural corporate culture.

2. Literature Review

2.1 Definition of Corporate Culture

Corporate culture is an area of focus, which is not well understood and is not optimally utilized among companies. Organizations need corporate culture to realize their vision because the corporate culture and climate within a company will support the goals (The Sergay Group, 2011). Corporate culture is the way that people within an organization operate the business. This includes different features such as work climate, leadership behavior, performance criteria, reward system, and organizational structures and processes (Homma & Bauschke, 2010). Furthermore, corporate culture also involves values, attitudes, rituals, norms, and behaviors, which are typical for a company and are common knowledge to all employees. These features have evolved over time in a company and are accepted and lived with by the majority of company members.

Additionally, they identify, essentially, what the content of the corporate culture is and can, therefore, be indicated as a determining factor (Kobi & Wüthrich, 1986). These shared values, attitudes, norms, and behaviors enable members to understand their roles in the organization (Luthans & Doh, 2012). Corporate culture characterizes the personality of a company concerning to their specific, historical developed assumptions, thought patterns, and ways of problem solving (Nieschlag et al., 2002). Details of the corporate culture can be identified from how information is communicated, how feedback is given, how performance is managed, and projects are coordinated within the company. This means the culture is

reflected in the way the organization is structured, which includes whether work is managed cross-functional or not and how the hierarchical levels are set up involving the use of job titles (The Sergay Group, 2011).

Corporate culture is demonstrated in the ways the organization leads its business, behaves toward its employees, customers, and the wider community. Furthermore, it is shown in the degree to which freedom is allowed in decision making, developing new ideas, and personal expression. Moreover, the corporate culture indicates how power and information flow through its hierarchy and how committed employees are toward collective objectives (business dictionary). The content of the corporate culture is the code of conduct and the core values. The code of conduct clarifies for all employees the fundamental principles that guide day-to-day interactions and decisions (LRN, 2007). Core values are the basis of corporate culture, and no organization can reach its true possibilities without employees feeling supported, valued, and comfortable in the company. Core values can help to reach these possibilities. Core values guide decisions and interactions between employees and stakeholders. It is important that each organization should reflect its own situation and work out a set of core values that addresses its unique concerns and needs, according to its own environment (Taylor et al., 2007).

2.2 Cultural Theories

1) Cultural Dimensions of Hall

Hall (1976) classified cultural differences into different dimensions, which include time, space, things, friendships, and agreements. According to Hall, communication as a cultural feature plays an important role. If people from different cultures communicate with each other, they show different behaviors of communication and interaction (Kutschker & Schmid, 2004). These cultural dimensions should only be understood as a guide, and the individual dimensions should always be considered contiguous, which can be classified into four major dimensions: 1) context orientation; 2) spatial orientation; 3) time orientation; and 4) information flow. Details of these dimensions are described below.

The first dimension is divided into high- and low-context cultures. The point is that, in communication situations, a certain amount of information must be transmitted (Kutschker & Schmid, 2004). In high-context cultures, information is expressed as not explicit. Most of the meaning is implied by the situation. Characters can be, for example, facial expression of the conversation partner, allusions, circumstances of the meeting, and many other contextual factors. In low-context cultures, the information style is direct and information is communicated verbally. Asian and Arab countries are high-context cultures. Central and Northern Europe are low-context cultures (Hall, 1976). The second dimension describes the relation to the personal space in which a person is claiming to feel comfortable. Different cultures typically exhibit a different relationship to space. There are big- and low-space cultures. In some countries, people take more distance when speaking to each other, and, in others, people may touch each other or just stand closer together when speaking (Hall & Hall, 1990). The third dimension is time orientation. Hall (1976) distinguishes between monochronic and polychronic cultures. In monochronic cultures, punctuality and a working plan are important. Activities are processed one after another. In contrast, in polychronic cultures, several activities are done simultaneously. These cultures place more effort in relationships than in appointments and schedules. The last dimension describes information flow, which is described as how long information needs to get from one place of the company

to another. Hall distinguishes between cultures with low and high information flow (Kutschker & Schmid, 2004).

2) Cultural Dimensions of Hofstede

One of the best known studies of cultural dimension is by Geert Hofstede. Hofstede studied and observed differences and similarities between cultures of individuals from different countries, which relate to behavior and interaction. Hofstede (2006) classified cultural dimensions into six dimensions, four of which are the most important and initial dimensions: power distance (PDI); individualism versus collectivism (IDV); masculinity versus femininity (MAS); uncertainty avoidance (UAI long-term orientation [LTO]); and indulgence versus restraint (IND). However, for the purpose of this research, only those four dimensions are used for the basis of analysis.

The first dimension, power distance, describes the degree to which less-powerful members of a company accept that the power is distributed unequally. In high-power distance, culture members avoid criticizing high-power individuals and respect them. In low-power distance cultures, it is acceptable to discuss with your superiors with respect (Hofstede, 1984). Germany is an example of a country with a rather low power distance; Thailand and China are dominated by high power distance (Hofstede, 2001). The second dimension is collectivism-individualism, which explains the degree to which a society sees its members as individuals or as group members. Individualistic societies show a low integration of individuals into groups. In collectivistic societies, everyone sees him- or herself as a member of a group that also represents his or her identity (Hofstede, 1997). The United States and Australia are individualistic countries, whereas Brazil is characterized as more collectivist. The third dimension is masculinity-femininity. Masculine societies prefer achievement, assertiveness, and material rewards for success. In feminine societies, there is a dominance of feminine values such as preference for friendly atmosphere, physical conditions, and security (Hofstede, 2001). Sweden is a feminine country and Japan masculine. The fourth dimension, the uncertainty avoidance represents the degree to which members of a society feel uncomfortable with uncertainty and ambiguity. Cultures with a high uncertainty avoidance index are worried by situations that are unstructured, unclear, or unpredictable. In the opposite, cultures with a low uncertainty avoidance index are reflective, less aggressive, relatively tolerant, and unemotional (Hofstede, 1984). Argentina and France are countries with high uncertainty avoidance, while China has a rather lower expression of uncertainty avoidance.

2.3 Cultural Change

1) EPRG Model of Perlmutter

Another famous scholar Perlmutter (1969) offers a different perspective to the study of the cultural dilemmas. He originally proposed an international business model for multinational enterprises, including ethnocentric, polycentric, and geocentric (EPG). Later, the model extended the model by a fourth dimension, which is regiocentric and came to be known as the "ERPG Model" (Wind et al., 1973). The EPRG model is concerned with cultural dilemmas in international management. Perlmutter (1969) describes leadership concepts in international companies. It is about whether the culture of the subsidiaries will be adapted to the corporate culture of the parent company in the home country. This model was chosen because it shows how management of an international company coordinates the corporate culture in the subsidiaries in other countries. This paper deals with the creation of corporate culture but also raises the question of how to develop an intercultural corporate culture. Corporate culture in international companies is an interesting topic—particularly, for

example, the topic that deals with the relationship between the corporate cultures of parent companies and foreign subsidiaries. This leads to questions such as: Are the corporate cultures more different or more alike? How does each culture form and are the foreign subsidiaries considered being only as subcultures of the parent company? Especially in international companies, the corporate culture is not negligible. The spatial and cultural distance between parts of the company offers special challenges.

Perlmutter identifies four primary attitudes: 1) ethnocentrism; 2) polycentrism; 3) geocentrism (Heenan & Perlmutter, 1979); and later supplemented with 4) regiocentrism (Kutschker & Schmidt, 2002). In the ethnocentric strategy, the culture of the parent company is the main culture and takes center stage. The aim is to establish, with the parent company identical, a culture in the foreign organizations (Heenan & Perlmutter, 1979). This means the parent company gives the default of all human resource policies and instruments and holds a dominant role over the subsidiary. Key positions are filled by employees from the parent company (Kutschker & Schmidt, 2002). The polycentric orientation accepts the existence of different patterns of thought (Heenan & Perlmutter, 1974). The subsidiaries are managed by local managers. The parent company tolerates in each case a specific organization and sometimes a different corporate culture. The consideration of differences is seen as a success factor. The financial control is in the foreground, and there is only a weak bond between the subsidiaries and the parent company. In the regiocentric orientation, the world is divided into regions: for example, Asia, Europe, etc. The regional headquarter acts as an authority between the parent company in the home country and subsidiaries in the regions. It has the task to coordinate the subsidiaries in the region and to define standards for the regions. The managers are recruited within a region (Perlmutter, 1969). The geocentric stage regards the world market as a unit. The company developed an international character, which is similarly applicable to the parent company and subsidiary. Enterprise-wide similarities are emphasized and encouraged and allow working over boundaries beyond (Heenan & Perlmutter, 1974).

2) Organizational Culture Model of Denison

This approach focuses especially on those cultural aspects with the largest impact on business success. It is one of the few approaches that make it possible for companies to measure its own culture. It is mainly used by organizations trying to change their culture and increase their success. The organizational culture model is based on four cultural features (Denison, 1990; Denison & Mishra, 1995; Gordon & DiTomaso, 1992; Kotter & Heskett, 1992, cited in Denison et al., 2006), which include involvement, consistency, adaptability, and mission.

Involvement: This feature is measured by three indices: empowerment, team orientation, and capability development. The literature has shown that effective organizations involve their employees and support their employees at all levels (Block, 1991; Katzenbach & Smith, 1993; Lawler, 1986; Spreitzer, 1995, cited in Denison et al., 2006). Highly involved organizations create a sense of ownership and responsibility. As a result, a greater loyalty to the organization evolves, as employees at all levels feel that they have a minimum of influence on decisions that affect their work. They also have the feeling that their work is directly linked to the objectives of the organization.

Empowerment: The individual has the authority, initiative, and opportunity to organize their own work. This creates a sense of personal responsibility to the organization. Team orientation implies that the organization places value on attempting to reach common objectives for which all employees feel responsible (Denison et al., 2006). This creates innovative ideas and employees support one another in achieving work goals. Capability development involves the continuous investment in the development of the employee's skills;

therefore, they can remain competitive (Denison et al., 2006). This feature is practiced in different ways, e.g., through training, coaching, and giving employees exposure to new roles and responsibilities (Denison et al., 2006).

Consistency: In the model, this feature is scaled by three indices: core values, agreement, coordination and integration. The literature also shows that organizations are effective when they have continuity and integrated structures (Saffold, 1988, cited in Denison et al., 2006). This kind of continuity is good for stability and internal integration. This feature gives a central source of integration, coordination, and control. Moreover, consistency helps organizations to develop a set of systems that create an internal system of governance based on consensual support. Core values mean that employees share the same values that create a sense of identity. A successful organization has a set of core values that help employees and leaders to make the right decision and behave in the right way (Denison et al., 2006).

Agreement: Members of the organization are able to reach an agreement on critical issues. This also includes the ability to solve problems. Coordination and integration include that different organizational units can work well together to reach common objectives (Katz & Kahn, 1978; Kotter, 1996; Senge, 1990, cited in Denison et al., 2006). Employees understand how their work influences others and how other's work impacts them. They make sure that work is coordinated and integrated to operate the organization as a whole (Denison et al., 2006).

Adaptability: Adaptable organizations take risks, learn from their mistakes, and have the competence and experience to induce change (Katz & Kahn, 1978; Kotter, 1996; Senge, 1990, cited in Denison et al., 2006). Adaptable organizations usually have an increase in sales and market shares (Denison & Mishra, 1995, cited in Denison et al., 2006). In the model, this feature is measured by three indices: creating change, customer focus, and organizational learning. Creating change means the organization is able to adapt oneself. They can quickly react to their environment, customers, trends, and future changes. Moreover, it means that the organizations welcome new ideas, are willing to try new approaches, and see creating change as an important part of the way they do business (Senge, 1990). Customer focus includes the organization understanding its customers, acting on them, and anticipating their future needs (Hamel & Prahalad, 1994; Mintzberg, 1989; Selznick, 1957, cited in Denison et al., 2006). Employees notice the need to serve internal and external customers and continually search for new and improved ways to meet customer expectations (Denison et al., 2006). Organizational learning describes that the organization receives, interprets, and translates signals from their environment to succeed in more innovation, acquisition of knowledge, and development of skills (Hamel & Prahalad, 1994; Mintzberg, 1989; Selznick, 1957, cited in Denison et al., 2006). It means the organization gains knowledge from successes and mistakes.

Mission: Successful organizations have a clear sense of the objective and define these global and strategic objectives (Hamel & Prahalad, 1994; Mintzberg, 1989; Selznick, 1957, cited in Denison et al., 2006). They provide clear orientation and objectives, which are then used to define an appropriate strategy for the organization and its members. In the model, this feature is also measured by three indices: strategic direction and intent, goals and objectives, and vision. Strategic direction and intent mean that a clear strategic intent conveys the meaning and purpose of the organization. It relates to the multiyear strategies, which are high priorities established to "operationalize" the vision. Goals and objectives describe that a clear set of goals and objectives can be linked to the mission, vision and strategy, and so give all members a clear direction for the work. These are the short-term goals. Vision includes that the organization provides direction and guideline. It is the ultimate reason why the

organization is doing business and describes what you are ultimately trying to achieve (Denison et al., 2006).

2.4 Instruments Cultural Change

The difficulty for international organizations is in developing core values and realizing a truly global culture. The challenge is to understand and comply with different laws; manage employees all over the world from headquarters, serving customers in different countries with various demands; and relating to suppliers and partners in different jurisdictions. The three main challenges include: 1) to promote a culture of ethical conduct in all countries of operation; 2) to involve a global employee in understanding and adopting its corporate values; and 3) to meet the web of complex legal and compliance obligations that may exist in all its locations.

2.5 Process of the Cultural Change

The process of cultural change divided into three steps.

1) Organizing and Analysis of the Actual State

The first step is for top management to realize that the corporate culture needs to be changed. For the cultural change, the most important elements of a project structure must be defined. This includes project managers, their team, and steering committees. Basically, it needs to be clarified whether the company itself has the necessary resources to successfully perform this change. A condition of a successful change is a detailed analysis of the actual state. This step involves the external environmental factors (market development, customer expectations, and competitive behavior) and the internal company factors (strengths and weaknesses of their own corporate culture). With this analysis, the cause of failure can be discovered and eliminated (Bolz, 2013). Hence, the foundations are created in order to make concrete decisions on how to proceed (Bauschke & Homma, 2010). Scheduling and organizing of the change have a significant impact on the success of a change project. At the beginning of the change, mistakes should be avoided, because, afterward, it is even more tedious to correct them (Bolz, 2013). Successful planning involves the definition of clear and ambitious goals. Often the guiding principles are missing; therefore, the planning phases do not run fluently (Hall et al., 1994; Bolz, 2013). Moreover, it is also important to formulate clear and quantitative criteria for measuring success (Bolz, 2013). During the preparation phase, the knowledge of the strengths and weaknesses from the current corporate culture can be prevalent. Thus, the question of how the corporate culture in the future should look and how this concept can be most effectively implemented within the company can then be decided. This phase of the process thus describes the substantial and procedural preparation of the culture change (Bauschke & Homma, 2010).

2) Implementation

In this phase, the people working in the organization need to adapt their values, attitudes, and behaviors to the new corporate culture. Key factors in the change process are the top managers. They must be convinced first in order to transfer this change to their employees. Without the support of employees, there will be no change in the corporate culture (Bauschke & Homma, 2010). The first step of change would be the involvement of employees, teams, and leaders. On the one hand, it is possible to involve the employees in changing the culture (participate strategy) (Bolz, 2013) or they just do not involve them in the process (strategy of power) (Bolz, 2013).

3) Review and Sustainability

Many changes of corporate culture come to a standstill, although they at first showed success (Bauschke & Homma, 2010). In this phase, the specified goals set out in the beginning will be compared with those of the new corporate culture. To ensure that the change is sustainable is a task of the top management as well as employees. Everyone should take responsibility for the implementation of the new culture. The sustained success will only be generated when the cultural change loses his "project status" step by step and become a natural part of the everyday business life (Bauschke & Homma, 2010).

3. Research Methodology

3.1 Research Design

To find out more about the development and creation of an intercultural corporate culture, in this research, it is deemed to be more appropriate to utilize the benefits of qualitative research. Qualitative research is the collection of nonstandard data and their analysis with specific, non-statistical methods (Flick, 2009). The questions were chosen in a way that the interviewees have to deal individually with the question and can bring forward their own experiences. For that reason, a qualitative approach appears appropriate because it applies non-standardized methods of data collection and interpretive methods of data analysis. The qualitative research approach contains the understanding that people do not act according to fixed cultural roles, norms, etc., but rather that every social interaction is interpreted individually context and situation dependent by individuals (Lamnek, 2005). The qualitative research involves the principle of openness. This means having an open mind about new questions and new answers that may contravene understanding of the researcher or make no sense in the outside perspective (Reinders, 2008). The following table provides the detail of the research process from the main research question to research objectives.

Table 1: Research Process

Main Research Question	What are the methods to create and develop an international corporate culture?
Research Objectives	1. To find out the values of the companies 2. To find out the impact of these values on the corporate culture 3. To analyze the methods to reach these values 4. To analyze instruments to change, create and develop a corporate culture 5. To analyze the special of an intercultural corporate culture with regard to the international aspects

3.2 Data Collection

To collect the data, the semi structured guideline-based interview is utilized. This kind of interview supports the above-mentioned demand for openness in communication. The set of requirements for the interviewees include:

- Manager level;

- The company in which they are working must be operating internationally, which is:

    o active in at least two countries

    o contain mixed teams of multicultural employees/staffs

Transcription followed the interviews. It was decided to use a simple type of transcription. In simple transcripts, information on para- and nonverbal moments usually do not exist. The focus is on better readability and not extensive realization time with such transcription rules; thus, the focus is on the content of the conversation. The following table describes interview questions which broken down into four major sections including: 1) Demographic Information 2) Values, Attitudes and Norms 3) Measures and Methods and 4) Intercultural Aspect.

Table 2: Interview Questions

Sections	Questions
1. Demographic Information	Gender / Age / Home country / Branch 1.1 In how many countries are your company operating? 1.2 Where did you study? 1.3 What is your highest education qualification? 1.4 How many years of working experience do you have? 1.5 For how many previous companies have you been working? 1.6 What kind of position do you have? 1.7 For how many years do you work in this company?
2. Values, Attitudes and Norms	2.1 What are the key corporate values of your company? (Sustainability, customer orientation, Integrity, development, fairness, trust.) 2.2 How are the values communicated? (How do they get to know about them? Is there a guideline?) 2.3 What impact do these values have on the corporate culture and the company? (More successful, satisfied customer, to differentiate ourselves from other competitors.)
3. Measures and Methods	3.1 What activities/Instruments are used to reach these Corporate Values? (Setting an example, communicate at the beginning of each meeting.) 3.2 Which role are the executive managers playing in shaping a corporate culture? (Living the values.) 3.3 How are employees involved in this process?

4. Intercultural Aspect	4.1 Which role plays intercultural differences? Are they considered? How?
	4.2 What are the intercultural contents of your corporate culture?
	4.3 What measures are used to reach an intercultural corporate culture? (Perlmutter: ethnocentric, geocentric, regiocentric or polycenctric)

3.3 Data Analysis

The analysis was oriented utilizing the qualitative content analysis of Mayring (1997). The method was selected as to develop categories of this material step by step. The category system is the central instrument of analysis. The aim is to reduce the material so that only key materials remain (Mayring, 1997).

4. Results, Discussion, and Conclusion

Interviewees work in international companies that operate in more than one country. The companies are from different industries, i.e., consumer product, finance, automotive, and consulting. Interviewees are in different ages ranging between 31 and 53 years. The majority of interviewees are from Thailand and one participant is from France; however, all of the interviewees overseas have been educated with some international experience. They received their education from the United States, India, France, and Australia. The interviewees are male and female and all hold positions at the management level. All of them have at least nine years of working experience in international teams. The table below summarizes the characteristics of different companies of the interviewees.

Table 3: Companies Characteristics

Company	Information
1	➢ Cosmetic and perfume ➢ Healthcare division ➢ Professional division ➢ Frontier science division ➢ Food Business ➢ Operates in 71 countries and employs approximately 29,000 staffs
2	➢ Financial service ➢ Offers securities brokerage, securities trading, investment advisory ➢ Engaged in the provision of security services ➢ It operates in 37 branches
3	➢ Services with focus on management and staff development ➢ Management consultancy ➢ Is represented in all 50 of the United States and over 80 countries ➢ More than 2,700 instructors present trainings is dedicated to serving the business community worldwide ➢ Approximately 8 million people have completed a Training ➢ Training in over 30 Languages at Locations Worldwide
4	➢ Global provider of banking, financial, advisory, investment and funds management services ➢ The company employs more than 13,900 staffs in 28 countries

5 and 6	➢ Tire manufacturer
	➢ Brings better mobility solutions to customers
	➢ The company employs 113,400 staffs
	➢ Has sales organizations in over 170 countries
	➢ Produces in 69 plants in 18 countries on five continents

4.1 Research Results

The results from in-depth interviews can be broken down into five major categories of the development of intercultural corporate culture: 1) core values of international companies; 2) instruments of corporate culture; 3) influencing factors on corporate culture; 4) importance of corporate culture; and 5) Perlmutter theory related to the interviews

1) Core Values of International Companies

This section describes which core values are particularly important for international companies and why they are so important. Interview results found that there are eight values, which are especially apparent in order for international companies important to be part of the corporate culture. International companies have to deal with other challenges as national companies such as with different laws, different values, and traditions and different time zones in operating countries. It is important that they have diversity as a value because they should respect cultural differences, including language, values, tradition, etc. This involves the promotion of different types of people to inspire intercultural teams to work together. Diversity can help them to become more international. Moreover, they should promote teamwork, especially in intercultural teams in their company because, through different ways of thinking, it supports new ideas and innovations. For example one of the respondents explained about the company's core values as:

> *"Our Values define the values that must be held and shared by each and every employee aiming to realize Our Mission. Our Values set out the values we should keep in mind when we do our businesses. The three main values are: In diversity (Strength), in challenge (growth) and in heritage (excellence). The importance of respecting others and build great relationships………"*

Another important value is integrity. To fully realize employee potential, employees should be optimally integrated into the company. Especially, internationals and new employees should be fully integrated. This helps all employees to feel comfortable in the company. Furthermore, trust is important; this includes trust from employees, shareholders, business partners, customers, etc. If employees trust in what the company does, they might work more efficiently and with more motivation. Trust from shareholders, business partners, and customers is important. For this reason, tradition is also a good value. Tradition can mean experience in doing business and handling crisis. Moreover, experience can build trust, and, in order to get along with the different people from different cultures, the company should remain flexible. Furthermore, the company should be able to adapt to different environments, including different political, economic, and law situations in operating countries. In the global market, there is typically difficult competition. To be competitive should also be a value in the corporate culture because if the company is not competitive, it cannot be successful. A good reputation is a big advantage for a company because it is easier to get top talent and the trust of employees, shareholders, business partners, customers, etc. Moreover, the people will speak about your good reputation and recommend the company. As a result, the important values can help to make your company more successful in the global market.

