

A Comparison of Human Resource Development in Telecommunications Business of Thailand and Laos

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Abstract

This is a qualitative study aimed at exploring and comparing the actual human resource development (HRD) practices and management systems in the telecoms businesses of Thailand and Laos. The study found that the competition among the telecoms operators in either Thailand or Laos has been intensifying. The telecoms operators in both countries have realized that the capabilities of qualified people are solid drivers in ensuring the sustainability of businesses. With empirical evidences gained from 15 in-depth interviews in Thailand, it was found that HRD and human resource management (HRM), in conjunction with employee engagement, teamwork, flexibility and effective communications, helped reinforce the effectiveness of employee development (ED). From a further eight interviews conducted in Laos, it was found that the personnel department takes the lead instead of HRM/HRD departments and mostly function as administrative institutions; meanwhile, Training and Development (T&D) is critical instruments used to enhance employees' abilities. These differences indicated that the telecoms businesses in Thailand were more active in seeking ways for better improvement of their employees' capabilities, whereas the telecoms companies

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in Laos rarely seek ways to initiate change in developing their employees' capacities. The findings lead to recommendations for effective HRD management: it is important to gain awareness and commitment from the management team at the top level, the companies should have a precise plan for HRD, while both countries should include HRM, HRD and effective T&D into either formal or information education curricula.

Keywords: *Human Resource Management, Human Resource Development, Training and Development, Telecoms Business*

การเปรียบเทียบการพัฒนาทรัพยากรบุคคล ในธุรกิจโทรคมนาคมของประเทศไทยและประเทศลาว

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บทคัดย่อ

งานวิจัยนี้เป็นการศึกษาเชิงคุณภาพ โดยมีวัตถุประสงค์เพื่อสำรวจและเปรียบเทียบแนวทางการปฏิบัติในการพัฒนาทรัพยากรบุคคล และการจัดการทรัพยากรบุคคลของธุรกิจโทรคมนาคมระหว่างประเทศไทยและประเทศลาว การศึกษาการแสดงให้เห็นว่าการแข่งขันในกลุ่มผู้ให้บริการธุรกิจโทรคมนาคมในทั้งประเทศไทยและประเทศลาวต่างแข่งขันกันอย่างรุนแรง ผู้ให้บริการธุรกิจโทรคมนาคมในทั้งสองประเทศต่างเข้าใจว่า บุคลากรที่มีความรู้ความสามารถเป็นตัวขับเคลื่อนสำคัญในการสร้างความยั่งยืนของธุรกิจ ข้อมูลที่ได้จากการสัมภาษณ์เชิงลึกจำนวน 15 ตัวอย่างในธุรกิจโทรคมนาคมของประเทศไทย แสดงให้เห็นว่าเมื่อองค์กรนำการพัฒนาและการจัดการทรัพยากรบุคคลมาใช้ร่วมกับการสร้างความผูกพันของพนักงานกับองค์กร การทำงานเป็นทีม ความยืดหยุ่น และการสื่อสารที่มีประสิทธิภาพแล้ว จะช่วยเพิ่มประสิทธิผลของการพัฒนาบุคลากรให้สูงขึ้น ผลจากการสัมภาษณ์บุคลากรของธุรกิจโทรคมนาคมในประเทศลาวจำนวน 8 ตัวอย่าง พบว่าฝ่ายทรัพยากรบุคคลเป็นผู้นำที่สำคัญในการจัดการและการพัฒนาทรัพยากรบุคคล ซึ่งโดยปกติจะทำหน้าที่เพียงสนับสนุนงานด้านบริหารงานทั่วไปเท่านั้น ในขณะที่การฝึกอบรมและการพัฒนาบุคลากรถือเป็นเครื่องมือสำคัญที่ช่วยในการเพิ่มศักยภาพและขีดความสามารถของบุคลากรในองค์กร ซึ่งความแตกต่างเหล่านี้แสดงให้เห็นว่าธุรกิจโทรคมนาคมในประเทศไทย มีความกระตือรือร้นในการส่งเสริมความสามารถของบุคลากรของตนให้สูงขึ้นตลอดเวลา ส่วนธุรกิจโทรคมนาคมในประเทศลาวนั้นค่อนข้างละเลยในการพัฒนาศักยภาพของบุคลากร ผลการวิจัยนี้นำไปสู่ข้อเสนอแนะเพื่อการจัดการด้านการพัฒนาทรัพยากรบุคคลอย่างมีประสิทธิภาพ และเป็นเรื่อง que ผู้บริหารระดับสูงขององค์กรจะต้องตระหนักและให้ความสำคัญ พร้อมทั้งองค์กรควรมีแผนการพัฒนาทรัพยากรบุคคลที่ชัดเจน อีกทั้งควรบรรจุแผนปฏิบัติการด้านการจัดการทรัพยากรบุคคล การพัฒนาทรัพยากรบุคคล และการฝึกอบรมและการพัฒนาบุคลากรที่มีประสิทธิภาพเข้าไปในหลักสูตรการศึกษาทั้งที่เป็นทางการและไม่เป็นทางการของทั้งสองประเทศด้วย

คำสำคัญ: การจัดการทรัพยากรบุคคล การพัฒนาทรัพยากรบุคคล การฝึกอบรมและการพัฒนาบุคลากร ธุรกิจการสื่อสารโทรคมนาคม

Introduction

Thailand and Laos are neighbors and have been important trading partners for decades, in particular at border points along the Mekong River. Almost 30% of all Foreign Direct Investment (FDI) in Laos was provided by Thai investors from 1995-2001, mainly in the areas of electricity generation, wood products, leather, garments, food products and beverages, services including banking and hotels and even the telecommunications (telecoms) sector (Foreign Direct Investment. Thailand., n.d.). Thailand started investing in the telecoms sector of Laos in 1994 through joint ventures (JVs) between the government of Laos (GoL) and the Shinawatra International Public Company Limited (Souvanavong, 2005). Laos and Thailand are jointly developing telecoms-based infrastructures and applying modernized technology to reinforce business transactions in the countries. Telecoms is not only a capital-intensive industry, in which access to capital is a key to ensuring the development and expansion of a robust network but, also, it is one in which management skills, competencies and the capabilities of qualified people are solid drivers in accelerating the expansion and sustainability of the business (Guislain and Qiang, 2006: 15-40). This study aimed to explore and compare how human resource development (HRD) strategies and its actual practices in the telecoms sector of Thailand and Laos were conducted. Findings from this comparative study were anticipated to bring benefits in recognizing problems and developing recommendations for the telecoms companies in enhancing the capacities of their people.

Problem Statements and Research Questions

The World Bank (n.d.) reported that the revenue from the telecoms sector of Laos was very low, growing from 1.5% of total revenue in 2000 to 1.6% in 2004. Such small growth resulted from unproductive provision of telecoms services and lack of managerial capacity. Meanwhile, the telecoms sector of Thailand is currently confronted with the higher bargaining power of customers, higher competition among telecoms operators and political issues. In this regard, the telecoms companies of the two countries are acquiring competent human resources (HR) to execute the sensitive, capital-intensive investment necessary

for telecoms businesses. The primary interests of this study are summarised in research questions:

- 1) How are businesses and competition structured in telecoms industry of Thailand and Laos?
- 2) What is the nature of HRD across the telecoms companies of Thailand and Laos?
- 3) What is the nature of HRD management in the telecoms businesses of Thailand in comparison to the telecoms business of Laos?
- 4) How should telecoms businesses of Thailand and Laos ensure the success of HRD in their organizations?

Research Objectives

This study attempts to study comparatively HRD management in telecoms companies in Thailand and Laos, particularly:

- 1) To identify the current situation of the telecoms sector in Thailand and Laos.
- 2) To study the HRD strategies and its actual practices in the telecoms organizations of Thailand and Laos.
- 3) To compare HRD management in the telecoms sectors of the two countries.
- 4) To develop suggestions for telecoms companies of Thailand and Laos to take into consideration in enhancing the HRD functions.

