

# Bridging Cultures, Enhancing Performance: Intercultural Communication Challenges of Thai SMEs in the Special Economic Zones

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## Abstract

This exploratory study investigates Thai SME employees' perceptions on intercultural communicative challenges and gain insights on what they justly need in order to perform effectively when engaging with foreign clientele. Data were collected from SMEs in the north-eastern region of Thailand via interviews and survey questionnaire. The study found that a lack of intercultural competency was the primary reason employees were reluctant to communicate with foreign clientele. Additionally, the absence of effective programs, unmotivated employees due to limited or no incentives, and negative perceptions of time-consuming training courses all hindered employees in this region from gaining practical knowledge in intercultural competency. Strongly supported by the Thai government, businesses in the special economic zones are growing domestically and internationally; thus, it is crucial for the employees to be armed with intercultural competency. This study adds to the discussion on intercultural trainings employees justly need as well as how to implement a positive learning culture when stakeholders are demotivated.

**Keywords:** Intercultural communication challenges, Intercultural competency, Training needs, Small and medium-sized enterprises (SMEs), Thai Special Economic Zones (SEZ)

## 1. Introduction

In a world marked by global connectivity, the ability to navigate diverse cultural landscapes is crucial for thriving in the realm of international business. Communicating with stakeholders from different cultural background who speak different languages is not as easy as it sounds yet it is pivotal in sustaining businesses in the global age. By being culturally intelligent and competent, companies can enhance their business performance and work more effectively with their foreign counterparts (Kadam et al., 2019). This exploratory study delves into the intricate tapestry of intercultural communication challenges faced by Thai employees working at small and medium sized enterprises (SMEs hereafter) in the north-eastern region of Thailand; SMEs in Thailand are defined as firms with 15 to 200 employees and 30 to 200 million baht in fixed assets. Currently in Thailand, SMEs account for 90% of all industrial businesses hiring about 79% of all labors (Regnier, 2017; Wailerdsak, 2023). As these employees engage with foreign clientele, their perceptions, interactions, and performance are profoundly influenced; by examining the perceptions of Thai staff working under this particular circumstance, this study hopes to shed light on understanding their intercultural communication challenges and training needs. The study focuses on SMEs in one of the provinces within Thailand's Special Economic Zones (SEZs hereafter) supported by the government where businesses are striving to expand beyond the local realm and reach out to global partners and customers.

Largely administered and assisted by governmental provision, businesses in the SEZs are growing rapidly signing new contracts with global partners and foreign customers (Bui & Preechametta, 2021; Durongkaveroj, 2023). Traditionally, the north-eastern part of Thailand has been a small market where most of the customers have been local Thai (Potjanajaruwit, 2020); thus, businesses did not find the need to professionally train their employees to serve foreign customers. However, they are now faced with challenges in order to break away from this practice and to prepare their businesses to grow beyond the domestic boundary aiming for successful internationalization (Udomkit & Schreier, 2017). They are highly sensitive to external environment and are experiencing communication issues (Baimai & Mukherji, 2015; Lobo et al., 2020). Consequently, companies are trying to arm their employees with intercultural competencies especially when it comes to communication (van Weerden & van der Sijde, 2020).

The study explored a landscape where conflicting norms, the lack of customized training, and a discouraged workforce dim the work environment. It is understood that the reluctance to directly engage with foreign customers emerges not merely from linguistic barriers but from deeply entrenched cultural differences (Hyun, 2020; Jhaiyanuntana & Nomnian, 2020). In order to deeply understand the challenges and needs of workers in enhancing their intercultural communication competencies, the research objective of this study was developed and framed: to identify the barriers inhibiting effective intercultural communication among Thai employees in SMEs when engaging with foreign customers and to analyze how these challenges impact their interactions and performance.

