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THE INFLUENCE OF NATIONAL CULTURAL DIMENSIONS ON THE BUSINESS OPERATIONS OF MUSLIM ENTREPRENEURS IN CHIANG MAI, THAILAND

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Abstract

This research examines the national cultural dimensions that influence the business operations of Muslim entrepreneurs in Chiang Mai, Thailand. The study employs Confirmatory Factor Analysis and synthesizes the model using the Multiple Indicators Multiple Causes Model with the AMOS software. The unit of analysis consists of 321 Muslim entrepreneurs in Mueang Chiang Mai. It was found that Muslim entrepreneurs in Chiang Mai place the highest importance on organizational learning and growth. Internal processes rank second, followed by business performance and customer-related factors. The cultural dimension factors affecting business performance, ranked by total path coefficients, are masculinity and femininity, time orientation in work and life, individualism and collectivism, and power distance. The cultural dimension of Uncertainty avoidance had no significant effect on business operations. The qualitative research indicated that all cultural dimension factors impact business performance, which differs from the quantitative findings. The study's recommendations include promoting gender equality in the workplace, developing time management training programs, creating mechanisms to support adaptability to uncertainty, and enhancing cultural understanding in business management. These will enhance the capabilities of Muslim businesses in Chiang Mai and foster a conducive environment for long-term development and sustainability.

Keywords: National Cultural Dimensions, Business Performance, Muslim Entrepreneurs

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Introduction

Culture in each nation may be similar or vastly different across regions of the world. These differences present both opportunities and challenges in business operations and cross-cultural communication. In today's global economy, trade and economic activities are interconnected inescapably due to globalization, which underscores that what sets people apart is, in large part, "culture." Hofstede describes culture as comprising four key elements: symbols, heroes, rituals, and values. He defines culture as "the collective programming of the mind that distinguishes the members of one group or category of people from others" (Hofstede et al., 2010). This definition emphasizes that culture is a thinking pattern acquired from living within a particular group, differentiating individuals from other groups. Consequently, people with different cultural backgrounds lead organizations and departments with varying cultural dynamics. It is widely understood that culture can be categorized into three levels: national culture, business culture, and organizational or professional culture (Cullen & Parboteeah, 2008). National culture represents the dominant cultural patterns within a country or nation-state, often reflecting the values and practices of the majority of the most economically and politically powerful groups. National culture influences business practices and is transmitted within society. Trompenaars & Hampden-Turner (2000), Steers et al. (2010), and Laurent have discussed the importance of culture in business management from various perspectives. They suggest that understanding the culture of different countries makes it easier to conduct business, as it allows one to comprehend the thinking, attitudes, and needs of the people in those communities. At the same time, studying culture provides benefits in understanding business-related phenomena, as culture impacts business operations, especially in today's highly competitive and rapidly changing environment.

It is well-known that Chiang Mai is a major city in the region, characterized by a large population, a distinct culture, and its status as a world-renowned tourist destination. It has the largest economy in Northern Thailand and is home to various culturally diverse groups, clearly divided by religion and locality within different communities. The population of Chiang Mai is predominantly Buddhist, with 1,519,879 adherents, accounting for 91.80% of the population. The Muslim population is 19,371, making up 1.17% of the province's total population, while Christians are 92,716, or 5.60% of the population. The Muslim population in Chiang Mai is the second largest religious group after Buddhists. Furthermore, the number of Muslims in Chiang Mai is likely to increase due to the continuous migration of Muslims from other regions into the province.

At the same time, Muslim entrepreneurs in Chiang Mai engage in various service-related businesses, such as hotels, tourism, and restaurants, which generate significant revenue for the province. As Chiang Mai is the cultural hub of Lanna in Northern Thailand, it has experienced considerable economic growth, mainly due to its status as a tourist destination while preserving its unique cultural heritage. This cultural identity has been passed down through generations and remains a strong attraction for visitors. In recent years, many Muslim tourists have visited Thailand, particularly Chiang Mai, and many come from Middle Eastern countries. Chiang Mai has become one of the top destinations for Muslim tourists, who often travel in family groups to experience the region's beautiful culture and natural attractions while engaging in shopping activities, stimulating the local economy. In 2017, approximately 50,000 to 60,000 Muslim tourists visited Chiang Mai, and it was projected that this number would increase by about 5-10% by 2020. It is estimated that Muslim tourists account for about 20% of all visitors to Thailand (Aree et al., 2019). Therefore, studying the cultural dimensions that influence business operations is crucial for organizations, business students, and anyone working within multicultural organizations—both globally and locally, such as in Chiang Mai, where people from different ethnicities and religions coexist. These groups have distinct cultural perspectives and practices shaped by their traditions. In particular, the Mueang District of Chiang Mai is a

multicultural hub where Buddhists, Christians, Muslims, Sikhs, and Hindus have lived peacefully together for a long time. Thus, the significance of this research stems from the need to understand the influence of national cultural dimensions on business performance, particularly among Muslim entrepreneurs.