2) Instruments of Corporate Culture

Instruments of corporate culture include the roles of manager and employees in creating and reaching the corporate culture and the question of whether the company is working constantly on the corporate culture. It describes what instruments a company chooses to achieve a corporate culture and which people are involved. For many companies, it is important that their values are present in the daily work routine. This can be achieved through several measures such as core values on all presentation slides, the presence of the values in each meeting, etc. It is a great way to internalize the values and helps that the values in the company are kept in practice. Integrating the values into daily work creates the impression that the values are taken seriously in the company and supported. Communication is indispensable as an instrument of corporate culture. This includes events such as meetings, speeches, workshops, training, etc. Communication is especially important in international business, so there are no misunderstandings. Moreover, one of the interviewees describes his company's communication process as:

> *"There is an orientation event for new staff. Each month there is a new list of new staff members and each the new stuff gets an email with what they can do and what's forbidden. There is also a welcome trip to a Resort place. So the new members get a brief orientation. At the end of the year there is a party for all employees. Values are best communicated via e-mail…"*

In order to improve corporate culture and especially its communication, the culture must measure and assess it. This can be done through employee surveys regarding company satisfaction. As a result, it can be seen whether the corporate culture has positive effects or if something needs to be improved. It is possible to recognize whether the right instruments are chosen. Thus, it is important to work constantly on the corporate culture, which does not include the revision but rather the communication of values. Management and employees are also important instruments. Management is responsible for the communication of the values and to teach those values to employees. Management has to set examples and, therefore, take an important role in this process. Another response from the interviewee provides the detail of company's internal communication process.

> *"A lot of them come in form of policy, we have an internal policy. We have a written policy and there is a training on the policy to make sure that this is complain to all the workers…."*

Employees are responsible for adopting these values and putting them into practice. Mostly, managers alone decide how to communicate the corporate culture to their employees. In each country, the corporate culture is communicated differently because of cultural differences, which includes different laws, political and economic situations, different employees from different countries and customers all over the world with different expectations.

3) Influencing Factors on Corporate Culture

This category also involves the role of intercultural differences and the intercultural content in corporate culture. It is asked what factors influence the corporate culture internally and externally. External factors come from the environment of the company and internal factors from inside the company. It should be discovered whether it is possible to change the corporate culture by influencing factors. Only one interviewee believed that there are no influencing factors on the corporate culture. Most other interviewees think that many factors

influence the corporate culture, and it is not easy to overlook these factors. The respond from one of the interviewees regarding the influencing factors.

> *"The overall industry, which includes the trust in your business from your customers. In Thailand you have more working hours like in other countries. Another factor is the competition. It is very important that you are competitive. But also the political situation is an influencing factor. Furthermore, the top managers are an influencing factor….."*

Companies subsist in a dynamic environment, which is different in several operating countries. One important factor is to be an international company because it has to deal with different people inside and outside the company and has to comply with global legal requirements. The corporate culture should adapt to international aspects of a company, which includes different people, different ways to communicate, different views, communication across boarder, etc. Thus, intercultural differences play a big role and might be a challenge for companies. They should be sensitive to local traditions and behaviors and educate their employees about legal, compliance, and cultural differences. It is also important to translate significant documents in the local languages in operating countries and show local presence. Against that, national operating companies do not require an international content because it does not have to deal with these challenges and differences. Another important influencing factor is top management, which decides how management communicates values to their employees and influences treatment of each other. The behavior and the type of management play a large part relating to the corporate culture. Moreover, vision, management style, and personality of the founder or leader have significant influence. Competition is a significant factor, too. It is a different corporate culture if the company is in difficult competition. The pressure on the management is higher, which influences communication. In intense competition, the company has to work harder to gain customer trust. Thus, customers are also an influencing factor on the corporate culture because without customers there is no profit. Every industry, branch, or product has its own group of customers and must interact in different ways with them. International companies have customers from different countries and should be flexible with regard to the different needs.

There is a dynamic environmental framework in which a company is doing business. The political situation and national culture of the company also play an important role, which influences employee mood and can lead to impairment. The type of business can also affect corporate culture. On the one hand, in a service company or finance company, customer trust is particularly important. On the other hand, in a manufacturing company low cost and the quality of the product are important. As a result, the company should think about the core values and coordinate them on the needs of the industry. International companies need more content in their corporate culture than in national companies. They need a real global corporate culture and require ethical conduct in all countries of operation. They must show respect to international people and their traditions. Moreover, diversity should be a core value of the corporate culture. The English language should be promoted. Sending expats to the host countries can be helpful to be a successful international company. Training on communication, culture, and language is ideal. As a result, the influencing factors and the content of the corporate culture are different, whether it is a national or international operating company and should not be neglected.

4) Importance of Corporate Culture

The importance of corporate culture includes questions on what impact values have on corporate culture and what impact the corporate culture has on performance. It raises the question of why international companies should have a positive corporate culture and why

they should communicate it successfully. The interviewees were in agreement about the importance of corporate culture and its impact on many areas within a company. The following are some of the responses from the interviewees regarding the significant of corporate culture.

> *"......if it's clear it will allow the employee to see that culture, and they will know easily that they will adjust themselves to that culture or not. If you have a good corporate culture, people come in and want to work there…."*

> *"The people have the same aim and so they work together. And this makes the work more effective. The values are a guideline for our people so they know how to behave. The values have an impact on the image outside as well….."*

> *"(Corporate Culture is important…)...obviously because... I think you have to interpret.....you have an individual culture and you have the corporate culture. And I think the company culture allows different individual culture to exist and corporate together. So you need the understanding the values and how the culture is….."*

Corporate culture can have a large impact on the success of a company. As a result, it is an important part of every company. In addition, the corporate culture might help to realize the vision of the company.

Increasing international competition leads to an increasingly important corporate culture, which helps to differentiate a corporation from competitors and to unify company-wide guiding principles. The first reason why corporate culture has a positive effect is the bringing together different cultures. Therefore, employees can orient themselves toward a guideline in order to know how to behave, communicate, and do business. This can lead to respectful contact with each other. They have the same aim, which lets them move in the same direction. Through a positive corporate culture, employees work better together, are more motivated, and likely to remain working for their companies. This leads to more efficiency, productivity, performance, competitiveness, customer satisfaction, and profit. The corporate culture of a company should include the message they want to promote and develop their employees. This influences also whether members are happy to be in this company. If employees in the company are satisfied, they stay there no matter how much money another one pays. This gives the company the opportunity to attract the best talent. Therefore, a positive corporate culture can also lead to a good image and reputation, which may influence the company to act professional to the outside and gain society trust. Another positive effect is a trustful relationship with customers and business partners. For this reason, they believe in crises to the power and professionalism of the company, which can help survive the crisis. Some interviewees mentioned requirements in which a corporate culture has a positive impact. The corporate culture should be driven by top management and not only by HR. If a positive corporate culture is implemented successfully, then it returns with the profit.

5. Perlmutter Theory Related to the Interviews

In this category, the question is which of the four leadership concepts of Perlmutter the companies apply. The theory of Perlmutter is about leadership concepts in international companies. It is particularly concerned with the question of whether the corporate culture and strategy of the parent country shall be adapted or imposed on the countries of various subsidiaries. In practice, it is difficult to assign the company to one of these four strategies of Perlmutter. Many companies use not only one of the strategies but rather mix them. Most of

the companies first send managers from a home country to support the locals with their experience. After a while, the locals have the knowledge and experience to manage the company successfully in the host country. The geocentric approach is also often applied. This strategy could bring many advantages because it is not important whether the management comes from home or the host country. It is only important who brings in the best performance. Which strategy will be followed also depends heavily on the industry. In financial companies, the geocentric strategy is often pursued because it is important who makes the most money. In other companies, there is more trust on the experience and knowledge of the home country manager. Every strategy has advantages and disadvantages.

Ethnocentric strategy provides unity by using the same standards in all subsidiaries. This leads to easier communication and coordination. As a result, the subsidiaries can be better compared. On the other hand, the local resources in ethnocentric strategies are left unexploited, which can prevent innovation and invention. Polycentric orientation avoids cultural and language problems by using local human resources. It is less time-consuming because there is no need for preparation and support of executives from headquarters. On the downside, there are cultural and language barriers in communicating to the parent company, and the locals have limited career opportunities. Regiocentric orientation increases the sensibility for local needs and reduces complexity of the polycentric approach. On the contrary, it impedes the implementation of global corporate strategy and also limits the career opportunities of locals. Geocentric strategy simplifies through common standards the communication and coordination. Moreover, executives and professionals can be used internationally. Apart from that, the development and maintenance of the overarching concept lead to higher costs. Which strategy is the best choice depends on goals, needs, and conditions of the company.

4.2 Discussion and Conclusion

To conclude, in order to create and develop an international corporate culture, the organization should pay significant attention to the number of core aspects of organization, including core values, challenges of international corporate culture, employee involvement and training of the top management, and measurement of corporate culture.

Firstly, for the core value, the company must recognize the importance of a corporate culture for the success of a company. Set the core values carefully, so that they fit with the corporate objectives and corporate environment. If a company has the right values, those values can help reach corporate objectives. The organization should ensure that the core values observe international aspects. It is important that core values are present every day. If employees reach the same goals, there is a sense of identification. The company should decide if it has in every country the same values and corporate culture and if the manager can choose his or her own way to communicate those values to the employees. Secondly, the challenges of international corporate culture in which there are many influencing factors on the corporate culture. An international company faces significant external factors. Organizations should react to those factors and adapt to the environment in which they operate. This includes political and law issues as well as future trends and changes. The company should ensure that international employees within the company feel integrated and comfortable. Moreover, it is important to show respect to different traditions and religions. A company should realize a truly global corporate culture. The organization should understand the different laws and demands of customers. Third, the aspect of employee involvement, the employees should be involved in the process of creation and development of the corporate culture. With this involvement, they feel more comfortable, and there is better identification with the company. This includes also that the company involves the global employees as

well. Moreover, the company should give employees the feeling that their work is linked to the objectives of the company. It is also important to give them the responsibility to organize their own work. Furthermore, employees should feel supported. The fourth aspect is top management training. Top management should live the values and communicate them to employees. Managers and their employees should know the goals, values, mission, etc. of the company. This can be achieved through trainings, meetings, workshops, seminars, newsletter, job orientations, or intranet. The last aspect involves the measurement of corporate culture. It is important to regularly measure the culture; thus, the company can learn from successes and mistakes. A company should measure to see whether missions, visions, and goals are linked to this strategy in order to give members clear directions.

5. Managerial Implication

International managers can use the result of this research as a guideline to manage corporate culture. This involves the development of the core values up to the measurement of corporate culture. International managers should carefully and consciously choose their core values. Furthermore, it is important to implement core values in the company's everyday work. The core values should help the employees to feel supported and valued in an organization. To gain employee trust and motivate them, a company should support them in developing their capabilities. The values should build a great workplace with effective collaboration. Managers should keep in mind which core values are important, especially for international companies. This research demonstrates which core values are important for an international company and how to effectively communicate the core values. Moreover, it is significant to assess corporate culture to discover needs to improve or make changes. Managers can utilize from this research which assessment tools to use. Responsibilities for top managers and employees in the development process of corporate culture are also essential. Additionally, the influencing factors should be recognized. Organizations operate in a dynamic environment and should remain flexible. But there are also internal influencing factors to which a company has to react. Finally, this work shows managers which culture elements are important for a company and why these elements help the company's future success.

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Evaluation and Strategic Development within The Brand Management of an International MBA Program

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Abstract

Applying an inductive approach within a research strategy of grounded theory, this study sought to determine the key factors that would cause undergraduate business students at an international university to continue their higher education in that school's graduate business degree (MBA) program. Anonymous questionnaires, consisting of closed and open-ended questions, were self-administered by 273 undergraduate business students. The conclusion drawn by this study is that the international character of the university, familiarization by existing students, and its geographical location were key factors as to whether to consider enrollment in the institution's MBA program. The most significant factor of an international environment, and all that that entails, suggests a prominent and, perhaps, the defining feature in the strategic development of the branding for this international program.

Keywords: Brand management; business education; business schools; educational management; international business programs; MBA degree; MBA curriculum; student decision-making

1. Introduction

The Master in Business Administration (MBA) degree has grown to enjoy immense popularity in the last decades. The MBA program, in general, has undergone maturation (Arbaugh, 2010; McCabe, Butterfield, & Trevino, 2006; Rubin & Dierdorff, 2013) and specific refinement as to global competitiveness (Jain & Stopford, 2011; Kedia & Harveston, 1998; Shepherd, Douglas, & Fitzsimmons, 2008). The main reason for its continued growth and popularity is that the business acumen derived from a MBA program is perceived as providing a competitive edge in the job market. Indeed, despite uncertain economic conditions around the world, the Graduate Management Admissions Council reported in 2014 that four out of five (80%) companies that were questioned in a global survey planned to hire more MBA graduates. This was up from 73% in 2013 (Graduate Management Admissions Council, 2014). The greatest hiring growth is expected in the Asia-Pacific region where intellectual capitalization continues to lag behind financial capitalization (Graduate Management Admissions Council, 2014).

The purpose of this study was to determine which factors were primary determinates in the decision-making of undergraduate business students to consider remaining in the same international university and to pursue an MBA degree in its graduate school of business. The intention was to evaluate the collected data and gather insight as to how the results can serve to establish or refine the branding strategy of a particular international MBA program in a stage of initial development.

2. BRANDING STRATEGIES FOR MBA PROGRAMS:
A REVIEW OF RECENT LITERATURE

The definition of what a brand is and how it is managed has undergone a complex evolution within the past two decades wherein its definition has richly evolved without reaching a definite consensus as to company versus customer orientation. The American Marketing Association (1960) utilized a company-orientation when it defined a brand as:

> A name, term, sign, symbol, or design, or a combination of them intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors.

Bennett (1988) created a variant of this by adding the phrase "or any other feature" to allow for intangibles. Ambler (1992) presented a more consumer-oriented definition which saw the brand as the "promise" of a bundle of attributes which one purchases with the expectation of achieving satisfaction. These attributes, which are components of the brand, "may be real or illusory, rational or emotional, tangible or invisible" (Ambler, 1992). In merging both the business and customers perspectives, Wood (2000) described a product as having a "core" and a "surround" (Wood, 2000):

> The core identifies the basic features of the product such as functional performance. This is said to be responsible for about 20 percent of the impact of a product (in consumer marketing). The surround focuses those features/benefits that are less tangible, and, more subjective, such as image. These features are said to be responsible for about 80 percent of the impact of the product.

Thus, a brand can be seen as an organic construct which, at any given time, can be examined as an amalgam composed of the business's desire of how it wants to be perceived and the consumers' actual perceptions of that product. The "surround" (Wood, 2000) relies heavily upon the consumer in their perception of the subjective value that they add to the product or service.

De Chernatony and McDonald (1992) describe the difference between a product or service and its brand as "added values." These added values can be quantifiable but are mostly intangible and subjective as to products or services. Wood (2000) created an integrated definition in which add values are implicit:

> A brand is a mechanism for achieving competitive advantage for firms, through differentiation (purpose). The attributes that differentiate a brand provide the customer with satisfaction and benefits for which they are willing to pay (mechanism).

The branding of an MBA program is challenging given the nature of the product. It is a "high-cost high-involvement product" (Gopalan, Pagiavlas, & Jones, 2008) that is usually consumed only twice by graduate students (with a bachelor program being the first). In choosing both a bachelor program and a master program, there is high risk intangibility and a limited search time in order to analyze the value of each product before the period of actual consumption (Jevons, 1996; Herstein, Rotem, & Rivin, 2008; Pitt & Berthon, 2004). Because of these factors, MBA programs recognize the need to create a branding strategy that creates a strong and recognizable brand which alleviates anxiety by accentuating the perceived value of the program.

Fundamental to developing the organizational strategy of branding is to understand the domain of operation of a company and its distinctive competencies over its competition (Collis & Rukstand, 2008). These two key strategic elements can be identified by seeking answers to the following questions (Gopolan et al., 2008):

1. Who are our customers? Where are they located (geographic locations)?
2. What do our customers want? (What needs are important to them?)
3. What should we offer to meet their needs?
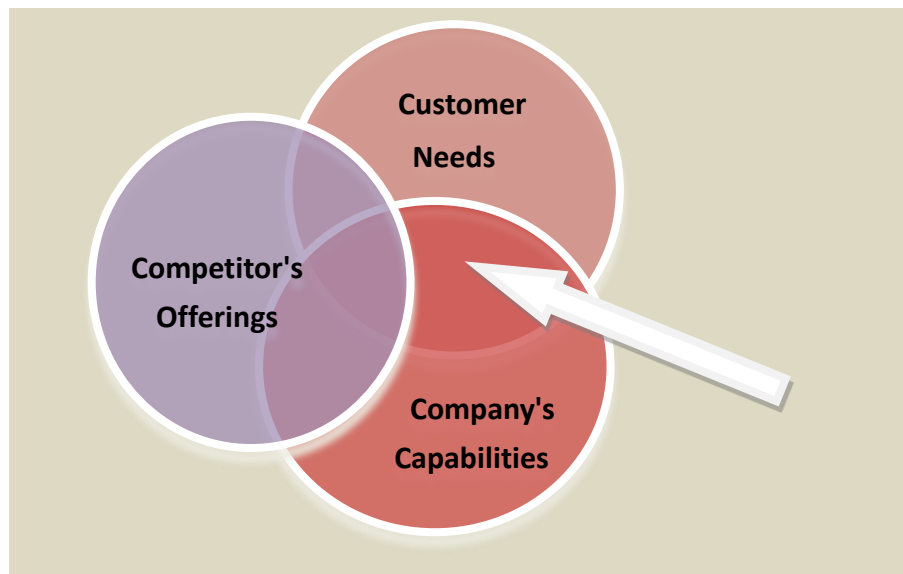
Figure 1. The three questions allow for determining the location of the "sweet spot" (Collis & Rukstand, 2008) as indicated by the arrow above. This "spot" is where the company is meeting the needs that its competitors cannot against a backdrop of a constantly changing external context that include factors such as technological change, demographic shifts, regulatory intervention, and others. This illustration is a modification of Collis and Rukstand (2008).

Brand managers, who are also usually involved sales promotions, advertising, marketing, and market research as well as the managing of the brand, need to address these three basic questions in order to allow for branding to be an effective tool to execute marketing strategy. Clarification and insight can be provided by conducting a comprehensive audit of the current branding strategy to reveal similarities or differences as to attributes and perceptions among stakeholders. A brand audit could trigger a new branding strategy (re-branding) or an emphasis on important attributes (e.g., distinguishing competencies) as well as changes to the scope of a brand name strategy (George & Fullerton, 1994; Gopalan, Pagiavlas, & Jones, 2008; Jean-Noel, 1997; Keller, 1998, 2003; Wood, 2000).

3. Methodology

A modified grounded theory was applied for this research project in an exploratory nature that served in many ways as a brand audit of the existing MBA program being examined. This project did not begin with any fixed hypothesis. Instead, it applied an inductive research approach with an attempt to move from empirical query (both quantitative and qualitative) to theory creation. As with a grounded theory strategy, preconceptions were minimized and the literature review was narrowed in scope and did not focus on research dealing with a historical verification of any hypothesis (Dunne, 2011; Gambetti, Graffigna, & Biraghi, 2012; Hawker & Kerr, 2007). In essence, the overall research philosophy that encompasses this study is interpretive, an approach that seeks to understand phenomenon examining the meaning, value, and participation that people place within a particular social context (Neuman, 1994). Factors such as the choices, values, expectations, and perceptions of

undergraduates were examined in this study in order to obtain an overall understanding as to the dynamics of the branding of the school's MBA program.

Data collection was conducted by over a six-week period among business undergraduates at Stamford International University (STIU) located in Bangkok, Thailand. In 2011, STIU began a process of re-branding when became a partner in the Laureate International Universities, a loose network over 60 schools around the world wherein each university can develop its own brand strategy. Self-administered questionnaires were administered during a six-week period (covering August and September 2014) by six teachers in thirteen different business undergraduate courses. Students were asked by each teacher not to complete the questionnaire if they had already done so. Anonymity was maintained by not requesting the student's name. This was necessary to maximize participation and to avoid issues of social desirability basis, given the nature of the questions (which is primarily an assessment of the school). In consideration of social desirability bias, respondents were not directed to any website to fill out the questionnaire, thus eliminating the fear of identification through internal protocol address.