## 2. Literature Review

### *Intercultural Communication Challenges in the Thai SMEs*

In Thailand's professional landscape, communication deficiencies loom large, as observed from foreign perspectives (Asamongtham & Wichhawe, 2014; Banacha & Bamrung, 2023; Sriussadaporn, 2006). This can in turn limit SME growth as intercultural communication is integral to the success of businesses operating in an increasingly globalized world (Yang et al., 2022). In 2015, Thailand established 10 Special Economic Zones (SEZ) with specific regulations and perks that differ from the rest of the country in order to attract foreign investment, boost trade, promote industrialization, and stimulate economic growth by cooperating with neighboring countries (Cesar & Wahyuni, 2020). SEZs play a vital role in Thailand's economic development strategy especially for SMEs in these regions (Durongkaveroj, 2023). Small and Medium-sized enterprises (SME's) are the backbone of Thailand's economy. They contributed to one third of the country's GDP in 2020 and comprise over 98% of total enterprises (Boonmalert et al., 2021). Additionally, SME's also employ over 85% of the total workforce (Kitchot et al., 2021). These enterprises are the heart of Thailand's economic engine and play a critical role in driving the nation's economic development and stability. Thus, SME especially in the SEZ are seen as important agents to bring economic growth for Thailand.

In Thailand, as in many other countries, effective intercultural communication is paramount for SMEs to expand, engage with international partners, and foster positive relationships with clients and customers. However, several challenges related to communication have been documented in the Thai context, which call for a comprehensive needs analysis. These challenges encompass issues such as mentality and accountability, task assignments, time management, and personal/work relationships, all stemming from communication deficiencies (Sriussadaporn, 2006). There are various factors to consider in understanding intercultural communicative challenges in cross-cultural context. Firstly, language barriers are seen as significant hinderance to effective business communication (Adanlawo et al., 2021) as well as

lack of cultural knowledge (Jhaiyanuntana & Nomnian, 2020); cultural differences including languages influence communication dynamics shaping styles, norms, and expectations within these interactions. In addition, the lack of or absence of effective training programs exerts a profound impact on employees' readiness and enthusiasm for effective intercultural communication. Furthermore, factors such as motivation and incentives are seen as important aspects in fostering employee participation in intercultural training initiatives.

Sriussadaporn (2006) highlights that foreigners perceive that different mentality and accountability towards work are crucial aspects that cause communication problems in the Thai workplace. A hierarchical work culture and reluctance to assert oneself can hinder effective communication especially in cross-cultural contexts. In the Thai context, where rigidly structured social hierarchy exists, people tend not to question or challenge others directly, rather, they would much prefer to conform to opinions and situations given, showing their respect as well as saving their faces (Thongsawang et al., 2020; Vora & Kainzbauer, 2020; Young, 2021). Due to this cultural norm, foreign colleagues and/or clients may encounter communicative issues. Moreover, task assignments may suffer from ambiguities and misunderstandings due to differing expectations and a lack of clarity in roles and responsibilities. Personal and work relationships, which are highly valued in Thai society, may sometimes blur lines, leading to unproductive interactions and miscommunication (Irwin, 2020).

#### *Intercultural Training Frameworks*

In order to bridge the gap in cross-cultural communicative issues in business, the study brings in Fowler's (2005) intercultural training framework. According to Fowler (2005), there are four main components to effective intercultural training which address the diverse aspects of intercultural communication: culture, behavior, perception, and communication. One must comprehend different cultural dimensions, norms, values, and behaviors that influence communication. By deeply understanding the differences one can focus on the actions and reactions of others in a cross-cultural context which leads to behavior change. Perception may expand once one starts examining how individuals from different cultures perceive and interpret situations and interactions. Finally, with broaden perspectives, one will have the competency to develop communication skills that are culturally sensitive including verbal and non-verbal aspects.

