The Impact of Theravada Buddhist Values on Work Practices in Southeast Asia

Scott A. Hipsher

Abstract

It is proposed there is no clear separation between religious values and cultural values, and therefore it is proposed values associated with religious practices can have an important impact on secular activities, including business practices. An exploratory study to examine the impact of whether values associated with Theravada Buddhism have on organizational business practices within the countries of Cambodia, Laos PDR and Thailand was conducted. The study supports the propositions that paternalistic management is preferred, there is limited use of long term strategic planning, flexibility and informal practices are frequently employed, the drive for success is often tempered by other factors and there is an emphasis on the individual within firms in the region. A linkage between these business practices and values associated with Theravada Buddhism is proposed. Deeper research is encouraged to explore further the extent of the effect that religious values have on business practices within this region of Southeast Asia.

Keywords: Theravada Buddhism, Southeast Asia, cultural values, business practices

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1. Introduction

In conducting comparative analyses of business environments, many differentiating factors are often studied. These factors include culture, level of economic development, political systems and policies, availability of nature resources, and educational and legal systems (e.g. Han et al., 2010; Lederman, 2010; McGahan and Victer, 2010). However, the role of religion and religious values are rarely examined in detail. The influence of religion on both individual behaviour within a work place and on overall business environments has been often acknowledged, although for many individuals these secular behaviours and values are often thought of as natural and the connection with their religious foundations go unnoticed (Ali and Gibbs, 1998).

At the individual level, Kutcher et al. (2010) found strong religious beliefs were correlated with improved ability to cope with stress in the workplace. Vitell’s (2009) research supported the proposition that an individual’s religious values will affect ethical behaviour. Doran and Natale (2011) reported that religious beliefs in some situations appear to influence consumer behaviour, while Cole’s (2009) research indicates that an individual’s religious values can have an effect on that individual’s views about organizational justice.

At the macro level, the dominant religion of a region or country has often been found to have an impact on the overall business environment. There appears to be a correlation between the dominant religion in a country and the level of corruption, although other factors, specifically low GDP per capita, also appear to play an even more important role in contributing to high levels of corruption (Samanta et al., 2010). In addition, it has been found values associated with Christianity influence business practices in Western countries (Anderson et al., 2000; Cornwell et al., 2005); while it also has been reported that Islamic values shape the business environments in many countries where Islam is the dominant religion (Abbasi et al., 1989; Ali and Al-Owaihan, 2008). Confucian philosophy has been attributed with an influence on modern business practices in
Chinese and East Asian firms (Yan and Sorenson, 2004), while Rarick (2009) argued, “Many philosophical orientations have shaped Chinese management theory including the Confucianists, the Legalists, and the communists. Chinese management theory is a blend of all of these orientations, yet at its core, shaped by Dao.” By extension it is thought it is likely Theravada Buddhist values influence business environments and practices in mainland Southeast Asia.

It could be argued religious practices and values play a less important role in daily life than they once did as it has been found the level and intensity of the role of religion in daily life generally decreases as incomes rise and economies develop (Barro and McCleary, 2003; McCleary and Barro, 2006). However, it is believed that religious values and cultural values are strongly intertwined and traditional cultural values do not automatically fade away as societies become more secular. For example, fewer Europeans are attending church than in the past, but some of the values associated with Christianity, for example the concept of providing for those less fortunate, remain strong throughout Europe.

Although the nations of Southeast Asia and ASEAN are often lumped together due to geographical proximity, there are also distinct divisions within the region that can be made based on religious traditions. The Philippines is predominantly Catholic; Indonesia, Malaysia and Brunei are considered Islamic countries; Singapore is strongly influenced by Chinese and Confucian values; Vietnam is a unique country influenced by a variety of religions and ideas including Mahayana Buddhism and Catholicism; while Myanmar, Cambodia, Laos PDR and Thailand have traditionally been centres of Theravada Buddhism. These differences in religious traditions make it difficult to think to Southeast Asia/ASEAN as a single region culturally.