Literature Review

Human Resource Development

Globalization and technology development require competent HR to initiate, execute and control. It is HR who initiates technology development and develop techniques to deploy technology in firms. Brown (2002: 7) explained that HR are the enablers who understand change and enable the development of strategies. In businesses, Kling (1995: 29-36) stated that HR should be

knowledgeable and skillful. Developing knowledge and skills in areas of creativity, ingenuity and problem-solving enable HR to utilize technology in their work and deal with the evolution of technology effectively. In doing so, the companies should provide employees with information, incentives, and precise responsibilities to make decisions concerning innovation, quality improvement and rapid respond to change.

In several organizations, HRD has become increasingly well-known for capability building of employees. HRD was defined as the “critical function in the HR wheel” because it referred to the process of equipping employees with the skills, knowledge and attitudes necessary to achieve corporate objectives as well as embracing individual development and top-down integration (Thornhill, Lewis, Millimore, and Saunders, 2000). Braganza (2001) observed that HRD functions include a broader range of activities, including career development, training and development (T&D), organization development (OD), motivation and rewards. Training helped organizations achieve long-term improvements in employee performance, and development activities helped companies accomplish goals through producing flexible workers (Vincent and Harmon, 1989: 14-17). Vincent and Harmon added that effective T&D required following a process of planning – which involves needs assessment, provision and selection of instructors; organizing – means the preparation of instructional strategies, techniques, lesson plans, and program of training; implementing – refers to faculty selection, presentation, interaction and learning; and eventually monitoring and evaluation (M&E) – mean process of measurements of productivity improvements.

Nokia was a good example in applying T&D in creating a pool of competent workers to cope with changes and meet the increasing demand of the telecoms industry (Employee Benefits, 2007). Nokia certified that T&D helped the company prepare for the future leadership of the company, especially in terms of 1) employee retention – help retain employees by making them feel that management teams of Nokia were usually aware of investing in employee development (ED); 2) recognition – employees who got training opportunities were often perceived as having been recognized or rewarded by Nokia; and 3) finally T&D led to employee motivation – employees were more motivated at

work when they were importantly recognized in the work place.

Human Resource Management

Byars and Rue (2003) declared that HRM encompasses activities designed to provide for and coordinate the HR of organizations, and also to facilitate the most effective use of people to achieve organizational and individual goals. Schermerhorn (2008) wrote that HRM responsibilities include 1) attracting a qualified workforce - involves human resource planning, recruitment, and selection; 2) developing a qualified workforce - involves employee orientation, HRD, T&D, and performance appraisal; and 3) maintaining a qualified workforce - involves career development, compensation and benefits, and labour-management relations. HRD is one of the HRM functions, but it is possible for the HRD function to stand alone.

In the Lao context, Quang and Thavisay (1999: 101-123) studied HRD issues in ten selected State-Owned Enterprises (SOEs). They concluded that the HRD function in the 10 SOEs was carried out through HRM functions. Eight SOEs had placed HRD under the “personnel section” within the administration department. This was the usual practice in small SOEs, where the workforce was not large and business was not complicated; as a result, HRD functions were managed by top management. In the other SOEs, they had managed their personnel under HRM department. All 10 SOEs agreed that key staff who were responsible for HRM functions still lack knowledge of modern HRM practices. However, T&D were key tools and increasingly used to enhance the efficiency, effectiveness and competitiveness level of employees and enterprises. However, the strategies in managing HRD effectively were not yet identified and rarely included in other studies of Lao organizations.

Strategies for Effective Human Resource Development

In maximizing the positive results of HRD, companies are suggested to conduct a thorough needs analysis (Laff, 2006: 12-13); although Sloman (2007: 38) proclaimed that effective HRD required the creation of an effective learning culture in the companies involved, and this required productive managers/trainers. Laff assembled 50 case studies from 19 different countries in his research. He

investigated how the trainers in U.S, “old” Europe, new emerging Europe, China, India, and South Africa saw their roles. It was found that the productive trainers were to 1) have a clear understanding of the company, 2) get ready to help the company move up the value chain, 3) establish a clear vision and strategy for people development, 4) involve employees in a transparent way, 5) use processes and techniques appropriately without being overcommitted to a single method, and 6) understand the legacy that the learners bring with them and adjust their interventions accordingly.

In addition, good companies view their employee development as a long-term investment, start training them as a quarterly event, motivate them and retain them for the companies (Adams, 2007: 40-41). Organizational structure is also important for the attainment of HRD goals. Companies facilitated HRD functions by practicing an organic organizational structure – be flexible, adaptable, decentralized, supportive of quick-learning, problem-solving-oriented, encouraging teamwork and cross-functional learning (Schermerhorn, 2008). These reinforced the long-term achievements of HRD. Motivation is another critical factor of HRD and helps retain the talents at the companies. For example, Maslow’s hierarchy of needs theory, moving from lowest to highest needs, involves physiology, safety, social, esteem and self-actualization. This was popular in motivating employees in several companies, and T&D was one of the best ways to help the employees improve their skills, knowledge and abilities (SKAs) and satisfy their higher level needs of esteem and self-actualization (Employee Benefits, 2007).

By and large, the aforementioned factors and strategies are believed to help individuals become more productive while maximizing organizational performance. However, whether these strategies have been carried out in Thai and Lao contexts remains to be seen. The HRD management strategies and its actual practices were investigated and compared in the study of the telecoms businesses, as explained in the following sections.

Competency-Based Human Resource Development

Kuchinke (2008) specified in his strategic HRD that employees are organizational assets to drive business strategy and span organizational functions.

HRD is a core competitive advantage of the organization as it helps enhance the organization's performance and capability; and helps the organization solve problems and manage with changes as well as organizational development. In reinforcing HRD work, Parsons and Ulrich (n.d.) said that the organization should recognize the needed competencies of the organization. In this regard, they have identified the competencies needed for some classification and staffing work in an organization as following.

Human Resource	Competencies Needed
Strategic partner	Organizational awareness, problem solving, customer service, stress tolerance and oral communication.
Leader	Decision making, planning and evaluation, conflict management, self-management, self-esteem and oral communication.
Employee	Flexibility, teaching others, learning, interpersonal skills, and oral communication.
Technical expert	Technical competence, legal, government and jurisprudence, personnel and human resources, information management, mathematical reasoning, customer service, attention to detail.
Change consultant	Teamwork, reasoning, influencing/negotiating, integrity/honesty, creative thinking, oral communication and stress to lernance.

Competency-based practices utilize a competency framework to align the strategic objectives of an organization with its key HR business processes. In developing the competency-based HRD in the organization, Byham (n.d.) explained that it was critical to have a content-valid human resource system. Doing so, the major human resource subsystems, such as selection, promotion, training and development, performance management, career and succession plan, management by objectives, and compensation must be organized into a cohesive, total system. The organizations would benefit most from using the system by having a clear set of objectives in combination with identified dimensions/competencies. Byham confirms that this system would help reduce training time and expense, and make implementation and follow-through efforts more effective.

Research Methodology

This qualitative study aimed at exploring naturally the HRD management

strategies and its actual practices in the telecoms businesses of Thailand and Laos. The qualitative approach was applied because it enabled a focus on studying the concurrent events happening in the telecom businesses (Miles and Huberman, 1994), and it also helped create a holistic picture that revealed complexity and probed deeper into the observations made (Prongjit, 2006: 30-50). Both secondary and primary data were used. Secondary data were firstly accessed from recent reports, journals, online resources and others, which were useful in informing the primary data collection process, and were also used to interrogate the findings. The primary data were collected by face-to-face interviews and direct observations by the authors.

