Corporate Social Responsibility and Southern Thai Culture:
A Study of Multinational Corporations in Southern Thailand

A thesis submitted in fulfilment of the requirements for the degree of
Doctor of Philosophy

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STATEMENT OF AUTHORSHIP

I certify that except where due acknowledgement has been made, the work is that of the author alone; the work has not been submitted previously, in whole or in part, to qualify for any other academic award; the content of this thesis is the result of work, which has been carried out since the official commencement date of the approved research program; and, any editorial work, paid or unpaid, carried out by a third party is acknowledged.

Kunlagan Boonyauva

March 2014
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DEDICATION

I dedicate my effort in completing this thesis to my beloved parents and dearest sisters, Poh Ban, Mae Nit, N’Bua and N’Bell. Thank you for never failing to believe in me. I am blessed to have a very warm and supportive family.

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ABSTRACT

Southern Thailand is unique in various ways. Its culture, ethnicity, tradition and value differ from other locations in Thailand. Due to its richness in natural and human resources, Southern Thailand has long been one of the strategic locations for multinational corporations (MNCs) in Thailand especially in Para rubber industry. Culture clearly affects how MNCs operate in the host countries. Corporate social responsibility (CSR) is one of the vital business and social actions by MNCs in Thailand. At this stage, however, academic knowledge underpinning the links between Southern Thai culture and CSR still is unclear.

This study, thus, explores the effect of organisational culture and Southern Thai culture upon CSR strategy among MNCs in the Para rubber industry in Southern Thailand. To achieve this objective, the study adopted a qualitative study approach. Researcher used in-depth interviews and focus group interviews as primary data collection methods.

The in-depth interviews with seven managers working in international rubber industry and fourteen employees in rubber MNCs was conducted in order to explore issues related to organisational culture and how Southern Thai culture affect CSR strategy. The three focus group interviews with key rubber stakeholders (managers, local community and industrial government officers) were also conducted to investigate their perceptions regarding CSR strategy by MNCs.

Findings suggest that leadership influence and corporate actors influence have the large effect on organisational culture towards CSR strategy at MNCs. In particular, different leadership styles are likely to have different personal obligations to undertake CSR strategy and create different CSR activities. In addition, the influences of local culture shapes strong value systems among rubber stakeholders. The finding suggests that in terms
of building up good CSR, working and motivating employees and local community, understanding the uniqueness of Southern Thai culture for MNCs has significance impact upon the operation of international rubber in Southern Thailand. The result reveals specific distinctive characteristics of Southern Thai people. They include Jai-Yai (ใจใหญ่), Trong-Pai-Trong-Ma (ตรงไป ตรงมา), Hua-Mor (หัวหมอ) and Rak Puak-Pong (รักพวกพ้อง) which mean generous, straight forward, shrewd, and communitarian (respectively) have significantly affected on CSR strategy at MNCs.

The last finding from this study suggest that understanding different point of views from which managers, local communities and government’ officers look at CSR strategy have pertinent role in stimulating and improving CSR activities. All managers acknowledged that MNCs need strong relationships with local community to be able to work on community development programs. The environmental issue was discussed as negative feedback from local community groups regarding their perceptions towards CSR. Interestingly, social problem issue was reported as critical issue among local people in the community.

This study sheds light on the relationship between cultural factors, organisational issues and CSR strategies in the Southern Thai context. It is the researcher’s fervent hope that this research will yield practical and managerial contributions beyond the outcome of these findings, and will create a new understanding of Southern Thai culture linked with the implementation of CSR strategy among MNCs, local community and government officers, thus creating new directions for future research.
CHAPTER 1: INTRODUCTION

"Without culture, and the relative freedom it implies, society, even when perfect, is but a jungle. This is why any authentic creation is a gift to the future."

Albert Camus

This chapter provides an overview of the principal reasons for undertaking this thesis, followed by a discussion of research purpose, problem of the study, research background and research benefits. Research objectives are then outlined and finally the structure of this thesis is presented.

1.1 Research Problems and Purposes

This thesis explores the effect of organisational culture and Southern Thai culture upon corporate social responsibility (CSR) strategy among multinational corporations (MNCs) in the Para rubber industry in Southern Thailand. The views and experiences of key stakeholders involved in the implementation of CSR strategy are discovered in order to understand their perceptions regarding CSR strategy.

CSR is a well-known business philosophy that designates a collection of different and yet related terms: corporate philanthropy, corporate citizenship, business ethics, community involvement, corporate responsibility, social responsibility investment, sustainability, triple-bottom line, corporate accountability and corporate social performance (Silberhorn & Warren 2007).
CSR is often defined as an organisation’s obligation to consider the interests of customers, employees, shareholders, communities and ecological considerations in all aspects of their operations (Mattila 2007). Along with the rising popularity of the concept, studies into what determines the extent of CSR have also emerged, especially in most developing nations. In order to be competitive in today’s global market economy, businesses needed to be socially responsible and sensitive to the interests of their various stakeholders including the environment, human rights, sustainable development and society in general (Wilson 2003).

Interestingly, the organisational culture field has also become involved in studies of CSR (i.e. Carroll 1979; Schein 1992; Alas & Vadi 2006; Pohl 2006; Kuratko, Hornsby & Goldsby 2007; Jaakson, Vadi & Tamm 2009). It is confirmed that CSR is dependent on culture (Jaaksin, Valdi & Tamm 2009). In the context of transition economies, organisations with stronger culture are found to be better able to pursue changes (Alas & Vadi 2008). Becoming socially more responsible would be an example of those changes (Jaakson, Vadi & Tamm 2009). Despite increasing globalisation in modern economy where we witness the integration of national cultures, culture still matters, yet corporate cultures remain distinct, in part because national cultures are different. Every country has a unique culture defined by shared beliefs, spirituality, rituals and values (White 2008). As mentioned in his study, Thai culture is also unique and renowned for its complexity (Pimpa 2012, pp. 35). There are certain characteristics of Thai culture which remain powerful. Thailand is a collectivist country, where ‘people from birth onwards are integrated
into strong, cohesive in groups, which throughout people’s lifetime continue to protect them in exchange for unquestioning loyalty’ (Hofstede 2001, pp. 225).

Over the past decade a large body of research has been carried out under the broad theme of CSR. The topic of CSR has been of considerable importance in Thailand and is regarded as a necessity (Panyarachun 2003). Hence, most domestic and MNCs in Thailand are currently pursuing CSR as one of the key business strategies.

Due to its uniqueness in culture, ethnicity and value and richness in natural and human resources, Southern Thailand has long been one of the strategic locations for MNCs in Thailand. The missing links among Southern Thai culture, CSR, MNCs and organisational behaviour are clearly evident in Thai studies and international business studies. It is noteworthy that there are few studies concerning how MNCs often struggle to respond effectively to CSR issues that are important to their host countries socially and culturally (Logsdon & Wood 2005). One consequence is that there is no explicit theory that distinguishes between multinational and local CSR (Huemer 2010). The issue which links the concerns of strategy scholars, institutional researchers and business ethicists is whether MNCs should follow local practices or act according to global standards (Huemer 2010). As a result, it is important for MNCs to understand the value of local culture since MNCs are situated in multiple institutional fields where they usually operate under different pressures (Oliver 1991), cultural and social contexts, the response may be different management practices in different countries (Gooderham, Nordhaug & Ringdahl 1999).
This research, therefore, aims to investigate the effects of organisational culture and Southern Thai culture on CSR strategies from MNCs in Para rubber industry in Southern Thailand. Various perspectives from different stakeholders in the community and MNCs (such as managers, government officers and community leaders) are also explored in this study.

1.2 Research Objectives and Research Questions

CSR and the relationship with culture by MNCs has been identified in numerous studies (Carroll, 1979; Schein, 1992; Clarkson, 1995; Quazi, 2003; Logsdon and Wood, 2005; Alas & Vadi 2006; Pohl, 2006; Husted & Allen, 2006; Fernandez et al., 2006; Kuratko, Hornsby and Goldsby, 2007 Jaakson, Vadi and Tamm, 2009; Pedersen, 2010; Huemer, 2010). However, little analytical attention has been paid to specific local culture like Southern part of Thailand where it is known as a rich part among value natural resources and is a major area of several international industries such as Para rubber Industry.

Para rubber industry was chosen as a study for this thesis. Para rubber is an economic crop of Southern Thailand. It has long been a strategic commodity in Thailand, where production has been historically concentrated in the South. According to figure 1.1 it is assumed that the southern part is the heart of rubber production in Thailand. It occupied about 95 per cent of the total area (Department of Trade Negotiation Thailand, 2006). Due to rapid growth of world demand for Para rubber, Southern Thailand continues to attract MNCs in investing in Para
rubber industry. They have increased their roles in rubber products, especially in
glove and condom manufacturing. Therefore, it is important to better understand
the organisational culture differences among headquarter countries operating their
MNCs in Southern Thailand, which should be reflected in the results of their CSR
strategies.

**Figure 1.1: Top 7 natural rubber producers**

![Top 7 natural rubber producers/exporters in 2010](image)

Source: Association of Natural Rubber Production Countries (2010)

The importance of understanding how CSR and organisational culture can promote
value creation in the modern global economy in international business; the limited
focus on research in the area of CSR strategy and local culture in Asia, especially
in Thailand; an adequate understanding of CSR strategy and local culture at MNCs;
and the importance of understanding perceptions of key stakeholders regarding
CSR strategy at MNCs in the Para rubber industry.

First and foremost, according to the study by Pohl (2006), CSR is not content in
and of itself. Instead, it represents the broad spectrum of an organisational culture.
Organisational culture is a factor influencing practically all aspects of
organisational intersection. Organisational culture can be seen as beliefs and expectations that bring about norms that powerfully shape the behaviour of individuals and groups in the organisation (Schwartz & Davis 1981). CSR can eventually be seen as a way that an organisation puts into action and demonstrates its corporate culture such as attitude, value, belief, norm and customs. It can be concluded that organisational culture influences CSR actions.

The thought that culture presents yet another challenge to formulating global best practices of CSR is likely to come across as one of the most interesting issues among several CSR practitioners and scholars, especially those who are active at the international level. Culture does matter; thus the topic of CSR can be seen as part of organisational culture and a value in the organisational culture environment (Strautmanus 2007). More importantly, as Williams & Aguilera (2008) state, studies in CSR and culture are underappreciated compared to other aspects in international business studies. Understanding this issue will promote value creation by MNCs in the modern global economy since some studies in international business (i.e. Logsdon & Wood, 2005; Husted & Allen, 2006; Huemer, 2010) reveal that MNCs often struggle to respond effectively to CSR issues that are important to their host countries socially and culturally.

Second, prior studies demonstrate several pieces of research into the area of CSR and local culture, mainly focused on North America and Europe (Jaakson, Vadi & Tamm 2009). However, it is argued that the result from those researchers may be different in Asia from those in the West. As Chapple & Moon (2007) point out,
CSR issues in Asia are different and more fundamental than those in the West in that CSR issues in Asia encapsulate ‘problems’, such as the lack of disparities in education, poverty, labour rates and standards, human rights, health care, corporate governance and vulnerability to national disasters. To shed further light on this topic in Asia, this study focuses on the relevant issues that affect local culture in regard to CSR strategy in the Asian setting, with a particular focus on the Para rubber industry in Southern Thailand.

Thirdly, the concepts of CSR, as perceived and understood among business practitioners in Southern Thailand, have rarely been elaborated in any significant detail (Kuasirikun 2009). Although the history of adopting the CSR concept in Thailand spans more than 20 years, the core principles of CSR are not new, but CSR remains under-researched, especially in the Southern Thai context. Similar to most developing nations, Thailand has been one of the major benefactors and contributors to the globalisation of production and markets. Most MNCs located in the south of Thailand have been contributing back to the country and the region in various ways. It is, therefore, challenging from the academic perspective to explore CSR issues in Southern Thailand. As a result, to gain insight into the relationship between local Southern Thai culture and CSR would be of significance.

Finally, it is important to understand perceptions regarding CSR actions among stakeholders in the Para rubber industry in Southern Thailand. According to the results of a global survey by Ernst & Young (2002), 94 per cent of companies
believe the development of a CSR strategy can deliver real business benefits. Alas & Vadi (2006) stated that the main aim of being engaged with CSR strategy is to create value for both internal and external stakeholders. To be able to develop a CSR strategy and create value for their stakeholders, organisations are required to understand their perceptions. As such, this study provides additional insight into the perceptions of key stakeholders regarding CSR strategy at MNCs in the Para rubber industry.

Taking the abovementioned points into consideration, this study aims to investigate the effects of (1) organisational culture, and (2) Southern Thai culture on CSR strategies among MNCs in the Para rubber industry in Southern Thailand. In order to illuminate understanding on such complex relationships, research objectives (ROs) are set and followed by research questions (RQs). ROs and RQs will be used to encompass this research, and to seek answers on the relationship between CSR, Southern Thai culture, and organisational culture. Figure 1.2 displays the relationship among ROs and RQs.
To achieve the research objectives of this study, the conceptual framework is developed to establish the scope of the study and provides a roadmap describing its purpose (see figure 1.3).

**Research Objective**

RO 1: To investigate the effect of organizational culture on CSR strategies by Multinational Corporations in Southern Thailand.

RO 2: To investigate the effect of local Southern Thai culture and the implementation of CSR strategy by Multinational Corporations.

RO 3: To identify the perceptions of key stakeholders regarding CSR strategy by Multinational Corporations in Southern Thailand.

**Research Question**

RQ1: To what extent does organizational culture affect CSR strategies by Multinational Corporations in the Southern Thailand?

RQ2: How does local Southern Thai culture affect the implementation of CSR strategy by Multinational Corporations?

RQ3: What are the perceptions of key stakeholders regarding CSR strategy by Multinational Corporations in Southern Thailand?
The research framework is constructed based on the literature on organisational culture and CSR strategy. The conceptual model displays the link between CSR and organisational culture in MNCs in Southern Thailand. These following issues are explored in this study.

**The link between organisational culture and CSR strategy by Multinational Corporations**

It is evident that the implementation of CSR depends on the combinations of organisational and societal factors (Jaakson, Vadi & Tamm 2009). Ralston (2009) proposed that the issue of CSR is a phenomenon both external and internal to organisations, as it lies on the cusp of organisational culture and social expectations. The manifestation of cultural differences between organisational units could be reflected in the locus of control for the activities (e.g. CSR activities), performed by difference parts of the organisation (Ralston 2009). Hillman and Keim (2001) indicate that it is important to identify the links between organisational culture and the CSR expectations. Therefore, the RQ1 is constructed and contributes to the research in Southern Thai context regarding the effect of organisational culture upon CSR strategy at MNCs.

**The link between local Southern Thai culture and the implementation of CSR strategy**

The RQ2 explores the characteristics of Southern Thai culture that affect the implementation of CSR strategy. Based on the examination of previous studies, it
is evident that little attention has been paid to investigating the relationships between local Southern Thai culture and the implementation of CSR strategy. As such, this study provides additional insight into how local Southern Thai culture affects CSR strategy within MNCs.

**The perceptions of key stakeholders regarding CSR strategy by Multinational Corporations**

According to Freeman (1984, pp. 146), a stakeholder is ‘any group or individual who can affect or is affected by the achievement of the organisation’s objectives’. Stakeholders may be the key in establishing a more far reaching approach to the innovative strategies involved in CSR (Kuratko 2007). If a company does not focus on stakeholder perception as a factor in influencing the CSR strategy, then further problems may develop in implementation of CSR activity (Kuratko 2007). This RQ3, therefore, focuses on the perceptions of three key stakeholders - managers, government officer and local community - towards CSR strategy. It is believed that their perceptions can eventually provide measures and instruments to make better CSR strategy.
1.3 Research Benefits

MNCs
This study provides an understanding on improving and developing CSR strategies specifically for workers and the community in Southern Thailand. The result reflects CSR actions that improve the conditions of work in the Para rubber industry. The focus on organisational and local culture at MNCs in Southern Thailand also fills the gap of knowledge regarding Thailand and Thai studies.

Governmental Body (the Department of Industry)
Government plays a significant role in development of Para rubber industry in Thailand. Its role is to promote feasible policy guidelines for the Para rubber industry. The Department of Industry is seen to be a facilitator in cooperating and building good relationships between MNCs and local community. This study, therefore, sheds light on promoting the practices of relevant CSR issues among key stakeholders (MNCs, government and local community). Findings from this study can improve Governmental policies on CSR and business-community engagement.
Local Community

The outcome of the research can influence community engagement strategies among various stakeholders in the Para rubber industry. The community will benefit more from CSR activities when they fully participate with various stakeholders. Furthermore, the researcher aims to understand participatory approaches by the local community when it comes to Southern Thai culture, and how it influences CSR actions. This study, thus, provides intellectual understanding regarding the relationship among CSR approaches by MNCs, community reactions, and Southern Thai culture.
1.4 The structure of the written thesis

Figure 1.4 outlines the organisation of this thesis. This thesis consists of eight chapters

Figure 1.4: The organisation of thesis

The thesis is structured in the following order:

Chapter 1 provides a brief overview of this research, including a discussion of research purpose, problem of the study, research background, research benefits, the motivation and research questions.
Chapter 2 provides an in-depth literature review on corporate social responsibility, examining two pertinent literature streams: organisational culture and Southern Thai culture. The literature continually reviews emerging themes on leadership style and social factors in regard to CSR strategy.

Chapter 3 reports on methodology, which employs both in-depth interview and focus group interview methodology. This chapter begins with an overview of assumptions underlying the use of a qualitative method approach. The justification of qualitative studies is explained before detailing the research design and methodology used in this study.

Chapter 4 provides the background, scenery and settings of seven MNCs which have been observed by the researcher and presented in the observation method style.

Chapter 5 reports on the findings of research question number one, beginning with a discussion of the influences in organisational culture which affect CSR strategy. The chapter then presents the main current finding on two emerging themes which affect CSR strategy by MNCs: 1) Leadership influence and 2) Relationships among actors in rubber industry.

Chapter 6 reports on the qualitative findings on research question number 2, interviewing seven managers and fourteen employees. It begins with a discussion on
the characteristics of Southern Thai culture, which are comprised of generous, sneaky, straight forward and communitarian traits. The chapter then describes how those characteristics of Southern Thai culture affect the implementation of CSR strategy.

Chapter 7 provides evidence to examine research objective number three which is to investigate the perception of three groups of key stakeholders regarding CSR strategy at MNCs in Southern Thailand. This is in order to understand different points of view through which key stakeholders (managers, local communities and government’ officers) look at CSR strategy. The finding was presented in the ‘focus group’ interview style.

Finally, Chapter 8 presents the conclusions and discussion of the study. The concluding chapter presents an overview of the findings in relation to the three research questions that are the focus of the thesis. This is followed by a discussion of the practical contributions of the research.
Chapter 2: Literature Review

Chapter 2 begins with the first part of an introduction to corporate social responsibility (CSR) and its definition. This is followed by the review of literature on CSR at MNCs. The second part focuses on an organisational culture literature review. An analysis of linkages between CSR and organisational culture in the literature is discussed in this embodies two constructs: leadership style and social influence. In an overview of Southern Thai culture, relevant literature is discussed in relation to the cultural issues and their impact upon the implementation of CSR strategy. This chapter concludes with a review of literature regarding the perceptions of key stakeholders towards CSR strategy.

2.1 Corporate Social Responsibility (CSR)

Scholars have studied the social concerns of firms for many decades. However, it is only recently that interest in corporate social responsibility (CSR) has become more widespread (Serenko & Bontis 2009; Wagner, Lutz & Weitz 2009). The term, CSR, is broad and complex. The notion of what CSR is and of what companies’ responsibilities are, has evolved into varying forms and meanings during the past 50 years (Rajanagorn 2012). In general, CSR is a widely defined concept concerning the responsibilities of organisations or business in particular toward society. CSR could involve the interaction of the corporation with the social obligations to the society in which it operates.
While researchers and practitioners have not yet agreed on a single definition by which CSR can be understood (Waddock 2004), there are common elements among these various definitions that share a similar meaning. Carroll’s definition of CSR in year 1983 and 1999 has been widely accepted and used as a base point for referring to CSR concepts (Crane & Matten 2004).

Based on what is relevant to this thesis, CSR is defined as the way in which firms conduct their business in a way that is ethical, society friendly and beneficial to stakeholders and to community in terms of development (Ismail 2009). The concept of CSR has continued to grow in importance and significance (Carroll & Shabana 2010). Today, one cannot pick up a newspaper, magazine or journal without encountering some discussion of the issue, and some recent or innovative example of what business is thinking or doing about CSR (Carroll & Shabana 2010).

The CSR issue is also linked to stakeholders because, to achieve the successful implementation of CSR, managers must build bridges with their stakeholders through formal and informal dialogue and engagement practices in the pursuit of common goals, and to convince them to support the organization’s chosen strategic course (Andriof & Waddock 2002). Calvano (2007), proposed that increasing conflict between MNCs and local communities is a result of confluences of three interrelated factors: stakeholder power inequalities, stakeholders’ perception and cultural context. Therefore, the issues of stakeholders’ perception and cultural
context are very important in regard to the CSR issue among MNCs. These are examined in this thesis.

2.1.1 CSR and Multinational Corporations

There has been a growing interest in CSR in developing countries over recent years, in recognition of the fact that context matters (Kolk & Lenfant, 2009). According to recent developments in CSR literature, the spread of CSR principles would inevitably have a significant impact on MNCs (Chiara & Spena 2011). The literature on MNCs and CSR is still embryonic (Rodriguez et al., 2006). There have been a number of recent special issues such as those in Journal of Business Ethics and Journal of Corporate Citizenships (Kolk & Lenfant 2009). While publications have helped gain more insight into CSR in many developing countries, a closer look shows that there are only a handful of researchers investigating the CSR issue at MNCs in Thailand.

An overview of studies on CSR and MNCs indicates the lack of research on CSR linkage to local culture where MNCs are located. It also appears that few researchers are investigating the links between CSR issues and local culture among MNCs, especially in the case of Thailand. As MNCs by definition are organisations that are not only located in one single country but in many (multi) different countries, the situation brings a lot of advantages but also comprises the challenges to combine many different nationalities and also diverse cultures under one roof. As CSR becomes increasingly important to MNCs (Fulop et al. 2000; Joyner &
Payne 2002), it is essential that researchers understand how local culture affects CSR strategy at MNCs. Yet, questions of how MNCs adapt their CSR strategy to local practices remain under-explored.

Logsdon & Wood (2005) stated that it was also noteworthy that there were few studies concerning how MNCs often struggled to respond effectively to CSR issues, which were important to their host countries. One consequence is that there is no explicit theory that distinguishes between multinational and local CSR (Huemer 2010). The issue which links strategy scholars, institutional researchers and business ethicists is whether MNCs should follow local culture practices or act according to global standards (Huemer 2010). Since MNCs are situated in multiple institutional fields they usually operate under different pressures (Oliver 1991). The response may be to apply different management practices in different countries (Gooderham, Nordhaug & Ringdahl 1999).

In defining multinational and local CSR, Husted & Allen (2006, pp.838) suggested that the former deals with the organisation’s obligations based on those ‘standards to which all societies can be held’, whereas local CSR deals with the organisation’s obligations based on the standards of the local community. ‘A strategic approach to CSR requires that organisations select a CSR strategy contingent upon the demands of local and multinational stakeholders, just as organisations select an organisational strategy contingent upon multinational and local market demands, although the pressure need not parallel one another’ (Huemer 2010, pp.15). As MNCs have more public exposure than local organisations, they need to be more
sensitive towards local CSR activities (Prout 2006). However, the roles of MNCs were also hailed by civil society members and other stakeholders for conducting beneficial activities in the host countries (David 1999; Wiig & Kolstad 2010).

Christmann (2004) also found strong evidence that MNCs subsidiary dependence on the rest of the company for resources was positively related to the MNE’s global standardisation of environmental policies. Organisations with a relatively centralised organisation, she argued, are more likely to engage in self-regulation through company-wide environmental policy standardisation and thus have the potential to exceed local government regulation in countries with a lower level of environmental regulation.

In addition, MNCs have expanded the scope of their reach and influence with the advent of globalization and recent waves of liberalisation and privatisation (Jamali 2008). With the advent of globalisation, the track record MNCs have been mixed at best in the relations to their CSR (Jamali 2008). Developing a mutually beneficially relationship with stakeholders at the local level requires local engagement, which means that CSR should be contextual and locally responsive. For MNCs, such an argument would suggest that the most effective CSR practices are likely to emerge in decentralised organisations, where subsidiaries in host countries are characterised by a considerable degree of autonomy and develop CSR strategies that are responsive to the local context (Muller 2006).
Nonetheless, Calvano (2007) stated that in an increasingly globalised business world, the analysis of multinational corporation and local community conflict would be incomplete without a discussion of culture. The importance of cultural adaptation is also acknowledged in the study of global CSR and ethics (Rao, 1994). As a result, CSR expectation is influenced by cultural, global and local factors.

However, the development impact of MNCs in terms of industrial growth, managerial knowledge transfer, and development of host country employees’ skill is well documented and has been applauded by civil society and other concern (Jamali 2008). The adoption of CSR activities could bring about mutual benefits for both MNCs and citizens of the host country (Jain & Vachani 2006). CSR activities that represent high stakeholder values as well as high social orientation could perform better if they depend on the organisation’s ability to gauge stakeholders’ expectation correctly (Barnett 2007).

2.1.2 CSR and Stakeholders

Although the concept of CSR has a long and diverse history in academic literature (Carroll 1999), there is still no agreed definition (Fisher 2004). Within the CSR perspective, stakeholders of the firm are defined as individuals or groups which are either harmed by or benefit from the firm (Crane & Matten 2004). A matter of concern to Collier & Esteban (2007) is that CSR is not an optional extra. All businesses, particular those that operate at transnational level, are responsible not only for the ethical conduct of their operations, but also for their impact on all their
stakeholders now and in generations to come. Hsieh & Chan (2012) further explained that the fundamental idea of CSR is that businesses are obliged to satisfy the needs of various stakeholders. It is to meet the expectation of various stakeholders that businesses have to undertake a series of management behaviours. One concern is that, if an organisation’s CSR policy or implementation method has a direct effect on a particular stakeholder group, this organisation will be tremendously affected by how this stakeholder group evaluates it (Castka & Balzarova 2008).

In this thesis, CSR is a concept whereby companies fulfil accountability to their stakeholders by integrating social and environmental concerns in their business operations (Tanimoto & Suzuki 2005). Traditionally the broader CSR debate has been conducted within the frame of stakeholder theory, which positions CSR strategies in iterative dialogue with a firm’s stakeholders (Burke & Logsdon 1996); (Waddock & Boyle 1995). The concept of the stakeholder implies that various stakeholders such as shareholders, employees, creditors, suppliers, customers, government and local community can have interest in a corporation’s activities and behaviour (Qu & Leung 2006). CSR and stakeholder theory have emerged as important areas of research in the field of ‘business and society’ (Mishra & Suar 2010). Most research views CSR strategy as CSR activities that are good for society as well as good for business (Porter & Kramer 2006). Ven & Jeurissen (2005) advocated that the more organisations integrate CSR into their corporate strategy, the better organisations will be able to satisfy the demands of stakeholders. Many researchers adopt the resource dependence theory, the
management of stakeholders and organisational life cycle to examine how these perspectives affect managers in their strategic planning, to explain why organisations in different life cycle stages must take on different strategies in response to the demands of stakeholders (Jawahar & McLaughlin 2001).

Hence, there is clearly some merit to a stakeholder approach to CSR (Jamali 2008). Indeed, Maignan et al. (2005) proposed that even though businesses in general are accountable toward society at large, an individual business can be deemed responsible only toward stakeholders or definable agents with whom it interacts. It appeared that many organisations are expected to responsibly manage permeable organisation boundaries and acknowledge a duty of care towards traditional interest groups as well as silent stakeholders - such as local communities and the environment (Simmons 2004). Since the stakeholder of the firm has become the dominant paradigm in the field of CSR (McWilliams & Siegel 2001), MNCs are not only held responsible for social practices within their own premises, but increasingly for the social performance of their suppliers, and ultimately for the entire chain (Andersen & Skjoett-Larsen 2009; Wong & Taylor 2000).
2.2 Organisational Culture

Organisational culture is typically defined as a complex set of values, beliefs, assumptions and symbols that define the way in which a firm conducts its business (Barney 1986). It is the pattern of basic assumptions that a given group has invented, discovered or developed in learning to cope with its problem of external adaptation and integral integration (Schein 1992). Cameron & Quinn (1999) define culture as the core values, assumptions interpretations and approaches that characterise an organisation. Schein (1990) cites the pattern of basic assumptions that organisations use to cope with external adaptation and internal integration problems, in which ‘shared perceptions, patterns of beliefs, symbols, rites and rituals and myths evolve over time and function as the glue that holds the organisation together’ (Zamanou & Glaser 1994, pp.3).

As a driving force behind all the actions in the organisation, organisational culture has significant impacts on many aspects of the organisation (Barney 1986), including MNCs strategy. The organisational culture literature suggests that organisational culture not only directly impacts MNCs strategy, but also affects its performance implication (Dangayach & Deshmukh 2011). Yet, little attention has been paid to the effect of organisational culture and CSR strategy at MNCs which leads to the critical research question: ‘to what extent does organisational culture and Southern Thai culture affect CSR strategy by MNCs?'
2.2.1 Organisational Culture and CSR

The main aim of being engaged with CSR activities is to create cultural value for both internal and external stakeholders (Alas & Vadi 2006). In the context of economies in transition, organisations with stronger culture were found to be better able to pursue changes (Alas & Vadi 2006). Pohl (2006) explained that CSR is not content in and of itself, but instead represents the broad spectrum of a company’s corporate culture. CSR, therefore, can eventually be seen as a way that organisations put into action and demonstrate their corporate culture such as attitudes, values, beliefs, norms and customs.

According to Strautmanis (2007), social responsibility is part of organisational culture and a value in the organisational culture environment. Most organisation scholars and observers recognise that organisational culture has a powerful effect on the performance and long-term effectiveness of organisations. It is clear that organisational culture has a potential impact on organisational performance. Thus, culture could enhance the level of organisational commitment and thereby ensure organisational success (Rashid, Sambasivan & Johari 2003). Empirical researchers, Cameron & Ettington (1988), Denison (1989) and Trice & Beyer (1993) have produced an impressive array of findings demonstrating the importance of culture to enhance organisational performance. Although these studies have contributed to the understanding of cross-cultural CSR, there has been limited research examining whether CSR yields different business benefits in contrasting cultural context (Lo, Egri & Ralston 2008). Aguilera & Jackson (2003) proposed that a cultural context
approach can help identify and explain why CSR facilitates organisational success in some places but has negligible influence in others. It is also clear that understanding and defining organisational culture is a complex issue which depends upon how individuals in groups perceive and enact their reality and thereby define the organisation’s culture (Merali 2006).

Moreover, Thronton & Jaeger (2008) proposed that the values, beliefs, attitudes, and norms of a company play a pivotal role in conducting CSR. Yet, the extent of practised responsibility imposed by culture remains a future challenge. It is believed that there are only a few studies available that offer insight into the relationships between CSR and organisational culture (Jaakson, Vadi & Tamm, 2009). Most of them are from North America and Europe. For example, Thornton & Jaeger (2008) examine two public universities in USA that show tight links between the universities’ cultural tools and their support for different dimensions of civic responsibility. While Maigan & Ferrer (2005) introduce what role CSR may play in the market discipline, they failed to mention the topic of organisational culture. They merely identified the relevance of national culture under an ‘organisational norms’ section (Jaakson, Vadi & Tamm 2009). Furthermore, Hillman & Keim (2001) also indicate that there has to be a comparison between organisational culture and CSR expectations. Also, the work of Carrasco (2007) pointed to the cooperative type of organisation, which functions on the basis of values held in CSR in particular, it appears there has been no cultural research conducted specifically in cooperatives.
One of the biggest challenges when operating business globally is to understand the cultural differences. The work of Trompenaars (1992) has played very important roles in cross-cultural communications among international business studies. His work has strongly shown how cultural differences affect business life and business management.

Therefore, this can be a good challenge to investigate the relationships between local Southern Thai culture and the implementation of CSR strategy. Studies have also indicated that CSR attitudes vary with culture (Sakkas 2002), corporate environment (Lepourte & Heene 2006), business size (Lepourte & Heene 2006), financial condition (Mark-Ungericht & Weiskopf 2007), and stakeholder interests (Pirsch et al. 2007). It is evident that there is no single piece of research that basically looks into the specific characteristics of Southern Thai culture. Since there is also a gap of evidence in the relationships between organisational culture and CSR, this research attempts to examine the effect of organisational culture towards CSR strategy by looking deeper into the uniqueness of Southern Thai culture.
2.3 Southern Thai Culture

Southern Thailand is a part of Malay Peninsula. It is a narrow piece of land with a length of 750 kilometres from the north to the south. It adjoins the sea, with a central mountain range, running from north to south between the east and west coasts (Kittawon et al. 2002). The Gulf of Thailand is on the east side and on the west side is Andaman Sea. The South has a typical monsoon weather pattern with frequent rainfall, high humidity and two seasons: summer and the rainy season. The population in the Southern part of Thailand is one-tenth of the overall nation, with 79 per cent of the population on the eastern side along the gulf and another 21 per cent on the Andaman Sea side (Kittaworn et al. 2002).

Southern Thailand is known for its rich natural resources. The main occupations for Southern Thai people are agriculture, fisheries, trading and tourism, with 45 per cent employed in agriculture, fisheries and transformation of agricultural products,
15 per cent in trading and another 13 per cent of the population work in the area of tourism and services (Kittawon et al. 2002).

Southern Thailand has been able to develop its own particular culture. Kittaworn et al. (2002) mentioned that Southern Thai communities were characterized as being self-reliant, leading simple ways of life, maintaining a balance with the surrounding environment, treasuring freedom, being individualistic, admiring people who believe in truth and honesty, being strict about sexual conduct, revering dignity, loving and protecting their kin and being attached to their homeland.

Nevertheless Southern Thailand has faced big changes in all dimensions of development. It is believed that there is a satisfaction with what can efficiently be produced in the local community (Kittaworn et al. 2002). Development with its big changes brought capital and technology to local communities. Therefore, it is essential for southern Thai people to begin to realise the importance of ‘CSR’ issues and consider it as part of their life in order to protect their own community.

Kim & Reber (2008) stated that the significant influence of values in CSR means that CSR can vary depending on different cultures and countries. People from different cultures and nations must have different programs and different perceptions of the roles corporations play in term of social responsibility (Yungwook & Soo-Yeon 2010). To come across insights into the relationship between CSR and culture, especially Southern Thai culture can be attention-grabbing (Su 2006), since the geography and people of Southern Thailand are
distinctly different from other parts of the country. The appearance of the Southern Thai people is also distinct. Commonly, Southern Thai people are short with black hair, dark eyes and generally have darker skin than Thais from other parts of the Kingdom. Southern Thai people also have their own dialect (Sugunnasil 2005).