Adding to Fowler's (2005) framework, Wang Guénier's (2020) study has also outlined a foundation for practical intercultural training that benefits the organization and employees professionally and individually; by integrating multimodal sounds, pictures, videos, guest speakers, and group work into a hands-on course or workshops, employees' intercultural communication competencies were notably improved. In the domain of training needs analysis, there are three categories in cultivating a well-rounded and effective workforce: organizational needs, professional needs, and individual needs (Paais & Pattiruhu, 2020). Organizational needs encapsulate the ambitions and objectives of the entity, aligning training initiatives with the overarching goals and strategies of the organization. For Thai SMEs, this means understanding how effective intercultural communication can contribute to the broader goals of the company, such as expanding into international markets or enhancing client relationships (Ozlem, 2020; Tuleja, 2021).

#### *Enhancing Intercultural Communication*

Professional needs address the essential requirements in skill, knowledge, and attitude essential for bolstering productivity and efficiency in the workplace (Paais & Pattiruhu, 2020; Pauli, 2020; Rubery et al., 2018; Sheeba & Christopher, 2020); this particular component touches on the specific competencies and proficiencies necessary for optimal job performance. For Thai

SMEs, it may include understanding the nuances of intercultural communication, managing cultural differences, and fostering cross-cultural teamwork (Hyun, 2020). Individual needs explain the personalized skill set for an individual's success in their role, expanding one's ability and competency that relate to organizational objectives (Helmy et al., 2019). These three dimensions collectively form the pillars of a comprehensive training framework aiming to equip employees with the tools and capabilities to sustain organization as well as promote career trajectories (Paais & Pattiruhu, 2020).

The incorporation of these components in intercultural training can significantly enhance the ability of Thai SMEs to navigate the complexities of cross-cultural interactions and improve intercultural communication effectiveness within their organizations. Afterall, learning in the workplace benefits all stakeholders in such highly competitive environment where effective communication is a critical factor in sustaining businesses (Coetzer et al., 2019; Han et al., 2022). The aforementioned conceptual frameworks intend to explore the interconnected factors influencing intercultural communication challenges among Thai employees, their impact on performance and business growth, and potential solutions to enhance intercultural competency within the specified setting. In the context of Thai SMEs, these conceptual frameworks underscore the critical importance of conducting a comprehensive needs analysis to tailor intercultural communication training to the specific requirements of SMEs.

### 3. Research Methods

#### *Research Design*

This study employed a mixed-methods approach to gather comprehensive data on employees' intercultural competencies and needs in SMEs in the SEZ, utilizing both quantitative and qualitative techniques. The research was conducted in two phases: an initial quantitative phase using a questionnaire, followed by an in-depth qualitative phase involving semi-structured interviews. The mixed-methods approach was chosen since it allows for a more in-depth understanding by gaining a more complete picture (Hammon & Wellington, 2013) of the specific intercultural communication needs and challenges.

#### *Participants*

The participants in this study consisted of employees from a purposive sample of Thai SMEs representing various industries in a particular SEZ. The selection was based on their experience in intercultural interactions, both within the company and with international partners, clients, or customers. The researchers contacted fifty-two SMEs in the north-eastern region of Thailand marked under SEZ set by the Thai government. The purpose of the research was informed in detail and thirty-five companies replied back saying they would participate. Questionnaire, both in Thai and English languages, was distributed to the companies via emails and social media platforms they generally use at work (e.g. Line app). Since the employees were previously informed about the research, they were all aware that only those interested in providing data should participate. Employees who decided to take part in the research completed and submitted the questionnaire directly to the researchers. The questionnaire was sent out to total of 435 employees and 271 completed questionnaires were received by the given due date.