Twenty-three key informants were interviewed individually. Fifteen individuals (8 males and 7 females) were accessed in six telecoms players based in Bangkok, the capital of Thailand, and a further eight interviewees (5 males and 3 females) were from three major telecoms players and two other relevant authorities based in Vientiane Municipality of Laos (Table 1). They were selected through purposive, convenience and snowball techniques. That means key informants were initially identified, selected and approached to seek permission for interviews and, in some cases, the interviewees were able to recommend other interviewees. The interviewees have been working in various managerial and non-managerial functions, such as HRM, HRD, T&D, career development, HR budget planning, customer service, IT, engineering and so on. Also, they have been working at the current telecoms companies for at least five years, thus, the author believed all the selected interviewees were knowledgeable, highly experienced and have perceived the actual HRD system of the companies accurately. As a result, the selected techniques were considered to be useful and suitable for the empirical study.

Table 1: Profile of Interviewees

Countries	Interviewees			Number of accessed Telecoms companies	Number of accessed relevant authorities
	Males	Females	Total		
Thailand	8	7	15	6	-
Laos	5	3	8	3	2
Total	13	10	23	9	2

The interviews were not framed according to a specific agenda but were allowed to cover subjects considered important by the respondents in the areas of HRD practices, HRD management and planning process. For instance, to what extent the importance of HRM/HRD roles have the management team in your company recognized? Who basically involve in HRD/HRM planning in your company? How is the HRD/HRM planning process in your company? Who plays critical role in making decision regarding HRD/HRM in your company? Does your company have a certain budget for HRD/HRM function annually? Could you describe the HRD/HRM structure in your company, please? How often do you get participation from the employees at the non-managerial levels? Etc.

Each interview took around an hour at the interviewee's workplace. During the interviews, the author made records and took notes for subsequent transcription and analysis. Then, the obtained data were immediately processed, coded and analyzed by using content analysis techniques in compliance with anonymity protection for academic purposes. Content analysis is a tool for measuring the semantic contents of communication to diagnose the findings of the primary and secondary data (Cooper and Schindler, 2006). To enhance the validity and reliability of the research findings, these were cross-checked and discussed with experienced academics.

Results and Discussions

Case Study of Thailand

1) Telecoms Businesses in Thailand

After restructuring the telecoms industry and introducing the Build-Transfer-Operation (BTO) concessions in Thailand during the 1980s (Mesher and Jittrapnun, 2004: 94-105), the business performance of the Thai telecoms industry was expected to improve. The telecoms businesses of Thailand started gradually growing during the 1990s in the areas of fixed-line telephony, mobile phones and internet services. Since then, more telecoms operators have been penetrating and the competition has intensified. There are now more than 10 key players in the telecoms market of Thailand, including TOT, CAT, AIS, 4DTAC, True Move, Hutch, Thai Mobile, Shin Satellite (Thai Com), SAMART and TT&T. Each operator

competitively manages its business and provides similar telecoms products and services, such as fixed-line phone services, postpaid and prepaid subscription services, wireless/non-voice communications services, enterprise business services, customer relationship management, internet services, cellular phone, rural technology service, broadcasting and other services.

Relative to fixed-lines, mobile telephony is most competitive due to a higher number of mobile subscribers. The mobile subscribers in Thailand were approaching 72% (21.6 million) in December 2003, or about three times the number of fixed-lines users (28% or 8.6 million) (Mesher and Jittrapnun, 2004: 94-105). As shown in Table 2, the overall market growth of mobile subscribers in 2006 was recorded at 62% (40 million) and represented an increase of ten million subscribers compared to the year 2005. With 48% of mobile market penetration in 2005, AIS was the leader with 54% share of subscribers, while with 62% of mobile market penetration in 2006 it obtained 49% share of subscribers. Meanwhile, DTAC was second largest with a 29% market share in 2005 and 30.5% market share in 2006. Third was True Move with 15% market share in 2005 and 19% market share in 2006. AIS has become a dominant player in the mobile market owing to its market share. It was reported that this was the most update information in relevant to the mobile market share that the authors were possible to access during the data collection.

Table 2: AIS Annual Report in 2006

Telecoms Operators	Mobile Subscriber Market Shares			
	2005		2006	
	Millions	(%)	Millions	(%)
AIS	16.4	54	19.5	49.0
DTAC	8.7	29	12.2	30.5
True Move	4.5	15	7.6	19.0
Other	0.7	2	0.7	1.5
<i>Note:</i> - The mobile market penetration accounted 48% (or 30 million of mobile phone users) in 2005. - The mobile market penetration accounted 62% (or 40 million of mobile phone users) in 2006.				

Source: AIS Annual Report, 2006.

Table 2 shows that the market share of AIS has declined, although the absolute number of subscribers increased. It is interesting to explore the reasons of this change. According to the interviews, one of the major causes that made the AIS mobile market share decline was probably the case of the new major shareholder of SHIN Corp, Temasek Holdings - an investment arm of Singapore government and a major shareholder of Singapore Telecommunications Limited (SingTel) investing in the company as a financial investor of SHIN Corp. SHIN and SingTel hold approximately 42.8% and 19.3% respectively of AIS. It has been observed that, due to AIS's existing strong position, there was no immediate impact on its ratings (Fitch Ratings, 2006). However, some interviewees said that this change had significant impact on local customers' minds and trust. Many local customers said as much at AIS service centres and then changed to competitors' products and services. Another reason was that subscribers gained higher bargaining power owing to the high number of important competitors in the market. Owing to high competition in the telecoms market in combination with high demand, subscribers were seeking higher quality products and better services, delivered faster and at a lower price than before. This has led the telecoms operators to compete with one another intensively, both in terms of business management and HRD.

Based on the documentary review, as a member of the WTO since 1995, Thailand is required to liberalize the telecoms market, resolve the BTO conversion into licenses, and establish the regulatory body of the National Telecommunications Commission (NTC). The NTC was officially established in 2004 and has to ensure that all the telecoms-based business operations and competition in Thailand complies with free and fair competition on a commercial basis. A majority of the key players, such as TOT, CAT, AIS, DTAC, True Move, Shin Sat and SAMART, have been observed to list on the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC). The listed companies launched their business operations as public corporations to raise more capital from the public to finance its growth and further business expansion, while also building political networks to compete better and protect their benefits from the telecoms business. Although this PCL form of business makes society

perceive the companies as being more stable and competitive, a budget planning manager in one HR department claimed that not every company was able to gain competitive advantages this way, so why should the company still register? He declared that:

“Even though our company has been registered as a PLC for years, I have found that nothing changes. The business operations and managerial systems remain as hierarchies. Most of the shareholdings belong to large shareholders and are not actually sold on the public market. I do not see how the company gains benefits from being a PLC, and why it needs to be one. On the contrary, it seems there is no precise direction about how the company is operating, and who holds major decision-making power is another question. Some projects of the company have been suspended and it has created uncertainties at the managerial level.”

Even though listing is popular and helpful in financing future operations, it does not necessarily improve every aspect of OD; careful management and planning are still required.

2) Human Resource Development and Growth

Fifteen interviews from six accessible telecoms companies of Thailand were conducted. All confirmed that the companies are highly committed to enhancing the employees' SKAs. HRM and HRD were often seen as critical tools for achieving this and stimulating organizational growth of their companies. For example, an HRD manager of a company stated that HRD played roles in improving OD through: 1) making the company profitable in monetary terms and developing intellectual capital in support of corporate goals; 2) helping the company achieve superior business results by building an engaged and high-performance workforce; 3) helping its workforce enhance personal growth and retain talent by focusing on their needs and having a precise career path; 4) integrating all initiatives into performance improvement plans and 5) ensuring longer-term skills development plans as well as support for continuous

improvement towards best practice. These findings were similar to what have been found in the study of Thornhill et al., (2000), who also utilized the HRM or HRD to equip employees' SKAs and attitudes necessary to achieve corporate objectives.

