

**THE INTEGRATION OF SOCIAL ENTERPRISE AND
SUFFICIENCY ECONOMY: CASES OF SOCIAL
ENTERPRISES IN THAILAND**

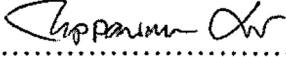
Akalak Yimwilai

**A Dissertation Submitted in Partial
Fulfillment of the Requirements for the Degree of
Doctor of Public Administration
School of Public Administration
National Institute of Development Administration
2015**

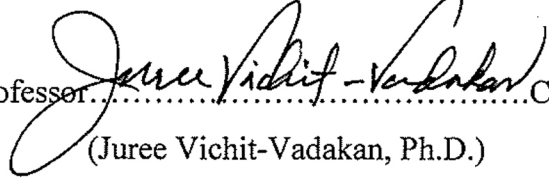
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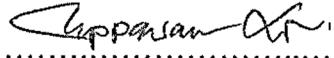
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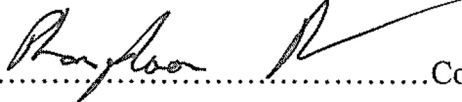
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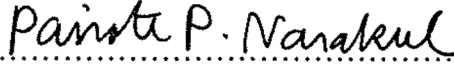
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October 2015

ABSTRACT

Title of Dissertation	The Integration of Social Enterprise and Sufficiency Economy: Cases of Social Enterprises in Thailand
Author	Mr. Akalak Yimwilai
Degree	Doctor of Public Administration
Year	2015

The objectives of this research were to study the integration between the concepts of social enterprise and sufficiency economy, and to develop the integrated model of social enterprise and sufficiency economy. The researcher used qualitative research methodology to study the contexts and processes responsible for the integration between the two concepts. The source of information used for the research were 4 case studies; all of which were social enterprises successfully integrated with the concept of sufficiency economy in Thailand. The case studies included 1) Uncle Krai's Orchard, Suksomboon, Wangnamkhiew 2) Garbage Bank Dindaeng District, Bangkok 3) Thai Craft Fair Trade Sathorn District, Bangkok, and 4) Meechai Pattana School Lamplaimart, Buriram. The overall informants were 29 people; the main informants were 4 social entrepreneurs represents the case studies, 20 informants who were closely related to the case studies, and 5 experts in the field of social enterprise and sufficiency economy. The instruments of research used for collecting information were semi-structured in-depth interview and observations. The qualitative analysis used were comparative case studies, and inductive reasoning.

It was found that 1) the integration of social enterprise and sufficiency economy on the conceptual level requires acknowledgement on the similarities and differences between the two concepts prior any attempt in the integration process. Therefore, the integration should initiate from adopting the concept of sufficiency economy as the starting point then begin the integration from social entrepreneur

level, follow by the social enterprise and organizations within the network, and subsequently expand to wider networks. It could be viewed that the knowledge of sufficiency economy represents the “core” and social enterprise is the “mechanism” from the integration perspective. 2) The integrated model of social enterprise and sufficiency economy required “contexts” including environmental context, social entrepreneurial context, organizational and network context, and lastly the expansion context. These contexts must be present throughout the integration processes. The integration process is divided into 3 different phases initiate from the pre-integration phase, followed by the integration phase, and lastly the expansion phase, which represents the completion of overall integration.

ACKNOWLEDGEMENTS

I would like to thank His Majesty the King, who provided the inspiration to study and research on the topic. My deepest appreciation to Associate Professor Tippawan Lorsuwannarat, who has continuously support the journey of this study. Without her guidance and persistent help, this dissertation would not have been possible.

I would like to express my gratitude to the committee members, Associate Professor Juree Vichit-Vadakan, and Assistant Professor Pharkphoom Rukhamate, who support the dissertation and made this possible. Most of all, I would like to thank my grandfather, who I made a promised to complete the doctoral degree since I was at a young age. The research would not be completed without the consistent support from my father, and mother who were behind all my successes. Special thanks to my family, and my wife who gave the love, support, and encouragement to finally complete the dissertation. I would like to thank my uncle, who was my friend throughout the journeys for the data collection. I would like to thank my assistant Tanaporn Buathong who also made this dissertation possible.

Akalak Yimwilai

March 2016

TABLE OF CONTENTS

	Page
ABSTRACT	iii
ACKNOWLEDGEMENTS	v
TABLE OF CONTENTS	vi
LIST OF TABLES	ix
LIST OF FIGURES	x
ABBREVIATIONS	xii
CHAPTER 1 INTRODUCTION	1
1.1 Introduction	1
1.2 Research Objectives	6
1.3 Research Questions	7
1.4 Research Scope	7
1.5 Expected Research Benefits	8
1.6 Organization of the Study	8
CHAPTER 2 LITERATURE REVIEW AND CONCEPTUAL FRAMEWORK	10
2.1 The Overview of Social Enterprise	10
2.2 The Definition of Social Enterprise	11
2.3 The Level of Analysis of Social Enterprise	19
2.4 Types of Social Enterprise	21
2.5 The Role of the Social Enterprise	24
2.6 The Process of Social Enterprise	29
2.7 Examples of Social Enterprise	33
2.8 Philosophical Explanation of Social Entrepreneur	35
2.9 The Definition of the Social Entrepreneur	36

2.10 The Differences between Business Entrepreneurship and Social Entrepreneurship	42
2.11 The Entrepreneurship Process	44
2.12 Non-Profit Social Enterprise	48
2.13 Models of Social Enterprise	53
2.14 The Social Enterprise Network	56
2.15 The Overview of the Concept of Sufficiency Economy Philosophy	59
2.16 Sufficiency Economy Philosophy and Capitalism	59
2.17 Sufficiency Economy Philosophy and Western Theories	62
2.18 The Definition of the Sufficiency Economy Philosophy	63
2.19 Key Attributes of Sufficiency Economy Philosophy	67
2.20 Relating Theories	68
2.21 Conceptual Framework	70
CHAPTER 3 RESEARCH METHODOLOGY	72
3.1 Research Guidelines	72
3.2 Research Design	72
3.3 Data Collection	78
3.4 Data Analysis	80
CHAPTER 4 DATA ANALYSIS AND RESEARCH RESULTS: INTEGRATION CONTEXTS	82
4.1 Case Study: Uncle Krai's Orchard	82
4.2 Case Study: Garbage Savings Bank	115
4.3 Case Study: ThaiCraft Fair Trade	150
4.4 Case Study: Mechai Pattana School	180
4.5 The Analysis of Case Studies	211
4.6 Summary of the Findings: The Contexts for the Integration of Social Enterprises and Sufficiency Economy	236
4.7 Conclusion	248
CHAPTER 5 DATA ANALYSIS AND RESEARCH RESULTS: INTEGRATION PROCESSES	249

5.1 Case Study: Uncle Krai's Orchard	249
5.2 Case Study: Garbage Savings Bank	260
5.3 Case Study: ThaiCraft Fair Trade	269
5.4 Case Study: Mechai Pattana School	275
5.5 The Summary of the Integration Process	286
CHAPTER 6 CONCLUSIONS, DISCUSSIONS AND RECOMMENDATIONS	298
6.1 The Experts' Understanding on the Integration of Social Enterprise and Sufficiency Economy	299
6.2 Issues Preventing the Successful Integration of the Concepts of Social Enterprise and Sufficiency Economy	313
6.3 The Integrated Model of Social Enterprise and Sufficiency Economy	315
6.4 Academic Contribution	327
6.5 The Definition of the Sufficiency-Based Social Enterprise	328
6.6 The Relationship between the Integrated Model and the Concept of Social Enterprise	329
6.7 Policy Implications	331
6.8 Future Research Suggestions	332
6.9 Final Words	333
BIBLIOGRAPHY	336
BIOGRAPHY	342

LIST OF TABLES

Tables	Page
2.1 Summary of the Definitions of Social Enterprise	16
2.2 SME's Framework	23
2.3 The Differences between Business Entrepreneurship and Social Entrepreneurship	42
2.4 The Differences between the Social Enterprise, Social Business, and Corporate Social Responsibility	52
3.1 Research Objectives, Research Questions and Research Methods	73
3.2 SME's Framework	76
3.3 Required Data, Research Objectives, and Data Collection Technique	79
4.1 The Comparison of the Case Studies.	212
5.1 The Summary of the Integration Process	287

LIST OF FIGURES

Figures	Page
2.1 The Entrepreneurship Process	45
2.2 Key Components of Entrepreneurship	46
2.3 Conditions for Successful Entrepreneurships	47
2.4 The Social Entrepreneur Process Model	54
2.5 The CASE Model	56
2.6 Sufficiency Economy Philosophy Framework	68
2.7 Conceptual Model	71
4.1 The Researcher Interviewing Uncle Krai Chomnoi	85
4.2 The Learning Center Situated in front of Uncle Krai's Orchard	86
4.3 The Researcher Interviewing Sirilak Siritho	88
4.4 The Researcher Interviewing Phanuwat Worawit	89
4.5 The Researcher Interviewing Somphon Klamklang	90
4.6 The Researcher Interviewing Thawisak Prakopphon	91
4.7 Uncle Krai's Network	107
4.8 Uncle Krai Chomnoi	111
4.9 The Researcher with Krai Chomnoi	115
4.10 The Researcher Interviewing Chatchanan Masawangpairoj	119
4.11 Products Made with Plastic Bags	120
4.12 The Garbage Savings Bank Account Book	120
4.13 The Researcher Interviewing Bumroong Rerkvichien	125
4.14 The Researcher Interviewing Nuanyai Lordnakorn	128
4.15 The Researcher Interviewing Daonapa Masawangpairoj	129
4.16 Details Regarding Garbage Prices in the Garbage Savings Bank	131
4.17 Conditions for the Membership of the Garbage Savings Bank	137
4.18 Garbage Saving Bank's Networks	138

4.19 Chatchanan Masawangpairoj with a Book of Sufficiency Economy Philosophy	150
4.20 The Researcher with Stephen Salmon.	155
4.21 The Researcher Interviewing Mark Salmon	157
4.22 The Researcher Interviewing Noppawan Phengchan	158
4.23 Local Products 1	162
4.24 Local Products 2	163
4.25 Agriculture Learning Building at Mechai Pattana School	183
4.26 The Researcher and Mechai Veravaitaya	184
4.27 The Researcher Interviewing Janprapa Gard-Osod	185
4.28 The Researcher Interviewing Jamlong Pulako	186
4.29 The Researcher Interviewing Phongsakon Charotram	187
4.30 The Researcher Interviewing Somkid and Tongjue	187
4.31 The Researcher Interviewing Charoen Sukaviboon	188
4.32 Agricultural Cement Blocks at Mechai Pattana School	196
4.33 Agriculture Learning Center for the Handicapped in Wheelchairs	210
6.1 The Contexts and Integration Processes of Social Enterprise and Sufficiency Economy	320
6.2 The Relationship between the Concepts of Social Enterprise and Sufficiency Economy	322

ABBREVIATIONS

Abbreviations

AEC

B.R.E.A.D.

CASE

CBEs

CSR

EMES

EVPA

GEM

IPCC

OTOP

PEST

SEI

SEL

SMCE

SME

UNDP

UNESCAP

Equivalence

ASEAN Economic Community

Business for Rural Education and
Development

Center for the Advancement of Social
Entrepreneurship

Community Based Enterprises

Corporate Social Responsibility

European Research Network

European Venture Philanthropy
Association

Global Entrepreneurship Monitor

Intergovernmental Panel on Climate
Change

One Tambon One Product

Political, Economic, Social and
Technological

The Social Entrepreneurship Initiative

Social Enterprise London

Small and Micro Community Enterprise

Small and Medium-Sized Enterprises

United Nations Development
Programme

United Nations ESCAP

CHAPTER 1

INTRODUCTION

1.1 Introduction

Throughout the past, Thailand focused heavily on developing competitiveness based on the capitalistic framework for the country's consistent expansion. By having the firm belief that capitalism is the best model for building the sustainable living for the people of all social classes, particularly in the attempt to promote a better quality of life, to gain economic stability, and to preserve the natural resources. Nonetheless, Capitalism may not be the right answer for developing the country, since it may not be enough to engage in the sustainability of the society and the environment.

Currently, Thailand has faced with a fragile social structure and deteriorating environment; such issues include the high level of poverty, wide income distribution gaps, various obstructions to improving the quality of life, lack of democratic participation, political turmoil, and staggering growth of economic development. All of which have affected the sustainable development of the nation. Even though the primary focus on developing various aspects of Thailand's economy and society has been successfully carried out in the past, but continuous problems are still occurring, particularly on the inequality of numerous dimensions (Nattapong Thongpakdee, 2007: 1-25). For example, Thailand has become one of the countries with an extremely rapid growth since 1980, but on the contrary, the country encountered a major financial crisis during 1997. During the period, it was the first country in Asia to receive a severe impact on the imbalance economy caused by a large sum of business loans (Navarat Sachayonsrisakul, 2009: 1-22). The crisis has taught Thailand's for the lesson of the lack of financial disciplines, the loss of sustainable competitiveness, and proper risk management that caused the imbalance in the national development. The outcomes of the crisis did not only affect the business

sectors but the majority of the Thai's citizens, who are mostly laborers and farmers with lower income. As a result, once the economic crisis occurred at a macro level, naturally, it would affect the local community's chance of survival, which is no different from a fire burning a haystack. The issues lead to a question of how Thailand can balance its national development in the capitalistic society while engaging in the sustainable development.

Solving community problems is considered crucial since the local communities are the second largest group of entrepreneurs in Thailand. Therefore, failure to develop the rural areas could affect the country's sustainable development in the long term. The researcher's viewpoint agrees with the national development plan that insists on the concentration for balancing the country; this is done by reducing the communities' dependency upon its government and the public sectors, while enhancing the community's inner strength through the concept of self-dependency in order to build up the immunity against the external and uncontrollable risks. This concept is highly similar to the concept of sufficiency economy philosophy by His Majesty the King. Therefore, the past country's development was focused mainly on the development of human quality and the environment (Juthapun Padungchivit, 2007 quoted in Office of the National Economics and Social Development Board, 2012: 4). Most of the issues occurred by the public, and private sectors encouraged much on the macroeconomic development; particularly in the industrial, agricultural, and commercial sectors. Therefore, there were less public spending on the improvement of life quality and promoting the local economy (Office of the National Economics and Social Development Board, 2012). This issue has become a chronic problem affecting the overall social structure and created the community dependency on the public and private sectors. Despite the problem, the researcher believes the country's development should encourage the competitiveness of the community enterprise as a mean to enhancing their immunity.

However, to promote the community towards self-development is highly challenging due to their limited resources and capabilities, but the researcher firmly believes that each individual, even a very poor person does possess a unique resource. Indeed, if each unique resource is pulled and combined, it should lead to the sustainable development. Thus, the concept of sustainable development should

consider the integration approach to involve each sector. This concept of sustainable development by including all the sectors to get involve has gained a great interest from after the economic crisis in 1997. The government seeks solutions by highlighting the support for the medium, small, micro and community enterprises. The outcome was the development of One Tambon One Product (OTOP). However, OTOP's success was faced with numerous limitations (Tanamai Jierkul, 2014: 177-191). Moreover, in the year 2015, with the advent of the Asean Economic Community (AEC) would allow the opening of the country to more potential oversea alliances and partners. Although the opening of the country to the AEC may yield several trade advantages, on the opposite, the concerning issues would be the increase in competitors, the oversea employees, and challenges in trading. This is particularly true, if Thailand is not prepared to cope with the situation, and the impact would be affected on the national scale. Currently, the government has given their top priority to developing the community competitiveness, while still preserving and strengthening the Thai traditional lifestyles and its indigenous wisdom. In other words, the country's development guidelines are to develop simultaneously the social structure while promoting the community enterprises at the same time. Nonetheless, this approach to socio-economic development requires consistency and devotion of time to develop, particularly to alter the people's attitude and perception toward self-development.

Therefore, the researcher firmly believed that the solution to sustainable development does not only depend on the income generation or strengthening the economy, but also place great emphasis on the improvement of social life. Particularly to enhancing the community people to have all of the four basic needs, including the food to consume, the clothes to wear, household, and the medications. Nonetheless, to maintain a good living condition, most individuals do need a stable source of income. Therefore, the community entrepreneurs and their employees should possess a set of necessary skills to manage their business so that they can compete in the world arena. In other words, sustainable development should originate from the combination of social, environmental and economic development. The community enterprises should be able to operate their business while able to generate income, and create new employment, as well as promoting a balanced life. It could be said that if the socio-

economic and environmental development are balanced, then the community ecology would be much improved. The reason for mixing the social and economic aspects is because the present lifestyle is inevitably unable to escape the control of capitalism because the majority of people need a steady income to survive. The main concern is how to promote and develop a new system that would bring the new equilibrium of social and business aspects. The researcher believes that the integration of the “social sector” and “business sector” could serve this purpose, but it may require a further research and a suitable approach to make such a concept becoming the reality.