Generally, their personalities are strong as their persistence predominantly identifies them. However, apart from their persistence, Southern Thai people are generally gentle, reserved, and giving (Sugunnasil 2005). It appears that Southern Thai people are much more aggressive compared to other regions in Thailand which means they obviously can express directly how they feel and what they think. Sugunnasil (2005) proposed that, although Southern Thailand is a dynamic and diverse region socially, politically and economically, it had received comparatively little attention until the recent escalation of violence and instability. Despite the fact that many local Southern Thai researchers, as well as long list of foreign researchers, have conducted studies on Southern Thailand, there has been no forum to bring such research to intellectual attention.

Pongpaiboon (2004) stated in his work about Southern Thai culture that the way power systems of southern Thai communities had occurred and taken course was because of close interactions and a shared life among these people. The conditions of topography, climate, the resources of the South are the factors and limits accumulated and adapted by Southern Thai people to mold their ways of livelihood in harmony with their environmental conditions (Pongpaiboon 2004). According to the religious identity in Thailand, Buddhism is the majority religion of Thailand;
however Muslim is also one of an important religion especially in Southern part. There were many Thai-Muslims living in the Southern Thailand as it is near the border of Malaysia, where the vast majority of the country’s Muslim, predominantly Malay in origin, is found in Southern Thailand. In some Southern provinces where the Muslim population is substantial, organisations who employ Muslims allow them to leave for important Muslim festivals and to work half-days on Friday, the Muslim holy day. In essence, MNCs in Southern Thailand need to consider their CSR strategy as it relates to Thai-Muslim employees and Thai-Muslim local people (Kittaworn et al. 2002).

However, the concepts of CSR as perceived and understood among business in Southern Thailand has rarely been elaborated in any significant detail (Kuasirikun 2009). Chongruksut (2009), in her research about organisational culture in Southern Thailand found that there was no statistically significant difference in dimensions of culture among firms with different organisational structure. She also found there was no statistically significant difference in organisational culture between wholly Thai-owned (local) and partly foreign-owned (multinational). Companies will necessarily have to take into account cultural differences when defining their CSR policies and communicating to stakeholders (Bird & Smucker, 2007). This study therefore, will be a significance piece of work, in terms of looking at the relationships between local Southern Thai culture and CSR strategy.
2.3.1 National culture versus Organisational culture

The influences of national cultures shape strong value systems among their members (Pagell et al. 2005). The resulting shared values, preferences, and behaviours of population groups differ widely between countries. That is frequently also the case between different subgroups within a country; therefore, the term ‘national culture’ can be used to refer to part of the people in given country (Pagell et al. 2005).

From an organisational culture perspective, cultivate culture is a symbol in tying others in nurturing of relationships within organization. The benefit of cultivating helps establish common values and align behaviours among employees. It is believed that most MNCs use employee handbooks, corporate ethics guidelines, written value definitions, and other tools for their employees world-wide in order to drive the alignment (Pagell et al. 2005). According to the findings from Granell (2000), cultural differences were significantly greater between local and foreign managers working within the same MNCs; for example when working for MNCs, Germans seemingly became more German etc. It is assumed that one cannot safely undertake that even a very powerful culture will render national influences insignificant. It is in a company’s best interest to carefully assess its organisational culture against the local cultures in all countries and regions they are engaged in. Similarly the company must develop ways to resolve actual conflicts in ways that keep its foreign employees at ease (Pagell et al. 2005). The notion of culture, on the other hand, has to do with sensemaking devices that are carriers of meaning such as
rules, codes, stories, rituals, rewards, and leadership. Some aspects of the culture are visible and tangible; some operate at an unconscious level. Because they govern evaluation and decisions within the organisation, these devices can to some extent be regarded as control systems aimed at regulating action and influencing behaviour (Trevino et al. 2003). Nor is it always the case that there is cultural uniformity across an organisation. Culture can be integrative, where shared meanings are held in common and where there is consensus, consistency and clarity (Collier & Esteban 2007).

In addition, it is concern of Christman (2004) that the organisational culture of company plays an important role towards the degree of adaptation or standardisation of CSR. If MNCs strive for organisational consistency, they will adapt their general strategic approach also to CSR management. Additionally the standardisation of CSR approaches will cause more internal resistance, the more subsidiaries have autonomy in other areas.

2.4 CSR and Leaderships Influence

The focus on CSR has increased significantly, and what is witnessed are more pressing calls for a responsible global leadership (Maak & Pless 2009), along with an increase in regulation, and an insistence that business should respond effectively to stakeholder demand (Dunning 2003). Considering the evolution of CSR, the type of leadership should be changed in order to make organisations more responsible for the requirements of society. In this respect, understanding differences between
different types of leaders becomes important Shahin & Zairi (2007). Understanding the influences and considerations of the decision-makers in MNCs towards CSR adds to the knowledge management and leadership. The identification of influences and priorities in making decisions about CSR may lead to fundamental changes in management and leadership theory for MNCs. Argyris (1998) argued that effective modern leadership required leaders to understand the decision-making processes and their influences. The choices and decisions made by managers or leaders of MNCs involving expenditures for CSR may reflect various influences and may affect the effectiveness of the operations. These influences may be conscious and purposely oriented toward a set of beliefs or they may involve an indirect or subconscious influence (Hauser 2006).

The globalisation of firms is encouraging the spread of CSR practice, and it is becoming increasingly clear that we need to understand the antecedents of such practices (Gunther 2005). According to Shaw (1990 p. 3), ‘what is characteristic or prototypical of a leader may be different in distinct cultures. Culturally endorsed difference in leadership concepts can affect the reactions of others to a foreign manager in a way that impedes cross-cultural leadership success’. Other researchers have also supported the notion that leadership is essential to the development and implementation of CSR practices in MNCs (e.g., Waldman, Sully, Luque, Washburn & House 2006). What is clear is that the notions of social responsibility and responsible leadership are interrelated and that the essence of CSR lies within leader responsibility (Fassin 2008). In particular, considering the importance of leadership in shaping organisational strategies and practices, the lack
of research on the interface between organisational leaderships and CSR is noteworthy (Waldman & Siegal 2008; Groves & LaRocca 2011). Although different leadership styles have been linked to organisational effectiveness measures (Lowe et al. 1996), no prior research has investigated how leadership styles influence the organisational culture which affects the implementation of CSR strategy. The leadership style is also found to play an important role in socially responsible organisations.

2.5 CSR and Headquarter Expectation

Integration between headquarters and subsidiaries is one of the central topics in the MNC literature (Kranias 2001). According to Aguilera & Yip (2004), headquarters is usually more powerful than host country stakeholders and they exert more influence on company strategies. With respect to decision making, most MNCs stated that CSR decisions are usually taken at the headquarters level, which suggests that CSR is seen as a corporate function that requires global coordination (Baskin 2006).

Headquarter and subsidiary relationships are known to be strongly influenced by culture (Kostova & Roth 2002), especially in Eastern and Western parts of the world, because of differences in market, configuration, variations in economic indicators and geopolitics (Keller & Wu 2012). According to Nohria & Ghoshal (1994) MNCs with headquarters and subsidiaries sharing similar preferences and interests regarding the corporate strategy, while subsidiaries having sufficient
autonomy hold a competitive advantage. This is because these types of MNCs should be more reactive to the local community while continuing to share knowledge and information with other units of the MNCs (Fey & Furu 2008). In addition, Bouquet & Birkinshaw (2008) found that initiative-taking and profile-building activities of foreign subsidiaries predicted attention from the headquarters, because variations may exist across regions, industries and firms in terms of the headquarters’ expectations of subsidiaries’ actions. Therefore, it is a challenge for subsidiaries to take responsible actions that benefit society beyond the requirements of the law and the direct interest of shareholders (McWilliams & Siegel 2001).

Some studies have already highlighted the effects of the introduction of CSR projects into MNCs’ strategies. However, little attention has been paid to the influence of transverse CSR structure on headquarters integration (Cruz et al. 2009).

2.6 CSR and Employees Involvement

The influence of CSR performance on internal stakeholders (i.e., employees) is gaining attention from management researchers (Berger et al. 2007; Brammer et al. 2007; Collier & Esteban 2007; Larson et al. 2008; Peterson 2004; Rodiago & Arenas 2008; Rupp et al. 2006). The CSR of a company is a reputation factor and is an attractive force for potential and current employees (Turban & Greening 1997). In the research of Bhattacharya (2008), it was confirmed that when an
enterprise has fulfilled its CSR and has associated it with the daily management, it will then bring a positive effect to the enhancement of the employee’s loyalty. Also, when employees conceived more from the involvement of the enterprise in CSR, they will tend to have stronger organisational commitment to the organisation.

According to Collier & Esteban (2007), organisations may fail to convince stakeholders that they are serious about CSR unless they can demonstrate that their policies consistently achieve the desired social, environmental and ethical outcomes. As it is the employees, rather than the board of the consultancy firms, who carry the main burden of responsibility for implementing ethical corporate behaviour in the daily working life of the company, the achievement of those outcomes will largely depend on employee willingness to collaborate. It is believed that the effective delivery of CSR is dependent on employee responsiveness. In order for employees to deliver on CSR requirements, they firstly have to be motivated to do so, and secondly to be committed to surmounting the challenges and attaining the goals of responsible corporate behaviour (Meyer et al. 2004).

Furthermore, Bhattacharya (2008) pointed out that employees will feel proud of the good reputation acquired due to organisational participation in CSR, which in turn will bring a positive influence to the work attitude and will also enhance the organisational commitment from the employee to the organisation. It has been mentioned by few research studies (Peterson 2004; Martin, Jones & Callan 2005; Lindorff & Peck 2010) that CSR performance in an organisation has an effect on
employee attitude. As employees generally have strong identification with the organisational value, organisations that are dedicated to CSR can better attract, motivate and retain employees. The research by Hsieh & Chan (2012) also revealed that employee perception of the organisation’s CSR effort has a positive effect on organisational commitment. In order to motivate employees to work for CSR goal and create maximum values, organisation should fulfil their responsibilities towards employees and maintain a positive relationship with them. Stawiski et al. (2010) proposed that in order to yield maximum benefits of CSR, employees should be involved in decision making regarding which actions should be undertaken relating to environment, community, employees themselves and the likewise. The more employees are influenced by CSR actions, the higher will be their organisational commitment, and consequently it will enhance their productivity.

Despite a vibrant debate concerning CSR and its link with corporate strategy, practical guidelines for CSR are often unclear (Porter & Kramer 2006). In particular, research on CSR has predominantly focused on responding to external stakeholder views. A consideration of a company’s internal stakeholder – employee - is with rare exception (Hine & Preuss 2009; Johansen 2008; Rodrigi & Arenas 2008). As a consequence, there is a neglect of CSR as a dynamic and developing process that relies on the involvement of the employee as a major stakeholder in its implementation (Bolton et al. 2011). In addition, the research of Collier & Esteban (2007) suggested that it was not enough for MNCs to have only CSR mission statements and codes of ethics. As a result, CSR needs to become embedded in the
cultural fabric of the business as well as in the hearts and minds of its members. Thus, those who are responsible for CSR strategy and CSR direction need to respond to the challenge of enabling and nurturing employee commitment to CSR so that the business develops an integrative CSR culture where social responsibility becomes a central plank in the collaborative search for the common good and sustainable future (Collier & Esteban 2007).

2.7. Managers’ perceptions towards CSR strategy

Managerial perceptions are often built around mental models, images and metaphors that shape the managers’ understanding of the world as well as their decisions and actions (Harrison & Boyle 2006). Managerial commitment to CSR may have its origin in their personal characteristics, as managers represent a business as an individual and make decisions as an executive. It appears that perceptions of managers of the world around them are likely to be influenced by their inherent as well as acquired characteristics gained in course of their careers (Quazi 2003). However, managers at all organisation levels have critical strategic roles to fulfil for the organisation to be successful (Floyd & Lane 2000; Ireland, Hitt & Vaidynath 2002). The stakeholders’ views on CSR performance of business are enormous, and the key responsibility in this performance goes to the managers generally and the top management of the corporation specifically (Mamun & Ahmed 2009). Realising an importance of the CSR and managers’ perception, there are number of studies have tried to identify the linkages between CSR and various management characteristics. For instance, Quazi (2003) identified some
correlations between the attitudes towards CSR and managers’ demographics. Fernandez et al. (2006) undertook a comprehensive literature review in order to develop a profile of the environmental manager. The perceptions of CSR guide the executives’ actions which in turn can be expected to shape organisational behavioural and performance (Pedersen 2009).

The work of Pederson (2009) regarding manager perception towards community and society, mentioned that managers believe that MNCs have responsibilities towards local communities and society more generally, however, it is difficult to precisely determine what these responsibilities actually include. As the responsibilities tied towards the local community and society seem to be a result of the business activities, environment-friendliness and the care of the employees.

Therefore, to understand CSR it is necessary to recognize the perceptions of managers regarding CSR and how they view the role of business and society. Another work on managers’ attitudes toward CSR by Rashid & Ibrahim (2002) also stated that although the managers had positive attitudes towards CSR, the extent of their involvement in CSR was lower today than a decade ago. The level of awareness appears to have improved slightly. Since family upbringing and traditional beliefs and customs have much influence in shaping the managers’ attitudes towards CSR, it is imperative that efforts should be made to install such values in the younger group. As a result, this will consequently improve their general attitudes towards CSR and their commitment towards CSR activities.
Community is generally defined as a group of people sharing a common purpose, who are interdependent for the fulfilment of certain needs, who live in close proximity and interact on a regular basis (Ismail 2009). CSR towards community is seen in terms of philanthropic giving, public-private partnerships, and participation in social and economic development issues (Mishra & Suar 2010). In a community, there is a sense of the feelings of cooperation, of commitment to the group welfare, of willingness to communicate openly, and of responsibility to and for others as well as to one’s self (Ismail 2009). The impact of globalisation and a greater understanding of the effect of business activities on local communities have given additional impetus to the corporate social responsibility movement (Overland 2007). Organisations should develop social contract with the community and their corporate citizenship behaviour should be assessed (Burke 1996 & Logsdon 1996). With the recent focus on bottom line such as people, planet and profit, ideas like deepening partnerships between business and community (Johnson et al. 1995; Waddock 2001) are gaining currency. Addressing of issues such as philanthropic giving, public-private partnerships, and social economic development of the surround community depicts CSR as community-focused. Moreover, community leaders could play an important role in the responsibility for the success of any community event, depending on the needs of the community, and the individual’s own feeling (Ismail 2009). In addition, local community leaders could strive to influence others to take responsibility for their actions, their achievements and the community welfare. In order to develop closer ties between MNCs and community
regarding CSR strategy, it is suggested by Ismail (2009) that MNCs should focus on environmental protection, with initiatives aimed at reducing their environment footprint. Therefore, an understanding of the perception of local communities can be useful for MNCs in order to improve their performance regarding CSR strategy.

However, while MNCs have come to terms with CSR agendas; the concept of CSR itself remains ambiguous. Although many MNCs have attempted to integrate CSR in their strategic decisions and implementations, few seem to have found a proper balance between their aspirations in CSR and their performance in emerging markets (Tan 2009). What is lacking is a better understanding of what exactly is required of today’s MNCs to simultaneously generate profits for stakeholders and make a positive contribution to those multiple stakeholders and also investigate the perceptions of key stakeholders regarding CSR strategy. It is concluded that CSR should benefit the community because the latter has a very complex structure as it consists of individuals with various levels of control of resources physically and intangibly.

2.9 Government officer’ perceptions towards CSR strategy

Moon (2004) mentioned that over the last decade, governments have joined other stakeholders in assuming a relevant role as drivers of CSR. Although, there is broad consensus that CSR has a business-driven approach and that the main focus of CSR development is the business sector, attention must also be paid to the
development and application of CSR within the framework of other stakeholders such as government, from a rational perspective (Albareda et al. 2008).

According to the research by Steurer (2009), the reason for government interest in CSR is because the respective efforts by business can help to meet policy objectives on a voluntary basis. This motivation touches not only on policy objectives related to sustainable development and environmental protection, but also to foreign policy goals such as human development and development assistance (Haufler 2001). It is also argued that even though governments can influence MNCs behaviour by taxes and environment regulations, they are not able to control their foreign operations (De Bettignies & Lepineux 2009). In addition, ‘there is a concern that government in-house policies need to be consistent with the behaviour they are promoting in the business sector, and that they should create level playing fields for business operating in different countries’, as CSR is related to global business activities and their social and environmental consequences (Albareda et al. 2008 p. 360).

For governments, CSR brings with it the need to manage a complex set of relationships between sectors. An understanding of the increasingly interdependent political, regulatory, and commercial exchanges between sectors, and the perceptions and challenges of different stakeholders, are important considerations for developing CSR policy (Albareda et al. 2008). Apparently, previous research on Government officers’ perceptions is mainly in more developed economies like Western countries (Steurer 2009). Similar research investigating the Government
officers’ perceptions regarding CSR strategies, especially in Thailand, remains scarce. There are few researchers who have attempted to study CSR and Government officers’ attitudes (Ahmed & Rahim 2002; Rashid & Ibrahim 2002; Ramasamy & Ting 2004).
CHAPTER 3: METHODOLOGY

‘Our understanding of things, concepts or ideas that we might take for granted are not somehow natural or pre-given but rather the product of human actions and interactions, human history, society and culture’

Tim Rapley 2007

The chapter discusses the overall research design and methods used in this thesis. It begins with the research paradigm by outlining the ontology, epistemology and methodology. It provides justification for the qualitative approach taken in this study and explains technique the used in the interview which including the in-depth interviews and focus group interviews. The process of data collection, coding and analysis are also explained. The chapter concludes by defending the research approach through a discussion of the reliability and validity of this study.

3.1 Introduction

This thesis employs a qualitative study approach. The qualitative research allows the researcher to examine a broad range of interconnected processes or causes using words to obtain a better understanding (Denzin & Lincoln 2005). The primary objective of this study is to investigate the effect of organisational culture and Southern Thai culture on CSR strategy and to gain an understanding of stakeholders’ perceptions regarding CSR strategy by MNCs, in this case through a study of Para rubber industry in Southern Thailand. This chapter describes the
methodology used in this research. The chapter explains the methods adopted in the research and highlights the key methodology issues and challenges which were encountered.

Despite the increasing interest in CSR strategy and culture in international business literature, there remains a paucity of evidence on the influences of organisational culture and CSR strategy (Kalyar et al. 2012). Therefore, a qualitative approach, which is said to be important in researching a new area (Edmondson & McManus 2007), was considered methodologically appropriate.

3.2 Research Paradigm

The term research paradigm refers to the theoretical framework which underpins the research process. The framework provides a sound guiding structure and range of acceptable tools that help the researcher to find answers to the questions they have set. According to Taylor, Kermode and Roberts (2007), a paradigm is a broad view of perspective. It can be viewed as a set of basic beliefs or a distillation of what we think about the world (but cannot prove).

Kuhn (1970) also mentioned that a paradigm could not be adequately described in words, yet a paradigm can be viewed as ‘a set of basic beliefs that deal with ultimates of first principles’ (Guba & Lincoln 1994, pp. 105). Moreover, a paradigm is a way of thinking about and conducting research. It is not strictly a methodology, but more of a philosophy that guides how research is to be conducted.
(Gliner & Morgan 2000). It is necessary for the researcher to understand the philosophical position of research issues in order to understand the different combination of research methods. In order to gain a better understanding of how the researcher chose the methodological approach in this study, the research paradigm is discussed to complete the best fit for this study.

There are four research paradigms: positivism, critical theory, constructivism and realism (Guba & Lincoln 1994) that could be relevant for this thesis. The conceptual framework (or paradigm) underpinning this study is constructivism. The following section provides discussion and justifies the selection of constructivism as a theoretical basis for this study.

Denzin & Lincoln (2000) discussed how the four paradigms contend with each other for legitimacy and intellectual hegemony in research – these four paradigms are positivism, post-positivism, constructivism and critical theory. Philosophical assumptions that depict these four different paradigms are summarised in table 3.1.
Table 3.1: Four categories of scientific paradigms and their elements

<table>
<thead>
<tr>
<th></th>
<th>Positivism</th>
<th>Critical theory</th>
<th>Constructivism</th>
<th>Post-positivism</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ontology</strong></td>
<td>Reality is real and apprehensible</td>
<td>‘Virtual’ reality shaped by social, economic, ethnic, political, cultural and gender values, crystallised over time</td>
<td>Multiple local and specific ‘constructed’ realities</td>
<td>Reality is ‘real’ but only imperfectly and probabilistically apprehensible</td>
</tr>
<tr>
<td><strong>Epistemology</strong></td>
<td>Objectivist: findings true</td>
<td>Subjectivist: value mediated findings</td>
<td>Subjectivist: created findings</td>
<td>Modified objectivist: findings probably true</td>
</tr>
<tr>
<td><strong>Methodologies</strong></td>
<td>Experiments/surveys: verification of hypotheses, chiefly quantitative methods</td>
<td>Dialogic/dialectical: researcher is a ‘transformative intellectual’ who changes the social world within which participants live</td>
<td>Hermeneutical/dialectical researcher is a ‘passionate participant’ within the world being investigated</td>
<td>Case studies/convergent interviewing: triangulation, interpretation of research issues by qualitative and by some quantitative methods such as structural equation modelling</td>
</tr>
</tbody>
</table>

Source: Healy and Perry (2000)

According to Guba (1990) paradigms can be characterised through their *ontology* (e.g. what is reality?), *epistemology* (e.g. how do we know something?) and *methodology* (e.g. how to find out?). Guba & Lincoln (1994) explained positivism and post-positivism as directly associated with the idea of objectivism because their ontologies, epistemologies and methodologies have underpinned research in the mathematics, physical, sciences and natural. On the other hand, another two paradigms (constructivism and critical theory) involved in the disciplines of psychology and sociology are relevant when undertaking qualitative research.

### 3.2.1 Ontological Assumptions

The term ontological assumptions refer to a branch of philosophy concerned with articulating the nature and structure of the world. In this investigation, the ontological assumption underlines constructivism, which means there is no universal truth (Guba & Lincoln 1994). Constructivism is based on ontology, the
nature of being. For a constructivist researcher, reality is linked to people, places, situations and circumstances. The ontological nature of constructivism is that ‘reality is unknowable and has external validity’ (Guba & Lincoln 1994, p. 135).

The constructivist researcher holds that the actual reality of a situation depends heavily upon understandings and reconstructions of researcher and participants (Kuhn 1977). For example; if there is a cow in the farm, the constructivist cannot know that it is a cow, they rely on others (participants) to verify that it is a cow. The constructivist view of reality (relativism) is in stark contrast to that of adherents of alternative paradigms. For instance, positivist researchers believe that different researchers observing the same factual problem will generate a similar result by carefully using statistical tests and applying a similar research process in investigating a large sample (Creswell 2009). They hold that reality is perfectly real and apprehensible (naïve realism). For post-positivists, they challenge the belief of absolute truth. They believe that knowledge is a result of social conditioning (critical realism). For critical theorists, they believe that reality is constructed by genders, economics, social, ethnics and political values that have formed in society over time (historical realism).

3.2.2 Epistemological Assumptions

The epistemological assumptions underlying constructivism in this study is that researchers focus upon the details, subjective meaning and motivating actions. The constructivist is seeking to know the truth by co-creating realities in transactions
with participants. Constructivism refers to the process by which reality is created by the observer (Jonassen, 1991). The observer creates reality, by giving meaning to what is observed (Jonassen 1991). It is believed that reality is constructed through a person’s active experience of it. From a constructivist point of view, Dickerson & Zimmerman (1996) mentioned that any one person’s construction is as ‘true’ as any other person’s construction as long as it works within a particular context.

Therefore, the point of constructivism implies that all stories that ‘work’ are equally valid and that no single ‘truth’ or construction exists (Dickerson & Zimmerman 1996). The constructivist view is quite different from other paradigms. The positivists hold that in the inquiries which are always objective, the reality of situations is relatively independent of each other. Again the critical theorists believe that reality is subjective and that the reality of a situation is constantly mediated by the values of inquiries.

### 3.2.3 Methodological Assumptions

Methodological assumptions underlying constructivism in this study are that the truth about situations under investigation is most readily obtained by naturalistic inquiry (Denzin & Lincoln 2000). Again, the constructivist perspective is different from other paradigms. For positivists, they focus on experiments and survey, which are included in quantitative methods. They believe that reality is confirmed by verification of hypotheses, chiefly by quantitative means. For post-positivists rely
on the experimental method. For a critical theorist, they change the social world within which participants live. Critical theorists always seek to understand the world through naturalistic inquiry which is similar to constructivists. However, they believe that techniques are dialogic and dialectic in character.

In conclusion, it appears that adopting a positivism paradigm is inappropriate for this thesis because positivism prevails in science and presumes that research quantitatively measures independent facts about a single apprehensible reality (Healy & Perry 2000). At the same time, post-positivism is also not suitable for this thesis because post-positivism is plural with respect to methodologies and theories (Olsen, 2004), presenting a sound platform for integrated mixed-methods research. However, this thesis aims to investigate the effects of organisational culture and Southern Thai culture on CSR from MNCs in the Para rubber industry in Southern Thailand by looking at various perspectives from different stakeholders (such as managers, local community and government). Therefore, a qualitative approach is more appropriate to uncover insight into the effect of culture on CSR strategy.

Even though a critical theory paradigm is suitable for qualitative approaches, knowledge and meaning are acts of interpretation because objective knowledge is dependent on human thinking and reasoning (Healy & Perry 2000). However, critical theorists contribute and influence results of a research process, aiming for a transformative outcome (Clarke & Creswell 2010). Thus, critical theory appears less appropriate as this thesis seeks to examine and understand the extent to which organisational culture and Southern Thai culture affect CSR strategy. The process
of undertaking the research does not aim to change the nature of organisational culture and Southern Thai culture.

Therefore, owing to the limitations of the discussed paradigms, constructivism was considered the most appropriated paradigm for this thesis. The rationale for this decision is discussed below.

3.3 Justification of Research Paradigm

Thomas (2004) argues that what governs the selection of a relevant paradigm and methods are the research problems and research questions. The aim of this research is to investigate, ‘To what extent does organisational culture and Southern Thai culture affect CSR strategy’? Therefore, the nature of this investigation is descriptive rather than prescriptive and requires inductive reasoning rather than deductive logic. Thus constructivism and a qualitative methodology are deemed most suitable for this research paradigm.

3.3.1 Justification of Constructivist Paradigm

Constructivism was chosen to provide a deeper understanding of characteristics of Southern Thai culture and factors influencing organisational culture in the implementation of CSR strategy by MNCs. Adoption of the constructivist paradigm in this in depth-interview and focus group interview based investigation are well justified. As mentioned by Hanson et al. (2005), researchers who favour
constructivism embrace the notion that reality is constructed in the mind of the individual, rather than being an externally singular entity. Constructivists are intent on gaining knowledge of situations or circumstances by looking continually for more informed reconstructions (Denzin & Lincoln 2000).

Typically, constructionists use interpretive interviews to report their findings. They view theory as substantive and formal which means the theory stands alone and does not depend on something else for its existence. As explained by Denzin & Lincoln (2000) that constructivism paradigm is oriented to be a production of reconstructed understandings of the social world. Constructivists value transactional knowledge. Therefore, a constructivism paradigm is the most appropriate for this thesis.

3.3.2 Justification of Qualitative Methodology

The choice of research methodology must be consistent with the ontological and epistemological stances (Thomas 2004; Ticehurst et al. 2000). In this case, the subjective-inductive-constructivism paradigm matches the qualitative methodology. In gaining a deeper understanding of the uniqueness of Southern Thai culture and the implementation of CSR strategy, the researcher must be within the context, exploring and seeking to understand how, and to what extent, local culture affects CSR strategy from the social actors’ own interpretation of their real life experiences. This enables the researcher to explore their feelings, attitudes, meaning, values and beliefs about the research topic (Cavana et al. 2001).
Also it can provide an opportunity for the researcher to capture the meaning of the individual’s experience and group’s experience in order to gain insight into studied phenomenon in depth and in detail. In a qualitative approach, analyses and interpretations are established and verified through the views of respondents (Miles & Huberman 1994).

The qualitative research provides insights into the meaning participants attribute to events and the identification of ways participants make sense of the phenomenon under investigation (Patton 2002; Yin 2003; Cooper & Schindler 2006; Miles & Huberman 1994).

Mason (1996) mentioned that qualitative research is concerned with how the social world is interpreted, understood, experienced or produced. The qualitative methods are based on the idea that individuals are best placed to describe the situations and feeling in their own words (Holloway 1997). The qualitative approach can also help to ensure that high quality data are acquired from a relatively small sample, thus managing the issues of sensitivity and maintain participant confidentiality (Patton 2002; Yin 2003; Miles & Huberman 1994). Consequently, a qualitative research approach was considered to be the most appropriate for the purposes of this study in order to explore the behaviour, perspectives and experiences of the people in the study.

Assumptions that underlie all qualitative methods in research justify their use in this investigation. These assumptions are that i) qualitative researchers are
interested in the in-depth understanding of human behaviour, human experiences and the reasons that structure their world; ii) qualitative researchers are interested in visiting fieldwork, observing respondents’ behaviour and recording their way of living; iii) qualitative research involves the descriptive, in which researchers are concerned about the meaning and understanding gained through pictures and words; and iv) the primary instrument for data collection is the researcher as data are mediated through this human instrument rather than through scientific instruments such as questionnaires or survey.

3.4 Research Design

The research design is the overarching framework for a study that is a statement of how all aspects of research are interrelated (Bryman & Bell 2007). The selected research design must be within the chosen paradigms and methodology to protect the quality and validity of research (Cavana et al. 2001). The qualitative method thesis examines issues related to culture and CSR strategy, using a variety of sources of data including in-depth interview and focus group interviews. The design is further outlined in the following stepped research process:

i. Define the research problem and research questions. This resulted in selecting research paradigm and methods. Also design the in-depth interview and focus group interview protocol.

ii. Conduct In-depth interviews. This involved preparing a fieldwork protocol, selecting and contacting factories, scheduling the interview dates and times.
iii. Conduct focus group interviews; search, select and contact relevant groups of participants, schedule date, place and time for group interviews.

iv. Translate and transcribe the interviews.

v. Manage interview scripts, code these for themes using hand-written notes and MS Excel. Different approaches to analysis were used to see whether the themes corroborated one another for the purpose of triangulation as recommended by Silverman (2001).

vi. Analyse interview scripts, employ qualitative methods for discourse analysis.

vii. Report, write and discuss the evidence related to research questions.

3.5 Participants/Informants

To create a sample which would be as representative as possible, seven MNCs were selected from among the Para rubber industry in the south of Thailand. Although convenience and judgement were the main bases of this selection, the other two factors taken into account were: i) the desire to have a variety of MNC-owner nationalities involved in order to see the organisational culture differences among countries that should be reflected in the results on their CSR strategies, ii) the desire to have wide geographical spread of Para rubber industry in the Southern part of Thailand - the headquarters of all seven MNCs are from different countries around the world. The selection was proposed across different provinces of Southern Thailand to better understand how their Southern Thai culture reflected on CSR strategies undertaken by MNCs.
Table 3.2 Selected Multinational Corporations in Para rubber Industry

<table>
<thead>
<tr>
<th>MNCs</th>
<th>Headquarters</th>
<th>Factory located at</th>
</tr>
</thead>
<tbody>
<tr>
<td>MNC A</td>
<td>USA</td>
<td>Songkhla</td>
</tr>
<tr>
<td>MNC B</td>
<td>China</td>
<td>Krabi</td>
</tr>
<tr>
<td>MNC C</td>
<td>Japan</td>
<td>Trang</td>
</tr>
<tr>
<td>MNC D</td>
<td>Austria</td>
<td>Songkhla</td>
</tr>
<tr>
<td>MNC E</td>
<td>India</td>
<td>Songkhla</td>
</tr>
<tr>
<td>MNC F</td>
<td>Australia</td>
<td>Phuket</td>
</tr>
<tr>
<td>MNC G</td>
<td>Malaysia</td>
<td>Songkhla</td>
</tr>
</tbody>
</table>

Choosing the sample size for interviews rests on what is to be found and why, and how the findings are to be applied (Patton 2002). The sample size in this thesis includes seven MNCs of Para rubber industry, the details of which are reported in chapter 4. The in-depth interviews were conducted with seven managers and fourteen employees from the seven MNCs. The focus group interview was conducted with three groups of key stakeholders. The first group included five managers, the second group included six government officers of the Department of Industry and the last group comprised seven local community members.
MNCs: Managers (In-depth Interview)

Table 3.3 Background of Managers

<table>
<thead>
<tr>
<th>Name</th>
<th>Age</th>
<th>Gender</th>
<th>Job Position</th>
<th>Working Experience (years)</th>
<th>Experience in working for MNCs (years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manager MNC A</td>
<td>52</td>
<td>Male</td>
<td>General Manager</td>
<td>32</td>
<td>15</td>
</tr>
<tr>
<td>Manager MNC B</td>
<td>43</td>
<td>Male</td>
<td>CSR Manager</td>
<td>22</td>
<td>10</td>
</tr>
<tr>
<td>Manager MNC C</td>
<td>45</td>
<td>Male</td>
<td>Management Director</td>
<td>15</td>
<td>10</td>
</tr>
<tr>
<td>Manager MNC D</td>
<td>50</td>
<td>Male</td>
<td>Human Resource Manager</td>
<td>35</td>
<td>10</td>
</tr>
<tr>
<td>Manager MNC E</td>
<td>41</td>
<td>Male</td>
<td>Operations Manager</td>
<td>18</td>
<td>10</td>
</tr>
<tr>
<td>Manager MNC F</td>
<td>52</td>
<td>Male</td>
<td>General Manager</td>
<td>28</td>
<td>5</td>
</tr>
<tr>
<td>Manager MNC G</td>
<td>36</td>
<td>Male</td>
<td>General Manager</td>
<td>10</td>
<td>8</td>
</tr>
</tbody>
</table>

Manager MNC A: (52 years old, Male, General Manager, 32 years work experience with 15 years working for MNC)

Manager MNC A is an experienced manager who has been in the rubber industry for many years. His focus on CSR is to create CSR activity focusing on people in the organisation and pay attention to local people around the factory. He always discusses teamwork and how to involve employees to join in CSR activities.

Manager MNC B: (43 years old, male, CSR manager, 22 years work experience with 10 years working for MNC)

Manager MNC B is a well-known person among the local community as he maintains good connections with local community leaders and local authorities. His original hometown is where the MNC is located. His key concerns include local schools and hospital in his community.
Manager MNC C: (45 years old, male, Management Director, 15 years work experience with 10 years working for MNC)

Manager MNC C presents himself as a good financial planner. He talked about the CSR process and budget plan in doing CSR throughout the interview. He explained that the concept of financial long term plan for undertaking CSR activities is necessary. He believes that supporting in-kind donations and promoting cultural programs are key strategies in doing CSR. He also thinks that having good relationships with local schools and university to promote art and culture is part of good CSR strategy.

Manager MNC D: (50 years old, male, Human Resource Manager, 35 years work experience with 10 years working for MNC)

Manager MNC D has wide experience working with many industries in Southern Thailand. He is originally from Southern Thailand. He started his career as a human resource officer. He mentioned that all his working life, he has been dealing with various kinds of people. He likes to encourage employees to join CSR programs is part of his key to success in doing CSR.