On the other hand all countries of the region share some similarities. For example the importance of the role of individuals of Chinese ancestry in the business environments of all of Southeast Asia has often been discussed (Clarke, 1998; Naisbitt, 1997; Shapiro et al., 2003; Suehiro and
Wailerdsak, 2004; Tsang, 2001) and a case could be made that Chinese cultural values dominate the business environments of the region. However, due to cultural assimilation of the ethnic Chinese in the region and the need to operate within a broader cultural environment, it is believed the values of the dominant religion of a country of Southeast Asian will have a major impact on business practices within that particular country.

2. Theravada Buddhist Southeast Asia

The majority of the population in four different countries in Southeast Asia share the religious traditions of Theravada Buddhism: Cambodia, Laos, Myanmar and Thailand. The population of the region comprising these four countries is over 142 million, while the GDP per capita in the region is approximately $1,880 on average. However, the level of development differs considerably and income is not evenly distributed. With around 46% of the region’s population, Thailand contributed 91% of the region’s GDP, while Myanmar, with slightly less than 40% of the region’s population, contributes only slightly more than 4% of the region’s GDP (Asian Development Bank, 2008: 12).

In general, the Theravada Buddhist countries of Southeast Asia have lagged behind some of the other countries of Southeast Asia in economic development and in creating environments that promote business growth. Kao et al. (2008), in a comparative study of the competitiveness of business environments of the 10 ASEAN nations, listed Thailand third, which suggests that economic prosperity and practicing Theravada Buddhism are not incompatible, but the other three nations of the region where Theravada Buddhism dominate were assigned the bottom three places. In addition, neither political stability nor “democracy” has been consistently seen throughout these four countries (Hipsher, 2010a). The political and economic challenges these four nations have faced are not unique to the region and are shared by many economically developing nations and these challenges cannot be assumed to have been caused by these countries’ religious traditions. However, Jackson (2003: 245)
noticed, “doctrinal Buddhism provides a weak basis for democratic principles.”

Theravada Buddhism’s introduction and spread throughout Mainland Southeast Asia remains somewhat of a mystery. It has been proposed Theravada Buddhism was first introduced into the region during the reign of the Indian King/Emperor Asoka in the 3rd century BCE (Carbine, 2004: 101), although most likely it was introduced at a much later date, and spread from present day Myanmar to the rest of the region (Stuart-Fox, 2003: 69). As Tai speakers began to migrate into the previously Khmer controlled regions of today’s Laos and Thailand, they brought both their language and their religion, Theravada Buddhism, into the area (Evans, 2002: 7). Although the city of Angkor and its famous temple, Angkor Wat, were built by followers of Hindu philosophy, when the Chinese Envoy Zhou Daguan visited the city in 1296-7 conversion to Theravada Buddhism had already taken place (Chandler, 2000: 69–71; Sharrock, 2009; Tully, 2005), although the causes of this conversion are still being debated by historians.

Theravada Buddhism is often thought of as more of a philosophy than a religion and, according to Buddhist doctrine, the Buddha is not a god or a supernatural being. In theory, Theravada Buddhism “has no dogmas, superstitions, necessary rituals, mediating priests or blind faith in an unknown (and unknowable) God” (King, 1964: 2). However, daily practices of most followers are mixed with animist beliefs including “praying” for intervention in daily life by the Buddha, saints, or spirits, and other practices and beliefs which have similarities with practices of other religions; there is a significant difference in the philosophy found in the Buddhist canons studied by scholars and daily religious practices of the people of the region (Jackson, 2003; Schober, 1989).

Theravada Buddhism, also referred to as Southern Buddhism, is one of the two main branches of Buddhism, the other being Mahayana Buddhism which spread across Northern Asia through Tibet, China, Korea and Japan. Theravada is a Pali word meaning “Way of the Elders” or
“Doctrine of the Elders” (Dhammapia 2003: 10). Theravada Buddhism is generally thought of as being a purer form of Buddhism which is more closely aligned with the teachings of the Buddha and there are fewer variations in practices or ideology when compared to Mahayana Buddhism.

