

# INFLUENCE OF MODERN ORGANIZATIONAL CULTURE ON THE SUCCESS OF INTERNATIONAL BUSINESS MANAGEMENT OF TAPIOCA STARCH PRODUCTION COMPANIES IN THAILAND

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## ABSTRACT

The objectives of this study were to: (1) examine the impact of demographic factors on the success of international business management, noting that different factors influence success variably; (2) assess the level of success across various dimensions within the international business management of the case study companies; and (3) identify the aspects of organizational culture that contribute to success in international business management. The research utilized a sample of 200 employees from ABC Company, a cassava starch exporting firm located in Nakhon Ratchasima Province. Data collection was conducted through a questionnaire. In terms of organizational culture's impact on the success of international business management, a results-oriented culture was identified as having a significant positive effect, with a P-value of 0.000\* and a beta coefficient of 0.783. Conversely, an adaptive culture, with a P-value of 0.207 and a beta coefficient of -0.109, and a kinship culture, with a P-value of 0.522 and a beta coefficient of 0.059, were not found to have a statistically significant impact on the success of managing international business.

**Keywords:** Export Business, Modern Organizational Culture, Success in International Business Management, Tapioca Starch Production Companies

## INTRODUCTION

Organizations resemble living entities, each possessing distinct character traits and personalities, making no two organizations exactly alike. This culture, according to management theories, plays a crucial role in influencing work quality and management success. Although not documented in a formal, written manner, organizational culture is deeply felt by its members, fostering a sense of belonging. All members engage in cultural activities. When these new approaches challenge the foundational norms and values, a clash between the new operational methods and the entrenched forces of the old organizational culture emerges, highlighting the dynamic tension within organizational change. [1].

Business operations today are subject to trade competition that is becoming more intense every time. As a result of environmental factors changing more continuously and faster than in the past, organizations must always be prepared with the changes that will occur. By managing resources within the organization, including personnel, machinery, raw materials, and money, to be efficient. using the lowest operating costs along with creating maximum profits for the organization. Personnel are considered the most important factor that to bring sustainable growth of the organization. Because personnel are leaders of other resources that are in the organization to be used in the production and creation of products and services. Including strategies for managing various tasks that creates a competitive advantage in business. (Nattapong Techarattanased, 2023) [2].

Organizational culture embodies the values, beliefs, and behaviors embraced and enacted by its members, shaping both individual and collective actions within the organization. This culture not only influences the organization's work dynamics but also nurtures a sense of pride and bravery among its members. The ability of an organization to understand and adapt its culture in alignment with environmental changes is crucial for its success. Consequently, culture plays a pivotal role in determining employee performance and satisfaction, making it central to the development of a business organization. [3].

In managing diverse businesses, the importance of organizational culture in fostering success and advancement cannot be overstated, particularly in the realm of international business management. This field faces unique challenges due to the variety of languages, cultures, behaviors, and social environments. Therefore, understanding the culture of international partners is crucial for facilitating negotiations. In today's world, the digital age has ushered in an era where both physical presence and modern technology play pivotal roles. The international business landscape is becoming increasingly open and without borders, changing consumer behaviors, and governments reducing trade barriers. These developments have spurred rapid growth and expansion in international business, albeit with increased risks due to the fast-changing global business environment. [4].

International business enables companies within a country to broaden their trade markets and facilitates access to production factors for both domestic and foreign enterprises. Consequently, this expansion leads to growth and higher income for the country's businesses. Additionally, it includes opportunities for small and medium-sized enterprises (SMEs) within the country to act as subcontractors, producing raw materials or products for globally recognized companies. [5].

Cassava serves as a crucial economic crop, contributing significantly to agricultural security and supporting downstream industries. Additionally, cassava offers an alternative to imported food crops, such as wheat flour in Asia, enhancing food security. In South Asia, particularly India, cassava is pivotal for food security, while Latin America is actively promoting commercial cultivation of cassava to leverage its economic benefits. [6].

In the period from January to May 2021, cassava product exports saw a significant increase, reaching a value of 51,345.46 million baht, up 36.46% from the 37,628.08 million baht recorded in the same period of 2020. The primary export markets for these products were China, Japan, Taiwan, South Korea, and the United States. Given this background and the critical role of cassava in the economy, the researcher has uncovered why organizational culture is a key determinant of success in this field. This research is intended to provide support and improvement strategies, offering practical guidelines to enhance the efficacy of international business management, particularly in the export sector. This approach will enable organizations to identify and address internal challenges, achieving their export objectives and goals more effectively. Furthermore, it aims to support businesses in achieving steady and sustainable growth. [7].