Innovation in satellite broadcasting and telecoms technologies led many companies to more challenging opportunities. In this regard, HRD was also one of the most important factors in effectively deploying the technologies and winning trust for long-term business relationships with customers. Shin Satellite, for instance, has invested substantially in R&D and HRD, which helped produce the IPSTAR satellite. IPSTAR was the first broadband satellite in Asia and supported telecoms networks, especially the internet in the Asia-Pacific region (Shin Satellite, 2006). Shin Satellite has continued to develop IPSTAR ground equipment, including gateways and IPSTAR user terminals, to be more cost effective and to meet the expectations of the market. At the same time, Shin Satellite also required technical know-how and other expertise, especially in engineering, to deal with technology development and applications. The company, therefore, invested in HRD and systematically organized T&D programs to ensure that employees had the required skills to handle their responsibilities. Frequently, before sending commands to the satellite, skilled engineers check and test the signals in order to prevent operational malfunction. In case of error, the engineers are ready for any corrective action. Even though there was little chance of an error; employees were well-trained to meet any contingency.

All in all, a majority of interviews declared that the loss of competent employees working at either the managerial or operational level, such as high-ranked executives in the satellite engineering division, technology management and other specialized functions, possibly caused adverse effects for the companies concerned. Perhaps for this reason, HRM and HRD managers were keen to declare that their companies were aware of ED roles and regularly organized T&D programs for their employees, including observation tours abroad and rewarding them with generous compensations and benefits.

3) Nature of HRD Management in Telecommunications Businesses

It was found that HRM and HRD managers were common stakeholders responsible for developing policies and strategies to maximize the long-term development of employees in each telecoms organization of Thailand. Various HRD strategies were used in distinctive telecoms companies, and they were possible to categorize into three HRD types:

Type 1: Separate responsibilities of HRD from HRM but still under the supervision of HRM.

Type 2: HRD is separated from HRM function but both are still highly integrated.

Type 3: HRD and HRM are the same or commonly defined as HRM.

Firstly, a few interviewees responded that the responsibilities of HRD in their companies were separated out from HRM responsibilities, but HRD is still under the supervision of HRM (Figure 1). In this type, HRM generally holds important roles in developing and formulating the ED policies regarding career paths, work performance, recruitment, M&E, HR transfer and promotion and so on; whereas HRD has other responsibilities in ensuring the effectiveness of T&D, capacities and skills management, knowledge management, corporate culture alignment, change management, leadership development, and talent management. Here, the HRD managers have been empowered to make decisions according to their responsibilities. They additionally required close cooperation with other line-managers in order to assess competency gaps, evaluate employee performance and develop capacity enhancement plans for employees. Decision-making regarding T&D, for instance, normally relied on the combination of corporate objectives from top management, inputs concerning competency gaps and inputs from line managers who closely worked with and regularly observed the behavior of their subordinates. The HRD managers were then able to develop a roadmap and outlines of T&D program details as well as a preparation of the acquired materials and facilities for effective learning.

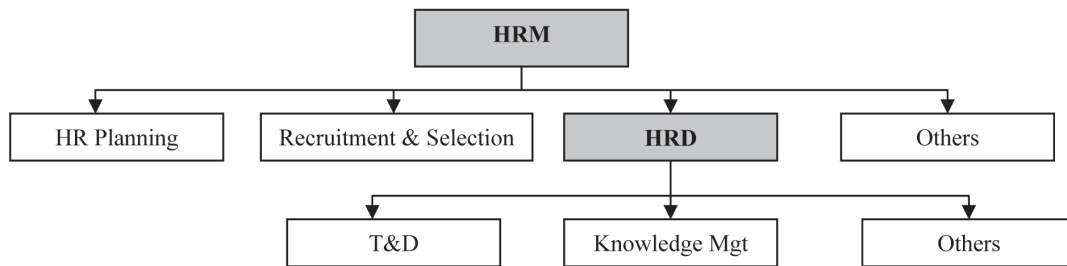


Figure 1: Type 1 of HRD Management

Secondly, HRD roles are separated from HRM functions, although both are still highly integrated to ensure achievement of corporate goals (Figure 2). A career development manager of a telecoms company stressed during her interview on March 2008 that:

“HRM functions, such as recruitment and selection functions, are important to the success of HRD activities in relation to minimizing organizational operation cost. If the right competent employees are recruited, selected, and put into the right jobs, employees will not only work more efficiently and effectively, but the company will also be able to create talent pools and save cost on T&D budgets of HRD function”.

Meanwhile, Sigve Brekke, Co-Chief Executive Officer of DTAC declared in the Economist Forum: Economist Conference – The Dtac way in 2004 that if a company wanted to build the talent pool for the long-term they had to be much better at nurturing the right talents. The companies could not just put people in boxes and have them all on the same type of salary packages ... It is the same with talented people, especially in the telecoms industry where we had so many players and such a competitive environment. The really good managers, on both technical and managerial sides, had to stop hiring people based on skills but start hiring on attitudes and emotions.

The quotes above indicate that both HRM and HRD strategies of the telecoms companies in Thailand are supposed to be compatible and integrated, and to reinforce one another in order to enhance the employees' SKAs effectively. It is also necessary for the telecoms companies to understand employees' needs, meet their expectations and listen to their observations. Recognizing employees'

identity and rewarding them individually also stimulates their performance and changes their attitudes to corporate objectives. An HRM manager from another telecoms company said that employees frequently acquired sufficient empowerment that they were able to make important decision during their duties. This enables them to build self-directed leadership at the operational level. To implement these practices, the HRM department should provide precise strategies concerning employees' responsibilities and performance enhancement; whereas HRD department needs to ensure continuous development of the required capabilities of the employees and manage their intelligence for further usage by the company. ED is more than just putting the employees into the box and telling them what to do, but it is important to understand them in different areas by recognizing their identities and motivating and satisfying their expectations (Employee Benefits, 2007), as well as understanding their needs (Laff, 2006: 12-13).

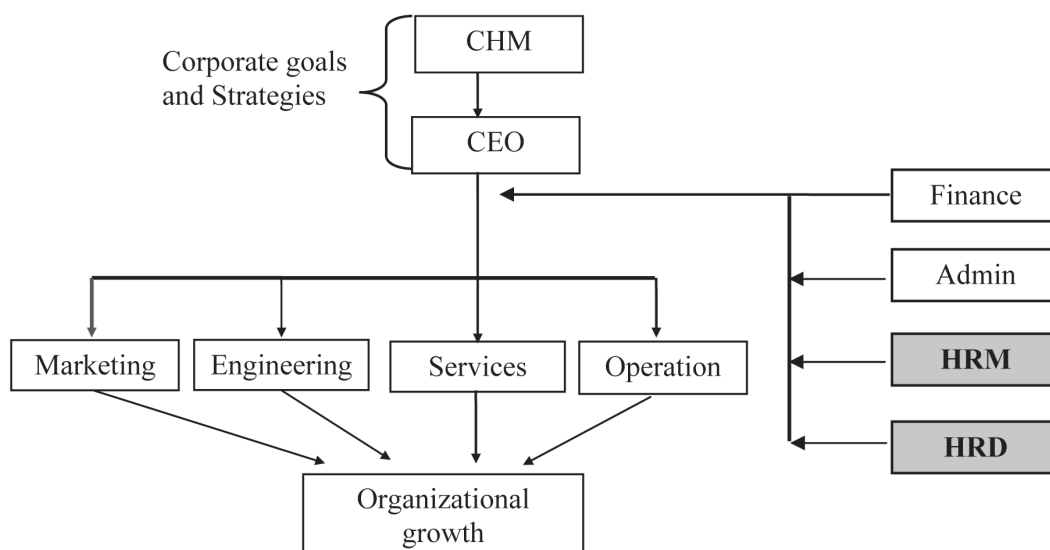


Figure 2: Type 2 of HRD Management

Thirdly, all HRD functions fall under HRM (Figure 3). A majority of the interviewees said that their companies separated different responsibilities into HRM and HRD because their organizations consisted of numerous employees, including employees of other business lines of the companies. The companies, hence, required different specialists to take charge of HRM and HRD tasks. The