The research problem originates from the increasing role of Muslim entrepreneurs in the economic landscape of Chiang Mai. However, there is limited understanding of how their cultural background influences business practices and performance. Addressing this gap will contribute to academic knowledge and offer practical insights for improving business strategies, promoting organizational growth, and fostering inclusivity in the local business environment. In addition, the study will provide valuable insights for those interested in understanding how cultural dimensions influence business performance, enabling them to act appropriately and manage businesses more effectively for better outcomes. This knowledge will help those working with Muslim entrepreneurs interact appropriately and respectfully when conducting business together. Ultimately, this fosters smooth collaboration, mutual understanding, and harmonious coexistence, promoting unity and cooperation. Moreover, it will help mitigate potential issues arising from cultural misunderstandings.

Research Objectives

- 1) To examine the cultural dimension factors that impact the business performance of Muslim entrepreneurs in Chiang Mai.
- 2) To compare the cultural dimension factors affecting the business performance of Muslim businesses.
- 3) To develop a causal relationship model of the cultural dimension factors influencing business performance by identifying the variables with the most significant impact. This model will be applied to managing Muslim businesses studied and provide recommendations for conducting business with Muslim entrepreneurs in Chiang Mai.

Literature Reviews

Cultural Value Dimensions

Geert Hofstede's research is one of the most recognized and accepted studies on the impact of culture on organizational values. Hofstede, a psychologist working for IBM, collected data on employee values and attitudes from over 116,000 individuals in 50 countries between 1967 and 1973. This extensive dataset allowed him to compare cultural values across nations, identifying several cultural dimensions. Hofstede's work initially identified four primary dimensions and later expanded to include additional dimensions. These dimensions are as follows (Hofstede, 2008).

Power Distance: Power Distance refers to the degree to which less powerful members of organizations and institutions accept and expect that power is distributed unequally.

Individualism vs. Collectivism: This dimension measures how people prioritize individual goals over group goals. In individualistic cultures, there is a high value placed on personal achievements and independence, with relationships between individuals often being superficial.

Uncertainty Avoidance: Uncertainty Avoidance indicates the extent to which members of a society feel uncomfortable with uncertainty and ambiguity. High Uncertainty Avoidance cultures tend to create strict rules and regulations to minimize unpredictability and maintain stability.

Masculinity vs. Femininity: This dimension explores the distribution of roles between genders in a society. Masculine cultures value competitiveness, assertiveness, and achievement, with distinct roles and expectations for men and women. Feminine cultures place higher value on care, collaboration, and quality of life, with less pronounced gender role differences. Additional dimensions identified through further research include (Hofstede and Minkov, 2013).

Time Orientation: Time Orientation refers to how a society views and values time. Hofstede's initial work included perspectives on long-term versus short-term orientation, with long-term orientation emphasizing future planning and perseverance. In contrast, short-term orientation focuses on immediate outcomes and adaptability. Michael Bond and colleagues expanded this dimension to include more countries.

Indulgence vs. Restraint: Indulgence represents a cultural tendency towards enjoying life and having fun, with a focus on personal gratification and leisure. Conversely, restraint refers to a cultural inclination towards controlling desires and adhering to strict social norms and regulations. Michael Minkov introduced this dimension in his 2010 study, which analyzed data from 93 countries.

For this study, the researcher has selected six of Hofstede's cultural dimensions: Power Distance, Individualism vs. Collectivism, Masculinity vs. Femininity, Uncertainty Avoidance, and Time Orientation combined with Indulgence vs. Restraint. These dimensions are widely accepted and provide clear frameworks for understanding cultural differences. To streamline data collection, the study has combined Time Orientation and Indulgence vs. Restraint into a single category.

Cultural Dimensions and Business Performance

Numerous studies utilizing Hofstede's cultural dimensions have demonstrated their impact on strategic planning and business financial performance. For example, Hammou et al. (2014) found that high uncertainty avoidance can hinder innovation among employees, as it leads to a preference for stability over new ideas. (Carolina, 2019) asserts that understanding different cultural dimensions can enhance organizational and personnel understanding, mainly when working in or collaborating with diverse business environments. Moreover, favorable cultural dimensions can bolster a nation's competitive edge and lead to tremendous success in a rapidly changing global business environment.

The relevance of Hofstede's cultural dimensions to business operations has been underscored in recent research. Notable studies by Bellostas et al. (2023) and Pérez-Cornejo et al. (2023) all affirm that Hofstede's dimensions significantly influence organizational performance. Given this substantial body of evidence, this study focuses specifically on Hofstede's six cultural dimensions: Power Distance, Individualism vs. Collectivism, Masculinity vs. Femininity, Uncertainty Avoidance, Time Orientation, and Indulgence vs. Restraint. These dimensions are chosen for their clarity and broad acceptance in academic research, making them a valuable framework for analyzing business performance.