The questionnaires primarily consisted of a mix of closed and open questions. The closed questions were presented in Likert-scale, followed by space for further elaboration. Concluding questions were open-ended and exploratory in nature, focusing on particular areas of interest or concern. Key words were extracted from the open-ended results. The questionnaire avoided contingency questioning to prevent students from avoiding questions. The study did not begin with the assumption that all the respondents would go on to a MBA program. Therefore, it did not make that direct inquiry in order to avoid loss of participation as a result of contingency questioning (Babbie, 2008). The exploratory nature of the study sought out factors for possible enrollment from prospective consumers, many of whom were too early in their undergraduate studies to make a definitive determination as to postgraduate studies.

The mixture of both quantitative and qualitative inquiries allows for the creation of a deeper and richer portrayal of the phenomenon under examination. Statistical analysis of the data was not applicable within the context of this exploratory study which did not begin with a hypothesis to be operationalized as to any causal relationship between dependent or independent variables.

Table 1: Demographics of Respondents (N=273)	
Gender	**Number / Percentage**
Female	132 (48%)
Male	141 (52%)
Thai or Non-Thai	
Thai	148 (54%)
Non-Thai	125 (46%)
Year of Study in College	
First Year	87 (32%)
Second Year	93 (34%)
Third Year	78 (28.5%)
Fourth Year*	15 (5.5%)

*The low number is because the university uses an academic year broken down by trimesters. Therefore, most students are able to graduate in less than four years. The gender, general ethic breakdown, and year by study roughly coincided with the actual demographics of the school. Therefore, there was no

need to focus on these as independent variables since the cross-
sectional strategy resulted in a highly representative portrait
and because the exploratory nature of the inquiry sought out
more the need to examine "what" and "why" over the "who."

A wide cross-sectional approach using convenience sampling was applied by incorporating as many classes in the sample as was possible during a limited time period in order to achieve a heterogeneous sample that reflected as many backgrounds as possible. Total respondent were 273 out of a total population of 799 (or 34%). The number of the respondent population, limited due to time perspectives and accessibility, is considered acceptable with regard to obtaining a rich set of data (Anderson, 2010; Babbie, 2008; de Leeuw, Hox, & Dillman, 2008; Marshchan-Piekkari & Welch, 2004; Miles & Huberman, 1994; Zikmund, Babin, Carr, & Griffin, 2012).

Table 2: Major or Concentration of Respondents (N=251)

Major or Concentration	Number / Percentage
International Business Management	149 (59%)
International Hospitality Management	30 (12%)
Marketing	27 (11%)
Communications Art	20 (8.0%)
Information Technology	17 (7.0%)
Airline Business Management	4 (1.5%)
Other	4 (1.5%)

Table 2 reflects the breakdown of the respondents by undergraduate major or concentration. Track 3 indicates the respondents' desired areas of concentration within an MBA at STIU.

Table 3: Desired Major/Concentration in MBA Program (N=270)

Major or Concentration	Number / Percentage
Tourism and Hospitality Management	71 (26%)
General Management	108 (40%)
Finance	60 (22%)
Accounting	47 (17%)
Information Technology	39 (14%)
Public Administration	29 (11%)
Marketing/Business Communications	16 (6.0%)
Other	11 (4.0%)

*The questionnaire allowed the respondents to choice more than one area and to write in alternatives if they choose "other." Therefore, the total number exceeded 270 and the total percentage exceeded 100%.

4. Findings and Discussion

Studies have found that prospective students seeking a post graduate education do a lot of research in making their decision on a MBA program (Blackburn, 2011; James, Baldwin, & McInnis, 1999). A common trend in literature on business school admissions focuses on the following significant factors as determinates for selection of an MBA program (Blackburn, 2011; Bruce & Edgington, 2001; Dailey, Anderson, Ingenito, Duffy, Krimm, & Thomson, 2006; GMAC 2014; Herstein, Rotem, Rivin, 2008; Ivy & Naude, 2004; Nicholls, Harris, Morgan, Clarke, & Sims, 2011; Stiber, 2001):

- **Reputation or ranking of the school**: There now exists a myriad of rankings by publications and organizations where the reputation of the business school is often differentiated from that of the university itself.
- **Outcome of graduation:** This includes accessibility to internships, on-campus recruitment, and empirical data regarding alumni compensation.
- **Specialized curriculum:** Programs that provide specialization in a given field and/or easier access into a given industry.

Table 4: Factors for Considering the MBA Program at STIU (N=153)*

Factors	Number / Percentage	
Familiarity with the school	45	(29%)
International environmental of the university	40	(26%)
Perception of the MBA program as fast-tracked	27	(18%)
MBA program has an English language program	12	(8.0%)
MBA program will advance my employment	11	(7.0%)
Would enter MBA program if it had more majors	10	(6.5%)
Availability of weekend classes	8	(5.0%)
Availability of scholarships/assistantships	6	(4.0%)
If the MBA established a higher ranking	5	(3.0%)
Other	4	(7.0%)

*This was an open-ended question where respondents could express all the significant factors for their consideration of enrollment. The number of factors cited exceeded the number of respondents and the total of percentages exceeded 100% of respondents. "Other" mostly focused on class size and audio-video enhancements.

The data collected in this study found most of the respondents were drawn to possible enrollment in the MBA due to the international environment of the university as reflective in these three cited factors:
- Familiarity with the school – 29%
- International environment of the university – 26%
- MBA program as an English program – 8%

Since STIU is a burgeoning institution with no field of specialization, inductive reasoning would allow that most undergraduate students chose STIU because of its very distinctive international nature. It is an international university located in Bangkok where nearly half the students are non-Thai and where most business courses are taught in the *lingua franca* of commerce – English – thus making it an institution where English is a second language for virtually all the students and most of the administrative staff and faculty. By choosing the school, Thai students opted for the more challenging route to achieving an undergraduate education in an English-speaking environment, a choice they apparently made in exchange for a college experience in an international environment. Therefore, familiarization can be interpreted as acceptance of the school's international nature and that this accepted international environment is a significant factor in the possible pursuit of postgraduate studies in the same institution.

Table 5: Factors that Give Bangkok a Competitive Edge Over Other School Locations (N=237)*

Factors	Number / Percentage	
Affordability/low cost to study	94	(40%)
International/cosmopolitan environment	73	(31%)
Key business hub/ good accessibility to employment	33	(14%)
Tourism hub giving good accessibility to employment in hospitality	23	(10%)
Good access to qualified foreign teachers	13	(5.5%)
Convenient location or "Bangkok is my hometown"	10	(7.0%)
Thai culture is a friendly culture	10	(4.0%)
Other	5	(2.0%)

*This was an open-ended question where respondents could express all factors that they considered significant. Therefore, the number of factors exceeded the number of respondents and the total of percentages exceeded 100% of respondents. "Key business hub" and "tourism hub" were separated out depending on key words used in the responses. STIU has programs at both the undergraduate and graduate levels that offer international hospitality management training.

Geographic location and international ambiance were also significant factors in considering the school for an MBA program. These can be drawn out with the following:

- International/cosmopolitan environment – 31%
- Key business hub/good accessibility to employment – 14%
- Tourism hub giving good accessibility to employment in hospitality – 10%
- Good access to qualified foreign teachers – 5.5%

These factors were found to be equally strong between Thais and non-Thais, with both groups finding the location of Bangkok as very important for postgraduate employment. Accessibility to qualified foreign teachers, though relatively small in expression, was found to be of equal importance to both Thai and non-Thai respondents (which at the time of the study came primarily from Europe, Africa, the Indian sub-continent and neighboring Southeast Asian countries) since both groups consist primarily of students using English as a second language.

This study has a primary limitation in that it focuses only on one school. Nevertheless, within the interpretative approach used by this study, significant factors were revealed that created a descriptive portrait of the participation of students and selection criteria for determining enrollment in postgraduate studies at their existing university. The implications for evaluating and developing the brand management of an MBA program become clearer.

A brand essentially becomes an amalgam, which at any one time, is partly the brand owner's desires and the consumer's perspective. Most firms will attempt to add value to the brand through their own means, but consumers can also add value in ways that may be initially anticipated or heavily valued by the firm. The process is evolutionary and organic, requiring the attention of the firm as to what the customer perceives and what it values. The understanding of this symbiotic and evolutionary relationship allows the firm to better manage its brand as a valuable long-term company asset.

5. Conclusion

STIU is a burgeoning school undergoing self-identification as a result of recently being acquired by an international network of universities whose structure accommodates for a strong degree of individual brand management per institution. Therefore, STIU's brand can be considered to be at an initial stage of development as it refines its self-identification. By evaluating the perceptions already establish by its undergraduates (current customers) as prospective (future) customers of postgraduate studies, STIU can appreciate that its brand development is already evolving from the customer end. Consequently, a strong component of its evolving brand should be its offering of an international education and all that that entails.

The international environment of STIU and its location in Bangkok are key assets that would logically form the core of a brand and of a global name brand strategy over a national or local alternative. Necessary for the success of the brand is the development and implementation of programs of an international nature that meet the customer's perception and fulfill their expectations.

The exploratory nature of this study served as a brand audit in that it provided insight into the three questions that form the core of any branding strategy: "Who are our customers?", "What do our customers want?", and "What should we offer to meet their needs?" (Collis & Rukstand, 2008; Gopolan et al, 2008). The data strongly suggests that most STIU students have prioritized an international context for both their undergraduate and graduate studies. Expectations of an international context include a curriculum with a global perspective and a structural accommodation for English as a second language in the classroom setting.

An international product can be developed that maximizes the student's ability to compete within an international environment with cross-cultural experience already obtained within the dynamic of a diverse student body in the classroom. Effective and truthful branding can be enhanced with the implementation of the following:

- **An internationally focused curriculum.** In essence, all courses, when possible, would be geared toward an international orientation or, at least, have a strong international component. This would involve the incorporation of cross-management skills in a global context within managerial science and organizational behavior courses. Economics courses would include components that infuse an international content by examining global perspectives on environmental shifts, fiscal crises, demographic trends, and issues of sustainability. Finance courses could include foreign currency exchange, international equity markets, and international banking –

topics that are often ignored over capital budgeting in schools that have a national or regional brand strategy.

- **International faculty and student exchanges.** Global considerations are enhanced by personal interaction and overseas trips.
- **Research center focused on international studies.** A research center can provide the hub to spokes that lead to liaisons with foreign faculties, international study competitions, the creation of seminars and conferences, collaboration involving faculty from different institutions engaged in research of a global context, access to industries and industry sponsorship, and research assistant opportunities for MBA students.
- **Student internships with international firms.**

Since English is the international language of commerce, it is only natural that there would be expectations of it being the prominent language utilized in the classrooms of an international university. STIU is no exception where the overwhelming majority of students (Thai and non-Thai) are users of English as a second language (ESL). As consumers they chose a more difficult program in order to acquire the nomenclature of technical subjects like accounting, finance, and statistics in English. This choice was to make them more competitive in the job market. Therefore, courses using English should be viewed an institutional asset to be incorporated within the brand. The challenge of English proficiency among students should be accommodated in a structural way and should be viewed as a permanent variable within the customer expectations of the brand. This challenge can be met by:

- Screening in-coming students and providing English courses before beginning a curriculum of regular courses.
- Placing an emphasis on hiring foreign teachers who are either native English speakers or have a very high level of English proficiency. This serves the dual purpose of providing clear and understandable lectures in English while also maximizing international points of view in the classroom setting.
- Training all teachers to lecture using an ESL funnel wherein classes are taught with concept-checking and vocabulary reinforcement. In theory, ESL issues can be most effectively resolved by a meeting in the middle ground where, at one end, students with English deficiencies are given additional language training, and, at the other end, teachers conduct their daily lectures within a context that is conscious of and prepares for the challenges of acquiring technical knowledge in a second language.

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Post Operating and Market Performance of Small and Medium Thai Enterprises

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Abstract

This study investigates the effects of ownership structure on operating performance after 1 year of initial public offering (IPO), and examines initial return on the first day of trading and long-run performances. Managerial ownership is one of the most important factors causing the inferior performance of newly listed companies. The signaling theory of underpriced companies was tested, illustrating that the underpricing of IPO stocks is not an indicator of a company's quality. The findings contradict previous research on IPOs of Japanese firms and Thai small and medium enterprises (SMEs), which often demonstrates the opposite. Using a buy-and-hold abnormal return for 36 months, the performance of Thai IPOs fluctuates in the aftermarket.

Keywords: post operating performance, IPO, SMEs, ownership structure, signaling theory, market performance

1. Introduction

Although several researchers have investigated the performance of IPO firms, they typically focus on the post issue price performance. The motivation for this study therefore stems from the lack of evidence on operating performances of small and medium enterprises that are listed on the MAI as most Thai studies on stock performance concentrated on the SET and price performance rather than operating performance.

This study examined the relationship between post-operating performance and short-run market return of IPOs, including the ownership structure that changes after listing. This research did not only explore the changes in operating performance before and after listing, but also investigated continuing trends with the objective of answering the following questions:

(1) Could initial return on the first trading day signal the quality of the Market for Alternative Investment (MAI) companies after listing?

(2) Does the change in ownership after listing, impact operating performance after 1 year?

(3) How do SME IPOs perform in long-run?

This study is timely and relevant as the MAI market is continuously growing. In the Thai capital market, the Market for Alternative Investment (MAI) is a major channel of raising capital for SMEs. The findings and recommendations of this research may prove applicable for other developing countries, whereby the understanding of operating

performance in short-run underpricing and long-run market returns of IPOs would lead to a better evaluation of newly listed SMEs from an investor's perspective.

Context of Research

The MAI was established under the Stock Exchange of Thailand in year 1998 and has continuously played a significant role in supporting SMEs and providing access to the Thai capital market. The MAI also provides long-term capital for SME business expansions and development, facilitating the opportunity to strive for global competitiveness.

Figure 1 below presents significant statistics in the MAI. In 2001, the MAI had 3 listed companies with an issue size of 131 million Thai Baht, and a total of 92 listed companies in 2013. The increasing number of companies illustrates the demand for capital raising in the capital market for small and medium companies. The forecasted trend of the MAI was that it would continue to grow in the future.

Figure 1 Number of listed companies, issued IPO sizes and capital increases in 2001 -2013
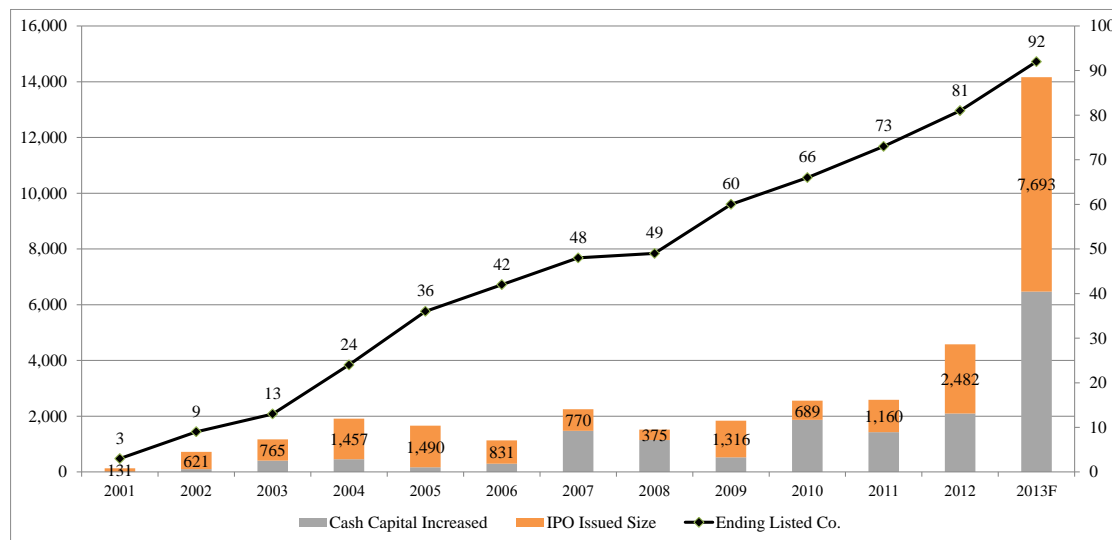
Source: www.set.or.th

In the past, it was challenging for private companies to make the decision to become a public company, however today, being listed on the stock market has become a necessity in the eyes of most companies. The IPO provided important opportunities for access to new capital which is also when a company's information becomes available to investors.

The initial goal of an IPO is to sell common stock to the public for the first time; this is where most companies expect to achieve the highest value in trading. As in Allen and Faulhaber (1989), IPO firms signaled their company quality with information other than IPO prices as obtaining information on companies preparing to go public was challenging. Unlike public companies, private companies lack availability of detailed information before trading in the stock market, thus poses as a risk for investors wanting to invest in IPO companies.

Most companies experienced 100% gains in the first day of trading, but on the other hand experienced losses in the long-run, disappointing investors. Seeking a potential IPO is challenging as IPOs usually have higher risks when compared to average stocks which have been traded in the stock market for longer periods. The consideration of IPO companies' financial performances such as cash flows, balance sheets and income statements is thus very crucial information to prospective investors. If IPO companies have the ability to develop

strategies in order to ensure business sustainability through value creation after listing, the future of operating performance will then be guaranteed to a larger extent.

2. Literature Review
Operating performance of IPO firms

Several papers that studied new IPOs after the listing year reported a decline in operating performance. These included recent studies on post operating performance of firms from the U.S. and China which illustrated the decline in overall performance, as measured by the operating return on asset and operating cash flow relative to pre-IPO level (Jain and Kini, 1994 and Wang, 2005). As stated in Jain and Kini (1994), the decline of operating performance cannot be claimed by the increase of assets and equity after listing. They investigated that IPO companies for the first day trading had high initial public offering price per earnings ratio due to the investor's high expectations for future growth and indicated that the underlying causes of underperformance after listing were agency costs, window-dressing on pre-IPO performance and precise timing.

Many explanations for the decline in post issue operating performance of IPO firms existed with agency costs as the most common for companies that went through the IPO process to become a public company in a stock market. Wong (2012) studied the post-operating performance of Hong Kong's 418 listed companies after listing. His results found that IPO companies peaked on earning performance in the IPO year and then declined continuously whereby the root of inferior performance problems was caused from changes in the ownership structure after the IPO of the firm. In his study, he concluded that the agency cost problem was the main reason which affected operating performance after private companies went public resulting from how managers generally perform best during the period of first offering but struggle to maintain original performance levels after listing. Furthermore, some companies attempted to "window-dress" financial performance before listing in order to increase investor motivation and subsequently the value of IPO prices, which led to problems in the future. Jensen and Meckling (1976) analysed the reduction of ownership retention that occurred when firms decided to go public which would likely lead to agency cost problems, however Cai and Wei (1997) argued that the reduction in managerial ownership would not induce poor post operating performance.

Information asymmetry is another reason to support the decline of post issue firm performance as the study from Kim, Kitsabunnarat, and Nofsinger (2004) reported that the operating return on assets of 133 Thai listed firms three years after the IPO was 70 percent lower than the year prior to the IPO. This was because investors in emerging countries like Thailand faced problems of imperfect information, consequently they tended to expect greater operating performance than what listed companies could achieve. As in Teoh, Welch and Wong (1998), earnings management of IPO companies was interesting as the opportunity of companies that occurred after IPOs was due to high information asymmetry in the stock market in addition to the incentive for managers. Furthermore, the operating performance of Chinese listed companies was investigated by Wang (2005). He found that firms with high financial leverage were associated with better monitoring and consequently superior performance.

Lamberto and Rath (2010) studied the survival of initial public offerings in Australia. Their study found that perfect information was essential for investment decisions, whereby the availability of IPO information was only available on prospectus with the objective to explain a company's risks and opportunities, along with the purpose of raising capital in the stock market. The result of financial performances after listing related to ownership retention and effectiveness of corporate governance. Furthermore, the issue size of common stock in

the first trading and estimated dividend yield were also vital factors for the survival of IPO firms.

Mikkelson, Partch and Shah (1997) supported another reason for the decline in operating performance after IPO, which was explained by the firm's age and size. Smaller sized and newly established companies presented the result of decline in operating performance below the industry. On the other hand, large and long established companies generated better operating performance compared to the industry. Their results coincided with those of Lamberto and Rath (2010) stating that industry cycle and firm size were other factors influencing the survival of newly listed firms which were more likely to be unsuccessful in the stock market.

Ritter (1991) indicated three psychological factors of the IPOs underperformance in operation; the error of risk measurement, wrong timing and over-optimism. Furthermore, Jain and Kini (1999) stated that companies that went public prematurely in the business cycle were at a higher risk of becoming unprofitable. On the other hand, IPO companies that had higher pre-operating performance were more likely to survive in the long term because of the ability to maintain original levels of operating performance.

Initial return and long run market performance

Cai, Liu and Mase (2008) studied the initial return from the first day trading and found that underpricing clearly reflected investors over optimism. Additionally, there is a negative relationship between the initial return and long-run performance. As in Allen and Faulhaber's (1989) study of underpricing of a firm's initial offering, the more capable firms often underpriced their IPO prices to signal the quality of their firm because they believed that the firm would be able to generate better performances to compensate the loss. Michaely and Shaw (1994) tested the relationship between underpricing, operating performance and dividend payment after listing and found that firms always paid dividends and achieved high operating performance during the first two years.

However, the signal theory is disagreed with in some literature. Chi and Padgett (2006) examined the signal of IPO underpricing and found that lower IPO prices could not forecast the post-issue operating performance and thus concluded that there was an insignificant relationship between underpricing and long-run operating performance. Espenlaub and Tonks (1998) tested the relationship between high IPO returns on the first trading day and the post-operating performance among UK firms. They found that strategic shareholders in high initial return companies sold their stock to the market within first three years. The evidence showed that insiders did not want to keep their stock due to the decline of stock price and low earning.

