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The Comparative Investigation on International Value of Business Student between Thailand, Chinese, and Germany

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Abstract

The international value of business student from Germany, China and Thailand were investigated based upon politic, economic, social, and technology (PEST). The instrument was constructed from the framework of PEST. The contribution to the country is that the government should prepare the process of encouraging the student toward international assignment. The future research should focus on how they are preparing for the changing environment.

In considering current issue in world economic, it is undoubtedly found the increase of across border trade. The free trade areas are increasing in every part of the world. Free trade refers to a situation in which a government does not attempt to influence through tariffs or quotas which its citizens can buy from another country (Hill, 2004). The international trades between many countries affect local business, and local consumer behaviors. In addition, the growth of international trade and investment has been substantially larger than the growth of domestic economies since 1950s (Czinkota, Ronkainen, & Moffett, 2005). Furthermore, they expressed that technology continue to increase the reach and the ease of conducting international business, pointing to even larger growth potential in the future. Nowadays, even more multinational corporation than ever are earning larger portion of their revenues from international operations (Hodgetts, R. M., Luthans, F.L., & Doh, J. P. 2006). Looking at Thailand, that has obviously presented the open to across border for more than a century. The free flows of international trade become crucial to Thai economic which consequently affect to labor market of the country. Thailand's economy has experienced strong growth since the year 2003, its economy is heavily dependent on international trade by both import-export and foreign direct investment (Kuntonbutr, 2005).

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The increasing number of multinational companies in Thailand, remind all those local companies to the changing in competition in every area of market. The multinational companies have taken place many local firms. This encourages Thai government and people to consider the changing of the situation that have been affected both people life and business operation. In addition, Javalgi (2007) states that the reduction in the barriers for global commerce continues and the integration of the world economy grows, there is an increase in the importance being placed on the internationalization of small and medium sized enterprises. However, only some of those SMEs are successful in expanding their business internationally. This is the important reason of the researches performed by many researchers to figure out the intercultural management including the methodology of study (Au, 2000, Yang, Wang, and Su, 2006, Knight, Spreng, and Yaprak, 2003).

Currently, almost all of the Thais understand the situation with no doubt, and discuss how they can counter attack those foreign companies. No matter they are multinational companies, or local firms, the importance is that employee who participated in working for those firms can work and adapt themselves effectively to new continuous changing environment. Not only Thailand, but also China and European countries similarity face with the global business environment. To response to the global competitive, each country has to prepare their people in their awareness, knowledge, and experiences.

Johansson (2006) stated that chief executive officers of current situation consider knowledge assets which are intangible assets to be the most basic asset of the company. Then, it is crucial to study the difference among student from Thailand, Europe, and China in their awareness, and their preparing to work in the global environment. In addition, it is interesting to figure out that do the student are really been aware of the situation, and in which way that they understand current situation.

Purpose of the study

This research aims at conducting information concerning to the student from Thailand, China, and Germany. The purpose is to compare their vision concerning international business which include politic, economic, social, and technology (PEST). In addition, this research figure out how they prepare themselves for working in those environments particularly working in foreign countries, and investigate their concept on foreign countries.

Then, the researcher concentrates on figure out the following topic:

1. Study the subjects of their concept toward the politic that may have an impact on international trade.

2. Study the subjects of their concept toward the economic that may have an impact on international trade.

3. Study the subjects of their concept toward the social that may have an impact on international trade.

4. Study the subjects of their concept toward the technology that may have an impact on international trade.

5. Compare those factors in the framework to figure out the similarity or difference between each country.

Research Questions and Hypotheses

According to the background of international business above, and the purposes of the study, the researcher identified research questions as: do they have any difference on their concept toward politic, economic, social, and technology that may have an impact on international trade?

Hypothesis 1 There is a difference in the concept of PEST toward international trade.

Hypothesis 2 There is a difference in the concept of politic toward international trade.