Performance Measurement Using the Balanced Scorecard Concept

The Balanced Scorecard (Kaplan & Norton, 1996) is a critical tool for measuring organizational performance and has been widely recognized as essential for the survival of organizations in today's environment. Both for-profit and non-profit organizations place significant importance on performance measurement systems. The Balanced Scorecard is a vital component of management systems in all organizations, enabling them to monitor the success of their strategic plans at every organizational level (Rompho, 2010; Thongbai, 2006). Research has consistently demonstrated the impact of cultural dimensions on organizational performance as measured by the Balanced Scorecard. The findings are summarized as follows.

Financial Perspective: Wang & Wang (2012) found that cultural dimensions directly impact the financial performance of hotels in Taiwan. This aligns with the results of Hammou et al. (2014), who showed that cultural dimensions influence strategic planning and financial performance within organizations.

Customer Perspective: This perspective evaluates organizational performance from the customer's viewpoint, including customer satisfaction, retention, and acquisition. Hsieh and Tsai (2009) found that cultural differences between American and Taiwanese hotel guests

affected their perception of service quality. Understanding these differences helps hotels tailor their practices to meet customer needs better.

Internal Business Process Perspective: Hammou et al. (2014) demonstrated that cultural dimensions affect strategic planning and financial capabilities in Morocco and the United States cement production organizations.

Learning and Growth Perspective: Gorodnichenko and Roland (2011) investigated long-term organizational growth and found that emphasizing individualism affects long-term growth. Rujirawanich, Addison and Smallman (2011) observed that a collective orientation fosters innovation within SMEs in Thailand. These studies underscore the significance of Hofstede's cultural dimensions in influencing various aspects of organizational performance, as captured by the Balanced Scorecard.

Research Framework

The study investigates the causal relationships between cultural dimensions and business performance among Muslim entrepreneurs in the Chiang Mai. This research focuses on Hofstede's cultural dimensions, encompassing the most comprehensive aspects of business culture. The conceptual framework for the study is structured around Hofstede's business cultural dimensions, as illustrated below.

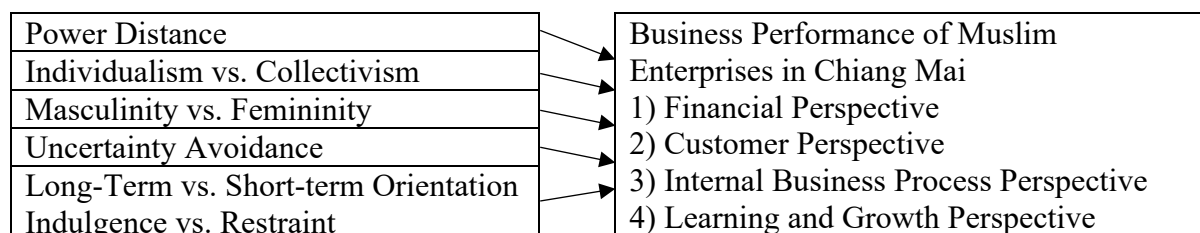


Figure 1 Conceptual Framework

Research Methodology

Research Design, Tools, and Data Collection

The research on national cultural dimensions affecting the business performance of Muslim entrepreneurs in Mueang District, Chiang Mai Province, Thailand, employs a mixed-methods approach, incorporating both quantitative and qualitative research methods. The researcher will analyze observed and latent variables using descriptive statistics to validate and interpret the findings. This includes Confirmatory Factor Analysis (CFA) and model synthesis using the Multiple Indicators and Multiple Causes (MIMIC) Model, conducted with AMOS software.

Quantitative Research

Sample Collection: This study's target population comprises Muslim entrepreneurs in Chiang Mai. However, the exact number is unknown due to these business owners' lack of formal registration. Based on estimates, the population is anticipated to be no more than 700 individuals. A proportion-based sample size table was consulted to determine the sample size, assuming an estimated population range of 500 to 700 individuals. The study set a target sample size of approximately 45% of this population, calculated as 315 participants. However, the final sample size was slightly increased to 321 individuals to ensure adequate data for reliable statistical analysis. This sample size aligns with standards for robust sample sizes, enhancing confidence in the findings derived from this research. The sampling method used in this study is detailed below.

The sample proportions for each key area within Mueang District, Chiang Mai, where Muslim entrepreneurs are located, are determined as follows:

Areas Included: The key areas are Chang Klan, Wat Ket, Chang Phueak Gate, and other regions such as the East (Bua Krok, Tha Sala) and the Southwest (Padad, Mae Hia).

Sampling Method: Proportional stratified random sampling ensures that each key area is represented. Within each area, simple random sampling is employed.

Sample Distribution: Chang Klan and Southwest (Padad, Mae Hia) = 107 individuals, Wat Ket and East (Bua Krok, Tha Sala) = 107 individuals, and Chang Phueak Gate = 107 individuals. The data is collected equally from each area, producing a balanced representation across all specified regions.

