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**Conceptual Framework for Employment Paradox:  
Attitudes of Thai Business People**

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**Abstract**

The employment paradox is one of perplexing problems that governments in many countries do not know how to deal with. This study delved into this conundrum through an internet interview of voluntary participants who are micro, small, and medium business owners and workers from different companies. Quotes from the interview were analyzed and filtered to deduce factors which influence the employment paradox. In the resulting accumulation of data, there are three groups of attributes which are, employee attributes, business attributes, and national attributes. Employee attributes are composed of job satisfaction, life satisfaction, capability, personal image, trend influence, business etiquette, industriousness, and level of education. The business attributes consist of business ethics, fringe benefits, workplace climate, payment, management skill, leadership, and the entry barrier. National or country attributes carry the number of foreign workers and the quality of the education system. All attributes are assembled into a conceptual framework to explain the employment paradox.

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**Introduction**

Generally speaking, when someone asks a manager how and why problems occur due to the unemployment phenomenon, they will invariably answer that it is because the available manpower in the country exceeds the requirements of the job market. If somebody asks managers about the cause of the vacant job problem, surely they are going to say that it is due to an insufficiency of workforce in the country. Perhaps, these two problems, which are unemployment and job vacancies, cannot take place in the same period of time. Unfortunately, these two problems can occur simultaneously. Just how, why and when can the unemployment problem and the job vacancy problem occur in the same period of time? This is a question that has plagued many entrepreneurs around the world. In concordance, Thai entrepreneurs, especially in micro and small enterprise, want to know this answer as well. This strange phenomenon is called the 'Employment Paradox'.

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To put the Employment Paradox in perspective, imagine a person that cannot find what he/she wants to eat even though there are more than fifty restaurants along the street. Similarly, there is a mass amount of unemployed people looking for work, while organizations are unable to find enough workers to meet their requirements. Although there are a hundred jobless adolescents in the local village, the manager cannot find four or five people to work in his or her factory, regardless of the fact that the job requirements are very basic, such as rudimentary assembly, for example.

Yes, it may sound strange but it is the reality in Thailand. Despite a high number of unemployed, which was estimated 370 thousand people in January of 2011, and about 360 thousand people in January of 2014 (Department of Employment, 2014), many Thai entrepreneurs in small and micro businesses and some medium enterprises still post job recruitment posters on their manufactory walls and in newspapers, concurrently, many Thai young villagers remain out of work. Why and how? The question still remains and some researchers and many practitioners are in a quandary because of it.

In this regard, this study explored into the elusive gap between the two problems, unemployment and vacant jobs, to search for the factor or factors that lead to this conundrum, the employment paradox. The main goal of this study is to generate a conceptual framework for the employment paradox through interviews. The next section of this paper is literature review. Reports, research, news, and so forth that relate to the employment paradox are discussed. Consulting and interviewing Thai business people essential to this study for the gathering of information. Information meta-analysis will take place following the interviews, and summarized in the conclusion section.

## Literature Review

### *Employment Paradox*

Unfortunately, it is a probability that no one has offered to define the employment paradox academically, although most researchers and practitioners know that what it is. To reiterate, 'Employment Paradox' is a phenomenon with two facets, which are unemployment and vacant jobs, occurring in the same period of time and in the same country. Numerous studies describe the many attributes that lead to unemployment and job vacancies.

### *Disability*

Kaye (2003) pointed out that disabilities cause a loss of opportunities for employment. With this in mind, Kaye's (2003) research concerns the improvement of employment opportunities for people who are disabled. The rate of employment opportunities of the handicapped is steadily increases because managers are beginning to change their attitude in a positive way. Broadly speaking, however, many business owners still have a negative attitude toward employees with disabilities. 'Why do not employers hire and retain workers with disabilities?' Kaye and colleges (2011) gathered information from their respondents and extrapolated that "the principal barriers to employing workers with disabilities are lack of awareness of disability and accommodation issues, concern over costs, and fear of legal liability." Consequently, the helping and supporting by the government is

really important, “policy changes or public programs that could increase labor force engagement among working-age grownups that have disabilities” (Kaye et al., 2011).

The term ‘disability’ can be separated into two major categories, which are physical disabilities and mental disabilities. According to Scheid (1998), industries that had followed the ADA (Americans with Disabilities Act) had policies in place for hiring men or women with physical disabilities. On the other hand, mentally handicapped people are likely to have less advantage vis-à-vis physically handicapped people do to managerial belief that the employment of someone with mental disabilities is not one of the company responsibilities. Perhaps, Scheid (1998) was right. It can be risky to have a workforce with mental disabilities in the assembly line while not so much so with physical disabilities. Nevertheless, not all types of mental disability have a negative effect on employees’ overall performance. It depends on what kind of work they do. Summarily, disabilities can be one of the barricades of employment opportunity for those affected, and managers are more open to hiring handicapped employees for their firms than they were in the past.