companies had up to 40 employees responsible for HRD functions (although often many fewer), excluding HRM employees. Two HRM managers from different telecoms companies explained that there is no real difference between the HRM and HRD functions. They explained that their companies did not require many staff to process HRD functions because they use an IT program to integrate all relevant HRM and HRD functions into a systematic program to serve HRM and HRD purposes, called SAP. SAP is a web-based information and reporting system that integrates almost all HRM and HRD functions together in terms of the employees' personal information, past performance, duties and responsibilities, talents, skill gaps, strengths and weakness and so forth. The employees are able to access the training materials online and interact with colleagues. This enables the companies to save operating costs and time. Thus, they revealed that HRM and HRD functions were not to be separated, but all should be integrated as same functions. In this respect, it was said that telecoms companies which have hired more than 400 employees in the HRM and HRD departments should restructure their HRD management and apply the appropriate IT program. The integrated IT application may have been able to enhance efficiency by reducing the number of employees and operating costs of HRM and HRD, so as to strengthen the effectiveness of HRM and HRD management through rapid updates of employee information and performance through SAP or other appropriate IT applications.

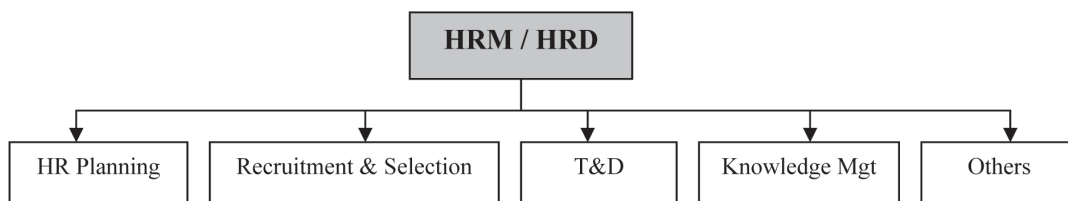


Figure 3: Type 3 of HRD Management

4) HRD Planning and Prosperous Dimensions

According to interviews, all the HRM and HRD managers believed they started with a suitable process in developing HRD strategies in the companies. Their explanations were elaborated and synthesized; it led to a conclusion that

the process of HRD planning across the telecoms companies of Thailand followed some steps of: needs assessment, planning, organizing, implementing, and monitoring and evaluation (see Table 3).

Table 3: HRD Planning in Telecommunications Companies of Thailand

Phases	Activities
Needs assessment	<ul style="list-style-type: none"> • Employees' needs • Competencies gap assessment
Planning	<ul style="list-style-type: none"> • Set achievable and measurable objectives • Prepare budget plans and required resources • Develop strategies and action plan: roadmap of HRD, T&D activities, career advancement, promotion etc. • Communications between HRM/HRD managers and line managers
Organizing	<ul style="list-style-type: none"> • Grouping relevant jobs in suitable categories • Prepare the required equipment and select the right trainers and consultants • Assign the supervisors and monitor
Implementing	<ul style="list-style-type: none"> • Apply both learning and un-learning mechanism • Use of training transfer/delivery
Monitoring & Evaluation	<ul style="list-style-type: none"> • Application of Balanced Score Card (BSC), benchmarking

Starting with needs assessment, most of the HRM and HRD managers explained that the employees' needs and competencies gaps were assessed by looking at past records and communicating with line managers who normally supervised their subordinates' performance. Occasionally, employees themselves were asked for their opinions, for example, those employees who work in the customer service division. They worked and interacted with customers daily and so they knew what the customers' expectations were.

Next was planning phase, the interviewees said that HRD plan was ordinarily aligned with the corporate objectives of the companies. At this phase, the measurable objectives, budgets and required resources were prepared. Also, success plans such as HRD strategies, HRD roadmaps, T&D activities, career advancement and promotions were developed. Then, overall objectives, rules and

action plans were communicated to line managers to obtain their commitment in disseminating and reinforcing results at the workplace.

After that, organizing took place. In this phase, the HRM and HRD managers grouped similar jobs together, select and appoint the right trainers or consultants for HRD program, allocate adequate budget, disburse resources, and assign the right supervisors to initiate and follow up the implementation phase. All the interviewees said that effective HRD program required adequate financial resources. The HRD manager of AIS, for instance, stated that AIS had responded to a major change of technology in their business operations through investment of some 2,700 million Baht in that technology. With around 2,400 employees at that time, the HRD department received an annual budget of about 90 million Baht for training and developing the employees to handle the new tasks and applications the technology required.

In the implementation phase, most telecoms companies applied either a learning strategy - to make sure the employees absorb the necessary skills or an unlearning strategy - to eradicate errors of practice that employees had acquired. The trainers were expected to ensure effective training and learning when they were delivering courses. A few HRD managers emphasized at the interviews that it is important that the trainers were able to ensure that trainees could apply the skills in real life at once.

Finally, in monitoring and evaluating results of the HRD programs and measuring the employees' productivity, a majority of the telecoms companies in Thailand utilized the balance score card (BSC) and benchmarking models. BSC was used to measure the balance of four indicators: finance; customer satisfaction; internal processes and learning and growth. The benchmarking approach was normally used to compare ED strategies and performance to other competitors in similar industries as well as leading companies in other industries, such as PTT and Siam Cement Group (SCG), in order to study successes and learn from failures.

Following the HRD model above, it revealed that the findings are consistent with the study of Vincent and Harmon (1989: 14-17), which also

applied the steps of needs assessment, planning, organizing, implementing, and monitoring and evaluation in enhancing employee competencies. That means it is rational to say that the implication of HRD model in the telecoms businesses of Thailand had followed some similar steps in enhancing the employees' SKAs as being found in other studies.

In enhancing effective HRD tasks, using appropriate organizational structure is also critical. A majority of interviews also observed that both centralized and decentralized organizational structures were applied at their companies. The centralized structure was to facilitate the communication of corporate objectives, policies and business strategies from the top to the bottom, whereas the decentralized structure was to give opportunities for employees to share opinions and comments to the management teams. In addition, most of interviews also agreed that employee participation was important because it helped them in formulating appropriate strategies for managing skills and improving performance. In facilitating the communication between the management and non-management levels, the interviewees observed that an informal communication was an effective way because the employees at non-management level appeared to be more active to participate and felt comfortable at the workplace. It is similar to what Ferrell, Hirt, and Ferrell addressed in 2006 that "an informal channel of communication" had a great impact on firms as it helped eliminate boundaries of managers-subordinates, and even make cuts across departments and hierarchy.

Thus, the companies can minimize time and get more accurate information from employees at non-management level. A part from this, a few interviewees added that team work and flexibility schemes also helped motivate the employees and make them more comfortable at the workplace. However, obtaining participation, being flexible, creating teamwork and employing informal communication were not yet successfully achieved in many telecoms companies. A few interviewees from non-managerial level claimed that their participation was often ignored even when they had repeated concerns to their supervisors with great emphasis. It was difficult to convince certain managers, who became annoyed with repetition. Eventually, they were rarely included in developing the

company success plans. This shows that not all employee participation was taken into account.

In brief, the management of HRD in the telecoms companies of Thailand tended to be more systematic and well-structured. The boards of directors (BODs) and management teams in the companies have realized the important roles and long-term advantages of HRD, therefore, they pay more attention in investing and strengthening the employees' SKAs. For this reason many HRD practices have been put into actions; HRD strategies have been diversified and innovated and the employees' need have been regularly identified. This makes the companies enable to motivate the employees and enhance their performance too. On the other hands, some disadvantages have still been discovered: some companies did not much take the employees' participation into account; the current HRD structure in a few companies did not really reinforce the teamwork; informal communication and flexibility were hardly implemented at the non-managerial levels. This creates an unsatisfactory for the employees.