**Table 1:** Demographics of participants

Industry		Work experience		Position	
Sales and trading	52%	Over 10 years	7%	Owner	7%
Service	37%	6-10 years	19%	Supervisor level	16%
Manufacturing	10%	2-5 years	62%	Practitioner level	68%
Other	1%	Less than 2 years	12%	Trainee level	9%

*Phase One: Questionnaire*

The first phase involved distributing a structured questionnaire designed to capture a broad understanding of the employees' general needs and perceptions regarding intercultural competencies. The questionnaire was developed based on Fowler's (2005) intercultural training framework: the four main components—culture, behavior, perception, and communication—served as the basis for the Likert scaled questions. Questionnaire was created by the researchers and pilot tested with a small sample (15 from the target population) of respondents to check clarity, relevance, and comprehensibility of the items to enhance face validity. By doing so, the researchers ensured it covered key areas such as communication skills, cultural awareness, perceptions and adaptability. It was disseminated electronically to all employees within the organization, ensuring a wide reach and maximizing response rates. The data collected in this phase provided a quantitative baseline and highlighted key areas of interest that required deeper exploration. The survey consisted of 20 multiple choice questions with Likert scale ratings. At the end of the questionnaire, participants were asked if they would further participate in the second phase of the study, a short interview; thirty-three participants agreed to the interview.

*Phase Two: In-Depth Interviews*

Building on the insights obtained from the questionnaire, the second phase focused on conducting semi-structured interviews with 15 participants to delve deeper into the employees' perceptions, feelings, and ideas about their intercultural competencies and needs. Participants who agreed to take part in the interview were contacted individually. Out of the thirty-three who expressed willingness to participate in follow-up interviews, fifteen of them answered back with a specific date and time of their choice. Rich qualitative insights were shared during the interview with each participant. The semi-structured format allowed for open-ended questions and flexibility to explore specific issues in more detail (Hammon & Wellington, 2013). The interview questions were formulated based on the themes that emerged from the questionnaire data, allowing for a more targeted and nuanced exploration of specific issues. Each interview lasted approximately 30 to 40 minutes and was conducted either in person or via video conferencing, depending on the interviewee's availability and preference in Thai language. The interviews were audio-recorded with the participants' consent and subsequently transcribed verbatim and then translated into English. The qualitative data collected through these interviews provided in-depth insights into the employees' personal experiences and perspectives, enabling a thorough examination of their intercultural competencies and needs.

*Data Analysis*

The mixed-methods approach allowed for the integration of quantitative and qualitative findings, providing a comprehensive understanding of the employees' intercultural competencies and needs. The questionnaire results offered a broad overview, while the in-depth interviews provided detailed, context-rich insights, enabling the development of informed recommendations for enhancing intercultural competency development within the organization. By adopting the needs analysis process to identify issues and deliver solutions (Gould et al., 2004), the data were organized into themes regarding the four main components Fowler (2005) has named: culture, behavior, perception, and communication. The mixed methods approach triangulated the data and provided a comprehensive understanding of the intercultural communication needs of employees working at Thai SMEs. For the questionnaire data, descriptive analysis was used to understand participants' basic profile and intercultural aspects based on Fowler's (2005) four components. This comprehensive data gave a simple yet holistic picture before conducting the interviews. The initial analysis informed the development of the interview protocol, ensuring that the qualitative phase addressed the most pertinent issues. The qualitative data from the interviews were analyzed using thematic analysis. This involved



coding the transcripts and identifying recurring themes and subthemes related to intercultural competencies. The themes were then examined to understand the underlying factors influencing employees' perceptions and experiences (Clarke & Braun, 2017).

#### 4. Findings and Discussion

The findings from the survey and interviews offer valuable insights into the intercultural communication challenges faced by staff working at SMEs in a SEZ region of Thailand. The data displayed a notable pattern concerning staff members' experiences and attitudes towards communicating with foreign clientele. The questionnaire data revealed that the majority of the participants (87%) agreed to the fact that there were quite a few issues regarding communicating with foreign customers; though quite a few of them spoke English without much difficulty, pronunciation, accent, vocabulary usage, pacing, and even body language greatly influenced their communication. This multifaceted nature of the challenges reflects the complex interplay of linguistic and non-verbal factors affecting effective cross-cultural communication. Interview participants added in-depth personal experiences on the difficulties they faced communicating with foreign customers:

*I felt very uncomfortable when engaging with some western customers...they directly looked into my eyes. I lost words when I noticed it and I did not understand what that direct eye contact mean. Uh, so, very confusing and very uncomfortable, yes. (Participant C)*

*We try to smile even when we have to deliver bad news, but our client sat during the entire meeting with no facial expression. I thought he was angry at us, but later on I learned that he was just thinking hard. Difficult for me to understand you know...this kind of situation. It happens sometimes and every time, I am not sure. (Participant G)*

These factors resulted in their reluctance to communicate with foreign clients/customers. They were frustrated when they noticed the foreign counterparts misunderstood or did not understand what they said and meant. Adding to this issue, though the number of foreign customers is continuously growing, main clientele of organizations in the north-eastern SEZs are still Thai people (Potjanajaruwit, 2020); this fact essentially leads to the staffs' unwillingness to sit in for long English or communication-related training sessions. Though 65% of the questionnaire participants held university level education or higher, they still encountered challenges in English communication. Those who had university level education all agreed that they went through rigorous English courses before earning their college diploma meaning linguistically, they were prepared to communicate with foreign customers in English. Still, issues arose. Three themes emerged as communication challenges participants encountered while working: 1) semantic issues such as pronunciation, accent and vocabulary usage, 2) non-verbal communication issues, and 3) cultural differences in communication.

The results suggest that issues related to pronunciation and accent significantly impact the staff's ability to communicate effectively. Pronunciation difficulties often led to misunderstandings, boiling frustration which drove many of the participants to avoid certain interactions. Some of the participants brought in accent as a feature which is vital for clear and effective communication.

*I explained in detail and tried my best to be clear, but the customer said she didn't understand what I was saying. I even used body language but still got negative feedback. I think it's because of my pronunciation or maybe I used the wrong word. I feel anxious when I have to speak with foreigners. (Participant J)*

Not being able to utilize the correct words also drove the participants to shy away from communicating with foreign clients and customers. Vocabulary usage was identified as another challenge which was hard to bridge. Participants encountered difficulty in selecting the appropriate words or phrases, which they believed impeded the flow of communication leading to misunderstandings. Non-verbal communication, such as body language and facial expression, also emerged as a significant factor affecting communication. Misinterpreted body language many times led to cultural misunderstandings. These experiences held interesting consequences for the study participants; the incidents motivated some of them (32%) to keep on studying the language to overcome the barriers and take training courses on intercultural communications yet demotivated some (55%) to shy away even more. These issues led them to adopt a passive behavior and shy away from interactions. The participants' hesitance to engage in English communication was not solely due to the language barrier but was largely influenced by factors such as fear of making mistakes, causing misunderstandings, or appearing unprofessional, all of which are aspects of intercultural competency.

The findings revealed that language barrier was just a part of the communication problem participants faced; it was the whole behavior and attitude of people when communicating with foreign clientele – they took the meaning of the same words differently, often misunderstood certain non-verbal cues, and they lacked reading between the lines to comprehend hidden meanings which greatly varied in different cultures. Though various intercultural training programs exist, the data saliently exposed that tailored sessions are necessary to boost motivation in order to improve communication competency (Coetzer et al., 2019). Interviews with participants suggested that by providing a clear vision toward growth for individual and the organization, employees would enthusiastically engage in sessions that promote intercultural competencies. They sought clear motivation and vision for growth to engage enthusiastically in such sessions. Recognizing the importance of intercultural communication, 59% of the participants expected their employers to offer various intercultural communication training program; the participants largely preferred on-the-job trainings and self-paced trainings rather than taking classroom-based trainings

The interviews were conducted to examine the provisions to identify employees' actual needs toward gaining intercultural communication competency. The general perceptions towards