In the past, several Thai governments attempt to implement His Majesty the King’s concept of sufficiency economy philosophy as a guideline to develop the nation. Despite the familiarity with the concept of sufficiency economy philosophy, another concept of social enterprise also explains the similar intention of improving the social and economic development. Due to the similarity, a study of the integration of the two concepts would provide an alternative to solve social issues in the Thai context.

The concept of “social enterprise” involves the role of the “social entrepreneurs” to solve social and community issues via engaging in the private sector management approach. The concept has adopted the strategies and tools from the private sector, such as marketing, product design, innovation management, financial management, and risk management. Particularly, to create opportunities to drive the social innovations that can generate income for the community and the social enterprise. A social enterprise usually cooperates with other society members in a form of a network to create motivations for the others to join the social cause; this could be done by generating income together. It can be seen that the social enterprise attempt to blend the social, economic, and environmental aspects together. Moreover, the social enterprise would aim to promote the concept of self-reliance, interdependence, creating employment, careers, new businesses opportunities for the community. Also, social enterprises focus on the development of human and the environment, instead of making an enormous profit from the social cause. Thence, the benefits from the collaboration between the social enterprise and its networks are returned to the society in the form of social and environmental development.

However, the approach of social enterprise is considered new and requires a closer study. If one is intended to apply the concept of social enterprise in Thailand, it should be adapted to match the context of the Thai society; such as its culture, traditions, beliefs, lifestyles, attitudes and perception, and social behavior. However, the concept of the social enterprise may not be for everyone because to be a social entrepreneur; one must possess a business expertise with a devotion to improving the society.

Regarding the concept of sufficiency economy philosophy, it is knowledge that is widely accepted throughout Thailand and is also most applicable to the Thai social context. Thus, by studying a possibility to integrating the concept of social enterprise and sufficiency economy philosophy, an innovative approach could be created to match Thailand context. Despite the similarity between both concepts, there has not been any attempt to study the integration of both concepts to date.

The sufficiency economy philosophy is a concept initiated by His Majesty the King, which has a universal appeal and applies to many management practices, including social enterprises. The sufficiency economy philosophy is very much involved with the mindset of individuals that is connected to their lifestyles, career, and way of life. Furthermore, the sufficiency economy philosophy focuses on learning, encouraging people to share information and knowledge, to be conscious and rational, to be self-sufficient, and promote creativity and innovation. It could be understood that the concept places great emphasis on the development of the human capital to solve social and environmental issues toward a better sustainability for all (Office of the National Economics and Social Development Board, 2012).

Therefore, the concept of His Majesty the King is considered a unique philosophy that originated from His Royal kindness for the Thai people. The sufficiency economy philosophy, or so-called “sufficiency economy” is applicable from the individual to community levels. Moreover, sufficiency economy could be well integrated with other theories, since the concept promotes diversity and place the emphasis on the co-existence of things (Sawai Boonma, 2007 quoted in Sawai Boonma, 2009, 18 May: 49).

To sum up, the sufficiency economy would be beneficial for the sustainable development since it is concerned with the balancing of goals that adheres to the

concept of the middle path, which is the Buddhist teaching of balancing among many things. Moreover, the concept also explained the importance of modesty, honesty, rationality, having a strong immunity to face environmental changes, continuous learning to become knowledgeable, and being conscious in all actions (Direk Pattamasiriwat, 2007 quoted in Office of the National Economics and Social Development Board, 2012; Nattapong Thongpakdee, 2007; Prasopchok Mungsawad, 2007; Suthipan Bongsunan, 2009). As His Majesty the King (Bhumibol Adulyadej, H.R.H. King Maha Chakri, 1973 quoted in Nattapong Thongpakdee, 2007: 1-25) explained “It is imperative for everyone to exercise judgment intelligently regarding their own action that required careful practice with rationality, having full consciousness and awareness to overcome all the evils”.

These essences of sufficiency economy are very well suited to integrate with the practice of social enterprise, and should strengthen both concepts once they are integrated. Particularly to balance the social enterprise social and business objectives.

Due to this perception, the goal of this research is to study the integration of social enterprise and sufficiency economy, as well as seek to develop an integrated model of social enterprise and sufficiency economy.

1.2 Research Objectives

The researcher aims to study the integration of social enterprise and sufficiency economy as follows:

- 1) To study the contexts, components of contexts, and processes in the integration of social enterprise and sufficiency economy.
- 2) To develop the integrated model of social enterprise and sufficiency economy.

1.3 Research Questions

The main research questions are as follows:

- 1) What are the characteristics of the contexts, components of the contexts, and processes in the integration of social enterprise and sufficiency economy?
- 2) How to systematically integrate social enterprise and sufficiency economy?

1.4 Research Scope

This research aims to study the concepts of social enterprise, social entrepreneur, organizational network, and sufficiency economy. The criteria for selecting the case study is based on the following characteristics: (1) ability to generate income and at the same time creating social value; (2) capable of balancing the profit making and meeting the social goals; (3) promote a better living for the involved society or community; (4) prioritize the social value rather than one's own benefits; and (5) the organization must be integrated with the concept of sufficiency economy philosophy.

The researcher selected only the micro and small social enterprises to study, namely: (1) an agricultural, social enterprise; (2) an environmental, social enterprise; (3) a learning support social enterprise; and (4) a commercial social enterprise. Medium and large social enterprises were not chosen for the study since they are not the appropriate representative of many social enterprises existing in Thailand.

The characteristics of the case studies must focus on two main objectives: (1) aiming for the social and environmental benefits; and (2) focus on achieving the business objectives. Also, the study intended to study the experts' opinions on the integration of sufficiency economy philosophy and the concept of social enterprise. The goal of the study is to identify the necessary contexts and processes that are essential for the integration of social enterprise and sufficiency economy. The researcher also attempted to develop an integrated model of social and sufficiency

economy. The study will utilize descriptive analysis, comparative case studies, and inductive reasoning to seek findings in this research.

The research is based on the qualitative study of the selected 4 case studies to ensure a perfect understanding of the integration. The 29 informants consist of the social entrepreneurs, the individuals who are involved in each case study, and the experts will be conducted by the in-depth structured interview. The overall study lasted over two years.

1.5 Expected Research Benefits

This research conducted a study of the integration of social enterprise and the sufficiency economy philosophy. The expected findings from the research aim to provide a better understanding of the integration of the social enterprise and sufficiency economy. The study hopes to seek an alternative to sustainable development via the role of social enterprise. Furthermore, the researcher hopes that the research findings will clearly benefit the development in both concepts of the sufficiency economy philosophy and the social enterprise.

1.6 Organization of the Study

The research divides into the following chapters.

Chapter 1: Consist of the introduction, background and problems, principles and reasons, research questions, research scope, and expected research benefits of the study.

Chapter 2: Comprises of the conceptual framework, theories, and a literature review on the basic knowledge related to the social enterprise, social entrepreneurs, organizational network, and sufficiency economy philosophy.

Chapter 3: Involves the research methodology, which comprises of (1) the research guidelines; (2) the units and levels of analysis; (3) the research design; (4) the data collection; and (5) the data analysis.

Chapter 4 contains the findings from the descriptive analysis involving the contexts from the following case studies: (1) The Luang Kai Orchard Social

Enterprise; (2) The Dindaeng Garbage Bank Social Enterprise; (3) The ThaiCraft Fair Trade Social Enterprise; (4) The Mechai Pattana School Social Enterprise. At the end of the chapter, the researcher proposes a summary of the appropriate and necessary contexts for the integration of social enterprise and sufficiency economy.

Chapter 5: Contains the analysis of the integration process from each case study. At the end of the chapter, the researcher proposes a summary of the integration processes necessary for the integration of social enterprise and sufficiency economy.

Chapter 6 consists of thoughts and perceptions regarding the integration of social enterprise and sufficiency economy from experts in the fields of the social entrepreneurship and the sufficiency economy; and the obstacles that arose from the case studies that prevented the integration of the two concepts. Following the explanation of the integrated model of the social enterprise and the sufficiency economy, results in discussion, policy implications, future research suggestions, and final words.

CHAPTER 2

LITERATURE REVIEW AND CONCEPTUAL FRAMEWORK

The researcher studied and conducted a literature review with the attempt to understand the current concepts, knowledge, and other research related to the social enterprise, the social entrepreneurship, the sufficiency economy, and the organizational network. The literature review provided the researcher with a better understanding of the research topic and assisted in formulating the conceptual model for further research.

2.1 The Overview of Social Enterprise

The concept of the social enterprise is still unclear in the academic community, particularly the definition had been expressed mostly in abstract terms. The reasons for such vague definitions is because the concept is relatively new and mostly defined depending on different contexts; as a result, the variation in contexts such as social settings and values have made it difficult to provide a single and acceptable definition.

Many disciplines, whether the social sciences, economics, business administration, political sciences or public administration, have attempted to explore the concept of the social enterprise. Hence, the concept has not been able to be defined or explained by any particular discipline. Rather, many disciplines have agreed that such concept possesses an “interdisciplinary’ nature.

Despite the unclear definitions, the concept of the social enterprise continues to be accepted by many practitioners. Based on the study of the Aspen Institute in 2007 there are increasing numbers of social entrepreneurs worldwide. This finding indicated that around 63 percent of all the faculties in business administration teach courses relating to the social enterprise; mostly focusing on the environmental, and

the social and ethical issues related to the business decision-making process. Presently, many social enterprises have the increasing role in helping the society and have initiated the concept that any successful operation should pay close attention to the effect of social and environmental issues, particularly the notion of social equality, equal opportunity, and promoting a better local community environment.

However, the main purposes of the social enterprise understood by many academics and practitioners are to develop alternative methods to solve social and environmental issues by utilizing business and private sector approaches. The researcher firmly believes that such an approach has the potential to promote sustainable growth in Thailand, as the country is very much in need of different alternatives to creatively solve its community and economic problems rather than purely relying on the assistance from the public sector and the government. This idea coincides with the ideas of Borestein (2007 quoted in Kickul and Lyons, 2012: 4) who believes that the increasing role of social entrepreneurs will be most appropriate for to solve social issues for the modern day for the following reasons:

- 1) Global growth has created a new rich middle class with sufficient wealth to invest part of it in the social sector.
- 2) The rapid growth of some democratic societies or semi-democracy grant citizens with freedom to seek alternative solutions to solve social and environmental problems, with less dependency on the government or business sector.
- 3) The advancement of modern communication technology has made people around the world perceive surrounding problems and want to create a social impact.
- 4) The growth of higher education has increased the number of graduates that perceive the world better than ever before.
- 5) Greater participation of females and other minority groups that have been neglected in the past.

2.2 The Definition of Social Enterprise

As mentioned, the concept of the social enterprise is considered a relatively new concept in academic circles. However, the researcher has studied various

concepts and definitions and has compared many of them to create a better understanding of a singular definition. The researcher has comprised the following definitions:

According to the European Venture Philanthropy Association (EVPA) the social enterprise is defined vaguely as follows: “Social enterprise is a form of organization, focused on social outcomes by aiming to alleviate social issues that the government and the market failed to solve” (Maretich and Bolton, 2010).

Even though EVPA has attempted to define the concept, they admit that a universal definition to date cannot be accepted as yet; as a result, they conducted further study of the sub-types of social enterprises to provide a clearer concept of social entrepreneurship as follows:

1) The social enterprise is managed by social entrepreneurs with the aim to seek solutions to fix social problems; (2) a group of people growing from the philanthropy segment with the goal to support social groups through donations or other forms of exchanges; (3) a group of businessmen trading with state organizations; (4) a group of private business sectors with the aim to create a social impact; (5) a group of participating individuals that want to be part of projects to benefit the society; (6) legally-accepted organizations perceived as true social enterprises.

2) Morley and Peattie (2008) further studied the type social enterprises in their research and claimed:

By studying various types of social enterprise enabled us to move beyond the controversies on the search for definitions because by learning the characteristics of many social enterprises, one could allow themselves to study the differences and similarities between each organization. This would be much more productive and appropriate to transfer to the business literature.

3) Defourny and Nyssens (2010) researched the conceptual framework of the social enterprise and social entrepreneurship in The EMES European Research Network by studying different criteria for social enterprises in 15 countries. Their

approach was to study the concept in various academic disciplines, including economics, political science, and management. Their analysis particularly focused on the “economic” and “entrepreneurial” dimensions and resulted in the definition of social enterprise as follows: (1) the organization has continuous activities to produce products and services; (2) the organization is highly autonomous; (3) the organization has high economic risk; and (4) the organization tends to be underpaid. Moreover, they also suggested that the social dimension is relevant to the social enterprise as follows: (1) operate with true purpose for community benefit; (2) initiated by a group of citizens; (3) self-determined; (4) emphasize group participation, as well as involving other agencies in activities; and (5) having a clear goal to distribute income. The EMES (Defourny and Nyssens, 2008 quoted in Defourny and Nyssens, 2010: 43) provided a clearer of definition as follows:

A social enterprise is a privately-owned business that has no intention to gain profit from delivery merchandises or services, and never expecting a beneficial return from the community. The social enterprise consists of stakeholders helping each other to manage their businesses. Even though social enterprise may possess high autonomy, social entrepreneurs must be able to handle the financial risk surrounding their businesses as well.

4) According to Social Enterprise London (Social Enterprise London, 2011) they defined social enterprise as “a form of business with a social objective, it pursues business operations to invest in community development rather than purely maximizing profits for the stakeholders and business owners”.

5) The Centre for Social Enterprise

(www.centreforsocialenterprise.com) has given a broad definition of a form of social business that generates income and operates either by a non-profit organization or profit-making organization. A social enterprise should have two objectives consist of (1) achieving goals in the areas of social, economic, cultural, community, and environmental development; and (2) to seek business earnings similar to other businesses. Therefore, social enterprise operates very similarly to the business sector

with key purposes to producing products, and create services that could generate profit and then reinvest into the society and the environment.

6) The Forth Sector Development (2013) believes that the social enterprise is another approach to doing business but with a social intention, and such a combination of both activities could be seen as seeking a double bottom line. Therefore, the social enterprise is similar to general businesses but places great emphasis on generating income, selling merchandise, or offering services in the market. The products, services, or other forms of activities should consist of social value, improve socio-environmental well-being, and promote better community development.

7) According to Hockerts (2006 quoted in Kickul and Lyons, 2012: 9) the social enterprise is a concept that is consistently evolving. It could be either profit-making, non-profit making or even a hybrid or all of the aforementioned. Interestingly, the social enterprise can take the form of “hybrids combining sectors” via the cooperation of multiple sectors. This notion is also consistent with Austin (2006 quoted in Kickul and Lyons, 2012: 19) who believes that the concept of the social entrepreneurship has no definite ground; rather, the social entrepreneur could exist multiple sectors, as he suggested: “social entrepreneurship is innovative, social value creating activity can occur within or across nonprofit, business, and public sectors”.

8) Wei-Skillern (2007 quoted in Kickul and Lyons, 2012: 19) discussed the idea of the continuous growth of social enterprises as “hybrid social enterprises,” as he suggested that, “social purpose business ventures are hybrid enterprises straddling the boundary between the for-profit business world and social mission-driven by public and nonprofit organizations. Thus, they do not fit completely in either area”.

It could be interpreted that such hybrid enterprises purpose social affairs, and manage by the business mechanism. Hence, is a mixture of having both social goals and profit-making. However, it is difficult to decide whether the social enterprise should be classified as a business, governmental action, or activities in the non-profit organizations.

9) According to Light (2005 quoted in Bielefeld, 2009: 69-86) it was suggested that the concept of the social enterprise through the role of social entrepreneurs is as follows: “social entrepreneurship may consist of an individual, a group of individuals, organization and networks, and alliances cooperating with each other in order to reach social goals with creative ideas. Social entrepreneurship could be described as: (1) does not have to be an individual; (2) an attempt to seek sustainable change on a larger scale; (3) an idea that could shape the way things are managed; (4) could occur in any sectors; and (5) no need to strive for being a successful social enterprise. The social enterprise could be either (1) a non-profit organization; (2) a profit-seeking organization; or (3) government agencies. However, it is not a non-profit organization that relies on donations but is a profit-making organization actively pursuing commercial activities to achieve both social and financial goals (Bielefeld, 2009: 69-86).