Case Study of Laos

1) Telecoms Businesses of Laos

Since the government of Laos (GoL) introduced an open door policy for joint ventures (JVs) and private investments in the telecoms businesses of Laos in 1994, more operators have penetrated the market. Currently, there are five telecoms operators with more than 2,000 employees as a whole (World Bank, Laos., 2007). There are two State-Owned Enterprises (SOEs), two JVs and a private company, such as Lao Telecommunication Co. Ltd, (LTC), Enterprise of Telecommunications Lao (ETL), Lao-Asia Telecoms State Enterprise (LAT), Millicom Lao Co. Ltd, (MLL) and Sky Telecoms Co. Ltd. Competitively, JVs were positioned as key players with more than 68% market share of telecoms market, in particular in mobile market (Souvannvong, 2005). The entire telecoms industry of Laos has been regulated by the Ministry of Communication, Transport, Post and Construction (MCTPC). Looking at Table 5, almost 90% (1,009,565) of telephone lines in use are attributed to cellular mobile subscribers in 2006 (Ministry of Communication, Transport, Post and Construction, 2006). Comparing to capability line, this figure represented a small growth and less productive performance of

telecoms operation of which mainly caused by insufficient infrastructure, lack of financial budget and a shortage of competent personnel.

Table 4: Total Capacity Lines and Total Subscriber Lines in Use of Telecoms in Laos

Categories	Capacity Lines	Using Lines
Fixed Lines	145,857	91,151
Mobile	1,616,432	1,009,565
CDMA/WLL	50,000	18,452
Total	1,812,289	1,120,168
Tele density per 100 inhabitants: 20%; Population in (2004 est.): 5,609,000		

Source: Statistics of Telecoms Services in Laos, MCTPC, 2006.

According to the study conducted by Ministry of Communication, Transport, Post and Construction in 2002, it showed that there was a certain correlation between teledensity and number of main lines per telecoms employee (Table 6). In 2015, the teledensity (per 100 inhabitants) was projected to reach 5.56; the number of main lines per employee thereby would increase to 74.2. This means that employment was also expected to increase from 1,900 employees in 2005 to 5,900 employees in 2015 (based on the population growth of 2.4% per annum and economic growth of 7%). This emphasizes that all the telecoms companies requires paying more attention on managing and developing their people.

Table 5: Estimated Number of Employees for Telecoms Sector

Description	2005	2010	2015
No. of Main Lines	104,000	285,000	438,000
Teledensity (per 100 inhabitants)	1.73	4.15	5.56
No. of Main Lines per Employee	54.7	69.5	74.2
No. of Employees	1,900	4,100	5,900

Source: Human Resources Development Annual Report, MCTPC, 2002.

2) Nature of Personnel Department, Training and Development

Eight in-depth interviews were conducted in three accessible telecoms companies and other two relevant-telecoms authorities in Laos. All the interviews proclaimed that every telecoms business in Laos has commitment to train and

educate employees not only in technical skills but also in terms of socioeconomic expertise and knowledge of law, and accounting in accordance to the Official Tasks under the Telecoms Act in Supporting HRD in the Telecoms Industries of Laos. They additionally revealed that personnel department and T&D instruments were commonly used in strengthening employee capacity. Five interviewees at the managerial level disclosed that HRD activities in the telecoms companies of Laos were basically responsible by the personnel department, instead of HRM or HRD department. The personnel department usually gets in charged of routine and administrative activities rather than the strategic planning, such as recording personnel information, recording absenteeism and working performance of employees, disseminating companies' policies and other information kit to new recruits, conducting orientation and T&D, and facilitating for coordination among the personnel in companies. Three interviewees from personnel department of telecoms JVs declared that T&D were largely used and particularly help the companies 1) change employees' attitudes and behaviors towards companies' goals, 2) strengthen a friendly relationship and team-building among new employees, and 3) build employee's competencies and improve their productivities.

According to Human Resources Development Annual Report (MCTPC, 2002), T&D in the telecoms sector of Laos was categorized into three areas: 1) training by the demand-side – meaning that T&D courses organized and prepared as needed by the employing companies, 2) training provided by the supply-side – meaning that the employing companies are proactive in organizing preparing T&D program for required skills as forecasted, and 3) training overseas. LTC, for instance, provided training for their employees, such as in-house training, professional training, and long-term education at TCTI¹. LTC particularly focused on in-house and professional training for their employees in either Vientiane Municipality or various provinces to distribute the competent technical staff to the local provinces and to upgrade their skills. Almost 300 LTC staffs were trained in

¹ TCTI is the Telecommunication and Communication Training Institute, established in 1973. It is a key institute producing personnel for the telecoms sector of Laos and concentrates on both short- and long-term training to nurture the technicians and senior technicians.

2000 in multi areas, such as Information and Business Analysis, Using Computers and Managing Billing Systems SSA, Managing and Checking Billing Information Systems, Roles of a Good Negotiator, ISO 9000 and so on. Evidently to enhance the local employees' SKAs, the same courses were normally offered in all branches in different provinces of Laos. These T&D were normally carried out in the companies by inviting the trainers from outside or suppliers. Occasionally, the employees were sent to educate at TCTI, which is the only single source of the public training institute that educates and supplies the technical personnel for the telecoms market of Laos. As a result, it is rational to say that T&D programs of LTC were positioned on both the demand-side and the supply-side.

Based on the interviews of two interviewees from relevant authorities and three managers of personnel department, it was found that the management of personnel in telecoms sector of Laos was typically associated with roles of TCTI and NUOL², of which are under the Ministry of Education of Laos. T&D carried out by TCTI, for example, has already supplied around 80% of technicians and senior technicians for the telecoms sector. Nevertheless, even though numerous technicians have been supplied, an interviewee from MCTPC argued that their qualifications were still limited due to a shortage of academic instructors, training equipment, materials and other resources. Meanwhile, a few interviewees at operational level demonstrated that practical training was considered to improve the trainee's skills more effectively, but more theoretical lectures were offered and only few on-the-job training was delivered at the companies. This means that in supporting the personnel development for the telecoms companies, TCTI and NUOL are highly acquiring sufficient facilities and high experienced trainers. As Lee addressed in his recent study (2006: 29) that, to achieve rapid performance improvement, the trainees must be taught experientially, T&D must use interactive case studies and simulated application, have sufficient equipments to facilitate the trainees to learn practically on their jobs rather than lectures. This would enable the companies to ensure the trainees absorb knowledge and possibly use them in actual jobs.

² NUOL is the National University of Laos, established in 1995. It acts as a training centre supplying engineers, administrative and managerial personnel for the telecommunication sector.

Participation in overseas seminars and training were another important technique to help company stay abreast of technological change. In 2000, 27 personnel of LTC were sent to train overseas in fields of Managing Modern Telecoms, Access Network Design, International Telephone Communications, Operation Software, Rutel Engineering, Information and Technology Policy. However, it was again claimed that the management and implementation of oversea T&D programs were often biased. Unfair selection for prospective trainees usually occurred. Most of the interviewees at operational levels stated that the same trainees and seniors were often singled out for the overseas training. The employees who had good network and relationships with the managers were often prioritized to join the available trainings. Moreover, an interviewee from a training institute argued that it was even more difficult to ensure success of T&D when the relevant organizations sent another single trainee to attend next module of a continuous training program. He asserted that:

“...Sometimes a training course consisted of five modules. Each module was arranged at different time depending on the availability of the trainers, financial factor and others. Each module is organized from basic level to advance level; and to join the second module, the trainees are subject to pass the first module. But sometimes, the relevant organization sent different trainees for different modules because they understand that different employees should be granted opportunities to join and improve their knowledge...”