The relationship between post-operating performance and long-run market performance were studied by Chi and Padgett (2006). They investigated the decision making process of the investors by using accounting information as measurements in which results presented a significant positive relationship between the financial information and the long-run return of stock.

IPOs in Thailand

Kim, Kitsabunnarat and Nofsinger (2004) studied initial public offering firms after their first trading in the Stock Exchange of Thailand (SET). They speculated that the decline of operating performance resulted from the fall in ownership structure and that Thailand as an emerging market, naturally had a high tendency for asymmetric information in the capital market. Thai firms that had been established for longer periods of time were more successful than smaller firms after going public. Limpaphayom and Ngamwoutikul (2004) also

supported the problem of post operating performance decline after listing, by agency cost and imperfect information in the Thai stock market.

In terms of the underpricing of Thai IPOs, Chorruk and Worthington (2013) examined the price performance of IPOs for SME firms in Thailand by using adjusted stock price return after listing to measure the performance of SMEs after going public. They found stimulating evidence of Thai small and medium firms listed in the MAI and argued that Thai firms in the MAI market had reasonable IPO prices and did not face the problem of IPO underpricing. However, Aumeboonsuke and Tangjitprom (2012)'s results showed that Thai IPOs underperformed in the long-run as investors had high expectations which led to stocks being overvalued.

This research analysed the operating performance after listing related to short-run and long-run market performance. Short-run market performance computed from IPO market – adjusted abnormal return and the long-run market performance was computed from the buy-and-hold adjusted abnormal return. The key financial data that was used to measure the performance were sales, sale growth, return on asset (ROA), return on equity (ROE), asset turnover and debt ratio.

3. Methodology

This study consisted of a sample size containing 42 companies that are listed on MAI. Due to limitations of a small market, the sample data in this research came from IPO companies between 2003 and 2009. The primary criteria of choosing sample data was that the company must have been listed on MAI market since initial public offering until present. Additional criteria included the companies having pre and post operating performance historical data for at least three years, covering the period from 2000 to 2012. Data such as financial ratios, sales revenue and IPO prices were collected from SETSMART (SET Market Analysis and Reporting Tool) and additional information of Thai SME IPOs were gathered from the Securities and Exchange Commission of Thailand (SEC)'s website.

The methodologies for this research were divided into three parts with descriptions of the theoretical approach in the following section;

Short-run market performance

Follow Ritter (1991), return of initial period was defined as the difference of the offering price and the closing price of the first day trading.

The return of stock *I* at the end of the first trading day was computed as follows;

$$R_{i1} = \frac{P_{i1}}{P_{i0}} - 1$$

P_{i1} : the closing price of the stock *i* on the first trading day,
P_{i0} : its offering price
R_{i1} : the first-day total return on the stock.

$$R_{m1} = \frac{P_{m1}}{P_{m0}} - 1$$

P_{m1} : the closing market index value on the first trading day and
P_{m0} : the closing market index value on the offering day of the appropriate stock
R_{m0} : the first day's comparable market return.

Market adjusted abnormal return (MAAR) was the initial return adjusted by market index. In this research, the market return was computed from the MAI index in the period between the first day of when the companies issue stock in the primary market and the first trading day in MAI market. Using initial return and market return, market adjusted abnormal return for each IPO was calculated as seen in the below formula;

$$MAAR_{i1} = \left\{ \left[\frac{1 + R_{i1}}{1 + R_{i2}} \right] - 1 \right\} \times 100$$

To examine the underpriced stock, we calculated the average of MAAR from total listed companies. The sample was then divided into 2 subgroups (below and above) by using the average underpricing as a benchmark. To test the relationship between underpricing and post-issue operating performance, the proxies we used were ROE, ROA, SG, AST, and DE, whereby a comparison of the median difference of these proxies of the two subsamples was done using the "Wilcoxon signed-rank tests"

The Wilcoxon signed-rank test was a non-parametric statistical test that tested the median of population distribution. This statistical test was based on the recommendation of Hansen and Jorgensen (1996), who studied the difference between parametric test and non-parametric tests. They recommended the Wilcoxon signed-rank test to test the initial return and operating performance of IPO companies, saying that it was better than the parametric test because of the distribution free and also because it did not assume normality in data.

The null hypothesis for the Wilcoxon signed-rank test was that the median change of performance was equal to zero. To compute the Wilcoxon signed-rank test, we began with the calculation of the Wilcoxon "T" value.

$$T = smaller\ of\ \sum R_+ \ and\ \sum R_-$$

Where $\sum R_+$ was the sum of the positive difference rank and $\sum R_-$ was the sum of the negative difference rank.

The test statistic could be computed as seen in the following formula;

$$z = \frac{T - E(T)}{\sigma_T}$$

$$E(T) = \frac{n(n-1)}{4}$$

E(T) was the mean and n was the number of matched pair in the analysis.

$$\sigma_T = \sqrt{\frac{n(n+1)(2n+1)}{24}}$$

σ_T was the standard deviation value.

In this research, we used the Palisade StatTool 5.7 as a tool to calculate the statistic test result.

Long-run market performance

In several discussions regarding the methodology used to calculate long-run abnormal return, the most interesting research belonged to Barber and Lyon (1997). They studied the appropriate long-run abnormal return model by comparing the cumulative abnormal return

(CAR) and the buy and hold abnormal return (BHAR). They supported BHAR more than CAR because CAR ignored the compounding effect and high new listing bias. Therefore, in this paper, the model of a buy-and-hold abnormal return was used for calculation of long-run market performance. The calculation of buy-and-hold abnormal return over the 36 months (excluding the first trading month) was the compound of monthly return and minus the compounding of monthly market return as indicated in the following equation;

$$BHAR_{i,t} = \left[\prod_{t=1}^{T} \left(1 + R_{i,t} \right) \right] - \left[\prod_{t=1}^{T} \left(1 + R_{m,t} \right) \right]$$

We calculated the equally-weighted average monthly BHARs for the 42 sample companies based on data collected from year 2003 to 2012.

4. Results and Discussion

Short-run market performance

Generally, strong demand for the company was found to lead to a higher IPO price. Many studies stated that IPO companies signal their quality to the investor by IPO pricing on their stock. For instance, Allen and Faulhaber (1989) studied the underpricing of the firm's initial public offering with more capable companies signaling their quality by low IPO prices and quantity. They also suggested that good companies could be expected to recover from their losses from IPO underpricing after they realised the operating performance. Thus, the underpriced companies should have had better post-operating performance compared to those that were overpriced. In this section, we compared pre and post-operating performance with IPO price and also tested the signaling hypothesis in the MAI market.

Table 1. Summary statistic of 42 IPO companies split by median of market adjusted abnormal on first day trading

Variable	Pre-operating performance 1 year			Post-operating performance 1 year		
	Above 4.25%	Below 4.25%	Wilcoxon Z-statistics (*p*-value)	Above 4.25%	Below 4.25%	Wilcoxon Z-statistics (*p*-value)
Median SG	28.75%	26.53%	0.070 (0.945)	5.79%	10.08%	-0.523 (0.056)
Median ROA	14.00%	11.40%	2.294 (0.022)	12.36%	17.80%	-3.997 (0.001)***
Median ROE	29.43%	26.85%	2.225 (0.026)	8.21%	12.19%	-3.997 (0.001)***
Median AST	1.60	1.63	3.128 (0.002)***	0.73	0.76	1.147 (0.251)
Median DE	1.02	1.34	-2.773 (0.006)***	1.19	1.19	-1.912 (0.056)

As in Chi and Padgett (2006), we computed the median of the first-day market adjusted abnormal return and then divided the sample data to 2 groups; below and above median. The median first day of market adjusted abnormal return of sample size was 4.25%.

We used the operating performance (sales growth, ROA, ROE, asset turnover and DE) of year -1 as a benchmark for pre-operating performance. Table 1 shows the median of each proxy and the Wilcoxon sign-rank test results. The estimation results indicated that overpricing subgroups (above median) had better pre-operating performance, with significantly difference values, than the underpricing subgroup. We postulated that there is a positive relationship between pre-operating performance and the IPO price. The underpricing of MAI IPOs did not signal the quality of the companies. The evidence showed that the underpriced companies had the best operating performance 1 year prior to issuing, however these companies had clear evidence on inferior performance after listing as shown by declines of sales growth, ROE, AST and DE (Table 1).

Table 1 illustrates that the median of operating performance of low-market adjusted abnormal return is higher than the median of high market adjusted abnormal return. However, the estimation results from the Wilcoxon sign-rank test showed the p-value of the median of each measure in these two groups were insignificantly different from each other except for ROA and ROE. Underpricing had insignificant influence on the forecast of the post-operating performance of IPO companies in the MAI market. Chi and Padgatt (2006) studied the Chinese IPO market and generated broadly similar results.

Table 2. Summary statistic of 42 IPO companies split by median of free float after IPO

Variable	Pre-operating performance 1 year			Post-operating performance 1 year		
	Above 26.68%	Below 26.68%	Wilcoxon Z-statistics (*p*-value)	Above 26.68%	Below 26.68%	Wilcoxon Z-statistics (*p*-value)
Median sales	279.64	426.19	0.869 (0.385)	556.80	598.50	0.174 (0.862)
Median ROA	13.84%	9.83%	2.885 (0.004)***	9.70%	11.28%	-3.545 (0.000)***
Median ROE	32.90%	21.95%	3.233 (0.001)***	12.65%	15.28%	-1.286 (0.198)
Median AST	1.63	1.63	2.750 (0.006)***	1.27	1.31	-2.850 (0.004)***
Median DE	1.01	1.30	-1.291 (0.197)	0.59	0.67	-3.372 (0.001)***

Table 2 exhibits the operating performance of IPOs of Thai SMEs one year before and after floatation. We investigated changes in ownership structure after IPOs based on free float information. Free float announced from the first trading in MAI market was used as benchmark, whereby the median of the free float was 26.68%. Higher free float means lower percentages of strategic shareholders or low management ownership. We separated the sample into two subsamples; above median of free float and below median of free float. Above median of free float indicates that the company retains low ownership and vice versa. Before companies listed in the MAI market for one year, low management ownership had significantly higher operating performance results such as ROA and ROE. The results changed when companies became public companies. The high management ownership could generate better post operating performance in comparison to low ownership, with significantly higher values for ROA, AST and DE (Table 2). These results contradict the findings of Cai and Wei (1997).

Long-run market performance

Table 3 below presents the mean, median and *t*-statistic of equally weighed buy and hold adjusted abnormal return (BHAR) within 36 months, excluding initial public offering month after listing of 42 IPOs on the MAI stock market (the first trading month).

Table 3. Buy and Hold abnormal return (BHAR) for 36 months of 42 MAI IPO companies

	Mean	Median	*t*-statistic	
Month 3	-5.51%	-3.45%	-1.370	***
Month 6	10.96%	0.01%	0.470	***
Month 9	1.63%	-2.23%	-0.330	***
Month 12	13.18%	5.52%	0.056	***
Month 15	9.50%	-5.11%	-0.349	***
Month 18	1.56%	-19.27%	-1.619	***
Month 21	-1.18%	-21.38%	-1.703	***
Month 24	11.38%	-9.63%	-0.082	*
Month 27	-2.28%	18.70%	0.761	
Month 30	16.90%	-11.41%	0.131	*
Month 33	35.20%	-14.44%	-0.576	
Month 36	40.93%	-15.85%	-0.999	

 *** and * indicate significance at the 1% and 10% levels, respectively.

The results showed the fluctuation in abnormal returns when investors hold IPO stocks after being listed throughout 36 months. In the third month, the average of equally weighted BHAR was -5.51% and t-statistic was -1.3969 (statistically significant at the 1% level). The BHARs were statistically significant during month 3 until month 21. After the 21st month onwards, equally weighed buy and hold adjusted abnormal returns were insignificant except in the 24th month and the 30th month (at 10 percent level). The results of BHAR at the end of one year and two years were equal to 13.18% and 11.38% respectively. Our findings differed from Aumeboonsuke and Tangjitprom (2012) in that Thai IPOs did not underperform in the long-run.

5. Conclusions

Being underpriced could not be a signal of a potentially good performing IPO company in the MAI market as the long-run price performance of MAI companies may reflect changes in the expectations of investors. The results of buy-and-hold abnormal return (BHAR) did not confirm the under-performance of MAI IPO companies after listing 36 months. These results were not consistent with previous studies on Thai IPO companies listed in the SET and MAI.

Managerial ownership is a problem that IPO companies face from the transition to a public company. Lower free float groups had better operating performance after listing than higher free float groups. This result supports the agency cost problem in IPO companies. The management ownership was the most important risk for companies issuing and selling stock to the public which was a problem that could not be avoided by small and medium companies. Our findings indicated that changes in free float values occurred one year after listing, whereby strategic shareholders decided to sell their shares after the lock out period.

Agency cost was a problem that most IPO companies needed to resolve in order to reduce management risk in the long-term. The key drivers in organisations were manpower and employee productivity. We recommended that MAI listed companies should set up the "Employee Joint Investment Program" which would be an important area for future research. It was a very interesting research topic to answer whether offering stock options to employees could help companies be more efficient.

Currently, small and medium companies are more likely to enter into mergers and acquisitions (M&A) to increase bargaining power in the industry. Future research should investigate the small and medium listed companies that opt for M&A and study the market reaction after the process, including the post-operating performance of companies. The event studies are appropriate to examine the effects of merger and acquisitions, joint ventures and management buyouts on operating performance and stock prices.

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Trends in International Education in a Higher Education Institution in Northern Thailand: A Descriptive Case Study

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Abstract

This qualitative case study was concerned with discovering the experiences, perspectives, perceptions and paradigms of the chosen participants, who manage and develop a higher education institution in northern Thailand. Predominantly, the rationale of this study was not to discover precise responses to internationalizing a particular program/faculty/department, but to develop an understanding, and stepping forward to internationalize the university as a whole as a step toward the ASEAN economic community (AEC). The major findings were reported and discussed with reflection to previous literature in Eastern and Western higher education institutions. These encircled the overall perspectives of the internationalization of the university, the internationalization of the university in the AEC, critical strategies, and a virtual research system.

Keywords: ASEAN, Education, International, Research, University

1. Introduction

Rajamangala University of Technology Lanna (RMUTL) is a leading university, which offers an effective education based on science and technological concepts, and it consists of six campuses in northern Thailand. It is a university of innovation that has centered on education management in the fields of industrial, commercial, technology, fine arts, and agriculture for over half a century. This study will address the development of the internationalization of RMUTL in the ASEAN economic community (AEC) with careful consideration to the capacities, limitations, and environment of the organization. A successful effort in the endeavors will likely result in a well-integrated plan for university development, which will facilitate a better understanding of the future needs of RMUTL, and estimate, with some level of accuracy, the temperament and extent of the resources that will be required. Noticeably, RMUTL is acquainted with the value of sustaining a multi-ethnic, wide-ranging approach to internationalization, and recognizes the miscellany of approaches. However, to analyze present conditions accurately and to select future goals realistically will require cooperation among many quarters, such as policymakers, administrators, professors, and students. As a frame of reference, Noll (2005) revealed that the study of education involves the acquiescence of many approaches to the analysis of "what can be and how we can get there". Generally speaking, universities in Southeast Asia have been connected deeply to their community development and economic features.

2. Purposes of the Study

It is often argued that internationalization has obliged several educational institutions in Asia to pursue international principles and philosophies, without creating their personal

distinctive systems and admiring their countries' culture, customs and wisdom. Therefore, the researchers intended to discover the ontology and paradigms associated with the internationalization of a higher education institution in northern Thailand with careful consideration of its culture and capacities.

3. Significance of the Study

Internationalizing a higher education institution in northern Thailand may lead to achieving a place in the top quartile of the ASEAN University Network (AUN) ranking in the future, which may consequently attract students from foreign countries to study at this university. Moreover, the students who graduate from this university will be able to work well and effectively in the ASEAN environment. From the researchers' point of view, if we do not internationalize higher education institutions in the AEC, it risks becoming uncompetitive educational institutions in Thailand, and in the region. Another significant issue is to recognize what is required to internationalize a higher education institution to cope with international educational trends, with regard to the people's cultures, capacities, and environment.

4. Research Methods

The researchers selected the descriptive case study as a strategy for this investigation in order to portray and illustrate the plethora of perspectives obtained from the participants of this study. Stake (1995) construed that researchers could investigate a single case and analyzes it without the need for multiple cases. Stake interpreted that researchers might develop naturalistic generalizations through scrutinizing the data, to allow readers to learn, and apply the case elsewhere. Additionally, the authors of this study used documentation and multiple strategies with interviews as supplementary tools to triangulate the findings, such as reflexive journals, field notes, and e-mail interaction with participants, resulting from the formative and rich information garnered from the participants of this study. The researchers applied a qualitative approach with a non-probability sampling method; the data were collected through the semi-structured interviews from 20 participants, 17 of whom are in the top management of a higher education institution. One participant is the former director of the Southeast Asian Ministers of Education Organization (SEAMEO) and two participants are experts in the Thai higher education institution. Further, codes, categories, and themes were developed in the analysis task, other methods were also taken into account such as trustworthiness through the triangulation of the findings to increase the dependability of the study (e.g., sharing the interpretive task with research participants, authenticity and reflexivity, and reflexive journals). Importantly, ethical considerations (e.g., privacy and confidentiality, informed consent, accuracy, and reciprocity) were rigorously taken into consideration throughout the study.

5. Literature Review

As Hayek (1996) advocated, there is no single accepted definition of internationalization. One suggestion was that a committee from different departments should be set up to define the term. However, Srisa-an (1998) noted that internationalization refers to the amalgamation of international dimensions and strategies in all university activities, for example, in curricula offerings, faculty and student exchanges, research with foreign universities, university-industry linkages, cultural exchange, the recruitment of foreign instructors, and bilingualism. According to Kirtikara (2001), there are over 600 higher education institutions and 130 degree granting institutions in Thailand. Hence, Kirtikara interpreted that networking these institutions can deliver quality programs, diversified

education services, transfer of credits among institutes, recognition, accreditation of work experience, collaborative research, and services among institutions. Similarly, in the study of Fogelberg (1999), it is advised that global networks be considered an important method of maintaining an advanced education level and research, and of safeguarding an international presence. The Thai Ministry of Education has generated a report from a meeting to strengthen cooperation in the field of education in five dimensions (Bureau of International Cooperation Strategy, 2008). One of these dimensions related to the potential development of students and the public to have the right skills to prepare them to become members of the ASEAN community, such as knowledge of IT skills, and expertise in line with the need for industry to adapt and change. Nevertheless, Vongchavalitkul (2012) identified challenges for iThai leadership in higher education (i.e., removing barriers; restructuring and personalizing student support; emphasizing connected and lifelong learning; and investing in technologically competent faculty). Zolfaghari, Sabran, and Zolfaghari (2009) presented major aspects of internationalizing higher education institutes in two dimensions. One of the dimensions is concerned with the objectives of the internationalization that should be clearly defined, measured, and accomplished within a specific amount of time.

Further, Suttipun (2012) disclosed that all Thai universities are structured to produce graduates using the following themes: (a) *ethical issues*: including moral, discipline, honesty, and sacrifice; (b) *knowledge issues*: including theoretical, practical, and specific knowledge in order to solve problems; (c) *capability issues*: including analysis, synthesis, evaluation, and decision making; (d) *relationship and responsibility issues*: including leadership, teamwork, self-development, and knowledge responsibility; and (e) *analysis, communication, and technology skills*: including selection, adaptation, and evaluation. Overall, Santipitaks (2013) compiled the twenty-first century competencies required for youth in the ASEAN community, as follows: linguistic skills, knowledge about ASEAN and ASEAN member countries, vocational skills based on ASEAN and international standards, negotiation skills for the international arena, thinking beyond national interests, a positive attitude toward the ASEAN community/member states, teamwork with other countries/cross-cultural competencies in the working environment, expertise in one's own profession, output, and results-oriented outlook, promoting better service based on international standards, the ability to work according to international standards, knowledge about the different rules and regulations within ASEAN member countries, emphasis on the development of skilled labor according to international standards, networking among educational institutions within ASEAN, establishing ASEAN studies centers in universities, activities to promote ASEAN connectivity, and applying an integrated approach to raise ASEAN awareness in the civil service through the organization of activities and use of the media.

Furthermore, A blueprint for the ASEAN socio-cultural community (2009) reported the need for (a) advancing and prioritizing education through the integration of education priorities into ASEAN's development agenda, creating a knowledge-based society, and enhancing awareness of ASEAN through education and activities to develop an ASEAN identity based on friendship and cooperation; (b) investing in HRD through the enhancement and the improvement of the capacity of ASEAN HR; (c) ensuring environmental sustainability through promoting a clean and green environment; (d) promoting sustainable development through environmental education and public participation, and willingness to ensure the sustainable development of the region through environmental education and public participation efforts; and (e) promoting ASEAN awareness and a sense of community, consolidating unity in diversity and enhancing deeper mutual understanding among ASEAN member countries about their culture, history, religion, and civilization. Ley (2012) clarified various issues associated with human development in ASEAN, as presented: (a) education: prioritizing, awareness of ASEAN among all individuals, university network, ASEAN

languages (e.g., English language); (b) HRD: qualified, competent, and well-prepared for the ASEAN workforce, a center of excellence to address the needs of high value-added industries that enhance ASEAN global competitiveness, ASEAN standard competitiveness, and ASEAN skill competitiveness; (c) decent work: an ASEAN skills recognition framework and an ASEAN network of experts; (d) civil service capability: a high quality of public services, public HR competencies, and an ASEAN resource center; and (e) ICT: the ASEAN IT initiatives, positive use of ICT, and IT expertise. Knight, Adams, and Peace Lenn (1999) noted that the rapid growth of IT is directly influencing higher education systems. Moussa (2013) recommended the alignment of IT and organization strategies: one reason behind this proposition is that organizations can accomplish their goal from their IT investments only if management functions and activities are coordinated effectively, rather than being isolated.