Manager MNC E: (41 years old, male, Operation Manager, 18 years work experience with 10 years working for MNC)

Manager MNC E describes himself as an active person who likes to participate with local people in festive activities. He pointed out the importance of contribution to local community as part of a CSR program.
Manager MNC F: (52 years old, male, Operation Manager, 28 years work experience with 5 years working for MNC)

The Manager from MNC F has an engineering background. He focuses on environmentally responsible practices. He believes that good CSR activities should provide mutual gain, such as energy-saving programs. Therefore he points out the importance of reducing energy consumption as part of his CSR strategy.

Manager MNC F: (36 years old, male, General Manager, 10 years work experiences with 8 years working for MNC)

A manager from MNC F graduated from Germany. His background is in engineering and business. His CSR focus is on natural resources and environmental policy.
MNCs: Employees (In-depth Interview)

Table 3.4 Background of Employees

<table>
<thead>
<tr>
<th>Name</th>
<th>Age</th>
<th>Gender</th>
<th>Job Position</th>
<th>Working Experience (years)</th>
<th>Experience in working for MNCs (years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>E1 MNC A</td>
<td>30</td>
<td>Female</td>
<td>Human Resource Officer</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td>E2 MNC A</td>
<td>27</td>
<td>Female</td>
<td>CSR officer</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>E3 MNC B</td>
<td>33</td>
<td>Female</td>
<td>Human Resource Officer</td>
<td>10</td>
<td>6</td>
</tr>
<tr>
<td>E4 MNC B</td>
<td>45</td>
<td>Male</td>
<td>Quality Control Officer</td>
<td>20</td>
<td>5</td>
</tr>
<tr>
<td>E5 MNC C</td>
<td>32</td>
<td>Male</td>
<td>Production Worker</td>
<td>11</td>
<td>8</td>
</tr>
<tr>
<td>E6 MNC C</td>
<td>46</td>
<td>Male</td>
<td>Human Resource Officer</td>
<td>20</td>
<td>10</td>
</tr>
<tr>
<td>E7 MNC D</td>
<td>28</td>
<td>Female</td>
<td>Site Engineer</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>E8 MNC D</td>
<td>28</td>
<td>Female</td>
<td>Human Resource Officer</td>
<td>6</td>
<td>5</td>
</tr>
<tr>
<td>E9 MNC E</td>
<td>35</td>
<td>Female</td>
<td>T&amp;D Officer</td>
<td>12</td>
<td>2</td>
</tr>
<tr>
<td>E10 MNC E</td>
<td>27</td>
<td>Male</td>
<td>Production Worker</td>
<td>6</td>
<td>5</td>
</tr>
<tr>
<td>E11 MNC F</td>
<td>37</td>
<td>Female</td>
<td>Human Resource Officer</td>
<td>12</td>
<td>5</td>
</tr>
<tr>
<td>E12 MNC F</td>
<td>35</td>
<td>Female</td>
<td>Handling Worker</td>
<td>10</td>
<td>8</td>
</tr>
<tr>
<td>E13 MNC G</td>
<td>35</td>
<td>Male</td>
<td>Operations Officer</td>
<td>14</td>
<td>5</td>
</tr>
<tr>
<td>E14 MNC G</td>
<td>31</td>
<td>Male</td>
<td>Human Resource Officer</td>
<td>11</td>
<td>7</td>
</tr>
</tbody>
</table>

E1 MNC A (30 years old, Female, Human Resource Officer, 5 years work experience with 2 years working for MNC)

The participant is originally from Southern Thailand. She has been working as a human resource officer since she graduated from university in the South. She started working in this MNC two years ago. She provided the researcher with a positive attitude towards working on CSR activities with local people.
**E2 MNC A** (27 years old, Female, CSR Officer, 5 years work experience with 5 years working for MNC)

The participant claimed herself as an active person who always liked to join all activities since she studied in university. She received the certificate for being an outstanding student in extracurricular activities back in university. Her hometown is in Southern Thailand. She started working in this factory five years ago after she graduated. Her job is mainly dealing with all CSR activities for both inside and outside factory.

**E3 MNC B** (33 years old, Female, Human Resource Officer, 10 years work experience with 6 years working for MNC)

The participant is originally from Southern Thailand. She graduated from a university in Bangkok, where she first started working. After many years in Bangkok, she moved back to her hometown two years ago. Her job is dealing with the recruitment and selection process and also training programs, which include giving knowledge to employees on CSR.

**E4 MNC B** (45 years old, Male, Quality Control Officer, 20 years work experience with 5 years working for MNC)

The participant originally from the North of Thailand, though his wife is from Southern Thailand therefore, they decided to move to the South over ten years ago from the North of Thailand. The participant has been involved in many kinds of industries (e.g. frozen seafood industry and fish canned industry). He is now
currently working in rubber industry for nearly five years. His responsibility is to ensure the quality of the production and safety standards.

**E5 MNC C** *(32 years old, Male, Production Worker, 11 years work experience with 8 years working for MNC)*

This participant, originally from Southern Thailand, has worked with this factory for eight years. He lives not far from the factory and positively believes it is a good advantage to have the factory located in the community. He also mentioned his work as a volunteer in doing CSR activities with MNCs and local people.

**E6 MNC C** *(46 years old, Male, Human Resource Officer, 20 years work experience with 10 years working for MNC)*

This participant is highly experienced in working with Southern Thai employees and Southern Thai local people after almost twenty years working in human resource departments in Southern Thailand.

**E7 MNC D** *(28 years old, Female, Site Engineer, 5 years work experience with 3 years working for MNC)*

This participant graduated from the university in the South in engineering. He mentioned that the factory that he first joined was in the seafood industry which owned by a Thai owner. He later moved to work for MNCs in Para rubber industry.
E8 MNC D (28 years old, Female, Human Resource Officer, 6 years work experience with 5 years working for MNC)

The participant is not originally from Southern Thailand. She moved to follow her husband to work in his hometown when they got married. She found that it is challenging to work with Southern Thai people as they are always curious and like to explore new things. She mentioned that Southern Thai people will hardly trust or believe in things without knowing the true information.

E9 MNC E (35 years old, Female, Training & Development Officer, 12 years work experience with 2 years working for MNC)

This participant has a background in management. She works within the human resource department in the training and development section. Her role is to create new training programs for staff, involving the introduction of CSR knowledge and corporate governance programs to employees.

E10 MNC E (27 years old, Male, Production worker, 6 years work experience with 5 years working for MNC)

The participant is originally from Southern Thailand. His house is in the local community where the factory is located. He has been involved in many CSR activities and has also been a moderator in transferring information from the factory to the local community.
E11 MNC F (37 years old, Female, Human Resource Officer, 12 years work experience with 5 years working for MNC)

This participant has worked as a human resource officer for many years in the financial sector. She claimed that she has involved herself in the CSR issue for the past few years only. She said that CSR is still new to her and that she is still learning.

E12 MNC F (35 years old, Female, Handling worker, 10 years work experience with 8 years working for MNC)

This participant is originally from Southern Thailand. She is just a normal worker who works her shift in the production area of the factory. She can only speak the Southern Thai dialect. She did not know a lot about CSR as a concept but she has been involving in a number of CSR activities.

E13 MNC G (35 years old, Male, Operations officer, 14 years work experience with 5 years working for MNC)

The participant is not from the south, but is originally from the Northeast part of Thailand. After he graduated from the engineering faculty in one of the universities in Southern Thailand, he first started working in Bangkok and later found a better job in Para rubber industry down in the South. .
**E14 MNC G** (31 years old, Male, Human Resource officer, 11 years work experience with 7 years working for MNC)

This participant is originally from Southern Thailand. He works as a human resource officer since he started his working career. His roles include recruitment, selecting, design training program for staff.

**Community Members (Focus Group Interview)**

**Table 3.5 Community members at Focus group**

<table>
<thead>
<tr>
<th>Group</th>
<th>Participants</th>
<th>Background of participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Community</td>
<td>7</td>
<td>Teacher (1), Business owner (1), Government officer (1), IT worker (1), Shop seller (1), Housewife (1), Student (1)</td>
</tr>
</tbody>
</table>

Interviews with the local community group were conducted in November 2011 at a local primary school in Songkhla province; seven participants participated in this focus group interview. The participants had different backgrounds which included one teacher, one business owner, one government officers, one IT worker, one shop seller, one housewife and one student.

**Governmental Department: DOI officers (Focus Group Interview)**

**Table 3.6 Government officers at Focus group interview**

<table>
<thead>
<tr>
<th>Group</th>
<th>Participants</th>
<th>Background of participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government Officers in Department of Industry</td>
<td>6</td>
<td>Head of Industrial department (1), Planning and policy Department (2), Quality Control Officer (1), Environmental officer (1), Site Visit officer (1)</td>
</tr>
</tbody>
</table>

The group of government officers were interviewed in December 2011 at Department of Industry in Songkla province. Participants consisted of six male
officers who all work at the Department of Industry in different positions. They included a head of the Department of Industry, two quality control officers, one officer from the planning and policy section, one environmental officer and one site visit officer.

**Managers at MNCs (Focus Group Interview)**

**Table 3.7 Managers at Focus group interview**

<table>
<thead>
<tr>
<th>Group</th>
<th>Participants</th>
<th>Background of participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managers at MNCs</td>
<td>5</td>
<td>General Managers (3), Operational Manager (1), Human Resource Manager (1)</td>
</tr>
</tbody>
</table>

The group of managers were interviewed in November 2011 at the Department of Industry in Songkhla province. Participants were five MNC managers, all male. Three of the participants were general managers, one was operations manager and another was a human resource manager.

**3.6 Data Collection Methods**

According to Merriam (2002) the techniques for data collection for qualitative research included interviews and observations. All methods were used to deepen the understanding of organisational culture and Southern Thai culture affecting CSR strategy within MNCs in the Southern part of Thailand. In addition, the interviews were collected for analysis, observations were made at the MNC factories and field notes were taken.
The method of data gathering in this study consisted of 1) in-depth interviews, 2) focus group interviews and 3) convenient observation. The following section outlines the details.

In-depth interview and focus group interviews were employed in this study as the main method to investigate to what extent organisational culture and Southern Thai culture affect CSR strategy by MNCs in Southern Thailand. In order to step into the mind of the participants, and to experience the world as they do themselves, in-depth interviews and focus group interviews were the best choice for the researcher to capture and understand participants’ lives, experiences, or situations by their own expressions and word (Taylor et al. 2007).
3.6.1 In-depth Interview

The primary data collection technique for gathering data in qualitative research was the in-depth interview, where the researcher seeks to obtain a deeper understanding of the topic (Denzin & Lincoln 2005; Cooper & Schindler 2006). The in-depth interview is a technique designed to elicit a vivid picture of the participant’s perspective. It is an effective qualitative method for getting people to talk about their personal feelings, opinions and experiences. It is also an opportunity to gain insight into how people interpret. In-depth interviews are an appropriate method when it is necessary to understand the constructs that the interviewees use as a basis for their opinions and beliefs, and when it aims to develop an understanding of the interviewees’ world (Easterby-Smith, Thorpe & Lowe 2002).

Given that this study attempts to investigate the effect of organisational culture and Southern Thai culture on CSR strategy by MNCs, the researcher sought a clear understanding leading to an explanation of the relationships between Southern Thai culture and CSR strategy. To understand the effect of organizational culture and Southern Thai culture on CSR strategy by MNCs, from the views of managers and employees toward CSR strategy and to find answers for Research Questions 1 and 2, the in-depth interviews were conducted with managers and employees at MNCs. Interview questions were open-ended and were guided by the research objective. The value of in-depth interviews arises from the fact that they move beyond ‘yes-no-maybe’ answers and encourage elaborated and detailed responses (Rapley 2004).
The in-depth interview was chosen because it allowed the researcher to gain insights into participations’ perceptions, opinions, experiences, attitudes and views. This approach also allowed the researcher to understand the emotions and feelings of participants. Thomas (2004) claims that in-depth interview responses are wider because the researcher has the capacity to deal with complex and sensitive topics and better control the responses.

### 3.6.2 Focus group Interview

According to Bellenger et al. (1976) the concept of focus group interview is based on the assumption that individuals who share a problem will be more willing to talk about it amid the security of others sharing the problem. It offers a means of obtaining in-depth information on a specific topic through a discussion group atmosphere which allows an insight into the behaviour and thinking of the individual group members (Bellenger et al, 1976). A focus group is promoted as a method of collecting data which can strengthen both the evidence and the interpretation of findings (Trauth & Jessup 2007). Therefore, the focus group interview allows the researcher to discover shared meanings and to obtain a deep understanding of the life experiences of research participants.

The purpose of a focus group is exploratory, or an extension of an exploratory method; to encourage respondents to offer descriptions of specific events or experiences shared by members of the group (Fontana & Frey 2005; Al-Qirim 2006; Mutula & Brakel 2007; Lambert & Loiselle 2008). Lichtenstein & Swatman
(2002) also supported that focus groups provide an advantage of improving participant representation, especially in multi-disciplinary areas, are quick to organise and provide the ability to uncover new issues quickly as the participants interact with each other. In this research, the focus group method served, in part, to investigate the perception of stakeholders (managers, local community and industrial government officers) regarding CSR strategy by MNCs.

This approach with its ‘goal of understanding the social world from the viewpoint of the actors within it, is oriented toward detailed description of the actor’s cognitive and symbolics actions, that is, the meaning associated with observable behaviours’ (Wildemuth 1993, p. 450). Therefore, it is also appropriate for this study in order to find the interpretations of the reality of research participants by answering the research questions in exploring the influences and perceptions of CSR strategy by MNCs from managers, government officers and local community’ points of views. It can also identify the perception of managers, employees and local community toward CSR strategy.

The focus group interviews were conducted with a group of managers, a group of representatives of local community and a group of government officers from the Department of Industry in order to deeply understand their perceptions regards CSR strategy and to answer Research Question 3.
3.6.3 Convenient Observation

Thomas (2004, p. 33) states: ‘if actions speak louder than words, then it seems that observations speak louder than self-reports’. Marshall & Rossman (1989) define observation as the systematic description of events, behaviours, and artefacts in the social setting. The observation was appropriate in this study because it provides the researcher with ways to check for nonverbal expression of feelings and determine who interacts with whom. Observation helped the researcher get a feeling for how things are organised and prioritised. Moreover, observation allowed the researcher to check on definitions of terms that participants use in interviews and observe situations participants described in interviews (Marshall & Rossman 1995).

The researcher observed the situations while conducting the in-depth interviews. What the researcher observed includes: i) The atmosphere: by observing the interpersonal relationships among managers and employees or among employees, (i.e. the way they communicate, the language they use to co-ordinate) could mirror their organisational culture in their MNCs; ii) the setting: all interviews were conducted at the interviewees’ premises, therefore the observation of the settings could be made and the appearance of the settings would physically indicate whether MNCs displayed local culture or global culture; iii) the interviewers-participants: the observations made of the participants included identifying their positions, roles, genders, ages and their leaderships style and management skills.
Although, observation is a simple method for gathering data, it still requires ‘precision, painstaking attention to detail and patience’ to pursue the method (Ticehurst et al. 2000, p. 71). These observations were recorded in the field notes and were used in chapter 4 in observing the different scenery and settings among seven MNCs. They were also used to analyse the findings in chapter 7 by observing key stakeholders’ behaviours and attitudes towards CSR strategy.

Under the observation method, the field note was used as one type of data. Field notes were taken during and at the end of each visit to the MNCs. Field notes are a data collection tool that contain everything the researcher sees and experiences; it is a non-intrusive mechanism for recording a researcher’s impression and thoughts throughout the research process (Flick 2007). It is one of the data collection methods used to record the researcher’s impressions and thoughts throughout the in-depth interview process (Bryman & Bell 2007). In order to show how different elements of the researcher’s work interconnect, field notes enhance the researcher’s capacity to reflect and interpret the findings.

Notes on the first impressions and the researcher’s observations of each MNC were made at their factories. Most of interesting and unexpected stories were also written during interviews, noting the date and the time of interview. Field notes provide a deeper understanding for the researcher to reconstruct and discover the effect of organisational culture and Southern Thai culture on each MNC’s CSR strategy. They were subsequently found to be a rich source of complementary data.
3.7 Data Collection Process

3.7.1 Conduct of Interview

The in-depth interview and focus group interview guide (Appendix A interview protocol) was specifically designed to facilitate interviews with managers, employees and groups of stakeholders (managers, local community and government officers) engaging in CSR strategy. The interview begins as open a question as possible, later moving onto specific issues. All relevant issues were addressed and consistently communicated to the participants.

Interviews ranged in duration from 45 minutes to one hour. Demographic information was also collected from each participant. The researcher used background data forms to determine the gender, age, currently job title, job responsibility and years of experience in working with MNCs.

During the interviews, participants were encouraged to share their experiences in working on CSR activities with local community, and with Southern Thai people. Participants were also encouraged to discuss their perceptions toward CSR strategy. Current problems, situations regarding CSR issues and the broad individual expectation on CSR strategy towards MNCs were explored through the interviews, in particular the perceptions of managers, local communities and government officers toward CSR strategy. Within the structure, participants were permitted and encouraged to range freely in their responses. Subsidiary questions were posed where clarification of information provided was sought, and where
additional insights seemed likely to emerge. In essence, the interview questions were adapted from the research questions (Table 3.5):

**Table 3.5: In-depth/focus group interview guide**

<table>
<thead>
<tr>
<th>A: Background</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Could you briefly introduce yourself and tell me about your factory? <em>(for example: ages, currently job, title, jobs responsibility and years of experience etc.)</em></td>
</tr>
<tr>
<td>• How long you have been working for MNCs?</td>
</tr>
</tbody>
</table>

**Research Question 1: To what extent does organizational culture affect CSR strategy by Multinational Corporations in Southern Thailand?**

<table>
<thead>
<tr>
<th>B: CSR strategy at your MNCs</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Can you briefly explain CSR strategies in your organisation?</td>
</tr>
<tr>
<td>• How did you design your CSR strategy? <em>(for example: when, where, what, who and how that involve in your MNC’s decision to CSR strategy)</em></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>C: CSR Factors at MNCs</th>
</tr>
</thead>
<tbody>
<tr>
<td>• What are the factors you would consider in choosing CSR strategies for your organisation?</td>
</tr>
<tr>
<td>• Why do you think those factors are important?</td>
</tr>
<tr>
<td>• Are there any local factors that always cause problems with your CSR strategies?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>D: Challenging in designing CSR strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>• In your opinion, what are the challenges that your organisation faced in designing CSR strategies?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>E: Success/Failure of CSR strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>• In your opinion, how can CSR strategies be determined as a success or failure?</td>
</tr>
<tr>
<td>• How does your organization respond to such problems/failure?</td>
</tr>
<tr>
<td>• How would you suggest improvement to the CSR strategies in your organisation?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>F: Culture at MNCs</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Can you briefly describe organisational culture at your MNC.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>G: The relationships between CSR strategy and Organisational strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>• What is your opinion on the effect of organisational culture on CSR strategies?</td>
</tr>
<tr>
<td>• Why do you think organisational culture is important in dealing with CSR strategies in your organisations?</td>
</tr>
</tbody>
</table>

**Research Question 2: How Southern Thai culture effect the implementation of CSR strategy?**
**H: The characteristics of Southern Thai culture**
- What is Southern Thai Culture in your own words?
- Can you tell me five unique characteristics of Southern Thai people in your own opinion?

**I: Southern Thai people at MNCs**
- How do you define Southern Thai culture in your own organisation?

**J: The implementation of CSR strategy and Southern Thai culture**
- Do you think those characters of Southern Thai people affect the implementation of CSR strategy in the organisation? Why or why not?
- In your opinion, what aspects of Southern Thai culture lead to success in managing CSR strategies effectively?

**H: Local CSR or Global CSR at MNCs**
- Does your MNC consider using local CSR or Global CSR, why or why not?
- What are the impacts upon the locals particularly in Southern Thailand when our country is affected by global challenges?

*Research Question 3: What are the perceptions of key stakeholders regarding CSR strategy by Multinational Corporations?*

**Focus Group Interview**

**I: Manager’s perception towards CSR strategy**
- What is your opinion regarding CSR strategy?
- Do you think CSR strategy is important to your career? If yes, how important is it?
- What is your expectation of the CSR strategy?
- How do you see the CSR issue over the next 10 years?
- Are there any problems that occurred when implementing CSR activities?

**J: Government officers’ perception towards CSR strategy**
- What is your opinion regarding CSR strategy?
- How do you see CSR strategy? Is this issue necessary for the organisation? Why or why not?
- What are new trends regarding CSR strategy?
- Does the factory pay attention to the CSR issue?

**K: Local community’s perception towards CSR strategy**
- What is your opinion regarding CSR strategy?
- Is there any help or information given to you regarding CSR strategy?
- Have you ever faced problems in regard to the CSR issue?
- How often does a factory representative visit you at your home?
- Do you have positive or negative feelings towards the factory nearby?
- Do you think the factory pays enough attention to CSR issues?
3.7.2 Selection of Participants for In-depth Interview

The initial contact was made through the Head of the Department of Industry in Songkhla province in order to make better progress and to encourage a timely response from MNCs. Later, letters were sent on behalf of the Department of Industry to introduce the researcher, briefly explain the research topic and ask for co-operation in conducting interviews. When permission was received, letters confirming the appointments with managers of the seven MNCs were sent, again by email. The email provided an outline of research being undertaken, by whom and for what aims. A request was made to conduct in-depth interviews of approximately 45 minutes to one hour at a convenient date and time.

Interview sessions were conducted in private area, usually in the participants’ general work area. The interviews were digitally-recorded with the consent of participants, to ensure the accuracy of the transcription of interview conversations. Backgrounds and experiences of participants are presented in chapter earlier.
3.7.3 Selection of Participants for Focus Group Interview

Letters of invitation to participate in focus group interviews were sent directly to three groups of participants. The first group selected was the group of local people.

**Picture 1: Local community in focus group interview**

The focus group interview of local community that was chosen in this study was a medium size community. It is located near the border between Thailand – Malaysia. The prominent religion was Buddhism. The community consisted of few local schools, local shops and groceries, supermarket, local market, industrial factories and local people’s houses. The community was surrounded of Para rubber plantation. The researcher sent a letter to the local secondary school in order to ask for their co-operation. The letter indicated an outline of research being undertaken and summarised the purpose of the study. A request was made for a focus group interview of one to one and a half hour’s duration, using a meeting room at the local school to conduct the focus group interviews. A week later, the school contacted the researcher and introduced one of the teachers who dealt with all activities in school nearby the local community. This teacher volunteered to help
select and arrange local people from various backgrounds who lived near the factory area for the group interviews. Ultimately, seven participants participated in this group interview.

**Picture 2: Department of Industry**

The second group included government officers from the Department of Industry of Songkhla province. The letter was sent directly to the Director of the Department in Songkhla province asking for permission to conduct focus group interviews with six government officers in his Department. A request was made for an interview of one hour and thirty minutes’ duration. Ultimately, all six participants responded and all were willing to participate in this focus group interview.
The last focus group interview was the group of managers at MNCs. The researcher met with five managers at the meeting arranged by the Department of Industry in Songkhla province. The researcher participated in the meeting and had an opportunity to conduct focus group interviews with five managers from MNCs of Para rubber industry. Focus group interviews were undertaken over 30 to 40 minute’s discussion at the Department in Songkhla province. The list of participant groups was shown in table 3.6.
The confirmation email also attached a formal plain language statement for interviews (see appendix B), which indicated and described the research under which interviews were to be conducted. All of those contacts were willing to participate. Ultimately, this study ensures maximum variation by sampling participants across different levels of age, seniority, genders, and experiences. Briefly, participants included management directors, general managers, CSR managers, human resource managers, operation managers, human resource officers, environmental specialists, project engineers, quality officers, production supervisors, quality officers, and material workers.

A profile of the interviewees is presented in table 3.4. Consistent with issues of confidentiality, MNCs names are disguised with letters A to G (e.g., Manager MNC A) and for employees participants names are disguised with letters and numeric 1-14 (e.g., E1 MNC A; employee 1 from MNC A).
3.8 Data Analysis

The data analysis approaches used in this study include transcribing and coding data, approaches to coding data and methods for the analysis.

3.8.1 Transcribing

The interviews were recorded using a digital voice recorder. The advantage of a digital voice recording device is the recorded interviews can be stored, archived and transmitted electronically (Stockdale 2002). The interview material was transcribed after all data was collected from participants. All data was transcribed and translated by the researcher as recommended by Patton (2002) that researchers should do at least some of their own transcribing work as a way of getting immersed in the data. Each interview was transcribed, taking an average of 10-14 hours per interview. The transcript sizes ranged from 8 to 16 pages. The researcher found that transcribing consumed significant time and effort, however, it served as a useful tool to assist comprehension.

3.8.2 Coding

After transcribing, transcripts were read and analysed by using open coding until patterns of groups and themes emerged (Creswell 2007). Coding serves as a way to label compile and organise data, with coding, word, sentence, paragraph and passage measured as a feasible unit of text. Coding helps the researcher decide
what concepts and themes she would like to communicate in the study. The researcher has gone through all textual data (i.e. Interview transcripts, direct note, field note, observations note) in a systematic way. Continuous comparisons were made between codes created and data gathered in order to generate categories and to verify relationships. After the initial categories were developed, subcategories were made. An analysis of themes was performed by attempting to group the key issues in different ways in looking for similarities and differences between issues. Examples of table and chart which developed for this study is shown in figure 3.1 below.

Figure 3.1: Examples of table and chart which developed for this study

<table>
<thead>
<tr>
<th>Type of leadership style as determinant of organisational culture affecting CSR strategy</th>
<th>The Cheerleader</th>
<th>The Bureaucrat</th>
<th>The Instrumental</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approaches</td>
<td>- MSU collaborate with the local community</td>
<td>- MSU collaborate with the local authority</td>
<td>- MSU collaborate with the local authority.</td>
</tr>
<tr>
<td></td>
<td>- Using ‘human’ as a main priority resource for doing CSR activities</td>
<td>- Using ‘money’ as a main priority resource in doing CSR activities</td>
<td>- Using ‘marketing strategy’ as part of doing CSR activities.</td>
</tr>
<tr>
<td></td>
<td>- Less well planned in order to create CSR activities</td>
<td>- Task-oriented CSR activity</td>
<td>- Task-oriented CSR activity with marketing team involved.</td>
</tr>
<tr>
<td></td>
<td>- CSR activity ideas come from people at all levels in the factory</td>
<td>- Top-down generation of ideas for CSR activity</td>
<td>- Top-down generation of ideas for CSR activity.</td>
</tr>
<tr>
<td></td>
<td>- Supportive Culture</td>
<td>- Innovative Culture</td>
<td>- Competitive Culture</td>
</tr>
<tr>
<td>Challenges</td>
<td>- Time consuming</td>
<td>- Varieties of CSR activities?</td>
<td>- Win-Win situations?</td>
</tr>
<tr>
<td></td>
<td>- Budget is important?</td>
<td>- Employee involvement?</td>
<td>- Employees involvement?</td>
</tr>
<tr>
<td></td>
<td>- CSR Sustainable?</td>
<td>- CSR Sustainable?</td>
<td>- CSR Sustainable?</td>
</tr>
</tbody>
</table>

Summary: The key points of Leadership Style which affects CSR strategy from MSUs can be summarised in Table 1.

The factory that has Cheerleading style leadership will most likely create CSR activity focused on lower cost + happy employee + happy customer + happy business partner + a healthier environment + local involvement.

The factory that has Bureaucrat style leadership will be likely to create CSR activity focused on high cost + set up budget + healthier environment + some activities with local people.

The factory that has Instrumental leadership style will be likely to create CSR activity focused on win-win situations + set up budget + treat employees well + concern about marketing strategy.
3.8.3 Analysis

Discourse Analysis was employed to analyse the collected interviews in this research. Howarth and Starvrakakis (2000, p. 4) define discourse analysis as ‘the practice of analysing empirical raw material and information as discursive forms’. In other words, discourse analysis is a particular way of talking about and understanding the world (or an aspect of the world). ‘Discourse analysis puts words into work, giving them meaning, constructing perceptions and formulating understanding and ongoing courses of interaction’ (Gubrium & Holstein 2000, p. 148). It is assumed that discourse analysts treat a wide range of linguistic and non-linguistic data—speeches, reports, manifestos, historical events, interviews, policies, ideas, even organisations and institutions—as ‘text’ or ‘writings’ (Howarth & Starvrakakis 2000). They further explained that to perform discourse analysis, empirical data are viewed as sets of signifying practices that constitute a ‘discourse’ and its ‘reality’, thus providing the conditions which enable subjects to experience the world of objects, words and practices.

As mentioned by Fairclough (2001), discourse analysis has a common concern with how language interconnects with other elements of social life, especially a concern with how language figures in unequal relations of power, in the process of exploitation and domination of some people by others. Therefore from the concept earlier, discourse analysis allowed the researcher to understand the language and authority of members involved with the study.
The researcher adopted discourse analysis in dealing with the relations between language and social reality. Discourse analysis was chosen because it is well suited to give new insights into how Southern Thai culture affects the implementation of CSR strategy. Said in another way, discourse analysis makes it possible to study the uniqueness of Southern Thai culture and perceptions of stakeholders towards CSR strategy, which influence decisions and practice of CSR at MNCs, as these can have the consequence of making a success of CSR. Nevertheless, it should be mentioned that discourse analysis is a very diverse scholarly area, and therefore, there exist several different and partly discordant theories on how it should be perceived, read and used (Jorgensen & Phillips 1999).

**Sample** of discourse analysis for this study (Secondary data)

“*When CSR is interpreted in this way, doing good and giving back are accepted as the primary concept underlining CSR implementation. Since doing good is universal for Southern Thai society, collaboration at multiple levels and stages of CSR implementation is possible.... “*

From interview data above, creating discourse of those interviews words; e.g. doing good, giving back and collaboration could explain a good CSR approach, which represents the concept of a ‘cheerleader’ leadership style.

*MNCs that do not communicate well impacts on local people’s engagement and trust. For example, one employee participants mentioned.....:*

From interview data above, words used in the interviews, such as communicate; engagement and trust represent the discourse analysis of the concept of employee involvement.
The above discourse was created from the interview words which represent the characteristics of Southern Thai people.

3.8.4 Coding Procedures

Coding was performed by interview and was based on research questions in the following stages.

- Stage 1: All the transcripts were organised in Microsoft Word and stored accordingly to their files for easy archive. Before the coding was performed, all data transcripts were read thoroughly, the field note and drawing note were compared and memos made. The purpose was to become very familiar with the data to assist with the coding topics, themes and factors.

- Stage 2: The descriptive coding was tackled first. The researcher started with research question number 1, the interview data from managers were used for research question 1. The data was set in Excel files for manual coding of all seven managers from seven MNCs with different colours, which were consistently applied throughout the coding process. Results, in the form of answers and words used by managers, were displayed in different tables. These addressed the factors and differences of how

“Based on the interview finding, it is likely that Southern Thai people try to protect their own right. Therefore, to be able to deal with those Southern Thai people, MNC needs to communicate and be willing to share appropriate and right information to local people on CSR issues to be able to work wisely with them, especially to the ‘Hua-Mor’ Southern Thai people....”
managers at MNC saw CSR strategy and how they designed CSR activities in order to find out to what extent organisational culture affected CSR strategy.

- Stage 3: Next, the interview data from all managers and employees was coded and undertaken to address the research question number 2. This involved coding in Research question 2 to focus on Southern Thai culture and key drivers of local culture affecting the implementation of CSR strategy. Coding of how managers and employees identified Southern Thai culture was encountered. The key characteristics of Southern Thai culture were searched to see how local Southern Thai culture affects the implementation of CSR strategy by MNCs.

- Stage 4: The perceptions towards CSR strategy from three groups of people (Managers, Local community and government officers of the Department of Industry) were investigated to better illuminate research question 3. This coding was separated into three Excel files, each for manual coding. The coding is based on the perceptions of each of the three groups, with the different perceptions regarding CSR also coded.

The above section has described how the data was analysed. The interviews with respondents and fields notes were analysed using manual coding. The data was organised into topics and descriptive themes. An example of the coding procedure for each research question is included in Appendix C.
3.9 Research: Reliability and Validity

Patton (2002) stated that reliability and validity were factors which any qualitative researcher should be concerned about while designing a study, analysing results and judging the quality of the study. In qualitative research, Lincoln & Guba (1985) substituted reliability and validity with the parallel concept of trustworthiness, transferability, dependability and conformability.

Guba & Lincoln (1994) suggest trustworthiness and authenticity are criteria to assess research quality. Trustworthiness concerns the accuracy and correctness of the research, while authenticity takes into account the broad impact of the research (Bryman et al. 2007). To ensure trustworthiness and authenticity, the current research complied with established criteria by following logical research design throughout the conduct of research. The research design, data collection methods and analysis were cautiously designed to address reliability, validity and triangulation issues.

As mentioned earlier in this chapter, this study applied the constructivism paradigm which views knowledge as socially constructed and may change depending on the circumstances. In any qualitative research, the aim is to engage in research that probes for deeper understanding rather than examining surface features (Johnson 1995) and constructivism may facilitate towards that aim. Constructivism values multiple realities that people have in their minds, therefore to acquire valid and
reliable multiple and diverse realities, multiple methods of searching or gathering data are in order.

Neuman (2000) raises an important consideration for any type of qualitative research, the need for high quality data. An open-ended perspective in constructivism adheres to the notion of high quality data by allowing participants in a research project to assist the researcher in formulating the research question as well as with the data collection. In this study, the researcher engaged multi-methods, such as, observation, interviews and recording which will lead to more valid, reliable and diverse construction of realities. Trustworthiness was sought through specific verification procedures including triangulation. Triangulation of data collection was achieved through comparative analysis of data sources in the form of interviews, focus group interviews, field observation and researcher’s field notes.

3.9.1 Reliability

Reliability in this study is demonstrated by being able to produce the same results when the study is replicated (Bloor & Wood 2006). This was discussed in the current research through: i) The research design conforming to the selected research paradigm (Cavana et al. 2001); ii) The design of in-depth interview and focus group interview of data collection for this study are precisely demonstrated to help ensure all participants were subjected to the same procedures of interview questions; iii) The data collection methods being precisely described, which
includes the flow of interview as suggested by Daniel & Cannice (2004); and iv) Detailed outlining of the procedures for data analysis such as transcribing, coding and analysing process were precisely explained, as recommended by Bryman et al. (2007).