To conclude, the aspects of a social enterprise, Bielefeld (2009: 73) suggests the followings:

- 1) Ability to find investment capital without relying on government support or through donations.
- 2) Having the freedom to make decision without the government or donation intervention.
- 3) Having alternative sources of capital.
- 4) Invest capital in innovations.
- 5) Promote sustainable development.
- 6) Seeking benefits from new opportunities.
- 7) Should be self-sustained.
- 8) Promote double-bottom-line operations which a focus on building social values and generating a profit, or a triple-bottom-line that focuses on building social values, generating a profit, as well as balancing the environment.
- 9) Promote an entrepreneurial spirit.
- 10) Increase customers’ awareness and understanding.
- 11) Continue to evaluate social values.
- 12) Promote organizational skills and competencies.

13) Promote organization's image and reputation from the investor and community perspectives.

Mair and Marti (2006 quoted in Kickul and Lyons, 2012: 18) mentioned that the social enterprise could build a profit and support society both at the same time, "Social enterprise is a private organization dedicated to solving social problems. These organizations have pursued goals that could not be measured simply by profit generation, market penetration, or voter support".

In summary, the definitions of the social enterprise gathered and compiled by the researcher indicate that social enterprise takes the form of a "hybrid organization" involving individuals, organizations, and networks from various sectors that use skills, resources, capabilities, competencies to solve social problems creatively in the form of social innovations. As such the goal of the social enterprise has three purposes; namely, social development, income generation, and participation in environmental preservation, with the ultimate goal of seeking sustainable solutions via the utilization of business disciplines and approaches. The researcher summed up the definitions described earlier in Table 2.1

Table 2.1 Summary of the Definitions of Social Enterprise

Source of Definition	Social Enterprise Definition
European Venture Philanthropy Association (n.d. quoted in Maretich and Bolton, 2010)	<ul style="list-style-type: none"> • Seek solutions to social problems that the government and the market system were unable to solve. • Solve social issues through marketing and innovations. • The social enterprise can occur in 4 forms: (1) managed by social entrepreneurs; (2) operated by a group of individuals focusing on donations; (3) operated by a group of individuals connected with the government; (4) operated by a group of private business sectors with social goals;

Table 2.1 (Continued)

Source of Definition	Social Enterprise Definition
European Research Network (n.d. quoted in Defourny and Nyssens, 2010)	<p>(5) operated by a group of individuals with great intention to help the society; (6) managed by a group legally accepted as a true social enterprise.</p> <ul style="list-style-type: none"> • Collaboration from various sectors. • A profit-seeking business for the benefits of the community without gaining profits for themselves. • A business that focuses on self-autonomy. • Has great financial risk.
Social Enterprise London (2011)	<ul style="list-style-type: none"> • A profitable business with social goals and not for maximizing profit for the stakeholders or business owners.
Centre for Social Enterprise (2012)	<ul style="list-style-type: none"> • Can be either a profit or non-profit organization. • Focus on building a better society, maintaining the culture and enhancing the community economy. • The business must be able to generate income; it is crucial for the social enterprise to make a profit from manufacturing merchandise and providing services so that the profit can be reinvested into the society and the environment. • Business with a clear focus to create opportunity, reduce the community's dependence on other organizations, and enhance competitiveness for community entrepreneurs.
Forth Sector Development (2013)	<ul style="list-style-type: none"> • Business pursuing social and environmental activities.

Table 2.1 (Continued)

Source of Definition	Social Enterprise Definition
	<ul style="list-style-type: none"> • A social enterprise must be able to generate income from selling merchandise, offering services while creating social values. The profit will be reinvested in the development of the community, society, and its environment.
Hockerts (2006 quoted in Kickul and Lyons, 2012: 9)	<ul style="list-style-type: none"> • The definition of the social enterprise is still evolving and changing. • As a hybrid organization managed by the cooperation of multiple sectors.
Austin (2006 quoted in Kickul and Lyons, 2012: 19)	<ul style="list-style-type: none"> • Business managed by social entrepreneurs, who cooperate with multiple sectors. • Focus on creating social innovations with social values. Such activities could occur in the business sector, non-profit organizations, or even the government.
Wei-Skillern (2007 quoted in Kickul and Lyons, 2012: 19)	<ul style="list-style-type: none"> • As a hybrid organization with a social and profit-making goal. • The social enterprise has not been clearly identified as a business sector, governmental organization, or non-profit organization.
Light (2005 quoted in Bielefeld, 2009: 69-86)	<ul style="list-style-type: none"> • The social enterprise is a business operated by social entrepreneurs which could be in the form of an individual, a group of individuals, or a network of organizations cooperating to achieve social innovations.

Table 2.1 (Continued)

Source of Definition	Social Enterprise Definition
Bielefeld (2009)	<ul style="list-style-type: none"> As an organization of 3 types: (1) non-profit organization, but able to seek a profit; (2) non-profit organization or profit organization concerned with social responsibilities; (3) profit organization focused on Corporate Social Responsibilities.
Dees (1998 quoted in Elaydi, 2012)	<ul style="list-style-type: none"> The social enterprise takes the form of a private organization, established to solve social problems, particularly assisting the underprivileged and those in need that has been neglected by the government.

2.3 The Level of Analysis of Social Enterprise

The social enterprise can be divided into three levels, namely (1) individual, (2) community, and (3) humanity. Among the three levels, a social enterprise is required to question what the most appropriate level is to align their social goal as accurately as possible (Elaydi, 2012: 108-123).

1) The individual level concerns the following: (1) creating employment opportunities; (2) career building; and (3) assisting in the development of appropriate products and services with great satisfaction for the end users and local communities. The key development is to create a “positive atmosphere” that allows the local communities and the underprivileged to produce products and providing services as the means to be self-employed and at the same time use the products within their communities. Moreover, a social enterprise should assist local business in finding other sources of capital investment. As a result, local businesses could thrive and become suppliers, as well as create the employment networks that help generate income. The culprit faced by many social entrepreneurs is the inability to understand the true context of the community and the poor. Therefore, the first step should always be an attempt to learn and understand their thoughts and their living conditions. Ultimately, a social enterprise needs to focus on assisting unfortunate

people that are underprivileged (Anderson and Billou, 2007 quoted in Elaydi, 2012: 108-123), particularly to make them participate in a growing community (Yunus, 1999 quoted in Elaydi, 2012: 108-123).

Taking Steve Fitzgerald on his project “Beyond Africa” that promotes the local community through a community tour His vision was to promote community equity, income generation, better education, and to improve sanitation (Mahajan, 2008 quoted in Elaydi, 2012: 111). It is clear that his project aimed to create better community ecology with the goal of assisting sustainability.

His project was successful because it could generate income, which was then reinvested in forming local businesses and creating opportunities for others. As a result, the project is self-sustained and has been able to reduce poverty as well as promote a clean sanitation system, better education, a data-sensitive community, and understanding of technological growth and its uses.

2) The community level concerns the alleviation of the poverty structure. This places emphasis on evaluating the community strengths based on their economic capabilities as a means to eliminate poverty on the structural level. This also includes an attempt to formulate a model to aid in sustainability and to help locals participate in their community. The community is encouraged to develop economic activities and operates for the good of the overall community. This requires the endorsement from the community members to understand fully their capabilities, such as knowing resources, creating opportunity, and creating local innovations through cooperation. Such a concept was suggested by Peredo and Chrisman (2006 quoted in Elaydi, 2012: 108-123), who studied this framework, and called it “community-based enterprises” (CBEs). This perspective is a strategy involving support for the entire community, a model that anyone in the community should contribute to and participate in regarding community economic growth through profit making. This does not imply that an individual in a community has to be an entrepreneur; on the contrary, “anyone should be part of the social entrepreneurship,” and this suggests becoming stakeholders and representing their own community.

Smith and Stevens (2009 quoted in Elaydi, 2012: 108-123) also suggested that the ability to become an entrepreneur should have the “scale deep”

skill to understand the context and develop an appropriate strategy to develop on the community level.

3) The humanity level focuses on the transformational strategies of humanity to join as one, and this is considered as the next step towards a paradigm shift; that is, whether or not it is a business strategy or a social strategy, it should help humanity understand each other and trigger an evolution. This concept is similar to that of Gandhi or Martin Luther King Jr., who mainly focused on a paradigm shift. However, in the case of Muhammad Yunus, his role as a leading social entrepreneur suggested that success at the community level should spread to nearby communities and finally would gain regional and international support. As an example, his successful model of Grameen Bank initiated in Bangladesh has been adopted worldwide in the form microcredit. Therefore, it is possible that social entrepreneurship in the future could change on the humanity level as it should begin from small change at the individual and community level and then finally reach the humanity level.

To conclude, in order to appreciate and achieve a full understanding of the social enterprise, it is necessary to realize the level of analysis systematically; particularly to understand that large-scale changes should be imitated from small changes. Moreover, the understanding of the analysis unit should explain the relationship between the individual, community, and human social development.

2.4 Types of Social Enterprise

The Social Entrepreneurship Initiative (SEI) conceptualized by Stanford University divided social enterprise into 3 groups as follows: (1) Profit-making organization with creative use of their own resources to solve social problem , (2) not-for-profit organization operates without profit in mind, instead assist local individuals to establish small enterprises capable of making their own profit and (3) An organization operates without focusing on making profit, instead creates economic values by helping people to get employ and assist training for opportunity seeking (Shaw and Carter, 2007: 420).

Robinson (2006 quoted in Kickul and Lyons, 2012: 19) mentioned two patterns found in the typical social enterprise and social entrepreneurship: (1) profit-making and (2) non-profit making. Either pattern must be able to reach the goals of solving social, economic, and environmental problems.

The social enterprise model should operate under complex multiple-agency environments, resulting in the form of inter-organizational networks (Social Enterprise London, 2011).

In Thailand, apart from the Office of Small and Medium Enterprises, the recognition of social enterprises is unclear, and they have not been clearly identified. As a result, a social enterprise could be classified as a normal organization. However, recently “Thai Social Enterprise Office” was established according to the Thai cabinet resolution, which foresaw the need to promote the potential of the social enterprise in Thailand. The Thai Social Enterprise Office had pushed forward to stimulate activities based on 4 missions, consisting of (1) building the perception and realization of the social enterprise; (2) developing full support for the social enterprise; (3) assisting with sources of financial funding and expertise for developing the social enterprise; (4) pushing forward necessary policies and laws supporting the social enterprise.

Furthermore, Thai Social Enterprise Office aims to promote the following attributes for the development of social enterprises in Thailand: (1) promotes passion; (2) promote creativity and innovation, and (3) the ability to adapt and utilize modern management approaches found in business disciplines for sustainable growth and stability.

The main obstacle mentioned earlier is the classification of the social enterprise under Thai law. The current classification of the social enterprise is still considered to be in line with typical business organizations. As a result, the social enterprise tends to fall into the SME framework and classifications which is based on the SME’s Promotion Act B.E. 2543 (The Office of SMEs Promotion, 2012) which has two attributes: (1) fixed assets and (2) the number of employees in the organization as seen in Table 2.2

Table 2.2 SME's Framework

Enterprise Type	Number of Employee (Person)		Fixed Assets (Million Baht)	
	Small	Medium	Small	Medium
Manufacturing	50 and under	51-200	50 and under	51-200
Wholesale	25 and under	26-50	50 and under	51-100
Retail	15 and under	16-30	30 and under	31-600
Service	50 and under	51-200	50 and under	51-200

Source: The Office of SMEs Promotion, 2012

As stated in the table, the classification of the “medium enterprise” has a wider scope, beyond most social enterprises and local businesses in Thailand and does not fall into the group. A smaller classification in the group of the “small enterprise” is more appropriate. Interestingly, recent classification of the “Small and Micro-Community Enterprise – SMCE” in Thailand allows for a better alternative to the classification, which is appropriate for most community enterprises throughout the nation (Secretariat Office of Community Enterprise Promotion Board, 2012). Furthermore, the SMCE is very involved in the development of community business in order to assist income generation through self-support for families and communities. The classification of the SMCE in Thailand is based on having at least seven members coming from different families and households but living in the same community.

Nonetheless, since there has not been any definite meaning or classification of the social enterprise, it is impossible to provide an accurate grouping in Thailand. It is more appropriate to allocate the social enterprise to the small and micro enterprise groupings. In this way, the SMCE framework could be adapted as a framework to study the social enterprise in Thailand.

To conclude, the social enterprise model and its classification require future study; however, the fundamental aspects and characteristics remain the same. As for

the definite pattern of the social enterprise in Thailand, there has not been a framework or clear legal support. This remains a major problem preventing the full-scale development of the social enterprise in Thailand.

2.5 The Role of the Social Enterprise

Regarding many attempts to solve the social problems of the Thai government, such resolutions were not sustainable. Problems of poverty, hunger, low knowledge level, child abuse, domestic violence, premature pregnancy, political uprisings, a deteriorating environment, pollution from the excessive use of natural energy, including other challenges, have consistently increased. It could merely be viewed that the capability of the public sector to solve such problems was difficult to achieve due to limited resources or because of other political issues. Such political issues often prevent the government from successfully solving problems such as corruption, frequent elections, short-lived governments, the rivalry of government, and inconsistent, unsustainable, and discontinued policies (Kickul and Lyons, 2012: 2-7). However, it could be viewed that most problems found in Thailand were initiated by corrupted politicians and businesspeople acting as the “agency” between “transactions,” resulting in a short-term financial gain for a particular group rather than long-term resolutions to social and environmental problems. Mega projects initiated by the government using massive budgets with the attempt to build and enhance the nation’s infrastructure became a loophole for major corruption. These types of the budget should, in fact, be used to promote better facilities and social well-being. Such issues also make citizens dependent on political parties and their government. This ultimately affects the progress of social development as a whole.

As for the private sector, many local communities are taken for granted on the profit making operation such as non-ethical pricing, unfair labor practices, and directly competing with local community business; for example, the opening of a supermarket chain also brought intense competition to local fresh markets. Indeed, the private sector attempted to improve its image via corporate social responsibility programs (CSR) in the form of food donations, school building, and donating local

funds. In reality, donations are not a viable method of sustainability; on the contrary, it creates the dependent and hedonistic attitudes.

Despite the issues as stated, the researcher believes that Thailand requires a “systemic change,” a solution to assist in the sustainability and long-term benefits for the people. While the ongoing public and private sectors’ involvement would continue to be a necessity, it is evident that an alternative third sector in the form of the social enterprise could well be a challenging and interesting step toward building a sustainable solution for beneficial social development. Most importantly, the social enterprise could exist among other public and private sectors—it may not take a leading role but may be positioned with a suitable supportive role for the development of community well-being (Kickul and Lyons, 2012: 2-7). The logic behind such thoughts is because a social enterprise usually takes the form of an organization that engages in the free market, as well as alleviating benefits for the community as a whole; this would engage community economic development in the capitalist society and help to reduce government dependency. Fundamentally, the approach is to prepare the underprivileged and the poor to become the new middle class through sustainable long-term economic development. Even though the social enterprise may focus on generating a profit, just like private enterprise, the focus is clear and similar to the notion of “public interest” rather than “private interests” (Dees, n.d. quoted in Elaydi, 2012).

From a review of both the domestic and foreign literature, the researcher came to the conclusion that the existence of the social enterprise very much co-exists with a specific type of manager, the so called social entrepreneurs. They have the ability to apply specific knowledge and expertise to assist with social change, with a particular focus on solving social inequality, helping the poor, creating employment, building careers, and doing business with the underprivileged. They are individuals that believe that every major change in the social structure requires a starting point—from small changes that become complex and finally create a social impact on a larger scale. Compared to other disciplines, many researchers have compared such phenomena to natural occurrences, just as plant cells would interact with nearby cells until expanding into a larger and wider cell networks (Waldrop, 1992; Holland, 1999; Kauffman, 1995; Johnson, 2001; Wolfram, 2002 quoted in Praszkie and Nowak,

2012: 51). These incidents could happen in animals and with human behavior as well (Fisher, 2009 quoted in Praszquier and Nowak, 2012: 51). Thus, we could conclude that the simplest rule usually represents a starting point, and the simple rules may become a complex theory; the same goes for the social enterprise, which can make changes in the social structure (Waldrop, 1992; Holland, 1999; Kauffman, 1995; Johnson, 2001; Wolfram, 2002 quoted in Praszquier and Nowak, 2012: 51).