The following are efforts made to internationalize three famous public universities in Thailand. At Chulalongkorn University (CU), the Office of International Affairs was set up to implement international relations by emphasizing cooperative activities, academic exchanges with international institutions, and academic services to international communities (Office of International Affairs CU, 2012). In addition, the office was set up to develop and prepare academic readiness among personnel and students, to enable them to keep abreast of academic developments, to communicate effectively on an international level, and to restructure work in international relations in order to accommodate activities for teaching staff and international students attending courses. Briefly, this office provides several duties and services through: (a) international liaison and special affairs service; (b) overseas students, and exchange programs; and (c) international cooperation service. At King Mongkut University of Technology Thonburi (KMUTT), the Office of International Affairs was set up to implement international relations by emphasizing the cooperation between KMUTT and other institutions, both in the country and overseas, through academic cooperation, staff and students exchanges, scholarships, and grants for studying and training (Office of International Affairs, KMUTT, 2012). Moreover, the Office of International Affairs provides their roles and responsibilities through the following three categories: (a) international students and exchange programs; (b) protocol and information; and (c) funding support and international links. At Mahidol University (MU), several activities for the promotion of internationalization of education are encouraged and supported. For example, MU actively collaborates with over 130 overseas academic institutions and international agencies in research, curriculum development, staff and student exchange; hosts 8 World Health Organizations (WHO) and collaborating centers, and cooperative research station (CRS) in Southeast Asia; offers 148 international degree and diploma programs, excluding short training courses; has international students from over 50 countries enrolled; hosts regular international academic conferences in many disciplines; and had over 1,450 research papers published in international academic journals in 2008 (International College, Mahidol University, 2012).

6. Findings and Discussions with Reflection to Previous Studies in Eastern and Western Higher Education Institutions

Holliday (2002) advised researchers to create categories, themes emerged during the data collection, and analysis that were used to discuss the findings. However, due to the lengthy nature of descriptive case studies, the researchers decided to carefully select a reasonable proportion of the themes that emerged in the analysis task to meet the journal's requirements of the maximum word limit. Thus, the researchers addressed the major findings, as follows.

6.1 Internationalizing a Higher Education Institution in Northern Thailand

The researchers found in the current study that the most pertinent factors for internationalizing a university, were as follows: Thai and foreign students, and foreign instructors, recruit high quality instructors, reliable programs, personnel, and infrastructure management, an international school for all international activities, establish an autonomous office, innovative and creative ideas, budget support and services, effective coordination, a mixture of different cultures, languages, and partnership with the media, create an international environment, top academic ranking of world universities, and exchange programs. Similarly, Yang (2002) argued that the overwhelming majority of people perceive the term internationalization to include a plethora of activities, such as innovation, student and faculty exchange, curriculum development, academic rank of world universities, and cross-cultural issues. Soejatminah (2009) also acknowledged that budget and government support through various programs, and the strong aspiration to enhance the quality of education are essential. For example, the Singaporean government has regularly supported the whole education system to meet the society's needs and to develop the skills and services required through the development of their education policies (Rondinelli & Heffron, 2007). Although issues relating to the quality of education, education policy, and international students have increasingly become the focus of enquiry into the internationalization of Australian higher education, only slight attention has been paid to the experiences of Australian teachers and their roles and responsibilities in an environment that is more culturally, linguistically, and educationally diverse and more connected to, and influenced by, the global marketplace than ever before (Sanderson, 2008).

Accordingly, Salmi (2009) indicated that the new world-class universities grow from their level of awareness of how and what governments could offer to develop their organizations, and being aware of the most critical steps to transform a workforce to become a world-class university. However, Deem, Mok, and Lucas (2008) maintained that the notion of a world-class university is not a relatively new concept. However, recently it has become a concept frequently used by both governments and universities in many countries, and it is currently a trend embedded in the higher education policies and strategies in many societies. Knight (1999) systematically categorized the motives to internationalize a higher education institution into four sets: (a) political, (b) economic, (c) academic, and (d) cultural/social. Knight clearly emphasized two extensive types of strategies for integrating the international dimension in an education setting as follows: (a) program strategies: this comprises academic programs, research activities, extracurricular activities, external relations (e.g. the media), and services domestically and abroad; and (b) organizational strategies: this involves policies, procedures, systems, and infrastructure that supports the growth of the international feature of the educational setting.

Other participants of this study expressed their views about the fundamental elements to internationalize the university, such as trust in quality, international curricula, accreditation, national and international conferences, research publications, effective policies, policy implementation, and propensity to learn. Speaking of the quality, McBurnie (1999, p. 157) concluded "*if the internationalization of education is to provide real benefits for the university community, there is an ongoing need to define goals, and objectives, to implement strategies for their achievement, and to gauge the quality of the outcomes.*" Carroll-Boegh and Takagi (2006) acknowledged that each country has its own paradigm; nonetheless, a large number of universities have discovered the obligation to internationalize their curricula to compete globally. For example, they recommended the Japanese universities to be involved in the kingdom of world universities, through the restructuring of their curricula. Similarly, Knight, Adams, and Peace Lenn (1999) argued:

It is recognized that the international aspects of education and research have historically been an important feature of higher education institutions. However, current issues, such as globalization, decreased government support for education, the knowledge economy, the rapid growth of information technologies are all directly influencing higher education. It is resulting in major shifts in the rationales and motivations for internationalization (p. 220).

Moreover, Srisa-an (1998) noted that internationalization refers to the integration of international dimensions and principles in all of the missions of the university; namely, internationalization of both undergraduate and graduate curricular offerings, promotion of faculty and student exchanges, collaborative research with foreign universities, promotion of other activities such as cooperative education, university-industry linkages, and cultural exchange, as well as hiring of foreign faculty members. Alternatively, Hayek (1996) advocated another school of thought, maintaining that there is no single accepted definition or map for internationalizing an institution. The definition may be broad or it may be specific. Koech and Opakas (1999) accepted the precept at Moi University in Kenya, that regardless of the university expansion, the international element remained insignificant, and the most noticeable issues, which have an international hub, are in research and intellectual collaboration. Koech and Opakas confirmed that Moi University creates opportunities for its personnel to increase their interactions and exchanges of ideas with local, regional, and international academics. However, it remains a prerequisite to develop a better understanding of the significance of the internationalization and the development of more dynamic structures and policies.

According to Davies (1992), the effective delivery of internally-oriented programs qualitatively depends on faculty members and administrative colleagues, in terms of attitudes, competencies, and knowledge. Importantly, Qiang (2003) demonstrated that conflict or collaboration among policy makers result in either a decline or reinforcement of the international characteristics, and the regeneration or the renewal of commitments necessitates further planning procedures.

In the participants' opinions, other factors that were considered prominent for internationalizing a university involved: developing networks, and partnerships; value-added services; effective public relations (PR) and marketing plans; and effective communication skills. The chosen university for this study has actively pursued international connections with universities overseas for cooperative activities, including student and faculty exchanges, joint training programs, organizing academic conferences and seminars, as well as other types of academic cooperation (President's office, 2008). Another indicator was at the University of Helsinki in Finland, where Fogelberg (1999) noticed that global contacts are a key method of preserving an advanced education level and research, and of safeguarding their international spiritedness. Likewise, Fogelberg showed that the internationalization of the University of Helsinki paid attention to marketing strategies, organizational matters, communication tools, personnel politics, a regular quality assurance process, the investigation of center/faculty/department relations to ensure effective coordination, and communication skills. Speaking of value-added services, Zolfaghari, Sabran, and Zolfaghari (2009) noted that the services offered must be accompanied with effective communication skills, creative thinking, a great deal of tolerance toward others, and being open to criticism, rationality, and initiatives. Davies (1992) recommended that universities consider and question the following in their marketing plans, propaganda, and PR issues:

- What does the university choose to emphasize in its marketing and, hence, its market positioning? This may be quite different for different national markets for international students.
- How does the institution determine what its status is in the eyes of potential consumers?
- Its propaganda should clearly be realistic and not extravagant in claims of pedigree or achievement.

Additionally, three experts in this study advised international competencies for our leaders and management; self-awareness; diversity activities projects; curricula development; high quality academics; and networks with international agencies. Following this line of thought, the internationalization of Lithuanian higher education is considered a high tactical priority; therefore, international competencies have become crucial and mandatory (Stankeviciene & Karveliene, 2008). Moreover, they accentuated some factors linked to the internationalization of a university, as follows: the awareness of the organization's culture, the mission, communication issues, world assumptions, cross-cultural concerns, and sensitivity among all individuals in the organization. Bartell (2003) noted "*international competence in an open world of permeable borders has become a generalized necessity rather than an option for the tier of societal elites as was true in the past*" (p. 49). Carroll-Boegh and Takagi (2006) examined the driving forces behind the internationalization of the curricula in Japanese and Danish universities. They found that the internationalization of the Danish knowledge system is achieved through the cooperation of and the interaction between academic institutions and business communities. As such, Danish universities are capable of offering curricula that match the society's needs through different regulations. In the case of Japanese universities, Carroll-Boegh and Takagi asserted that the Japanese have great interest to make joint agreements with the most famous world universities. Thus, it becomes obligatory to restructure and revamp their curricula, and ensures that instructors possess teaching methods and strategies that satisfy students with different needs, experiences, and cultural backgrounds. Another indicator was the Tokyo Institute of Technology in Japan, and the efforts made to advance the faculty and students' skills, and the gradual development of bilingual curricula, to educate international competencies, to host professional scholars from different countries, to contribute in academic management, to boost cooperative agreements through international exchanges and ventures, and to nurture the internal management and services (Jiang-Bin, 2009).

Other participants in this study added to the knowledge, the need for developing a competitive advantage, and differentiation strategies. This was reflected by Bauman (1998), who stated, "*one difference between those 'high up' and those 'low down' is that the first may leave the second behind, but not vice versa*" (p. 86). In addition, Davies (1992) proposed a number of factors related to competitive strengths and weaknesses that need to be evaluated comparatively, regardless of the sequence:

- mission and traditions;
- experience and expertise in specific markets or sectors;
- successes, failures, and why;
- negotiation style of the organization;
- market knowledge and its power structure;
- financial issues, including costing and pricing policies;
- characteristics and quality of services provided to customers;
- brand names; and
- capability and the degree of flexibility to enter foreign markets and develop alliances or joint ventures.

Similarly, differences between universities in their history, traditions, missions, visions, resources, and networks with government, industry, and business would considerably affect their ranking in the university league table (Mok, 2007). However, Mok (2007) added that role differentiation among universities is becoming one of the most recent trends in higher education in East Asia.

6.2 Internationalizing a Higher Education Institution in the AEC

In the current study, the participants perceived that the use of all ASEAN languages, cultures, traditions, activities, industries, politics, and economies in our curricula, ensuring curricula compliance with international education standards of the Education Charter of the ASEAN community, and applicable in all ASEAN countries, must be taken into consideration. The role of education in structuring the ASEAN community by 2015 entails three pillars, one of which is the ASEAN political and security community (APSC). Under this pillar, the role of academia is to enhance understanding and awareness about the charter (Bureau of International Cooperation Strategy, 2008). Likewise, Santipitaks (2013) clarified the role of education in realizing the ASEAN community, and maintained that knowledge and understanding about the ASEAN charter, how to live with each other in peace, and democratic principles and human rights are all critical issues that should be incorporated into our curricula. Therefore, curricula must comply with the education charter of the ASEAN community. The participants in this study also argued that our curricula must be applicable in all ASEAN countries. The rationale behind this proposition is to meet the needs and competencies required for all industries in all ASEAN members, as it is planned to enhance the AEC (Bureau of International Cooperation Strategy, 2008).

Other participants in the current study had similar opinions about internationalizing a university in the AEC, such as boosting cooperation and collaboration with universities in the ASEAN region; developing our personnel competencies; and recruiting qualified and competent staff, students, and instructors without favoritism and discrimination. A large number of studies concluded that boosting cooperation, and collaboration with universities in the ASEAN region is not an option, but a condition to ensure unity and amity in the region. For example, ASEAN should continue efforts to promote regional mobility and reciprocal recognition of professional credentials, talents, and skills progress (ASEAN Concord II, 2003). The Bureau of International Cooperation Strategy (2008) divulged that in order to cope with China and avoid external interventions (e.g., the U.S.), Southeast Asian countries feel the need to act collectively and to learn from each other, so that they can have combined strengths, as well as better bargaining power in both economic and political issues. Nevertheless, Wimontham (2012) advised the ASEAN community to cooperate with ASEAN+3 (i.e., China, Korea, and Japan), who are among the world's leading nations in education. Wimontham (2012) recommended that the ASEAN community council should honor these three countries and request support from them in exchanging academic staff, students, and research to equalize the education in ASEAN. Cuyvers, De Lombaerde, and Verherstraeten (2005) added, "*despite the ChiangMai initiative as a collective of ASEAN+3 initiatives, it is noteworthy that current negotiations on potential free trade agreements are simultaneously conducted on a bilateral and a plurilat-eral basis by the countries involved*" (p. 14). In terms of personnel competencies in Lithuanian higher education, international competencies have become essential and required (Stankeviciene & Karveliene, 2008). Qiang (2003) strongly recommended the development of more applied research to become aware of competencies needed for work in the local or global work environment.

Other studies showed that faculty members need to master different competencies, and be aware of the changing world so that they can integrate their competencies into their teaching materials and advance their didactic methods. One of the six outlined strategic

actions in the AEC blueprint is to develop competencies for job and professional skills (Sandar, 2012). Another issue expressed by the participants in this study is the recruitment of qualified individuals, regardless of their place of origin. One participant expressed his view by the following comment: "*In my opinion, it is unnecessary to recruit native English speakers. We should accept all people, regardless of their nationalities, if they can communicate, and transfer good knowledge in English*". Hawawini (2011) elucidated that internationalization can solve the problem of the dearth of qualified academics, if we can develop and apply an effective international strategy to attract talented students, and qualified instructors, who are dedicated, and committed to be connected with the world.

At the same time, the creation of a conducive learning and teaching environment is imperative, as perceived by the participants in this study. Carroll-Boegh and Takagi (2006) recommended satisfactoriness of the learning, and teaching environment in Japanese universities, in order to be members of the kingdom of world universities. Pama (2012) proffered that new professional and related fields, and diverse student populations require academic support and innovative pedagogy. Hence, teaching and learning environments are of great concern.

6.3 Critical Strategies

The participants of this study determined a number of important strategies and approaches necessary for internationalizing a higher education institution. These were: curriculum development; infrastructure management; HRD strategies; influential projects; seek accreditation for our curricula; corporate social responsibility (CSR) strategies; foreign languages skills; international programs; public relations (PR) and marketing plans; scholarships; exchange students and staff; and a wake-up call across the university for joining the ASEAN community. At Yale University in the U.S., Jiang-Bin (2009) noted that the historic mission of the university can be accomplished through the development of relevant curricula, opportunities for students to work or study overseas, and educating the American students about how to develop networks with people from different cultural backgrounds. Bookin-Weiner (1999) recommended the internationalization of the curriculum, and faculty exchange and study abroad programs, if there were plans to develop an international center at Bentley College in the U.S. Ley (2012) recommended ASEAN standard education and enforcement mechanisms, raising awareness on ASEAN development and education, curriculum standards at primary and secondary schools, and universities, scholarship programs, education funds projects, accreditation system, and education reforms (e.g., training courses in cross-cultural skills, and training in foreign languages and professional skills).

Moreover, ASEAN Concord II (2003) reported that the development and enhancement of HR is a significant strategy for increasing employment opportunities. Additionally, the ASEAN foundation is designed to raise greater awareness of ASEAN and greater interaction among the ASEAN members through HRD, which will allow them to identify their full potentials and capacities to make progress, and become productive and responsible members of a society. In a similar vein, one of the participants of this study noted that many universities in Thailand have started to consider the issue of CSR to make the students understand that they have a responsibility to their society. Additionally, a blueprint for the ASEAN socio-cultural community (2009) showed the significance of promoting CSR to ensure that CSR is incorporated in the corporate agenda and contribute towards sustainable socio-economic development in ASEAN member countries.

Speaking of PR, and marketing plans, Sriwiboon (2013) revealed that there is a need for knowledge sharing, and cooperation with the leading universities from ASEAN member countries. Likewise, the education ministers of ASEAN have determined four issues for

cooperative education in the region: encouragement of ASEAN identity to citizens in the region, promotion of the ASEAN identity through education; creation of ASEAN HR in education; and enhancement of the ASEAN universities network (Quy, 2009). With that said, Quy stated that the ASEAN universities networks or PR are intended to enhance the cooperation among academics in the region, development of HR in researching and practicing matters in the region, maximization of information exchange among different quarters, and enhancement of an awareness of regional identity between the ASEAN state.

At the University of Botswana (UB), they expanded international student and staff exchanges to: provide opportunities for the students of the UB to spend a semester or a year abroad through exchanges; facilitate academic staff to undertake study and research outside Botswana for a specific period of time, as appropriate to their professional objectives; recruit visiting scholars, who bring required research or teaching capacity on campus; promote short and long-term study opportunities at UB for international students; develop partnerships that will facilitate the expansion of staff and student exchanges; keep an updated list of memoranda of understanding (MOU) and of active exchange partnerships; and compile reports on students abroad every semester (Policy on Internationalization, 2006). At one of Australia's largest universities, Monash University in Melbourne, McBurnie (1999) pointed to three approaches and strategies for the internationalization of the university: "*one of which is to internationalize the opus of the student body; the second is to internationalize the educational understanding of students and faculty; and to launch and develop the Monash existence in foreign countries*" (p. 157). McBurnie considered that studying abroad is necessary for internationalizing the educational experience; consequently, Monash University has embarked on three major steps:

- positioning an assessable objective;
- cooperation among all individuals in the university; and
- subsidizing of international education projects, and activities.

In conclusion, Zolfaghari, Sabran, and Zolfaghari (2009) compiled indispensable strategies for internationalizing a higher education institution, as discussed also by the participants of this study, regardless of the significance of the appropriate sequence. These strategies involve:

- exchanging programs for both students and instructors;
- developing research partnerships;
- complying with academic standards and producing high quality students;
- developmental issues in various aspects;
- better understanding and awareness of the international society;
- enhancing the reputation of the institution, through effective marketing plans and PR tactics;
- diversity and its enormous advantages and influences on students and programs; and
- international recruitment.

Similarly, the study of Ayoubi and Al-Habaibeh (2006) also showed that the international strategic objective of a university can be achieved through: (a) the development and promotion of research collaboration; (b) the exchange of academic resources; (c) the development and promotion of curriculum and course design; (d) the exchange of staff; (e) the development of meetings, workshops, and seminars on issues of equal interest; and (f) the exchange of students

6.4 Virtual Research System

The participants of this study, gave special importance to a research and development (R&D) management framework; support and promote the culture of ongoing research and development; provide R&D required facilities; sources of research funds; facilitate research grants policies, and procedures; develop a brand, mutual gains bargaining (MGB) and generate an income for the university; develop research groups; establish joint research projects/programs; an internal academic journal; research center of excellence; a support unit for the application of research findings; and an autonomous research department. Furthermore, some participants recognized the importance of increasing international research publications and developing skills for effective academic presentations.

Significantly, the chosen institution for this study is a university with history, innovative research, and vision in a country proud of its multicultural background and environment (Human Resource Department of RMUTL, 2012). According to the university's vision, the objective is to strive to internationalize its educational mission, and advance teaching and research efforts to meet global standards of excellence (President's office in RMUTL, 2008). The Office of International Affairs at KMUTT is responsible for coordinating with external organizations for the scholarships and research grants, and disseminates the information to staff and students within the university (Office of International Affairs, KMUTT, 2012). Mahidol University has developed into one of the most prestigious universities in Thailand, internationally known and recognized for the high caliber of research and teaching by its faculty, and its outstanding achievement in teaching, research, international academic collaboration, and professional services (International Relations Division, President's Office in Mahidol University, 2012). Alternatively, one participant of this study assertively mentioned, "*I have a strong belief that in our university, we do not have enough publications in international venues, the same as other research universities. We have to accept this fact.*" Geldner and Wachter (1999) noted that at the Warsaw School of Economics in Poland, the lack of an academic journal to represent the school's research findings is considered one of the weaknesses of the school. Similarly, one participant of the current study conveyed, "*I think we need to have our own journal in our university to support our staff, students, and outsiders in publishing their research.*" Another participant of this study claimed: "*actually, we have lots of research in the university, but we do not try to apply the research findings to improve our processes. We need to have a support unit or division to help us in doing this to get benefits from our research.*" In a previous study, Malo, Valle, and Wriedt (1999) identified that international activities at the National University of Mexico are centered on research networks, publications, and international associations.