*I think trainings on intercultural communication are needed, but...to tell the truth, we are busy and we don't like sitting for a long time...to learn something for a day or two. And after training, we usually forget what we learned. (Participant A)*

*Trainings I received so far were very general. Uhh, nothing really effective or satisfying. A lot of them, waste of time. (Participant M)*

Out of 271 questionnaire participants, 72% of them admitted that they had never received any training courses related to communication and/or cross-cultural skills even though the majority of them have worked for 2-10 years in sales, trade, and service industry where effective communication is deemed crucial. Those who did have a chance to engage in communication related training largely agreed that they were not sure of the effectiveness of the program/s they took part in and were hesitant in joining yet another session. Another interesting fact was that compared to the price paid for training sessions, the owners did not see a clear improvement and many employees felt pressured in signing up for sessions and/or courses. These findings clearly mark the issues faced by numerous business entities in Thailand; companies fund employees to take training courses, however, the results have not been satisfactory (Asasongtham & Wichhawee, 2014; Banacha & Bamrung, 2023).

Participants acknowledged that they felt something was missing, however, they were not so clear as to what that missing puzzle was (Yang et al., 2022). Data were in line with Adanlawo et al.'s (2021) study stating most trainings employees usually received were focused on utilizing English language itself, which drove the participants to neglect understanding different cultural behaviors, linguistic attitudes, and non-verbal messages. Yet due to the emphasis on the English language, they perceived that their problem largely lied within the domain of language. The findings emphasize the critical need for tailored intercultural communication training that addresses the specific challenges identified by the participants. To encourage staff participation, it is essential to make the training relevant to their daily interactions and to highlight the potential benefits of improved intercultural communication skills, even when the primary clientele is Thai. Furthermore, flexible training formats and modules could be explored to accommodate staff's preferences and address their reluctance to engage in long training sessions.

Though 67% of the questionnaire participants agreed that they needed intercultural competencies, they were quite hesitant when it came to attending courses or training sessions. Out of those who agreed to the need of intercultural competencies, the majority of them noted that many communication trainings were ineffective. They elaborated that many sessions only provide limited knowledge that brings about elusive understanding on intercultural communication. Adding to this issue, quite a few participants (48%) believed that they only needed English language competency, thus stating other training sessions were not necessary. They also mentioned that the training sessions were unnecessarily long and linear and they only joined the sessions due to peer pressure and to conform to the management's nudge. The majority of the participants (77%) did recognize the importance of intercultural communication in their industry though they still were not motivated to take training sessions. The general perception towards training sessions was not so positive, however, the participants said they would attend sessions that fit their specific needs and at the same time resolve issues they face day by day communicating with their clients and customers. Furthermore, 82% agreed that with clear incentives and growth trajectory, motivation to participate in intercultural trainings would increase.

The findings highlight the significant impact of cultural understanding, behavior, perception, and communication (Fowler, 2005) on employees' ability to effectively interact with foreign clientele. In line with Coetzer et al. (2019), the participants clearly saw the need for effective, tailored trainings on cross-cultural communication to improve their intercultural competencies though they were hesitant in signing up for sessions. Even experienced employees with more than 6 years of work experiences emphasized the need for continuous training and upskilling to keep pace with evolving communication norms and cultural expectations in a globalized business environment. Compared to large corporations, SMEs generally do not have systematic training programs (Csillag et al., 2019); though SMEs do recognize that effective training not only enhances communication with customers or partners but it also significantly improves internal communication, they simply do not have wide access to available trainings and courses offered due to lack of information and/or resources negatively affecting their global interaction and relationship (Hilmersson et al., 2021).