Research Tools: The study employs a four-section questionnaire to gather comprehensive data from Muslim entrepreneurs in Chiang Mai. The questionnaire includes general information, such as questions about the demographic and business details of the Muslim entrepreneurs operating in the area. **Cultural Dimensions:** Questions regarding the perceptions of Muslim entrepreneurs about Hofstede's cultural dimensions and their impact on business practices. **Business Performance:** Questions on the perceptions of Muslim entrepreneurs regarding their organizational performance were developed from foundational works by Kaplan & Norton (1996) and subsequent research and adaptations by Rompho (2010). **Feedback and Recommendations:** Questions soliciting opinions and suggestions on business operations and best practices for collaborating with Muslim entrepreneurs. The questionnaire utilizes a 5-point Likert scale for responses. It consists of 48 questions, divided into 29 Questions on cultural dimensions impacting business performance. 19 Questions on measuring business performance. This structured approach ensures comprehensive data collection and accurate measurement of the variables under study.

The researcher developed a questionnaire for this study that three experts reviewed for content validity. Feedback from these experts was used to analyze the validity of the content of the questionnaire items. The consistency of the items with the research objectives was assessed using the Index of Item-Objective Congruence (IOC), with a threshold value of 0.50 being deemed acceptable (Kongsawatkiat, 2009; Kaiyawan & Palaprom, 2010). Items with IOC values below 0.50 were revised and resubmitted for expert review until the experts deemed them appropriate. The IOC values for the items in the final questionnaire ranged from 0.33 to 1.00. The revised questionnaire was then pilot-tested with 30 non-sample entrepreneurs. The data from this pilot test were used to assess the reliability of the questionnaire using Cronbach's alpha coefficient, with a minimum acceptable threshold of 0.70 (Boonyaratnapan, 2014). The reliability analysis for each factor yielded Cronbach's alpha values ranging from 0.73 to 0.88, exceeding 0.70. The overall Cronbach's alpha for the entire questionnaire was 0.84, indicating high reliability. This suggests that the questionnaire is sufficiently reliable and suitable for data collection with the actual sample in this research.

Qualitative Research

Population and Sampling: The study targeted general managers or top executives of Muslim-owned businesses in the Mueang District of Chiang Mai for the qualitative research component. The study area was divided into several districts, including Chang Khlan, Wat Ket, Chang Phueak Gate, and additional areas. Data was collected equally from each district to ensure balanced representation. The informants were selected using purposive sampling (Traimongkolkul & Chattaporn, 2000). Data was collected through in-depth interviews with 12 general managers or top executives of businesses.

Research Instrument: A semi-structured interview guide was used for this qualitative research. This guide was used to conduct in-depth interviews with general managers or top executives on the following topics: Hofstede's cultural dimensions related to business. Business performance according to the Balanced Scorecard model. Opinions and recommendations regarding business operations and practices when working with Muslim entrepreneurs.

The semi-structured interview guide was presented to experts and qualified professionals for content validity assessment. Based on their feedback, the guide was revised and improved

accordingly. After incorporating the recommendations, the final version of the interview guide was used for data collection.

Data Collection: Once the informants were selected, in-depth interviews were conducted to gather data. After data collection, a crucial step in the research process is verifying the data before analysis. For qualitative research, data verification involves methodological triangulation (Traimongkolkul & Chattaporn, 2000). Merriam (2009) suggested using multiple methods to ensure the credibility of the data, including respondent validation, document analysis, participant observation, and in-depth interviews. This approach helps cross-check and confirm the accuracy and reliability of the data (Podhisita, 2005).

Data Analysis: The next step was qualitative data analysis after data collection through interviews. This process involves organizing and systematically analyzing the data to ensure credibility and quality. The qualitative analysis begins with physically and thematically organizing the data. The audio recordings were transcribed into well-organized documents for easy access and verification. Coding is a crucial step in data analysis. At this stage, the researcher carefully reviewed the organized data to identify meaningful segments relevant to the research topics.

Research Results

General Information of Respondents

The survey included 321 respondents, primarily male, under 30, and held a bachelor's degree. Most respondents were in various districts of Chiang Mai, with a significant presence in the Chang Phueak area. Key findings include Business Type: Most businesses were in the food sector. Employee Count: Most businesses employ no more than ten people. Registration: Most were registered as companies. Capital: The registered capital for most businesses was under 5 million baht. Revenue: Community enterprises predominantly had annual revenues of less than 5 million baht. Business Duration: Many businesses have been operating for 5-10 years

Opinions on National Cultural Dimensions and Business Performance

Opinions Regarding Cultural Factors: The study assessed the importance of various national cultural dimensions Muslim entrepreneurs perceive. In summary, the results indicate varying levels of importance placed on different cultural dimensions by Muslim entrepreneurs, with significant emphasis on time orientation and masculinity vs. femininity and comparatively lower emphasis on power distance, uncertainty avoidance, and individualism vs. collectivism.