### *Educational Background*

Formal education can increase the employment opportunity for the workforce. In the study of Helgesson et al. (2014), Swedish high school dropouts were found to have a higher risk of unemployment in a follow-up study after five years (Hammarstrom and Janlert, 2000 cited by Helgesson et al., 2014). In addition, for immigrants to Sweden, one of the potential reasons that cause unemployment is a lack of higher education. Their study showed a negative relation between education and the risk of future unemployment meaning that the higher the educational level, the lower the risk of unemployment in the future. Weber (2002) offered the same idea about the benefits of higher educational. “There is strong empirical evidence that unemployment rates decrease as the educational level rises,” stated in the first line of Weber’s (2002) abstract. Likewise, Núñez and Livanos (2010) concluded that an academic degree is more helpful in reducing the likelihood of short-term joblessness. In China, the tendency of unemployment for people who have graduated from primary education and secondary education is higher. Bai (2006) stressed that a tertiary degree is needed, thus the government should develop higher education if funding is sufficient or the unemployment rate will increase.

In contrast, DePrince and Morris (2008) implied that a higher educational degree cannot guarantee a lower risk of unemployment in some cases. Today, bachelor's degrees are a dime a dozen, only those individuals that have a special skills that match employers’ needs get the job. Nevertheless, the higher the level of education relates directly to a higher probability of a person getting hired.

Some studies define the term ‘skill’ as ‘education’, case in point Decreuse (2001), who wrote that ‘skill’ stands for ‘education’ and categorized skill into two types, schooling and learning-by-doing. Decreuse (2001) cited Sicherman (1991) to emphasize the phenomenon called ‘overeducation’, where the individual feels overeducated for the job he or she occupies. Naturally, a person with a master’s degree would not want to get a job that requires only a bachelor's degree.

### *Workforce Skill*

Rappaport (2012) figured out why unemployment differs persistently across metro areas. One observation involved the skills of workers. “A possible explanation for large and persistent differences in metro unemployment is that they reflect differences in the skills of metro workers,” hypothesized Rappaport (2012). That could mean most jobless people have a lack of working skills. For managers, if they hire people with low skills, business owners will be forced to pay for additional training. Gatta (2008) explained that low-skill working adults need education and training. The use of technology and online learning provide workers the greatest advantage of opportunity. Many adult students have reported enthusiastically that they could not have completed their education or skills training program if they had not been available online (Gatta, 2005 cited by Gatta, 2008).

Some jobs require more a higher skill level than others, for instance, a nurse. McHugh et al. (2011) discovered that California’s government has no plan to reduce the nursing skill level requirement as people had feared. Hospitals in the state followed the trend of medical institutions nationally by increasing a nursing skill mix, and employed more highly skilled nurses as a primary staff. Working in a hospital is about a matter of life and death, highly skill medical and experienced workforces are very significant.

### *Culture, Religion, and Stereotypes*

There are many things that are prohibited in different cultures or religions, and that can cause unemployment. Culture and religion do not impact employment directly. Read and Oselin (2008) found in their case study that Arab American women with higher educational attainments had lower employment rates vis-à-vis other groups of American women. “Why?” They answered that because most Arab Americans universally support female education as a personal resource rather than one of economic mobility, more to assure the future of their children, family solidarity, and the maintenance of ethnic and religious mores.

People who were born in non-English-speaking nations are more likely to have difficulty with languages and culture. In Australia, Carroll (2006) explicated that being born in a non-English-speaking country is related with very lower transition rates from unemployment to employment. In Nepal, Banerjee et al. (2014) summarized that culturally based differences results in differences in unemployment rates and other attributes as well. Thus, culture and religion can be a barrier to employment to some degree.

### *Age, Gender and Population*

Not only disability, education, skill, culture, religion, and stereotypes are some examples of obstacles that do not let people escape from their unemployed status; age and gender are obstacles as well. Rudawska (2010) wrote about people who remain active in the workplace and its impact on the labor market and implied that “if increased numbers of healthy older people were to extend their participation in the work force, their contribution to public revenues would continuously increase.” Not all elderly are unable to work; some are still healthy and want to find ways to augment their lives financially and to keep busy. An example that many Thai people can see every day is many old English native speakers come to Thailand to look for schools where they can teach English and receive their pension.

On the flip side, however, globally, the unemployment rate among youth is steadily increasing likewise with elders. One of the most severe implications of rapid population growth is that demand for jobs exceeds the availability of work. As Barwell (2000) offered,

UK unemployment rate has steadily decreased from 1984 to 1998 due to a drop in the birth rate in the 1970s, the 'baby bust'. Not far from that period of time, in Israel, there are differences in job finding intensity for the differences ages in Israelis women. Kulik (2000) studied in this topic and discovered that post-adolescents, up to age 21, spent most time seeking employment, about one a week. Israelis women in the young adult group, age 22-35, were least likely to reject job offers owing to financial considerations. The adult and mid-life groups, age within 36 and 49, tended to refuse job offers due to family obligations or work conditions. The last group, late adulthood, age 50-62, unemployment does not matter, they have less financial worry than did the rest of the women's groups. Kulik (2000) drew a big clear picture of the breakdown among women, age, and employment in Israel.

Every detail discussed in this section concerns the matters of employment and unemployment. In summary, a younger person has the higher chance of getting the job than an older person when both have equal education and same level of special skills. Do Men or women have the better opportunity to get a job? No one really seems to know. It depends on other factors, such as local tradition, personal attitude (of employee and employer), personal image, nationality, connection, and so forth. For business owners, they often make sure that workers they hire are qualified and worthy of their pay. For some firms acquiring sufficient manpower is a never ending battle. Although thousands of applicants might apply for the job, the vast majority do not meet the job requirements. As a result, the employment paradox is like a parallel path that never meets, employers are seeking employees, and employees are seeking employers.