Under those conditions above, reliability is termed dependability and ‘lies in others’ concurring that given the data collected, the results make sense – they are consistent and dependable (Merriam 2009). As Merriam (2009) stated, the logic behind this strategy is that, if there is some diversity in the nature of the sites selected or participants interviewed, or times and places of field research, results can be applied to a greater range of situations by readers of the research. The strategies to ensure reliability used in this study were: rich description of participants’ experience and many types of participants from a variety of ages, backgrounds and cultures. This is seen in the list of interviewees, table 3.7 below:

<table>
<thead>
<tr>
<th>Name</th>
<th>Age</th>
<th>Gender</th>
<th>Job Position</th>
<th>Working Experience (years)</th>
<th>Experience in working for MNCs (years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manager MNC A</td>
<td>50-59</td>
<td>Male</td>
<td>General Manager</td>
<td>32</td>
<td>15</td>
</tr>
<tr>
<td>Manager MNC B</td>
<td>40-49</td>
<td>Male</td>
<td>CSR Manager</td>
<td>22</td>
<td>10</td>
</tr>
<tr>
<td>Manager MNC C</td>
<td>40-49</td>
<td>Male</td>
<td>Management Director</td>
<td>15</td>
<td>10</td>
</tr>
<tr>
<td>Manager MNC D</td>
<td>50-59</td>
<td>Male</td>
<td>Human Resource Manager</td>
<td>35</td>
<td>10</td>
</tr>
<tr>
<td>Manager MNC E</td>
<td>40-49</td>
<td>Male</td>
<td>Operations Manager</td>
<td>18</td>
<td>10</td>
</tr>
<tr>
<td>Manager MNC F</td>
<td>50-59</td>
<td>Male</td>
<td>General Manager</td>
<td>28</td>
<td>5</td>
</tr>
<tr>
<td>Manager MNC G</td>
<td>30-39</td>
<td>Male</td>
<td>General Manager</td>
<td>10</td>
<td>8</td>
</tr>
<tr>
<td>EI MNC A</td>
<td>30-39</td>
<td>Female</td>
<td>Human Resource Officer</td>
<td>5</td>
<td>2</td>
</tr>
</tbody>
</table>

Table 3.7 List of Interviewees
| E2 MNC A | 20-29 | Female | CSR officer | 5 | 5 |
| E3 MNC B | 30-39 | Female | Human Resource Officer | 10 | 6 |
| E4 MNC B | 40-49 | Male | Quality Control Officer | 20 | 5 |
| E5 MNC C | 30-39 | Male | Production Worker | 11 | 8 |
| E6 MNC C | 40-49 | Male | Human Resource Officer | 20 | 10 |
| E7 MNC D | 20-29 | Female | Site Engineer | 5 | 3 |
| E8 MNC D | 20-29 | Female | Human Resource Officer | 6 | 5 |
| E9 MNC E | 30-39 | Female | T&D Officer | 12 | 2 |
| E10 MNC E | 20-29 | Male | Production Worker | 6 | 5 |
| E11 MNC F | 30-39 | Female | Human Resource Officer | 12 | 5 |
| E12 MNC F | 30-39 | Female | Handling Worker | 10 | 8 |
| E13 MNC G | 30-39 | Male | Operations Officer | 14 | 5 |
| E14 MNC G | 30-39 | Male | Human Resource Officer | 11 | 7 |

### 3.9.2 Validity

Validity refers to the extent to which research produces an accurate version of the world (Bloor & Wood 2006). The validity of this finding was achieved by utilising replication logic and reporting rich data. Multiple sources of evidence, establishment of a chain of evidence and key informant review of case study report are typical techniques adopted to ensure validity (Peter & Zaremba 2011). To address validity, three main sources of data collection were used in this study: In-depth interviews, focus group interview and field observation. According to Denzin and Lincoln (2011), interviewing is a robust qualitative method which aims at a clear description of individual experience. Validity concerns the soundness, legitimacy and relevance of a research theory and its investigations or practice (Kitchin & Tate 2000). These enhance the credibility, transferability and generalisability of the research findings.
In optimising the validity of this study, much effort was made to ensure that the elements were sufficiently representative to produce valid conclusions. Data were collected by adopting purposive sampling as suggested by Denzin and Lincoln (2011). This was achieved by focusing on CSR strategy at MNCs in the Para rubber industry. The data were coded following the suggestion of Miles & Huberman (1994) to ensure the evidence of findings in a manner rich enough for others to apply.

The reliability and validity were further enhanced by an appropriate process adapted from Miles & Huberman (1994) and Gioia & Thomas (1996). As suggested by these authors, the analysis process was based on categorisation and themes, which utilised a major phase that involved repeated reading of all transcripts. Descriptive codes that originated from key areas of the study’s interest were used to group segments of the texts. The two main categories for research question one were leadership style and relationships among actors. The main categories were segmented to identify themes for the second-order group. The first-order groups were repeatedly visited and grouped into new segments. For example, transcripts that involved leadership style were further grouped into different categories such as the cheerleader, the bureaucrat and the instrumental. The final phase assembled the second-order group into the major themes of the study. Figure 3.2 illustrates the different phases of the analysis for research question one: to what extent does organisational culture effect CSR strategy.
For research question number two, the main category was the uniqueness of Southern Thai culture which was found from interviews. In the second phase, the main categories were segmented to identify themes for the second-order group. The first-order groups were repeatedly visited and grouped into new segments. For instance, transcripts that involved Southern Thai characteristics were further grouped into different categories such as Jai-Yai, Hua-Mor, Trong-Pai-Trong-Ma and Rak Puak-Pong and which mean generous, shrewd, straight forward, and communitarian (respectively). The final phase assembled the second-order group into the major themes of the study. Figure 3.3 illustrates the different phases of the analysis on research question two.
3.10. Confidentiality

Ethical issues arise in the entire conduct of research and are underpinned by two main principles, ‘honesty and respect for the rights of individuals’ (Ticehurst & Veal 2000). The thesis followed the Ethics Guideline Procedures outlined by RMIT University in the Ethics Review Process. Ethics approval was obtained to carry out this research (see Appendix E). Permission was also sought and granted from RMIT University Ethics Committee prior to the data collection process in Thailand. The major ethical considerations for the interview phase were: to protect
the identity and confidentiality of the participants; to ensure that the participants in the interviews were completely voluntary; and that they could withdraw at any time and disregard any questions that they did not want to answer. A letter of informed consent and a request for participants were sent to selected participants and copies of these documents are attached in appendix D.
CHAPTER 4: SCENERY AND SETTING OF SEVEN MNCs

This chapter provides the scenery and settings of seven multinational corporations which were observed by the researcher presenting in the observation method style.

4.1 MNC A

A: First step into MNC

MNC A is a well-known Para rubber factory. It is one of the biggest Para rubber factories in Southern Thailand. Their main products are medical rubber gloves, and condoms. Their finishing products are mainly exporting products. The headquarter of this MNC is in America.

The researcher made an appointment to see a general manager of this MNC at the factory. This MNC is large and well look after; it took the researcher few minutes to drive along to the management office where the appointment has been made. (The good thing is it gave the researcher time to observe this MNC a little bit more!).

B: Atmosphere inside MNC

Once arriving at the counter in the management office, the researcher met a secretary and has been taken to the meeting room where the interview was made. The researcher had chance to walk through the working area and see employees
working in the office. The office is a modern with open space desks. It is not a quiet office as all staffs can eventually see and talk to each other while working at their own desks.

C: Environment

The MNC is surrounded by a local community. Some local people work in the factory. It is very crowded community. There is a fresh market just opposite to the factory; some local people sell foods at the fresh market for their living. The local fresh market operates every day from 4 pm till late at night. Next to a local fresh market, there is a government primary school. On the right side of factory, another 700 metres away, there is a local temple where local people go, pray, and celebrating religious festive together.

4.2 MNC B

A: First step into MNC

MNC B has a headquarter in China. Their main products are rubber sheet and rubber juice. It is one of the first MNCs’ factories that operated in Southern Thailand. An appointment has made for an interview with the manager of the factory in early morning. As requested by the manager, it was better if the interview is finished before the centre of rubber market opened. The manager said that once the buying-selling rubbers starts, he could be very busy. Thus, the researcher arrived at the MNC early in the morning.
**B: Atmosphere inside MNC**

The condition of the factory is somewhat old. The smell of rubber was strong. The researcher has observed that there were many certifications putting on the wall in the meeting room. Some of them were the certification from participating in CSR project arranged by government. Some of them were the certification of ISO (International Standard Organisation).

**D: Environment**

This MNC is located quite far from local community. The researcher hardly sees people’s houses located close to factory area. The factory is more surrounded by forest and rubber plantations. However, driving along the road for nearly 1 kilometre, there was a small local village.

**4.3 MNC C**

**A: First step into MNC**

MNC C has its headquarter in Japan. The factory produces rubber tyres as its main products. The appointment has been made in late afternoon with HR manager. The MNC is located quite far from the city. However, it did not take the researcher too long to find the factory as there was a big factory sign right in front of the main road, directing the way to factory. On the way to MNC, there were para rubber plantations on both sides of the road. This MNC is located in the middle of rubber forest. From the main road, the researcher drove along on small concrete road
about 3 kilometres. Surprisingly, this MNC is large and hiding in the mid of the jungle. The researcher had to exchange the ID card with the visitor name card which is warned to put on while visiting this factory.

**B: Atmosphere inside MNC**

The factory itself is a bit away from the management office. The researcher did not have chance to see the production factory but only can entrance to the management office where the interview was made. The management office looks new and very tidy. Everyone in the office (including staff all levels and others visitors) have to take shoes off before getting inside the office. The office was a close space office where each sections/departments have their own area. The atmosphere in the office is very quiet, clean and well-organised.

**D: Environment**

The MNC area is very large. There were lots of plants and flowers in many corners. The area around factory is quite green and surrounded by rubber plantation. This factory is located quite far from the next local village.
4.4 MNC D

A: First step into MNC

MNC D has its headquater in Austria. Their main product is medical glove. It is 100% exporting merchandise. The appointment has been made in late morning. The factory is located near main road on the motor way. It is easy to find the factory. Once arriving at factory, the researcher had to exchange an ID card with the visitor name tag. After walking into a meeting room where the interview was conducted, the researcher listened to a short presentation about the factory.

B: Atmosphere inside MNC

The atmosphere in the management office is friendly. Even though, the office itself looked old but the way they organised office layout suited employees’ working conditions. The factory itself located in the back of the management office.

D: Environment

Since MNC is located near the main motor way road. There was not many houses located nearby MNC. The environment surrounded was also not as green as it was not located in the middle of para rubber plantation like others.
4.5 MNC E

A: First step into MNC

This factory has its headquarter in India. The main product is medical gloves. The factory is located in a small town and close by a big river. It is not too difficult to search for this factory as it is located not far from the main road which is surrounded by rubber plantation. The appointment has been made on Saturday in the morning with a general manager.

B: Atmosphere inside MNC

The management office is quite small. There were few rooms inside (manager room, staff rooms and meeting room etc.) as this MNC is also not a big one. The factory itself is located in the back of the management building. The office hours is Monday to Saturday so there are staffs working on Saturday in the office. The researcher noticed that all staff looked so relax and also wearing casual clothes. However, the staff said normally they have to wear uniform from Monday to Friday, but for Saturday they are allowed to wear casual clothes. The environment inside the factory fence is quite green. There is a small garden and place to sit under the big tree which is surrounded by lots of plants and flowers.

C: Environment surrounded

The factory is located not far from the river and residential area. The river still looks clean from noticing.
4.6 MNC F

A: First step into MNC

The MNC is located in the tourism province. The headquarter is in Australia. The factory was bought and taken over from a Thai business owner. The factory has been renovated and starts the rubber industry producing condoms exporting to other countries. It is quite a big factory where there is numerous of staff and workers both in management office and production factory. The security check was quite strictly controlled and visitors do not allowed to bring cars inside the factory but there is a car park outside for only visitors.

B: Atmosphere inside MNC

The appointment has been made in an early afternoon. The management office is quite large and contains many sections as it is one of the biggest factory producing condoms in Thailand. The factory itself is also large.

C: Environment

Even the location is in the tourism province but this factory is located quite far from all attractions which is surrounded by rubber plantation. However, it is still located on the main road where it can easily reach.
4.7 MNC G

A: First step into MNC

This MNC is one of the biggest rubber factories in Southern Thailand. It is located in the down south part, on the way to the border between Thailand and Malaysia. Its headquarter is in Malaysia. The main product is medical gloves, surgical gloves and examination gloves. Once arriving at the factory, the cars are only allowed to park outside at the visitor car park. The researcher had to swap the ID card with the visitor name tag to be able to get into the factory.

B: Atmosphere inside MNC

There are many building in this MNC. The main building which is the management office building is quite large. The office is an open plan office where there is partitions separated between each departments.

C: Environment

It is one of the green factories as there were so many big trees inside and outside the factory fence. The environment surrounded by rubber plantations. The factory is located nearby the local community.
CHAPTER 5
FINDINGS: ORGANISATIONAL CULTURE AND CSR STRATEGY

5.1 Introduction

‘Corporate social responsibility (CSR) is not content in and of itself, but instead represents the broad spectrum of a company’s corporate culture’ (Pohl 2006). CSR can eventually be seen as a way that an organisation puts into action and demonstrates its corporate culture such as attitude, values, beliefs, norms and customs. This chapter reports on how organisational culture affects CSR strategy. The main objective of this chapter is to provide insights into CSR strategy based on managers’ experiences at MNCs and to understand how organisational culture affects CSR strategy in a case study of MNCs in the Para rubber industry in the South of Thailand. The analysis of the interview was designed to answer the research question 1:

*To what extent does organisational culture affect CSR strategy by Multinational Corporations?*

The findings of the qualitative study are based on interview data obtained through in-depth interviews with managers from Para rubber MNCs. As previously described in chapter 3, the qualitative analysis of the thesis incorporates the case study methodology and aims at answering the research question. The interviews
began with broad topic areas of CSR strategy, CSR activities and organisational culture at MNCs. These concepts were tentative, but flexible enough to allow new research themes to emerge.

The researcher started the discussion by exploring the influences of organisational culture on Para rubber MNCs’ CSR strategy. The themes from the interviews with general managers, CSR managers and HR managers of MNCs at Para rubber industry show the links between organisational culture and CSR activities. Two key themes include: 1) Leadership influence and 2) Relationship among actors. The two themes are explained as the drivers of organisational culture that affect CSR strategy.

**Theme 1: Leadership Influence**

**5.2 Leadership Influence**

The importance of the interconnection between culture and effective leadership has become clear over the past two decades (McWilliams et al. 2006). The creation of MNCs by merging companies from different cultures and the globalisation of the workforce has pushed MNCs to recognise the cultural limitations of organisational and leadership practices. Indeed, an increasing number of researchers are discussing the effectiveness of leadership practices and the impact of culture.
Organisational culture is related to organisational strategy. Most organisational strategy is decided by their leaders who provide the pattern of activities to be followed by an organisational in pursuit of its long-term purpose, and that includes the culture in organisation (Locke 1976). Numerous authors have explained how many companies have failed in their endeavours to change their organisations because they had a plan to reorganise and transform without looking at prevailing culture (Locke 1976). If strategies are incompatible with the kind of culture prevailing at that time, then chances are they might fail. Simply stated, culture is based on the tone and style of leadership. Each leadership style, every decision, and every person affects organisational culture.

According to the interviews, the researcher found that leadership style, organisational culture and how leaders design CSR strategy are strongly interrelated. The result shows that leaders play significant roles in influencing others to help accomplish group and organisational objectives or any other activities.

The interviews with managers of MNCs from seven Para rubber industries in Southern Thailand show that leaders of organisations can influence organisational culture and their CSR strategies. It is evident that different leadership styles are likely to have different personal obligations to undertake CSR strategy and create different CSR activities.
Table 5.1: Findings of interviews: CSR activities among 7 MNCs at Para rubber industries in Southern Thailand

<table>
<thead>
<tr>
<th>MNCs</th>
<th>Interview data</th>
<th>CSR activities</th>
</tr>
</thead>
</table>
| MNC A | A manager creates the CSR activity focusing on 'people in organisation and local people' and promotes 'volunteering program' as part of CSR strategy. | - Employee volunteering program  
- Local Community Relationship Program (e.g. meeting with local community regularly) |
| MNC B | A manager sees the charitable program as a main CSR strategy. Also working closely with local authority is one of the key strategies in implementing CSR activities. | - Supporting social programs (e.g. student scholarships program in the local school)  
- Supporting charitable contribution (e.g. money, equipments and foods), |
| MNC C | A manager believes that supporting in-kind donations and promoting cultural programs are key strategies in doing CSR. He believes that being a financial sponsor for a local institution is one of the successful implementation in CSR strategy. | - Promoting art and cultural program at local school and local university  
- Supporting in-kind donation (e.g. money, equipments and foods)  
- Donating money to local temples |
| MNC D | A manager believes in using inner-motivation to encourage employees to join CSR activities. He states that 'human connection' is the key for successful CSR activities. | - Pay it forward cultural program (e.g. motivate employees to join all activities in factory, blood donation)  
- Workforce volunteers (using skill-based volunteered helping local community) |
| MNC E | A manager points out the importance of considering mainly the contribution to local people and community. | - Invite local community joining factory’s special occasion (e.g. New year party and other Thai festive) |
| MNC F | A manager points to the necessity and importance of energy saving consumptions as the main CSR strategy. He believes that concentration on energy saving is a mutual gain. | - Reducing the consumption of energy and sorting waste (e.g. energy saving sign, recycling and reuse program)  
- Create policy that design to meet with socially and environmentally response practises |
| MNC G | A manager’s concern about natural resources protection and environmental policy is a key strategy in doing CSR. | - Green Project  
- Support the enforcement of the natural resources and environmental policy  
- Provide an ethics seminar for all levels of employees |
Leaders are instrumental in creating and changing an organisation’s culture. The creation of organisational culture is based on and defined by the leadership styles of the organisation. It is believed that organisational culture is often an important factor influencing the strength of an organisation. Leadership is also a critical component in the success of an organisation (Schimmoeller 2010).

According to table 5.1, managers were asked to identify key CSR activities that they introduced to their organisation. It appeared from the interview and can be concluded that there are three different main foci in undertaking CSR activities among those managers: 1) CSR activities within employee volunteering program to contribute to community; 2) CSR activities supporting in-kind donations and working with local authorities; and 3) CSR activities on energy consumption and environmental issues.

Various styles of leaders among seven MNCs were analysed and identified into three leadership styles on table 5.2: The Cheerleader, The Bureaucrat and The Instrumental.
### Table 5.2: Three leadership styles and CSR strategy

<table>
<thead>
<tr>
<th>Approaches</th>
<th>The Cheerleader (MNC A, MNC D, MNC E)</th>
<th>The Bureaucrat (MNC B, MNC C)</th>
<th>The Instrumental (MNC F, MNC G)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Focus on ‘Heart’ (Volunteer) to create CSR strategy</td>
<td>Focus on ‘Head’ (Strategy) to create CSR strategy</td>
<td>Focus on ‘Hand’ (Participation) to create CSR strategy</td>
<td></td>
</tr>
<tr>
<td>People-Oriented Leaders</td>
<td>Task-Oriented Leaders</td>
<td>Goal-Oriented Leaders</td>
<td></td>
</tr>
<tr>
<td>MNCs collaborate with employee volunteers and local volunteers</td>
<td>MNCs collaborate with the local authority and local people</td>
<td>MNCs collaborate with the local authority and NGO</td>
<td></td>
</tr>
<tr>
<td>Focus on ‘human’ as a main priority resource for doing CSR activities</td>
<td>Using ‘donation’ as a main strategy in doing CSR activities</td>
<td>Using ‘action plan’ as part of undertaking CSR activities</td>
<td></td>
</tr>
<tr>
<td>Employee Workforce Volunteering Strategy</td>
<td>Corporate Philanthropy Strategy</td>
<td>Corporate Social Marketing Strategy</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CSR activities</th>
<th>Workforce Volunteering</th>
<th>Supporting in-kind donations (e.g. money, equipment and foods), Charitable contribution, Cash grants</th>
<th>Reducing the consumption of energy and sorting waste (e.g. energy saving sign, recycling and reuse program)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay it forward cultural program (e.g. blood donation)</td>
<td>Supporting social programs (e.g. student scholarships program in the local school)</td>
<td>Support the enforcement of the natural resources and environmental policy</td>
<td></td>
</tr>
<tr>
<td>Community Relationship Program</td>
<td>Donating money and joining cultural activity with locals.</td>
<td>Create policy designed to meet socially and environmentally responsible practice.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Challenges</th>
<th>Time consuming CSR Sustainable</th>
<th>Less employee Involvement CSR Sustainable</th>
<th>Time consuming and high effort CSR Sustainable</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Compiled from interview data
According to table 5.2, three categories (The Cheerleader, The Bureaucrat and The Instrumental) emerged from the leadership theme showing how each style had different obligations when they undertook a CSR strategy. The difference in approaches, CSR activities and challenges of each leadership style is discussed.

5.2.1 The Cheerleader

The cheerleader is the leader who takes an indirect approach, motivating and encouraging the team toward success. The cheerleader is generally like a coach. They are multi-talented and able to achieve distinction in various ways. This type of leader originally makes work fun and the energy and enjoyment in the work is often strong enough to carry employees along for the ride. The cheerleader can be seen as prominent of Southern Thai characteristics. It is believed that Southern Thai characteristics tend to care for others especially among their community. The strong point in caring for others and having inward motivation, both Southern Thai characteristics, seemed to fit with the cheerleader leadership style.

In addition, the cheerleader allows followers to have an increasing say in decisions but provides coordination and guidance. According to the findings from interviews, examples of messages that cheerleaders have stressed, such as: ‘Let’s make it together; I know we will make it through; Let’s all have fun with this CSR activity’

It was suggested that the cheerleaders create the CSR activity focusing on ‘people’, ‘their employees’ and ‘their local people’ through various CSR programs. They
raise concern about using ‘human’ relationships as a main strategy to participate in all CSR activities. For example:

*I believe the strong relationship with local people is the best part of our CSR strategy. Our main CSR strategy focuses on Community Relationships. We regularly have meetings with local people. We visited them house by house, showing them that we are responsible on what we did to their resources* (Manager MNC A)

*We communicate with local people through the CSR update board that stands in front of the village. The CSR update will show the monthly newsletter report on CSR-related issues. Some pictures of our CSR activities where we co-operate with local people will be shown up there.* (Manager MNC D)

The cheerleaders also insisted that they can better contribute to the community by working closely with the local people, suggesting that meeting the locals regularly can lead to open-mindedness. The findings also confirm that CSR strategy designed by the ‘Cheerleader’ tends to focus on inward motivation. Issues on inward motivation were mentioned more frequently than other motivations.

*I believe CSR is a good way to boost employee morale. We are currently running the staff volunteering program. We have good responses from our staff.* (Manager MNC D)
Our main CSR strategy focus on a three-level approach, whereby employees are encouraged first to learn what is CSR, second to participate in CSR activities and third is to incorporate CSR into their day-to-day work. (Manager MNC A)

It is suggested by Jamali (2010, p. 183) ‘the principles motivating social involvement are rooted primarily in the context of legitimacy and generalised community commitments’. One of the leaders who demonstrated cheerleader-type leadership confirmed that the staff members with inward motivation who participated in CSR activity were one of the keys to successful implementation of CSR strategy. The staff members who joined CSR activity helped promote corporate responsibility in the local community. Moreover, they also felt connected to MNCs after participating in CSR activities. Two managers shared their perspectives on their workforce volunteers program:

We allowed our employees to spend their working hours joining the CSR volunteers program with local community. (Manager MNC D)

Undertaking volunteering CSR activities allows my staff to have some fun with each other. (Manager MNC E)

Another cheerleader participant also agreed that ideas for CSR activities should derive from all staff across different levels. Staff may have opportunities to create CSR activities that they are interested in.
I feel that my staff was looking forward to the activities that they have created by themselves to join with local people and I also think that CSR activities foster good employee relations among staff. (Manager MNC A)

Findings also included that the CSR activities that came from an inward-motivation could contribute to the creation of a ‘pay it forward’ culture. Specifically, the participants perceived that ‘pay it forward’ culture would help create and build the culture of helping each other by starting first in the organisation and then forward to society. Manager MNC E, talked about his attitude toward ‘pay it forward’ culture:

It is basically a simple attitude that we think we can always make our world better by starting to improve ourselves, with little help from ourselves to people around us, then expanding to someone that needs help. We are expecting that someone we have helped, would continue helping others the same way as we have helped them. (Manager MNC E).

Another important finding was that an interesting question was asked among cheerleaders: would they use the same CSR strategy for different branches and different locations in Thailand? The cheerleaders responded:
CSR activities should be adapted to people, to culture and to the environment we live in. (Manager MNC A)

I think we have to consider our people in the organization as the main issue. We need to know our potential first in order to design good CSR activities. (Manager MNC D)

Indeed, it shows that the key concern regarding CSR activities was how to deal with and co-operate with local institutions. Participants sought to find connections with local institutions in their local areas. The Cheerleader participants mentioned that linking with the local authority was one of the key strategies in undertaking CSR activities. They said it was one of the most effective ways to get to know the local people and get connected with various other social institutions such as local groups in community, local schools, local temples or some community associations.

The cheerleaders also believed that the local leaders can play a significant role in implementing CSR activities.

We devoted a lot of time to help wide sections of our local communities through their local leaders. Collaborating with local leaders has helped implement our CSR strategy to be more successful. The head of the community helped, promoting the role and responsibility of our MNCs in the local community. (Manager MNC A)
I believe that having a connection with the local authority helped us work better and easier in implementing CSR activities with our local community. (Manager MNC D)

Although CSR is not obligatory and is voluntary in practice, most cheerleaders considered, when participating in CSR activities, that the component of ‘heart’ signified the quality of their CSR involvement. Leaders of Cheerleader-style explained that CSR should originate from the good intentions and willingness to help, to give, to share and to make things better for everyone, including stakeholders and society.

CSR is mixing between voluntary intentions to help others and the feeling of we are doing the right thing. (Manager MNC A)

Likewise, manager MNC E who has had 10 years of experience in doing CSR activities remarked how the component of ‘heart’ could contribute to the best of CSR strategy:

I think most managers should have a feeling that CSR should be a must or necessary act for the corporation’s involvement. CSR activities should be something that was not forced by law and regulations but it should be an issue that they know in their ‘hearts’ what they should do.

(Manager MNC E)
The word ‘voluntary act’ or ‘jit-aa-saa’ (จิตอาสา) has been mentioned several times among cheerleaders. They explained the meaning of voluntary act, ‘jit-aa-saa’ as being good hearted by helping others, being involved in voluntary commitment and caring for each other in the social activities. A manager MNC D described the term of voluntary act as the sincere consideration for others with warmth and compassion. He further explained:

*I try to encourage my staff to do ‘jit-aa-saa’ work. And I want them to feel doing voluntary work from their hearts, because no matter how hard the work is, they can always make it through. In other words, I don’t want to force them to join the CSR activities but I want them to join CSR activities because they want to and they are happy to do it.*

(Manager MNC D)

Another cheerleader participant also indicated that he started doing a ‘jit-aa-saa’ program with only a few volunteers, later more staff became interested in participating and the CSR program started to grow:

*I think word of mouth is also important in doing ‘jit-aa-saa’ work. Volunteers are passing along the messages. They encouraged each other to have compassion in giving and helping others.* (Manager MNC E).
An interesting point appeared from the findings: that an expression of the voluntary or ‘heart’ is one of the most important components in having a CSR engagement. The present finding also suggested that there is still a challenging issue regards focusing on voluntary and people-oriented strategy in doing CSR activities. By their nature, cheerleaders were primarily focusing on the ‘process’, and hardly talked about ‘the plan’ or ‘the outcome’. One point that emerged from the interview was the lack of presenting a vision of the future. The Cheerleaders, in the view of employees, show a great deal of responsiveness to the needs of employees and, in the case of CSR, to society. However, the cheerleaders seem to have less focus on providing substantially increased levels of support for future CSR activities.

The researcher also observed that CSR strategy by the Cheerleader often focused on short term programs. They hardly mentioned long term or sustainable CSR plans. This issue can be a challenging point for the Cheerleader to successfully implement CSR activities in Southern Thailand.

5.2.2 The Bureaucrat

The Bureaucratic leadership style describes the leaders who manage everything according to procedure and policy. They impose strict and systematic discipline on the followers. The Bureaucrats know the rules of the institution and has the team abide by them. When there are rigid policies and guidelines in place, the Bureaucrat makes sure that they are maintained and used to the best of their ability.
According to the findings from interviews, examples of messages that the Bureaucrats have stressed, include words such as: ‘Trust me and follow me’; ‘Watch the way I work’; ‘Measure up to my standard’.

The Bureaucrats are likely to use the task-oriented strategy as a key to be successful in any implementations. Being task-oriented will ensure that deadlines are met and jobs are completed. One of the bureaucrat participants expressed concerns on the task-oriented strategy:

*In order to be successful in doing CSR activities, team members need to manage the time well. We have clear plan on supporting all in-kind donations. I, as a manager, need to ensure everything gets done in a timely and productive manner.* (Manager MNC B)

The current findings also suggest that when doing CSR activities, bureaucrats identified goals, the CSR program budget, and measures for evaluating the CSR plans. One of bureaucrat participants mentioned that the CSR activities were evaluated from the feedback or by reference report. It is shown from the interviews that the CSR strategy designed by bureaucrat leaders tends to be more strategically and systematically planned. They focus on using ‘head’ (strategically plan) in order to design CSR strategy.
We admit that CSR activities are part of our business. So, we cannot just donate money or give scholarships without thinking thoroughly.

(Manager MNC C)

More findings also indicated that managers who presented themselves as a bureaucratic leader showed well-planned strategy in CSR activities. The Bureaucrat participants stated that the budget for CSR activities would be set carefully in advance. The bureaucrats talked more about ‘long term plan’ and ‘budget plan’ than other issues in order to create CSR activities. It emerged from interviews that the key concern of undertaking CSR activities was engaging in a systematic CSR plan. Bureaucrat participants emphasised that the CSR activities were included as a component of the organisation’s strategic plans, as the following participants explained:

*CSR activity plan can be prepared over different time frames like a year plan or three year plan. We have carefully thought out the current CSR plan."* (Manager MNC C)

*We created a business plan for our CSR activities. Undertaking a financial sponsorship was part of our successful implementation in CSR strategy.* (Manager MNC B)

Examples of CSR activities that the bureaucrats mentioned were: supporting in-kind donation (e.g. money, equipment and food), charitable contribution,
promoting art and cultural programs at local school and local university; supporting social programs (e.g. student scholarships program in the local school, donating money and joining activity with local temples). Participants also explained that supporting student scholarships can build good relationships between the factory and poor local families living nearby whose children received the scholarships to further their studies at a higher level.

We believe that supporting a student scholarship program is one of the important programs in doing CSR activities. Providing scholarships to poor students, to let them have chances to study, is one of the proudest activities that we do with the locals. ” (Manager MNC B)

Similarly a manager from MNC C affirmed:

Giving educational scholarships to poor local students could broaden their attitudes and upgrade them to have better living in future. The benefits will be given to them and their entire family.

The Bureaucrats also explained that they need to manage and maintain the relationships with the local institutions and other social groups to ensure the success of their CSR activities. They also confirmed that to promote CSR activities, it basically involved the technical support from various social institutions in the local area. One of the key issues identified by the Bureaucratic leaders from
MNCs was the relationships with local Thai Buddhist temple, which brought good collaboration between MNCs and local community.

*The Southern Thai people see their local temples as their second homes. Monks present themselves as part of the community. We helped our local temple. We provided financial support for various religious ceremonies and join with the local people.* (Manager MNC C)

Inevitably, most Bureaucrats from the interviews strongly expressed that it was important to use a top-down approach when generating ideas for creative CSR activity. They mentioned that employees from Southern Thailand would work successfully with the right plan and follow procedures set by the top management or by headquarters. As mentioned by manager MNC C:

*We have set the framework in our CSR program. We have a CSR committee to consider and to make decisions. The criteria in CSR planning come from our top management level. They have to be consistent with the organisational’ mission and vision.* (Manager MNC C)

Manager MNC B also talked about the CSR plan:

*In order to have the same CSR standardisation among all branches for the host country, headquarters has set a CSR target. Therefore, it is*
much easier for us to adapt and design CSR activities that meet up with the objective. (Manager MNC B)

The researcher observed that Bureaucratic leaders hardly mentioned their staff compared to the Cheerleader. The Bureaucrat seldom mentioned strategy to include staff in CSR activities. This issue can be a challenging point for Bureaucrat leaders to successfully implement CSR activities in Southern Thailand. Also, it may be a challenging point for bureaucrat leaders to make a coherent argument regarding how those CSR philanthropic activities contribute to a company’s business strategy and to the locals.

5.2.3 The Instrumental

The Instrumental leader is one of the leadership styles that appeared from the interviews with MNC managers in Southern Thailand. The instrumental leadership style is goal-oriented. In other words, it is a style of leadership based around team building specific to a goal. They focus on having internal actors perform the tasks required for the organisation to reach its desired goals (Boehnke et al. 2003). The Instrumental leaders set direction and play the most significant role in directing employees to achieve the goal, which is best for delivering results in a reasonably stable environment. According to the findings from interviews, examples of messages that the Instrumental have stressed, include: ‘Let’s work together to achieve our goals… It is important to search for the best fit for us all… We all will be the winner, trust in our ability’. (Manager MNC B, MNC C)
The interview with managers of MNCs shows that the leader who has an instrumental leadership style tries to integrate CSR into an action plan in order to build and sustain a competitive advantage. What this researcher learned from the interview is that MNCs also create win-win style CSR activities where all parties could gain mutual benefit from undertaking such activities. One of the instrumental leaders points out that a win-win strategy in doing CSR activities could result in improvements in social and environmental performance that also yields competitive advantage and economic benefit. An instrumental participant mentioned: ‘I believe that the best CSR strategy should be of benefit for both organisation and society, therefore our main CSR strategy focus is on energy saving and environmental protection’. (Manager MNC F)

Nevertheless, an interesting point regarding long term CSR strategy planning emerged from the interviews with key instrumental participants. The importance of a win-win CSR strategy appeared to be necessary for instrumental leaders; integrating business and social responsibility needs takes more than good intentions. As Friedman (1970 p.92) stated that, in a free society, ‘there is one and only one social responsibility of business--- to use its resources and engage in activities designed to increase its profits so long as it stays within the rules of game’.

The CSR activities designed by the Instrumental leaders are mainly focused on making business aware of the needs of the environment and promoting the development of substitute energy sources by thoughtfully considering the effect on
the environment and natural resources. Examples of CSR activities that the instrumental leaders mentioned in the interview include: reduce the consumption of energy and sort waste (e.g. energy saving sign, recycling and reuse program), support the enforcement of the natural resources and environmental policy; provide an ethics seminar for all levels of employees; create policy designed to meet with socially and environmentally responsible practice.

Under the CSR strategy mentioned by the instrumental leaders, the logic of the CSR program’s impact on the corporation’s bottom line is that, if the company improves working conditions in its factory and provides healthcare for its workers, productivity will likely increase. One of the key informants stated:

We encouraged our staff to participate in an Ethics seminar program organised by MNC. The seminar talked about the safe and healthy workplace, product safety and the degree of social responsibility with which the factory treats the workers. We believe undertaking this CSR activity is not only a benefit our corporate image but also increased our staff loyalty. (Manager MNC F)

Based on these findings, there was a clear view that one of the main CSR activities that most factories should be concerned about was dealing with environmental issues. In Thailand, environmental and energy topics are playing an increasing role. There are various aspects of environmental responsibility that the instrumental leaders raised on their CSR strategy. The topic ‘danger of climate change’ is being
discussed among instrumental leaders. An instrumental leader of MNC mentioned that environmental protection and the wellbeing of community and employees are the key areas of concern among CSR issues. For example manager MNC F reported: ‘We strongly support preserving the environment. We are concerned about environmentally responsible practices. We encourage our staff to save energy by putting the energy-saving sign around the factory area’.