## **OBJECTIVE**

1. To examine the impact of demographic factors on the success of international business management.
2. To assess the level of success across various dimensions within the international business management of the case study companies.
3. To identify the aspects of organizational culture that contribute to success in international business management.

## METHODOLOGY

This study aims to establish cause-and-effect relationships and predict outcomes by applying systematic and controlled principles and methods. The focus of this research is on examining how organizational culture influences success in international business management.

### *Population and sample*

The researcher gathered data from the entire target population, which consisted of employees at ABC Company, employing purposive sampling to align with specific research goals and objectives. The sample comprised 200 employees from ABC Company.

### *Research instrument*

The research utilized a questionnaire as its primary instrument, structured into three sections: Section 1 covers demographic factors, including gender, age, marital status and educational level. Section 2 focuses on the aspects of culture that influence success in international business management, subdivided into three categories: 1. An adaptive organizational culture, 2. A results-oriented organizational culture, and 3. The cultural dimension of kinship within organizations (Daft, 2002). Section 3 examines the dimensions of success in international business management, categorized into four areas: 1. Financial performance, 2. Customer satisfaction, 3. Internal processes, and 4. Learning and growth

### *Data Analysis*

Descriptive Statistics involve the examination of the respondents' demographic information, such as gender, age, education level, marital and status. This analysis utilizes frequency counts and percentages to provide an overview, along with mean values and standard deviations to summarize and elucidate the characteristics of the variables under study. Inferential Statistics focus on examining the impact of organizational cultural factors on success in international business management. This section employs multiple regression analysis to identify and quantify the relationships between independent variables (organizational cultural factors) and the dependent variable (success in international business management).

## RESULTS

The analysis of ABC Company Limited's success in international business management, both overall and in specific dimensions, is detailed as follows: 1. Financial performance, 2. Customer satisfaction, 3. Internal processes, and 4. Learning and growth. From Table 1.

**Table 1** Mean, Standard Deviation, and Level of Success in Managing International Business of ABC Company Overall and by Dimension

Success in managing international business	Level of opinion		
	$\bar{x}$	S.D	Level
1. Financial	3.47	0.738	Moderate
2. Customer	4.02	0.719	High
3. Internal process	3.56	0.804	High
4. Learning and growth	3.67	0.764	High
<b>Overall success in managing international business</b>	<b>3.68</b>	<b>0.610</b>	<b>High</b>

**Table 2** Summary of Organizational Culture Testing Results Impacting the Success of International Business Management of ABC Limited Company

Organizational culture factors	B	Std. Error	Beta	t	P-value
Adaptive Culture Aspect (X1)	-.109	0.086	-.124	-1.267	0.207
Familial Culture Aspect (X2)	0.059	0.092	0.069	0.641	0.522
Success-oriented Culture Aspect (X3)	0.783	0.092	0.820	5.188	0.000*
Constant	0.995	0.161		6.164	0.000*
R = 0.778 R <sup>2</sup> = 0.606 F = 100.360 SE <sub>est</sub> = 0.386 R <sup>2</sup> <sub>adj</sub> = 0.600 a = 6.164 *Significant at the 0.05 level					

Based on the data from Table 2, The adaptive culture (X1) with a P-value of 0.207 and the kinship culture (X2) with a P-value of 0.522 do not show statistically significant effects. The relationship between these factors and success in international business management can be represented by the following equation, using both raw scores and standard scores:

$$\hat{y} = 0.995 - 0.109(x_1) + 0.059(x_2) + 0.783(x_3)**$$

### CONCLUSION AND FUTURE WORK

The study revealed that overall success in international business management was rated highly. This environment contributes to various aspects of success, including financial achievements, effective customer engagement, efficient internal management processes, and fostering a culture of learning and growth. The research findings indicate that within ABC Company, an adaptive culture and kinship culture do not significantly impact the success of international business management. This aligns with Wirinthon Loyam's (2021) study on the influence of management processes and organizational culture on the success of small enterprises in Chonburi Province, which found that a results-oriented culture positively influences success.

#### **Recommendations for Future Research:**

1.Future studies should explore both external and internal factors influencing success in international business management. This comparative analysis could serve as a foundation for guiding organizational development strategies towards achieving greater success.

2.Beyond relying solely on questionnaires for data collection, incorporating additional methods such as in-depth interviews could yield more nuanced and targeted insights. This approach would enhance the utility of research findings in meeting specific objectives.

3.It is advisable to identify understanding these factors could inform strategic planning and direction for organizations aiming to navigate and succeed in the global business landscape effectively.

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