### Model Development

#### *Interview Businesspeople in Thailand*

The main goal of this section is to sift the factors that probably involve the employment paradox via an internet interview method. This study has various types of the respondents; a small business owner, a medium business manager, and a staff member. There are twelve voluntary respondents in this study as follows: four small business owners, one medium business manager, and seven employees. The result is variety of information is collected and analyzed for key words in their speech. There are three categories of attributes, which are (1) employee's attributes, (2) business's attributes, and (3) country's attributes. With many researches and theories, the conceptual framework for the employment paradox is established.

The employment paradox may not be a major problem for large scale enterprises in Thailand. Most businesses here with large economy of scale usually have plans for various contingencies. Conglomerates are attractive for people to work for, due to their good image, which gives them more access to human resources. Once, Porter (2004) explained that "although Ford and GM have relatively similar strategies and could be classified in the same strategic group, GM's greater scale allows it to reap some of the economies inherent in the strategy that Ford cannot" (p. 143). Thus, the large scale of the firm provides advantages and protects it from a whole myriad of problems. In contrast, micro and small firms have to search for workers because managers feel that there is an insufficient workforce for their business. As mentioned earlier, about 331,000 is the number of unemployed Thai people in first quarter of 2014 (Department of Employment, 2014). Although this is a relatively small

number when compared with the total Thai population, many teenagers who live near small factories are unemployed, and those factories have many empty positions.

Micro and small firms are in a big red ocean, they have to pay more and offer some benefits that are better than the others if they want to hire someone in this day and age. The minimum wage in Thailand is 300 baht but micro and small businesses have to pay at least 500 baht to keep their workers. This is a battle for wage leadership.

### *Owner and Manager Interview*

Interviewed two managers of a micro industry, construction material producer and supplier of large Thai business, they explained that:

“Here, you can see many jobless people walking on a road and living in their home with a bottle of liquor in their hands, meanwhile, we, small businesses never stop seeking for workers. I used to be confused by such a situation, a lot of unemployed people are available in the labor market, but we cannot get any of them to work. Three of our employees quit. Two said that they would rather sit in the back of a pickup and hit on young women on the foot path in country side than work. The other one did not want to work on an assembly line because it was messy due to lubricants involved in production. Although we pay more than other companies, they still wanted to leave.

The population of available employees is decreasing, but the number of micro business owner is shapely increasing as former workers want to be rich and start their own micro businesses. They do not want to be an employee forever, so they have only two choices either start their own business or become unemployed. Many are under the illusion that starting a micro business is such an easy thing, for example, opening an air conditioning installation service or opening a metal works facility.”

There are three key words form these two managers as follows: ‘job satisfaction’, ‘life satisfaction’, and ‘entry barrier’. From what managers said, many Thai workers do not enjoy tedious jobs, even though they might pay more money. They want a more challenging job with a business owner who likes to drink alcohol with them. According to the theory of work adjustment, it is probable for an employee to change his or her job if individual satisfaction and workplace atmosphere are not coordinated (Dawis et al., 1968). This theory tells us that in some cases, the employee meets one-hundred percent of the employer’s requirement, but the employer does not reciprocate with the employee’s wants. Surprisingly, money and job duties are not deciding factors for some people.

In the second paragraph of the interview with the same managers, they pointed out more about employee’s attitudes. In sum, two managers explained that some workers want a better quality of life and think that the business does not provide to the level they expect. As a result, they left.

Besides the theory of work adjustment, job satisfaction and employee attitudes can explain this case. Saari and Judge (2004) stressed that job satisfaction is linked to an employee’s attitude toward a job. Satisfied staff is a productive resource of the firm. It is not an easy task to maintain an employees’ satisfaction level for a long period of time, but it is not an impossible goal to achieve. Job satisfaction is related to the outcomes of the organization. For job performance, the link between it and job satisfaction depends on the

complexity of the job. The link will get stronger when job complexity is higher (Judge et al., 2001 cited by Saari and Judge, 2004). However, life satisfaction is one of the significant factors to maintain job satisfaction. The best thing that the organization could do is maintain job satisfaction, but job satisfaction is one part of employee's life satisfaction and that is difficult to control (Saari and Judge, 2004). High job satisfaction and high salary do not translate into high life satisfaction and that why some employees decide to quit their jobs even though their wage is high. Likewise, Herzberg (2011) explained that 'personal life' is one of the hygiene factors (dissatisfaction-avoidance factor) that cause the decrease of the worker's job satisfaction (pp. 37-40).

Porter (2004) implied that the height of the entry barrier is reliant on the scale economic, product & service differentiation, capital requirements, switching cost, access to distribution channels, and government policy (pp. 7-13). In reality, Thai small and micro firms really have a very low entry barrier. Their economy of scale is low, less differentiation among the same strategic group, low capital requirements, various paths to access to distribution channels, and lax government policies. That why some Thai workers quit their jobs to start a new business. For example, opening an air conditioner installation service only requires four or five workers, and when necessary, neighbors who live in the same neighborhood can work part time.

P1: Employee's job satisfaction has a negative impact on unemployment and job vacancies.

P2: Employee's life satisfaction has a positive effect on Employee job satisfaction and vice versa.

P3: Business entry barrier has a negative relationship with unemployment and job vacancies.

