

# COUNTRY REPORT

THAILAND 2013

## ECONOMIC PROFILE:

### GDP OF 2013: GROWTH 3.8-4.3%

The National Economic & Social Development Bureau announced the GDP in the second quarter of the year expanded by 2.8 percent, decelerated from 5.4 percent in the first quarter. The substantial slowdown in the second quarter due to a high base effect, the slowdown of the first-time-car-buyer schemes, slow recovery of household income, constraint in exports sector and fragile global demand, and the fluctuation of Thai Baht.

## INFLATION:

According to The Bank of Thailand report as of July 2013, core inflation rate and headline inflation were 0.85% and 2.00% respectively.

## ECONOMIC CONCERNS:

Thailand's economic growth in the second quarter is lower than expected. However, the economic growth will encounter number of limitations and risks such as the depreciation of Thai baht, the delay in global economic recovery, a high base effect, and the increase in the public debts.

## LABOR SITUATION

### EMPLOYMENT OPPORTUNITY:

Among the contraction in economic in general, the unemployment rate is still low at 0.7 percent. Most of the jobless are newly graduated with bachelor degree, whilst the shortage at the level of vocational.



## HR CHALLENGES

There is a concern over the changes in demographic. National Statistical Office population census shows that the proportion of Thais age over 60 years old continues to grow and Casper Peek (2013) suggested that 16 percent of Thai are over 60 years old. Moreover, Economic Intelligence Center (EIC) advised that labor productivity growth is generally slow compared to the others.

→ Rehiring: Many companies are forced to rehire the employees who are over 60 years of age, mostly part time to cover the short of staff.

→ Lack of managerial and leader skills: As the gap between the executives and the middle managers is wider, some of the middle managers have been promoted because of their knowledge and technical skills. However, some of them lack of the managerial and leadership skills. Thus, HR needs to quickly prepare those middle managers with essential skills.

## PERSONNEL MANAGEMENT ASSOCIATION OF THAILAND (PMAT)

Personnel Management Association of Thailand (PMAT) was founded on November 17<sup>th</sup>, 1965 with the intention to modernize principles and practice in human resource management and industrial relations in Thailand, to provide academic knowledge and training to leverage competence, and to offer assistantship in human resource area, which will finally result in the proper utilization of human resource practices and industrial relations. Moreover, association acts as center for

knowledge and experience sharing, especially on issues related to human resource management and industrial relation, and do other human resource related issue, such as, giving academic assistants and suggestions to its members. Besides, association coordinates and cooperates with other professional organizations to promote sound understanding between employers and employees. Our members are ranging from organizations to individuals.

## HR ACCREDITATION:

Institute of HR Profession Development (IHPD), body under the umbrella of PMAT, had launched the HR Accreditation (PHR level) for the second year.

This year, IHPD has initiated to revise 3 Thailand's HR Accreditation elements to be updated which are competency set, test questions, and certification process. The revision process started with gathering data from PHR candidates, universities' lecturers and scholars, HR practitioners, IHPD committees via workshop, focus group, and questionnaire in order to standardize our HR Accreditation.

PMAT is also cooperating with Thailand Professional Qualification Institute (TPQI) to enhance the HR Profession Standard to National level.

Meanwhile, we still keep in touch with SHRM and we plan to implement HR certificate named "Global Professional in Human Resources (GPHR)" in due course. In addition, PMAT is now alert on the new global initiative called "draft ISO 260 - Human Resources Standard" which develop by SHRM and International Organization for Standardization (ISO) requirements in order to set up the new global Human Resources standard. This will largely affect all HR professionals around the world.

As a result, this HR certificate initiative in Thailand organized by PMAT is one of the success we have achieved recently. This leads us to the new milestones for HR professional in Thailand. It helps strengthening HR society, connecting the dots, and also connecting them to the world later by cooperating with SHRM. This new HR extended professional service has well proven again that PMAT is the leading HR professional association in Thailand for this year and the years to come.

## THAILAND HR FORUM 2013

On June 19<sup>th</sup>, 2013 PMAT held our annual event, HR Forum, with the theme “Re-visioning HR”. At the event, Professor Ulrich, who served as the keynote speaker, emphasized the importance of being HR from the Outside In which is to involve in stakeholders in HR concepts, activities, and processes. He also urged to improve HR competencies in 6 areas which are strategic positioner, credible activist, capability builder, change champion, HR innovator and integrator, technology proponent. Besides Professor Ulrich, PMAT had invited other honorable speakers who are organization leaders and HR practitioners from well-known organization domestically and internationally.

It was a success for PMAT and Thailand HR Society as a growing number of audience had registered to participate in our event. And at this Thailand HR Forum 2013 there were 600 audiences.

## SPECIAL WORKSHOP: THE LEADERSHIP & TALENT SUSTAINABILITY ACROSS BORDERS

PMAT had invited Professor Dave Ulrich to conduct a workshop on leadership and talent sustainability during June 19th- 20th, 2013. The main message of the workshop is that how HR can support sustainability of leadership change, how to make change stick successfully, and finally how HR work can bring success to organization.

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