Likewise, Fogelberg (1999) concluded that international contacts are fundamental to conserve an advanced education level and research. Most importantly, Kirkpatrick (2011) urged:

> Asian universities need to work together to establish and promote internationally recognized journals with bilingual publication policies. Academics in Asian universities need local and regional publication outlets that are recognized as equal to the current Science Citation Index (SCI) and Social Science Citation Index (SSCI) journals. It is surely not beyond the wit of Asian universities to take the lead in creating new 'centre' of publication excellence, which will allow, if not demand, bilingual publications. (p. 14)

Carroll-Boegh and Takagi (2006) outlined that the Danish internationalized curricula are reflected through joint research projects and research exchange programs. One significant

motive for internationalizing higher education institutes is research partnerships (Zolfaghari, Sabran, & Zolfaghari, 2009). According to Kirtikara (2001), networking can deliver collaborative research and services among institutes. Thus, several studies emphasized the establishment of research universities through the enhancement of international research, the increase of research publications in international journals, and the opportunities to search for sources of research funds. However, Pama (2012) cautioned that research universities are expensive to build and, costly to maintain at world-class standards, but extremely necessary to national development agendas. Pama also predicted that research universities will see significant constraints on their budgets; nonetheless, one participant in this study expressed the following, in order to find sources of research funds for our university:

> In my opinion, we have to go through three steps to develop effective research. First, we should build our brand, and let people know us by exhibiting, conferences, road shows, advertisements, etc. Second, when people know us, and we know what they want, we can make a deal to pay 50% for the research processes, and let them pay the other 50%, which is a win-win situation, or mutual benefits. The last stage is to seek profits from developing research, and this can only happen when we become well-known in our society, and overseas.

In a previous study, Mok (2007) had the same vision, and reported that when competing for external grants and financial sources, universities must demonstrate their strengths in attracting funds. As a caveat, Vongchavalitkul (2012) maintained that without academic staff selected for particular tasks with specific responsibilities, a university may be unable to increase their funding. However, Davies (1992) compiled sources of income accruing to the university from a plethora of international sources, such as overseas student fees, student-related grants, project grants, consultancy overseas, continuing education programs overseas, research projects, technology transfer, franchising courses to colleges in other countries, and agency arrangements. Consistently, Mok and Chan (2008) ascertained that the sustainable growth of education can be achieved through the diversification of financial channels, as one of the possible ways to accomplish such a goal. Despite all this, Deem, Mok, and Lucas (2008) found:

> Concentration of research funding (as a means of ensuring "world-class status" for the few) has implications for the development of national higher education systems in many ways. The national role of universities may be ignored in favor of the international role (as in East Asia where publication in English language journals has taken precedence over publication in other languages). (p. 21)

Prominently, autonomous and responsive institutions can simultaneously promote and develop internationalization of research (Henard, Diamond, & Roseveare, 2012). One participant in this study articulated a similar opinion: "*We should also have an autonomous unit, or division for research to be completely independent, operate effectively, and efficiently without having to wait for permissions or orders from the upper-level of management.*" In the ASEAN socio-cultural community (ASCC), the role of academia is to promote research cooperation, research and development (R&D) in the region, having a forum for researchers from member states to exchange views on regional issues, and enhance understanding and awareness about a variety of issues (Bureau of International Cooperation Strategy, 2008). On the issue of R&D, one participant in the current study illustrated the following:

> I would like to say that research is one aspect that Thailand cannot be a leader on it or compete with others because investors never desire to finish their products one hundred percent in Thailand. They always have their research units in different countries and then they send their prototypes to us to make it and send it back to them.

Ponds (2009) advocated a different doctrine, and noted that because of the constant internationalization of science and technology, more and more corporations will be able to appropriate knowledge stemming from scholarly literature in other countries.

Other participants of the current study expressed different opinions by interpreting that we should emphasize research quality over quantity, promote a culture of innovation rather than ordinary research, and create an innovation system.

> I believe that our university will be the first university in Thailand in innovation, and will be well recognized by foreign countries. However, to create an innovation system, we have to have enough opportunities for our students, and encourage them to think creatively. We want our students to innovate things that can help our community, society, and the world. For example, at present we have a lot of earthquakes in many countries around the world. So, we should think of how to develop or create censors in our buildings to alert people when this occurs. I think we can teach our students the concepts, motivate them to innovate some ideas, and then reward the best ideas.

Suttipun (2012) briefly mentioned the role of Thai universities in producing graduates with theoretical, practical, and specific knowledge in order to know how to solve problems creatively, as well as developing their analysis, synthesis, evaluation, innovation, and decision-making competencies. Other vital tactics presented by the participants in this study involved: enhancing awareness of research significance; developing a positive and optimistic vision; and our researchers should play a significant role in promoting and representing the university in Thailand, and overseas. They expounded their optimistic visions with these words: *"In my opinion, in the next few years, we will have research publications in innovation, and have copyrights in at least one hundred issues. However, we need to plan for this carefully."* Another comment made by another participant was: *"Our researchers play an important role in promoting our university in foreign countries. Our researchers are the ambassadors and representatives of the university."* Thus, the intensification of international research collaboration has increased the interest of scholars and policymakers (Ponds, 2009).

7. Recommendations for Further Studies

Future studies may explore the varying levels of autonomy in higher education institutions. To find out whether internal types of planning in a higher education institution in ASEAN are effective or ineffective would require a more complex theory with a larger sample and more complex measures or analyses. Moreover, the generalizability of research findings in the area of internationalizing a higher education institution needs to be investigated. Another area of research could be related to the objectives of developing international partnership agreements or MOUs for universities in ASEAN. In the current study, the academic staff and students' perspectives were not included. Hence, researchers in this field may conduct interviews with students, academic staff, and other members of the university who are involved or even concerned with the internationalization process of the university, which can add another dimension to a similar study. Future studies may focus on the economic and political aspects associated with international student exchange programs.

Another obvious gap in the literature is the apparent critical success factors necessary for the successful management of international activities to internationalize a particular university.

7.1 Suggested Activities and its Purposes for ASEAN Universities

Activities	Purposes
1. Organize courses for various target groups (e.g., students, faculty members, or village leaders)	To stimulate participants' awareness of the significance of the ASEAN community in the AEC era
2. Invite government officials and pose questions at the end of each session	To directly convey government messages to the targeted groups and free exchange of ideas on specific government policies/treaties
3. Develop a mechanism for dialogues with the media, non-governmental organizations (NGOs) and religious heads to discuss the ASEAN countries' problems, suggestions, and solutions to problems, and involve faculty members in these discussions	To obtain feedback from various quarters on community quandaries and solutions, wishes, and needs, and to enhance faculty members' knowledge of the ASEAN community
4. Arrange for some visits to several government development projects in their location	To acquire field experience, and knowledge of government projects and programs
5. Arrange for luncheon/dinner with other universities' administrators	To foster peace, unity and integration among different groups, and strengthen ties among ASEAN universities
6. Design and implement small development projects and provide services for other universities	To confront particular issues/problems, and reach consensus on integrated solutions from all participants
7. Invite specialists/professionals/experts depending on the issue to be tackled	To obtain professional feedback and practical solutions to specific topics
8. Develop some forums for knowledge/skills transfer on possible projects/activities/plans	To transfer valuable knowledge/skills to other groups
9. Invite human rights organizations	To ensure that individuals possess similar basic goals and values regardless of their ethnic groupings or other differences
10. Promote the development of an effective Management Information System (MIS) for all ASEAN activities/ projects/ seminars/ workshops, etc.	To continually assess/update information gathered from such projects and recognize what is missed or needs improvement in future plans/strategies/performance, etc.

Source: Adopted from Moussa and Somjai (2014) from
file:///C:/Users/VAIO%20YB/Downloads/education-2-8-13%20(1).pdf

8. Conclusion

The researchers believe that this study is a startup phase towards the internationalization of a higher education institution in northern Thailand. The findings delivered particular notions that emerged during the data collection process, which are likely to increase the university's opportunities in the development of various aspects.

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Factors for Enabling Knowledge Sharing Among Participants in a Cooperative Education Program

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Abstract

Knowledge sharing is a human event that blends the skills of working as a team, having a dialogue, analyzing information, and maintaining a collaborative effort. To make the behaviors for knowledge sharing occurring in a cooperative education program there has to be a sense of aligning the values for all participants involved in the process. This study examines the factors that enable knowledge sharing between the cooperative education program administrators, students taking part in the program, and company mentors providing advice to the students. A case method was applied at an educational institution to pinpoint the aspects that showcased the conditions that promoted knowledge sharing among the participants. The work addresses the issues of knowledge, relationships and processes, organizational contexts, and external factors for imparting a better understanding of how the cooperative program administrators, company mentors, and students can function collectively to assist the latter in completing the program.

Keywords: Collaboration, Cooperative Education, Dialogue, Experimenting, Sharing Knowledge, Structure, System, Trust

1. Introduction

1.1 Background

The only thing that can be assured of in operating a cooperative education program is that there are always uncertainties waiting to occur at any time and place (Burley et. al., 2012). For the program administrators, students, and mentors involved they have to work together in a cohesive manner (Brundiers, Wiek, and Redman, 2010) for the purpose of attaining the aims and reducing uncertainties during the process, as well as sustaining the program in the long run. However, such a concept would require that the participants have a knowledge sharing frame of mind that understands and seeks to meet the needs and interests of others (Bass, 2012), (Elmuti, Abebe, and Nicolosi, 2005). With this collaborative mindset it would enable the economical aspect of time, energy, and resources that are devoted to the cooperative education program to be geared towards an efficient and effective outcome (Travers, 2012).

1.2 The case of a revised cooperative education program at CMT

In a workshop to discuss about the outline of the cooperative program, the researchers observed the administrative staff of CMT receiving some experts' advice from an experienced institution on designing the cooperative program. According to an interview with the staff, they claimed that *the original format was calculated to allow the selected students to help them complete their compulsory course work while simultaneously creating a smooth transition from the classroom and into the workplace with mental support from the advisors*. In addition, they believed that *the students enrolled in this course had to undergo a*

task of doing a "Personal and Professional Project" and take part in the "Learning in Action" learning activities. In theory, it was to *assist in developing a professional behavior and strong attitude within their character which were deemed essential to the industrial workplace*. At first, the administrative staff thought that it was going to be a sound program by design, but it suddenly became a less than satisfying outcome as 6 out of the 23 cooperative students suddenly decided to quit in the middle of the semester. Upon conducting an interview with the 6 students who had left the cooperative program one of the strongest reasons mentioned in leaving was that they "*couldn't adjust on taking the role as a student-worker*". The mentors viewed the students as "*being under qualified to do some tasks that were assigned*". Also, the mentors truly believed that "*their mentees did not have the adequate skills and knowledge to a carry out a specific job*". As the researchers put the pieces of information together, it was revealed that there was friction that eroded the working relations between these six students and their mentor; students and their mentors cited that there were some differences of opinions and advice being received and given. In a feedback given from the mentors they stated that the "*students were highly afraid of asking too much questions*". This brought about an image on part of the mentors that the "*students were relatively embarrassed and bashful to take on any real responsibilities*". The mentors were suddenly losing patience with the students: "*they were under pressure to deliver other work assignments that was demanded by the company's top management*". Although it was a severe blow to CTM's academic reputation, it was learned that the co-operative program administrators took this first time lesson as a challenge to make the concept of the course much better. Upon analysis from the first case, they hypothetically felt that "*the approach in revising some of the activities would assist in accelerating the competency of the next batch of co-op students to adapt themselves better in the working environment, make them know their responsibility with greater awareness, and be able to understand the work system with confidence*". With a revised program, the second batch of students did much better than the first. Out of 23 students, only one resigned from the program due to a personal preference for doing an independent study. Nevertheless, the CTM administrators were able to maintain the health of the co-operative program vital for the next generation of students who are highly interested in enrolling in the study.

1.3 Knowledge sharing between participants in a cooperative education program

First and foremost, it is very important that the students complete the cooperative education program with ease and confidence. Therefore, the act of knowledge sharing should be orientated in providing these participants with the task information, know-how, and feedback with regards to the product or procedure in a form of a partnership involving two persons or as a group (Mueller, 2012). Since the process of knowledge sharing is highly deemed as a group activity (Cockrell and Stone, 2010) the cooperative education administrators and company mentors have to make it beneficial for students who are going to experience a situation that raises a lot of questions and seeking for the best possible information to take the next step of action. As students change their role of a learner in a classroom and into the workplace, the cooperative education administrators and company mentors have to set a protocol for sharing knowledge with the students so that it radiates their behavior to learn with a better sense of security and self-assurance through the experience of others who have demonstrated the ability to get things accomplished in the most productive fashion (Lin, 2007). Making knowledge sharing possible requires a system that has to be coordinated for supporting the proponents of continuous development for the receiver of knowledge (Connell and Voola, 2007). Such a systematic method should not always refer to the best practices (Christensen, 2007) but to keep seeking and adapting for better ways to make the recipient of knowledge reap the benefits. As long as the event fosters a shared

value in collaboration participants will not fall into the fallacy of thinking that they're going to lose power, having to protect their reputation, or compromising self-interest for the greater good while they share the knowledge (Taminiau, Smit and de Lange, 2009).

2. Research Objective

The aim of this study is to define the factors for enabling knowledge sharing among participants in a cooperative education program. In order to illustrate the factors the work raises the following questions:

- *"How should the process for knowledge sharing be coordinated and collaborated?"*
- *"What type of relationship is required to make knowledge sharing occur?"*
- *"How should participants be organized for knowledge sharing?"*

3. Literature Review

3.1 Coordination & Collaboration

Since knowledge sharing involves people it is highly imperative that there is a system designed to orientate the behaviors to have a collective understanding and collaboration within the organization, so that relevant factors from different perspectives are considered (Tohidinia and Mosakhani, 2010). However the system should be designed for the workers to take an initiative in collaborating and making a concerted effort in developing a knowledge sharing atmosphere instead of being highly attached with the managerial policies to carry out the daily task routines (Fong, Ooi, Tan, Lee and Chong, 2011). A system that nurtures the staff mindset and performance to remain focused can make knowledge sharing occur on a consistent basis even in the midst of dealing with an organizational breakdown in the workplace, failure to do so will result in workers being uncommitted to the discipline (Hurmelinna-Laukkanen, 2011). The process of knowledge sharing should be integrated with the cultural aspect of an organization's vision, mission, goal and objectives so that the analysis provides a clear picture for the proper procedure to take action (McDermott and O'Dell, 2001). Also, the process has to be implemented where it encourages possible performance and that individuals have enough confidence in making an attempt to reach their objectives based on an acclaimed success (Cao and Xiang, 2012). Since knowledge sharing requires a collective behavior to function as a group or team individuals have to be skillful in balancing the working relations, resources, time and energy in order to ensure that the desired results being obtained are truly aligned with the organization's goal; while simultaneously allowing critical feedback for colleagues to understand that there is also some room for improvement in the method of knowledge sharing because it is an ongoing process (Kim, Newby-Bennett and Song, 2012).

3.2 Required Relations

In order for developing a solid relationship in sharing knowledge the provider of knowledge has to make the experience relevant towards what the receiver needs toward accomplishing the objectives (Ford and Staples, 2010) otherwise the process could become redundant. Individuals engaged in knowledge sharing deem it to be a voluntary event where there is something to be gained and benefitted; so long as there are positive outcomes people will continue to be more collaborative with the idea and forgiving towards any mistakes or errors that may happen by accident (Donate and Guadamillis, 2011). In a sense, the person disseminating the crucial information for success must be mindful that the person receiving the knowledge will make an initiative effort to perform (Barachine, 2009) so that the organization's reputation will strive in the long-run. When the process is between people and group members there has to be a written code of behavior that encourages trust, honesty, and frankness between colleagues, as well as a working and learning environment that is

conducive for participation, demonstrating concern, setting up systems to allow knowledge sharing, and promoting a flow of communications (Casimir, Lee, and Loon, 2012). Differences can occur in an unexpected moment but they are merely a test to see how workers can respond in finding ways to resolve the situation in a professional manner and reinforce the mutual obligation for knowledge sharing, thus creating a sense of trust among working colleagues that the next form of dispute is just a method for comprehending the facts and other people's viewpoint (Wang and Noe, 2010).

3.3 Organizing Participants

Knowledge is quite useful and productive in the sharing process when there is an organized structure that is aimed towards enabling the participants to see what the values are and the rationale for engagement (Chalkiti, 2012). In addition, the values held by participants are organized in a disciplined and focused manner where energy is harnessed to make the sharing of knowledge occur while preventing disruptive factors like office politics and personal issues from being interfered with (Guzman, 2008). Granting the consent for individuals to further seek for the facts and inquire about additional information would sustain a knowledge sharing environment and therefore reinforce the participants' values of being organized to do the latter (Yang, 2007). Even if the organizational structure intends on promoting knowledge sharing in the workplace it also needs to realize that its power and authority should be conducted in an adaptive manner which makes it safe for people to point out on something that is wrong or suggest an alternative plan of action (Cyr and Choo, 2010). Those who set the policies and procedures in their organization should avoid the tendency making knowledge sharing a cult, because in the end people have emotions and feelings about their capacity and capability to perform (Kamaşak and Bulutlar, 2010). The sharing of knowledge cannot be forced, but results from a shared intrinsic motivation to share which is largely determined by the relationship between individual and collective interests in addition to the interest that individuals have in their practice, in the subject matter of their work, and sense of appreciation for developing growth in the workplace without being under pressure to comply with the norms (van den Hooff, Schouten and Simonovski, 2012).

4. Research Methodology

This is a case study of an educational institution (which shall be referred to as the College of Management & Technology) that had experienced some shortcomings in operating its first cooperative education program. With the second time, the cooperative education program administrators were able to rebound by learning from their mistakes and errors. The authors of this study conducted interviews, observations, and reviewed documents with the administrative staff, students, and company mentors to make a narrative analysis on the events that have occurred within the framework of the cooperative education program. A conceptual framework has been constructed (below) to answer the structured research questions and to provide an analysis.

Coordinating & collaborating with the process of knowledge sharing.

- The system
- The organizations' vision, mission, goal and objectives
- The encouragement for performance and confidence

Required type of relationship for making knowledge sharing to occur.

- Making experience relevant
- Being mindful
- Trust, honesty, and frankness

Organizing the participants for knowledge sharing.

- Structure
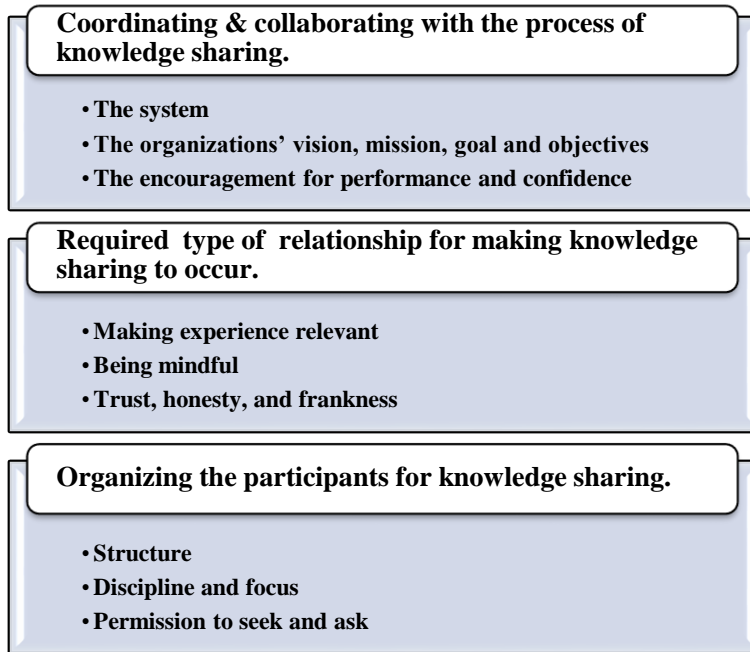- Discipline and focus
- Permission to seek and ask

Fig. 1 Findings: Factors that Support Knowledge Sharing.

The conceptual framework is based on three perspectives: the context, the relationship among participants, and the objective of the task under study. The structure attempts to address the knowledge sharing issue of coordinating and collaborating by looking at the system, the organizations' vision, mission, goal and objectives, and on the encouragement for performance and confidence. Also, it deals with the required type of relationship by taking into account on making the experience relevant, being mindful, trustworthy, having honesty and frankness. Finally, it tackles the topic of organizing the participants by attending to the structure, discipline and focus, and the permission to seek and ask.

5. Analysis of the Case Study

In this section, a narrative account had been provided to outline the facts and was then analyzed with the conceptual framework to offer a theoretical understanding of knowledge sharing in the background of a cooperative education program.

5.1 Coordinating and collaborating the process for knowledge sharing

Learning becomes imminent when there is no display of ego, denial, and ignorance towards admitting that there was failure in the outcome (Teh and Sun, 2011). When failure is defined as lessons for enhancement and further development it offers people the opportunity to gain a better perceptive of reworking and refining the methods to obtain the objectives (Lam and Lambermont-Ford, 2010). By learning about what can be done to improve the system, the administrators arranged a seminar to provide mentor training and explain about CMT's curriculum and the co-operative education process. In return, the co-operative coordinators from each company's human resources management division constantly contacted the college about the available co-operative work position and relayed the information about the intentions of the co-operative program back to their top managers.

For a common interest to be pursued in a harmonious manner there has to be an alignment with all members of the organization, that means everyone has to be on the same page so that sharing of knowledge is providing added value towards the aim (Wang, Su and Yang, 2011). With the system intact to obtain a better level of collaboration, the administrators networked with the co-operative coordinators about how the vision, mission,

goals and objectives of the co-operative education program can also contribute towards the company's image in human resources development. Any form of initiative knowledge can become misleading when people don't quite see how their tasks and duties can make a contribution, nevertheless the working routines have to be connected to the changes in the workplace (Renzl, 2008). The coordinators had to clarify the co-operative program's objectives and details with other relevant staff members who were to assume the role as the company's mentor for that particular student.