Opinions on Business Performance: The analysis utilized mean scores and standard deviations to evaluate the opinions of Muslim entrepreneurs regarding business performance. Examination of individual questions revealed that most respondents rated this dimension as high across all questions. In summary, the findings indicate that Muslim entrepreneurs in Chiang Mai place the most significant emphasis on organizational learning and growth. The overall mean score for this dimension was 4.23, with a standard deviation (S.D.) of 0.836, followed by an internal process. The overall mean score for this dimension was 4.06, with a standard deviation (S.D.) of 0.839s. Customer perspectives. The overall mean score was 3.99, with a standard deviation (S.D.) of 0.897, and financial performance. The overall mean score for this dimension was 3.88, with a standard deviation (S.D.) of 0.913.

Causal Relationship Analysis According to the MIMIC Model

The causal relationship analysis was conducted using the MIMIC Model, with adjustments to create an over-identified model. The analysis aimed to examine the impact of cultural dimension factors on the business performance of Muslim entrepreneurs in Chiang Mai. The statistical metrics used to evaluate the refined model include Factor Loading, Standard Error p-value, Chi-Square, Degree of Freedom, CMIN (Chi-Square/df), GFI (Goodness of Fit Index), CFI (Comparative Fit Index), RMR (Root Mean Square Residual), and RMSEA (Root Mean Square Error of Approximation). The refined model achieved standard values for these

statistical metrics, indicating an acceptable fit and providing insights into the causal relationships between cultural dimensions and business performance for Muslim entrepreneurs in Chiang Mai. The results are depicted in the figure below.

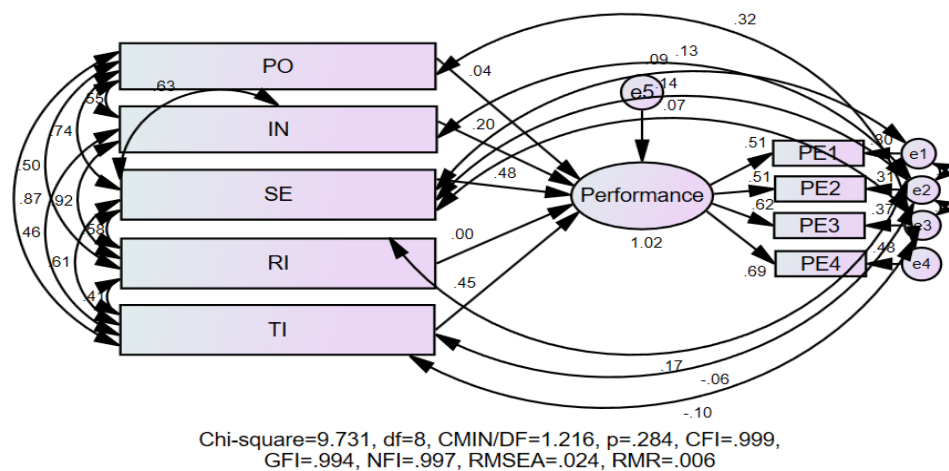


Figure 2 Illustration of the MIMIC Model showing the influence of cultural dimension factors on the business performance of Muslim entrepreneurs in Chiang Mai after refinement.

Table 1 Goodness-of-Fit Indices for the MIMIC Model. Cultural Dimensions Affecting the Business Performance of Muslim Entrepreneurs in Chiang Mai After Adjustment

Index	Criterion	Before Refinement		After Refinement	
		Statistical Value	Assessment	Statistical Value	Assessment
χ^2	$p > 0.05$	2233.558	Not met	9.731	met
χ^2/df	< 2	79.770	Not met	1.216	met
p-Value	> 0.05	0.000	Not met	0.284	met
CFI	> 0.95	0.254	Not met	0.999	met
GFI	> 0.90	0.496	Not met	0.994	met
NFI	> 0.90	0.253	Not met	0.997	met
RMSEA	< 0.08	0.456	Not met	0.024	met
RMR	< 0.05	0.156	Not met	0.006	met

From the accompanying image and table above, the Confirmatory Factor Analysis Stage 2 (CFA-2) of the MIMIC Model shows that the indices for assessing the model's goodness-of-fit after adjustment are as follows: Chi-Square (χ^2): The value is 9.731, which meets the criteria. Chi-Square/df (χ^2/df): The value is 1.216, less than 2, and meets the criteria of 8 degrees of freedom (df). p-Value: The value is 0.284, greater than 0.05, and meets the criteria. Goodness-of-Fit Index (GFI): The value is 0.994, greater than 0.90, and meets the criteria. Comparative Fit Index (CFI): The value is 0.999, greater than 0.95, and meets the criteria. Normed Fit Index (NFI): The value is 0.997, greater than 0.90 (Kline, 2005), and meets the criteria. Root Mean Square Error of Approximation (RMSEA): The value is 0.024, less than 0.08 (Kline, 2005), and meets the criteria. Root Mean Square Residual (RMR): The value is 0.006, less than 0.05 (Tanaka & Huba, 1989), and meets the criteria. All values are by the specified criteria.