Another respondent, who is a micro manufacturer, pointed out that leadership is significant to maintain the employee's satisfaction. He explained as follows:

"I have my micro business. I require one pickup driver, three workers for the assembly line, and one clerk. Every day, I have to do everything alone, starting my work day at 2:00 am and working until 4:00 pm. It is extremely hard work. In spite of a very high return, I have no time to organize my business. Thus, it is difficult to seek for new customer groups. Previously, I had five people working for me. Due to my lack of leadership skill, my most experienced and best workers left me for new jobs. The rest of my men are unskilled, inexperienced, and disrespectful. My lack of leadership made caused a lot of anxiety. It is not easy to find new employees these days. Many prospective employees would rather drive a taxi as it is much less complex work. If I want to hire a new clerk, I have to be concern myself with employee theft. Most Thai people want comfortable jobs, high benefits, good social status, easy promotion, many days off, and so on.

Compared to foreign laborers that come to work in Thailand, they really are dedicated workers, they are dedicated to their job, and their only goal is to send much money as they can from Thailand to their family back home. However, some of them are unfriendly, and we don't trust some of them."

The interesting key words in his messages are 'leadership' and 'foreign laborers'. The respondent stressed that the leadership ability of the business owner is integral as it is the heart of business. For leadership, Goleman (2011) suggested that previous studies have

shown that successful managers must have strengths in self-awareness, self-regulation, motivation, empathy, and social skill (p. 3). This five attributes together can allow the manager to foster his/her employees' job satisfaction, and to some degree employees' life satisfaction.

Moreover, Goleman (2011, pp. 4-5) wrote that there are six styles (modes) of leadership that businesspeople should know how and when to use or to switch.

1. The coercive – order subordinates to do as the manager says, especially in a grave situation.
2. The authoritative – persuade subordinates to associate with the leader notion.
3. The affiliative – good to generate harmony and morale, but care must be taken to avoid poor performance.
4. The democratic – by giving people a voice in decisions that help draw new ideas.
5. The pacesetter – the leader is a very good example to the subordinates to follow.
6. The coaching – teach foot soldiers how to be a good knights.

Imagine the elite military forces, they use a sniper rifle for a long range target, and when they are in the building, stun grenades and submachine guns to help them to secure a room quickly. In the same regard, for businesspeople, some situations are suitable for some leadership styles, it depends on many factors; workplace climate, for example. Prioritizing the right styles for the right situation is the art of employee maintenance.

About foreign laborers, they are one of the underpinnings that foment the employment paradox in Thailand. How? They say they can work hard for a wage which is lower than national minimum wage. According to Porter's (2004) generic strategies, customers want to buy bulk products from the firm that offers the lowest price to them (p. 39). Likewise, manufacturers want to cut costs by employing workers who are willing to accept a lower wage. Naturally, foreign workers are very attractive to Thai small business owners which make Thai workers less desired. Thai workers are becoming notorious for their lack of sedulousness. In this regard, management leadership and employee productivity is very important.

P4: There is a positive connection from a business owner's leadership to employee's job satisfaction.

P5: Number of foreign workers has a direct impact on the level of Thai worker unemployment as it decreases the number of job vacancies.

The forth participant is a medium business owner who volunteered his response to the employment paradox. His organization has many share holders and a hundred plus employees. His opinion is as follows:

“Small or big, whatever scale your business is, this problem (the employment paradox) can occur anytime. In my view, I must focus on skill and morale when I choose someone. When I listen to other business operators they often complain a lot about job vacancy, I think that is



owing to a lack of managerial skill rather than the number of employees. Owners have to learn how to allocate their people properly and train employees so that they can be multifunctional when necessary.

From conversation with few experienced CEOs, I can make a conclusion into three subtopics:

- 1) New generation workers like less job complexity, high pay, good fringe benefits but are unworthy.
- 2) Strategy and direction of the business must be defined. Management must hire only people with attributes that match core business requirements.
- 3) Media and social trends have an impact on the mindset of college graduates. We are living in an age of materialism; young people long for quick money to buy frivolous items they want now rather than concern themselves with saving for their future.”

New influence factors were ascertained from his comments, which are ‘employee’s industriousness’ and ‘business’s management skill’. Employee’s industriousness is linked to employee job satisfaction positively. Herzberg (2011) wrote that ‘a six-day week is inhuman’ and ‘a ten-hour day is exploitation’ to imply the fringe benefits that an employee should receive (p. 34). In this standpoint, Herzberg (2011) tries to tell us that amount of work time relates to an employee’s job satisfaction. Each person has a different limit. As an example, Ms. A can work over ten hours a day without complaint, Mr. B works six hours a day while protesting the ‘long’ hours. In this respondent’s view, many Thai employees lack industriousness meaning that their limit is low which results in low job satisfaction.

Business’s management skill looks and sounds like ‘leadership’ from the previous respondent, but that is not the case at all. According to Buckingham (2011), there are three tactics that a good manager should implement, as follows:

(1) ‘Capitalize on employees’ strengths’ – by observing a worker’s reactions to events, listen to find out what he/she expects, watch for their weaknesses, and offer them training or job assistance if required.

(2) ‘Activate employees’ strengths’ – If a person values recognition from his/her peers, laud him/her publicly. If a person values recognition from a superior, just praise him/her privately. If a person values admiration from others, give him an award. Last, if a person values recognition from customers, post a photo of him/her and his/her best customer in the workplace.