Regarding the roles of the social enterprise, it takes the form of a stimulator that seeks cooperation and changes from the smallest unit such as the community, to the national level. For example, a community network could lead to changes on a larger scale as appears in the forming of a union. However, such changes do not appear in a top-down pattern; rather, it is a bottom-up approach. This was suggested by a leading social enterprise academic, Prahalad (2010), in his famous book “The Fortune at the Bottom of the Pyramid.” In his text, he mentioned that the bottom of the pyramid consists of the poor, but the best model is to reshape the pyramid into the shape of a diamond, where there are fewer poor people because they have become the new middle class. This would be possible due to the collaboration between the private enterprise and the local community.

However, such a goal would consume time, effort, and resources because the social enterprise needs to operate through various variables with great complexity, so the development would not be linear (Nowak, 2004 quoted in Praszquier and Nowak, 2012: 51). Particularly, the environment surrounding the social enterprise consists of local communities that contain complex social interaction; theoretically, it could be viewed as a chaotic interaction, in which plans and forecasts cannot be predetermined most of the time. (Schuster, 1995 quoted in Praszquier and Nowak, 2012: 51). This requires the social enterprise to be as flexible as possible in order to adapt to any situation.

As a result, the realization of the importance of a social development movement via community efforts is very much in the limelight, particularly in the United Kingdom. In 1999, the concept of promoting community development was praised and mentioned by Prime Minister Tony Blair’s (1999 quoted in Thompson, Alvy and Lee, 2000: 328) speech regarding the concept of the “explosion of acts of community” in the following passage:

At the beginning of this century, we have learned that community is unable to achieve its goals without government assistance through various services. Somehow, in the last century, we realized that the government could not reach this goal. I believe the connection between individual and his community is extremely crucial, not lesser than what he received from the government. Then, every year over thousand entrepreneurs achieved their goals, despite all the hardship. I sincerely hope within this era; the community actions would bring a better quality of life to the people.

In the same year, Scotland had more than 3,700 community organizations originated from this very concept, and it is clearly seen that the social economy approach was absolutely crucial for the economic and social structure in England (Smallbone et al., 2001 quoted in Shaw and Carter, 2007: 420). Such perspectives provide a better understanding on the role of small communities to create a strong social foundation. Hence, the consideration of the community involvement is closely related to the role of the social enterprise.

The main obstacles that affect the development of a community economy are mostly related to poverty and the absence of 4 necessities: food, shelter, medicine, and clothes. Therefore, initial social development requires helping by providing the necessary infrastructure, an area mainly active by third sectors such as social enterprises.

As seen, the most important aspect of the social enterprise is to emphasize the coexistence of economic and social value creation. According to Dees (1998 quoted in Elaydi, 2012: 108-123), this can be called the “double bottom-line strategy”. Given an example, Yunus the forefather of Microfinance who was the first to establish a bank for a community to borrow minor funds with a very low interest rate. Such model has gained interest worldwide (Austin et al., 2006 quoted in Elaydi, 2012: 108-123). It is clear that the economic progress does not solely rely on politics but also depends on the social aspect as well.

Therefore, the role of the social enterprise is not only to assist with the general well-being of local communities but is also requires the transfer of knowledge and

skills from a business approach to teaching communities as well. Moreover, the social enterprise needs to support the collaboration between individuals in order to promote better well-being, generate more income, utilize resources, and conserve nature as well as safeguard good community culture and traditions (Leontief, 1966; Sen, 1979 quoted in Elaydi, 2012: 109). For example, a well-thought-out business strategy could help to improve community products by studying available local resources and creating popular well-known local merchandise that could be marketed domestically or exported overseas. Hence, the social enterprise becomes a mentor that helps to connect local products to other business sectors. By no means does the social enterprise become a middleman; rather, it takes the role of a promoter that promotes fair trade, an activity that the community and the social entrepreneur would together determine the fair price. Given such an example, it is observable that the social enterprise could be a key mechanism for planning community strategies, laying down community visions, and developing stronger community structure, including support for maintaining stronger community relationships (Leontief, 1966; Sen, 1979 quoted in Elaydi, 2012: 109).

This concept of community relationships is considered to be very crucial because every individual has his or her own limitations. Therefore, the cooperation between individuals in a community with the assistance of the social enterprise is necessary to develop a functional network that enables the support of each other. As Viswanathan (2009 quoted in Elaydi, 2012: 108-123) suggested that each market has different attributes, but they must find common ground to bring out the professional expertise of each other. Once the community is developed and integrated, it would be much simpler for a social enterprise to expand its reach in the community.

To sum up, the role of the social enterprise could be in the form of profit making, but in doing so, the social entrepreneur needs to be concerned about social benefit first. This would require a sense of morality (Mechai Weerawardena, 2003 quoted in Kickul and Lyons, 2012: 17).

2.6 The Process of Social Enterprise

The researcher reviewed various literatures regarding the “social enterprise process,” but the discussions were mostly being unclear and the issue was barely discussed. Nevertheless, Forth Sector Development (2013) identified seven steps toward the creation of what was called “A Business Planning Guide to Developing a Social Enterprise”. The plan mostly discussed the necessity for (1) the social entrepreneur to collect data for analysis, establishing goals and strategies to match the situation; and (2) concern with marketing facts, particularly knowing which merchandise or services could penetrate the market. The steps were as follows.

Step 1: The Motivation. Even if the social entrepreneur may come up with various creative ideas, but he should never neglect the true motivation behind any action. Thus, (1) the social entrepreneur should ask himself/herself what kind of motivation is behind his/her thoughts such as the motivation to assist the underprivileged, to create employment opportunities or to develop a stronger community; (2) he/she should enjoy what he/she is doing. Behind any motivation, a social entrepreneur must have strong leadership qualities, having determination, the ability to acquire resources, and the ability to motivate others or stakeholders to participate in the same objective. It is imperative for any social entrepreneur to question him/herself as follows:

- 1) Do I know how to operate a business?
- 2) Do I need to face new challenges?
- 3) Do I have full confidence despite my own capability?
- 4) Have I planned to invest in long-term commitment and development?
- 5) Have I tried to understand fully the risks that may occur in the future?
- 6) Do I get excited about changes?
- 7) Do I have a clear social goal?
- 8) Do I have a full support for my co-workers?
- 9) Can I motivate others and become their leader?

10) Do I have enough self-confidence to push the social enterprise forward?

11) Can I make the right decision?

12) Am I flexible enough?

13) Am I open to other opinions?

14) Do I have a strong determination and am I ready to tackle any difficult work that may occur in the near future?

15) Do I aware of the values of the enterprise for social development and would you like to present such value and carry out social enterprise affairs?

Moreover, the social enterprise must possess creative ideas to conduct business and be willing to adapt to the market. A social entrepreneur should ask himself the following questions: (1) what type of client should I sell merchandise or provide services to? (2) Do I know the type of customers? (3) Do I understand the market situation of a product? (4) Could I convince customers to purchase my product rather than from competitors?

Another essential question regards the understanding of the role of a social enterprise. A well-aware social entrepreneur should have a clear sense of his organization that should aim for: (1) profit-making; and (2) creating social benefit. Furthermore, the social entrepreneur should have the ability to weigh his or her options such as choosing the right stakeholders and potential partners, who could be organizers, clients, investors, and communities. The following questions are important:

1) What are the relationships between these persons and our organization?

2) How can they involve their interests in improving the social enterprise?

3) If there are changes in any relationship, would they affect others?

4) If there are some impacts on changes, how would they affect future planning?

5) Should we conduct an additional study on other parties?

6) Could this information affect our decision?

Step 2: The Preparation: To be ready for any plans, the social entrepreneur should assess the following carefully:

1) Organizational culture assessment is related to perceiving the value of a project, knowing how the organization operates, and knowing the organization's culture and behavior.

2) Capacity assessments are related to the following questions:

- (1) What are the organization's operational goals?
- (2) What are the current activities?
- (3) What are the skills and competencies in the organization?
- (4) Are there any available resources?
- (5) What do the past, present, and future business plans look like?
- (6) What should the management plan be like?
- (7) What was the experience learned from previous plans?
- (8) How do the stakeholders, organizer or staff cooperate?

3) Risk assessment

- (1) How can we obtain the capitals?
- (2) What are the strengths and weaknesses regarding the source of funds?
- (3) How can we manage the funding?

Steps 3: Assessments: The steps of business development comprise the analysis of external factors and subsequent outcomes such as (1) product and services innovation; (2) possible product imitations; (3) franchise strategies; (4) business acquisition; and (5) changing the current organization structure to become a social enterprise. Furthermore, the social entrepreneur must analyze external factors using a PEST analysis (Political, Economics, Society, and Technology).

1) Political or policies aspects affecting the operation such as government policies, rules, and tax regulations.

2) Economy aspects such as economic growth rate, the purchasing power of consumer, unemployment rate, and currency exchange rate.

3) Social aspects such as social behavior, cultures, ideas and perceptions, and customer surroundings.

4) Technological aspects such as technological evolution and future innovations.

Step 4: Testing the Idea: Great emphasis is placed on marketing research to derive information from primary and secondary data, as well as to test the ideas in the actual market.

Step 5: Exploration: The social entrepreneur is required to conduct in-depth marketing research on merchandise, service, and potential customers. This phase aims to understand customer feedback, and to know the customers' demographic data such as gender, place of residence, age, income, and the area they live in. Other psychological data such as purchasing behavior are also very important. Furthermore, the marketing plan must be focused on price, product, place, promotion, people and process. It is also necessary to evaluate current resources to launch a business.

Step 6: Business Planning: After discovering relevant markets, the next phase is to form a business plan.

Step 7: Start-up: A successful start-up requires the following:

- 1) Appropriate leadership traits of a person with strong commercial expertise, skillful in business, and the ability to maintain strong social values and goals.
- 2) Marketing capabilities, strengths in business development, financial skills, great understanding of product development, human resource management, and having good teamwork. The ability to share the vision and social enterprise values with team members.
- 3) Problem-solving skill.
- 4) Consistent evaluation and preparation for unexpected consequences.
- 5) Reducing operation processes and workloads and optimizing for flexibility, particularly with a focus on effective communication in the organization.
- 6) Build confidence in teamwork, co-workers and stakeholders.
- 7) Focus on selling products, and placing emphasis on the "customer comes first".
- 8) Always remembering that marketing never ends.

9) Must be patient since new business usually takes at least 3-4 years to build stability.

10) Focus on passion and aspiration in the commitment to establish a social enterprise.

Finally, Ashoka and Sasha Chanoff, the founder and Board of Director of Refuge Point, also proposed seven steps in operating the social enterprise successfully:

- 1) Being capable of gathering problems and finding solutions.
- 2) Try to get involved with other social enterprise specialists.
- 3) Hiring flexible teams with strong entrepreneurial spirit.
- 4) Forming alliances to increase resources.
- 5) Having mass media support.
- 6) Finding the right board of directors.
- 7) Ability to measure and assess the impact on social enterprise supporters.

2.7 Examples of Social Enterprise

Social enterprises also operate in various social contexts, such as the surrounding environment, and also with different social goals. As a result, there is variation in the types of the social enterprise currently existing. Most interestingly, the growth of the social enterprise has increased dramatically. To give an example, according to the 2005 Annual Survey of Small Businesses in the United Kingdom, it was found that there were as high as 55,000 social enterprises, worth as much as 27 billion pounds; the social enterprise proportion was nearly 5% of all business types in England, which helped to drive the country's economy for almost 8,400 million pounds per year. In London alone, there were a total of 3,400 registered social enterprises, the majority of which were registered as SMEs with under ten workers employed with money in circulation of fewer than 500,000 pounds. Out of 3,400 social enterprises, more than 104,500 employment positions were created, giving a total circulation of over 4 billion pounds. It is believed that the London Social

Enterprise Network managed by Social Enterprise London (Social Enterprise London, 2011) has more than 1,000 members and is the largest network in England.

For an example, in Africa, there are many successful social enterprises in Madagascar, where over 50 percent of the total population is poor. However, the majority are in the agricultural sector, producing vanilla, cocoa, coffee, sugarcane, and rice. These products are also the country's main exports. As for the farmers in the north, they prefer full-cycle processing of cocoa, starting from growing, fermenting, and sun drying it to improve the taste and to give value-added to chocolate production in the form of product innovation via marketing efforts to generate large revenue for the farmers. A company responsible for pushing the community forward named Madecasse, has created better well-being for the overall communities. Madecasse gladly provides equipment and also helps to train farmers in technical knowledge. At the same time, the company has agreed to buy cocoa for processed chocolate through another partner specializing in domestic chocolate manufacturing. From such efforts, Africa became the key manufacturer of cocoa worldwide, covering as much as 85% of the world supply. As for Madagascar, it has been named the country with the best cocoa in the world, capable of advancing in the market from manufacturing premium grade products. This example reveals that the cooperation between social entrepreneurs at Madecasse led to social change, increasing the value of chocolate five times, which is higher than simply plain cocoa seeds. It is obvious that the driving force of the social enterprise could successfully help the society and generate income, the so-called double bottom line (Kickul and Lyons, 2012: 36).

Another excellent example is Greyston Bakery of Yonkers, a company in New York and is a premium bakery for famous restaurants and hotels; they have hired ex-prisoners and the unemployed to become professional bakers. It is obvious that these types of a social entrepreneur could contribute to society while continue to operate their business effectively (Kickul and Lyons, 2012: 36).

Another successful example worth mentioning is Hindustan Unilever, one of the world giant companies manufacturing consumer products in India. In 2010, they already planned the Sustainable Living Plan Project to be completed in the year 2020. The plan aims to assist a billion people in achieving a better health system, to improve the overall quality of life, reduce pollution, promote the principle of sustainability,

and to support a career path. The manufactured products must also be of good quality and produced with the cooperation of the entire community, accessing both the low-end and high-end market so that the poor can be employed, as well as be able to consume good-quality products at a fair price.

As for Thailand, there many organizations serving the society, for example, a social enterprise named the Business for Rural Education and Development (B.R.E.A.D.) established by Mechai Veeravaithaya, who believes that no government in any country can alleviate poverty and inequality. This social enterprise aims to support the operation of the Mechai Pattana Mattayom Suksa School in Burirum Province, which is open for poor and underprivileged children to have a chance to study without any cost. The school's source of funding comes from the selling of jasmine rice, a product from the collaboration between the Mechai Pattana Mattayom Suksa School and the farmers living in the area. Further, the school also produces premiums and souvenirs made to order. As such, Mechai projects are considered to be representative of true social enterprises in Thailand.

2.8 Philosophical Explanation of Social Entrepreneur

Social entrepreneurs represent a group of individuals aiming for “exogenous” changes on a social scale through the efforts of endogenous changes such as rejuvenating communities, and creating employment and careers. In other words, the social entrepreneurs’ goals are intended to shape the society at individual and community levels. This is represented as Methodological Individualism, a concept which focuses on the observation of people and social elements followed by an analysis, and questions about how things occurred and because of what reasons and factors. It is a means to a better understanding of people’s way of life, their experiences, and the interaction between social variables, and also provides statistical data from empirical evidence, which attempts to explain social phenomena.

Furthermore, social entrepreneurs are also a group that willingly participates in constructing plans and structures, laws, symbols, and meaning found in the real world, and in this regard it is concerned with the concept of realism and materialism.

Therefore, social entrepreneurs are a group of people that collaborate to construct social concepts, identity and idealism, and creates hope for people in the society.

As a result, a social entrepreneur should embrace the “equilibrium” between materialism and idealism, no more and no less, and have a well-balanced approach. Hence, the status of a social entrepreneur is often seen as an advisor or an as catalyst of change, particularly natural changes (Praszkier and Nowak, 2012: 45) through nonlinear processes that are concerned with various variables and elements in the social and environmental contexts.

2.9 The Definition of the Social Entrepreneur

At the time of this research, the notion of social entrepreneur has no definite meaning. However, it is possible to conceptualize the definition as follows. A social entrepreneur is a hybrid phrase of “social” and “entrepreneurship.” The word “social” is derived from Latin, meaning friends or the organization of people living or working together in a community. Most importantly, the word “social” is about people that co-exist in a given society (Kickul and Lyons, 2012: 13).

As for the word “entrepreneurship,” it is often used in business the sector in which Joseph Schumpeter (1994 quoted in Kickul and Lyons, 2012) a well-known economist perceives the role of an entrepreneur as a person that engages in the “creative destruction” process adhering to new reform or initiating revolution. He firmly believes that in order to destroy or improve on anything, it should start with a creative process to create opportunities and innovations. As for Drucker’s (1985 quoted in Kickul and Lyons, 2012) perspective, the great master of management had given the definition of the entrepreneur’s role as searching for changes all the time. He is capable of handling changes and in the meantime seeks opportunities. The definition provided by Drucker also coincides with that of Terry (1995 quoted in Kickul and Lyons, 2012: 102), who gave the definition as follows: “Social entrepreneur is an individual who could build innovation with perception of opportunity” and being the one that can manufacture products, or searching for new production techniques (Terry, 1995 quoted in Kickul and Lyons, 2012: 102).