From this point, the co-operative program's administrators liaised with the second batch of students to inform them of taking part in a two day ice-breaking activity which was conducted by an external expert in the field of human resources management. The administrators and students worked cohesively to ensure that the seminar's objective did its best in encouraging the students to perform and have confidence in handling real life workplace issues so that no one succumbs into an erratic state of anxiety in the workplace. The contents and activities of the seminar included developing a positive work attitude, building a sound plan, learning how to communicate with workers, functioning as part of a team, setting target goals, and being aware of the labor law. The work demonstrates that in order to support the idea of knowledge sharing participants should have the character and capabilities that can overcome some unpleasant moments or uncontrollable situations that could make the emotions reluctant at times to consider about helping others to learn (Abrams, Cross, Lesser and Levin, 2003). Upon completion of the two seminars, the students agreed to attend a three hour co-operative education orientation that was arranged by the administrators. The orientation explained the program's process activities, its rules and regulations, doing the professional project, and how to conduct reports with their assessment book. In addition, the administrators worked with the students to help them think systematically in the workplace and having a personal vision. Based on this information the study asserts that getting newcomers exposed early to the working environment offers a chance to make the necessary mental preparation and get some idea on adjusting oneself in assisting other workers to accomplish their tasks and objectives (Cummings, 2004). This paves the way for blending with the organizational working culture whereas there is an opportunity to learn how the set plans are to be accomplished, and utilizing the skills and abilities to make some positive contributions without feeling like an outsider (Argote, McEvily and Reagans, 2003).

5.2 Relationship for making knowledge sharing occur

Anxiety can erupt if workers are asked to make some changes in an abrupt notice without having enough time to configure out the dynamics: workers need to get acclimated in applying their know how that is compatible with the framework (Huang, Davison and Gu, 2008). Asking people to take part in knowledge sharing is about creating the capacity to perform, therefore workshops that provide an overview of the program's initiative and some case examples would offer a moral boost to take the necessary actions (Chow and Chan, 2008). Having learned from the mistakes the co-operative program administrators implemented a seminar that was designed for participants to obtain a better understanding of the initiative. The mentors who had previous experiences with the first batch of co-op students were invited to share their successes and lessons learned with the newcomers to the mentoring role and to impart the knowledge of building an effective relationship with their apprentice. The novice staff was able to learn from the best practices and to be more aware of what to avoid so that they will have a more positive working relationship with their students.

It's good to be mindful that certain individuals don't have the right personality for taking part in sharing knowledge, learning as a team, or being able to analyze a problem with other workers, because in a sense the world is not made up of people who will always display

the right working behavior for developing a good working relationship (Coakes, 2006). Furthermore, the issue is on developing a match for a sound working relationship that is composed of participants applying their discipline and abilities to help each other meet their needs and gain interests; such an idea preserves the good intentions from becoming redundant or banal when carrying out the work (Riege, 2005). Knowing that it was important in selecting qualified students for the position, the administrators allowed the human resources managers/company representatives to take the interview seriously so that they will know which students are the true candidates who were determined to take part in the co-operative studies and complete it. The selection process allowed the interviewers to see who would also fit their company's working culture. Furthermore, the selection process stimulated the students to decide on their career target before applying to any working positions. With the right ones selected by the companies, a "systems thinking" activity for the students was orchestrated by the co-operative administrators. The aim was to train the students in obtaining an overall view of a system in the workplace and prevent a myopic mindset that would have them view the working system in a separate frame of mind. The administrators provided facilitation to assist the students in grasping a better comprehension of the interrelationships as well as the cause and effect between groups in the system. The facilitation gave the students an overview of their job and made them become highly aware of the appropriate actions to take in order to achieve the positive results.

The intended outcome in knowledge sharing as a tool is for individuals to gain a better sense of self-confidence when engaging in a situation that may be beyond their capabilities but at the same time knowing that the uncertainties, mistakes, and errors are just the stepping stones for them to craft a better approach into making what they want to accomplish (Ho and Hsu, 2009). To assist the students in communicating initiatives that cultivated trust, honesty, and being upfront of knowledge, a personal vision activity was organized under the guidance of the co-operative program's administrators. The administrators helped the students to be aware of their real needs and creating a plan for their future. The students had full support in being more focused on their work and career. In this activity, the students were asked to explain their personal vision to see if it was truly attainable so that they don't overwhelm themselves with the burden of trying to achieve things.

5.3 Organizing participants for knowledge sharing

In the form of a social interaction process knowledge sharing involves the exchange of employee knowledge, experiences, and skills through the whole department or organization (Syed-Ikhsan and Rowland, 2004). A set of shared understandings can provide workers with access to relevant information and development as well as utilizing knowledge networks to assist them in getting something done better and more quickly in an appropriate manner (Panteli and Sockalingam, 2005). The administrators wanted to avoid repeating the mistakes in allowing some of the first batch to enter the co-operative program but then abruptly leaving in the middle of the planned curriculum. Therefore, they put a structure where students were able to recognize the directions that they can go to for discussing about ways to solve a particular problem which is related to the course of the program. The administrators brought the second batch to meet with members of the first batch who completed their study course. The first batch were able to provide a peer-to-peer assist in letting them know about the ways that they can succeed as well as fail in the co-operative program. This made the second batch more obligated to protect CMT's reputation. It also made these students install a higher sense of consciousness to their behavior for the aim of preserving their institution's status and image; because they represent their college's name.

The essence of knowledge sharing for an organization is about capturing, organizing,

reusing, and transferring experience-based knowledge that are embedded within the people and enabling them to make the understanding and know-how available for others who are about to go through the system (Iske and Boersma, 2005). The administrators invited the company mentors for a seminar to let them gain a clear understanding of the college's curriculum and the co-op process so that the new mentors would not give up so easily like the foremost mentors with the first batch of students. The objective of the seminar was to install discipline and focus towards the new mentors. These new mentors were exposed to learning about what had worked with the previous mentors and what needed improvement. With a single question facilitated by the administrators on "how to help the students perform in the workplace" the participants were able to generate some possible ideas to assist these students. By asking for their collaboration to constantly create a positive working relationship with the students, the mentors assigned tasks that were consistent with the students' knowledge, skills, and abilities. This had a direct affect on the second batch's working performance and the quality of their professional project.

Organizing through a structure must allow individuals the freedom to seek out and explore for accurate information while making sure that there are no mental constraints preventing them from gaining proper access to do so (Al-Alawai, Al-Marzooqi and Mohammed, 2007). It's not the rules and principles that make workers comply to what is expected to be done but rather on the design that provides the full support for helping people make some self-discoveries through activities that target to meet their needs, encourage doing in-depth research for personal interest, and developing a personal vision to check the current reality and desired future (Ghobadi and D'Ambra, 2012). Although there were still some difficulties for the students to make their vision come true, the mentors were able to design the work for them to constantly analyze the problems that were being faced and to seek for many solutions to escape out of the rut. For the second batch that weren't able to land a job with the company that they did their study with they truly felt appreciated in gaining the knowledge and ways of learning in a whole new dimension. It was a positive experience for them in making the learning transition from the classroom and into the workplace.

6. Discussion & Conclusion

No matter what the system is designed for or how it is implemented, knowledge sharing will always be a human event that blends the skills of working as a team, having a dialogue, analyzing information, and maintaining a collaborative effort. Needs of individuals must be taken into consideration in order for behaviors to be willing to participate in the coordination of events and collaborate towards helping others to achieve their goals and objectives (Rowe, 2005). Maintaining the behaviors for knowledge sharing in a cooperative education program comes from a sense of aligning the values for all participants involved in the process so that the results would demonstrate a great deal of buoyancy for all recipients in the course. Without a sense of being aligned, the issue of time, energy, and resources that are devoted to the program would become perishable. Developing the infrastructures for knowledge sharing is akin to building a place of residency where people feel at home and trust that the working relations are focused on good intentions that benefit everyone (Krot and Lewicka, 2011). Overall, the stated mission and objectives must be focused on to attain. Whether knowledge sharing is applied as an extension of a strategic plan or a tactic for getting results the method can only be effective when it is organized to enable participants to perform at their best and having the chance to learn, relearn and being passionate to keep on learning (Marquardt, 2011). This work stresses on the concept of knowledge sharing through the ideas of coordinating and collaborating, building the relationship, and organizing the people to be involved. The examined factors that enable knowledge sharing in this study does not quite capture the whole picture that could be applied to other organizational models.

Therefore, the limitation of this work should encourage future researchers to seek for other theoretical practices that could provide a greater understanding of how we can learn to make knowledge sharing a truly productive experience to be engaged with our fellow participants.

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The Effects of Task-Based Learning on Thai Students' Skills and Motivation

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Abstract

In education, task-based teaching approaches are increasingly seen as an effective way to involve students with tasks and problems, in contrast with more theoretical and topic-centered approaches. In fact, task-based learning has proven so effective that it has been adopted across a wide variety of disciplines such as education, medicine, and language learning.

Task-based learning not only encourages students to learn and retain language skills, but also encourages their creativity. Furthermore, the degree of interactivity is considered an effective way to achieve substantial educational results by stimulating students' motivation and willingness to learn and practice a foreign language.

This study examines the effect of task-based learning with Thai students at Stamford International University (Hua Hin Campus, Thailand).

The purpose of this study is to observe and test the impact of task-based learning on Thai students' motivation in completing assignments related to English language learning.

Keywords: task-based, skills, learning, English language, motivation, learning environment.

1. Introduction

1.1 Background information

Various strategies may be employed by teachers in order to overcome the perceived lack of motivation by students learning a foreign language. Of these approaches, the task-based language learning method focuses on asking students to perform meaningful tasks using the target language (typically in small groups). According to **Frost**, British council, Turkey, "task-based strategies offer an alternative for language teachers. The lesson is based around the completion of a central task and the language learning outcome is determined by the different steps of completion of the task".

By applying their knowledge in the completion of group tasks, Thai students may realize the importance of English language in real-life situations. Frost views the fact that "a natural context is developed from the students' experiences with the language that is personalized and relevant to them, while the PPP approach requires contexts which can be very unnatural".

Willis (1996), in her book 'A Framework for Task-Based Learning' explains that "the main advantages of TBL are that language is used for a genuine purpose meaning that real communication should take place, and that at the stage where the learners are preparing their report for the whole class, they are forced to consider language form in general rather than concentrating on a single form."

While a large number of studies focus on the benefits of this teaching approach, others point out that "task-based learning is not what many students expect and want from a language class and they may, at least initially, resist or object this type of instruction" (Lobato, 2011).

Also, some researchers such as Artamedi (2011) argue that "if students are notably lacking of skills such as individual and group responsibility and commitment, task-based instructions may indeed be difficult to implement".

The quantity of existing literature on the effect of the task-based learning on Thai students' motivation is limited and this study aims at filling this literature gap.

1.2   Possible positive impacts of task-based learning on Thai students' skills and motivation.

There are many different reasons to believe that using a task-based teaching method can be an effective strategy. The fact that more active engagement in tasks stimulates motivation and leads to improved English skills is undeniable.

Motivation is critical for students when learning a second language. Maintaining suitable levels of motivation supports the process of language learning and makes it much more productive. Motivation and a positive attitude have also been linked with second language acquisition according to Lightbown and Spada (1999).

Frost (2004) summarizes the advantages of using a task-based learning approach as follows:

- The students are **free of language control**. They must use all their language resources rather than just practicing one pre-selected item
- **A natural context is developed** from the students' experiences with the language that is personalized and relevant to them
- The students will have a **much more varied exposure to language**. They will be exposed to a whole range of lexical phrases, collocations and patterns as well as language forms
- **The language explored arises from the students' needs**. This need dictates what will be covered in the lesson rather than a decision made by the teacher or the course book
- It is a strong communicative approach where **students spend a lot of time communicating**
- It is **enjoyable and motivating**

Task-based learning is advantageous to students because it is more student-centered, allows for more meaningful communication, and often provides for practical extra-linguistic skill building.

Although the teacher may present language in prior to the task, the students are ultimately free to use what grammar constructs and vocabulary they want. This allows them to use all the language they know and are learning, rather than just the target language of the lesson. Students can also learn from their friends and draw on their own real-life experiences.

Furthermore, as the tasks are likely to be familiar to the students (for example, visiting a restaurant or booking a hotel), students are more likely to be engaged and develop collaborative skills, which may further motivate them in their language learning and critical thinking abilities.

When task-based learning is used to augment other teaching practices in a relevant and engaging way, it can be considered a highly effective approach that enables the teacher to achieve his goal of stimulating learning, enhancing the students' language abilities, and motivating them to actively participate and collaborate with their peers.

1.3 Limitations in task-based learning on Thai students' skills and motivation.

While task-based learning may be considered an effective teaching tool in many circumstances, it may fail to achieve the desired outcome without proper planning and supervision. It is clearly important to define the aims of the task beforehand, for example: to improve students' creativity and self-confidence in speaking a foreign language.

Task-based learning is not without its limitations however, though if they are understood fully by the teacher it is possible to minimize its potential weaknesses.

The drawbacks of task-based learning lie not so much in its potential effectiveness, but in problems of implementing the instruction; in other words, the coordination and supervision of the task.

A high level of creativity and initiative on the part of the teacher is required; if the teachers are limited to more traditional roles or do not have the time and resources to implement task-based teaching, its effectiveness will be severely limited, as additional resources beyond the textbooks and related materials found in classrooms are often necessary.

Task-based learning may not be what many students expect and want from a language class - they may, at least initially, resist or object to this type of instruction. In Thailand, students' motivation is often one of the most critical factors to encourage learning English, so if possible the task should contain elements of fun and of course collaboration.

Task-based learning also requires individual and group responsibility, and commitment on the part of students. If the students lack any of these qualities, task-based instruction may be difficult to implement. In fact, some learners may even revert to their native language when things get difficult or if the group feels impatient.

Pressure of time may force learners to make use of language that can be readily accessed rather than to attempt to create language in real time. There may be a minimal concern with accuracy and no incentive for learners to extend their existing language system.

Furthermore, evaluation of task-based learning can be extremely challenging. Its very nature prevents it from being measurable by some of the more restricted and traditional tests.

Researchers familiar with task-based learning have discussed its potential drawbacks as follows:

- **Seedhouse** (1999) states that it could be argued that task-based learning "**emphasizes too much on tasks and communicating meaning**, and this could have an impact on how to use the language with the correct form. It is also important to realize there is a lot more to communication than performing tasks".

- **Skehan** (1996) expressed that "**task-based learning could have some dangers if it is not executed correctly** and could result in affecting the growth and change of the language learners' interlanguage".

- **Swan** (2005) says "Task-based instruction is frequently promoted as an effective teaching approach, superior to "traditional" methods, and soundly based in theory and research. The approach is often justified by the claim that linguistic regularities are acquired through "noticing" during communicative activity, and should therefore be addressed primarily by incidental "focus on form" during task performance. However, this claim is based on **unproved hypotheses, and there is no compelling empirical evidence for the validity of the model**".

1.4   Hypothesis

Thai students' difficulties and lack of motivation in learning English as a foreign language often hinders their day to day progress in the classroom, and ultimately means they may struggle when attempting to use English in everyday situations. Thailand is currently

"ranked 55th from a list of 60 countries in terms of students' English proficiency skills", according to the Thai newspaper The Nation.

In order to teach English effectively to Thai students, teachers must use a range of teaching methods in the classroom, and employ strategies that elicit the best results. This largely depends on the individual students' needs, their level of motivation, and the capabilities and confidence of the teachers themselves.

For students to achieve any degree of success in English language skills requires a high level of motivation in order to become proficient. Previous research has shown that, in the right context, task-based learning helps students to become more motivated and gives them the ability to assimilate important information through the personal effort they put into understanding and participating in assignments within a group.

Problems related to the motivation of Thai students to learn English is an ongoing and long term concern, which may be overcome using a variety of diverse teaching methods, such as task-based learning.

The researcher believes that using task-based learning offers benefits at several levels:

- **The cognitive effect**: students may practice and apply the contents of a lesson in an entertaining context in order to achieve the desired results
- **The psychological effect**: the lack of motivation caused by the perceived difficulty of learning English can be offset by the goals of working (and playing) for the benefit of a team

However, the effectiveness of task-based learning activities is not without limitations.

The researcher believes that positive outcomes can only be achieved by having well-defined rules (i.e. 'terms of engagement') agreed upon before the task starts, as well as close supervision throughout to ensure adequate levels of participation and focus.

Likewise, assessment of the task may be complicated by the very nature of the activity. Therefore it is essential that criteria such as student participation, skills delivery and the ability for students to organize themselves and work in teams, is assessed to determine the efficiency of task-based learning.

Therefore, this study intends to answer the following questions.

1. What is the impact of task-based learning on Thai students' skills and motivation to learn English?

2. What is the level of effectiveness of task-based learning on the quality of the students' answers?

3. What is the perception of using task-based learning as an overall teaching strategy by the students?

2. Scope of the study

This study uses qualitative and quantitative methodologies, including observational notes, scores and questionnaires that were used to determine the effects of task-based learning on academic performances.

The identified variables are as follow:

- Student's motivation
- Student's capabilities
- Student's gender

2.1 Sample

The sample was composed of 31 Thai females and males aged from 18 to 22 in the process of completion of a bachelor degree. The students' level of proficiency in English

varied from beginner level to upper intermediate, and a few atypical advanced speakers. The different levels of skills referred to in this study were divided into 4 categories:

- Beginner level
- Intermediate level
- Upper intermediate
- Advanced

"ENG 111" description:

ENG 111 (Business English For Hospitality) is a graded course. The course description is as follows: "To develop students communicative proficiency by focusing on the 4 main skill areas (speaking, listening, reading & writing) and language use for specific contexts in the hospitality industry at an intermediate level.". The course aims to develop students' communicative proficiency by focusing on speaking, listening, reading and writing and the course objectives include:

1. Use appropriate conversational English in various types of work in the hotel industry.
2. Actively participate to role plays related to various topics in the hospitality industry using appropriate vocabulary and correct grammatical structures.
3. Use appropriate conversational strategies and language in the tourism and hospitality context.
4. Working in a bar and in a restaurant: recommending, explaining dishes etc.
5. Helping to solve guest's problem

As part of the curriculum improvement and for the needs of this research, the researcher also added reflective tasks to the contents of this course.

3. Methodology and data collection
3.1 Ethical considerations

During the first lesson, students were informed that they were part of an academic study related to the effects of task-based learning on their skills and motivation.

The researcher applied ethical considerations to ensure the students' privacy was safeguarded. In dealing with human subjects, the researcher followed a code of ethical principles, which requires investigators to obtain informal consent from all subjects, to protect subjects from harm and discomfort, to treat all experimental data confidentially and to explain the experiment and the results to the subjects afterwards.

3.2 Methodology and data collection used to assess the impact of task-based learning on Thai students' skills and motivation.

The task took the form of an off-campus activity in which students were asked to assume various roles - either employees or customers of a restaurant. The objectives were to strengthen the students' English speaking skills in a practical situation, and to improve their creativity and self-confidence in speaking English.

The assignment accounted for 10 % of the student's final grade.

The task was conducted in two separate groups (15 students in Term 1 and 16 students in Term 2), whereby group were then divided into three teams according to the students' affinities: cooks (4 students), waiters (3 students), and guests (8 and 9 students respectively). Each team was then assigned different tasks, ensuring that the requested efforts were distributed on a fair basis, as follows:

- *Cooks:* Setting up a menu, offering at least 5 different choices of dishes after consulting the other teams. Cooking and accurately describing cooking methods and ingredients they use in English.
- *Waiters:* Greeting guests, sitting guests, taking orders, explaining dishes, and handing out bills.
- *Guests:* Asking questions related to the dishes offered on the menu, ordering, asking questions about their bills, writing and presenting a review of the "restaurant" according to several criteria, in the style of popular websites such as Trip Advisor.

Qualitative and quantitative research methodologies were applied to assess the effectiveness of task-based learning among the tested students, as follows:

- Quantitative. After the task was completed, the researcher assessed students' performance in the following criterions:

Skills delivery of the content taught in the class, as used and demonstrated by the students in the task:

  o *Cooks:* The ability to explain recipes and describe the cooking methods in English within the team.
  o *Waiters:* They were assessed on the ability to interact with the other teams (in English) regarding the particulars of their role – taking orders, making suggestions, handling guests' complaints and settling bills
  o *Guests:* Their ability to conduct conversation in English in terms of ordering meals, their interaction with the other teams, and a written review (in English) which had to be similar in style to those found on Internet review sites

- Qualitative. An anonymous questionnaire aimed at assessing student's perception of using task-based learning as a teaching/ learning tool was handed out to the tested students.

The data was collected by Nicolas Jean Marc Pietri, lecturer at Stamford International University (Hua Hin campus), during the completion period.

4. Results and analysis
Results and analysis of the impact of using task-based learning on Thai students' skills and motivation.

a) Assessment of the task
Most of the students actively participated in the task and fulfilled their respective assignments. They were assessed in the task by the criteria previously mentioned according to their specific assigned roles.

The results illustrate that a high percentage of students (almost 71%) achieved a high score between 7 and 10 points in the task. These students were extremely engaged in the task, demonstrating high levels of group interaction and using English to the best of their abilities to accomplish the stated goals.

Due to the small sample size, the researcher would like to point out that the findings of the task were extrapolated.

However, it is felt that a larger sample size would produce similar results, and that further research would be a worthwhile activity.

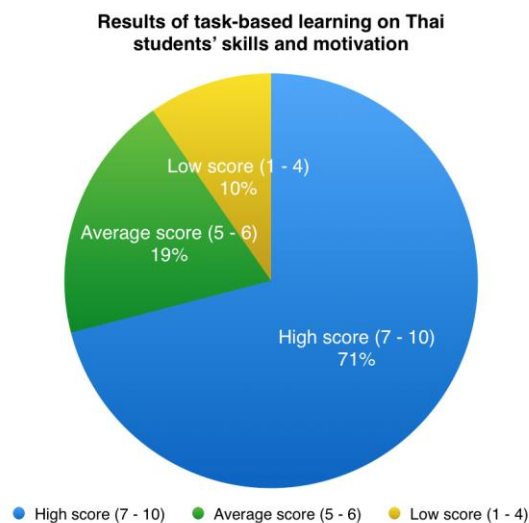The results are presented below in tabular and chart formats.