(3) ‘Tailor coaching to learning style’ – If an employee does not want to make any mistakes, give him/her time to learn. If an employee is always learning by trial and error, assign him/her easy jobs first. But, if a worker is a watcher, let him/her see how the professionals perform (pp. 93-95).

These three tactics help a manager to know how to design his/her workforce and assign a person for tasks that he/she will be good at. Hence, when managers know how to organize their manpower in ways that accomplish the work, job vacancies will be reduced. In addition, for managers, management skill helps them to improve their leadership ability as well.

P6: Employee's industriousness has positive link to employee's job satisfaction.

P7: Business's management skill has negative relation on job vacancies.

P8: Business's management skill has positive impact on business's owner leadership.

Next, this study respondent is American who founded a successful fancy costume company in Thailand for seven years. He pointed out about Thai employee's characteristics which are different from workforces in other countries.

“Having worked in upper management with many major Korean firms, such as Samsung and LG, it was an unspoken company policy that staff in any department would not leave the office before their manager, if the boss stayed late, you did, too. There were many unspoken rules. On the other hand, there were numerous and generous benefits such as bonuses, vacations and other perks.

In contrast, businesses in Thailand seem to have their rules written in stone. People are told what to do and how to do it and no deviation is allowed. The expectations of management are very high, while the expectations of staff are not much taken into consideration.

Having run a business for a number of years in Thailand, in the beginning I found that a good salary was sufficient in keeping employees happy, but over time they became dissatisfied and wanted more, until it came to the point that profitability was suffering and productivity was lacking. I had to reassess everything and change to piecework over an hourly wage. Once I changed to piecework, the change was profound. I no longer had to concern myself with staffing problems because as soon as I had my people working from home the job became a family affair so suddenly it was much easier to increase productivity and improve quality. Since they were working at home, the whole family got involved.”

From his statements, two significant factors, ‘job payment’ and ‘management skill’, are visible. About management skill, they are already discussed in the interviews with the fourth participant. In this case study, the fifth answerer pointed out that he was changed a style of payment in order to maintain employees' job satisfaction. Flexibility is one of management skills that business owners should keep in mind.

For payment, it is common sense that everybody understand how it links to satisfaction in job. For example, number of studies (Oshagbemi, 2000; Tepeci and Bartlett, 2002; Pelit et al., 2011) explained that the employees in service businesses are not satisfied if they determine that the amount of work they performed was not compensated fairly, consequently, low job satisfaction is the only result.

P9: Job payment has positive connection with employee's job satisfaction.

### *Employee Interview*

For variety in perspective, some of the respondents are not business owners. Some are experienced staff members from different companies. First is a key person in charge of HR recruitment. He told a story that directly relates to the employment paradox conundrum in Thai, as follows:

“I had a chance to interview a number of young female graduates who were candidates for a job. But, often something strange occurred during the interview. Why do so many of them have to bring their boyfriend (or husband) to the interview? I understand that the nature of a boyfriend is cherishing his girlfriend, or driving his girlfriend to the interview, but that doesn't mean he has to follow her around like a lost puppy, especially to a job interview.

In fact, the head of human resource division gives everybody an opportunity to apply for the job but he/she can easily cross a name off the list, especially if a boyfriend or husband feels the need to get involved in the employment process. For some companies, the interview takes place in a reception hall and applicants should respect to the institution. Just think about appropriateness.”

The important concepts from both paragraphs are ‘business etiquette’ and ‘personal image’. Perhaps, no researcher explains about properness and employment. Nevertheless, some previous studies can be utilized to review the connection between etiquette and its impact on employment. For instance, talking about an organization's culture, Ravasi and Schultz (2006) broadly defined the term ‘organizational culture’ as “a set of shared mental assumptions that guide interpretation and action in organizations by defining appropriate behavior for various situations.” In other words, organizational culture is the common path for all actors in the firm. In this study, properness can be generally defined as a set of behaviors that match the inherent patterns of the organization. Many of the job candidates' boyfriends are discourteous and do not show respect to the company and staff members in the interview room, doing such things as sitting with their legs crossed and speaking loudly into a mobile phone during the interview.

It is not just about properness, it is also about personal image. When a job candidate comes with her boyfriend, it implies that she cannot do an interview without a guardian. In the interviewer's perspective, this job candidate is immature which translates to a lack of job compatibility because this job candidate cannot achieve her tasks on her own. It is a very bad personal indicator which causes many young women to miss out on a job. Hence, suitability and personal image provide an opportunity for the individual to get employed. Lack of properness and personal image are some more factors that cause the employment paradox.

P10: Awareness of business etiquette has negative relationship to unemployment and job vacancies.

P11: Personal image has negative relationship to unemployment and job vacancies.

The next respondent was a job interviewer and the writer of an examination paper for a programming position. Mainly in this interview, he said that personal capability is required.

“I was given the task interviewing and ascertaining the ability of applicants for an IT division at a previous company. I saw a lot of topics in internet forums talking about the low salary for a computer programmer. Some said that this was because programmers are not much different from laborers in that they can use a computer keyboard. But, they never acknowledge their own lack of programming skills. I always focused on reasoning and problem solving logic rather than command recitation when I designed a test. Some companies like candidates to physically write source code on paper as a test method. I do not understand the purpose of this kind of test because anyone can find code in an API Doc (help) or search Google. In this regard, I allow candidates to open their books and surf the internet during the test.

