Research Title Operation Leveraging Guidelines for Small and Micro

Community Enterprises in Lop Buri Province

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Year 2016

This research studies guidelines for the operations of Micro and Small Community Enterprises (SMCEs) program. The objectives of Study are (1) to examine current operations and management of the SMCEs in Lop Buri province, (2) to investigate obstacles of business activities, (3) to compare the operations of SMCEs especially textile cluster, and (4) to develop guidelines which can improve their operations. Mixed methods research is the principal methodology adopted. Quantitative technique is designed to statistically analyze and compare data regarding the SMCEs operations, performance, and problems. Moreover, this research applies a qualitative approach to deeply study and understand the problems and management of the textile cluster. A SWOT analysis is used to evaluate the strengths, weaknesses, opportunities, and threats involved in community enterprises.

Findings show that productions are main activities of the Lop Buri SMCEs and are related to agriculture since local people and their members basically are in farming sectors. Operations and products are therefore based on agricultural outputs such as processed agricultural products and finger weaving. For management, The SMCEs are established by communities. Local people voluntary participate in the enterprises and provide personal fund for establishment. The structure of SMCEs comprises members and a chairman together with broad of directors. The committee performs a role in directing the enterprises. For financial and accounting system, the SMCEs run businesses by using cash and open bank accounts for business transaction occurred. Daily transactions such as revenues and expenses are simply recorded in accounting books without the arrangement of financial statement. Members are placed into skill-based jobs and the enterprises monitor and evaluate their performances by observation. The SMCEs determine rules for their members to follow but it can be flexible. In addition, members themselves set production plans and requirement of raw materials from internal and external sources. Mostly, the

SMCEs sell their products to local marketplaces via middleman. Business environment in general is no intense competition.

Furthermore, the study finds that SMCEs are facing vital problems. They occasionally encounter scarcity of raw materials and labors. Packaging design does not meet satisfaction of markets and members lack capability. With limited distribution channels, they can sell products at only marketplaces supplied by government. More importantly, the SMCEs cannot access to financial sources and lack revolving funds using for their operations.

This research suggests promising means to resolve problems which are (1) applying a market orientated approach to SMCEs operation instead of production orientation, (2) seeking for new distribution channels such as using online marketing, (3) supporting the use of local resources, (4) cooperation between the SMCEs and education institutions, and (5) setting business goals for competition and successes.

Moreover, government should set up centers working with education institutions to accommodate knowledge and advices for the SMCEs. They can hence approach to useful information conveniently. It should conduct study on key success factors of successful SMCEs in various clusters. For this reason, the findings of study can provide information to promote SMCEs more efficiently.