3. Theravada Buddhism’s Impact on Secular Life

It is proposed that values associated with religious ideology have a major impact on secular and business activities. For example, Weber (1930) found the “Protestant work ethic” was based on values found in Protestant religious teachings and there were distinct differences in how Protestants and Catholics approached and practiced business. Weber found that Protestant values were more aligned with modern capitalism and therefore Protestant Northern Europe developed economically faster than did the Catholic regions in Southern Europe. Also, it was found in areas of Europe where there was a mix of Protestants and Catholics, more entrepreneurs and successful business people were Protestant as opposed to being Catholic. Weber felt there was less emphasis in Protestant teachings on “God’s will” and being content with one’s station in life than there was in Catholic teachings at the time of the development of the modern capitalist system. More emphasis on controlling one’s own destiny as opposed to relying on fate to determine one’s life might have resulted in more individual effort and risk taking in secular activities amongst Protestants.

Many have noticed a similar phenomenon in Southeast Asia with the Chinese minorities, much like the Protestants in past centuries in Europe, dominating in most areas of business throughout the region throughout the last century and a half (Aribarg, 2005; Hill, 2002: 136–7; Linter 2008: 176; Montesano, 2005). Chanthanom’s (1998: 272) following statement about Thailand is representative of much of what is written about the role of ethnic Chinese in the business environment of the region:
“Chinese in Thailand were the prime movers in Thai economic development. They controlled modern banking and marketing systems throughout the country. This is because the Thais considered commerce ruthless and sinful acts for good Buddhists, and a lower class status job which the educated Thais are not attracted to (ibid.).”

The most basic philosophy of Theravada Buddhism is found in the Four Noble Truths. The First Noble Truth states suffering is unavoidable, everyone suffers. The second identifies desire as the cause of suffering, while the third states the elimination of desire will lead to elimination of suffering and the fourth prescribes the path to achieve the elimination of desire (Sumedho, 1992).

It could be argued a religion/philosophy which stresses the elimination of desire as its primary goal may be more compatible with environments of happiness, peace and tranquility as opposed to the fast-paced competitive environments in which modern businesses thrive. In fact, many scholars speculated that Theravada Buddhist values have limited economic growth in the region (Piker, 1993). On the other hand, Thailand was one of the fastest growing economies in the world in the 1980s and early 90s indicating economic development and practicing Theravada Buddhism are not automatically incompatible.

4. Propositions

It is proposed that Theravada Buddhist values will impact on business values in five distinct ways. It is expected firms found in the region will generally be (1) hierarchical but paternalistic in nature; and have (2) flexibility; (3) an external locus of control; (4) moderation in ambition and (5) a focus on the individual.

*Karma (Kamma)* is an important concept in Theravada Buddhism. This concept is related to the idea of reincarnation and stresses that one’s current station in life is primarily the result of the amount of “good” one
has done in previous lives. The belief in *karma (kamma)* has a tendency to reinforce the existing social order and make people more accepting of hierarchies in society (Jackson, 2003; King, 1964: 64, 231; Stuart-Fox, 2003: 32). However, the acceptance of the legitimacy of existing hierarchies is moderated to some extent by a social obligation of the leaders of society to act in the best interests of those with whom they have a hierarchical relationship (Persons, 2008; Rehbein, 2007a: 45). These factors might lead to the preference for a paternalistic style of management.

**Proposition 1.** One would expect to see a preference for a paternalistic management style in the region.

Theravada Buddhist teachings stress the importance of the impermanence of everything and the ever-changing nature of the world. King (1964: 37) explains: “For practical purposes, Buddhism views the universe as an eternal process in which worlds, and individuals in them, rise and pass away in endless succession and in infinite numbers.” Planning requires the belief in one’s ability to predict the future; therefore one would expect to see less planning being done by individuals who have a strong sense of the impermanence of the existing conditions in the world and would instead rely more on flexibility. It is proposed one would see less long term strategic planning in organizations in Theravada Buddhist societies than in most other societies; instead, organizations would be expected to be structured and managed with an emphasis on flexibility. Also flexibility would be expected to be demonstrated by more use of informal systems with more arbitrary decision-making as opposed to more formalized systems of management.