Hypothesis 3 There is a difference in the concept of economic toward international trade.

Hypothesis 4 There is a difference in the concept of social toward international trade.

Hypothesis 5 There is a difference in the concept of technology toward interna-tional trade.

Limitation

Even this study aims at investigate business student, but this study was conducted in narrow area of subject. Small number of subject is investigated, then, to apply the result for practice should be performed with the awareness.

Importance of the Study

Since the expansion of free trade among nations is increased rapidly. This increase has been continued by both bilateral agreement, and multilateral agreement. The crucial is that any countries should prepare their people to fit the international business environment. However, the interesting point is the awareness of their student toward the changing business situation. Then, this study contributes the finding that the government can apply for their national preparation of the people to fit labor market in an international business situation. The national policy or other education may be adapted by the result of this study.

Research Design

Since the study focuses on considering the concept of business student which is subjective factor, then, the research design was determined in serious consideration to achieve all contain concerning research process.

Selection of the Subjects

The subjects come from student from various nations, then, it is difficult to approach the subject in case of sampling procedure. The convenient method of collecting data is applied. The total number of subjects participated

in the study are, which 93 from China, 79 from Germany, 122 from Thailand.

Instrumentation and the data collection

The instrument is created from the comprehensive literature review, and expert discussion. The questionnaires are used to collecting data, with all contain concerning the concept of political, economic, social, and technology engagement to international business, and economic. In addition, the importance in economic and international trade of the countries in regional cluster is investigated. The validity determination is instructed from the group of three experts that are concerning international business. Those expert come from private sector that is concerning to foreign trade, and some come from academic society that focus on international business and economic. In determining the reliability, the Cronbach alpha was applied to the group of 30 subjects, and found the result of .944. In collecting the data, the collecting of all data came from the collaboration of universities from Thailand, China, and Germany. The subjects from Thailand were collected at the Rajamangala University of Technology during the period of November, 2010. The subjects from Germany were collected by the collaboration of the Fachauchule Gelsenkirchen University of Applied Science. From the subjects from China, those are collected by the collaboration of the Guanxi College of International Business.

Data Processing and Analysis

After the process of collecting the data was completed, the researcher rechecked the entire collecting question-naires to determine their completion. Then, the analysis was begun with the demographic variable, and testing of the hypotheses. To test the hypotheses, the statistical requirements by each statistical method were performed to achieve those requirements. The finding of this study concerning to the demo-graphic variables and their concept toward international business and economics. Their concept was measure in the instrument by group of questions, and summarize into average scores that is interval scale. Therefore, the analysis of variance was applied for testing the hypotheses. However, the Levene statistic was conducted to determine the homogeneity of variance of the data. After the testing of the hypotheses completed, if some variable are found not significance, then, the multiple comparison was conducted. The Dunnett T3 was applied to consider in detail of the result. The Bonferroni was applied in case of equal variance are assumed.

The conclusion

The testing of the hypotheses indicates as follow:

Hypothesis 1 There is a difference in the concept of the subjects on PEST toward international trade.

In testing the hypothesis 1, that needs to ensure if there is difference in the concept of the subject toward politic,

economic, and social technology toward international business. The result found no difference between student from the three nations (sig. .065). In determining the difference in detail, homogeneity of variance was figure out, and found no difference (sig. .279). Then, the total mean scores are considered, and found Thais has highest mean score of 3.7531, follow by Chinese that is 3.6492, and the lowest mean scores belong to Germany as 3.5957. The above information indicates that in determining over all concerning factors toward international trade, Thai student is awareness of affect of those factors to the international trade of the country, on the contrary, Germany student is lowest in their concept of the PEST toward international trade of their country.

Hypothesis 2 There is a difference in the concept of politic toward international trade.