Moreover, Sykes (1999 quoted in Thompson, Alvy and Lee, 2000: 329) explained social entrepreneur to possess three characteristics:

- 1) Envisioning is about seeing future uncertainty.
- 2) Enacting is adapting vision into goals and objectives, and acquisition of resources.
- 3) Enabling is about actual practice through the collaboration with others.

As for Ashoka (2012), a highly-praised social enterprise has given the definition of a social entrepreneur as “a group of individuals seeing opportunity available amongst changes and ignite innovations.” Additionally, the social entrepreneur is a person that dedicates himself or herself to initiating ideas that cause social change. It is observable that the key principles of a social entrepreneur involve understanding and perceiving changes that lead to an opportunity to innovate.

Once there is an adequate understanding of the terms “social” and “entrepreneurship” it is possible to appreciate truly the meaning of “social entrepreneurship.” Such a term has a broad definition as follows: (1) an individual that attempts to make things better; and (2) an individual with the intention to balance the haves and have-nots, the privileged and unprivileged, both at community and humanity levels. Martin and Osberg (2007 quoted in Praszkie and Nowak, 2012: 9) also mentioned that the social entrepreneur gives priority to underprivileged social groups, neglected groups, or groups of people lacking the opportunity to advance in a given society.

However, the main problem facing many social entrepreneurs is the scarcity of resources to achieve their goals. This is also the challenge for any government or even private organizations, since pursuing social change requires plentiful resources. Therefore, the social entrepreneur tends to rely on creative thinking to gather the necessary resources and creative use of resources within the network. Apart from the creative side of a social entrepreneur, other “traits” are also important, which consist of the following: (1) having passion in their work; (2) intelligence; (3) prioritizing innovation; (4) composure; (5) self-restraint; (6) focus on planning; (7) being capable of operating business without depending on outside elements; and (8) being focused

on growth. It can be seen that the overall characteristics are similar to business entrepreneurs (Kickul and Lyons, 2012).

Moreover, a social entrepreneur is required to fully understand the concept of competition, market positioning, giving priority to the analysis of competition in order to adapt to new situations using strategy formulations, being familiar with the principles of quantitative and qualitative research, prioritizing innovation development, providing society satisfaction where social welfare cannot reach (Blair, 1997; Drucker, 1999; Leadbeater, 1997; Thompson et al., 2000 quoted in Shaw and Carter, 2007: 421).

This is the point where being a “businessman”, and a “social entrepreneur” are blurred due to some similarities between them, but it is certain that social entrepreneurs focus more on “value-based creation,” something which differs from the business sector (Cho, 2006; Brooks, 2008 quoted in Kickul and Lyons, 2012: 5).

As for “in-depth definitions,” Dees (1998 quoted in Kickul and Lyons, 2012: 16) summed up the meaning of social entrepreneurship by adapting the conceptual frameworks of Schumpeter, Say, Drucker, and Stevenson. However, Dees added the social dimension to entrepreneurship as the driving force for changes which can be understood as follows:

- 1) Being in charge of social value instead of private value.
- 2) Tirelessly searching for opportunity in order to accomplish the social mission.
- 3) Prioritizing innovation process, adaptation, and continuous learning.
- 4) Maintaining clarity even without adequate resources.
- 5) Being responsible for social goals.

As for William Drayton, the managing director of Ashoka, he stated that social entrepreneurs have been the key mechanism and role models for social change. The goal of Ashoka as a social enterprise is to assist the growing number of social enterprises via 3 solutions, as follows: (1) to provide full support for social entrepreneurs; (2) to support the collaboration between networks of social entrepreneurs and to encourage entrepreneurs in the community to work effectively together; and (3) help lay a basic foundation for the social enterprise (Ashoka, 2012).

According to Drayton (2002, 2005; Hammonds, 2005 quoted in Praszquier and Nowak, 2012: 10-11) the criteria for selecting social entrepreneurs under the Ashoka Organization should possess the following characteristics:

- 1) Having new ideas for solving social crises.
- 2) Possessing creative thinking.
- 3) Having the personalities of an entrepreneur.
- 4) Realizing the impact of new social concepts.
- 5) Having a code of morality.

However, Ashoka is extremely focused on the creativity side of the social entrepreneur, which can be divided into two types: (1) the ability to become visionary and set goals; and (2) being able to initiate creative problem-solving on a day-to-day basis. To sum up, Ashoka's viewpoint on "entrepreneurship" is that it should exhibit the ability to find the root causes of a problem, understand challenges, be capable of learning and developing innovation, and leading change. Thus, it is clear that the definition of social entrepreneurs places great emphasis on pursuing innovation (Alvord et al., 2004 quoted in Praszquier and Nowak, 2012: 9).

It is certain that the definition of social entrepreneurs is still unclear in the academic circle. Nonetheless, the empirical phenomenon of social entrepreneurship has created impacts on the role of public and private sectors and non-profit organizations (Roberts and Woods, 2005; Mair and Marti, 2006; Shaw and Carter, 2007 quoted in Steffen, 2011: 267).

Additionally, Borestein (1998 quoted in Praszquier and Nowak, 2012: 10) identified the characteristics of entrepreneurship as follows:

- 1) Being open to new ideas and driven by innovation.
- 2) Being capable of blending vision with down-to-earth realism.
- 3) Possessing creativity and focusing on finding solutions to problems based on the principles of high morality.
- 4) Displaying commitment to finding solutions and improving social surroundings.

Other attributes of social entrepreneurs may consist of: (1) the ability to achieve social mission; (2) always confronting moral complexity; (3) Ignite the social value and creating opportunities; (4) great decision making; (5) focus on innovation;

(6) risk-taking behavior; and (7) being proactive (Kickul and Lyons, 2012: 17). Apart from these attributes, other academics also provide additional characteristics as follows:

1) Clear focus on the social mission, particularly challenges in finding sustainable solutions to a problem. Such problems could include health concerns, education, political issues, cultural problems, poverty, and environmental problems (Praszkier and Nowak, 2012: 16).

2) Specializing in creating social innovation, such as new paths, ideas or strategies in the form of incremental changes.

3) Aiming for social change that involves social innovations, leading to social change. Such changes should be a sustainable solution with long-term results, but as suggested by Senge (1999 quoted in Praszkier and Nowak, 2012: 18) that most innovations have only a 20% survival rate.

4) Social entrepreneurs require a great entrepreneurial spirit (Bornstein, 2004; Meir and Marti, 2006; Nichols and Cho, 2008 quoted in Praszkier and Nowak, 2012: 20).

The entrepreneurs should also have other additional traits as follows: (1) be capable of knowing true social needs; (2) be capable of finding allies that are willing to support the goals; (3) the need to develop organizational skills; (4) leadership skills; and (5) be keen on training others to work together towards the same goal (Thompson, Alvy and Lee, 2000: 337).

Dhesi (2010: 712) have mentioned that the success of social entrepreneurs should involve additional attributes as follows:

1) The capability to clearly explain the real purposes behind social missions to other networks and community members.

2) The ability to acquire cooperation from leading figures in the community as a means to gain social legitimacy and acceptance.

Therefore, social entrepreneurs must be able to manage any form of relationship and display the “social skills” needed to gain cooperation, such as (1) politeness, (2) patience, (3) sensitivity, (4) a sense of morality, and (5) harmony.

Such skills are essential for social entrepreneurs to work with others, because no matter how good partnership is, any social operation is likely to face obstacles.

Maase and Bossink (2010) suggested that it is important for social entrepreneurs to foresee potential obstacles as suggested as follows:

1) Normally, social entrepreneurs may be put off if key persons or potential partners do not have the same interests or motivation. Therefore, to promote a successful partnership, social entrepreneurs should get potential stakeholders involved from the beginning.

2) Social entrepreneurs are likely to be well-educated, but may be missing other essential skills such as verbal communication skills, how to write a business plan, and how to develop a solid organization structure. These are considered as fundamental “professional skills” that are required to receive capital investment.

3) Social entrepreneurs tend to start out a business with few people, leading to a lack of a proper organizational structure.

4) Social entrepreneurs are more likely to focus on goals rather than the process of how to achieve them. This issue could lead to being doubtful towards the potential partners.

5) Fear of the loss of control if there are changes in the objectives. Such suspicions could potentially affect the partnership process.

To conclude, the definitions of social entrepreneurship gathered by the researcher are surrounded by these aspects: (1) having a clear definite social and business goal; (2) being full of passion for social work; (3) being socially idealistic; (4) being a firm believer in the codes of morality and good governance; (5) focusing on the public interest; (6) having a social entrepreneurship spirit; (7) excelling in various disciplines in management and sciences; being capable of utilizing the tools and strategies from the private sector; (8) being expert at managing resources from the network; (9) having high leadership skills and being accepted by the community; (10) having excellent communication skills; (11) being flexible and capable of adapting to any situations and changes; (12) being a great problem solver, daring to risk and try; (13) having high enthusiasm; (14) enjoying creativity and desiring to create social innovations; (15) focusing on a hands-on approach; (16) opportunity seeking; (17) having high tolerance and composure; (18) being humble and down to earth; and (19) prioritizing continuous learning.

2.10 The Differences between Business Entrepreneurship and Social Entrepreneurship

The key differences between business entrepreneurship and social entrepreneurship have always been the focus of the study of social entrepreneurship. Even though both may have some similarities and differences, several studies have made a clear distinction between both concepts which is the “social motivation” (Alongkorn Kuthakul, 2010). In his study on social innovation, Alongkorn Kuthakul (2010) suggested that the key differences are founded through innovations: (1) social innovation is constructed for community or society’s interests, and does not focus on any specific individual or groups. Values cannot be measured by money; rather, it is about the beliefs, values, traditions and practices, and the habits of the people; (2) business innovation, on the other hand, concerns creating additional income, reducing costs, expanding the business, and increasing efficiency and aiming for maximum profit. This is summarized in Table 2.3

Table 2.3 The Differences between Business Entrepreneurship and Social Entrepreneurship

Business Entrepreneurship	Social Entrepreneurship
1. Profit seeking for the organization.	1. Profit seeking for the organization and the society.
2. Focus on building a profit-making organization.	2. Focus on social changes.
3. Making profit is the ultimate goal.	3. Making profit is the secondary goal.
4. Profit making as the means to expand market share.	4. Profit making as the means to assist community and sustainable growth for society.
5. Richness and wealth are reflected through profit.	5. Richness and wealth are reflected through social capital and a better environment.

Table 2.3 (Continued)

Business Entrepreneurship	Social Entrepreneurship
6. Organizational performance is evaluated by profit and gaining more market share.	6. Organizational performance is evaluated by social and environmental changes, as well as growth in profit.
7. Create business innovations.	7. Create business innovations together with social innovations.
8. Focus on the performance of the entrepreneur.	8. Focus on the operation of network and teamwork.
9. Analysis by using a business approach.	9. Analysis of complex variables such as the environment, politics, culture, the economy. and others.
10. Operates on business networks.	10. Operates on various networks.

To sum up the above table, (1) business strategy attempts to add value to the market, whereas (2) social strategy focuses on adding value to the community. However, it is interesting once both approaches are combined; this could create a possible hybrid strategy where a typical business from the private sector could assist in the improvement of a community. Therefore, such a combination of social and business approaches could eventually be transformed into a social enterprise.

As for the similarities of both types of entrepreneurs, Drucker (1999 quoted in Shaw and Carter, 2007: 422) suggested that the characteristics and behaviors derived from both entrepreneurs are very similar; namely, the drive, determination, passion, talent, leadership, capability to communicate, ability to display vision, create hope for others, and the ability to manage limited resources. Moreover, both types excel in the ability to manage (1) financial capital to build wealth and profit; (2) social capital; (3) aesthetic capital is intangible assets; and finally (4) environmental capital is directly related to the use of environmental resources sustainably.

It is clear that each type of organization has different kinds of capital and resources. To give an example, The Body Shop, a cosmetic company, built social

capital and financial capital through the preservation of the environment; or The Live Aid Concerts utilized aesthetic capital to raise funds helping the poor in Africa, which in turn transformed money into social capital (Thompson, Alvy and Lee, 2000: 330). According to the examples, both approaches specialized in the utilization and conversion of different types of resources and capital. Despite the similarities, it is believed that both approaches have similar types of professional management as well. Hence, both have similarities and certain differences, but what makes the social enterprise different from its counterpart is the “social purpose” established in the first place.

To sum up, the social enterprise may have similar characteristics and management patterns as found in the private sector, but the fundamental differences are the social purpose and approaches to achieving such goals.

2.11 The Entrepreneurship Process

To date, the social entrepreneurial process has no definite conclusion. Since the social enterprise focuses on generating profit as well as social benefits, in this regard, similar business procedures could be applied to the social entrepreneurship. As a result, the study of the private sector entrepreneurial process could explain and provide a better understanding of social entrepreneurship.

The Entrepreneurship Process Model presented by the Global Entrepreneurship Report in the year 2012 by Global Entrepreneurship Monitor or GEM (Global Entrepreneurship Monitor, 2012) attempted to explain the entrepreneurial business process, which is divided into the following phases:

- 1) Phase 1: An individual firmly believes that he or she is fully capable of becoming an entrepreneur without being afraid of failure.
- 2) Phase 2: The individual may want to become an entrepreneur, simply because the individual may want to attain a social status and a respectable image.
- 3) Phase 3: The same individual could very well be running the business for three months only. It is most likely that during this period, failures could occur. This stage is called “The Nascent.”

4) Phase 4: The individual has been in the business for 3 months to 3.5 years. This stage is called “Early-stage Entrepreneurial Activity.” This phase represents the majority of entrepreneurs that fuel the overall economy.

5) Phase 5: The individual is considered as an established entrepreneur with over 3.5 years of experience in the business.

The model is shown in the following Figure 2.1

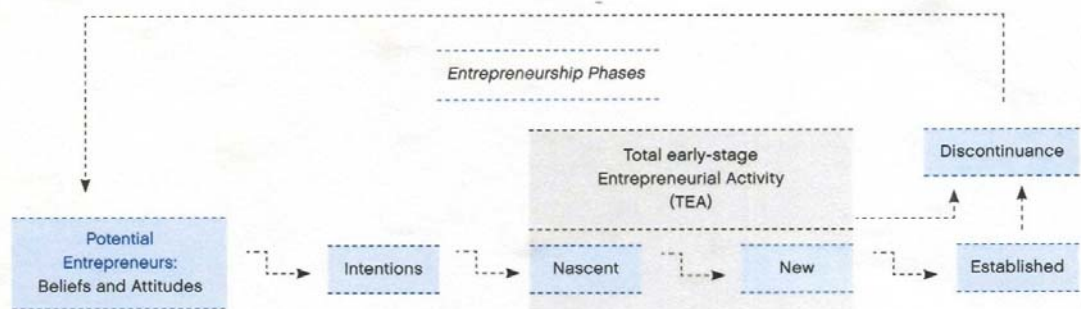


Figure 2.1 The Entrepreneurship Process

Source: Global Entrepreneurship Monitor, 2011.

Understanding this process helps to explain the relationship between beliefs, and determination and intention, including the steps and cycle of entrepreneurship.