Overall, the key instrumental participants agree that integration of environmental management tools into their business plan, including life-cycle assessment and environmental management standards are the key to success in implementing CSR strategy. However, they raised some concerns that management training could play an important role in implementation of CSR strategies: ‘Our management team has set clear goals and policies about environmentally responsible practice. I would say that CSR activity can be a way to reduce the operating cost’ (Manager MNC G).

The variations in opinion about the links between CSR activities and the reduction in operational cost have been discussed among instrumental leaders. It was clearly indicated that encouraging CSR activities such as recycle, re-use and repair of resources was an effective CSR activity that can reduce the operational cost and, at the same time, contribute to society. An instrumental leader mentioned: ‘When a corporation reduces energy use, waste and pollution in our business operations, operating and material cost will decline’ (Manager MNC G).
A comment also made by manager MNC F reflected: ‘We encourage our staff to use resources efficiently by using less water and less energy. We also realised that recycle, re-use and repair is an effective way of reducing energy and impact on climate change’.

Most instrumental leaders expressed concern that CSR was an entry point for understanding sustainability development issues and the fact that humankind used natural resources at a faster rate than they could be replaced. Therefore, CSR sustainability is perceived as the key challenge to implement some CSR strategies in the form of environmental development. Since business plays a pivotal role both in job and wealth creation in society and in the efficient use of natural capital, CSR sustainability is a central management concern.
Theme 2 Relationships among Actors

5.3 Corporate Actors Influence

Overall, the results from the seven MNC managers suggest that the relationships among actors can influence organisational culture, and can affect CSR strategy. The summary of responses from those participants appeared in Table 5.3.

Table 5.3: Findings of the Interviews: Actors Influence

<table>
<thead>
<tr>
<th>Corporate Actors</th>
<th>Influence on organisational culture</th>
<th>Consensus Position on actors Influence</th>
<th>Additional observations</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Headquarter</strong></td>
<td>All managers accepted that headquarters have an influence on their culture in organisation.</td>
<td>All agreed that headquarters expects them to undertake CSR activities. A participant stated that there was an evaluation on the outcome of CSR activities designed by headquarters to evaluate the performance and the success of doing CSR activities among branches.</td>
<td>At least three participants stated that headquarters should stimulate decentralised ‘local’ CSR strategy rather than centrally coordinated ‘global’ CSR.</td>
</tr>
<tr>
<td><strong>Employee</strong></td>
<td>All agreed that employees are the representative of their culture in organisation.</td>
<td>Three out of seven acknowledged that employees help create CSR activities. Another three stated that part of the success in CSR is when employees participate in activities.</td>
<td>- One participant added that CSR strategy has merely decided to link with employees’ attitude. Identity of ‘Khon Tai’ (คนใต้ - Southern People) can be fostered in the CSR activities.</td>
</tr>
</tbody>
</table>
Nowadays, MNCs engage in CSR activities, whereby organisations take responsibility for the actors’ influence of their activities on customers, employees, shareholders, communities and the environment in all aspects of their operations. CSR in general reflects obligations to society and stakeholders within society influenced by the firm, and its importance is increasing with respect to MNCs (Chiara & Spena 2011).

The interviews with managers from MNCs among seven Para rubber industries in Southern Thailand showed the influences of actors in the society on the decisions in designing CSR strategies. There are two main concepts that emerged from the interviews which all managers discussed: 1) headquarters’ expectation and 2) employees participation. From the interviews, evidence emerged of the increasing demands for CSR within MNCs of key stakeholders. Managers at MNCs in this study pointed to their contributions in different kinds of CSR activities. They stressed that it was important to have the social connection and the interaction between groups that could lead to participation in CSR activities.

Social connection can also motivate people to achieve the same goal because they feel they are working in a team. It is believed that when MNCs implement a CSR strategy, they should recognise and respect locals, groups and Southern Thai culture, while maintaining high and consistent global standards and policies.

The seven managers of MNCs provided a rich source of information in regard to their operations in designing CSR activities and also provided general feedback of
how they felt about doing CSR activities. They all discussed numerous CSR activities in which they have participated. It appeared from the interviews that their main objectives in doing CSR activities were mostly linked to the influence of their stakeholders. Two concepts are discussed in the following section to identify how corporate actors influence CSR programs in Southern Thailand.

5.3.1 Headquarter expectation

All participants agreed that headquarters expect their Thai subsidiaries to engage in various CSR activities. Most managers proposed that their headquarters held them responsible for a variety of different CSR actions. Those actions include both operationally oriented responsibility and citizenship responsibilities; headquarters expect their Thai subsidiaries to engage in issues such as, not harming the environment, ensuring responsibility for water consumption and air pollution, treating employees fairly, having the same standards wherever the company operates, local community oriented actions, a donation program and educational support programs.

The researcher found that two important factors that promote the roles of headquarters, subsidiaries and local staff to engage more successfully in Southern Thailand were: (1) the relationship between MNCs and subsidiaries and (2) employee involvement.
5.3.1.1 The relationships between headquarters and subsidiary

The relationship between headquarters and its subsidiary is central to the strategies of MNCs, especially for MNCs installed in countries in different parts of the world with different traditions. The common view among participants was that headquarters’ expectations presented significant challenges that may impact the creation of CSR activities. It was mentioned that headquarters played a vital role in designing the CSR strategy such as considering the process of CSR strategy; evaluating the outcome of CSR activities and suggesting the best CSR practices.

Each headquarters has unique characteristics and circumstances that will affect how it views its operational context and its definition of CSR. As one manager stated: ‘Our headquarters has established an office for CSR that is responsible for formulating policies concerning only social responsibility, implementing the policies throughout the groups and communicating with branches to share information’ (Manager MNC E).

One participant from MNC D reflected: ‘CSR plays a role for our headquarters. We have entered into negotiated agreements in the rubber industrial department in the framework of its ‘Responsible Care Program’. Our headquarters expects us to join all activities with government’.

Another participant also noted: ‘There was an evaluation on the successful of CSR activities designed by headquarters to evaluate the performance and the success of doing CSR activities and comparing among branches. (Manager MNC F)
In this study, the MNC’s headquarters were from seven different nations. Managers in the Thai subsidiaries experienced difficulties in dealing with various expectations and different approaches. An array of cultures was found among people from diverse backgrounds; participants discussed having new experiences dealing with different cultures from another country. Culture can also influence different types and approaches of CSR when MNCs operate in a new location such as Southern Thailand. Indeed, participants indicated that working with headquarters from a foreign country can be a remarkable cultural experience. For example, Manager MNC B, a Southern Thai male, commented:

*I have been visiting our headquarters in Austria several times for our CSR issues meeting. I noticed that the CSR issues were of strict concerned and carefully looked after. Therefore, I was not wondering why our headquarters had a great expectation on our successful implementation of our CSR activities.*

He further explained:

*For me, actually working with the headquarters improves my discipline and gaining more knowledge gives me more concerns as to how I can adapt the good CSR issues that I’ve seen and be able to use them successfully with my Thai factory and my staff. It is also nice to experience another culture.*
Based on the above interview, the findings were that, in terms of MNCs cooperating with headquarters, having transferred CSR knowledge and received the concerns from headquarter could result in improved CSR programs at MNCs.

5.3.1.2 Global - Local Approaches

Interestingly, some of the participants held the opinion that headquarters should stimulate decentralised ‘local’ CSR strategy rather than centrally coordinated ‘global’ CSR. Participants further claimed that it was a matter of culture local CSR performance, as some participants noted: ‘I do understand when headquarters expects us to follow their “global” CSR strategy; however, it is quite risky when it may lack ownership and legitimacy at the local level,’ (Manager MNC A).

‘I think the best CSR activities should come from the “local” subsidiary level where we know all the facts of our own people and our local community. Headquarters can only help guiding and supporting, but not designing the CSR activities,’ (Manager MNC D).

Another participant also pointed out: ‘As we are a small factory, our headquarters is not extensively involved in our daily operations. We can create our own CSR activities but there is a permission required for money spent on CSR activities’ (Manager MNC C).
Conversely, some findings from managers at MNCs mentioned, in regard to the standardisation, that their headquarters had developed centrally coordinated ‘global’ CSR strategies: ‘The CEO at headquarters visits us regularly, we also must consult headquarters for ‘every strategic decision’, especially on CSR issue’ (Manager MNC C).

Three participants shared their perspectives on their decision making controlled by headquarters:

*In my case, it is challenging and not easy as this is strictly monitored by headquarters. We need to get permission from headquarters before we will spend some money on CSR activities* (Manager MNC B).

*I think being controlled by headquarters is quite usual. There are more advantages. We have lots of good ideas from headquarters as regards CSR activities and we also learned something new. It does add up to my general interest* (Manager MNC G).

*The fact that I saw our headquarters tries to encourage the subsidiary to follow their way of doing CSR is quite a challenge...some CSR strategy is hardly adapted for use with our Thai environment* (Manager MNC F).

The researcher observed that MNCs with ‘local’ CSR strategy was a better fit within the Southern Thai cultural context because Southern Thai people had their
uniqueness characteristics which needed to be understood by MNCs. For example: being communitarian, loving their own community, not trusting others easily or believing in their own ability. Therefore at this point, it was appropriate for MNCs to consider use of a local CSR strategy to adapt with Southern Thai people.

5.3.2 Employee involvement

Ramus & Steger (2000) mentioned in their research that employees who perceive strongly encouraging signals on the part of their company or leaders have a greater probability of developing and implementing creative ideas that positively affect the environment than employees who do not experience this stimulation. As a result, most MNCs try to encourage employees to be aware of social issues to deepen their understanding and to participate in community projects. Hence, employee involvement is part of successful CSR activities.

Based on the interview, an important issue was to include participation among employees in CSR activity. Participants explained that employee involvement is crucial to ensuring its community engagement activities are truly meaningful:

I believe that our main and most important target audience is our employees. We have seen general public is increasingly attuned to global CSR issues. Our employees therefore, are more aware of the issues and more sensitive to CSR efforts than before (Manager MNC G).
With the expansion of CSR issues, an increasing number of employees are engaged in several CSR activities.

I have a good story that demonstrates the impact that CSR activities have on employees. One of the CSR activities is called “English for Entrance with sis and bro”. In this project, many of employees volunteer to help review previous English exam papers for local students at grade 12, in order to help them achieve better marks for their entrance exams to university. A few years ago, the factory opened another branch. Those employees who were about to move over to the new branch requested a solution that would enable them or their new colleagues to continue “English for Entrance with sis and bro” project. The request has been approved by the executive management level in order to permit those employees to continue volunteering. (Manager MNC D)

Some participants (3 out of 7) acknowledged that employees help create CSR activities. From the participants’ perspectives, they considered their employees as their most valuable asset: ‘We let them create their own CSR activities. We believe that our local employees understand their local communities and colleagues best. We empower them to manage their local volunteer activities,’ (Manager MNC D). ‘The CSR volunteering program organised by local employees provides a viable and easy platform for them to channel their passion and make a positive impact in the community around them,’ (Manager MNC A).
Participants commented that CSR was beneficial because CSR improves employees’ perceptions of the company. Results show that employees from Southern Thailand were more conscious of their contribution in CSR program. They also commit themselves to the organisation that supports CSR initiatives in Southern Thailand. One important reason is the relationship between MNCs and their Southern Thai identity. For Southern Thai workers, doing good (CSR activities) can positively impact their locality and identity as ‘Khon Tai’ (People from the South). This cultural point is truly important for all stakeholders to include local staff to engage in various CSR activities at different stages. The following interview extract gives one manager’s experience:

*I believe that the personal identities are partly tied up in the workplace that you are working for. So, it is like if the factory is doing something or concerned about something, then I am too, because the association with the factory reflects positively on me, and that makes me feel good about the work I do for the factory, as do my employees!* (Manager MNC D)

Participants also regularly expressed strong concerns about the challenge of encouraging employees to join CSR activities. It is mentioned that reaching employees might be easy, but engaging them has become the bigger challenge. It is said that involving employees in CSR activity is not just about being philanthropic, but simply connectivity that allows for inspiration and deeper involvement with the organisation and its goals. As the following participant explained: ‘It takes some
time to encourage and inspire employees to see how important the CSR issue is. At first they have no clue what CSR is. But we get there in the end’ (Manager MNC G).

The researcher observed that it was also important for MNCs to educate their Southern Thai workers to have more knowledge of CSR activities. This is because it is appropriate with one of the characteristics of Southern Thai culture as Southern Thai people like to learn new things, like to share ideas, like to be part of the decision and also like to get involved in CSR activities, especially in the voluntary program.

Overall, opinions regarding employee involvement and engagement in CSR, are varied amongst scholars. Mirvis (2012) discusses the ways that factories involve their employees in CSR. He states that the CSR program should be undertaken to meet the needs of employees who want to take part and it should aim to activate social responsibility in a factory and to develop its employees to be responsible corporate citizens.
CHAPTER 6

FINDINGS: SOUTHERN THAI CULTURE AND
THE IMPLEMENTATION OF CSR STRATEGY

6.1 Introduction

One of the key questions in this study is ‘How does Southern Thai Culture affect the implementation of CSR strategy by MNCs?’ In order to understand this research question, this chapter focuses on the key findings regarding Southern Thai culture and CSR from the in-depth interviews with managers and employees among seven MNCs at Para rubber industries in the south of Thailand.

The chapter also describes the current findings on what influences certain characteristics of Southern Thai culture affecting the implementation of CSR strategy at MNCs. The participants included seven managers and fourteen employees from MNCs who were directly involved in the CSR in their factories.

6.2 The uniqueness of Southern Thai culture

This section shows how managers and employees identify the characteristics of Southern Thai people. Questions regarding what they thought were the key characteristics of Southern Thai people were asked of seven managers and fourteen employees among MNCs in Para rubber industries.
After the data analysis, four characteristics of Southern Thai culture emerged (see Figure 6.1). The following sets of characteristics of Southern Thai people describe the nature of Southern Thai behaviour that is related to the implementation of CSR strategy at MNCs. These unique characteristics of Southern Thai culture reflect the nature of MNCs operating in Southern Thailand. In most cases, MNCs of Para rubber industries revealed that the influences of local cultures shape strong value systems among their members at MNCs. In terms of building up good CSR, working and motivating employees and local community, understanding the uniqueness of Southern Thai culture for MNCs has significance in operating a business in Southern Thailand.

Overall, the interviews revealed that the distinctive characteristics of Southern Thai people can be identified in four categories, as described in table 6.1.

<table>
<thead>
<tr>
<th>The Term of Uniqueness of Southern Thai culture</th>
<th>Result from Interviews on Southern Thai culture</th>
</tr>
</thead>
</table>
| **Jai-Yai (เจียใหญ่)**  
(Generous, Giving, Considerate, Helpful, Kind, Energetic, Optimistic) | All participants agreed that Southern Thai people are generous and believe in giving back, or ‘tob-tan’(ตอบแทน) |
| **Hua-Mor (หัวหมอ)**  
(Trust themselves, Knowledgeable, Clever, Wise, Sneaky, Determined) | All participants supported that Southern Thai people always believe in themselves, trust their own knowledge and will not let others easily take advantage. |
Table 6.2: The uniqueness of Southern Thai culture and its effect on the implementation of CSR strategy

<table>
<thead>
<tr>
<th>The Uniqueness of Southern Thai culture</th>
<th>How it effects on the implementation of CSR strategy?</th>
<th>Claimed from Interview Data</th>
</tr>
</thead>
</table>
| Jai-Yai (ใจใหญ่) (Generous, Giving, Considerate, Helpful, Kind, Energetic, Optimistics) | Voluntarism | “I think Southern Thai people are generous. They have a certain image of the way their lives should be. They are also energetic and full of life.” “I think Southern Thai people are kind-hearted. They enjoy helping and are quick to identify needs.”

All participants highlighted that Southern Thai people are straight forward. They like to display their emotions and not hide their feelings. The majority of participants agree that Southern Thai people are brave to talk and dare to ask if they have questions.

All participants held the view that Southern Thai people love their own community and are always attached to their local community.
<table>
<thead>
<tr>
<th>Name</th>
<th>Traits</th>
<th>Communication and Informing</th>
<th>Quote</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hua-Mor (หัวหมอ)</td>
<td>(Trust themselves, Knowledgeable, Clever, Wise, Sneaky, Determined)</td>
<td>MNCs need to communicate and be willing to share information continuously to local community.</td>
<td>“I think Southern Thai people are clever and quite knowledgeable”</td>
</tr>
<tr>
<td></td>
<td></td>
<td>“They trust their own knowledge and will not easily believe if they do not see or read with their eyes, hear with their ears and touch with their own hands.”</td>
<td></td>
</tr>
<tr>
<td>Trong-Pai-Trong-Ma (ตรงไปตรงมา)</td>
<td>(Straight forward, Straight to the point, Open-minded, Confident, Directed)</td>
<td>MNCs need clear strategic planning and clear CSR responsiveness.</td>
<td>“I think Southern Thai people are concerned with what is right and wrong. They openly show the way they feel through their conversations… whether it is good or bad”.</td>
</tr>
<tr>
<td>Rak-Puak-Pong (รักพวกพ้อง)</td>
<td>(Collectivist, Group-Oriented, Family is important, love their own community)</td>
<td>People like to join and participate in CSR activities with their community.</td>
<td>“The family unit is important within culture; young people tend to live with their families until they are married; people in community tend to share and exchange things such as food, clothes etc; family and people in community are protective of others”</td>
</tr>
<tr>
<td></td>
<td></td>
<td>“They protect people who are close to them”</td>
<td></td>
</tr>
</tbody>
</table>
6.2.1 Southern Thai culture and CSR: Jai-Yai ใจใหญ่
(Jai-Yai: Generous, Giving, Considerate, Helpful, Kind, Energetic)

When discussing opinions about Southern Thai characteristics (table 6.1), the words ‘Jai-Yai’ seem to be the first issue expressing the uniqueness of Southern Thai people. All participants agreed that Southern Thai people are ‘Jai Yai’ ใจใหญ่, which implies they are kind and believe in giving back. Participant E4 MNC B mentioned that:

*I think Southern Thai people are ‘Jai-Yai’ ใจใหญ่. They are generous and have certain image of the way their lives should be. They can be seen as energetic and full of life.* (Participant E4 MNC B)

*I think being ‘Jai-Yai’ ใจใหญ่ is an example of Southern Thai characteristics. Southern Thai people show their ‘Jai-Yai’ ใจใหญ่ through their optimism and their way of giving back to community. They are quite helpful and cooperate with other people.* (Participant E1 MNC A)

*I think Southern Thai people are ‘Jai-Yai’ ใจใหญ่. They are kind-hearted person and enjoy being of assistance.* (Participants E5 MNC C)

*I think the ‘Jai-Yai’ ใจใหญ่ characteristic of Southern Thai people is linked to the belief in making good merit which is rooted in Buddhist
belief; it is shown how Southern Thai people have learned to share and to give back. (Participant E2 MNC A)

Participant E6 MNC C agreed on the merit making, which brings in creating greater inner happiness by doing things that are good, being a moral person and helping others who need help. She continued:

*I think the majority of Southern Thai people believe in making merit.*

*We know that the one who makes merit gains happiness, prosperity, good luck and success in their present life.* (Participant E6 MNC C)

It is believed that making merit is one of the most common religious practices among Thai Buddhists and it can be practised in various ways such as helping others who need help, giving food to monks, donating money and being a moral person (Dahfred 2009). The Buddhists hope that by making merit they will gain success, good luck and happiness. They believe that the harder their actions, the better merit a giver will gain. Likewise, participant E7 MNC D who is originally from Southern Thailand, remarked how making merit and belief in giving back imbued in the characteristics of Southern Thai people:

*I have been taught since I was young that the more people give, the more they will get in return. I think the meaning making merit by giving back for Southern Thai people are not limited to only sponsoring or donations but it is including volunteering and engaging.* (participant E7 MNC D)
Manager MNC F further explained the volunteerism of Southern local people towards CSR activities arranged by MNCs:

*When our factory invited local people to participate in the CSR project such as cleaning project for our local community, it appeared that many local people volunteered to help in cleaning and improving our public places in our community such as temple, school, bus stop etc. I’ve noticed that those local people are really helpful and enjoy participating in everything they can to complete our CSR projects.*

(Manager MNC F)

From the interview data, a *voluntarism* concept has emerged which relates to the implementation of CSR strategy in *being ‘Jai-Yai’ (ใจใหญ่) and belief in giving back*, which influences the behaviour of Southern Thai people.

Source: Compiled from interview data

**Voluntarism**

This concept was discussed by most managers and employees in this study. In essence, *voluntarism* reflects the implementation of CSR strategy at MNCs in regard to Southern Thai people who volunteered to act on CSR activities and carefully made every effort to help finish the activities (table 6.2).
In relation to the implementation of CSR strategy, participants’ perceptions in regard to the ‘giving back’ attitude of Southern Thai people and their effect on CSR activities were also examined.

Most participants agreed that the ‘giving back’ characteristics of Southern Thai people have positively affected the implementation of CSR strategy, especially when Southern Thai people volunteered to act on CSR activities and made every effort to help complete the activities. Most participants emphasized the success of CSR activities when local people volunteered, as the following participant explained:

*Southern Thai people are kind and willing to volunteer in doing CSR activities. They are thoughtful and considerate of other people. They like to be ‘voluntarists’. There were many CSR activities arranged by our MNCs and we have good support from local people to accomplish them.* (Participant E5 MNC C)

Manager MNC A also commented that:

*I agree if we would call Southern Thai people ‘voluntarists’, I was so surprised seeing many local people participating in our CSR medical health check-up program provided by MNCs. They volunteered to keep an eye on health and safety program among themselves in the community.*

When CSR is interpreted in this way, ‘doing-good’ and giving back are accepted as the primary concept underlining CSR implementation. Since doing good is
universal for Southern Thai society, collaboration at multiple levels and stages of CSR implementation is possible. Manager MNC G confirmed the positive feeling of working with Southern Thai employees:

> Since the factory is located in Southern Thailand, the majority of our staff are from the South. I can say that working with our Southern staff in doing CSR activities is easy because their characteristics are considerate, giving, lending and sharing things. They find ways to make things happen and get things done. With their volunteering, help and concern, our CSR activities have been implemented successfully.

(Manager MNC G)

Employee volunteering is typically one part of a CSR program run by organisations. It is assumed that the volunteering improves the social capital for MNCs (Peterson 2004). Participant E1 MNC A indicated that:

> Working with Southern Thai colleagues has taught me to be concerned more about others and learn how to be a giver. I am not originally from the South but I have started my career in the South and have not moved anywhere yet. I think the successful of implementation of CSR strategy should partly come from our staff who are willing to help, volunteer, participate, share and enjoy giving back.

> With the help of our staff on CSR project, I noticed that Southern staff are quite responsive to what they are doing, especially the activities
that have to involve their community. They persevere until the task is finished. (Manager MNC C)

Getting into the volunteering CSR program is a major concern among Southern Thai people for both the local Southern community and also Southern Thai staff.

However, during conversations, a few participants mentioned that when working with generous Southern Thai staff on volunteering programs, it may take longer to get the CSR activities done because they needed someone to guide them through the whole process. Participant E6 MNC C further mentioned on working with Southern staff that:

I found that Southern Thai people are considerate people and willing to help in doing CSR activity, but it might take them a bit longer to get the work done. They usually have an optimistic ‘glass half-full’ point of view. They need us to guide them and make decisions for them.

Another participant also mentioned that:

When working with generous and considerate Southern Thai staff, I agree that the work was going a bit slower than I thought as we need to guide them through the whole activities. However, the good point is the CSR activities seem more complete with fewer errors. (Participant E7 MNC D)

Overall, employee volunteer programs and community volunteering had a positive influence on CSR strategy for MNCs. The importance of volunteering in the community has been highlighted as an indicator of community cohesion or social
capital by Putnam (2000). A key element of many CSR programs is the opportunity for staff to volunteer in working with the community through programs facilitated by MNCs. These findings confirm research (Rangan et al. 2012), which indicates the significance in engaging CSR by strengthening their connections to the local communities via voluntarism. Most respondents reveal that CSR through voluntarism could provide an opportunity to make positive and long-term impact between factory and community. Manager MNC C expressed that: ‘We believe that when employees volunteer and learn to give back, they will strengthen their connections through the communities where they live, work, play and learn’.

Most managers and employees contributed to the concept of voluntarism. They talked about the uniqueness of Southern Thai people and most participants agreed that Southern Thai people are kind and believe in giving back. This point can directly affect the implementation of CSR strategy as the ‘voluntarism’ concept emerged. All participants assumed that most Southern Thai employees and local Southern Thai people like to volunteer in all kinds of CSR activities operated by MNCs. As volunteering is an important part of creating a healthy environment, this motivated and engaged both employees and local people to share activities. For MNCs, the voluntarism concept provides development opportunities, building team work and boosting morale. Most managers and employees emphasised the importance of community and employees volunteering, which helps MNCs successfully finish their CSR activities.
6.2.2 Southern Thai culture and CSR: Hua-Mor (หัวหมอ)
(Hua-Mor: Trust themselves, Knowledgeable, Clever, Wise, Determined)

The current finding suggests that Southern Thai people are ‘Hua-Mor’ (หัวหมอ) (table 6.1), being wise, knowledgeable, determined and trusting their own knowledge. All participants agree that being ‘Hua-Mor’ (หัวหมอ) is a unique element of Southern Thai culture.

*I think Southern Thai people are clever and quite knowledgeable. They trust their own knowledge and will not easily believe if they do not see or read with their eyes, hear with their ears and touch with their own hands.* (Participant E9 MNC E)

*I think that being ‘Hua-Mor’ (หัวหมอ) is one of the unique characteristics of Southern Thai people which have sometimes made me nervous in order to prepare information well to be ready to answer their questions. I remember once I had a meeting with local people at their community discussing about our process of getting rid of waste water. Most of local people in the meeting have been preparing well to discuss with MNCs. So it assumed that they are interested in their quality of living and they know exactly what their right is. They are determined and seem they will not easily give up.* (Participant E6 MNC C)

The findings also indicate that participants sometimes found it challenging to work with ‘Hua-Mor’ (หัวหมอ) Southern Thai people. Participants mentioned that:
I think it is not easy to deal with local people at the beginning because they initially like to compete and always testing. They are curious, asking lots of questions and always like exploring things (E8 MNC D).

Manager MNC D added:

When I started working in this factory as a manager, the local community tried to challenge me on what I have said and promised, as we have been setting up the CSR project called ‘24 hrs checking on our factory’ where we will be open for outsiders to come and check on our factory anytime they like regarding the waste water processing and steaming processing. The local people wanted to know how sincere we are to them. So they gave me a call around 2 am in the morning asking for visiting our factory at 3 am.

Based on the interview, it is likely that Southern Thai people are unaware about their own rights. To be able to deal with Southern Thai people, MNCs need to make sure they have a flow of communications and share appropriate information with local people on CSR issues as part of the process in transferring CSR information. This is especially true in regard to the ‘Hua-Mor’ (หัวหมอ) Southern Thai people.

Source: Compiled from interview data
Communicating and Informing

The concept of communicating and informing was discussed among managers and employees at MNCs. The essence of this concept is that MNCs should communicate and be willing to share information continuously with the local community (table 6.2). Misalignment between MNCs’ and local peoples’ perceptions on CSR issues can occur due to lack of communication and transfer of knowledge (Ankrah et al. 2013). In essence, the quality of communications with local Southern Thai people reflects the implementation of CSR strategy at MNCs.

Communication allows transparency and clear direction. It is implied that MNCs should be able to provide the local community with accurate and useful information about CSR issues for instance, environmental protection issues, waste water issues around factory areas, which eventually aids local people’s sense making and increases trust. Therefore, it is believed that high quality communication will help create more understanding and assist local people especially the ‘Hua-Mor’ (หัวหมอ) Southern Thai people in understanding the reasons behind CSR activities and MNC’s action.

Indeed, it emerged that the key concern regarding successful implementation of CSR strategy was how to deal with local people. Most participants agreed that to be able to work successfully with Southern Thai people, MNCs need to encourage and provide systematic communications channels. Good CSR strategy inherently
implies the concept of involvement and dialogue with their local community. It is important to emphasise the two-way communication. To be able to work with ‘Hua-Mor’ (หัวหมอ) Southern Thai people, it is important to establish the channels that do not just enable information to be provided, but also are essential to receive information and obtain feedback from the local community.

The findings also indicated that MNCs need to develop a communication plan to generate local community interest. At the same time MNCs need to ensure that they create two-way communication channels. Some employees claimed that when communication is not taken seriously between MNCs and the local community, it may cause misunderstanding, which leads to bigger problems:

_We faced a challenging issue with local people about lots of fish that died in the local river. Many local people insist that the reason that tons of fish died because of our factory let the waste water flow through the river. At that time our factory did not really communicate or could give an explanation as to how we operate the waste water system. We have learnt so much from this miscommunication. Those rumours ruined our reputation. It took time for us to prove ourselves that the waste water that we let flow from our factory has been tested and it is clean and safe for environment. We started to communicate again with local people by inviting them to come to the factory and start fish farming using the water that already passed through our waste water treatment before letting it into the river. At the end, those fish survived._
We have learnt from this experience that Southern Thai people will hardly believe in anything until they can prove by themselves and that having good communications is one way to improve understanding between local Southern Thai people and MNCs. (Participant E13 MNC G)

Poor communication can impact the level of local people’s engagement and trust. For example, one employee participant mentioned:

_I have been living near the factory before I started working in this factory. I accepted that I did not like this factory because before it never opened to us as local people. My attitude was quite negative until later a new manager came. I guess they changed many operations in the factory. A new manager was trying very hard to open and communicate more with local people. Once I started receiving news about the factory. I slightly changed my attitude since I knew how they controlled and monitored environmental issues. And here I am, I am working in the factory now (laugh)._ (Participant E 10 MNC E)

Indeed, one manager explained that to be able to provide better communication, staff needed to have enough knowledge in order to transfer the right information related to CSR activities or CSR issues to people within the local community.

_I think to be able to get along with Southern Thai people. The factory needs to provide appropriate communication channels to transfer the right information to local people._ (Manager MNC F)
Transfer of CSR knowledge among employees at MNCs was also discussed, as having standardisation of CSR knowledge can be one way to communicate with the ‘Hua-Mor’ (ʻหัวหมอ) Southern Thai people. Besides providing good and fair communication to local people, the codification and standardisation of CSR knowledge is anticipated to create better understanding on CSR issues among employees and be transferred to the local community while implementing CSR activities.

From the interviews, some participants acknowledged that not all employees at MNCs knew exactly why MNCs need to provide CSR activities, or what CSR is for. Therefore, providing workshop for employees on doing CSR before starting CSR activities was discussed among managers at MNCs.

*I think it is a good idea to provide a CSR training program to all employees in all different level, whether they are not responsible for working in a CSR team, but I do think it is important when they know from the starting point.* (Manager MNC A)

*I agree that providing CSR training program before starting it can be useful for our employees. As they need to provide the right information to communicate with local people, I mean if we have to work with local people on CSR issues.* (Manager MNC E)

The training program on the process of doing CSR is mentioned by most managers in order to develop CSR awareness and increase CSR knowledge among employees, who are then able to communicate and transfer the appropriate
information to local people. CSR training will enable employees to be more productive and thus contribute to CSR organisational goals. Employee participants in this study said that training on CSR programs helped them to better understand what MNCs focus upon and want to achieve. As an employee observed:

_The training programs on ‘why we have CSR activities’ did help me in being more engaged and better understanding the CSR issue. The training that we receive improves my CSR knowledge and helps me communicate well with local people._ (Participant E14 MNC G)

Moreover, Managers also mentioned that training on CSR issues is a form of investment for the future and helps employees to be more engaged in CSR activities.

_After CSR training program, our staff who is dealing directly in CSR activities feel that they are more confident about the relating CSR issues in order to communicate and participate with local Southern Thai. They are more open in communicating and be willing to share information to those local people. And at the same time, once the local people get the right and appropriate information, they hardly ask questions on our related CSR issue and I feel that they are satisfied when we have a good communication._ (Manager MNC C)

Overall, most participants spoke positively about communicating and informing. It is believed that quality corporate communication by MNCs plays a significant role in implementing CSR strategy for ‘Hua-Mor’ Southern Thai people. Information
communicated by MNCs helps local people gain more understanding regarding CSR implementation and this represents the good relationships between MNCs and their local community.

6.2.3 Southern Thai culture and CSR: *Trong-Pai-Trong-Ma* (ตรงไปตรงมา)

(Trong-Pai-Trong-Ma: Straight forward, Straight to the point, Open-minded, Directed, frank)

Based on the interview, another important characteristic of Southern Thai people was being ‘Trong-Pai-Trong-Ma’ (ตรงไปตรงมา) (table 6.1). ‘Trong-Pai-Trong-Ma’ (ตรงไปตรงมา) can be ascribed to someone who is straight forward, blunt, direct, open minded and straight to the point. All participants explained that Southern Thai people are open minded and have straight forward ways of living. They are likely to say things directly and straight to the point. Participant E6 MNC C explained that:

> I think Southern Thai people are concerned with what is right and what is wrong. They openly show the way they feel through their conversations whether it is good or bad. (Participant E6 MNC C)

Participant E13 MNC G also added:

> Since I have been working in Southern Thailand for 5 years, I noticed that Southern Thai people like to openly share their thoughts and their feelings with others. They let others know when they are upset or angry.”
Alternatively, some participants emphasised the difficulty in working with Southern Thai people who are fearless, as the following interviewee explained:

*Dealing with people who have strong minded and straight forward characteristics can be quite difficult in some situations. Southern Thai people are straight forward and I believe they expect others to be straight forward back to them as well.* (Participant E 11 MNC F)

Nevertheless participants stated that they must ensure that local people received the true facts from factory. Therefore, they think it is easier to deal with those Southern Thai people, as long as they give accurate information, with nothing hidden. Moreover, a few participants also found themselves feeling satisfied when having a straight forward conversation back to those local Southern Thai people.

*Yes, as we are the only one factory located near their community, if there is any problem related to any environmental issue around our community area, I believe our factory will be the one that those local people would question. Therefore, in order to show our sincerity. We need to talk to them with openly and straight forward. I believe that the straight forward conversation will eventually gain the trust from the local and will help us working with them for longer term.* (Participant E8 MNC D).

Parallel to this discussion, participants considered that responsiveness and systematic approach were linked and reflected upon the implementation of CSR strategy. MNCs will have to deal with the local people who are open minded and
like to receive the truth from MNCs. Local community expect MNCs to show their ‘altruism’ which is related to the idea of taking care of others and gaining their trust. As Campbell & Slack (2008) found, altruism as an important motive for philanthropic engagement among MNCs.

The concepts of responsiveness and systematic approach therefore were discussed among managers and employees as this concept can help cope with the local Southern Thai people in order to gain good cooperation when doing CSR activities.