Unfortunately, less than 10 percent of all candidates passed the test. The company owner asked me how difficult my examination was. I told him that it was no more difficult than any of the basic duties the staff in his IT division was performing on a daily basis. They thought that the test is hard because they did not understand what algorithms were. This is due to the fact that the Thai education system requires students to memorize rather than causality and learning by doing. In short, those candidates lacked capability.”

From his vantage point, the key words are ‘capability’ and ‘education system’. Earlier in this study, workforce skill is discussed in the literature review section. Many studies (Rappaport, 2012; Gatta, 2005; Gatta, 2008; McHugh et al., 2011) explained that the high workforce skill or employee’s capability translates into a higher potential for the individual to get hired. In reality, all business owners want skillful people to work for them although skillful workers are a rare resource on this planet. Therefore, a large unskilled workforce has resulted, and the employment paradox comes into play.

The quote of DePrince and Morris (2008) was earlier reviewed. In some cases, a higher level of education does not provide a lot of benefit to a person. Only skill and experience can bring an advantage to him/her. If his/her skill and experience match the business owner’s requirements, he/she has better chance to get the job. Nevertheless, many studies (Helgesson et al., 2014; Hammarstrom and Janlert, 2000; Weber, 2002; Núñez and Livanos, 2010; Bai, 2006) still support that level of education impacts employment.

However, the education system is involved in developing human resources. If the major teaching method of the education system is verbatim memorization; the more a student remembers, the better the chance to get an ‘A grade’. So long as this is the case, students will never start to think outside of the box.

P12: Individual capability has negative relationship to unemployment and job vacancies.

P13: Quality of the education system has negative relationship to unemployment and job vacancies.

P14: Level of education has negative relationship to unemployment and job vacancies.

One of the respondents is interesting because he is a micro business owner but he commented from the standpoint of an employee. His previous job involved life insurance. His thoughts:

“I just left a fifty thousand Baht salary job. I have long-term debt for a house and a car. I have to support my wife and my little dog. Why would I decide to quit, right? There are a few reasons.

The first was the company’s propensity for defrauding customers; fourteen years of deception and exploitation of customers. I saw the ways they cheated customers. I kept asking myself what I was doing working in this insurance company, and finally couldn’t live with myself. I remember when the company sent me to convince a customer to accept a payment which was lower than that stipulated in the contract.

The second reason is that I’m getting older. I surmised that when I reach fifty-five, and the time has come to retire, that company had no policy to benefit or support its retired

employees. For those two reasons, I decided to quit and started a small business. The return is acceptable. I just plan for my future. About job vacancy, many micro businesses are simply self-employment, one person; the owner does everything and gets 100% of the return. If a micro business gets bigger, it requires more manpower, making things difficult to control.”

Two key words are revealed here are ‘business ethics’ and ‘fringe benefits’. For business ethics, Byrne (2011) figured out that business ethics are essential these days. Many businesses ignore laws concerning human rights and business ethicists went unheeded. In this perspective, if the firm without ethics ignores human rights or cheats customers, surely the employees would want to leave the firm at the earliest opportunity. It is a good thing to apply human rights and improve business ethics. Branco, Rodrigues (2006), and Kotler et al. (2012, pp. 12-16) explained that CSR (Corporate Social Responsibility) helps increase ability to retain employees of the firm. Between business ethics and CSR, a positive relationship exists, or they can be the same. Thus, if the business cannot keep its ethics, it’s hard to maintain the employee’s job satisfaction. For employee retirement support, it is absolutely related to the employee’s job satisfaction. One of the CSR practices is to fulfill the basic requirements of the employee because they are one of the stakeholder groups of the firm as Freeman (2010, p. 25) suggested.

P15: Business ethics has a positive link to employee’s job satisfaction.

P16: Business fringe benefit has a positive impact to employee’s job satisfaction.

After interviewing IT workers from various companies, many factors that relate to employee’s job satisfaction were revealed. Their comments had four attributes in common, which are as follows:

“I am one of staff member in an IT division, and there are four things that cause a struggle my mind. Number one is wage and advancement opportunity. For young graduated people, it is easier to get promoted than older workers. When his/her passes 30 years of age, everything becomes harder. Number two, is workplace climate. You have unpleasant supervisors and coworkers and the job is simply boring, you really have no choice but find another job. Three, there are plenty of job opportunities. Some are easy with less pay, some are hard with good pay. Most Thai workers want an easy job with good pay. That is why many business owners hire foreign workers who do not complain about less pay and hard work. Finally, job trends, when a mobile application is a hit, for example, many people decide to become mobile app developers. That causes job vacancies in other job positions.”

These are ‘payment’, ‘workplace climate’, and ‘trend influence’, which relate positively to employee job satisfaction. The factor named ‘payment’ is already suggested in the interview with the fifth respondent.

