Somchai Limmanee. 2002. Analysis of The Operational Performance of the Agricultural Central Market of Roi Et Province, 1993-2000. An Independent Study Report for the Master of Science in Agribusiness, Graduate School, Khon Kaen University. [ISBN 974-367-461-6]

Independent Study Advisory Committee: Dr. Preeda Prapertchob, Assoc Prof. Ampon Hornak

Abstract

The purpose of this study is to understand the structure, the behavior, the operational performance and the role of the Agricultural Central Market of Roi Et Province(ACMR), and to find the best way for minimizing the obstacles and solving the management problems in order to be an effective and enduring institution. A sample for this study was obtained from interviewing farmers who sold their paddy and merchants who bought the paddy at ACMR by using a structured questionnaire in the year of 2001. The analysis of the operational performance of central market was done by using the data between 1993-2000. The statistical procedure used was percentage and arithmetic mean.

The findings of this study included:

- 1. The ACMR in Roi Et province was founded under the provincial policy for helping farmers to have their own area in order to sell their products, with special emphasis on Jasmine paddy. The Bank for Agricultural and Agricultural Cooperatives (BAAC) of Roi Et was authorized to operate this central market. This operation was to operate for 10 years under the agreement with the Roi Et Provincial Office which will terminate on March 1St, 2003
- 2. The operational business of the ACMR consisted of a paddy sales promotional service, a paddy depository service, a sun-dry yard service for paddy, and a truck-load paddy weighing service. The rate of service charge was determined by the administrative committee of the central market.
- 3. The summary of the operation of agricultural central market, since 1993 showed that the business of paddy sales service tended to increase every year. It began modestly from 3,811.75 tons per year in 1993 but increasing to 26,889.39 tons per year in 2000 excluding in 1996 and 1997. Because of flood problems in 1996 and 1997, the quantity of service decreased. The number of farmers who sold paddy to the ACMR increased from 2.144 persons in 1993 to 15,148 persons in 2000.
- 4. The ACMR had losses between 1993 and 1998. But it made a profit in 1999 2000. It allocated the profits to the province under terms of the agreement. The province received 57,121.51 Baht. One of the most important conclusions of this analysis was that

they could earn the profit because the hand-over of management from the BAAC to the Marketing Cooperative for BAAC Clients. The new management could achieve in cost reduction particularly in administration.

- 5. There were 80 percent of the customers whom participated in paddy sales service at central market declared that they got fair prices. 90 percent of them informed that the service charge was reasonable while 80 percent revealed that the cost was decreased. All customers indicated there was fair measurement for weighing as well as faster service and could effectively solve the unscrupulous practices of the middlemen. Furthermore, it was 80 percent of them who visualized the business of the ACMR would be thriving.
- 6. The major problems of the ACMR included that there were not enough shovel tractors and weighing machines, a lack of public relations, and a lack of staff..
- 7. Suggestions for further development of this ACMR were the introduction of a marketing plan for both long and short terms, improvement of organization management by work load analysis, put the right man to the right job to make it more cost-effective. Furthermore, it should accelerate the public relation activities and expanding its service varieties to increase its income. The ACMR should provide the telecommunication and other necessary facilities for the customers.