More than half of the respondents (58%) said they felt nervous and worried when communicating with foreign customers and/or clients while 40% answered they felt proud and confident. Though proud and confident, they admitted to the fact that this was the most challenging part of their work and strongly agreed to the fact that companies should assist employees continuously with this issue. It was revealed that soft skills trainings were scarce (i.e., how to speak to a customer or client effectively) and most of the training sessions were geared towards hard skills. However, the data revealed that within these challenges lie



opportunities — opportunities to construct solutions that bridge the cultural gaps and empower employees to communicate with confidence. As the Thai government is lending a strong hand to businesses in SEZs toward domestic and international growth, SMEs should take this opportunity to level up their employees' intercultural competencies since it has become crucial for sustainable management.

## 5. Managerial and Educational Implications

This study exposes that being culturally competent in intercultural or multicultural settings is crucial for businesses to thrive. Effective communication skills are undeniably valuable asset workers should hold in order to confidently parade cultural competency which undoubtedly boost work performance (Suharto et al., 2019). This signals important implications for SMEs in Thailand that have started striving to expand beyond the realms of domestic boundary. By addressing the intercultural communication challenges faced by SME workers, the study provides managerial implications offering practical knowledge to owners and/or leaders of SMEs to introduce more realistic plan to improve employee and customer satisfaction. Clear and effective communication can help businesses better understand foreign customers' needs, provide better service, and build stronger relationships which will positively affect employees as well. Overcoming communication challenges can open doors to new markets and customers. SMEs that can successfully engage with foreign clients and partners will have a competitive advantage in the global market.

Demonstrating a commitment to improving intercultural communication can enhance an organization's reputation as well. This may attract foreign customers who value a company's willingness to adapt and accommodate their communication preferences. Providing tailored intercultural communication training can boost staff confidence and motivation (Wang Guénier, 2020). Motivation does not just happen; this should be built on trust; having a shared vision to group together ensures trust, which then will drive motivation towards better communication (Curado & Viera, 2019). When employees feel more competent in communicating with foreign clients and customers, they are likely to engage with work more enthusiastically positively affecting company culture. SMEs that invest in employee development, including intercultural communication training, are more likely to retain and attract talent (Baimai & Mukherji, 2015). This study also holds educational implications; educational institutions and training providers can develop tailored programs that focus on the specific challenges identified in the study, including non-verbal cues, vocabulary usage, and cultural sensitivity as well as creating handbooks or brochures to help employees in various ways (Khalimova, 2022).

These programs can be designed to bridge the gap between classroom learning, which participants perceive as uninteresting, and real-world application. To address the reluctance to participate in long training sessions, educational institutions and training providers can offer various flexible training formats that are informal (Coetzer et al., 2019). These may include short, targeted modules that professionals can complete without disrupting their work schedules. A strong emphasis should be placed on practical, real-world application. This can include role-playing exercises, mock scenarios, and interactive activities that mimic the challenges faced in the workplace rather than just providing language classes or lectures (Wang Guénier, 2020). These training sessions should not be perceived as a one-time thing; leaders of SMEs should promote a culture of lifelong learning and professional development (Coetzer et al., 2019; Sheeba & Christopher, 2020). Educational institutions can instill in students and professionals the value of continuously improving their intercultural communication skills to adapt to evolving multicultural global business environments. Incorporating these business and educational implications can help organizations and institutions address the intercultural communication challenges identified in the study, ultimately promoting effective

communication, international business growth, and personal and professional development. Effective and competent intercultural communication among employees will surely enhance working environment and more contented clientele (Yang et al., 2022).

## 6. Conclusion

The study adds insights and contributes to both practical and intellectual fields to the SMEs in various industries where effective and efficient communication skillset is the core asset to sustain organizations in the global environment. By investigating the issues and proffering solutions with the participants, this study not only assists the SMEs facing intercultural challenges but hopes to contribute to the existing knowledge by adding new insights to SEZs in Thailand where SMEs are striving to earn global recognition. Clearly, SMEs should aim for direct impact on communication and performance; challenges identified by the study display the reasons that directly affect employee performance in engaging with foreign customers/clients. This may further affect customer satisfaction, successful negotiations, and relationship-building. Therefore, in order to expand and sustain business both domestically and internationally, keen attention must be paid towards employee – customer/client communication. Since SMEs in the SEZ regions are strongly supported by the Thai government, gathering information and consuming resources have become readily available.