The concept of *karma (kamma)* indicates that the current situation is a result of the past and, therefore, one has little control over one’s current situation and this can lead to a reliance on fate: “Buddhists tend to be very accepting of whatever befalls them” (Cole, 2009). However, this lack of control is not absolute and Buddhist doctrine stresses that individuals have some level of control over the present and some control over their future
in both their current and future lives (Harvey, 2007). Consequently, one would expect to see individuals influenced by Theravada Buddhist values to have more of an external locus of control than in some other societies and rely more on informality and flexibility than on formal structures and long term planning.

**Proposition 2.** Firms in the region will rely mostly on informal and personal management practices in HR.

**Proposition 3.** Firms in the region will rely more on informal oral instructions as opposed to formal written rules and regulations.

**Proposition 4.** Firms in the region will make limited use of formal long term strategic planning.

This external locus of control would also be expected to be reflected in less long-term planning and in moderation of ambition. If one has a belief that one’s life is significantly affected by one’s *karma* (*kamma*) that cannot be changed, then one would not be expected to work tirelessly for success if the individual felt success or failure has been pre-ordained to a considerable extent. This external locus of control would be expected to be associated with moderating ambition.

One of the fundamental aspects of Theravada Buddhist teaching, and the one which may have the most impact on secular life, is the concept of the middle path and avoiding extremes. Increasing one’s store of *karma* (*kamma*) in order to improve one’s position in the next life, which for most lay Buddhists is their real religious goal as opposed to achieving *nirvana*/*nibbana* (Crosby, 2006, Schober, 1989: 30), does not require one to go through life without sin and lead a life of perfection. Additionally, in Theravada Buddhist teachings, one cannot ask for forgiveness and have all the bad deeds one has done washed away. Instead, the good one has done in one’s life is measured against the bad. No one is expected to be perfect, but bad deeds can only be counter balanced with good actions. It could be argued this feature of Theravada Buddhist teachings allow individuals to
pursue material possessions through business or secular activities as long as this pursuit is not an all-consuming passion and the negative that comes from these worldly activities are counter-balanced by religious actions such as giving alms and meditation.

The concept of the middle path initially referred to the idea of Buddhist monks avoiding the extremes of living a completely austere life and one of worldliness, but it also has relevance in secular life as one is generally expected to avoid the extremes of a single-minded drive for material success and laziness. Business and financial success is important to many individuals in the region, but the all consuming drive to achieve may be less common in countries with majority Theravada Buddhist populations than in some other regions of the world.

Buddhist teachings emphasize that life is not for a single lifetime, but for a multitude of lifetimes, one following the other. In general, one is not expected to reach the ultimate goal of achieving nirvana/nibbana in one’s current lifetime, but making enough merit to move one small step closer to the ultimate goal would be considered a success. This belief can often lead to a feeling of time being abundant, which creates a lack of urgency in individuals (King, 1964: 35–6). Theravada Buddhism stresses the importance of advancement, but rushing to achieve a goal is not required, as long as progress, even in small steps, is made one will eventually achieve the ultimate prize. Professional success is important in these countries, but it is rarely the all-consuming passion sometimes found in some other locations. Extreme success generally requires extreme dedication, drive and ambition. One does not generally win a Nobel Prize in physics, an Olympic Gold medal, or create a Fortune 500 company from the ground up by taking the middle path of avoiding extremes. Consequently, one would expect to see few companies from the region becoming world leaders in their industry and ambitions for professional success to be relatively moderate.
Proposition 5. Working environments in the region will focus more on cooperation and quality of life and less on competition and quantity of life in comparison to firms from Western and East Asian countries.

Within Theravada Buddhism, the path to enlightenment is an individual one, which must be learned from within. Therefore, while the countries in the area are generally considered part of collectivist Asia according to Hofstede’s (1980, 1983) dimensions of culture, there is also a streak of individualism and independence found in individuals from these countries that may differ to some extent from other collectivist societies. It is possible this emphasis on the individual nature of enlightenment may also influence the individualistic and personal nature of the management of the firms in the region. This feature may explain the motivation of many micro-entrepreneurs in the region to remain self-employed even when self-employment does not provide as many financial gains as working in a factory or in another occupation (Hipsher, 2009).