That means the discontinuity and suspense of T&D programs were not only affected by an improper selection of the trainees, closed network relationship between the managers and trainers, but also by weak communication among the T&D organizers and the trainees’ organizations. Furthermore, it is observed that T&D provided in some telecoms operators were ordinarily to meet commitment of local regulator. T&D in the relevant public authorities, moreover, was even highly dependent on the donors’ support and availability of trainers. Consequently, the personnel’s capacity building at the relevant authorities was gradual. In this regard, it can be said that a majority of telecoms businesses in

Laos are positioning at the training demand-side because the trainings tend to be carried out on the basis of needs of the telecoms operators rather than being proactive to seek strategies in enhancing the capabilities of their personnel.

3) Management Patterns of Training and Development

Based upon the interviews, T&D management across the telecoms companies of Laos is executed to align with companies' strategic plans and forms of business ownership, especially SOEs and JVs ownership types. Most of the interviews disclosed that in telecoms SOEs, T&D planning process simply followed four phases of needs (problems) identification, planning, implementation and M&E. This excludes organizing phase if comparing to the HRD planning process being discovered in the case of telecoms organizations of Thailand. In discussing about what to be taken into account to maximize the positive results as well as minimizing the contradictory consequences of T&D practices in the telecoms sector of Laos, it was still largely questioned. In terms of career development, the telecoms SOEs basically exercised their policies on the basis of the governmental promotion system - called seniority system. That means the employees generally get promoted from one level to the next level every two or three years working at the current company in combination with an individual's performance. In this regard, two managers of personnel department said that using the seniority system of career development in the telecoms SOEs, the personnel at the companies felt more secured in their jobs, and made the resignation ratio in the telecoms SOEs low. But it was argued by a few interviewees that the resignation ratio of the personnel in the telecoms SOEs of Laos was relatively low because SOEs had GoL as a partial shareholder. It was common for the SOEs to gain subsidy from GoL and high trust in job security from their personnel. As a result, very few personnel resign from the telecoms SOEs unless the personnel were granted scholarships for their further education in abroad.

In telecoms JVs, T&D planning process is typically the responsibility of personnel department and line managers. They usually cooperate with each other to identify the training needs as well as prospective trainees, stated by a personnel department manager. Employees were sometimes urged to propose

ideas; while T&D budget is still made at the top management. It is common for bigger enterprises, either SOEs or JVs, to have adequate budget for T&D jobs. Two interviewees affirmed that their company used to allocate budget around US\$ 40,000-50,000 for the T&D programs of the company. And it was the duty of personnel staffs to follow up whether or not the trainees enabled to apply knowledge gained from the training in their work and if their performance improved. The personnel staffs normally talked and collaborated with the line managers or supervisors to keep monitoring and evaluating an individual employee's performance. Nevertheless, it was found that the annual budget allocation and expense plans for T&D were not usually well-prepared strategically. It did not exist in every telecoms company, but it was dependent on the company's size. The smaller company rarely has been allocated a budget for the T&D programs unless it was proved that the employees really acquired such particular knowledge in carrying out their responsibilities. This displayed that most of telecoms companies in Laos still viewed that financial portfolio to support the personnel development or T&D programs were a big deal. It was seen as a cost rather than an investment. That means investing on personnel development still somehow appeared as doubt and was not yet included at the strategic planning of the business growth. Similarly to what had been found in the study of Reder (1967) whom raised the importance of investment on HRD and it was still questionable in many organizations of the world because the link between investments and its outcomes were still unclear and immeasurable. He mentioned in his study that many business companies of the world were still uncertain to whether or not to invest in employee development or better apply the wait-and-see strategy. Hence, it is possible that it is not strange if the telecoms companies in Laos will imply the wait-and-see strategy in order to slowly move to their success lines. Then, the companies can see which particular strategies should work best for the employee development in their companies.

In relevant to the career development in the telecoms JVs, it is not yet provided even it is said that the employee's compensation and rewards normally relied on an individual performance-based system compared to assigned objectives/duties. This unclear career development creates uncertainties for the

employees who seek to advances for a promotion rather than getting high paid. Therefore, they had to leave the companies for better opportunity in their career, responded by a manager of personnel department of a telecoms company in Laos.

4) Challenges of Personnel Management, Training and Development

It was claimed by a majority of interviewees at the managerial level of telecoms companies that no matter of how impressive the T&D plans are, it is irrational if the decision-making process at the strategic level is not logically carried out, specifically in terms of recruitment and selection management. Three interviewees observed that decision-making on recruitment, for example, had a great impact on the effectiveness of T&D. Many employees had frequently been hired as a consequence of a command from the top level. Some applicants were employed without considering whether they had the required skills for such a vacant position or not. Sometimes the right people were not allocated to the right jobs at the right time. This made some important tasks incomplete due to a deficiency of skilled staff responsible for such responsibility. It furthermore resulted an over supply of employees in some departments. More T&D were ultimately to organize, of which then acquired higher capital to invest in meanwhile an individual productivity did not change. This is a converse result caused by an illogically decision-making of recruitment and selection and T&D. Apart from this, imprecise job responsibilities, improper working schedule, and lack of career advancement plans at the telecoms companies of Laos made talented employees frequently leave the companies to seek better opportunities in other companies. An interviewee claimed that although the companies had potential staffs in-house, they still outsourced. This is another cause of the deficiency in demand and the over supply of employees at the telecoms companies of Laos. Finally, companies not only spent higher for T&D costs but also paid more for outsourcing. This led another challenge in increasing the cost on either employee recruitment or T&D programs.

Comparison of HRD in Telecommunications Businesses of Thailand and Laos

According to the elaboration and discussion of the research findings from

the two case studies above, results of HRD activities and its management in the telecoms businesses of Thailand and Laos are compared and highlighted in Table 6 as hereunder.

Table 6 Differences in HRD in Telecoms Businesses in Thailand and Laos

Thailand	Laos
<ul style="list-style-type: none"> - HRM and HRD are common tools used to enhance the employees' SKAs and ensure their continuous development. - Employees' compensations, rewards and promotions are executed on the basis of an individual performance-based system. - Employees have been allowed to engage in decision-making process of strategic planning. - HRM and HRD departments are empowered to design mechanism for employee development and reinforce the employees' expertise and retain them at companies. - HRD activities are largely used to particularly engage the employees' involvement, best use their talents, and create a pool of talents at the companies. - Thai telecoms businesses are active in investing on their HRD, aiming at reaping long-term benefits from competent HR. Thus, an annual budget for T&D is systematically decided at strategic levels. 	<ul style="list-style-type: none"> - Personnel department is applied instead of HRM/HRD department; whereas T&D are major instruments used to develop the employees' SKAs. - Seniority-based system is mostly deployed for employees' compensation, rewards and promotion. Performance-based system has been applied, but not yet successful. - Line managers and personnel staff are key actors in generating ideas and strategies regarding T&D programs; but final decision remains as hierarchy, at the top management. - Personnel department mostly gets in charged of administrative jobs in relevant to the personnel rather than planning for their development. - The HRD concept, conversely, is relatively a new concept in Laos. Its activities have not yet been introduced to enhance the personnel's abilities. - Most companies exclude an allocation of annual budget for T&D unless they found it was necessary to provide. They were uncertain to invest on T&D as many employees tended to leave the companies after working for a while.

Table 6 Differences in HRD in Telecoms Businesses in Thailand and Laos (continued)

Thailand	Laos
<ul style="list-style-type: none"> - BSC and benchmarking strategies are largely used evaluate results of ED as well as their productivity and performance. - Informal communication, flexibility, teamwork, employees' participation were employed to enhance the success of HRD. - A particular IT program (SAP program) has been implied to stimulate the success of HRD, especially in reducing time usage, operational and administrative cost. - A management and organization of T&D commonly associate to the capacity of a single telecoms company itself. And sufficient facilities, equipments and highly experienced trainers were provided. - The management teams of HRM and HRD often seek ways to make better improvement of their employees' capabilities. They are often proactive on the ED values. 	<ul style="list-style-type: none"> - None of specific T&D strategies was applied. - Employees' participation was hardly realized in the strategic planning phase. Messages are normally communicated as hierarchy or (formal communication is most preferable). - None of personnel activities were integrated by an IT application. Conversely, manual jobs were largely observed. - T&D were frequently associated to the capacity of TCTI and NOUL, which were under the GoL bodies. Whereas, T&D provided in SOEs or relevant authorities were relied on donors' assistance and trainers' availability - The management team of personnel development and T&D programs in telecoms companies of Laos are observed to react to challenges rather than being proactive.