Impact of cultural dimensions on the business performance of Muslim entrepreneurs in Chiang Mai: The MIMIC Model shows that the influence of cultural dimensions on the business performance of Muslim entrepreneurs in Chiang Mai is consistent with the theoretically specified model at an acceptable level. The impact estimates between variables are shown in the table below.

Table 2 Impact estimates between variables

Influence Relationship			Estimate	S.E.	C.R.	P
Performance	<---	Power Distance	0.044	0.043	1.750	0.000**
Performance	<---	Individualism vs. Collectivism	0.203	0.057	2.046	0.041*
Performance	<---	Masculinity vs. Femininity	0.475	0.057	5.786	0.000**
Performance	<---	Uncertainty Avoidance	0.003	0.050	0.029	0.977
Performance	<---	Time Orientation	0.450	0.118	4.216	0.000**

Note: ** $p < 0.01$; * $p < 0.05$

Power Distance has a positive but statistically insignificant relationship with business performance ($\beta = 0.044$, $p = 0.000$). Individualism vs. collectivism has a positive and statistically significant relationship with business performance ($\beta = 0.203$, $p < 0.041$). Masculinity vs. Femininity has a positive but statistically insignificant relationship with business performance ($\beta = 0.475$, $p = 0.000$). Uncertainty avoidance has a positive but statistically insignificant relationship with business performance ($\beta = 0.003$, $p = 0.977$). Time Orientation has a positive and statistically significant relationship with business performance ($\beta = 0.450$, $p < 0.000$).

Hypothesis testing of cultural dimensions affecting business performance of Muslim entrepreneurs in Chiang Mai: The results of hypothesis testing are analyzed based on the statistical values showing the relationships between the factors, as presented in the table below.

Table 3 Results of Hypothesis Testing

Hypothesis	Estimate	C.R.	Result
H1: Power Distance has a direct influence on business performance.	0.044	1.750	support
H2: Individualism vs. Collectivism has a direct influence on business performance	0.203	2.046	support
H3: Masculinity vs. Femininity has a direct influence on business performance	0.475	5.786	support
H4: Uncertainty Avoidance has a direct influence on business performance.	0.003	0.029	reject
H5 Time Orientation has a direct influence on business performance.	0.450	4.216	support

Note: ** $p < 0.01$; $p < 0.05$

Based on the table above, the results of the hypothesis testing show the relationships between cultural dimensions that impact the business performance of Muslim entrepreneurs in Chiang Mai. The findings support some hypotheses, specifically Hypotheses 1, 2, 3, and 5. However, Hypothesis 4, which posited that uncertainty avoidance would directly influence business performance, was not supported, as uncertainty avoidance was found to have no direct influence on business performance.

Total effect calculation of cultural dimensions on business performance of Muslim entrepreneurs in Chiang Mai: The results of the calculation of the Total Effect (TE) of cultural dimensions on the business performance of Muslim entrepreneurs in Chiang Mai are presented in the table below.

Table 4 Results of the Total Effect Calculation of Cultural Dimensions on Business Performance of Muslim Entrepreneurs in Chiang Mai

factors	PO Power Distance	IN Individualism vs. Collectivism	SE Masculinity vs. Femininity	RI	TI Time Orientation	TPE
TPE	.044	.203	.475	.003	.450	.000
PE1	.030	.139	.326	.002	.308	.514
PE2	.022	.104	.244	.001	.231	.506
PE3	.022	.103	.240	.001	.228	.620
PE4	.027	.126	.295	.002	.279	.686

Organizational Learning and Growth is the most prioritized factor, with a total path coefficient of 0.686. Internal Processes are the second priority, with a total path coefficient of 0.620. Business Performance follows, with a total path coefficient of 0.514. The customer is the fourth priority, with a total path coefficient of 0.506. Regarding cultural dimensions impacting business performance, they can be ranked by total path coefficient: Masculinity vs. Femininity, with a total path coefficient of 0.475. Time Orientation, with a total path coefficient of 0.450. Individualism vs. Collectivism, with a total path coefficient of 0.203. Power Distance, with a total path coefficient of 0.044.

Factor model of business performance for Muslim entrepreneurs in Chiang Mai: The quantitative research shows the factor model of business performance for Muslim entrepreneurs in Chiang Mai, as shown in the figure below.