Source: Compiled from interview data

**Responsiveness and Systematic Approach**

The concept of **responsiveness and systematic** approach were discussed by all managers (table 6.2). MNCs need clear strategic planning and a clear CSR action plan to guarantee that the implementation of CSR strategy is controlled and monitored. Most participants believed that having a system for the evaluation, application and monitoring of opinions and demands from the community played a significant role in working on CSR activities between MNCs and local people. It is believed that having a systematic CSR approach and a good CSR strategic plan are ways to deal with the straight forward Southern Thai people.
The findings from the interviews indicated that the straight forward nature of Southern Thai people affected the implementation of CSR strategy by MNCs. In the majority of cases it was said that the straight forward characteristics of Southern Thai people made the relationships stronger between MNCs and the local community. Manager MNC A noted:

_Talking about how Southern Thai people are being so straight forward,
I totally agree. For me, I think it is easy dealing with people who are straight forward as there is nothing hidden and we can be openly sincere to each other. I think this characteristic is one of the positive behaviours of Southern Thai people._

Inevitably, participant E10 MNC E discusses the difficulty in dealing with Southern Thai people who are straight forward:

_I had experience solving air pollution problem that we have misunderstood between local people and factory. When I first met local people in the meeting to discuss about the following issue I was a bit nervous since I knew that Southern Thai people will not hold back their feeling when they are angry. They would use strong conversations. Therefore, my suggestion was we needed to prepare many reasonable documents and evidences in order to back up our opinion to talk with them._ (participant E10 MNC E)
Dealing with Southern Thai people who are straightforward, MNCs need to have clear CSR responsiveness planning. The concept of CSR responsiveness is discussed among managers and employees at MNCs to emphasize the evaluation of response to CSR. Carroll (1979) proposed four approaches regarding possible CSR responsiveness to social pressure, categorised as the philosophy of corporate social responsiveness: That is, reaction, defence, accommodation and proactivity.

Based on the interview data, the question was asked of all seven managers as to which approach they thought would best describe their MNCs. The level of responsiveness could have an influence on the implementation of CSR strategy by MNCs. None of seven managers mentioned that they were in the reaction level approach, (fight all the way). MNCs that adheres to this strategy usually denies the social complaints against its illegal or immoral actions. For the defensive level (do only what is required), two of the seven managers identified themselves as taking this approach. They mentioned that they adopt this response strategy only to comply with the minimum legal requirements in order to protect MNCs and satisfy local people’s expectation. Interestingly, most managers (4 out of 7) stated that they adopted an accommodation type of response which assumed that MNCs were in line with social norms, values and relevant perspectives. However, there was one manager who confirmed that his MNC was proactive (lead the industry), which is the most comprehensive type of response to social pressures, as it complies with all social performance criteria, including the discretionary. He concluded that if all MNCs were at this stage, it was likely that MNCs would always lead the social
initiatives, prevent the social negative impact of its activities, and anticipate social problems and solutions.

There was considerable value in proceeding with CSR implementation in minimising environmental impact. It is clear that MNCs need systematic CSR approaches in order to engage with the community and deal with environmental activities. Minimisation of the environmental impact was discussed among managers as one CSR strategy. Managers were concerned to maintain compliance with environmental legislation and ensure that the MNC was kept up to date. As one manager stated:

*We are concerning about environmental impacts. We systematically control water and energy consumptions. We want to be a green factory.*

(Manager MNC F)

*We do make sure that the waste water generated by the production department is correctly managed.* (Manager MNC G)

With respect to the environmental impact issue which was mentioned by the Instrumental leaders from previous chapter, it was shown that the successful CSR implementation related to how MNCs managed the environmental systematic control. Therefore the concept of “Responsiveness and Systematic Approach” at MNCs can help them manage relationships with Southern Thai people.
6.2.4 The Uniqueness of Southern Thai culture: *Rak-Puak-Pong* (รักพวกพ้อง)
(Rak-Puak-Pong: Communitarian, Group-Oriented, Family Oriented, Community Oriented and Team focused)

Participants also spoke about ‘*Rak-Puak-Pong*’ (รักพวกพ้อง) characteristics of Southern Thai people (table 6.1). Based on the observation and experience triangulated with documentary sources, Southern Thai people are communitarian (Kittaworn et al, 2002). They place great importance on family and community. The family unit is important within the culture; young people tend to live with their families until they are married; people in the community are sharing and considerate. Family and people in the Southern community can be protective of each other. They protect people who are closest to them. Participant E10 MNC E mentioned: ‘I am originally from the south of Thailand. Having good family relationships is important to me and to people in this local community’.

She continued to emphasise the importance of following the appropriate norms and codes of conduct, which governed behaviour towards different family members, for example being respectful to parents and attentive towards children. One participant commented on the group decision making and how Southern Thai people are loyal to their group:

*I think from my perspective regarding Southern Thai people, they are based on groups’ decision. I have noticed from meeting with them that many decision making based on what is best for their groups.*

( Participant E1 MNC A)
Parallel to this discussion, participants considered that participation and coordination are linked and reflected the implementation of CSR strategy. As being communitarian involved being participative, this was anticipated to create a harmonious environment and bring good relationships between MNCs and the local community. Therefore, the participation and coordination concept is emerged, as it affects the implementation of CSR strategy.

Source: Compiled from interview data

**Coordination and Participation**

Based on the interviews with managers and employees at MNCs regarding the uniqueness of Southern Thai culture, one of the characteristics mentioned by most managers and employees is that Southern Thai people are ‘Rak-Puak-Pong’ (รักพวกพ้อง). All participants held the view that Southern Thai people love their own community and always being attached to their homeland. In essence, Southern Thai people would join and participate in CSR activities based on society and the religious perspective with their community (table 6.2).

It is also suggested from the interview data that Southern Thai people’s behaviour is also found to be governed by the religious beliefs that they hold. According to their background, all of the research participants were Buddhist. It is likely that
religiosity would be evident in the moral reasoning, including the religious activities perspective. In essence, CSR activities that relate to religious actions are likely to have full participation from local Southern Thai people. For instance: charity work for the local Buddhist temple, merit release birds and fishes activities on Buddhist celebration day, cleaning public area on Buddhist festival, abstaining from alcohol during Buddhist Lent etc. Managers regularly expressed strong concerns about the influence of religiosity on CSR activities.

*Most of our CSR activities focus on supporting work on temples as form of CSR charity. Southern Thai people have a strong Buddhist tradition of giving away charity. We have good responses from local people as they are willing to participate in joining our CSR activities and that is because they believe that doing good helps building a better karma.* (Manager MNC B)

Alternatively, some participants commented about the multi-religious aspect of Southern Thailand which influenced the implementation of CSR strategy. According to the religious identity in Thailand, Buddhism is the majority religion of Thailand; however Muslim is also one of an important religion especially in Southern part. There were many Thai-Muslims living in the Southern Thailand as it is near the border of Malaysia, where the vast majority of the country’s Muslim, predominantly Malay in origin, is found in Southern Thailand. In some Southern provinces where the Muslim population is substantial, organisations who employ Muslims allow them to leave for important Muslim festivals and to work half-days on Friday, the Muslim holy day. In essence, MNCs in Southern Thailand need to
consider their CSR strategy as it relates to Thai-Muslim employees and Thai-Muslim local people, as the following comments reflect:

*Our factory is located nearby the Thai-Muslim community. We are currently host and sponsor the Thai-Muslim community projects. We donated funds to help the Islamic community and support their religious activities.* (Manager MNC F)

*Part of our staff in the factory is Thai-Muslim. Most of them are living around factory. Apart from allowing them to leave for important Muslim festivals, we have coordinated short sessions (usually a few days) of English instruction and activities for the 400 Thai-Muslim students from local Kindergarten living near our factory.* (Manager MNC D)

On the whole, the Thai-Buddhist and Thai-Muslim can work together to engage in CSR implementation. The power of the religions influences local people to join and share group activities, which affect the implementation of CSR strategy at MNCs.

In relation to cooperation with Southern Thai people in the implementation of a CSR strategy, participants also suggested the importance of participative decision making in some CSR activities involving local people, such as community sport events, community care program, or national festival parties. The issue of
participative decision making was discussed by managers. When MNCs and local community work closely together on CSR activity, participative decision making also emerged. The interview data provides evidence that MNCs should give the opportunity for local people or local leader’s opinions to be voiced. This could encourage them to participate in CSR activities. As one manager claimed:

*Many of our CSR activities focus on the local community, involving help and decisions from local people or local leaders. One of a very successful CSR program that arranged by our MNCs is ‘caring our community through sport’. The idea is to build good relationships with local through sport game. Local representatives were joining us sharing ideas how MNCs could arrange this activities.* (Manager MNC E)

A manager participant emphasised that participative decision making is not about being right or wrong but having the opportunity to voice one’s opinions. In essence, by getting other ideas out, one can learn from each other. Participative decision making may make positive contributions through MNCs and local community especially to the Southern Thai communitarian.

As participative decision making also requires Southern Thai people to be proactive, it involves building trust between MNCs and their local community. Having a voice from Southern Thai people as members in team could influence successful implementation of CSR strategy at MNCs. Participative decision
making was prevalent as a positive construct among MNCs and local community. As one manager disclosed:

*I’ve noticed when Southern Thai people could voice their opinions in the CSR activities arranged by MNCs. They feel that they are part of our team.* (Manager MNC G)

In addition, in order to build long term relationships with Southern Thai people who are ‘Rak-Puak-Pong’ (รักพวกพ้อง), good coordination and co-operation could play a significant role when implementing CSR strategy at MNCs.

In conclusion with respect to all characteristics of Southern Thailand, results show that each of characteristics play important part and could influence CSR strategy at MNCs in Southern Thailand: 1) Being ‘Jai-Yai’ (ใจใหญ่) could influence the voluntarism concept which reflects the implementation of CSR strategy at MNCs in regard to Southern Thai people who volunteered to act on CSR activities and carefully made every effort to help finish the activities; 2) Being ‘Hua-Mor’ (หัวหมอ) could reflect the concept of communicating and informing regarding good CSR strategy which MNCs should communicate and be willing to share information continuously with the local community; 3) Being ‘Trong-Pai-Trong-Ma’ (ตรงไปตรงมา) could reflect the concept of responsiveness and systematic approach where MNCs need clear strategic planning and a clear CSR action plan to guarantee that the implementation of CSR strategy is controlled and monitored; and 4) Being ‘Rak-Puak-Pong’ (รักพวกพ้อง) could influence the concept of coordination.
and participation as Southern Thai people would join and participate in CSR activities based on society and the religious perspective with their community.
CHAPTER 7

FINDINGS: PERCEPTION OF STAKEHOLDERS REGARDING CSR STRATEGY

This chapter provides evidence to examine research objective number three which is to investigate the perception of three groups of key stakeholders regarding CSR strategy at MNCs in southern Thailand. This is in order to understand different points of view through which key stakeholders (managers, local communities and government’ officers) look at CSR strategy. The finding was presented in the ‘focus group’ interview style.

7.1 Introduction

This chapter presents the findings related to research question three: *What are the perceptions of key stakeholders regarding CSR strategy at MNCs’*. The findings were extracted from the ‘focus group’ interview with stakeholders’ in this study. It focuses on their views on CSR strategy by MNCS. The perceptions of the three groups of key stakeholders (managers, local community and government officers) are involved.

The main purpose of this chapter is to understand different point of views from which managers, local communities and government’ officers look at CSR strategy. This also includes the similarities and differences in their views on the CSR strategy.
7.2 Managers’ views on CSR strategy

The section explains how managers of MNCs present their perceptions regarding their CSR strategy. The analysis shows two themes as mentioned by all managers towards their perceptions on CSR strategy. These two themes are ‘building strong relationships with local community’ and ‘environmental protection in the community.’ All managers confirmed these two themes as their main focuses on CSR strategy (see figure 7.1).

Figure 7.1: Managers’ Perception toward CSR strategy

7.2.1 Theme one: Building strong relationships with local community

This concept was first discussed by all of the managers in a focus group interview. When discussing their perceptions towards CSR strategy, most managers mentioned that successful CSR strategy involved relationships with local people in the community around the factory. In the term of the types of CSR activities practiced in Thailand, it has been reported that local community service programs
was the most prevalent forms of observable CSR activities (Prayukvong & Olsen 2009).

Based on the focus group interviews, all managers acknowledged that MNCs need strong relationships with local community to be able to work on community services programs. The concept of showing concern emerged from the interview.

**Showing Concern**

In essence, showing concern reflects an MNC’s responsibility to show support, treat local people with respect and care. A closer relationship between MNCs and local community provides stronger relationships between factories and local people. One of the aspects of showing concern is equivalent to being part of the local community’s festive celebration or religious festive activities. For example, an informant explained: ‘We started our good relationships with local people by offering helps, supporting resources and participate their local festivals activities’.

Showing concern is part of how MNCs express themselves to the local people. One manager also explained that showing concern occurs when MNCs treat the local community as part of their factories. As in the case of collectivism culture, local people see the importance of family or group. They mainly make decisions based on their group. The strong relationships between MNCs and local people will be clearer when local people think that factory is part of their community and at the same time MNCs also think that local community is part of their factory. As an informant described:
I think that local community is the fence of our factory. The good relationships between us can make the very strong fence to protect our factory, as we, factory cannot stay alone without good support of the local community.

Showing concern is to have a mutual understanding between the condition of the organisation and the condition of the local people. MNCs that take time to understand local community circumstances and how they live are already halfway to success in implementing their CSR strategy; for example, respecting local people the way they are, not trying to change them to adapt with factory’ culture but instead trying to adapt to them.

One of informants stated that showing concern is knowing how to help and support local people. To be able to have a good bond with local people, MNCs needed to show their effort and their sincerity through all their actions. As one informant revealed:

We have heard from our local staff that the local community near the factory plan to build the learning center as a place where local people can earn knowledge, searching information and learning about new technology like internet etc. We then have donated computers to support them.

All managers in the focus group interview contributed the concept of showing concern. Most of them discussed this concept in great depth. They show concern in relation to the collectivism culture and showing support for the community. The
idea of cultivating and nurturing practice was appeared to be source of tool in engaging local community concerned by all managers. Kleinrichert (2007) stated that the notion of cultivation involves a process, yet it also seems to involve qualitative nurturance based on aspects of care, competences and development. Managers emphasised the importance of local community engagement as one of the factors that are of great concern between MNCs and their local community. A Manager further explained about supporting the local community: he agreed that local people do not commit to MNCs that live up to the obligations of having their own CSR activities within MNCs; local communities, more often than not, want more than that; they prefer MNCs who care passionately about CSR activities, and involve local people in their CSR activities. MNCs that show full effort to cultivate meaningful relationships with their local community help to nurture local community engagement. As one informant stated that:

_We tend to involve local community joining our CSR activities, as we believe that this is the way we can show our concern for them and for the society. With good team work and involving local people in CSR activities, we realised that later, if they have questions or problem regarding our factory, they are happy to come and talk directly to us and we would work together with them and guide them to find the best solution._

Most managers are happy to have local community as part of their factory and they believed that cultivation practice can lead to the success of CSR activities between MNCs and local people. As a result, cultivation is a symbol in tying others in
nurturing of relationships in organization. It is believed that ‘cultivation may also establish a metaphorical notion of seeding social, political, or economic ties to others in the nurturing of relationships between corporations and the communities in which they operate. In other words, cultivation involves process. It is the methodology of nurturing within the cultivation of relationships that must be developed from a motivation or particular intention’ (Pfeffer 1979, pp.25).

7.2.2 Theme 2: Environmental Protection

Another important issue that was also discussed among groups of managers concerned their perception towards CSR strategy that focused on environmental protection. It was reported that most local communities in Thailand located nearby industrial areas have long been the victim of environmental pollution (i.e. toxic air, contaminated water) over the last few decades (Kuasirikun & Sherer 2004). In addition, the negative effect of Thai industrialisation has become slowly recognised and relevant governmental agencies have begun to take measures to help deal with social and environmental issues (Kuasirikun 2009).

Most managers from MNCs see an importance of the environmental impact that may occur from factory production. They agreed that the creation and disposal of waste could pollute the air quality. One of the informants stated that:

Twenty years ago, we admitted that we made a mistake by using coal as the fuel in our production line. It caused big trouble regards air pollution in local area near factory. We then made a decision to
temporarily shut down our factory in response to what we have been causing. It has been more than 10 years now that the problem has been solved as we invested more money on technology and use the fuel which is least likely to cause air pollution.

Basically, a closer look revealed that Para rubber industry consumes large volumes of water, uses tons of chemicals and other utilities and discharges enormous amounts of waste. Therefore it cannot be denied that it would cause environmental pollution among area around the factory.

Ratanajongkol, Davey & Low (2006) found that most industrial manufacturing companies focused on the environmental theme while other businesses, such as finance, hotel and services businesses, were more focused on the human resource theme. When managers discussed their opinion regarding CSR strategy, most of them mentioned the environmental protection issue and, importantly, the topic of reducing environmental pollution. They shared opinions regarding how to improve the surrounding environment around factory by using less chemicals and less energy.

In essence, the concept of ‘From little things, big things grow’ has emerged and was a concern among all managers in the focus group interview. In order to cope with the environmental problem they started addressing the issue themselves within the factory and later on this spread to community and society.
From little things, big things grow

This concept was discussed by all managers who mentioned their perceptions towards CSR strategy regarding environmental issues. In their concerns ‘from little things’ means the factory needs to begin encouraging their own people by starting first inside or around their own factory. Successful CSR programs have been discussed among managers regarding the concept of ‘from little thing, big things grow’. One of the successful CSR projects that were mentioned by all managers was ‘reforestation’. One participant explained that having reforestation activities, he could see his own small plants that he grew by his hands to bigger strong trees. And that meant a lot to him. Surprisingly, all managers also claimed that they had all joined reforestation programs organised by their own MNCs and by government. A manager described his experience:

A CSR activity for environmental conservation is one of the most important responsibilities for our MNCs. Three years have passed since our project ‘reforestation for our future’ has started. Back in year 2008 more than 50 of our staff and their families joined in our tree planting project.

One manager also indicated that he noticed his employees’ attitude toward the environment changed after the experience of their first reforestation activity through the CSR evaluation message when finishing the activities.

I have read all comments and messages from my subordinates on the evaluation paper for this program. Most of them mentioned that they
were so proud to be part of this green environment and looking forward to seeing their plants grow to big tree. Some of them mentioned that they had so much fun with each other.

The concept of ‘from little things, big things grow’ was a big inspiration on planting and watching them grow into strong trees.

*I believe planting the saplings by hands make us all realised how beautiful the nature is. From small plants to bigger trees could make the balance of ecosystem.*

*Yes I do agree that reforestation is one of the CSR activities that we really focus on our future and our next generation. We joined the reforestation project with one of the local schools in a program organised by government.*

Another important issue that was discussed among managers regarding their perception on CSR strategy towards environmental protection under the concept of ‘from little things, big things grow’ was focused on the water management. According to Mohammadi et al. (2011), the Para rubber industry consumes large volumes of water, then discharges untreated rubber effluent to waterways, which resulted in water pollution that affected the human health. Therefore, it is a concern among managers that MNCs need to focus on clean production technology, utilization waste and recycling of water in order to minimize environmental pollution in order to become sustainable and environmental friendly.
We all accepted that the consequence of rubber processing has provided serious problem due to the highly polluted effluents. Wastewater is one of a big problem that I think we all have to start working together finding the right solutions. The treating wastewater from production process could control the environmental problem for a long term.

Yes, as MNCs, we should find ways together in protecting the discharge of untreated wastewater to the river. We need to keep eyes on each other, not to catch each other mistake but to share important information to each other regarding wastewater problem.

Although, participants were more likely to discuss the polluted water issue, they also talked about the effect of air pollution, which also strongly concerned all managers regarding environmental problems caused by the Para rubber industry. It is interesting to note that all managers in this focus group interview felt that they all had highly responsibility towards environmental issues caused by their own factories. In essence, they also build good connections between themselves among all factories located in the same area. The result of this finding can also refer to the communitarian characteristics of Southern Thai culture (which was discussed in chapter 6), where strong connections between similar groups of people produced positive results for each other. One manager reflected that:

*I have been involved in Para rubber industry more than 15 years. Recently, I have seen the positive changing regarding good connection between each factory among Para rubber industry. I accepted that*
before we were acting more like competitors but now I feel that we are more like friends and neighbours.

Good connection between the same industry located in the same area is one of the issues that was brought up in the focus group interview regarding working together under the concept of ‘from little things, big things grow’. The opinion was that having good connection between managers at MNCs clearly indicated that the support of top management can strengthen responsibility initiatives. In essence, all managers agreed to give priority to CSR and were willing to allocate the necessary human and financial resources to social and environmental improvement.

7.3 Local community’ views on CSR strategy

This section shows how local people present their perceptions towards CSR strategy by MNCs. Overall the result confirm both positive and negative feedback in regard to CSR strategy through the focus group interview with the community members. The positive feedback was concerned with economic opportunity and relationships among actors, while the negative feedback concerned environmental issues and the social impact issues (see figure 7.2).
7.3.1 The Positive Feedback: Economics Opportunity

All local people in the focus group interview indicated that MNCs have strengthened the economy of the community. MNCs create new work opportunity for local people, their families, and their relatives living in the community. It was suggested that MNCs raise their living standard by offering people in the community with more job opportunities. One local community member explained:

*My house is located within 10 minutes’ walk from the factory. My son is working in that factory. After he finished studying in college, he got the job straight away in the factory as an electrical worker.*

*I don’t work in factory but I open the grocery shop nearby where factory is located. My shop is doing very well as many of my customers are the factory workers.*
In this context, the current findings also demonstrated that when MNCs offer many job positions, local people in the community have a better chance to apply for jobs at MNCs nearby. It is suggested that it could not only elevate their standard of living, but also help draw younger generations of local people back to work in their hometown. One participant commented:

My parents used to move to the big city finding jobs back 20 years ago. Later, once they knew that they could get jobs at factory in our hometown, they moved back and I also started studying here. I am happy to move back to my hometown.

Participants felt that they had been given more opportunity from MNCs at the recruitment and selection stages when applying for a job at MNCs, as they were from the local area and lived nearby the factory. Some participants agree that local people who work in factory could refer their friends, relatives or neighbours who live in the community to work in the factory when there was a vacancy.

Participants also agreed that they were happy with CSR strategy that MNCs constructed for their community. One participant raised the issue of MNCs’ construction which have improved their local infrastructure. Since there were MNCs nearby, all facilities around the area such as old pipes, roads, water system and electrical devices were changed and renovated. They stated that, as a result of those changes, the living standard for local people also was improved. This finding is illustrated in the following comment from one of the local participant, ‘Before MNCs came we had only the soil road, since MNCs operated, all road has changed to macadamized road’.
It is also emerged in the findings on local people’s perceptions toward MNCs’ CSR strategy that having MNCs nearby a local community had improved the public transportation in the community area. As MNCs would like to make their employee’s commute more convenient, there were increased public bus services in the local area.

In addition, local people also agreed that CSR strategy arranged by MNCs had brought better relationships among all community members. The relationships among community members were raised as one positive feedback on the perception of local people regarding MNCs’ CSR strategy.

### 7.3.2 The Positive Feedback: Relationships among Actors

The findings from participants indicate that joining CSR activities arranged by MNCs have strengthened good relationships between MNCs and local people in the community. According to participants, CSR strategy that involves local people could enhance the community engagement and lead to better understanding between MNCs and the community. One local community member explained that seeing how MNCs made an effort on CSR activities played an important part in changing attitudes towards MNCs.

*I feel that MNCs tried hard to involve us as part of their CSR strategy. I accepted that my attitude has changed once I joined cleaning local temple and public area program arranged by MNCs. I saw all employees put their efforts and helped our community.*
I have been in the meeting with MNCs and also has joined many CSR activities organised by MNCs. One of an impressive CSR activities that I participated was growing fishes in the river nearby factory. MNCs allowed us to do fishing and bring home.

Participants further described the fact that local people are more open-minded to MNCs than before. It was typically very difficult for Southern Thai people to get to trust someone or something without any proof. To exemplify, participants stated that MNCs become part of their community.

I am one of the local leaders’ team that joining the meeting regularly with MNCs regarding issues between MNCs and our local community. I have all necessary contacts of factory’s people. Once there was very dark smoke comes out from the factory’s pipe. I did call them and factory stops the production straight away. That is how I think they showed their responsibility and care about us.

Local people in the focus group interview also indicate that they found MNCs’ CSR strategy was more reliable than Thai-owned factory strategy. Participants were more likely to praise what MNCs offer them and they do compare the CSR strategy between MNCs and Thai-owned factories. The following remarks illustrate the above finding:

Yes, I agree that MNCs have been looking after us better compare to a factory that owned by Thai people.
We all can contact managers from MNCs directly and they respond to our requests faster than Thai-owned factory. I think we can rely on them more.

I have been invited to attend lunch with MNCs management. They asked me a lot of questions regarding our community and whether their CSR suit us.

In summary, even though the participants were talking about positive feedback regarding CSR strategy that MNCs have offered them, they also talk about the negative feedback in having MNCs in their local community. It is interesting to note that all participants in the focus group interview felt that if there was a choice not to have MNCs’s factories in their local community, they all would prefer not to have one.

7.3.3 The Negative Feedback: Environmental Issues

The researcher asked whether, if the participants could have the choice between having or not having MNCs around their community, what they would choose? All participants immediately responded that if they could have the choice, they all would prefer not to have MNCs in their community area. Participants referred to negative experiences and negative impact they were facing with the environmental issues. All agreed that even though MNCs provided good CSR strategy; however, it cannot be denied that most local people still experience environmental problems caused by MNCs. For instance, participants explained:
The smell from rubber production that came out from chimney is bad; someday we woke up with a very unbearable smell. Even if we could give the factory a call to have a look but I think it is causing our health problem for longer term as we breathe in that air pollution.

Yeah, luckily I always travel to do my job in other provinces. I do not have to face the bad smell every day.

I think from my house, it depends on the wind direction. Someday we are lucky, we could not smell anything; someday the smell is really bad.

It is assumed that most factories in Southern province have been forced to use an activated sludge process to prevent the bad smell from anaerobic condition (Rungruang & Babel, 2008). All agreed that even though there was better technology in wastewater treatment methods, it was still hard to fully trust whether the wastewater will not harm their health and not affect their water consumption. Two participants pointed out:

Since my house is near the river, I still use the water from the river to wash clothes and to grow vegetables. And I believe that more than 50% of household who live near the river still consume the water from the river.

Yes, and we all will never know that those water is really clean or without any hidden chemical which can affect our life in long term or near future.
Interestingly, based on the evidence there are similar concerns among two groups of stakeholders regarding the environmental issues: MNCs and the local community. It was found from the interviews that managers have direct influence on environmental strategies through their actions, while the local community tried to show their points of view regarding what caused the environmental issues.

Nevertheless, this study also found an unexpected issue, apart from an environmental problem in living near factories. The unexpected issue related to a social impact issue.

7.3.4 The Negative Feedback: Social Impact Issues

Because of the lack of labour in Thailand, most MNCs employ migrant workers from neighbouring countries such as Laos, Cambodia and Myanmar. Workers from neighbouring countries provide an essential source of cheap labour to many industries in Southern Thailand. It is clear that migration is a driver of economic growth and an important tool for industrialization in Thailand (Piriya, 2012).

Nevertheless, many studies (Pitayanon 2001; Sakaew & Tangprapakoon 2009) mentioned that the registered migrants are also deprived or their worker rights in many cases as Thailand’s labour laws do not really give full protection. The poor management and policies regarding Migrant workers in Thailand still remain big issues. To participants, having migrant workers affected the new social structure. The focus group interview with local people demonstrated that society issues occurred when migrant woman workers have an unexpected affair with the
husbands of local people whose families lived near the factory. Most migrant women workers live close to the factories or in the dormitories provided by MNCs. Therefore, their lives are surrounded in the local community area. One participant started raising this issue:

*I would say that there is an indirect impact that nobody could think of when having MNCs in the local community. As it is happening to many families whom I know. Since there are lots of women migrants work at the factory. The issue of many husbands had an affair with those woman migrant workers become real problems at this stage.*

(Smile) *Actually true, my neighbor is facing this issue. Most woman migrant workers are still young and attractive. I would say among 10 couples, 8 couples are facing this problem.*

Participants comment that some female migrant workers are pregnant with Thai husbands. It is likely that they have the right to live in Thailand if it is certified that the baby is half Thai. Based on the policy in Thailand, migrant women must undergo a mandatory pregnancy test before entering the country. Migrant women workers are not eligible for maternity leave and they can only stay in the country if they are working (Harima 2012). As a result, the issue of unexpected affairs is still there to be faced in the local community as long as factory and local community are interrelated. There are still also gaps regarding the restricted rights and law policies on migrant women workers in Thailand; more research needs to be done at this stage.
The researcher observed that the problem of the poor management and inefficient policies had significantly caused the social problem issues. The social protection systems for migrant workers in Thailand needed to be improved and more concern shown by all involved parties regarding the equality of human rights. However, it should be noted that Thai government and Thai society at large should acknowledge the positive contributions of migrant workers to the Thai economy and therefore help improve their working and living conditions.

7.4 Government’ officers views on CSR strategy

The section shows how government officers at the Department of Industry present their perceptions regarding CSR strategy. One main theme mentioned by government officers towards their perceptions on CSR strategy, was under the theme of ‘encouragement’ (see figure 7.3). All government officers talked about their roles in dealing with CSR strategy.

Figure 7.3: Industrial government officers’ perception toward CSR strategy

![Diagram]

Source: Compiled from interview data
Government’s role is to help map existing needs, opportunities and constraints in the local and national CSR context in order to define appropriate CSR strategy (Zsolnai 2013). All government officers at focus group interviews show their opinions regards essential reasons why governments should promote CSR and take it seriously to support CSR at MNCs and work on CSR activities with local community in practising responsible conduct.

All participants firmly believed that government actions are essential to create an enabling environment to promote CSR at MNCs. ‘Supporting and Encouraging’ is clearly stated as part of government role in supporting and promoting CSR to MNCs. Consensually, one participant agreed about the significance of introducing all MNCs to participate in CSR program arranged by the Department of Industry. An example of a program is called ‘Green Industry’. All factories in the South of Thailand are invited to join the green industry program. Three participants explained about the green industry project:

One of our interesting projects that we have set up to encourage all industrial factories in Southern area to see the important of having CSR strategy is called Green Industry. The objective is to encourage industrial factories to care about environmental issues and to live with local community for their mutual benefit of sustainability.

The concept of this project is we are here to help cooperating both MNCs and local community working together for our efficient and sustainable CSR.
This green industry project actually focus on these following issues; green commitment; green activity, green system, green culture and green network.

In addition, it is believed that once MNCs participate in this green industry project, all MNCs located in the same area and dealing with the same industries will be able to learn from each other and gain deeper understanding of their own local community area by sharing ideas and information with each other.

As a result, the key roles which a government can actively choose to engage and support CSR issues at MNCs are: regulating, facilitating and warranting. Through those roles the concept of joining together and searching for unity emerged in the focus group interview.

**Join together, search for unity**

The concept of joining together, searching for unity was raised by government officers at the Department of Industry. All participants discussed the role in building good connections and better understanding between MNCs and local community as the starting point in doing all CSR projects. Participants expressed:

> I think as government officers, we could work as middle person to collaborate MNCs and local community. I believe to be able to do successful CSR that we tried to encourage, we need more groups of people to help.
Yes, I do agree! Our focus is on sustainable CSR. We need help and understanding from both of MNCs and local community.

Participants felt that the coordination between MNCs and local community can be built by getting to know each other step by step. Having the same purpose in developing efficient and sustainable CSR could be one factor that both MNCs and local community should take care of. The current findings also suggest that to be able to encourage and work with both of MNCs and local community, both parties had to learn how to forgive and forget about their past experiences. Government officers talked about the history of how local community used to have negative attitude towards MNC factories and that was causing fights and protests because the local community were trying to shut and stop the factory. A participant explained: ‘I am really concerned about the misleading information which caused big trouble between MNCs and local communities before’.

He further explained that the negatively biased information can be passed down from one person to another if someone had bad experiences and misunderstanding. The misleading information could inhibit local people’s attitude towards the factory.

In addition, government officer participants also emphasised a lack of technology and lack of good planning in regard to pollution control, which caused MNCs trouble in the past when there was dark smoke coming from the chimney. Therefore, it made the local community unhappy and they held big protests against MNCs later. However, with the government regulations and stricter controls, it required MNCs to carefully think about investing in new technology. It is believed
that the situation improved, especially in the case of Para rubber industry. The government also helped by setting up a number of associations in order to enable MNCs to provide better production and quality control, as the following participant explained:

As part of my job, I work as a quality control inspector. I have right to go visiting all factory without appointment, checking the smoke that come out from their chimney’ factory. And if there is higher level of pollution than it is supposed to be, I have the right to tell factory to stop all the production.

All government officers believed that they had enough power to regulate and control all settings at industrial factories of the MNCs. And at the same time they also believe that the local communities need them to keep an eye on issues that may occur regarding environmental problems caused by a factory. For instance, one participant explained:

Local community knows that they will always have us by their sides and it is our job to give the fairness and support to both of MNCs and local community. I do agree and believe that MNCs and local community need to trust each other at the first hands and think that what happened in the past was, it is just ‘nobody fault’.

Therefore, to be able to work on the concept of ‘Join together, search for unity’ would challenge government’s role as a middle person. However, it is believed that
this concept is the starting point in order to gain success in developing a CSR strategy for both MNCs and the local community.
Chapter 8 presents the conclusions and discussion of the study. This concluding chapter presents an overview of the findings in relation to the three research questions that are the focus of the thesis. This is followed by a discussion of the practical contributions of the research.

8.1 Research Question One: “To what extent does organisational culture affect CSR strategy?”

The researcher started the discussion by exploring the influences of organisational culture upon CSR strategy at MNCs, highlighting emerging themes from the analysis. The study revealed two themes showing the links between organisational culture and CSR strategy - leadership influence and relationship among corporate actors. The two themes derived from the in-depth interview data provided complimentary evidence from general managers, CSR managers and HR managers of seven MNCs in the Para rubber industry in Southern Thailand.

Theme 1: Leadership style

The findings show that leadership style, organisational culture and how leaders design CSR strategy are strongly interrelated. Certainly, leaders play significant roles in influencing others to help accomplish group and organisational objectives, or any other activities. In the interview it is particularly evident that different
leadership styles are likely to have different personal obligations to undertake CSR strategy and create different CSR activities, which was shown in table 8.1.