Aforementioned differences of HRD practices and its management in the telecoms companies of Thailand and Laos mean that the HRD management in the telecoms companies of Laos has practiced some specific managerial styles of hierarchical management system, seniority-based and respect system, elite system, medium empowerment and delegation, central planning, and less participation. It is believed that these HRD practices are influenced by the facts of being a

colonized country for decades, in combination with the unreadiness of the HRD/HRM system, lack of understanding as well as insufficient financial support. These left the telecoms companies with aforementioned sorts of leadership and management styles. These have also been largely observed in the Lao society and other various business transactions in Laos. It is largely opposite to the HRD management and leadership style of Thailand, which has never been colonized by other states.

Conclusions

In conclusion, the telecoms businesses have played critical roles in the socio-economic growth of both Thailand and Laos. Its performance has been gradually improved because of annual increases in need of the telecoms subscribers, particularly, the mobile market. Highly-skilled personnel with thorough knowledge of technological-based management and managerial skills were importantly recognized by telecoms operators in both countries as they helped enhance the companies' success and maintain leading positions of the companies concerned. The empirical results of both countries have confirmed that the employee development task was obviously tied to an integration of adequate financial support – to afford the required materials, equipments, facilities, to hire consultants, to organize T&D programs and etc. as well as the competitive management teams. In telecoms businesses of Thailand, HRM and HRD staffs are key stakeholders who took initiatives of development programs of which needed an effective communications; employees' engagement in decision making, competitive teamwork, and even an implication of appropriate IT to stimulate the HRD achievements. Whereas, T&D were common tools used in enhancing the technical and managerial skills of the employees in the telecoms sector of Laos. More interestingly, it is obvious that the performance-based strategy was emergent to be successfully implemented in driving the employees' performance in the telecoms companies of Thailand; but this is not completely compatible in the case of the telecoms companies of Laos. Conversely, the seniority system appeared to add value to the employees' perceptions as they often feel secure in their jobs to work with the companies applying seniority-based system as these are guaranteed and subsidized by GoL. In contrast, the companies solely applied the

performance-based system had higher figure of the resigned employees; but a combination between seniority-based system and individual performance-based system appeared to add positive values on the effectiveness of HRD in the Lao context.

Implications

This study implies that the management team of telecoms companies of Thailand is using the cost leadership strategy to pay higher compensation and invest in HRD works at the companies. In combination with a convergence of employee participation, teamwork, good communication and flexibility, the competent people enabled the companies to wisely deal with the technological and economic change of global businesses. In comparison to the telecoms companies of Laos, T&D were mainly used to ensure the effectiveness of employee development. In this respect, the management teams had indicated that T&D management was not yet successfully implemented as a result of inappropriate recruitment and selection of new recruits, bias of trainees selection, inadequate capital, insufficient facilities to support for on-the-job T&D and else. These caused gradual improvement on employee capability in the telecom organizations of Laos. Likewise, in the relevant governmental bodies, T&D tasks appeared to largely rely on the donor's assistance and trainers' availability. Meanwhile, personnel department still functions administrative jobs, and HRD roles have not yet clearly elaborated in Laos even they are largely applied among the telecoms companies of Thailand.

It, furthermore, indicates that most telecoms organizations of Laos were not keen in innovating and initiating change in managing their personnel, whereas the telecoms organizations of Thailand were more proactive in stimulating the employee capability but too optimistic in their objectives attainments which place them to ignore employee participation sometimes. It is denoted that the telecoms companies of Laos acquires a better system-based structure to ensure commitments, and reinforce the policies and action plans into implementation. In the meantime, it also acquires human-based development system because Laos is still under qualified resources in technical, administrative and managerial knowledge.

This comparative study involves the two cases of Laos and Thailand, which are located in the hub of Asia Pacific Region, which is becoming increasingly an attractive region for investment. This provides results which may be scrutinized depth concerning the adoption of HRD and T&D activities as well as their roles in organizational and employee performance improvement. The findings of this study, thus, contribute very useful facts for telecoms companies and any potential investors who plan to penetrate in this business sectors for their preparation to best execute and use their people. The results additionally assist in preparing investors for working in the East Asian region.

Limitations

It is clear that this study was somewhat biased in terms of obtaining access to the targeted samples for interviews. Almost half of the targeted companies in Thailand and two companies in Laos had refused the requests of interviews due to the reasons that the companies were uncertain and had no policies to share information to outsiders. The fact that this is a comparative study of the two countries, thus, the study took a quite long time for contacting with the targeted samples and follow up the permission of interviews. The authors had traveled back and forth between Laos-Thailand for primary data collection. However, the data analysis and interpretation took place in Shinawatra University in Bangkok, which has highly experienced academics to guide the authors. Hence, the reliability and validity of this study are enhanced. Another limitation was relevant to the scope of the study. This study has explored the HRD in the telecoms industry only, while not every telecoms company could be accessed. It is assumed to have dynamic HRD practices and various HRD strategies which other companies or other industry perhaps applies. As a result, other effective HRD practices and strategies might be excluded. Consequently, further researches are suggested to investigate these issues in their study. Finally, the study used only the qualitative method of which led to a limited findings, the further study should conduct a quantitative study in order to get more accurate facts regarding the HRD/HRM in the telecoms industry of both countries.

Recommendations

In ensuring the effective HRD performance in the telecoms companies of Laos and Thailand, it is necessary to firstly get awareness from the management team at the top management. As long as the top management and management team have a higher recognition the importance of HRD, the higher the effectiveness of HRD management and its implementation will be fostered.

The telecoms companies of Laos, particularly, should have a great emphasis of having a precise HRD plan and reinforce them into actions. They are especially recommended to 1) prepare policies for employee development and retention, 2) provide adequate supports, either financial resources or facilities, 3) welcome employee involvements, understand their needs, give and get their feedbacks, 4) organize more practical trainings and grant equal opportunities to the employees, and also 5) grant the employees opportunities to take initiatives of change in their jobs. Another recommendation falls to the education system. The education system of Laos should include HRM, HRD and effective T&D fields into either formal or information education curricular. The more the people are educated about the importance of skills and capacity development, the more the people are deserved higher inducements; and this will lead them to be more motivated in learning and reinforcing their abilities. In this respect, GoL should reinforce the policies of corporation with other countries in amplifying effective education system to meet the international standards, especially, cooperation with the countries in GMS regions or ASEAN members. GoL should organize more training and invite corporation from the private sectors or foreign direct investors to enhance the capacity of the employees in the telecoms market of Laos.

The telecoms businesses of Thailand are suggested to emphasize more on having a thorough understanding of employees' need, what their expectations are, and what types of HRD practices possibly stimulate the success of employee satisfaction. An alternate recommendation relates to continuous learning – the companies should facilitate a long-term learning and improvement for employees. Getting employees participation in decision making process is another factor for the telecoms companies of Thailand to take into account because many employees felt more important and productive when their ideas were included in

the strategic decision making process. A part from this, new entrant which plans to penetrate the Thai telecoms market will need to devise a careful plan with proactive mechanisms to foster individual productivity and retain loyal personnel.

Finally, further studies are furthermore suggested to carry out this investigation of the relationship between the adoptions of HRD practices and business strategies in order to get a clearer insight of HRD roles contributing on the organizational performance. Last but not least, it is learnt that the sensitivity of management and initiation change of HRD is likely high because it deals with people. Unseen factors often associates to the success or failure of people management. Consequently, this study suggests gaining higher attention from organization in driving their organizational development through people.

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