Furthermore, Global Entrepreneurship Monitor also provides other factors to consider, and the components are shown in the figure below are also required to become a successful entrepreneur. As shown in Figure 2.2

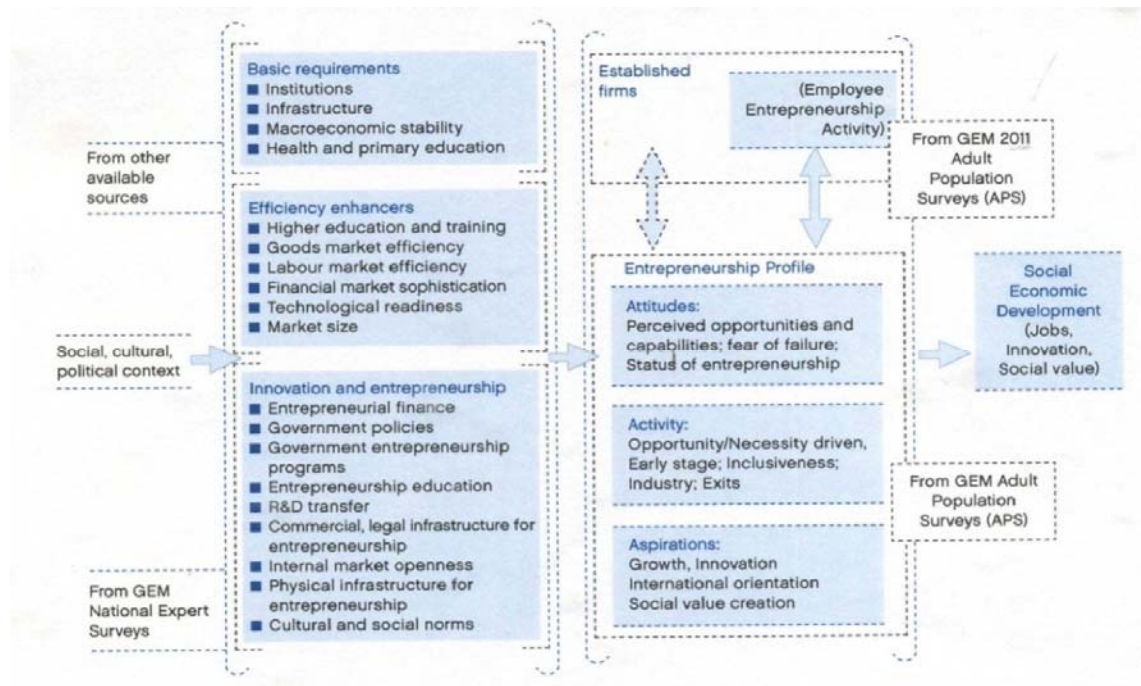


Figure 2.2 Key Components of Entrepreneurship

Source: Global Entrepreneurship Monitor, 2011.

By observing the model, it is obvious that each step to becoming an entrepreneur should start from having suitable socio-cultural surroundings, politics, and resources. Also, health, education level, training, transfer of knowledge, and accepting social norms are essential components that should be taken into consideration. Moreover, the characteristics of entrepreneurship, such as attitudes, ability to perceive new opportunities, and having an aspiration to grow, are the internal driving force as well. When the external components are combined with internal elements, a possible organization could survive and eventually become a stable one.

Interestingly, GEM also provides some intriguing indicators why individuals wish to be an entrepreneur. The Start Business Attitudes Indicators suggested by GEM are as follows:

- 1) Ability to perceive opportunity to start a business.
- 2) Believe in having the skills and experiences to start a business.
- 3) A feeling of not being accepted by the society.

- 4) Personal belief that having one's own business is a great career.
- 5) Belief that being an entrepreneur would promote higher social status.
- 6) Mass media suggest the role of being an entrepreneur.

GEM also mentioned that motivations are categorized into two main characteristics:

- 1) Pushed is caused by necessity-driven such as being unemployed or having no option to generate income.
- 2) Pulled is caused by opportunity-driven such as seeing an opportunity that stirs up one's interest, a chance of employment, ability to work autonomously.

GEM also identified Nine Entrepreneurial Framework Conditions as shown in Figure 2.3

Entrepreneurial Finance The availability of financial resources, equity, and debt, for new and growing firms, including grants and subsidies.	Government Policy The extent to which government policies, such as taxes or regulations) are either size- neutral or encourage new and growing firms.	Government Entrepreneurship Programs The extent to which taxes or regulations are either size-neutral or encourage new and growing firms.
Entrepreneurial Education The extent to which training in creating/ managing new, small or growing business entities is incorporated within the education and training system at all levels. There are two sub-divisions – primary and secondary school entrepreneurship education and training; and post-school entrepreneurship education and training.	R&D Transfer The extent to which national research and development will lead to new commercial opportunities, and whether or not these are available for new, small and growing firms.	Commercial and Legal Infrastructure The presence of commercial, accounting and other legal services and institutions that allow or promote the emergence of small, new and growing business entities.
Entry Regulations There are two sub-divisions – market dynamics, i.e. the extent to which markets change dramatically from year to year; and market openness, i.e. the extent to which new firms are free to enter existing markets.	Physical Infrastructure Ease of access to available physical resources – communication, utilities, transportation, land or space – at a price that does not discriminate against new, small or growing firms.	Cultural and Social Norms The extent to which existing social and cultural norms encourage, or do not discourage, individual actions that might lead to new ways of conducting business or economic activities which might, in turn, lead to greater dispersion in personal wealth and income.

Figure 2.3 Conditions for Successful Entrepreneurships

Source: Global Entrepreneurship Monitor, 2011.

To sum up, the researcher believes that the process of entrepreneurship presented by GEM could be adapted and studied in relation to social entrepreneurship.

2.12 Non-Profit Social Enterprise

The Nobel Peace Prize, Yunus (2010) sees that the majority of social problems have a tendency to originate from the same root; that is, the capitalist system has viewed humanity from a single dimension. The dimension is very much related to the profit-making found in the business sector that would eventually lead to other social problems, such as poverty. However, Yunus believes that people consist of many dimensions and are not governed by a monetary system alone. This is because a capitalist environment has forced people to overlook other dimensions regarding politics, social factors, emotions, the human spirit, and the environment. As a result, social organizations such as the social enterprise are viewed as an alternative organization that could assist in balancing capitalism.

Currently, there are many types of social organizations that share the same social goals. It is utterly difficult to identify clearly the boundary between each type of social organization. This would lead to ambiguity between the social enterprise, Corporate Social Responsibility (CSR) and the Social Welfare organization; even though the former is distinctive from the rest. However, Yunus's concept of social business turns out to be in line with the social enterprise in some ways, although Yunus argued that social business is different from the social enterprise or other socially-responsible businesses, since these organizations are active in profit-making activities. However, social business has no intention to make a profit for stakeholders; rather, it is established only to solve social problems by utilizing business methods to help sell merchandise or services.

Additionally, not all charitable organizations, according to Yunus, are social businesses. Since they failed to promote sustainability and long-term benefit for any given society. On the other hand, it encourages dependency on such organizations. Even corporate social responsibility programs are not considered as a social business because it is more likely that such conduct would only bring image and reputations to gain accountability and social acceptance for the organization. It is clear that, Yunus

believes that people should be involved in the economic system without neglecting social goals.

The key difference between the social enterprise and social business for Yunus is that social business still operates at a profit, but the organization should not take any money for its own operation. Opposite this, the social enterprise can gain profit in order to maintain its operation while providing fair shares to those involved with the social entrepreneur. In a nutshell, social entrepreneurs can also gain some profit. For social businesses, however, Yunus believes that this type of business should guarantee self-sustainability and help generate income, where profit must be reserved for business expansion or unforeseen circumstances. Therefore, social business according to Yunus could be seen as a “non-loss, non-dividend company” that has non-dividend policy sharing between stakeholders. However, the investors can withdraw their initial capital investment at any time.

Reitz, the Director of Grameen Creative Lab (Grameen Bank, 2012) in Germany helped to define the seven principles of social business as follows:

- 1) The main objective is to find solutions to alleviate poverty and other social problems, not to generate profit for the stakeholders; instead, focus should be placed on the benefit of the public.
- 2) The company must maintain sustainable financial and economic stability.
- 3) The stakeholders are eligible to withdraw any initial capital investment but are not entitled to withdraw any profit exceeding the amount of initial investment.
- 4) The remaining profit must be kept in the company for further investment.
- 5) The company must be environmentally concerned.
- 6) Wages must be similar to standards, and the work environment must have an acceptable standard as well.
- 7) Continue maintaining a positive working attitude.

A social business can be operated in the same manner as other regular businesses but operate in a non-dividend fashion that still promotes its own merchandise. The company could be expanded or reduced if problems are

encountered, whether financial, human errors, marketing issues, competition, or competitive pricing; the same goes for a social business like any other business. This is not very different from other profit-seeking companies. However, the social business appears to have the following advantages: (1) when the market fluctuates, the social business will not be affected much because the business is not listed on the stock market; (2) it is not necessary to worry since it is not on the stock market, so stakeholders cannot seek a quickly profitable gain.

The birth of a famous social business was Grameen Bank, a project initiated by Yunus. It was because he was fully aware that the poor were unable to borrow money from any financial institutions. So, he decided to open a local bank; even a beggar could ask for a loan to open a business. The key principle of the bank was focused on equal treatment, knowing that every member had the right to co-own the bank in their community. The bank had the role in supporting anyone to become an entrepreneur with self-dependency in Bangladesh. The key was that the source of funding came from the deposits and donations at first. Later, it finally became a microcredit with a microfinance model that has been used worldwide. Grameen Bank encouraged the lender to use loans to extend the business as a means to create employment in their community, for example, taking a loan to buy mobile phones, and then creating a mobile phone renting business. Most surprisingly, more than 400,000 females participated in this project.

Grameen expanded its boundary to other business as well. For example, Grameen Shakti is one of the fastest growing companies in the world. It manufactures solar energy for homes. The Grameen Fisheries and Livestock Foundation are also in charge of fisheries and livestock. Grameen Danone is a joint-venture with France's dairy giant that helps groups of malnourished children and youth in Bangladesh. With the collaboration between Grameen Bank and Danone, delicious yogurt was produced and sold at inexpensive prices to the poor and became a major success. Another campaign was the joint-venture between Veolia, a manufacturer of drinking water from France. Together, Grameen Veolia Water Company produced clean water for many communities in Bangladesh.

From Yunus's point of view, he sees profit as the subject of serious discussion because for an enterprise to "balance between profit and society" as appears in the

social enterprise proves to be a challenge. In his opinion, Yunus believes that it is very difficult for an entrepreneur to balance the two. He realized that social business is a better approach because a double bottom line business as in a social enterprise may face obstructions for the following reasons:

1) It could potentially lead to arguments regarding the code of ethics and morality, since gaining profits from the poor seems inappropriate, unless the poor can become the middle class, and then products could be sold to them with expected profit.

2) The combination of social benefits and making a profit is difficult to combine. Since Yunus mentioned that most people usually seek a profit before assisting society. For example, in the United States during 2009, the reason the Food Bank had fewer supplies was because the middlemen purchased the unsold merchandise at a lower price and resold it at a much lower price with a high discount and because of this it failed to reach the underprivileged. This is an example that reveals that problems result from greed.

3) Yunus also mentioned that there should be a clear definition of social business. The definition should not be the same as appears in other business frameworks or be based on the donation model. Rather, it should be a concept that creates a new economic structure.

Based on several distinctions between each approach, the researcher has summarized the similarities and differences between the social enterprise, social business, and corporate social responsibility. The table below integrates the findings from the researcher's perspective with those of Sarunee Archanunkul (n.d. quoted in Thai Social Enterprise Office, 2012) as follows. As shown in Table 2.4

Table 2.4 The Differences between the Social Enterprise, Social Business, and Corporate Social Responsibility

Social Enterprise	Social Business	Corporate Social Responsibility
1. Operates business through private sector approach.	1. Operates business through private sector approach.	1. Operates business through private sector approach.
2. Social entrepreneur is eligible for collecting dividends.	2. Stakeholders are not eligible to collect dividends but are allowed to withdraw the original invested capital.	2. Local community is not part of the stakeholders.
3. Continuous improvement of business building and innovate new products.	3. Continuous improvement on business building and innovating new products.	3. Continuous improvement of business building and innovating new products.
4. Maximizing profit for both the society and the social entrepreneurs.	4. Maximizing profit only for the society.	4. Maximizing profit for the organization.
5. Emphasis on creating sustainability for the community through employment, building careers, and support of social welfare.	5. Emphasis on creating sustainability for the community through employment, building careers, and support of social welfare.	5. Assist the society through certain projects or via donations.

2.13 Models of Social Enterprise

Even though the study of the social enterprise is still an ongoing process, many academics have attempted to seek this knowledge by formulating theoretical frameworks and models. Nonetheless, Dees and Emerson suggested that any attempt should focus on a model that could bring positive changes to the society (Dees, n.d.; Emerson, 2001 quoted in Kickul and Lyons, 2012: 41). The notion of social entrepreneurship has been mainly studied in the United Kingdom, Europe, and the U.S.A., where many models have been studied from different literature, whereas in Asia any such model is still very much underdeveloped. In the U.S.A. many models have focused on the “top-down approach,” while in the United Kingdom emphasis has been placed on the “community driven by understanding the true needs in a community” (Waddock and Post, 1991; Wilson, 2009 quoted in Dhesi, 2010: 705). Several models of social entrepreneurship are discussed as follows.

2.13.1 Self-Organization

Self-organization reflects organizations that can manage their own affairs. Such forms of organizations are not complex, but rather are founded on simplicity. Despite this simplicity, they can still produce immensely complex patterns without any control from central management. This is possible because simple rules or local rules are in fact complex in nature. Such a process is similar to the ways in which ants function in a colony; they may have their own autonomy, but somehow are interwoven into a complex network of self-organization without any intervention from the central management. If we compare this to the human social condition, it is very similar. To give an example, humans are capable of following peer behavior, such as the way a community affects individual action. This is recognized as a form of “imitation” by observing other human behavior. Moreover, imitation happens when there are rewards involved. This chaotic interaction is the origin of complex systems, even though the tiny elements may be simple and interact in a random manner as if being self-managed without centralization (Fisher, 2009; Dubakov, 2009 quoted in Praszquier and Nowak, 2012).

This concept of self-organization suggests the following. First, small communities could be integrated and become a wider social network. Second, society is usually self-organized via automation particularly if the surroundings are in balance, and everyone receives his or her own benefits evenly and adequately. This co-existence is simply based on the laws of nature. Third, the people in society will happily change their attitudes and behavior once receiving the desired benefits; this is purely based on the sense of survival. Fourth, self-management tends to operate through viral networks, such as word-of-mouth conversations, and social discussions tend to contain stories of success that will inspire and initiate an imitation process. Fifth, chaotic interaction is, in fact, an effective and productive way for social progress since it could create new orders and equilibrium, and such processes should be viewed as non-destructive.

2.13.2 The Social Entrepreneurship Process

The Social Entrepreneurship Process Model is an adaptation of the PCDO framework as shown in Figure 2.4

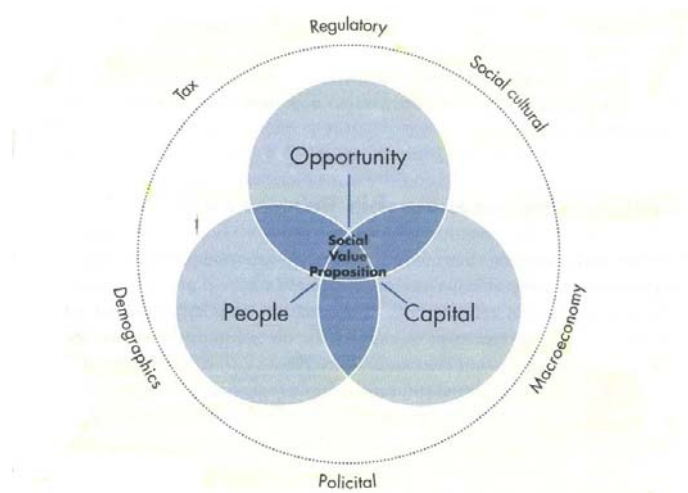


Figure 2.4 The Social Entrepreneur Process Model

Source: Kickul and Lyons, 2012: 33.

This framework mainly focuses on three key elements: (1) opportunity; (2) people; and (3) capital. At the center of the model is the “Social Value Proposition” (SVP), which suggests that the integration of opportunity, people, and capital should result in a form of social investment. The context surrounding these key elements indicates that the SVP is related to other external factors. However, this model fails to explain the essential process that would lead to the SVP (Kickul and Lyons, 2012: 32-33). Nonetheless, the model applies to the social enterprise since it helps to explain the (1) external context; and (2) the people involved, capital and opportunity are necessary for the creation of social value.