**Table 8.1: Key finding from Research Question 1**

<table>
<thead>
<tr>
<th>MNCs</th>
<th>Interview data</th>
<th>CSR activities</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>MNC A</strong></td>
<td>A manager creates the CSR activity focusing on ‘people in the organisation and local people’ and promotes a ‘volunteering program’ as part of CSR strategy.</td>
<td>- Employee volunteer program &lt;br&gt; - Local Community Relationship Program (e.g. meeting with local community regularly)</td>
</tr>
<tr>
<td><strong>MNC B</strong></td>
<td>A manager sees the charitable program as a main CSR strategy. Also working closely with local authority is one of the key strategies in implementing CSR activities.</td>
<td>- Support social programs (e.g. local school student scholarships program) &lt;br&gt; - Support charitable contribution (e.g. money, equipment and food),</td>
</tr>
<tr>
<td><strong>MNC C</strong></td>
<td>A manager believes that supporting in-kind donations and promoting cultural programs are key strategies in doing CSR. He believes that being a financial sponsor for a local institution is one of the successful elements in implementation of CSR strategy.</td>
<td>- Promote art and cultural program at local school and local university &lt;br&gt; - Supporting in-kind donation (e.g. money, equipment and food) &lt;br&gt; - Donating money to local temples</td>
</tr>
<tr>
<td><strong>MNC D</strong></td>
<td>A manager believes in using inner-motivation to encourage employees to join CSR activities. He states that ‘human connection’ is the key for successful CSR activities.</td>
<td>- Pay it forward cultural program (e.g. motivate employees to join all activities in factory, blood donation) &lt;br&gt; - Workforce volunteers (using skill-based volunteers to help local community)</td>
</tr>
<tr>
<td><strong>MNC E</strong></td>
<td>A manager points out the importance of considering mainly the contribution to local people and community.</td>
<td>- Invite local community to join factory’s special occasion (e.g. New year party and other Thai festivals)</td>
</tr>
<tr>
<td><strong>MNC F</strong></td>
<td>A manager points to the necessity and importance of energy saving as the main CSR strategy. He believes that concentration on energy saving is a mutual gain.</td>
<td>- Reduce the consumption of energy and sort waste (e.g. energy saving sign, recycling and reuse program) &lt;br&gt; - Create policy designed to meet social and environmentally responsible practices</td>
</tr>
<tr>
<td><strong>MNC G</strong></td>
<td>A manager’s concern about natural resources protection and environmental policy is a key strategy in doing CSR.</td>
<td>- Green Project &lt;br&gt; - Support the enforcement of the natural resources and environmental policy &lt;br&gt; - Provide an ethics seminar for all levels of employees</td>
</tr>
</tbody>
</table>
Three leadership styles were found from the interview appeared in table 8.2, table 8.3 and table 8.4; The Cheerleader, The Bureaucrat and The Instrumental.

**Table 8.2: Key Finding from the Cheerleaders**

<table>
<thead>
<tr>
<th>Approaches</th>
<th>CSR activities</th>
<th>Challenges</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Focus on ‘Heart’ (Voluntary) to create CSR strategy</td>
<td>• Workforce Volunteering</td>
<td>• Time consuming</td>
</tr>
<tr>
<td>• People-Oriented Leaders</td>
<td>• Pay it forward cultural program (e.g. blood donation)</td>
<td>• CSR Sustainable</td>
</tr>
<tr>
<td>• MNCs collaborate with employees volunteer and local volunteer</td>
<td>• Community Relationship Program</td>
<td></td>
</tr>
<tr>
<td>• Using ‘human’ as a main priority resource for doing CSR activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Employee Workforce Volunteering Strategy</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Compiled from the interview data

The finding shows that the Cheerleaders make work fun and create environment of enjoyment in the work is often strong enough to carry employees along for the ride. The Cheerleader also strongly allows followers to have an increasing say in decisions but provides coordination and guidance. It was suggested that the cheerleaders create the CSR activity focusing on ‘people’, ‘their employees’ and ‘their local people’. They raise concern about using ‘human’ relationships as a main strategy to participate in all CSR activities. The characteristics of this type of leadership style feature prominently in Southern Thai culture. It seems that in a collectivism culture like Southern Thai culture, having a caring leader who is
constantly interested in motivating their people is a positive fit within the Southern Thai cultural context.

Further evidence from the findings was that the phrase, ‘voluntary act’ or ‘jit-aa-saa’ (จิตอาสา), was mentioned several times among cheerleaders. Participants explained the meaning of voluntary act, ‘jit-aa-saa’ as being good hearted by helping others, being involved in voluntary commitment and caring for each other in the social activities. This significant descriptor of behaviour can be implied to have a strong fit with Southern Thai people.

The study concurs with Jamali’s (2008) view that the principles motivating social involvement are rooted primarily in the context of legitimacy and generalised community commitments. From the study, it is evident that the staff members with inward motivation who participated in CSR activity were one of the keys to the successful implementation of CSR strategy. The staff members who undertook CSR activity helped promote corporate responsibility in the local community.

Further to the point made above, CSR activities that came from an inward-motivation could contribute to the creation of a ‘pay it forward’ culture which was also found to be significant in CSR activities to best fit the characteristics of Southern Thai people.

There was some evidence from the findings, suggested by the cheerleaders, that linking with the local authority was one of the key strategies in implementing
successful CSR activities. It emerged that the key concern in undertaking CSR activities was how to deal with, and co-operate with local institutions. Participants sought to find connections with local institutions in their local areas. They said it was one of the most effective ways to get to know the local people and get connected with others various social institutions such as local community groups, local schools, local temples or associations in the communities.

Table 8.3: Key Finding from the Bureaucrat

<table>
<thead>
<tr>
<th>Approaches</th>
<th>CSR activities</th>
<th>Challenges</th>
</tr>
</thead>
</table>
| • Focus on ‘Head’ (Strategy) to create CSR strategy | • Support in-kind donations (e.g. money, equipment and foods), Charitable contribution, Cash grants | • Time consuming  
• CSR Sustainable |
| • Task-Oriented Leaders                        | • Support social programs (e.g. student scholarships program in the local school) |                        |
| • MNCs collaborate with the local authority and local people | • Donate money and join cultural activity with locals. |                        |
| • Using ‘donation’ as a main strategy in doing CSR activities |                                                      |                        |
| • Corporate Philanthropy Strategy               |                                                      |                        |

Source: Compiled from the interview data

The findings confirm that the Bureaucrats are the leaders who manage all aspects of CSR according to procedure and policy. They impose strict and systematic discipline on the followers. In the interview, in particular, the Bureaucrats focused on using ‘head’ (strategically plan) in order to design CSR strategy. It was suggested that they are likely to use the task-oriented strategy as a key to successful CSR implementations.
From the study, it is evident that most bureaucrats strongly expressed the top-down approach when generating ideas for creative CSR activity. They mentioned that employees from Southern Thailand would work successfully with the right plan and follow procedures set by the top management or by headquarters.

However, the researcher observed that Bureaucratic leaders hardly mentioned their staff compared to the Cheerleader. The Bureaucrat seldom mentioned strategy to include staff in CSR activities. This issue can be a challenging point for Bureaucrat leaders to successfully implement CSR activities in Southern Thailand. Also, it may be a challenge for Bureaucrat leaders to make a coherent argument regarding how those CSR philanthropic activities contribute to a company’s business strategy and to the locals.

Table 8.4: Key Finding from the Instrumental

<table>
<thead>
<tr>
<th>Approaches</th>
<th>CSR activities</th>
<th>Challenges</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Focus on ‘Hand’ (Participation) to create CSR strategy</td>
<td>• Reduce the consumption of energy and sort waste (e.g. energy saving sign, recycling and reuse program)</td>
<td>• Time consuming and high effort</td>
</tr>
<tr>
<td>• Goal-Oriented Leaders</td>
<td>• Support the enforcement of the natural resources and environmental policy</td>
<td>• CSR Sustainable</td>
</tr>
<tr>
<td>• MNCs collaborate with the local authority and NGO</td>
<td>• Create policy designed to meet socially and environmentally responsible practice.</td>
<td></td>
</tr>
<tr>
<td>• Using ‘action plan’ as part of undertaking CSR activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Corporate Social Marketing Strategy</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Compiled from the interview data
The Instrumental leader is one of the leadership styles that appeared from the interviews with MNC managers in Southern Thailand. The finding shows that the Instrumental leaders set direction and play the most significant role in directing employees to achieve the goal. They integrate CSR into an action plan in order to build and sustain a competitive advantage. This has strong implications for Southern Thai people as employees who would work successfully with the direction setting.

The Instrumental leaders of MNCs mentioned that environmental protection and the well-being of community and employees were the key CSR concerns. The instrumental leaders agree that integration of environmental management tools into the business plan, including life-cycle assessment and environmental management standards, were the key to success in implementing CSR strategy. However, they raised some concerns that management training could play an important role in implementation of CSR strategies.

Further to the point mentioned above, management training was found to be significant in Southern Thai culture. It seems that management training programs fitted the characteristics of Southern Thai people as they like to participate, to learn new things and to gain more knowledge. The increased knowledge on CSR issues will help managers and employees create good CSR strategy.
Theme 2 Relationships among Actors

Overall, the results from interviews with the seven MNC managers suggest that the relationships among actors in rubber industry can influence organisational culture, and can affect CSR strategy. In term of the relationships among actors, there has been some convergence towards the corporate actors where organisations take responsibility for the actors’ influence upon their activities with customers, employees, shareholders, communities and the environment in all aspects of their operations. Nevertheless, it was significant that the majority of managers at MNCs mentioned that their headquarters expected them to be responsible for a variety of different SR actions which could influence the culture within their organisation. The key findings regarding HQ expectation is shown in table 8.5.

Table 8.5: Finding on Headquarter Expectation

<table>
<thead>
<tr>
<th>Corporate Actors</th>
<th>Influence on organisational culture</th>
<th>Consensus Position on actors Influence</th>
<th>Additional observations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Headquarter</td>
<td>All managers accepted that headquarters have an influence on their culture in organisation.</td>
<td>All agreed that headquarters expects them to undertake CSR activities. A participant stated that there was an evaluation on the outcome of CSR activities designed by headquarters to evaluate the performance and the success of doing CSR activities among branches.</td>
<td>A few participants stated that headquarters should stimulate decentralised ‘local’ CSR strategy rather than centrally coordinated ‘global’ CSR.</td>
</tr>
</tbody>
</table>

Managers of MNCs felt that their headquarters expect their Thai subsidiaries to engage in issues such as: not harming the environment, ensuring responsibility for water consumption and air pollution, treating employees fairly, local community-oriented actions, a donation program and educational support programs. Those
forms of CSR activity caused managers to question the global CSR or local CSR approaches. In relation to this, although some of the participants held the opinion that headquarters should stimulate decentralised ‘local’ CSR strategy rather than centrally coordinated ‘global’ CSR.

There were some negative remarks about the control of decision making by headquarters. Evidence from the study indicated that managers found it challenging because it was strictly monitored by headquarters. They claimed that it was more appropriate to use ‘local’ CSR strategy, as it was a better fit within the Southern Thai cultural context. The fact that Southern Thai people had unique characteristics needed to be understood by MNCs.

The results from the study also indicated the importance of employee involvement (table 8.6) as another factor promoting CSR strategy to engage more successfully in Southern Thailand.

<table>
<thead>
<tr>
<th>Corporate Actors</th>
<th>Influence on organisational culture</th>
<th>Consensus Position on actors Influence</th>
<th>Additional observations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee</td>
<td>All agreed that employees are the representative of their culture in organisation.</td>
<td>Some (3 out of 7) acknowledged that employees help create CSR activities. Some (3 out of 7) stated that part of the success in CSR is when employees participate in activities.</td>
<td>One participant added that CSR strategy has merely decided to link with employees’ attitude. Identity of ‘Khon Tai’ (คนใต้) (Southern People) can be fostered in the CSR activities.</td>
</tr>
</tbody>
</table>

This study concurs with the views of Ramus & Steger (2000) that employees who perceive strongly encouraging signals on the part of their company or leaders have
a greater probability of developing and implementing creative ideas that positively affect the environment than employees who do not experience this stimulation. From the study, it was evident that employee involvement is crucial to ensuring community engagement activities are truly meaningful. The study found that when employees helped to create CSR activity, it was deemed to be significant in more successful CSR strategy engagement. The notion of involving employees in CSR activity is not just about being philanthropic, but simply provides connectivity that allows for inspiration and deeper involvement with the organisation and its goals.

Evidence from the study also points out that employees from Southern Thailand were more conscious of their contributions to CSR programs. They also commit themselves to the organisation that supports CSR initiatives in Southern Thailand. One important reason is the relationship between MNCs and their Southern Thai identity. For Southern Thai workers, doing good CSR can positively impact their locality and identity as ‘Khon Tai’ (คนใต้ - People from the South). This cultural point is truly important for all stakeholders to engage local staff in various CSR activities at different stages.

8.2 Research Question Two: “How does Southern Thai culture affect the implementation of CSR strategy by MNCs?”

The study reveals the findings on what influences certain characteristics of Southern Thai culture to affect the implementation of CSR strategy at MNCs. The
participants included seven managers and fourteen employees from MNCs who were directly involved in the CSR in their factories. Overall, the interviews revealed that the distinctive characteristics of Southern Thai people can be identified in four categories, as described in table 8.7.

**Table 8.7: Finding on Uniqueness of Southern Thai Culture**

<table>
<thead>
<tr>
<th>Descriptors regarding the Uniqueness of Southern Thai culture</th>
<th>Result from Interviews on Southern Thai culture</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Jai-Yai (ใจใหญ่)</strong> (Generous, Giving, Considerate, Helpful, Kind, Energetic, Optimistic)</td>
<td>All participants agreed that Southern Thai people are generous and believe in giving back, or ‘tob-tan’ (ตอบแทน)</td>
</tr>
<tr>
<td><strong>Hua-Mor (หัวหมอ)</strong> (Trust themselves, Knowledgeable, Clever, Wise, Sneaky, Determined)</td>
<td>All participants supported that Southern Thai people always believe in themselves, trust their own knowledge and will not let others easily take advantage.</td>
</tr>
<tr>
<td><strong>Trong-Pai-Trong-Ma (ตรงไป ตรงมา)</strong> (Straight forward, Straight to the point, Open-minded, Confident, Directed)</td>
<td>All participants highlighted that Southern Thai people are straight forward. They like to display their emotions and not hide their feelings. The majority of participants agree that Southern Thai people are brave to talk and dare to ask if they have questions.</td>
</tr>
<tr>
<td><strong>Rak-Puak-Pong (รักพวกพ้อง)</strong> (Group-Oriented, Family Focused, Community attached, Team-oriented)</td>
<td>All participants held the view that Southern Thai people love their own community and are always attached to their local community.</td>
</tr>
</tbody>
</table>

Source: Compiled from interview data
The term *Jai-Yai* (ไชยใหญ่) is the first issue expressing the distinctiveness of Southern Thai people. All participants agreed that Southern Thai people are ‘Jai Yai’ (ไชยใหญ่), which implies they are kind and believe in giving back. The findings show that, similar to most Thais, Southern Thai people are concerned about merit making, which brings creating greater inner happiness by doing things that are good, being a moral person and helping others who need help. Further to the point of being Jai-Yai (ไชยใหญ่) among Southern Thai people, a voluntarism concept has emerged which appeared to relate to the implementation of CSR strategy. It appears in table 8.8 below.

**Table 8.8: Finding on being ‘Jai Yai’ and Voluntarism Concept**

<table>
<thead>
<tr>
<th>The Uniqueness of Southern Thai culture</th>
<th>How it affects the implementation of CSR strategy?</th>
<th>Claimed from Interview Data</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jai-Yai (ไชยใหญ่) (Generous, Giving, Considerate, Helpful, Kind, Energetic, Optimistic)</td>
<td><em>Voluntarism</em> More volunteers to act in CSR activities.</td>
<td>“I think Southern Thai people are generous. They have a certain image of the way their lives should be. They are also energetic and full of life.” “I think Southern Thai people are kind-hearted. They enjoy helping and are quick to identify needs.”</td>
</tr>
</tbody>
</table>

Source: Compiled from interview data

The result shows that the concept of voluntarism was discussed by most managers and employees in this study. In general, there is evidence showing that voluntarism reflects the implementation of CSR strategy at MNCs in regard to Southern Thai people. One aspect of the evidence suggests that Southern Thai people, who are ‘Jai-Yai’ and believe in a ‘giving back’ attitude, would volunteer to partake in CSR
activities and were careful to make every effort to help finish the activities. As a result, the ‘giving back’ characteristics of Southern Thai people have positively affected the implementation of CSR strategy.

In terms of employee volunteering, the findings indicate that getting into the volunteering CSR program was a major concern among Southern Thai people. Also, this study confirms that it took longer to complete working with generous Southern Thai staff on volunteering programs regarding CSR activities because they needed someone to guide them through the whole process.

Overall, both the employee volunteer programs and community volunteering had a positive influence on CSR strategy for MNCs. The importance of volunteering in the community has been highlighted as an indicator of community cohesion or social capital by Putnam (2000). A key element of many CSR programs is the opportunity for staff to volunteer in working with the community through programs facilitated by MNCs. This finding confirms research (Campbell & Slack 2008), which indicates the significance in engaging CSR by strengthening their connections to the local communities via voluntarism. As most participants revealed, CSR through volunteerism could provide an opportunity to make positive and long-term impact between MNCs and their community.

The current finding also suggests that Southern Thai people are ‘Hua-Mor’ (หัวหมอ), which means being wise, knowledgeable, determined and trusting their own knowledge. All participants agree that being ‘Hua-Mor’ (หัวหมอ) is a unique cultural element of Southern Thai culture. The result from this study indicates that Southern Thai people are unaware of their own rights. To be able to deal with Southern Thai
people, MNCs need to make sure they have a flow of communications and share appropriate information with local people on CSR issues as part of the process in transferring CSR information. This is especially true in regard to the ‘Hua-Mor’ (หัวหมอ) Southern Thai people. Table 8.9 shows the result from this finding:

**Table 8.9: Finding on being ‘Hua-Mor’ and Communicating and Informing**

<table>
<thead>
<tr>
<th>The Uniqueness of Southern Thai culture</th>
<th>How it effects on the implementation of CSR strategy?</th>
<th>Claimed from Interview Data</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hua-Mor (หัวหมอ) (Trust themselves, Knowledgeable, Clever, Wise, Sneaky, Determined)</td>
<td>Communicating and Informing</td>
<td>“I think Southern Thai people are clever and quite knowledgeable”</td>
</tr>
<tr>
<td></td>
<td>MNCs need to communicate and be willing to share information continuously to local community.</td>
<td>“They trust their own knowledge and will not easily believe if they do not see or read with their eyes, hear with their ears and touch with their own hands.”</td>
</tr>
</tbody>
</table>

Source: Compiled from interview data

The concept of **communicating and informing** was discussed among managers and employees at rubber MNCs. The essence of this concept is that MNCs should communicate and be willing to share information continuously with the local community. The result from this study indicates the importance of the quality of communication. In essence, the quality of the communications with local Southern Thai people reflects the implementation of CSR strategy at MNCs.

A study by Ankrah et al. (2013) also agreed that misalignment between MNCs’ and local peoples’ perceptions on CSR issues can occur due to lack of communication
and transfer of knowledge. As a result, based on this study, it is believed that high quality communications will help create more understanding and assist local people especially the ‘Hua-Mor’ (หัวหมอ) Southern Thai people to understand the reasons behind CSR activities and MNC’s action.

Specifically, participants agreed on how to successfully work with Southern Thai people, with this research providing evidence that MNCs need to encourage and provide systematic communications channels. The data from the interviews clearly showed that to be able to work with ‘Hua-Mor’ (หัวหมอ) Southern Thai people, it is important to establish the channels that do not just enable information to be provided, but it is also essential to receive information and obtain feedback from the local community.

Overall, most participants spoke positively about communicating and informing. It is believed that quality corporate communication by MNCs plays a significant role in implementing CSR strategy for ‘Hua-Mor’ Southern Thai people. Information communicated by MNCs helps local people gain more understanding regarding CSR implementation and this represents the good relationships between MNCs and their local community.

Another important characteristic of Southern Thai people to emerge from the interviews was being ‘Trong-Pai-Trong-Ma’ (ตรงไป ตรงมา). It can be ascribed to someone who is straight forward, blunt, direct, open minded and straight to the point. The result demonstrates that Southern Thai people are open minded and have straight forward ways of living. They are likely to say things directly and straight to the point. However, some evidence showed that participants must ensure that local
people received the true facts from factory. Therefore, they think it is easier to deal with those Southern Thai people, as long as they give accurate information, with nothing hidden. Further to the point made earlier, responsiveness and systematic approach were linked and reflected upon the implementation of CSR strategy.

Table 8.10 shows the result from this finding:

**Table 8.10: Finding on being ‘Trong-Pai-Trong-Ma’ and Responsiveness & Systematic Approach Concept**

<table>
<thead>
<tr>
<th>The Uniqueness of Southern Thai culture</th>
<th>How it affects the implementation of CSR strategy?</th>
<th>Claimed from Interview Data</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trong-Pai-Trong-Ma (ตรงไป ตรงมา)</td>
<td><strong>Responsiveness &amp; Systematic Approach (Transparency)</strong></td>
<td>“I think Southern Thai people are concerned with what is right and wrong. They openly show the way they feel through their conversations... whether it is good or bad”.</td>
</tr>
<tr>
<td>(Straight forward, Straight to the point, Open-minded, Confident, Directed)</td>
<td>MNCs need clear strategic planning and clear CSR responsiveness.</td>
<td></td>
</tr>
</tbody>
</table>

Source: Compiled from interview data

The essence of the concept of the responsiveness and systematic approach is that MNCs need clear strategic planning and a clear CSR action plan to guarantee that the implementation of CSR strategy is controlled and monitored. Ultimately, it is believed that having a systematic CSR approach and a good CSR strategic plan are ways to deal with the straight forward Southern Thai people. However, from the participants’ perspectives, issues such as dealing with straight forward Southern Thai people could be difficult for MNCs. The study contends that Southern Thai people will not hold back their feelings when they are angry. They would engage in strong conversations. Therefore, MNCs needed to prepare many reasoned
documents and pieces of evidence in order to back up their opinions in any discussions held with the local community.

Indeed, there was considerable value to proceed with a CSR implementation focused on minimising environmental impact. It is clear that MNCs need systematic CSR approaches in order to engage with the community and deal with environmental activities. Minimisation of the environmental impact was discussed among managers as one CSR strategy. Managers were concerned to maintain compliance with environmental legislation and ensure that the MNC was kept up to date. From this perspective, it was shown that the successful CSR implementation related to how MNCs managed the environmental systematic control. Therefore the concept of the “Responsiveness and Systematic Approach” at MNCs can help them manage relationships with Southern Thai people.

The last prominent Southern Thai characteristic mentioned in the interview was ‘Rak-Puak-Pong’ (รักพวกพ้อง), which means being communitarian, group-oriented, family-oriented, community oriented and team focused. The results from the study indicate that Southern Thai people place great importance on family and community. The family unit is important within the culture; people in the community are sharing and considerate. Family and people in the Southern community can be protective of each other. Parallel to this discussion, participants considered that participation and coordination were linked and reflected the implementation of CSR strategy. As being communitarian involved being participative, this was anticipated to create a harmonious environment and bring good relationships between MNCs and the local community. Therefore, the
‘participation and coordination’ concept is emerged, as it affects the implementation of CSR strategy. Table 8.11 shows the results from this finding.

**Table 8.11: Finding on ‘Rak-Puak-Pong’ and Coordination & Participation**

<table>
<thead>
<tr>
<th>The Uniqueness of Southern Thai culture</th>
<th>How it affects the implementation of CSR strategy?</th>
<th>Claimed from Interview Data</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rak-Puak-Pong (รักพวกพ้อง) (Collectivist, Group-Oriented, Family is important, love their own community)</td>
<td>Coordination &amp; Participation People like to join and participate in CSR activities with their community</td>
<td>“The family unit is important within culture; young people tend to live with their families until they are married; people in community tend to share and exchange things such as food, clothes etc: family and people in community are protective of others” “They protect people who are close to them”</td>
</tr>
</tbody>
</table>

Source: Compiled from interview data

The findings from this study suggested that all participants held the view that Southern Thai people love their own community and always being attached to their homeland. In essence, Southern Thai people would join and participate in CSR activities based on society and the religious perspectives with their community. In essence, the concept of participation and coordination were mentioned in the interview.

There was some evidence from the interviews that suggested Southern Thai people’s behaviour was governed by the religious beliefs that they hold. In essence, CSR activities that relate to religious actions are likely to have full participation from local Southern Thai people. For instance: charity work for the local Buddhist temple, merit release birds and fishes activities on Buddhist celebration day,
cleaning public area on Buddhist festival, abstaining from alcohol during Buddhist Lent etc.

In terms of cooperation with Southern Thai people in the implementation of a CSR strategy, encouraging local people to participate in decision making in some CSR activities was also found to be significant in successful CSR activities at MNCs. As one participant emphasised, participative decision making is not about being right or wrong but having the opportunity to voice one’s opinions. In essence, by getting other ideas out, one can learn from each other. Participative decision making may make positive contributions through MNCs and local community, especially to the Southern Thai communitarian.

8.3. Research Question Three “What are perceptions of key stakeholders regarding CSR strategy by MNCs?”

Most CSR scholars insist that understanding stakeholders’ perception towards CSR is useful when serving the needs of particular stakeholders (Abdul & Ho 2003). This study also supports the above statement. The result from three groups of key stakeholders (managers, local community and government officers) illustrated that understanding perception of key stakeholders constitutes an important part of working on CSR activities. In term of stakeholders’ perceptions, it was revealed that managers of MNCs and government officers have generally positive views of CSR strategy, however, the local community have both side of positive and negative views regarding CSR.
For example in exploring the perception of managers regarding CSR strategy, two important themes were found: the good relationships with local community and environmental protection, as shown in figure 8.1 below.

**Figure 8.1: Perception of Managers at MNCs regarding CSR strategy**

*Source: Compiled from interview data*

![Diagram showing relationships with local community and environmental protection](image)

Specifically, the issue of *Building strong relationships with local community* was first discussed by all of the managers in a focus group interview. Most managers mentioned that successful CSR strategy involved relationships with local people in the community around the factory. All managers also acknowledged that MNCs need strong relationships with local community to be able to work on community services programs.

In essence, the concept of *showing concern* emerged from the interviews, which reflects an MNC’s responsibility to show support, treat local people with respect and care. It is believed that showing concern is part of how MNCs express themselves to the local people. As in the case of collectivism culture, local people see the importance of family or group. They mainly make decisions based on their
group. The strong relationships between MNCs and local people will be clearer when local people think that factory is part of their community and at the same time MNCs also think that local community is part of their factory.

Ultimately, the issue of Environmental Protection was also discussed among groups of managers regarding their perception towards CSR strategy. As proposed by Kuasirikun (2009), the negative effect of Thai industrialisation has become slowly recognised and relevant governmental agencies have begun to take measures to help deal with social and environmental issues. Especially, a closer look revealed that the Para rubber industry consumes large volumes of water, uses tons of chemicals and other utilities and discharges enormous amounts of waste.

Therefore, managers from MNCs agree that the focus of CSR strategy should be linked to the impact of environmental issue. In essence, the concept of ‘from little things, big things grow’ has emerged and was a concern among all managers in the focus group interview. In order to cope with the environmental problem they started addressing the issue themselves within the factory and later on this spread to community and society.

Based on their concerns ‘from little things’ means the company needs to encourage their own people by starting first inside or around their own factory. Managers discussed an example of CSR activities involving in the concept of ‘from little things, big things grow’, which was reforestation program. Surprisingly, all managers claimed that they had all joined reforestation programs organised by their own MNCs and also by government. Although, participants were more likely to discuss the wastewater issue, they also talked about the effect of air pollution,
which also strongly concerned all managers regarding environmental problems caused by the rubber industry. It is interesting to note that all managers in this focus group interview felt that they all had highly responsibility towards environmental issues caused by their own factories.

**Figure 8.2: Perception of Local community who live around MNC factories regarding CSR strategy**

![Diagram of Local community perceptions towards CSR Strategy]

Source: Compiled from interview data

In terms of the perception of local community, there has been some positive and negative feedback regarding CSR strategy (figure 8.2). Based on the positive feedback, the result shows that there was more opportunity in economics. All local people in the focus group interview indicated that MNCs have strengthened the economy of the community. MNCs create new work opportunity for local people, their families, and their relatives living in the community. It was suggested that MNCs raise the living standard by offering people in the community with more job opportunities.

Another positive feedback that mentioned by local people was CSR brought good bonds among all actors. The findings from participants indicated that joining CSR
activities arranged by MNCs strengthened good relationships between MNCs and local people in the community. For instance, it is believed that CSR strategy that involves local people could enhance the community engagement and lead to better understanding between MNCs and the community.

However, from the local people’ perspectives, the negative feedback was also being discussed. Participants referred to negative experiences and negative impact they faced due to the environmental issues. All agreed that even though MNCs provided good CSR strategy, it could not be denied that most local people still faced environmental problems caused by MNCs. Another negative issue concerned the social impact from having MNCs in their local community. To participants, having migrants affected the new social structure. The focus group interview with local people demonstrated that society issues occurred when migrant woman workers had an unexpected affair with the husbands of local people whose families lived near the factory.

Figure 8.3: Perception of Industrial Government Officer CSR strategy

Source: Compiled from interview data

The last focus group was the group of Industrial government officers; the result shows that government actions are essential to create an enabling environment to
promote CSR at MNCs. ‘Supporting and Encouraging theme’ is clearly stated as part of government role in supporting and promoting CSR to MNCs. All government officers talked about their roles in dealing with CSR strategy. As a result, the key roles which a government can actively choose to engage and support CSR issues at MNCs are: regulating, facilitating and warranting. Through those roles the concept of joining together and searching for unity emerged in the focus group interview.

The concept of joining together and searching for unity was raised by government officers at the Thai Department of Industry. All participants discussed the role in building good connections and better understanding between MNCs and local community as the starting point in doing all CSR projects. In addition, another finding also suggest that to be able to encourage and work with MNCs and the local community, both parties had to learn how to forgive and forget their past experiences. The government officers furthermore talked about the history of how local community used to have a negative attitude towards MNC factories and that was causing fights and protests because the local community were trying to temporarily shut down the factory.

In conclusion, it is extremely relevant to understand the concept of CSR, organisational culture, local culture, and perception of stakeholders in a Southern Thai context where social and cultural issues play a very significant guiding role in building an organisation’s image in the minds of the people. Keeping that in mind, there is a need to specifically look at each sub-culture to make it more people oriented to choice. It will require a focus on leadership influences; headquarters
support; employee participation; better understanding of local community and participation in stakeholder decision making.

8.4 Discussion

The study sets out to investigate the effects of 1) organisational culture and CSR strategy 2) Southern Thai culture and CSR strategy and 3) the perception of key stakeholders (MNCs’ managers, government officers and local community) regarding CSR strategy.

Organisational Culture and CSR strategy

With respect to the first of these issues, results from this study show the links between organisational culture and CSR strategy. Similarly, the research paper of Herndon et al. (2001) agreed that organisational culture can affect an organisational capability in demonstrating CSR. This is consistent with the work from (Simons & Ingram, 1997) as they proposed that shared values, beliefs and ways of doing things influence employees’ behaviour at work, and values embedded in the organisation also influence CSR decision making throughout the organisation.

In a similar vein, Rishi & Swati (2013) stated that the culture of any corporate plays an important role in adopting and developing the feeling of social responsibility among their members. Pirsch et al. (2007) added that it is essentially concerned with the ethics, attitudes and influences, the behaviour of an individual, groups and processes through the shared reflection of organisational reality to a
particular group or organisation. Earlier research (Allaire & Firsio, 1984) also demonstrated and supported the belief that culture is a phenomenon that exists at the organisational level and that could influence an organisation’s inclination towards CSR strategy. Emery & Oertel (2006) noted that organisations with different cultures may have different understandings and perspectives of CSR. As reflected in several investigations regarding the connection between organisational culture and CSR strategy, including (Rowley & Berman, 2000; McWilliams et al., 2006; Waldman et al., 2006), findings confirm that when framed in terms of managerial decision making values, CSR appears to be a multi-dimensional construct which is composed of the concerns of stakeholders and the community. Evidence in this study confirmed the investigations earlier, the current finding identified two key themes which support the link between organisational culture and CSR strategy at MNCs, including: 1) Leadership influence and 2) Relationship among corporate actors.

**CSR and Leadership influence**

Based on the current findings on leadership influence, it is recognised that leaders shape the way people in the organisations think and behave. Overall from the study, leadership style, organisational culture and how leaders design CSR strategy are strongly interrelated.

Similar to Fassin (2008), this study confirmed the relationships between leadership strategies, the impact leaders have on others and organisational culture. Consistent with the work of Rishi & Swati (2013), the current findings demonstrate the importance of organisational culture that has been positively changed, primarily
due to change in vision of top level leadership at MNCs. Furthermore, the work of Fassin (2008), also agrees that leaders could play significant role in the enactment of CSR framework, which links to the current results of this study that confirmed that leader’s values did inform their CSR decision making and their CSR actions.

For those reasons above, it can be concluded that certain aspects of leadership can affect the propensity of MNCs to engage in CSR (Waldman, Siegel & Javidan, 2006). Simply stated, this study confirmed that organisational culture is based on the tone and style of leadership; each leadership style, every decision, and every person affects organisational culture, which links to how leaders design CSR strategy at MNCs.

From the interviews in this study, the Cheerleader leadership style explained that CSR should originate from the good intentions and willingness to help, to give, to share and to make things better for everyone, including stakeholders and society. The word ‘voluntary act’ or ‘jit-aa-saa’ (จิตอาสา) was mentioned several times among Cheerleaders. They clarified the meaning of voluntary act, ‘jit-aa-saa’ as being good hearted by helping others, being involved in voluntary commitment and caring for each other in the social activities. Consistent with the work of Culler (2010) this highlighted the link between organisational culture and CSR strategy through the ‘cultural diamond’ concept which he posited that the organisational culture of helpfulness should be created and reinforced for employees. The CSR initiatives of the company align with this perception of organisational culture. The fact that MNCs commit time to help others and aid the environment through its CSR voluntarism program made sense.
In addition from the results, the Cheerleader can also be seen to possess prominent Southern Thai characteristics. From the findings, it is believed that Southern Thai characteristics tend to care for others especially among their community. The strong point in caring for others and having inward motivation seemed to fit with the cheerleader leadership style. However, there was still an issue as cheerleaders were primarily focusing on the ‘people’ and ‘process’, and hardly talked about ‘the plan’ or ‘the outcome’. Evidence in the finding mentioned that the Cheerleaders were lacked of presenting a vision of the long term CSR and their future CSR plan.

On the other hand, the result found a contrast with the Bureaucrats leadership style. As it is shown from the interviews, the CSR strategy designed by Bureaucrat leaders tended to be more strategically and systematically planned. They focused on using ‘head’ (strategically plan) in order to design their CSR strategy. In a similar vein, Waddock, Bodwell & Graves (2012) supported the view that strategic formal planning is likely to help in the development of such deeds and actions that prove good corporate citizenship behaviour. To exemplify, MNCs that follow a formal planning process demonstrate responsible behaviour and can effectively reflect the socially responsible practices.

In addition, the researcher also observed that Bureaucratic leaders hardly mentioned their staff compared to the Cheerleader. The Bureaucrat seldom mentioned strategy to include staff in CSR activities. This issue can be a challenging point for Bureaucrat leaders to successfully implement CSR activities in Southern Thailand. Also, it may challenge Bureaucrat leaders to make a coherent
argument regarding how those CSR philanthropic activities contribute to a company’s business strategy and to the locals.