Taking advantage of the strong governmental support, it is time for SMEs to strive for better communication and engagement with the global stakeholders. Tailored workplace learning and training could be effectively developed, especially when it comes to government-sponsored small businesses (Coetzer et al., 2019). The SMEs of the SEZs of Thailand should take this opportunity to implement effective sessions built into their systems for both the company and the employees to grow. The study saliently reveals that employees need customized trainings that cover topics such as; communication techniques of different countries, gestures and other non-verbal cues used by different cultures, conversation styles, and a clear and detailed overview of effective communication. This should be followed by a clear vision, systematic planning, and personal growth trajectory guided by the organization. Promoting incentives for commitment can be a positive factor enhancing motivation which should be considered.

The organizations should also make sure the trainings provided are effective, efficient, and impactful so employees can professionally and individually utilize what they learned; self-paced sessions such as online courses, short conferences where they can network with employees from different companies, workshops where they can share stories, mentoring sessions, and collaboration between local educational institutions can add richness to assist employees gain new perspectives and find the need to continuously learn and grow (Wang Guénier, 2020). Furthermore, providing opportunities to utilize knowledge consumed from training sessions can enhance employees' motivation to keep attending more courses. By assigning non-routine tasks where they need to reason and think and collaborate with foreign clientele can greatly assist them to think critically from different angles. By constantly applying new skills acquired, they can develop their intercultural competencies and feel confident in doing so. This will lead to proactive work behavior that holistically benefit the company. Intercultural competency is not only vital for sustainability of the companies but also crucial for personal growth and development as the market opens up to foreign customers and investors (Kadam et al., 2019). Providing tailored training programs that address the identified challenges and cultural nuances within the north-eastern region of Thailand and at the same time satisfy personal and organizational needs, will undeniably help implement a positive learning culture.

Employees will be able to explore strategies to create a positive learning environment within organizations, overcome demotivation toward time-consuming training courses, and foster enthusiasm for acquiring intercultural competencies: A win-win situation for both the employees and the organization. While the exploratory study provides valuable insights into Thai employees' perceptions of intercultural communicative challenges, limitations exist. First, the study was conducted exclusively in the north-eastern region of Thailand, which may not fully represent the intercultural communicative challenges faced by SME employees in other regions of the country. Different regions might have varying levels of exposure to foreign clientele and different cultural dynamics. Another point is that the study focuses on employees' perceptions without considering the viewpoints of the employers or management. This one-sided perspective might overlook organizational and strategic factors influencing intercultural communication. Lastly, the study only provides a snapshot of the current situation; the study did not attempt to track changes in employees' perceptions and the effectiveness of implemented programs over time due to the lack of longitudinal data. Due to the limitations mentioned above, there are some gaps in the knowledge from the findings. Thus, further research in this field is recommended. The study mentions the lack of effective programs but does not evaluate any existing programs or interventions comprehensively which could be further investigated.

Examining perspectives from various stakeholders, including employers, management, and even foreign clientele, to gain a holistic view of intercultural communication dynamics and challenges could be another topic for future investigation. This current study focused on the challenges of employees' intercultural communication, it would greatly benefit the SMEs by conducting studies that not only identify issues but also test and evaluate specific intercultural training programs and interventions. This could help in understanding what works, what doesn't, and why. The study depicts a comprehensive picture of the intercultural communication challenges faced by employees working at SMEs in SEZ area of Thailand. The analysis provides essential insights for designing effective intercultural communication training programs that can empower staff to communicate more confidently and competently with foreign customers and partners, ultimately benefiting the organizations they represent. This study provides a basis for future studies on specific intercultural challenges and needs faced by small and medium sized companies struggling to effectively communicate with the global audiences.

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