2.13.3 The CASE Model

The model is formulated from the Center for the Advancement of Social Entrepreneurship (CASE), and it concerns the “Process of creating a social opportunity.” The model was first formulated by CASE as a means to finding a concept that would answer questions regarding the social opportunity. The process is divided into two steps: (1) idea creation consists of the identification of social needs and analyzing the current social assets to develop the idea. This allows the social entrepreneur to understand truly the source of a problem and to seek the opportunity to solve it; (2) developing promising ideas into attractive opportunities involves the consideration of the operating environment that requires the analysis of the social impact, operability, and strategies to attain resources. The model is shown in Figure 2.5

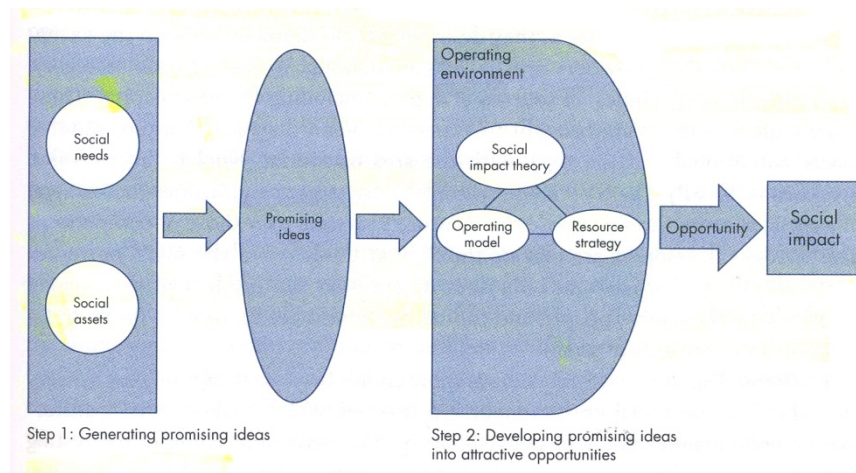


Figure 2.5 The CASE Model

Source: Kickul and Lyons, 2012: 31.

2.14 The Social Enterprise Network

According to the literature review, most successful social enterprises tend to have much supports from the various organizations in the form of networks. These networks include governmental organizations, private enterprises, communities, non-profit organizations, and non-governmental organizations. Such networks are considered a necessity because most social enterprises have to operate under many constraints and challenges, and due to this complexity, finding a solution to social problems is highly complicated and is almost impossible to do alone. Therefore, cooperation between organizations is crucial, as it allows the sharing of resources, collaboration, and support.

As a result, cooperation, participation, and trust building are considered key elements in social entrepreneurship, and this would lead to potential partnership for the achievement of sustainability and long-term competitiveness (Granovetter, 1985; Aldrich and Zimmer, 1986; Johannsson, 1986; Birley et al., 1990; Curran et al., 1993; Shaw, 1998 quoted in Shaw and Carter, 2007: 427). Moreover, networking allows for the access to vital information such as the market share, customer data, perceived opportunities, acquisition of investment funds, and support from communities. This will also enhance future social innovations.

Additionally, the collaboration in a network will allow the social enterprise to be more legit and will help to promote its transparency (La Cour and Andersen, 2007 quoted in Maase and Bossink, 2010: 68). It is necessary for any given social enterprise to be as “open” and “porous” as possible, particularly for seeking potential partnership that could provide a benefit in the long run (Leadbeater, 1997 quoted in Shaw and Carter, 2007: 421).

As mentioned, it is understandable that a network permits access to useful information and knowledge, for example, information on public requirements, attitudes, and perceptions. This is vital since social entrepreneurs cannot make decisions based on their own perception; instead, they need to understand fully the target group.

Hence, forming and developing relationships with people in the network are crucial. Hill and McGowan (1997 quoted in Shaw and Carter, 2007: 428) suggested that entrepreneurs are required to build trust, credibility, and form social interactions with the people involved. This social interaction must also maintain the shared values (Dhesi, 2010: 706). Once the interaction is formed, it is also important to gain full support and loyalty from the community. Hence, developing relationships within networks should involve trust, creditability, seeing a vision and creating the basis for cooperation as the means to acquiring resources (Thompson, Alvy and Lee, 2000: 331). Resources could be in the form of financial capital, physical capital, or knowledge capital which could be converted into social capital leading to future social action.

Furthermore, the role of the social enterprise tends to be at the junction between the governmental, the private sector, and non-profit organizations. This supports the concept that the social enterprise becomes both an “agency” and “structure” (Granovetter, 1985 quoted in Kickul and Lyons, 2012). First, an agency implies that it must be able to initiate a positive impact via the uses of business strategies and techniques, as well as to have the ability to seek assistance and resources from both sectors. Second, structure implies that it must be able to understand social structure and to overcome cultural, political, legal, and financial constraints (Weerawardena and Mort, 2006 quoted in Kickul and Lyons, 2012: 21). Additionally, it should be able to take “formal” and “informal” stances regarding the

reaction with the third parties (Coviello and McAuley, 1999 quoted in McClelland, Swail, Bell and Ibbotson, 2005: 88).

Despite the importance of cooperation among networks, such interactions could often be prevented by the following reasons:

- 1) Goal setting most likely comes from numerous dimensions. But governments and the public sector may have different approaches to solving the same issues.
- 2) The waiting game could slow down the partnership.
- 3) Many social entrepreneurs fail to understand that large organizations usually spend more time in decision making than other types of organization.
- 4) The social enterprise is usually the result of individual intention which is considered risky for other organizations to get involved.
- 5) The social entrepreneur tends to commit to his or her own ideas and to refuse to share with partners due to the fear that larger organizations will extend their own ideas.
- 6) Large organizations such as governments often seek solutions to social problems that are of a larger dimension, particularly at the national level. This is different from the social entrepreneurs that prefer to create solutions at a macro level.
- 7) Partners refuse to carry out plans and want to keep the operation the way it used to be.
- 8) There is fear of setting up a new procedure; for example, local officials may be afraid of losing power and authority. In other words, they had been in charge of the operation all along, and once entrepreneurs come into the picture, they may not accept it or be willing to cooperate.
- 9) There is a lack of evidence to gain partnership support.

Other barriers that could prevent the partnership procedure may include:

- 1) Mistrust
- 2) Inequity
- 3) Inefficiency
- 4) Differences between sectors

- 5) Fear of loss of control
- 6) Misunderstanding regarding motivations and intent

2.15 The Overview of the Concept of Sufficiency Economy Philosophy

The sufficiency economy philosophy is a concept created by His Majesty the King Bhumibol, a concept that has been widely adopted in governmental and private sector policies. Despite its significance, it is still vague among the majority of the Thai people. The main problem is because most people have little knowledge regarding the concept in greater detail and misunderstood the main concept and believe that the sufficiency economy is reserved for the agricultural segment. Therefore, there has been a little application in other industries and practices. Most of all, many believe that the sufficiency economy is opposite capitalism and globalization.

Regarding the academic perspectives, there have been questions whether this philosophy could be studied among other western philosophies and concepts. The researcher firmly believes that the sufficiency economy philosophy can be adapted to other disciplines but may require additional study in order to integrate it with other concepts.

2.16 Sufficiency Economy Philosophy and Capitalism

From an economic perspective, capitalism originated from the free market system with the goal of maximizing profit, such a goal ultimately leading to social problems such as social inequality, unfair income generation, social degradation, and environmental destruction. The researcher views the sufficiency economy as a concept that could very well be an alternative to solve problems, as with social entrepreneurship. The goal is to promote better well-being for community development and to support sustainable social objectives. Although capitalism and the concept of a free market will continue to prevail, they require an adjustment in order to concentrate more on socio-economic development. Hence, the concept of the sufficiency economy may be the outcome of such social evolution that may one day

answer the need for sustainable social progress (Sawai Boonma, 2007 quoted in Sawai Booma, 2009, 18 May: 49).

During a seminar conducted by Nattapong Thongpakdee (2007) on the topic, “Sufficiency Economy, better marketing system than the free market,” he mentioned that the sufficiency economy and the marketing approach could co-exist side by side since the sufficiency economy is founded on a philosophical level that could promote better quality of life even in a modern society as Nattapong Thongpakdee (2006 quoted in Direk Pattamasiriwat, 2007) stated in the following:

Sufficiency Economy is a concept that is founded on individual daily life, households, community and nation...any countries that engage in the market system if decided to utilize the concept of sufficiency economy, there is no need to turn away from the market mechanism.

It is then understandable that the sufficiency economy cannot simply be justified as a philosophy, but is also applicable to any real life situation (Direk Pattamasiriwat, 2007). Ironically, the concept does not disregard capitalism or globalization; on the contrary; it is about realizing how globalization and capitalism operate (Nattapong Thongpakdee, 2007). In this regard, the sufficiency economy never encourages any society to be standalone; instead, it promotes the concept of self-reliance as a mean to reducing dependency, which is similar to the “Gandhian economy” that focuses on small household businesses but is capable of operating in a modern technological society. Therefore, the sufficiency economy suggests the need to confront globalization with full consciousness, particularly the ability to control one’s greed (Navarat Sachayonsrisakul, 2009).

As a result, the sufficiency economy encourages individuals from various sectors to collaborate and unite as one, while peacefully creating a balance for sustainable growth and maintaining the environment; this concept is conceptualized as the “good capitalism” (Tinsulanonda, 2001; Piboolsravut, 2004 quoted in Navarat Sachayonsrisakul, 2009).

The logic of “good capitalism” is to engage anyone to start a profitable and sustainable business; as such, building a profitable business is also supported by the

sufficiency economy philosophy. The key conditions for pursuing a viable business is not to aim for short-term profit-making or to take advantage of others but should operate with morality while generating an adequate profit. This is very much the center of the effort of balancing profit and morality. However, the word “adequate” is a broad concept, since what is adequate for one person does not depend on how rich or poor a person is; as stated by His Majesty the King (Bhumibol Adulyadej, King of Thailand, n.d. quoted in Nattapong Thongpakdee, 2007) stated “Sufficiency is meant for adequate living, non-extravagant, non-luxury. Even something may seem extravagant, but if it makes you happy and not over-doing it, you should go ahead and do it”.

Furthermore, the sufficiency economy philosophy places emphasis on the management perspective as well. This does not mean that a business should avoid the use of marketing strategies; rather, they could be applied to the sufficiency economy, and are also applicable to the development of the economy, the community, the environment, and culture (Nattapong Thongpakdee, 2007).

In the National Economic and Social Development Plan No. 11 (Office of the National Economics and Social Development Board, 2012) explained the core of the sufficiency economy involves the following: (1) focus on national development and administration through the concept of the middle path; (2) developing a “dynamic equilibrium” for people, society, culture, the economy, the environment, and politics; (3) promoting networks of allies; (4) promoting social capital, and preservation of natural resources and the environment; (5) strengthening a culture of good governance by allowing people at all levels to participate democratically; (6) focus on codes of ethics; (7) promote a sense of morality; and (8) supporting the concept of self-reliance among local people and their community as the basis for a solid social foundation.

The Intergovernmental Panel on Climate Change or IPCC (n.d. quoted in Juthapun Padungchivit, 2007) stated that the sufficiency economy is a theory suitable for the modern world, as it offers interesting solutions to solving many of the world’s crises, since the approach is truly designed to engage in sustainable development with the attempt to balance both ecology and the economy. The sufficiency economy fully supports the equilibrium between sustainability and globalization and could set an

example for other countries to follow. One good example is Germany, which applied the concept of the sufficiency economy by promoting small business to become self-sustained and finally become the driving force behind the country's economy.

The sufficiency economy is also widely practiced in the U.S.A. and Canada, particularly in the Amish community, which has similar concepts that appear to have been in their daily life for over 300 years (Sawai Boonma, 2007 quoted in Sawai Boonma, 2009, 18 May: 49).

2.17 Sufficiency Economy Philosophy and Western Theories

Sombat Kusumavalee (2008) suggested that the sufficiency economy has the potential to overcome the problems of the mainstream theories. He further stated that most western theories have the tendency to be of reductionism, which is the reduction of variables rather than the attempt to understand as many variables as possible. Reductionism, therefore, is related to dualism, which restricts to the perception of "either-or." In other words, if it is either black or white, male and female. Hence, most theories tend to take this dichotomous approach. Most western theories focus on finding the "metaphysics of presence" leading to the binary opposition. This would lead to competing theories and decide which one is better than others and creating a war on dialectic, which is a constant battle between theories and concepts.

However, the sufficiency economy's stance is beyond reductionism and binary opposition, because the goal is to study any discipline or concept in order to bring about better social change, and it would accept any ideas or concepts in order to achieve this goal (Juthapun Padungchivit, 2007).

Therefore, the sufficiency economy may be understood as a philosophy that is beyond dualism; rather, the focus is on pluralism and continuous efforts to integrate disciplines into a holistic whole (Office of the National Economics and Social Development Board, 2012).

2.18 The Definition of the Sufficiency Economy Philosophy

Regarding the definition of the sufficiency economy, it is a discourse driven by the goal of sustainable community development, to empower the people, and to develop people and their communities' potential. It is also based on communitarianism with a focus on creating community democracy, to promote the socio-economic, cultural and political development of the community, and to promote a better condition of living. The concept of the sufficiency economy is also based on the ideas of holistic and integration, particularly to create the atmosphere for collaboration of the public and private sectors. Most importantly, the concept supports community knowledge transfer, learning opportunities, and the maintenance of traditions and local cultures. It could also be seen that the concept places great importance on localization as well as globalization (Pitsanu Onmanee, n.d. quoted in Juthapun Padungchivit, 2007).

However, the use of the sufficiency economy with regards to managing a profitable business may require adjustment since it could reduce economic value but there may be many tradeoffs for the well-being of the community. This is related to Adam Smith's perception, who admitted that wealth may stimulate economic progress but could also create problems for human society due to the loss of morality, excess in consumption, greed, and the desire for growth.

Regarding the conceptualization of the sufficiency economy, it is the creation of His Majesty the King, who first created the concept. He initiates the concept from his being aware that Thailand strengths are founded in agriculture, a sector where the majority of the Thai people live. In the past, His Majesty the King had often visited rural areas throughout the country and was aware of his people's hardship. The awareness led him to diagnose thoroughly the problems and causes. It was his realization that made him research for a method that could effectively solve problems sustainably. It was then that the concept of the sufficiency economy was first conceptualized. In a nutshell, His Majesty the King (Bhumibol Adulyadej, King of Thailand, n.d. quoted in Nattapong Thongpakdee, 2007) stated a simple version of the sufficiency economy in His Royal Speech as follows:

In plain English, I called it SUFFICIENCY ECONOMY, but people say that there is no such thing as SUFFICIENCY ECONOMY. Perhaps, sufficiency economy is a brand new word for me, but it meant that a person should not be too stingy, instead should treat each other with great compassion and adhere to the law of reasons. If people can live by this, then sufficiency economy would bring happiness to anyone.

It is believed that if one adopts the sufficiency economy concept and practices regularly until all his necessities are met, then one can truly use the word “sufficient,” meaning he is adequate regarding having enough foods, clothes, shelter, and medicine in order to get on with his life (Sawai Boonma, 2007 quoted in Sawai Boonma, 2009, 18 May: 49).

Beyond being sufficient, the goal of the concept was mainly to aid in community development and improve the living conditions through of self-reliance and joint activities that could occur in a community (Office of the National Economics and Social Development Board, 2012). He believed that the sufficiency economy could help stimulate learning, promote networking and the exchange of information, maintain local knowledge and traditions, help people engage engaged in creative thinking and produce social innovations through its holistic approach. The concept also promotes the importance of using modern management, production, and processing methods to manage natural, human, social, and cultural capitals (Office of the National Economics and Social Development Board, 2012).

Such adaptation from the private sector style of management should, therefore, enhance the community’s business strength and promote interdependence between the firms in the community rather than competing against each other. This would also initiate the cooperation between members in the form of clusters in order to manage resources and expertise effectively (Office of the National Economics and Social Development Board, 2012).

At a later stage in the formulation of the sufficiency economy, His Majesty the King created another concept called the “New Theory.” This theory was initiated from one of his royal projects, focused on the development of land and water

particularly suited for small communities so that they could practice a “self-reliant” lifestyle. The program is divided into the following three steps:

Step 1: Farmers should practice self-reliance by controlling their expenditures and cost control, and then they should develop the land for everyday use.

Step 2: Farmers should collaborate with each other, or form a union or a collective group to pursuing in production, marketing, increase social welfare, and promote better education.

Step 3: Build a group of networks and expand activities through diversification. Promote collaboration with the public sector as well as form relationships with the business sector. Such collaboration should bring their capitals and assets, market knowledge, information, which would minimize the risks from pursuing business ventures.

The development on a national scale should focus on building strong foundations by assisting the citizen to live adequately and adhering to the concept of cost control. Once the foundation eventually becomes more solid, it is necessary to assist in job creation, so they would become more stable on their own. Growth and progression should be taken with great caution, particularly by not growing too rapidly, and should minimize other risks that could occur.

Furthermore, the Office of the National Economics and Social Development Board (2012) also mentioned that the process of developing the community’s strengths should proceed by the following steps from the National Economic and Social Development Plan No. 11:

- 1) Promote self-reliance by having four necessities, by reducing expenses, increasing income and engage in savings. The whole process should not create any suffering to oneself or others. Any individual should act more logically and think clearly before depending on others.

- 2) Promote collective groups through common interests. This is only possible once a person has become more self-reliant.

- 3) Forming networks between communities and other networks.