Proposition 6. There will be minimal separation between individual owners and the management found in firms in the region.

5. Exploratory Study

An exploratory study was conducted that examined these six propositions and the effect of Theravada Buddhist values on business practices in Cambodia, Laos and Thailand. Three locally-owned firms in each location were examined, while one firm in Thailand owned and operated by individuals from outside the region was also examined for comparison. Semi-structured interviews were conducted and classifications were assigned.

The firms studied were:

Cambodia firm 1 - a beverage company operating as part of a family-owned conglomerate.

Cambodian firm 2 - a family-owned tailor shop
Cambodian firm 3 - a Thai-owned hotel and restaurant focusing on servicing Thai tourists

Laos firm 1 - a fitness centre operating as part of a family-owned conglomerate

Laos firm 2 - a manufacturer of religious and cultural items

Laos firm 3 - a producer of wood furniture and artistic creations

Thai firm 1 - a steel company

Thai firm 2 – a grocery store

Thai firm 3 - importer of pharmaceutical products

Thai firm 4 – foreign-owned educational provider

<table>
<thead>
<tr>
<th>Company</th>
<th>Management Style</th>
<th>HR Practices</th>
<th>Operational Instructions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cambodia firm 1</td>
<td>Paternalistic</td>
<td>Informal</td>
<td>Mostly oral</td>
</tr>
<tr>
<td>Cambodia firm 2</td>
<td>Paternalistic</td>
<td>Informal</td>
<td>Mostly oral</td>
</tr>
<tr>
<td>Cambodia firm 3</td>
<td>Paternalistic</td>
<td>Informal</td>
<td>Mostly oral</td>
</tr>
<tr>
<td>Laos firm 1</td>
<td>Paternalistic</td>
<td>Informal</td>
<td>Mostly oral</td>
</tr>
<tr>
<td>Laos firm 2</td>
<td>Paternalistic</td>
<td>Informal</td>
<td>Mostly oral</td>
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<tr>
<td>Laos firm 3</td>
<td>Paternalistic</td>
<td>Informal</td>
<td>Mostly oral</td>
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<tr>
<td>Thai firm 1</td>
<td>Paternalistic</td>
<td>Informal</td>
<td>Mostly oral</td>
</tr>
<tr>
<td>Thai firm 2</td>
<td>Paternalistic</td>
<td>Informal</td>
<td>Mostly oral</td>
</tr>
<tr>
<td>Thai firm 3</td>
<td>Paternalistic</td>
<td>Informal with some</td>
<td>Combination oral and written training</td>
</tr>
<tr>
<td></td>
<td></td>
<td>formal</td>
<td></td>
</tr>
<tr>
<td>Thai firm 4</td>
<td>Participatory</td>
<td>Informal with some</td>
<td>Combination oral and written training</td>
</tr>
<tr>
<td></td>
<td></td>
<td>formal</td>
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</tbody>
</table>

Table 1: Typology of Firms Examined; source: original research

All of the locally owned firms displayed a paternalistic management style. For example, some of the firms in all three countries supplied meals free of charge for their employees. Also, none of the management of the
locally owned firms appeared to engage with employees to make decisions jointly to any significant extent and neither employees nor management of these firms appeared to be pushing for radical change. The hierarchical but paternalistic management styles were consistent with values associated with the belief in karma/kamma. However, Thai firm 4, which was primarily managed by a western manager with western employees, claimed to use a more participatory management style.