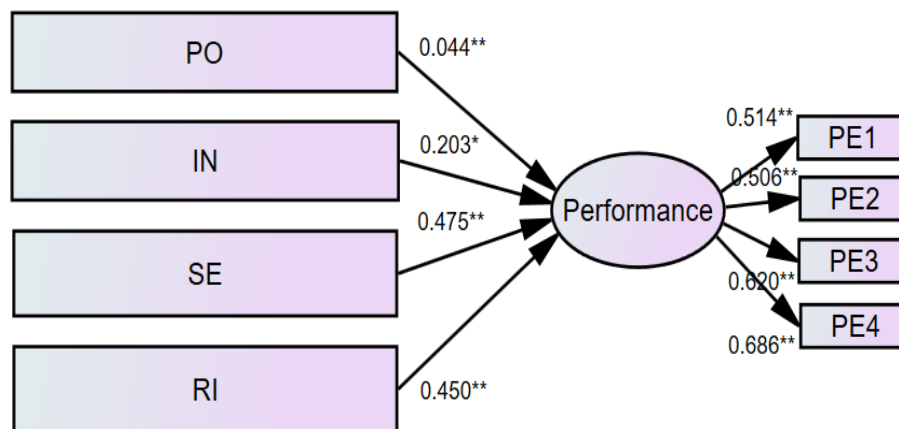


Figure 3 Factor Model of Business Performance for Muslim Entrepreneurs in Chiang Mai

Note: PO = Power Distance, IN = Individualism vs. Collectivism, SE = Masculinity vs. Femininity, TI = Time Orientation, PE1 = Business Performance (Financial Performance), PE2 = Business Performance (Customer), PE3 = Business Performance (Internal Processes), PE4 = Business Performance (Learning and Growth)

The influence values according to the MIMIC Model for the impact of cultural dimensions on the business performance of Muslim entrepreneurs in Chiang Mai are consistent with the theoretically specified model at an acceptable level. The influence values are as follows. Power Distance has a positive relationship with business performance but is statistically insignificant ($\beta = 0.044$, $p = 0.000$). Individualism vs. Collectivism has a positive and statistically significant relationship with business performance ($\beta = 0.203$, $p < 0.041$). Masculinity vs. Femininity has a positive relationship with business performance but is statistically insignificant ($\beta = 0.475$, $p = 0.000$). Uncertainty Avoidance has a positive relationship with business performance but is

statistically insignificant ($\beta = 0.003$, $p = 0.977$). Time Orientation has a positive and statistically significant relationship with business performance ($\beta = 0.450$, $p < 0.000$).

Results of Qualitative Data Analysis from Focus Group Discussions

This study involved a qualitative analysis based on focus group discussions with 12 representatives of Muslim entrepreneurs in Chiang Mai. This qualitative study aimed to explore in-depth information, facts, suggestions, and perspectives of stakeholders involved in the operation of medium and small-sized businesses. The goal was to identify effective models of national cultural dimensions that impact the business performance of Muslim entrepreneurs in Chiang Mai based on factors derived from the literature review. The interviews were conducted with general managers or top executives of Muslim businesses operating in Chiang Mai, totaling 12 individuals.

Table 4 Comparison of results from qualitative and quantitative research

Cultural Dimensions Affecting the Business Performance of Muslim Entrepreneurs in Chiang Mai	Result	
	Quantitative	Qualitative
H1: Power Distance has a direct influence on business performance.	support	support
H2: Individualism vs. Collectivism has a direct influence on business performance.	support	support
H3: Masculinity vs. Femininity has a direct influence on business performance	support	support
H4: Uncertainty Avoidance has a direct influence on business performance.	not support	support
H5: Time Orientation has a direct influence on business performance.	support	support

Based on the table, the results of the quantitative hypothesis testing are consistent with the qualitative research findings, supporting Hypotheses 1, 2, 3, and 5. However, Hypothesis 4, which posited that uncertainty avoidance directly influences business performance, was rejected by the quantitative research but supported by the qualitative research.

From the results of the five sub-hypothesis tests using qualitative research, it was found that all cultural dimensions affecting the business performance of Muslim entrepreneurs in Chiang Mai are consistent, except for Hypothesis 4, which differs from the quantitative research findings. The differences in the study results may stem from the sample sizes used in the quantitative and qualitative research. The quantitative study had a sample size of 321 respondents, while the qualitative research collected data from in-depth interviews with only 12 Muslim business owners. The qualitative approach involved two-way communication, allowing for a clearer understanding of various issues and contributing to the discrepancies in the findings between the two methodologies. This was particularly evident concerning uncertainty avoidance, which significantly affects the behavior of Muslim entrepreneurs. The qualitative study results indicated that Muslim business owners have a high level of uncertainty avoidance. They tend to work according to structured plans and follow management systems that strictly adhere to religious principles to achieve the objectives of their organizations.

Conclusion and Discussion

Power Distance

The research findings reveal that power distance directly impacts the performance of Muslim businesses. A clear hierarchical structure and adherence to commands from organizational leaders without dissent may affect the efficiency and adaptability of Muslim businesses.

Individualism vs. Collectivism

The hypothesis testing results indicate that individualism vs. collectivism directly affects the performance of businesses run by Muslim entrepreneurs in Chiang Mai. The balance between personal needs and group commitment in the context of Muslim businesses significantly impacts organizational effectiveness and success. In Thai Muslim communities, which often emphasize group work and mutual support, collectivism is crucial for fostering unity and cooperation within organizations.