Workplace climate can affect an employee’s job satisfaction. Basford and Offermann (2012) presented research on the impact of coworker relationships on employee motivation and intent to stay. They indicated that “coworkers may greatly affect the workplace.” Furthermore, “coworkers can greatly affect organizational climate; helping to build energized, productive workplaces or to destroy them.” Steere (1988, p. 22) cited Maslow’s (1970) pyramidal model of needs to illustrate the five human needs. Applied to this study, employees are human beings and they absolutely have these five ‘needs’. The 1st need of the pyramid is basic fringe benefits that an employer can offer employees, such as free lodging and free toiletries. The 2nd need is employees’ safety and confidentiality; surely they do not

want to work with worry or fear. In the 3rd need, employees want peace and happiness, thus camaraderie in the workplace is good. The 4th need is employee desire to receive admiration from co-workers. And the 5th need is the potential for promotion and advancement and is highly dependent on the employer's ability to provide such. Hence, the employee is able to survive in the workplace so long as their needs have been satisfied and the workplace environment is conducive.

Perhaps, trend influence is best discussed by using the theory of work adjustment, which was discussed earlier. Dawis et al. (1968) stressed that it is probable for an employee to change his/her job if individual satisfaction and workplace atmosphere are not in tandem.

Naturally, when new job trends come along and they deviate from the current kind of job, if an employee is leaning toward following the new trend, his/her job's satisfaction will decrease. Porter (2004) wrote about exit and entry barrier many times, but it was from the perspective of business rather than employee and work adjustment. Comparatively, when a double-panel door is open, everybody can easily walk in and out. If someone closes the left panel of this door it will make it difficult for people to walk in and out. In the end, if the double-panel door is locked, it no longer serves as a door. In this standpoint, the lower the job exit and entry barrier, the easier it is to quit and find an alternate place to work.

P17: Workplace climate can affect an employee's job satisfaction in a negative way.

P18: Trend influence can affect an employee's job satisfaction in a negative way.

The other three respondents who are employees stated that employee job satisfaction and life satisfaction have a relationship with unemployment and job vacancies.

(1) "Thai people are waiting for easy jobs with high pay and that keeps them jobless. Some of them wait for money from government programs, or borrow money from financial institutions. When they are unable to pay back, they tend to violate the law, become a drug dealer or gambler, for example. Otherwise, they become a short-term taxi driver without experience. Even though factories around urban and country areas announce they need more truck drivers, people still prefer to be taxi drivers."

(2) "One of the reasons for the unemployment problem is the minimum wage increase. In fact, minimum wage in Thailand is 300 THB, but no one feels it is a living wage, especially employees. They can start with 300 THB only for one or two weeks and after that they will want 400 THB because they think they have some skills. If a person can do many kinds of work, they expect, at minimum, 700 Baht a day."

(3) "Don't forget that age is one of keys to get hired. Mostly, young people (up to 30) often change their job. Likewise, I watched TV last night and figured out that young Vietnamese often change their job, once or twice a year, the same goes for Thai teenagers. In the company that I am working for, the term 'basic human want' is defined. There are five human's wants these are participation, comprehension, supervision, esteem, and achievement."

These three quotes show that there are no other ways to explain the occurrence of unemployment and job vacancies other than job payment, job complexity, and basic want of human that suggested by Maslow (1970). If the interview had continued with other respondents, the replies would have continued in the same vein.

Last, the employment paradox occurs due to the convergence of mass unemployment and the high job vacancies. Thus, the final proposal in this study is as follows:

P19: Unemployment rate has a positive connection to the employment paradox.

P20: Level of job vacancies has a positive connection to the employment paradox.

Figure 1. Conceptual framework of the employment paradox

## Conclusion

This study delved deeply into part of the employment paradox, perhaps, that part is its core. Imagine that if the employment paradox were a living thing, it would have two giant arms, unemployment is its right arm and job vacancies is its left arm with fingers that can separate into three major groups: (1) employee attributes, (2) business attributes, and (3) national attributes. This overall perspective resulted in the giant conceptual framework (Figure 1).

The problem began when a large number of Thai employees left their positions because of a lack of individual job satisfaction, and that resulted in lose-lose situation, employees became jobless, while businesses faced job vacancies, and both suffered (P1). Job satisfaction is one of the critical factors relating to the matter of unemployed and employed. If we examine 'job satisfaction', we will see that there are sub-dimensions inside and Life satisfaction is one of them. When employees have problems with their finances, family, health, and so forth that certainly has negative impact on their attitude toward the job. Their satisfaction with life will decrease if employees feel that their job is not as good as they expected. Life satisfaction and job satisfaction are always go hand in hand (P2).

One thing that produces unemployment and job vacancies in many micro, small, and some medium sized enterprises is a low entry barrier. To start a micro business, an owner needs minimal capital, and maybe a few part-time employees. The micro-business owner has to deal with less government regulation, and experience is less crucial; everything seems to be easy in the view of the employees. Employees of micro businesses are more likely to quit their job and start to walk on their own path (P3). On the other hand, appearances are very deceiving. Opening a works facility is easy but winning customers is difficult, and that is what those former employees failed to think about.

However, the leadership ability of the owner is an important integer in the success formula. Pay and fringe benefits can raise employee's job satisfaction only to some degree, therefore leadership is needed. Without leadership, a business owner is no different from an automated teller machine in the eyes of the employee (P4). Some employers feel that the quantity and quality of domestic employee output is incommensurate with wages forcing employers to look to foreign workers. Foreign workers are shining stars to owners because most of them do not complain about low wages, low fringe benefits, and/or hard work. With this in mind, some business owners choose foreign workers over Thai workers even though the owners do not completely trust foreign workers (P5).