It was also discovered most of the firms did not rely on formal HR management systems. Recruitment and selection were mostly done through personal contacts of the owner or employees. For example, Cambodian firm 2, a tailor shop, was located in a city while most employees came for the same village in the countryside and, when new staff members were needed, the current employees contacted families and friends back in the village to find suitable candidates. None of the firms had a formal performance appraisal system and only Thai firms 3 and 4 made use of any formal training. However, all of the firms made use of informal on-the-job training. Only Thai firm 4 had a formal compensation system where pay rates were calculated by formula, while in the locally-owned firms each individual employee’s pay was at the discretion of the management or owners. Generally, relationships between the owners or managers and employees were personal and informal. There was found to be little in the way of formal structure, rules and regulations; instead, the firms made extensive use of informal and flexible structures and business practices.

Many of the owners/managers of the firms displayed considerable ambition, but none of the firms engaged in formal long-term strategic planning. Also, a number of the owner and managers of the firms had contingency plans to move into other businesses if their current business ran into problems and the firms thought about the long-term. Many of the owners and managers talked about ideas they had for the future but, instead of making fixed plans, the focus of some of the firms appeared to be more on flexibility and a willingness to move into different business directions. Surprisingly, while most of the businesses were fairly small
scale, many of the owners also operated small businesses in other industries. The one exception to displaying strategic flexibility was Lao firm 2 which was in a traditional industry making cultural and religious items with the government and local temples (wats) being their primary customers. However, this firm did demonstrate considerable operational flexibility and displayed the ability to respond to the needs of specific customers for customized products.

<table>
<thead>
<tr>
<th>Company</th>
<th>Formal long-term strategic planning</th>
<th>Working environment</th>
<th>Separation of owners/managers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cambodia</td>
<td>No</td>
<td>Cooperative</td>
<td>No</td>
</tr>
<tr>
<td>firm 1</td>
<td></td>
<td></td>
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<tr>
<td>Cambodia</td>
<td>No</td>
<td>Cooperative</td>
<td>No</td>
</tr>
<tr>
<td>firm 2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cambodia</td>
<td>No</td>
<td>Cooperative</td>
<td>No</td>
</tr>
<tr>
<td>firm 3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Laos firm 1</td>
<td>No</td>
<td>Cooperative</td>
<td>No</td>
</tr>
<tr>
<td>Laos firm 2</td>
<td>No</td>
<td>Cooperative</td>
<td>No</td>
</tr>
<tr>
<td>Laos firm 3</td>
<td>No</td>
<td>Cooperative</td>
<td>No</td>
</tr>
<tr>
<td>Thai firm 1</td>
<td>No</td>
<td>Cooperative</td>
<td>No</td>
</tr>
<tr>
<td>Thai firm 2</td>
<td>No</td>
<td>Cooperative</td>
<td>No</td>
</tr>
<tr>
<td>Thai firm 3</td>
<td>No</td>
<td>Cooperative</td>
<td>No</td>
</tr>
<tr>
<td>Thai firm 4</td>
<td>No</td>
<td>Cooperative/competitive</td>
<td>No</td>
</tr>
</tbody>
</table>

Table 2: Management Characteristics of Sample; source: original research

While many of the owner and managers of the firms displayed considerable ambition, the working environments of the firms were not especially fast-paced or stressful. Workers were expected to work but there was little evidence of an emphasis on deadlines and competition between workers. As reported by Kainzbauer (2009), sanuk, or fun, is an important element of work in Thailand and, by extension, other countries in the region and it is very difficult to retain workers if the environment is
stressful and does not meet the social needs of the workers. The firms seemed to take a “middle path” attitude towards workers. Work and success were important, but so were social relations, enjoyment of the job itself and interactions with other employees.

There was no separation between ownership and management in any of the firms studied. All of the firms were primarily financed by the owners and the owners and families of the owners made up the top management of all the firms. In most cases, Lao firm 2 being somewhat of an exception as this firm had previously been a state-owned enterprise, the companies in many ways were less like organizations and more like extensions of the owners. For example, Lao firm 3 was managed by the owner, who was also the firm’s primary product designer as well as being the chief sales person. It has been found that in the region many individuals prefer entrepreneurship, even on a small scale, to paid employment and one of the primary reasons is the freedom it gives the individual (Hatcher and Terjesen, 2007; Paulson and Townsend, 2005). Freedom and being able to run the business and work in accordance with one’s preferences were found to be important for the owners and managers of the firms examined in this study.