Masculinity vs. Femininity

The results of hypothesis testing show that masculinity vs. femininity has a direct impact on the business performance of Muslim entrepreneurs in Chiang Mai. This highlights the role of gender roles in business management and operations within the Muslim community. The differences in roles and attributes expected of men and women significantly affect decision-making, management, and organizational performance. In Thai Muslim communities, values related to masculinity and femininity are often intertwined with Islamic principles and traditions, which shape gender roles and expectations in business.

Uncertainty Avoidance

The quantitative research findings reveal that uncertainty avoidance does not directly impact the performance of Muslim entrepreneurs in Chiang Mai. This suggests that factors related to managing uncertainty and risk in the context of Muslim entrepreneurs in Chiang Mai may not be as influential as expected. This finding may reflect the specific characteristics of the Muslim community in Thailand, where other factors might play a more critical role in determining business performance. Uncertainty Avoidance typically relates to the level of risk an organization can tolerate and measures to manage uncertainty. However, the finding that this factor does not directly impact business performance may indicate the flexibility and adaptability of Muslim businesses in Thailand.

Time Orientation

The hypothesis testing results show that Time Orientation directly affects the performance of businesses run by Muslim entrepreneurs in Chiang Mai. Effective time management, such as balancing time between religious practices, family care, and work, is essential for smooth and efficient business operations.

Policy Recommendations

Promote Gender Equality in the Workplace: The research highlights the influence of gender roles on business performance, emphasizing the importance of gender equality in Muslim enterprises. Public policies should support training and awareness-raising initiatives focusing on increasing opportunities for women in decision-making and management roles within organizations. **Develop Time Management Training Programs:** Since time management is a critical factor affecting the performance of Muslim businesses in Chiang Mai, policies should promote training programs on time management for Muslim entrepreneurs. Such initiatives can improve work and daily life efficiency, reducing stress and enhancing overall business performance. **Creates Mechanisms for Supporting Adaptation to Uncertainty:** Although Uncertainty Avoidance was not a significant factor affecting business performance, promoting flexibility and adaptation to uncertain situations should be part of public policy. Establishing business support networks during uncertain times, such as emergency funds or advisory services, can enhance business confidence and operational capabilities. **Enhance Cultural Understanding in Business Management:** The emphasis on Individualism vs. Collectivism within Muslim business contexts affects business performance. Public policies should foster an understanding of the cultural aspects of business within Muslim communities through seminars and programs that link cultural values with business management. This will promote the effective utilization of cultural values in management practices. **Support Research and Development in the Context of Muslim Businesses:** The research underscores the importance

of cultural and management factors specific to the Muslim community in Chiang Mai. Public policies should support further research on these issues to provide data for planning and developing policies that align with the community's needs. In addition, enhancing performance in areas of learning and growth, internal process improvement, customer care, and financial management efficiency is crucial for strengthening the competitive capabilities of Muslim entrepreneurs.

Recommendations for Future Research

To maximize the benefits of future research, the following recommendations are proposed:

Expand Research Scope to Other Areas in Thailand: To ensure the research findings are comprehensive and representative of Muslim communities throughout Thailand, future research should extend to other regions, such as the Muslim communities in the northern or other parts of Thailand. These areas may have different cultural and business contexts compared to Chiang Mai. Comparing research findings across different locations will provide a deeper understanding of the factors influencing the performance of Muslim businesses in various contexts. **Investigate Unexplored Factors:** Previous research has focused on specific cultural factors such as time orientation, masculinity vs. femininity, and uncertainty avoidance. Future studies should explore additional factors that may impact business performance, such as the effects of technology, leadership within the Muslim community context, or the significance of business networks and connections with international markets.

Examine the Role of Religious Education and Business Practice: Future research could focus on the role of religious education and training in business operations. Studying the relationship between religious practices and business success will provide a more complete picture of how Islam influences the management and operation of Muslim businesses in Thailand. **Analyze the Impact of Economic and Social Environmental Changes:** Future research should consider the impact of economic and social changes that may affect Muslim businesses. Understanding these impacts will be crucial for anticipating challenges and opportunities in the evolving business landscape.

The study found in this article can contribute to policy recommendations for Muslim entrepreneurs in Chiang Mai, enhance the potential of Muslim businesses in Thailand, and create an environment conducive to long-term development and sustainability. The significance of this research lies mainly in its findings, especially those derived from qualitative research, which offers insights into the perspectives of Muslim businesspeople and the various ways these perspectives influence their behaviors. This research fosters knowledge and understanding of cultural factors impacting business practices, enabling outsiders to gain insights into their business operations. Such understanding contributes to more appropriate and respectful interactions and promotes a peaceful and harmonious coexistence within a culturally diverse environment.

However, this study has some limitations, as Hofstede's theory can be somewhat challenging to grasp, and designing questionnaires requires meticulous attention. In some cases, it is necessary to provide personal explanations to respondents. Collecting questionnaires in certain areas can be difficult and may encounter limited cooperation, as businesspeople often have heavy responsibilities and limited time. Additionally, cultural differences between the researcher and respondents can pose challenges. Extra care must be taken when asking sensitive questions, especially those related to religious matters.

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