RESULTS OF TASK-BASED LEARNING ON THAI STUDENTS' SKILLS AND MOTIVATION.			
Sample: **31 students**	**High score (7-10)** (Number of students and percentage).	**Average score (5-6)** (Number of students and percentage).	**Low score (1-4)** (Number of students and percentage).
	22 **(70.97%)**	**6** **(19.35%)**	**3** **(9.68%)**

Students who were awarded 5 or 6 points (19.35% of students) achieved an average score, mainly due to poor skills delivery and a lack of effective interaction and communication with the other group members.

Only a small number of students (3, 9.68%) were awarded a low score. Those students largely failed to demonstrate adequate skills delivery, and were not able to work effectively within and across teams.

The high percentage of students who fell into the high scoring category suggests that on the whole, task-based learning is highly effective in bringing out students' abilities to their full potential. In general, those students leveraged their English language skills adeptly and appropriately to communicate their ideas and needs to the other students who participated in the task.

Results of task-based learning on Thai students' skills and motivation

- High score (7 - 10)
- Average score (5 - 6)
- Low score (1 - 4)

b) **Student's perception**

Table B. Assessment of the impact of task-based learning as perceived by the students:

In order to determine student's perception of the impact of the use of task-based learning to complete the activity, an anonymous questionnaire was handed out to a sample of 31 students (see 3.2, Qualitative).

Students were explained the meaning of the questions by the researcher. The 31 students returned the completed anonymous questionnaire to the researcher after having completed their assignment (as previously mentioned in this research article). The researcher assumes that the students' answers are reliable.

(See table on the next page).

In terms of student perception, the written review completed by the 'guests' after the activity itself also provided some worthwhile and interesting insights. Besides being part of the overall assessment, the Thai students were able to express their enjoyment (or otherwise) of the task in the review.

As an illustration, excerpts of comments from the written reviews are provided below. The students were asked to create a detailed review of the 'restaurant' and to rate the atmosphere, value, service and food in a similar manner to reviews on the website TripAdvisor.

- "The restaurant atmosphere and the open kitchen allows customers to see the meticulous cooking"

- "This is a casual dining restaurant with nature. The service is friendly, but with a lack of attention to guest service"

- "The restaurant has as beautiful view but the weather is hot…the waitress do not smile, slow service"

The written reviews were completed by every student acting as a restaurant guest, and judging by the attention to detail and colorful descriptions provided, anecdotal evidence suggests that the students benefited enormously from the task-based approach, in terms of the effort put into completing each task, and the enthusiasm demonstrated by each team.

STUDENTS' PERCEPTION OF THE USE OF TASK-BASED LEARNING ON THEIR SKILLS AND MOTIVATION

Sample: 31 students	Very high (Number of students and percentage).	High (Number of students and percentage).	Average (Number of students and percentage).	Low (Number of students and percentage).	Very low (Number of students and percentage).
How would you rate your level of motivation towards the completion of the task?	8 (25.81%)	12 (38.71%)	6 (19.35%)	4 (12.90%)	1 (3.23%)
How would you rate the impact of using task-based learning on your motivation, compared to an activity you would have completed using classic tools (such as pens and paper)?	18 (58.06%)	7 (22.58%)	4 (12.90%)	2 (6.45%)	0 (0%)
How would you rate your motivation to improve your skills in order to obtain a better final result?	16 (47.62%)	7 (19.04%)	5 (16.13%)	2 (6.45%)	1 (3.23%)
How would you rate the level of collaboration between the members of your team?	19 (61.29%)	6 (19.35%)	4 (12.90%)	1 (3.23%)	1 (3.23%)
MEAN	48.20%	24.92%	15.32%	7.26%	2.42%

It is necessary to mention some limitations in the methodology that led to the above results. The above questionnaire was filled by a small number of students (31 students). Therefore, the researcher wishes to extrapolate the above figures to show that the use task-based learning methods as perceived by the students had a significant impact on students' motivation to complete the project. 64.52% (25.81% + 38.71%) felt a high or very high level of motivation to complete the task.

5. Conclusion

The research into the effectiveness of task-based learning on Thai students' skills and motivation was shown to have produced extremely positive results. The activities and tasks designed by the researcher attempted to assess the students in real-world scenarios, in which they may find themselves needing to use English in every day scenarios.

The task was designed to draw upon the students' course structure and previous experience at university, while at the same time encouraging them to put those skills to practical use in a variety of tasks which were not necessarily familiar.

During the task chosen, it was necessary to split the students into several distinct groups, each with their own specific roles to play. It would make an interesting and valuable investigation to assess how the same students would perform if the roles were switched and the task re-run.

It has been shown that in general, the majority of Thai students excel at task-based learning activities, and on the whole they manage to overcome their inhibitions in terms of speaking and using English.

However, the method is not necessarily ideal for every student, and there are limitations which must be overcome to bring out the best in every student. In the researcher's experience, the small sample size was an inherent limitation which could be mitigated by further research performed with a larger group, or with additional activities with similar goals.

Assessment of this type of task is inherently complex, but it is felt that task-based learning is a solid approach that undoubtedly helps motivate Thai students, which ultimately leads them to improve their English speaking skills and delivery. After the task concluded, most of the students expressed satisfaction and indicated they felt it was a valuable learning experience.

It is believed that task-based learning should be used again, when appropriate, with Thai students. Based on the research conducted at Stamford University, it has been found to be an invaluable and effective approach that produces tangible results, and can be used to augment and support more traditional teaching methods.

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Progressive Incentivisation and Gamification in a Rural Education Development Initiative

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Abstract

The school system in South Africa faces serious challenges. Among them are ongoing changes to curricula, bureaucratic inefficiencies, teacher under-performance, lack of school leadership and management skills and the non-availability of learning and teaching materials such as textbooks, as highlighted by the recent textbook crisis in South Africa's rural provinces. The complexity of the school system and the interaction with other socioeconomic factors also significantly influence the performance of learners particularly in under-resourced and rural schools.

Educators and policymakers searching for solutions inevitably looked at ICTs (information and communication technologies). The ICT4RED (ICT for Education) initiative was launched by the South African government. The scope of the ICT4RED initiative was to make tablets available to teachers, learners and district officials and to explore and design various frameworks, models, guidelines and tools regarding teacher professional development (hereafter TPD). The decision was made to focus on the teachers and they were thus provided with tablets first. An 'Earn as You Learn' approach was developed, where progress was measured by using a badging system as a form of assessment and micro-accreditation. The badging system is based on the principles of gamification.

In this paper the implementation and evaluation of this badging system are discussed. The researcher focused on the linkage between incentivisation and gamification that was established in the project. Data was collected by way of five semi-structured interviews with coordinators of the project. Although the participants were in support of incentivisation and gamification, the electronic management of the badging system could not be implemented because of technological constraints.

Keywords: Badge, ICTs, tablets, digital, assessment, resource-constrained

1. **Background**

School education in South Africa, despite an investment of 20% of total government spending (Makholwa, 2014), still faces serious challenges. South Africa's education system is currently ranked at 133 out of 142 countries in the world by the World Economic Forum and the quality of mathematics and science teaching is ranked even lower at 138 (ITWeb, 2012).

The government initiated a myriad of interventions to address this untenable situation. One such intervention was conducted by the CSIR Meraka, a government research institute that specialises in technological interventions. Herselman, Botha and Ford (2014:14) explained that "(t)his intervention is coined the Information Communication and Technology for Rural Education Development (ICT4RED) initiative, which is a large-scale pilot (spanning a period of 3 years) that tested the use of tablets in 26 deep rural schools in the Nciba Circuit of the Cofimvaba school district in the Eastern Cape Province of South Africa." This region can be classified as a resource constrained environment. Anderson, Anderson, Borriello and Kolko (2012) defined such an environment as one "where there is low-income communities and low bandwidth. These environments provide unique challenges (e.g.

cultures in which people are unfamiliar with or afraid of technology, environments where power and network connectivity are scarce and expensive)."

The expansion of the use of ICTs into the schooling system seems like a logical solution. "Many ICT for Education initiatives in South Africa and the rest of the developing world have resulted in failure (Bladergroen, Chigona, Bytheway, Cox, Dumas, & Van Zyl: 2012). Teachers in rural areas are willing to use technology to support teaching and learning, but are not only under-qualified in terms of pedagogy and content knowledge, but are unable to integrate the technology into their teaching activities (Were, Rubagiza & Sutherland: 2011). In order to overcome this problem the managers of ICT4RED designed a Teacher Professional Development (TPD) framework towards the establishment of a more emerging teaching and learning environment for the information age. The ICT4RED TPD Toolbox combined technology and context.

Table 1: ICT4RED TPD Toolbox

Toolbox Operationalised as	Operationalised as
Appropriate Technology	Tablet, Tablet Cover, Earphones, SD Card, Tablet Pen, Car Charger. Access tablets for learners, appropriate digital content on local server.
Technology Knowledge	Technology skills related to the tablet
Pedagogical Knowledge	Teaching strategies that are appropriate for use with Tablets towards emergent learner centered practices in the teaching and learning engagement.
Content	Knowledge content related towards being, participating, teaching and learning in a digital world.

Botha (2014:91)

Tuition and gamifaction were combined in order to instruct students and teachers, through the use of gamification elements, to use mobile devices as educational tools in a traditional classroom environment (Botha, Herselman, & Ford, 2014). Gamification is used to help facilitate ordinary non-game processes by making it rewarding to participating users (Robinson & Bellotti, 2013). It offers the promise of rewards to those who reach specified milestone in the program (Botha et al., 2014).

2. **Literature Review**
Rural Education in South Africa

Surty (2012) outlined the primary challenges of rural education in South Africa. They are:

1.) Socio-economic conditions of South Africa that show a lack of help and governance support needed by illiterate and innumerate parents to help educate their children. 2.) A lack of resources, financial and otherwise make rural areas unattractive for recently qualifying teachers and thus these teachers leave for preferred urban areas. 3.) Inappropriate teaching methods that might have been effective in urban areas, but due to resource constraints cannot be applied to rural areas. 4.) A language barrier where the local language of the rural area does not match the teaching language thus resulting in a detrimental academic performance.

Incentivization

In a policy guideline of the British government incentivisation is defined as "(a) process by which a provider is motivated to achieve extra value added services over those specified originally and which are of material benefit to the user. These should be attainable against pre-defined criteria. The process should benefit both parties" (CIPS, 2006). Although the definition was formulated to be applied in a commercial environment, it fits well into the research domain that this researcher is working in. "Real life contexts are ideal for testing reward systems, incentives, and to observe player behaviour" (McCall, Louveton, Kracheel, Avanesov & Koenig).

Gamification

Gamification is defined by Deterding, Dixon, Khaled and Nacke (2011) "as the application of game dynamics and mechanics into non-gaming environments." There are three ways to apply a gamified process: changing behaviors, developing skills, or enabling innovation (Liyakasa, 2013).

Robinson and Bellotti (2013) highlight six major categories to classify gamification elements:

Gamification element	Gamification element summary
General Framing	Provides context and motivation for participation
General Rules and Performance Framing	Explains in general what is expected. In so doing, this orientates The user towards what constitutes 'good' performance in the gamified context.
Social Features	Permit the user to interact with others, at the very least outside the experience (perhaps to compare experiences), but often within the gamified experience itself.
Incentives	These may be intrinsic (such as experiencing flow (extrinsic and, practical), material or, in the case of extrinsic incentives, purely virtual, having value only to players.
Resources and Constraints	Are the bounds within which the user must operate to participate.
Feedback and Status Information	Allow the user to understand what is going on, what they must do next, what they have done recently and perhaps over the entire course of their engagement. Gamification elements may also provide information about the actions of others.

Zicherman advocates the following six principles for the use of gamification in an incentivization program:

Follow the principles of SAPS for the best rewards

SAPS stands for status, access, power and things. This is according to Zicherman (2014) a priority ranking of the value of the different rewards. "Employees want visible recognition from their peers and their superiors" (Zicherman, 2014).

Shorten the recognition cycle.

He recommends a weekly recognition and incentives.

Match incentives to individual staff members

Some staff members would like some time off while others would like off-site training.

Promote mastery

"Gamified incentives should be set up so the participants can build up their proficiency levels at a reasonable pace" (Zicherman, 2014).

A competitive environment

Incentives are valued more if they are won.

Introduce novelty for long term engagement

Employees need novelty and change to remain engaged. "Gamification could be kept fresh by tweaking the "game" itself or by shifting the focus from one area of the employee's work to another."

Educational gamification can be viewed as "the design strategy of using game design elements in educational contexts to support teaching and learning goals. Fundamentally Educational gamification has to be about learning and learning gains and should be grounded in best practice pedagogical principles" (Botha, Herselman & Ford: 2014).

Progression

The title of the paper starts with "progressive incentivisation." In the case of the project the element of progression is built into a learning path. "The teachers are taken on a learning journey where they can earn 13 compulsory badges and 5 optional challenge badges that they can try" (Botha: 2014b).

3. **Methodology**

Research methodology

The researcher conducted semi-structured interviews with 5 of the project coordinators. The respondents received guarantees of anonymity. The focus was placed on the implementation of the gamification/incentivisation part of the project as well as the challenges the respondents experienced.

Implementation methodology

Android tablet computers were chosen due to the open nature of the operating system and the large quantity of free apps that are available.

A diverse group of teachers were trained since TPD could not be subject or phase specific. The teacher, as content and context expert, would have to become a co-creator in the process.

Technology would be provided in use and not in case. This was done through a concept called 'earn as you learn'. This concept implied that the need for technology hardware would first be created and then met and then only when certain well defined goals had been achieved by the teachers and the institutions. These goals were articulated as badges that teachers had to attain in order to progress and eventually, when they had evidenced that they had the required competencies and skills to use the device meaningful within the learning engagement, the device ownership was transferred to the individual teacher. Depending on the demonstrated competencies and skills of the educators at a Teacher Professional Development school, the school would receive, or earn, various technology hardware.

The TPD course was designed in such a way that it did not require any Internet connectivity. Although this was not the ideal option, the deep rural environment in which the project took place left no other options.

The allocation of badges, as clear proof of goals attained in the teachers' learning path, would also provide opportunities for regular meaningful feedback whilst ensuring that the TPD sessions actually translated into a meaningful change in classroom practice.

The modules would 'walk the talk'. This implied that no teaching strategy or technology skill would be presented without it being demonstrated and modelled to the teachers. As such, the jigsaw teaching strategy was introduced and modelled through jigsaw, storytelling through storytelling and so forth.

The teaching environment was simulated to the teachers. The TPD would build a Toolbox of skills, technology and competencies that would empower teachers to integrate technology meaningfully into their classroom practice in order to portray a more emergent pedagogical engagement. Each module in the curriculum would deal with relevant content which would be taught using a teaching strategy where technology facilitates the teaching and learning interaction.

Botha (2014a: 91-92)

4. **Application**

"The ICT4RED course makes use of badges as part of an Earn-as-You-Learn System that acknowledges teachers' implementation of the course in their classrooms. The badges represent a challenge to apply a specific teaching strategy in their class; to use, create and licence some educational content and to demonstrate their technology skills" (Botha, 2014b). The teachers participating in the project could earn 13 compulsory badges and 5 optional ones. They were not only rewarded for the implementation of the technologies, they could also earn tablets and other technologies for their schools. Mobikits (shared, portable phones /laptops /tablets /netbooks to be used as a resource in the classroom) and data projectors were among the incentives they could qualify for (Botha, 2014b).

The set of badges looked as follows:

Botha (2014b)

The specification of the storytelling badge takes the following form:

Botha (2014b)

  The assessment criteria made provision for metrics as well as strategic objectives. These dimensions are clearly illustrated in the jigsaw example.

  Botha (2014a, 92) explained that "(t)he allocation of badges, as clear proof of goals attained in the teachers' learning path, would also provide opportunities for regular meaningful feedback whilst ensuring that the TPD sessions actually translated into a meaningful change in classroom practice. The learning pathway was graphically depicted to illustrate the implied course narrative. It looks like this:

Botha (2014b)

The project coordinators envisaged that the badging system would be implemented electronically. Due to the limited connectivity the designers were instructed to design an offline system. The project team set themselves the objective to design an electronic mobile badge collecting application with the purpose of displaying and unlocking badges that a user has earned. They declared that the application must allow users to receive and authenticate only badges issued to them personally. This application had to function in the context of a resource-constrained environment with the overall purpose of assisting the gamification principles of the ICT4RED project.

To enable the secure distribution and authentication of open source badges, a shortened standard sized ciphercode was employed. The ciphercode was of minimal length to ensure ease of use for non-ICT proficient and low-literacy users, enabling authentication in resource-constrained environments where data transmission is limited to non-existent.

In their feedback the participants indicated that they would prefer the badges in a non-electronic format. The project coordinators then switched to a sticker system where teachers who qualified for a badge would receive a sticker.

A tangible badge backpack was printed for each of the participants. These contained all the badge names, criteria for achieving the specific badge, evidence that would need to be submitted to earn the badge and assessment criteria that the participating teacher would have to produce. In addition there was a space for a sticker that would be issued to the participating teacher on completion of the badge. The badge sticker sheet was a tracking system whereby facilitators could keep track of which badges had been awarded and on what date this occurred.

The ICT4RED tries to ensure that the badges issued are accredited by the CSIR and that they are only issued to participants who have earned them. The project coordinators pointed out that with the limitations of a paper based system, the potential loss or unlawful duplication of a sticker badge is hard to prevent.

5. Findings

The views of the project manager

Of the 137 teachers that took part in the evaluation project, all of them achieved the compulsory badges and their feedback was overwhelmingly positive. This indicated that they felt they were able to integrate technology meaningful into their classrooms.

The manager in charge of the badging system, Botha, provided a summary of her findings regarding the goal, attainment, evaluation and the awarding of the badges. According to her it served a number of functions:
• It outlines a clear transparent expectation to the teacher from the initiative initiators.
• It provides an opportunity for the teacher to demonstrate individual proficiency and his/her competence is acknowledged.
• It allows teachers to individualise and appropriate learning into practice.
• It acts as a scaffolding environment for achieving the teacher development goal.
• It allows the initiative initiators to acknowledge individual growth.
• It acts as an early warning signal of teachers falling behind.
• It allows for timeous investment in further technology needs.
• It allows for champions to surface and to be acknowledged.

Botha (2014a: 107-108)

The views of the other respondents

The project coordinators participating in the semi-structured interviews shared their views on the outcomes of the project. It is their view that gamification added huge value to the project since the designers managed to merge the interests of the learners with those of the school and the participants (teachers). They nevertheless viewed gamification as a means and not as an end. It was a challenge to apply specific teaching methods in their class; to use, create and accept ownership of some educational content and to demonstrate their technology skills.

The coordinators felt that gamification in this instance worked well as a driver of performance since their performance was continuously measured against pre-defined metrics and objectives. It offered optimal transparency into the project's performance management strategies and expectations, and where their current performance is in relation to them.

It also gave them a sense of what they contribute to their school through their individual efforts.

Gamification allowed them to understand what their opportunities for improvement are and gave them more agency in monitoring and managing their own performance.

Furthermore, using games and a game-like environment to overcome challenges, i.e. no textbooks has received wide attention in government circles and the popular media. This attention has also raised awareness among researchers and politicians by using games and gamification experimentally in a nonentertainment context.

The project coordinators were disappointed that the electronic nature of the project could not be followed through in the badging system. Botha et al., (2014) explained:

> The ICT4RED project is currently running in a resource-constrained environment where there is a lack of infrastructural development, limited cell phone coverage and no data coverage (NSTF, 2014). This leads to issues when developing mobile applications, as most educational applications require some internet connection. Due to the resource constrained environment, the ICT4RED project is not currently able to

employ the open badges aspect of the gamification initiative as the participants have no way of receiving or authenticating the badges they have earned.

Technological constraints forced them to revert to a tangible system of badges as a manifestation of the school culture that was prevalent in the rural areas. Tangible badges on backpacks were used in the pilot phase of the project. Since it was also an accepted practice in the schooling environment, it was seamlessly accepted by the participants. The coordinators nevertheless vowed to investigate the possibility of using mobile phones for implementation.

The project coordinators were satisfied that the sustainability of the project was secured by the empowerment of local officials to manage the badging system. This transfer of power was confirmed in Botha's report. She stated that "a group of independent badge assessors were appointed to collect the badges. This group included some subject advisors from the district office" (Botha 2014a:118).

The coordinators were in agreement that the metaphor of the learning path could have been enriched by adding a narrative. The usage of a linear learning path was a bit bland. The fun and enjoyment of the narrative would not have detracted from the focus of the project. They felt that by implementing an application that was designed within a narrative, the participants might have gained a better understanding of the holistic value of the project.

The element of incentivisation that was embedded in the "earn as you learn" dimension added huge motivational value to the project. The coordinators were of the view that it promoted teamwork and collegiality. They felt that incentivisation should be the driver in any gamification initiative.

6. **Conclusion**

The attempts by a government-sponsored research agency, CSIR Meraka, to help solve some of the education problems faced in rural South Africa by introducing technology into the teaching process rendered mixed results. The agency initiated the TECH4RED (Technology for Rural Education Development) program which teaches teachers, through the use of gamification elements, to use mobile devices as educational tools in a traditional classroom environment.

The proposed linking of gamification with incentivisation worked well, however, the lack of a proper narrative hampered the full utilization of the gamification model. The resource-constrained environment in which the project was conducted prevented the implementation of the electronic badging component. The coordinators expressed the view that there is a definite place for this type of sugar-coated training in the educational environment.

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