Some business owners commented that the new generation of Thai workers entering the workforce lacks industriousness. Without industriousness, difficult tasks become boring. When such workers enter the workplace it is almost certain that they will never sense job satisfaction. Inevitably, the only option for such employees is to quit their jobs (P6). In order to maintain the happiness of employees, key business people must learn management skills. For example, pay by month is often fruitless because some employees are lazy, involving themselves in such things as horseplay, or chatting on a mobile phone during the assembly process. When a superior appears they suddenly get back to work and act like nothing happened. Skillful management, for example, might change 'pay by month' to 'pay by piece', allowing a business to improve its performance and prevent job vacancies (P7). After managers acquire a certain level of management skills, their leadership will improve with the 'learning by doing' method (P8).

Level of job payment has a direct correlation to employee's job satisfaction. This is common sense, as most people on this planet will agree. Often, if an owner wants to maximize Thai employee job satisfaction, the owner has to increase wages or bonuses for the employees although they are unworthy (P9). Why is it that they are not worthy? Let's see why. Number one is they lack an awareness of properness. In other words, they have no business etiquette. From the Thai entrepreneur's standpoint, many Thai employees have no idea when and where the right time and right place is for some behavior. For example, many female applicants who have recently graduated from college bring their boyfriends to the job interview, and don't intervene when their boyfriends sit at the back of the room slouching and speaking loudly into a phone. She has an extremely high chance to lose out on the job. This study suggests that the higher the awareness of business etiquette, the lower the rates of unemployment and job vacancies (P10). Number two is personal image. According to number one, lack of business etiquette creates a very negative personal image in employers' and colleagues' eyes. It can make everybody judge you in a negative way and you can lose your job to a more suitable candidate (P11). Number three, employee's capability is significant. When the employee's capability does not reach an employer's expectations, that employee is expendable in the business owner's view (P12).

It is not just between employees and employers, characteristics of a country can make the employment paradox happen as well. Quality of the education system of a country plays a significant role in this conundrum. As discussed earlier, what will happen if the major teaching method of the education system is verbatim memorization? The more a student remembers, the better the chance to get a good grade. As a result, as students advance in such a system they become nervous to start thinking outside of the box. Nevertheless, a good grade is not an absolutely indicator of the abilities, skills, creativity, and so on that some companies want. That is why a good memory does not necessarily provide advantages in the working environment, in many cases (P13). However, many managers look first at an employee's educational background because they think that a higher level of education represents better performance and a stronger sense of responsibility (P14).

Business ethics is one of the many keys to maintaining an employee's job satisfaction. Human rights, environmental impact, cheating propensity, laws, etc., such things are important for business people to be mindful of and concerned about. Thai workers are only human and if they become unhappy with their job sooner or later they will leave that job for other opportunities. That is to say, the lower a firm's business ethics the lower the job satisfaction (P15). When a business owner is concerned about ethics, he/she will be unable to ignore fringe benefits for an employee. For example, lodging, free utilities (e.g., laundry



detergent, dish soap, toothpaste, etc.), and a free fridge, these are perks for employees. These fringe benefits allow managers to give their employees a sense of job satisfaction to some extent (P16). On the other end of the spectrum, fringe benefits are meaningless when climate in the workplace are very hot or very cold. Workplace climate is not about room temperature but it is about conflict among workers, demanding bosses and selfish co-workers, such conditions make the workplace climate fluctuate, suddenly hot and suddenly cold. Workers who cannot tolerate these repeated changes will say ‘farewell’ to their job (P17).

As we practitioners and researchers know, climate change in the workplace affects an employee’s job satisfaction. Job trend changes in society can affect an employee’s job satisfaction as well. When a new trend hits a marketplace, many people begin to contemplate leaving their jobs for the new one. In this regard, work positions that are not relevant to the new trend will experience more vacancies and many employees become jobless. In other words, the easier an employee becomes attracted to new trends, the higher the job vacancy and unemployment rate (P18). Ultimately, those employee’s attributes, business’s attributes, and the country’s attribute have effects on the unemployment rate and the level of job vacancies in Thailand. When both unemployment and job vacancies increase, whether sharply or incrementally, the employment paradox becomes apparent (P19 & P20).

For practitioners, this study provides the academic answers for some of the many questions that arise, such as how the employment paradox occurs in this country, why employees want to quit their job, what employees are thinking regarding their jobs, and so on. Understanding employees and the business allow the proprietor to instill job satisfaction in his/her workers, as illustrated in Sun-Tzu’s quote “know your enemies and know yourself, in a hundred battles you will never lose”. Thus, business owners have to analyze characteristics of his/her business, employees, and country in order to avoid job vacancies. Moreover, employees should analyze their situation and circumstances carefully to prevent themselves from becoming unemployed.

For academics, the conceptual framework is huge and carries many attributes in itself but it spotlights some areas of the employment paradox. Researchers can follow the suggestions in this study as a guideline to venture into the employment paradox in various countries. Difference in culture, geographic, etc. may bring various factors and answers to researchers. Due to the limitations of this study, the focus of this study is narrow and targets only Thailand and probably would have presented more factors had there been more respondents. However, the authors hope that this study can be a map for exploration into the employment paradox in other lands to whatever extent.

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