6. Small and Family-Owned Firms

Other studies in the Theravada Buddhist countries in Southeast Asia have also found that businesses are often informal, entrepreneurial, moderate in ambition and practice a paternalistic style of management (Hatcher and Terjesen, 2007; Hawks, 2005; Holmes et al., 1996; Paulson and Townsend, 2005; Rehbein, 2007b; Southiseng and Walsh, 2010). However, before jumping to the conclusion that the features found in the companies studied can be attributed to the religious environment found in the region, it needs to be acknowledged the firms studied were primarily small firms which were family owned or entrepreneurial organizations where there was no separation between ownership and management. Many similar qualities have been found in these types of firms in different locations. Informal business practice appear common in small family-
owned and entrepreneurial firms in many locations (Luthans and Ibrayeva, 2006; Shapiro et al., 2003; Van de Ven, 2004; Wu and Choi, 2004) as does the moderation of ambition towards maximizing profits in order to gain intangible benefits (Choo and Wong, 2006; Hipsher, 2010b; Pinfold, 2001). In addition, Kundu and Katz (2003) reported that it was normal for small entrepreneurial firms to take on the individual characteristics of the owner. Consequently, the ownership structures and size of the firms are likely to contribute to the firms being studied having these attributes.

On the other hand, there may be some differences between firms in this region and in other developing economies. For example, Duong and Swierczek (2008) found both differences and similarities in managerial attitudes between Vietnamese and Thai managers. One of the differences was that Vietnamese managers were reported to place more focus on long-term planning than did Thai managers, which is consistent with the propositions found in this study. More research is encouraged to determine the extent of impact religious values have on business practices in Southeast Asia and other parts of the world.

7. Conclusions

In making cross-cultural comparisons it is very tempting to become judgmental and make assumptions that richer is better and the sole purpose of a nation’s economy or an individual firm is to maximize profits. Even the use of common phrases such as ‘developed,’ ‘modern’ and ‘newly industrialized’ can be used to place nations in a hierarchical order with the wealthiest on top (Chanthanom, 1998). Although ambition and striving for accomplishments are normally thought of as extremely positive qualities in western societies, Theravada Buddhism teaches that ambition and desire are the root causes of suffering. It is not being inferred that all managers and business owners in the region are devoid of desire for material possessions and social position but it is likely these desires are tempered to some extent by religious values resulting in approaching more closely the middle path as opposed to having extreme desires for success.
Work is an important part of life in the region; however, it has been observed that individuals in the region often place higher priorities on quality of life as opposed to a sole focus on economic success. For example, Rehbein (2007a: 65) reported that most agricultural workers in Laos viewed using new technology as a labour saving tool to help increase the amount of leisure they had as opposed to being used to increase productivity and profits. Holmes et al. (1996) found in Thailand that the maintenance of cordial relationships and a good work environment often takes priority over efficiency and, therefore, the decision made is often the one that is the most popular as opposed to the one that will increase productivity the most.

Business practices are deemed to be effective when helping to achieve business objectives and, while profits are important in all business activities, there might be additional social goals for both the owners and workers within organizations in the Theravada Buddhist countries of Southeast Asia resulting in additional emphasis being placed on different aspects of business than is often assumed in the academic literature. A straight comparison of business practices and results from different regions might not be the most useful; instead, it might be a good idea to take into account the objectives of individuals within the organizations and society at large before making determination of the effectiveness of specific business practices.

Business owners and managers who are followers of Theravada Buddhism, much like the followers of other religions, often face what on the surface appears to be an ethical dilemma between secular and religious duties. This apparent conflict is often framed as being a choice between choosing to do ‘good’ religious practices or ‘bad’ or selfish business practices designed to maximize profits. Yet research has consistently shown a correlation between a lively private sector and economic growth, employment opportunities and poverty reduction (Pietrobelli, 2007; Son, 2010; Warr, 2007) and, therefore, a case could be made that there is no automatic contradiction between being a good Buddhist and a good entrepreneur or manager as long as one stays on the middle path.
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