The hypothesis 2 is a partial of the hypothesis1. It is concentrates on how subjects see the interrelationship between politics and international trade. The result found that there is no difference among concept of the subjects from Thailand, Chinese, and Germany toward the interrelation of politics and international trade (sig. .059). The results found there is significant difference between Chinese students with Thai students and German student (.000) on their concept of international trade certainly affect government policy. In considering the mean scores, the results found Chinese is the highest

of 4.2581, follow by Thais of 3.7131, and Germany is the lowest of 3.6709. The other difference is concept of government should pay more attention to international trade, which is the difference among three groups of subjects (sig. .012). Chinese has mean scores of 3.9247, Germany has 3.5190, and Thais has 3.8115. This indicates that Chinese students need their government to pay more attention to international trade than German and Thais subject do. According to the importance of the international trade that may have on the country, Thai, and Chinese subjects found significant difference (.001). Thais present the highest mean scores of 4.1311, the second is Germany that earns 4.0886, and the lowest belong to Chinese that have 3.6237. The last partial concept of this hypothesis is the higher international trade, the better country politic. The result found significant difference (sig. .033). Mean scores of Thai is 3.6230, Chinese has 3.5161, while Germany earns 3.2405.

Hypothesis 3 There is a difference in the concept of economic toward international trade.

Hypothesis3: is also part of PEST, which explains the concept of subject in economic toward international trade. The result found significant difference of the subjects from three nations (sig. .012). Since, the test of homogeneity of variances is conducted, and found no significance of variance (sig. .436). Then, the multiple comparison tests are performed to figure out the difference, and

found that Thai and Germany are significant difference (sig. .038), Thais and Chinese (.034). To considering detail of the test, the result found two items of questions are significance difference. First, the opinion on international trade is important to economic, Thais present highest mean score (4.2623), Chinese indicate lowest (3.9032). The second item that found significant difference is the country economic is highly depending on international trade. Thais indicate highest mean score (3.6311), and Germany indicates lowest scores (3.0759).

Hypothesis 4 There is a difference in the concept of social toward international trade.

The result found no significant difference of the total scores (sig. .324). However, when consider to particular item, there is significant difference (sig. .003) in there concept toward prefer to interact with people from other countries Then, the multiple comparison was conducted by applying Dunnett T3, since equal variances not assume (sig. .035). The result found only Thai and Chinese have significant difference (sig. .010). Thais present means score of 3.5840, while Chinese present 3.4543. This indicates that Thai and Germany student prefer to interact with people from other countries more than Chinese student do.

Hypothesis 5 There is a difference in the concept of technology toward international trade.

The last factor of PEST is technology that the subjects concerned with it affect to international trade. According to the result of hypotheses testing, the result present significant difference between subjects (sig. .309). In determining each item of the question, Thai student has highest mean scores of the item that indicate foreign companies encourage new technology (3.9508), and technology has changed when international trade increase (4.0164). Chinese student indicate highest in the item that is international trade has a positive impact on technology to my country (3.6667), and I prefer to have more international trade for technology reason (3.6682). While Germany student indicate lowest for every question concerning technology (3.6582, 3.8228, 3.1519, and 3.6203).

Implication for practice and future research

For the above result, we can determine the background of the country that may have an impact on their people. From the first hypothesis that indicate Germany student has lowest score on their awareness of the international trade. Since their country have experience of international trade for more than a century. In considering politic that may have on international trade, Thai student seem to present higher scores because the political situation in Thailand seem to be instability more than the rest of the subjects. Similarly to their concept on international trade that may have an impact on economic, Germany has lowest

score on the concept of country economic depend on international trade. Chinese student present lowest score on the concept of international trade is important to country economic. Thai present the highest score on those two concepts, since Thai economy depend heavily on foreign direct investment. The contribution to the country is that the government should prepare the process of encouraging the student toward international assignment. In addition, the government agencies which concerning to international activities should be interested in supporting the Thai student to improve themselves for an international assignment. The future research should focus on how they are preparing for the changing environment.

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