The last leadership style found was the Instrumental leader. What the researcher learned from the interview is that the Instrumentals create win-win style CSR activities where all parties could gain mutual benefit from undertaking such activities. The leader who has an instrumental leadership style tries to integrate CSR into an action plan in order to build and sustain a competitive advantage. The current results provide support for Kurucz et al. (2008) who recommended that CSR results would have positive outcomes for society and MNCs when their main goals focused on reducing costs and risk, creating competitive advantage, building reputation and generating win-win outcomes.

In addition, Instrumental leaders highlighted the concern that CSR was an entry point for understanding sustainability development issues and the fact that humankind used natural resources at a faster rate than they could be replaced. Therefore, CSR sustainability is perceived as the key challenge to implement some CSR strategies in the form of environmental development for Instrumental leaders. Since business plays a pivotal role both in job and wealth creation in society and in the efficient use of natural capital, CSR sustainability is a central management concern.
**CSR and Relationships among corporate actors**

Another finding was the link between organisational culture and CSR strategy and the relationships among corporate actors. The result suggests that relationships among corporate actors can also influence organisational culture, and therefore affect CSR strategy. The current result provide support for Chiara & Spena (2011) who recommended that MNCs that engage in CSR activities would take responsibility for the corporate actors’ influence of their activities on customers, employees, shareholders, communities and the environment in all aspects of their operations.

The result confirmed that CSR in general reflects obligations to society and stakeholders within society which was influenced by the firm. Participants highlighted two main concepts: 1) headquarters’ expectation and 2) employees participation suggesting that those two concepts are factors that influence CSR strategy at MNCs.

**CSR and Headquarters’ Expectation**

The present finding indicates that headquarters held their subsidiaries responsible for a variety of different CSR actions, adding weight to existing evidence (Nohria & Ghoshal, 1994; Elis, 2000; Kranias, 2000; Harzing, 2001; Molm, Takahashi & Peterson, 2003) who suggested that MNCs develop coordination and control activities in order to improve the integration of their headquarters with different subsidiaries. Particularly, this study reveals that local characteristics, values and traditions are important aspects to consider when designing CSR strategy.
Participants spoke of the important of the relationship between headquarters and its subsidiary as central to the strategies of MNCs, especially for MNCs installed in countries in different parts of the world with different traditions. The current finding seems to suggest that that headquarters played a vital role in designing the CSR strategy such as: considering the process of CSR strategy, evaluating the outcome of CSR activities, and suggesting the best CSR practices for their subsidiaries. Each headquarters has unique characteristics and circumstances that affect how it views its operational context and its definition of CSR.

Interestingly, research by Muller (2006) suggested that headquarters should stimulate decentralised ‘local’ CSR strategy rather than centrally coordinated ‘global’ CSR, a finding parallel to this research finding. As the researcher observed, MNCs with ‘local’ CSR strategy were a better fit within the Southern Thai cultural context because Southern Thai people had unique characteristics that needed to be understood by MNCs. For example: being communitarian, loving their own community, not trusting others easily or believing in their own ability. Therefore, based on this research finding, it was considered more appropriate for MNCs to make use of a local CSR strategy to adapt with Southern Thai people.

**CSR and Employee Involvement**

It also emerged that employee involvement was part of successful CSR activities. In general, employee involvement was crucial to ensure community engagement activities were truly meaningful. Based on the interview, an important issue was to include participation among employees in CSR activity. Ramus & Steger (2000)
proposed that employees who perceive strongly encouraging signals on the part of their company or leaders have a greater probability of developing and implementing creative ideas that positively affect the environment than employees who do not experience this stimulation. Accordingly, most MNCs try to encourage employees to be aware of social issues to deepen their understanding and to participate in community projects. Interestingly, Mirvis (2012) observed that CSR was beneficial because CSR improved employees’ perceptions of the company. The results show that employees from Southern Thailand were more conscious of their contribution in CSR program. They also committed themselves to the organisation that supported CSR initiatives in Southern Thailand. Perhaps, one important reason is the relationship between MNCs and their Southern Thai identity. For Southern Thai workers, doing good (CSR activities) can positively impact their locality and identity as ‘Khon Tai’ (คนใต้ - People from the South). This cultural point is truly important for all stakeholders to include local staff to engage in various CSR activities at different stages.

Local culture and CSR strategy

With respect to the second issue regarding local culture and CSR strategy, results show that MNCs revealed the influences of local cultures shaped strong value systems among their members at MNCs. To build up good CSR, to work and motivate employees and the local community, and to understand the uniqueness of Southern Thai culture was significant for MNCs operating a business in Southern Thailand. Similar to Waldman et al., (2006), this study confirms the determinants of CSR that can be categorised by societal culture. He further stated that local
cultural dimensions can predict social responsibility value. Thus, study Ho et al. (2011) recommend that local culture and its underlying values are the driving force for the success of CSR in any organisation. In addition, the current results provide support for Peng & Dashdeleg (2014) who recommend that the impact of local culture on organisation’s CSR engagement might be different according to the organisation characteristics such as level of multi-nationalility. Similarly, a number of participants highlighted the importance of the key characteristics of local culture which appeared to impact the nature of MNCs and how they designed CSR strategy.

Based on the present findings, it is indicated that there were four unique characteristics of Southern Thai culture which appeared to reflect the nature of MNCs operating in Southern Thailand. They are comprised of the following terms: Jai-Yai (ใจใหญ่), Trong-Pai-Trong-Ma (ตรงไป ตรงมา), Hua-Mor (หัวหมอ) and Rak Puak-Pong (รักพวกพ้อง), which mean generous, straight forward, shrewd, and communitarian (respectively). Particularly, the study reveals that understanding the uniqueness of Southern Thai culture for MNCs has significance in operating a business in southern Thailand. Participants spoke of the importance of influences of local cultures to shape strong value systems among their members at MNCs.

Nevertheless, it is suggested by Granell (2000); Waldman et al. (2006); Pagell et al. (2005) that there was still little attention paid to local culture regarding the impact on CSR strategy. More research is required to determine the importance of
including local culture in CSR decision making. Based on this finding, it is still recognised that most MNCs located in the south of Thailand have been contributing back to the country and the region in various aspects, although the benefits from their CSR activities and the cultural effects on their CSR are still under-researched. It is, therefore, challenging from the academic perspective to explore both issues in Southern Thailand.

**Perception of stakeholders regarding CSR strategy**

The findings on the perceptions of managers at MNCs confirmed important issues regarding CSR strategy were: 1) relationships with local community and 2) environmental protection. The implication is that all managers acknowledged that MNCs need strong relationships with local community to be able to work on community services programs. Showing concern is part of how MNCs express themselves to the local people. When MNCs treat the local community as part of their factories, especially in this current study of Southern Thai collectivism culture, local people see the importance of family or group. The strong relationships between MNCs and local people are clearer. In comparison to the relationships with collectivism culture associated with outcomes research, Waldman et al. (2006) wrote that managers in culture by collectivistic values should stress long term relationships with local community and recognise that they should have a responsibility for the community when making decisions. Managers in collectivism culture should be more concerned with the needs of their in-group members when making decisions. In accord with this view, the current findings
reveal that long term relationships with collectivism community have positively supported the successful of CSR strategy at MNCs.

Thus, the present findings on perception of managers also demonstrate concern about environmental protection as one of the important issue regarding their CSR strategy. This is supported by the studies (Kuasirikun & Sherer 2004; Kuasirikun 2009) suggesting that MNCs in Thailand started to be concerned about environmental pollution causing by their factories over the last few decades. As reported, most local communities in Thailand located nearby industrial areas have long been the victim of environmental pollution (i.e. toxic air, contaminated water).

In addition, the negative effect of Thai industrialisation has become slowly recognised and relevant governmental agencies have begun to take measures to help deal with social and environmental issues. In line with Ratanajongkol, Davey & Low (2006), the current findings reveal that managers at MNCs located near each other had agreed to cooperate and help each other look after the issue of reducing environmental pollution around their areas. They shared opinions regarding how to improve the surrounding factory environment by using less chemicals and less energy.

Interestingly, the environmental issue was also discussed as negative feedback from local community groups regarding their perceptions towards CSR. Participants referred to negative experiences and negative impact they were facing with the environmental issues. All agreed that, even though MNCs provided good CSR strategy, it could not be denied that most local people still experienced
environmental problems caused by MNCs. This study finds that if all local community participants could have the choice, they all would prefer not to have MNCs in their community area. Similarly the study of Rungruang & Babel (2008) supported and reported on how the local community suffer from having Para rubber factory near their community.

Nevertheless, based on the local community group interview, this study also found an unexpected issue, apart from an environmental problem in living near factory. An unexpected issue is related to a social impact issue. This issue was linked to the migrant workers that work in the factory in local community. To participants, having migrant workers affected the new social structure. The focus group interview with local people demonstrated that society issues occurred when migrant woman workers had unexpected affairs with the husbands of local people whose families lived near the factory. The current findings suggest that poor management and policies regarding Migrant workers in Thailand still remain big issues. Pitayanon (2001); Sakaew & Tangprapakoon (2009) propose that the registered migrants are also deprived or their worker rights in many cases as Thailand’s labour laws do not really give full protection. Consistent with this finding, Harima (2012) reported that there are still gaps regarding the restricted rights and law policies on migrant women workers in Thailand.

Similarly, it is a concern that the problem of the poor management and inefficiency policy has significantly caused the social problem issues. The social protection systems for migrant workers in Thailand need to be improved and more concern shown from all involved parties regarding the equality of human rights. However,
it should be noted that Thai government and Thai society at large should acknowledge the positive contributions of migrant workers to the Thai economy and therefore help improve their working and living conditions.

8.5 Contributions

This study sheds light on the relationship between cultural factors, organisational issues and CSR strategies in the southern Thai context. The thought that culture presents yet another challenge to formulating global best CSR practice is likely to come across as the most interesting issue among several CSR practitioners and activists, especially those active at the international level. Culture does matter; thus the topic of CSR can be seen as part of organisational culture and a value in the organisational culture environment (Strautmanis 2007). The focus on organisational and local culture in Southern Thailand will fill in the gap of knowledge regarding Thailand and Thai studies.

Similar to most developing nations, Thailand has been one of the major benefactors and contributors to the globalisation of production and markets. Most MNCs in the south of Thailand have been contributing back to the country and the region in various aspects. However, the benefits from their CSR activities and the cultural effects on their CSR are still under-researched. It is, therefore, challenging from the academic perspective to explore both issues in Southern Thailand.
More importantly, Williams & Aguilera (2008) also state that the studies in CSR and culture are relatively rare compared to other aspects in international business studies. Jaakson et al. (2009) also proposed that there are only a few studies that offer insight into the relationships between CSR and organisational culture among key literature in international business. It is evident that study on the operation of MNCs in the Thai context, particularly in Southern Thailand, is insufficient. This study will, thus, contribute to the knowledge on MNCs and their CSR from the Southern Thai perspective.

The significance of this study is that it identified three groups of stakeholders who gain benefit from this study. The implications of the different benefits for each stakeholders are summarised in table 8.12. (MNCs, local community and government officers in Department of Industry) The findings suggest that all key stakeholders play active roles in enhancing CSR strategy at MNCs.

Table 8.12: Implications for different stakeholders that gain benefit from this study

<table>
<thead>
<tr>
<th>Stakeholders</th>
<th>Benefit from this study</th>
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| MNCs                  | • It is believed that the result provide more understanding on improving and developing CSR strategies specifically for workers and the community in Southern Thailand.  
                       | • The result reflects CSR actions that improve the conditions of work in the Para rubber industry.                                                                                                                   |
|                       | • The focus on organisational and local culture at MNCs in Southern Thailand also fills the gap of knowledge regarding Thailand and Thai studies.                                                                       |
| Governmental Body     | • From the finding, it is believed that government plays a positive role in development of Para rubber industry in Thailand. Its role is to promote feasible                                                                 |
| (the Department of    |                                                                                                                                                                                                                                                                                  |
|                       |                                                                                                                                                                                                                                                                                  |
| Industry | policy guidelines for the Para rubber industry.  
| --- | --- |
| | • The Department of Industry is seen to be a facilitator in cooperating and building good relationships between MNCs and local community.  
| | • This study sheds light on promoting the practices of relevant CSR issues among key stakeholders (MNCs, government and local community).  
| | • Findings from this study can improve Governmental policies on CSR and business-community engagement.  
| Local Community | • The outcome of the research can influence community engagement strategies among various stakeholders in the Para rubber industry.  
| | • The community will benefit more from CSR activities when they fully participate with various stakeholders.  
| | • The researcher aims to understand participatory approaches by the local community when it comes to Southern Thai culture, and how it influences CSR actions.  
| | • This study, thus, provides intellectual understanding regarding the relationship among CSR approaches by MNCs, community reactions, and Southern Thai culture.  

### 8.6 Limitations

The research contains a number of limitations. Firstly, participants from only one industry (Para rubber industry) were interviewed because of the researcher’s interest in examining specific concerns pertaining to the Para rubber industry which appeared to be one of the most important industries in Southern Thailand. Accordingly, findings might not be generalisable across other international industries in Southern Thailand.

Second, the use of qualitative research has been criticised because of the research-related problems. This study employed in-depth interview and focus group interview as the main research method. Therefore, the coding and interpretation processes were based on researcher’s judgments. However, reliability and validity
checks were undertaken in order to ensure the quality of the qualitative approach as described in chapter 3.

Third, the Thai language was used in the interviews and translated to English by the researcher. There could be some misinterpretation. However, the researcher has again arranged the assistance of a qualified translator to help reduce any misinterpretation.

And fourth, the results from the interviews are based on knowledge, cognitive base, backgrounds and life experiences of participants; this might yield incomplete or biased information which affects the results of the study.

8.7 Future Research Direction

It is the researcher’s fervent hope that this research will yield practical and managerial contributions beyond the outcome of these findings, and will create a new understanding of Southern Thai culture linked with the implementation of CSR strategy among MNCs, local community and government officers in industry department, thus creating new directions for future research.

First, the new set of unique cultural characteristics of Southern Thai people were reported in this study. They include the following terms: Jai-Yai (ใจใหญ่), Trong-Pai-Trong-Ma (ตรงไป ตรงมา), Hua-Mor (หัวหมอ) and Rak Puak-Pong (รักพวกพ้อง) which mean
generous, straight forward, shrewd, and communitarian, respectively. From international business perspectives, these cultural factors can heavily influence various aspects of quality and organisations of MNCs operating in Southern Thailand. Though the focus of this study is CSR, it is necessary, at least from the managerial viewpoint, to understand profound effects of such cultural points upon various other aspects of the management of MNCs.

In order to comprehend these important matters, the researcher suggests that different research methodologies and paradigms can be adopted for future research. For instance, using quantitative analysis to examine these cultural characteristics as key influential factors upon other management functions by MNCs. The quantification of each cultural impact may lead to useful managerial implications for MNCS in Southern Thailand.

The second point for future research is the implications of this study for industries other than international rubber industry. Findings from this study value the effect of cultural factors upon leadership styles and CSR actions. However, the focus was given to international rubber industry. It is recommended that the similar research framework should be applied to other international industries in the South of Thailand such as fisheries, agriculture, manufacturing, and frozen and canned food. These industries are international and required certain understanding regarding cultural factors on their CSR and other management functions. This could be followed by a comparative study to understand the CSR strategies adopted by different industries in Southern Thailand. This can then help various actors in
business and community development in Southern Thailand to improve their plan and the execution of CSR practices.

More importantly, future research should shift their focus to some important social issues from international rubber industry. Key issues can include migrant workers, conditions of work and lives, and their well-being in the industry. While migrant workers play an important role in driving rubber MNCs in Thailand, the current findings suggest that management and policies regarding migrant workers in Thailand remain problematic. The future research, thus, should aim to understand ways to manage migrant workers as well as addressing strategies to improve their working and living conditions in Thailand. The social implications of international rubber industry are certainly immense. Future research should earnestly consider these issues and solutions that will benefit all rubber stakeholders.
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## APPENDICES

### Appendix A: Interview protocol

#### A: Background
- Could you briefly introduce yourself and tell me about your factory?  
  *(for example: ages, currently job, title, jobs responsibility and years of experience etc.)*
- How long you have been working for MNCs?

**Research Question 1:** To what extent does organizational culture affect CSR strategy by Multinational Corporations in Southern Thailand?

#### B: CSR strategy at your MNCs
- Can you briefly explain CSR strategies in your organisation?
- How did you design your CSR strategy?  
  *(for example: when, where, what, who and how that involve in your MNC’s decision to CSR strategy)*

#### C: CSR Factors at MNCs
- What are the factors you would consider in choosing CSR strategies for your organisation?
- Why do you think those factors are important?
- Are there any local factors that always cause problems with your CSR strategies?

#### D: Challenging in designing CSR strategy
- In your opinion, what are the challenges that your organisation faced in designing CSR strategies?

#### E: Success/Failure of CSR strategy
- In your opinion, how can CSR strategies be determined as a success or failure?
- How does your organization respond to such problems/failure?
- How would you suggest improvement to the CSR strategies in your organisation?

#### F: Culture at MNCs
- Can you briefly describe organisational culture at your MNC.

#### G: The relationships between CSR strategy and Organisational strategy
- What is your opinion on the effect of organisational culture on CSR strategies?
- Why do you think organisational culture is important in dealing with CSR strategies in your organisations?

**Research Question 2:** How Southern Thai culture effect the implementation of CSR strategy?

#### H: The characteristics of Southern Thai culture
- What is Southern Thai Culture in your own words?
- Can you tell me five unique characteristics of Southern Thai people in your own opinion?
### I: Southern Thai people at MNCs
- How do you define Southern Thai culture in your own organisation?

### J: The implementation of CSR strategy and Southern Thai culture
- Do you think those characters of Southern Thai people affect the implementation of CSR strategy in the organisation? Why or why not?
- In your opinion, what aspects of Southern Thai culture lead to success in managing CSR strategies effectively?

### H: Local CSR or Global CSR at MNCs
- Does your MNC consider using local CSR or Global CSR, why or why not?
- What are the impacts upon the locals particularly in Southern Thailand when our country is affected by global challenges?

### Research Question 3: What are the perceptions of key stakeholders regarding CSR strategy by Multinational Corporations?

#### Focus Group Interview

**I: Manager’s perception towards CSR strategy**
- What is your opinion regarding CSR strategy?
- Do you think CSR strategy is important to your career? If yes, how important is it?
- What is your expectation of the CSR strategy?
- How do you see the CSR issue over the next 10 years?
- Are there any problems that occurred when implementing CSR activities?

**J: Government officers’ perception towards CSR strategy**
- What is your opinion regarding CSR strategy?
- How do you see CSR strategy? Is this issue necessary for the organisation? Why or why not?
- What are new trends regarding CSR strategy?
- Does the factory pay attention to the CSR issue?

**K: Local community’s perception towards CSR strategy**
- What is your opinion regarding CSR strategy?
- Is there any help or information given to you regarding CSR strategy?
- Have you ever faced problems in regard to the CSR issue?
- How often does a factory representative visit you at your home?
- Do you have positive or negative feelings towards the factory nearby?
- Do you think the factory pays enough attention to CSR issues?
Appendix B: A formal plain language statement for interviews

INVITATION TO PARTICIPATE IN INTERVIEW IN A RESEARCH PROJECT
PROJECT INFORMATION STATEMENT

Plain language Statement of Interview

Project title: Corporate Social Responsibility and Southern Thai Culture: A study of Multinational Corporations in Southern Thailand.

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239 Bourke Street,
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Victoria 3000, Australia

Dear Participants,

You are invited to participate in a research project being conducted by Kunlagan Boonyauva from RMIT University. This information sheet describes the project in straightforward language, or ‘plain English’. Please read this sheet carefully and be confident that you understand its contents before deciding whether to participate. If you have any questions about the project, please ask the investigators.

I am currently a research student in School of Management at RMIT University. This project is being conducted as a part of my PhD. My supervisor for this project is Dr. Nattavud Pimpa. The project has been approved by the RMIT Business College Human Ethics Advisory Network.

The aim of this research is to investigate the effects of Southern Thai culture on CSR strategies by multinational corporations (MNCs) in Para Rubber Industry in Southern Thailand. Various perspectives from different stakeholders in the community and MNCs (such as managers, employees and community leaders) will be explored in this study. Moreover, this study aims to gain deeper understanding
on the behaviour of MNCs operating in Southern Thailand and the way they contribute back to community. Also, the focus on organisational and local culture in Southern Thailand will fill in the gap of knowledge regarding CSR issues in Thai studies.

There are no perceived risks associated with participation outside the participants’ normal day-to-day activities. It is hoped that your responses will contribute to better understanding on the relationships among CSR strategies, cultural factors and organisational issues in Southern Thai context. The finding of this study will be disseminated in conferences and published in academic journals.

I am inviting you to participate in this interview so as to provide us with an understanding on the nature of Southern Thai culture and CSR strategies. Your voluntary participation in this research project is kindly requested. The research requires your knowledge and experience on the effect of Southern Thai culture towards CSR strategies. The interview will take place at your premises and at a time that is convenient to you. The interview will last approximately 45 minutes - 1 hour and will be digitally-recorded but only with your consent, to ensure the accuracy of the transcription of interview conversation.

Your privacy and confidentiality will be strictly maintained in such a manner that you will not be identified in the thesis report or any publication. Any information that you provide can be disclosed only if (1) it is to protect you or others from harm, (2) a court order is produced, or (3) you provide the researchers with written permission. Interview data will be only seen by supervisors and examiners who will also protect you from risk.

To ensure that data collected is protected, the data will be retained for five years upon completion of the project after which time paper records will be shredded and placed in a security recycle bin and electronic data will be deleted/destroyed in a secure manner. All hard data will be kept in a locked filing cabinet and soft data in a password protected computer in the office of the investigator in the Graduate School of Business at RMIT University. Data will be saved on the University Network System where practicable (as the system provides a high level of manageable security and data integrity, can provide secure remote access, and is backed up on a regular basis). Only the researcher/s will have access to the data. Data will be kept securely at RMIT for a period of 5 years after the completion of the project before being destroyed.

If you are concerned about your responses to any of questions or if you find participation in the project distressing, you should contact my supervisor as soon as convenient. My supervisors will discuss your concerns with your confidentially and suggest appropriate follow-up, if necessary.

If you choose to participate in this project you have (1) the right to withdraw from participation at any time (2) the right to have any unprocessed data withdrawn and
destroyed, provided it can be reliably identified, and provided that so doing does not increase the risk for the participant and (3) the right to have any questions answered at any time.

If you have any queries regarding this project please contact me at (+614) 3116 5330 or email me at kunlagan.boonyauva@rmit.edu.au. You may also contact my principle supervisor Dr. Nattavud Pimpa at (+613) 9925 1531, or email him at nattavud.pimpa@rmit.edu.au.

THANK YOU FOR YOUR PARTICIPATION.

Yours Sincerely,

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School of Management
RMIT University, Building 108
239 Bourke Street, Melbourne,
INVITATION TO PARTICIPATE IN A RESEARCH PROJECT
PROJECT INFORMATION STATEMENT

Project Title:
ความรับผิดชอบต่อสังคมที่ธุรกิจกับวัฒนธรรมภาคใต้: การศึกษาภารกิจระหว่างทุนต่างชาติในภาคใต้
(Corporate Social Responsibility and Southern Thai Culture: A study of Multinational Corporations in Southern Thailand)

Investigators:
• Kunlagan Boonyauva (PhD Candidate, kunlagan.boonyauva@rmit.edu.au, +614 3116 5330)
• Dr. Nattavud Pimpa (Senior Supervisor: Senior Lecturer, nattavud.pimpa@rmit.edu.au, +613 9925 1531)
• Dr. Lynnel Hoare (Second Supervisor: Lecturer, lynnel.hoare@rmit.edu.au, +613 9925 5941)

เรียนท่านผู้มีส่วนร่วมในงานวิจัย

ท่านได้รับเชิญให้มีส่วนร่วมในงานวิจัยซึ่งดำเนินการโดย RMIT University เอกสารฉบับนี้ชี้ubah ถึงภาพรวมของงานวิจัยและสิทธิ์ของท่านในการให้ข้อมูลสำหรับงานวิจัย กรุณาอ่านข้อคำขึ้นแจ้งโดยละเอียดก่อนเข้าร่วมกับงานวิจัยครั้งนี้ หากท่านมีข้อสงสัยเกี่ยวกับงานวิจัย กรุณาติดต่อนักวิจัยตามรายละเอียดข้างต้น

ดิฉันนางสาวกุลกานต์บุญญยูวะ พนักงานมหาวิทยาลัย สังกัดมหาวิทยาลัยสงขลานครินทร์ ปัจจุบันกำลังศึกษาต่อระดับปริญญาเอก ณ RMIT University และกำลังทำการศึกษาเรื่องความรับผิดชอบต่อสังคมทางธุรกิจบริษัทวัฒนธรรมภาคใต้ กรณีศึกษาบริษัทร่วมทุนต่างชาติในภาคใต้ ซึ่งงานวิจัยนี้เป็นส่วนหนึ่งของการศึกษาที่รับงบประมาณจาก RMIT Business College Human Ethics Advisory Network, College of Business

งานวิจัยนี้จะทำการศึกษาผลกระทบของวัฒนธรรมในองค์กรต่อผลสัมฤทธิ์ความรับผิดชอบทางสังคม ในบริบทร่วมทุนต่างชาติในภาคใต้ รวมทั้งศึกษาผลกระทบของวัฒนธรรมภาคใต้ ต่อผลสัมฤทธิ์ความรับผิดชอบต่อ
สังคมทางธุรกิจ และวิเคราะห์ความคิดเห็นของ stakeholders ต่างๆ เชน ผู้จัดการ, พนักงาน และชุมชน ที่มีต่อสัญญาณความรับผิดชอบต่องานทางธุรกิจ ในบริษัทที่มุ่งมั่นทางชาติในภาคใต้

ถ้าท่านตกลงที่จะเข้าร่วมกับงานวิจัย ท่านจะถูกสัมภาษณ์เกี่ยวกับวัฒนธรรมในองค์กร วัฒนธรรมทางภาคใต้ และสัญญาณความรับผิดชอบทางสังคม การสัมภาษณ์นี้จะใช้เวลา 45 นาที - 1 ชั่วโมง โดยประมาณ เก็บบันทึกข้อมูลด้วยเครื่องบันทึกเสียง และตรวจสอบความถูกต้องของข้อมูลภายหลังการสัมภาษณ์ทางจดหมายอิเล็กทรอนิก (e-mail) หรือทางโทรศัพท์แล้วแต่ท่านสะดวก การสัมภาษณ์นี้จะดำเนินการตามเวลาและสถานที่ที่ท่านสะดวก คณะผู้วิจัยยินดีเป็นอย่างยิ่ง หากท่านต้องการตรวจสอบผลการสัมภาษณ์ก่อนที่จะน่านำไปเป็นข้อมูล

การเข้าร่วมงานวิจัยนี้อยู่กับความสมัครใจของท่าน และการสัมภาษณ์นี้ไม่กระทบต่องานประจำของท่านไม่มีความเสี่ยงใดๆ ในการเข้าร่วมการสัมภาษณ์ ท่านสามารถตรวจสอบกระบวนการสัมภาษณ์ก่อนตัดสินใจเข้าร่วมกับงานวิจัย หากท่านตัดสินใจเข้าร่วมกับงานวิจัย ท่านจะได้รับแบบฟอร์มพร้อมความยินยอม (Consent Form) ในการให้ข้อมูลกับงานวิจัย และในระหว่างการสัมภาษณ์ท่านสามารถยืนยัน หรือปฏิเสธ การตอบคำถามที่ท่านไม่ต้องการ หรือให้ยุติการสัมภาษณ์ที่ท่านไม่ต้องการ หากท่านมีความกังวลเกี่ยวกับการสัมภาษณ์ หรือท่านพบว่ามีความผิดพลาดในการสัมภาษณ์ท่านสามารถติดต่ออาจารย์ที่ปรึกษาของดิฉัน Dr. Nattavud Pimpa โทร. (+613) 9925 1531 หรือ nattavud.pimpa@rmit.edu.au อาจารย์ที่ปรึกษาของดิฉันจะอธิบายเกี่ยวกับสิ่งที่ท่านกังวลเพื่อให้ท่านเกิดความมั่นใจในงานวิจัย และแนะนำการติดตามผลการวิจัยอย่างเหมาะสมหากจำเป็น

ผลที่ได้จากการวิจัยดังกล่าวคาดว่าจะเป็นประโยชน์ต่อองค์ความรู้ที่จะเกิดกับภาคใต้ในด้านความรับผิดชอบต่องานทางสังคมที่องค์การกระท่าจะเข้าร่วมกับงานวิจัยไม่มีผลประโยชน์ใดๆต่อผู้เข้าร่วม อย่างไรก็ตามคณะผู้วิจัยจะจัดส่งรายงานผลการวิจัยให้กับท่าน หากท่านต้องการ

• ข้อมูลจะถูกคัดส่วนมาและกำหนดข้อมูลที่ระบุถึงท่านและบริษัทของท่าน ข้อมูลจะถูกวิเคราะห์และสรุปภายใต้กรอบของงานวิจัย ความเป็นส่วนตัวและความลับของท่านจะถูกเก็บรักษาอย่างเข้มงวด
• ข้อมูลการติดต่อและข้อมูลจากการสัมภาษณ์จะถูกเก็บเป็นความลับ เฉพาะคณะผู้วิจัยเท่านั้นตามการเข้าถึงข้อมูลได้
• ข้อมูลทุกอย่างจะถูกปิดเผยได้ก็ต่อเมื่อ (1) ข้อมูลนั้นสามารถระบุถึงท่านและบริษัทของท่านจากความเสี่ยงใดๆ 2 คำยังคงศาล หรือ (3) ท่านอนุญาตให้คณะผู้วิจัยเปิดเผยข้อมูลได้
ผลการวิจัยจะถูกเขียนในบทสรุปผู้บริหารพร้อมกับรายงานหรือวิทยานิพนธ์ของคิ้ว และจะถูกตีพิมพ์เชิงวิชาการ
เพื่อให้มั่นใจว่าข้อมูลได้รับการปกป้อง ข้อมูลจะถูกเก็บ 5 ปีหลังจากที่งานวิจัยสิ้นสุด จากนั้นข้อมูลที่เป็นกระดาษจะถูกทำลายและเก็บในถังขยะที่ปลอดภัย ส่วนข้อมูลอิเล็กทรอนิกส์จะถูกลบด้วยวิธีที่ปลอดภัย ข้อมูลทั้งหมดที่ไม่สามารถทำลายได้จะถูกเก็บในตู้เอกสารที่มีที่ล็อก หรือเก็บในฐานข้อมูลที่มีรหัสผ่านของ School of Management, RMIT University

ขอขอบพระคุณเป็นอย่างสูง ที่ท่านให้ความกรุณาข้อมูลอันเป็นประโยชน์ต่องานวิจัยครั้งนี้

ขอแสดงความนับถือ

นางสาวกุลกานต์ บุญญะยูวะ
nักศึกษาปริญญาเอก สาขาวิชาการจัดการ
RMIT University Level 13, 239 Bourke Street
Melbourne, VIC AUSTRALIA 3000
Appendix C: An example of the coding procedure
Appendix D: A letter of informed consent and a request for participants

RMIT BUSINESS COLLEGE HUMAN ETHICS ADVISORY NETWORK

Prescribed Consent Form for Persons Participating In Research Projects Involving Interviews, Questionnaires, Focus Groups or Disclosure of Personal Information

COLLEGE OF
SCHOOL/CENTRE OF Business Management

Name of Participant: ___________________________________________________________________

Project Title: Corporate Social Responsibility and Southern Thai Culture:
A study of Multinational Corporations in Southern Thailand.

Name(s) of Investigators:
(1) Kunlagan Boonyauva Phone: +613 9925 1443
(2) Phone: __________________________

1. I have received a statement explaining the interview/questionnaire involved in this project.
2. I consent to participate in the above project, the particulars of which - including details of
   the interviews or questionnaires - have been explained to me.
3. I authorise the investigator or his or her assistant to interview me or administer a
   questionnaire.
4. I give my permission to be audio taped: ☐ Yes ☐ No
5. I give my permission for my name or identity to be used: ☐ Yes ☐ No
6. I give my permission for taking pictures: ☐ Yes ☐ No
7. I acknowledge that:
   (a) Having read the Plain Language Statement, I agree to the general purpose,
       methods and demands of the study.
   (b) I have been informed that I am free to withdraw from the project at any time and to
       withdraw any unprocessed data previously supplied.
   (c) The project is for the purpose of research and/or teaching. It may not be of direct
       benefit to me.
   (d) The privacy of the information I provide will be safeguarded. However should
       information of a private nature need to be disclosed for moral, clinical or legal
       reasons, I will be given an opportunity to negotiate the terms of this disclosure.
       If I participate in a focus group I understand that whilst all participants will be asked
       to keep the conversation confidential, the researcher cannot guarantee that other
       participants will do this.
   (e) The security of the research data is assured during and after completion of the
       study. The data collected during the study may be published, and a report of the
       project outcomes will be provided to ______________ (researcher to specify).
       Any information which may be used to identify me will not be used unless I have
       given my permission (see point 5).

Participant’s Consent

Name: __________________________ Date: __________________________
   (Participant)

Name: __________________________ Date: __________________________
   (Witness to signature)
Appendix E: Ethics approval letter for interviews

RMIT BUSINESS
COLLEGE HUMAN ETHICS ADVISORY NETWORK
(BCHEAN)

Application for Approval of Research Project

SUMMARY & APPROVAL

Project Title: Corporate Social Responsibility and Southern Thai Culture: A Study of Multinational Corporations in Southern Thailand

Principal Investigator: Kunlagan Boonyauva
Supervisors: i) Nattavud Pimpa, ii) Lynnel Hoare
Project Category: Low Risk
School Name: Management

Degree for which research is undertaken (if applicable): PhD
Contact Telephone Number: 0431 165 330
Email Address: kunlagan.boonyauva@rmit.edu.au

BUSINESS COLLEGE HUMAN ETHICS ADVISORY NETWORK USE ONLY:

Date Application Received: 31 May 2011
Business College Human Ethics Advisory Network Register No: 1000293
Period of Approval: 8 June 2011 to 19 July 2014
Comments / Provisos: N/A

The Business College Human Ethics Advisory Network assessed the Project as Low Risk

Signature: _______________ Date: 15 June 2011
Professor Roslyn Russell, BCHEAN Chair
Ref: Ethics Appl. 1000293

Wednesday, June 15 2011

Kunlagan Boonyauva
Unit 8, 30 Dudley St
West Melbourne
Vic 3003

Dear Kunlagan

I am pleased to advise that your application for ethics approval for a Research Project has been approved by the Chair of the Business College Human Ethics Advisory Network. Approval has been granted for the period from 8 June 2011 to 19 July 2014.

The RMIT Human Research Ethics Committee (HREC) requires the submission of Annual and Final reports. These reports should be forwarded to the Business College Human Ethics Advisory Network Secretary. Annual Reports are due in December for applications submitted prior to September the year concerned. I have enclosed a copy of the Annual/ Final report form for your convenience. Please note that this form also incorporates a request for extension of approval, if required.

Best wishes for your research.

Yours sincerely

Kristina Tsoulis-Reay
Secretary
Business College Human Ethics Advisory Network

Encl.