Suthipan Bongsunan (2009 quoted in Suthipan Bongsunan, 2009, 18 November: 5) also suggested that the sufficiency economy must create the conditions for sustainable growth through 3 factors:

- 1) Stability: focus on stable economic growth rather than rapid economic expansion.
- 2) Equity: focus on equality and bridging the gap between the rich and the poor.
- 3) Peace: focus on compassion and peace by not competing against each other.

To explain the concept of self-reliance in greater detail, United Nations ESCAP (2006 quoted in Navarat Sachayonsrisakul, 2009) mentioned that the five elements that are the basis of the sufficiency economy:

- 1) State of mind: involves strength, self-dependent, compassion, caring, and being flexible.
- 2) Social affairs: community members should cooperate and unite as one. They should also engage in the learning process between each other.
- 3) Natural resources and environmental management are about how to utilize effectively domestic resources, and the need to concern national stability.
- 4) The technology involves developing appropriate technology meeting the need in a community, and supporting new technological development within the community through the sharing of knowledge and experience.
- 5) The Economic affair focuses on increasing income while reducing costs.

In summary, the United Nations Development Programme or UNDP (2005 quoted in Nattapong Thongpakdee, 2007) stated the key point of the sufficiency economy as follows:

The Sufficiency Economy is based on both practice and principle. On the one hand, the key maxims have arisen from the King's real-world experience in development projects. They are a practical summary of what work, based on decades of experimentation, observation and evaluation. At the same time, the key ideas of the Sufficiency Economy are firmly rooted in ideas about the nature of the world and the situation of humanity. It is this combination of real-world

applicability and philosophical underpinning that gives the approach its strength.

2.19 Key Attributes of Sufficiency Economy Philosophy

To conclude, the key attributes of the sufficiency economy provided by Prasopchok Mungsawad and Juthapun Padungchivit (2007) are as follows:

- 1) Ability to adapt to the surroundings.
- 2) Promote domestic immunity.
- 3) Engage in continuous learning through collective knowledge sharing that could develop into core competencies. Competencies should be difficult to imitate by competitors.
- 4) Encourage farming for household consumption, while the remaining or excess is processed as fertilizer or prepared for sale.
- 5) Focus on savings in order to build self-immunity.
- 6) Ability to manage resources economically and effectively.
- 7) Promote conservation of the environment by growing as needed.
- 8) Always consider four types of capital for long-term economic development; namely, physical assets, human capital, natural capital, and social capital.
- 9) Encourage community members to maintain their own culture and traditions systematically.
- 10) Initiate well-balanced sustainable development planning that concerns: (1) capability to adapt to internal and external changes; (2) support the notion of the middle path; and (3) think rationally, as Nattapong suggested that in order to be sufficient, a person needs to realize what is adequate, and he should think rationally by having the right mindset for sustainability (Direk Pattamasiriwat, 2007 quoted in Office of the National Economics and Social Development Board, 2012; Nattapong Thongpakdee, 2007; Prasopchok Mungsawad, 2007; Suthipan Bongsunan 2009;). This was also stated by His Majesty the King in his Royal Speech (Bhumibol Adulyadej, King of Thailand, n.d. quoted in Nattapong Thongpakdee, 2007) “It is

necessary for everyone to constantly considering their own cause of action with rational thinking and by being aware by having a conscience”.

Overall, the expected outcomes of adopting the sufficiency economy may result in a well-balanced approach to social development that is fully prepared for uncertainty as shown in Figure 2.6

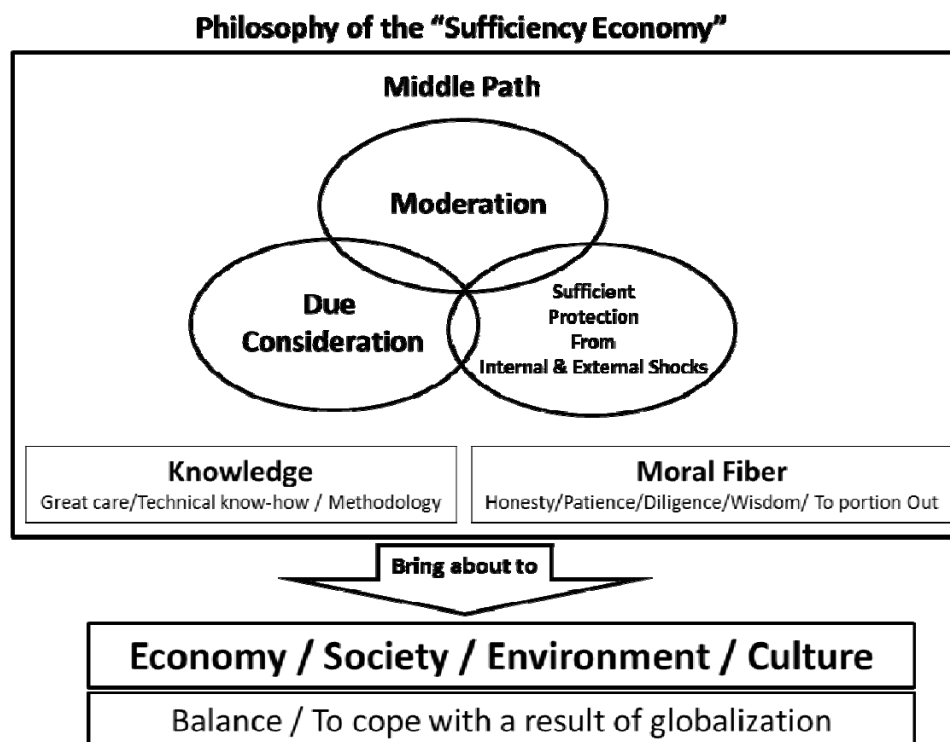


Figure 2.6 Sufficiency Economy Philosophy Framework

Source: Nattapong Thongpakdee, 2007.

2.20 Relating Theories

2.20.1 Interorganizational Relations

The concept of interorganizational relations was studied by Oliver (1990) to study how organizations are connected in networks is extremely crucial for building a better understanding of the concepts of social entrepreneurship and the sufficiency economy as it helps to explain the acquisition of resources, how they can create an

ecology that leads to group survival, or even how they develop and share expertise and skills. Thus, it is also vital to seek a better understanding of how organizations manage to collaborate.

The foundation of the concept is that organizations operate in an open environment while each organization has its own unique resources; any given organization will place great importance on having such resources. Also, similar organizations tend to behave similarly if they are on the same network. For example, organizations in the same industry would always share resources and exchange resources between each other. In order to gain the resources, the organization is required to adapt to changes in order to survive. As a result, the organization is always engaged in on-going decision-making based on pure logic and rationality.

With this in mind, it is inevitable that any interaction could be either beneficial or potentially cause impacts on any parties. Therefore, it is necessary to acknowledge how the inter-organizational network operates, which is explained through three different types of network:

1) Dyad

Two organizations are working towards the same purposes, without the need to start a new organization. This is done through a direct link.

2) Org Set

A collection of several organizations working together. However, there is a focal organization responsible for all interactions.

3) Network

Connected web of numerous organizations with high dynamism.

Furthermore, the relationship formations could occur under the following factors:

1) Necessity is when an organization unwillingly cooperates, e.g. due to legal issues.

2) Asymmetry is caused when realizing that the organization is taken for granted.

3) Reciprocity is when organizations are motivated to operate with the same purposes.

- 4) Efficiency is when organizations seek higher efficiency from the cooperation.
- 5) Stability is when the organization seeks partners for its own stability.
- 6) Legitimacy is an attempt to gain social legitimacy and social acceptance.

To conclude, the theory of inter-organizational networks helps to explain how the concept of social entrepreneurship and the sufficiency economy operates, since both types of concepts clearly express the importance of operating through complex networks.

2.20.2 Social Network Theory

Social network theory explains the interdependence relationship and interaction between individuals, groups of people, groups of organizations, and those in the same network (Hatch and Cunliffe, 2006). This theory also concerns social capital in the form of information and knowledge sharing and is also similar to the concept of social structure as communities. The concept explains that a strong social structure should focus on the community level. Such structure should engage in (1) connectivity; (2) sharing a body of knowledge and other values; and (3) the involvement of other social volunteers. It also suggests that organizations should promote collaboration between community members as well.

This concept is also related to Wenger and Lave's (1991 quoted in Hatch and Cunliffe, 2006: 129) ideas that suggest the way in which people are connected with similar interests, such as daily routines or through the use of language. These types of groups are more likely to be interested in the process of learning together in order to form their own sense of community and identity.

2.21 Conceptual Framework

The relevancy of the literature review regarding the concept of the social enterprise, social entrepreneurship, the sufficiency economy, and knowledge in organizational networks is critical to the study of the integration of the social

enterprise and the sufficiency economy. Additionally, the concepts and information based on the literature review helps to assist with the design of certain semi-structured research questions for further in-depth interviews and provides a better focus for the research as a whole.

The next stage of the research will be the proposition of the research methodology, which will be discussed in chapter 3. This involves the research techniques and the selection of appropriate case studies for further data collection and analysis. The research model is shown in Figure 2.7

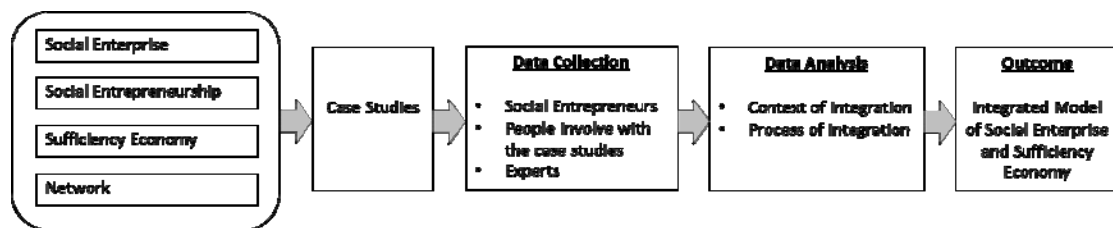


Figure 2.7 Conceptual Model

In conclusion, the literature review of the relevant concepts regarding the social enterprise, social entrepreneurship, the sufficiency economy, and organizational networks allowed for a better understanding of the research. However, the purpose of the literature review was not to identify the variables or establish research hypotheses which may lead to bias in the data analysis. It was only to assist in the design of appropriate questionnaires without creating an impact on the overall quality of the qualitative research.

CHAPTER 3

RESEARCH METHODOLOGY

Chapter 3 discussed the proposition of the research methodology chosen for the study. The chapter concerns the following aspects: (1) the research guidelines; (2) the research design; (3) the data collection; and (4) the data analysis.

3.1 Research Guidelines

There has never been an attempt to study the integration of the concepts of the social enterprise and sufficiency economy. This study is an attempt to seek answers to the established research questions, and to provide explanations for the integration of the social enterprise and sufficiency economy.

The findings from the literature review suggested that the concept of the social enterprise is relatively new and unclear; similarly, the notion of the sufficiency economy has not been clearly understood or widely adopted in Thailand. Without the sufficient theoretical support of both concepts, the deductive approach is inappropriate for formulating the integration of the social enterprise and the sufficiency economy. Furthermore, due to the complexity of both concepts, which involve many subjective components such as human motivation, attitudes, culture, and beliefs, as well as the lack of academic support, prevents further in-depth statistical analysis for quantitative research methodology. Hence, the qualitative research method is more suitable for answering the research questions.

3.2 Research Design

Qualitative research methodology was selected for its suitability to explain the context and processes regarding the integration process of the social enterprise and

sufficiency economy. The “unit of analysis” was the social enterprises in Thailand that had successfully integrated the two concepts. The “level of analysis” was small and micro social enterprises in Thailand.

The researcher selected the case study approach to seeking an understanding of the integration contexts and processes from each case study. Then the researcher conducted comparative case studies; this assisted the researcher in identifying the similarities, differences, and patterns across all cases. Therefore, it was expected that the outcomes of this study could lead to greater understanding of the integration of the social enterprise and sufficiency economy. The relationships among the research objectives, research questions, and research methodology are shown in Table 3.1

Table 3.1 Research Objectives, Research Questions and Research Methods

Research Objectives	Research Questions	Research Methods
1. To study the contexts, components of contexts, and processes in the integration of social enterprise and sufficiency economy.	What are the characteristics of the contexts, components of the contexts, and processes in the integration of social enterprise and sufficiency economy?	Case Studies - Descriptive analysis of the study of contexts and processes. - Outcomes are the characteristics of contexts and processes.
2. To develop the integrated model of social enterprise and sufficiency economy.	How to systematically integrate social enterprise and sufficiency economy?	Comparative Analysis of Case Studies - Synthesis and inductive reasoning of contexts, and the integration process to develop the integrated model systematically. - The Outcome is the integrated model of social enterprise and sufficiency economy.

3.2.1 Case Study

The concept of the social enterprise and sufficiency economy are very much subjective in nature since most explanations of the concepts tend to be based on personal emotions, behaviors, beliefs, culture and traditions, and experiences. Moreover, there is no solid theoretical support for either concept. Hence, the deductive approach was considered to be no longer suitable for the study. As a result, the inductive approach based on a qualitative research framework was thought to be more appropriate for the following reasons:

1) The researcher aims to ask the following: “What are the characteristics of the contexts and processes in the integration of the social enterprise and sufficiency economy?” and “How can one systematically integrate the social enterprise and sufficiency economy?” These questions require careful observation and synthesis, as well as precise analysis of the case studies, an area where qualitative research methodology shines.

2) The researcher was not able to control the complex variables and interactions that could occur during the research.

3) The objective of the study aimed to seek the understanding of the social variables that could not be derived from statistics.

4) Currently, there are no reliable theoretical explanations for the study of the social enterprise or the sufficiency economy. Hence, the deductive method was not possible.

The researcher selected social enterprises that were successfully integrated with the sufficiency economy as case studies. The selected case studies had to fulfil the following attributes: (1) the selected case studies must be organizations that can generate their own income by working with other community members; (2) the case study had to place high importance on networking; (3) the case study had to be willing to cooperate with others in their network; and (4) the case study had to be a social enterprise that had successfully integrated the sufficiency economy.

3.2.2 The Selection of Case Studies

3.2.2.1 The Sources of the Case Studies

The sources of the case studies were based on the information gathered from Social Enterprise Catalogue (Thai Social Enterprise Office, 2012). The researcher examined 67 social enterprises from the database, which were officially selected to be part of the currently-existing social enterprises in Thailand. Thus, the screening process was partially done at Thai Social Enterprise Office, and this provided an initial starting point to allocate the most appropriate case studies for the research. Since the research aimed to study the social enterprises that had successfully integrated the sufficiency economy, the case studies had to fall into the following selection criteria.

3.2.2.2 Selection Criteria for the Case Studies

The criteria were as follows:

- 1) The social enterprise had to have integrated the sufficiency economy.
- 2) The social enterprise had to be a profit-making organization that promotes community values.
- 3) The social enterprise had to operate with other organizations or agencies in the network.
- 4) The selected social enterprises for the case studies had to consist of 2 small-size social enterprises and two micro-size social enterprises. This represented most local organizations found in Thailand.
- 5) The social enterprise successfully integrated with the sufficiency economy had to be differentiated by the success levels.
- 6) The key informants had to be authoritative figures responsible for the main decision making, and they had to be willing to participate in the research.
- 7) The social enterprise had to have been established for at least two years.

To realize if any of the 67 social enterprises fell into the criteria above, the researcher made phone calls and asked the following questions:

- 1) Is your organization a social enterprise?

- 2) How many employees are there in your organization?
- 3) Do you integrate the sufficiency economy in your workflow and organization?
- 4) Does your organization operate with other agencies in the network?
- 5) What is your success level regarding the integration of the concept of the sufficiency economy?

The goal of the selection procedure was to seek social enterprises that were previously successful at integrating their social enterprise with sufficiency economy philosophy. After the successful telephone questioning procedures, there were only a few social enterprises had managed to integrate with the sufficiency economy.

The next stage was to allocate candidates to the appropriate organization type. The researcher asked for the size of their organization in order to allocate the case studies into the organization classification scale based on the SME's Promotion Act B.E. 2543 (The Office of SMEs Promotion, 2012): (1) the type of enterprise; (2) the number of people employed; and (3) the number of fixed assets, as shown in Table 3.2.

Table 3.2 SME's Framework

Enterprise Types	Number of Employed (People)	Number of Assets (Million Baht)
	Small	Small
Production	50 and under	50 and under
Wholesale	25 and under	50 and under
Retailing	15 and under	30 and under
Service	50 and under	50 and under

Source: The Office of SMEs Promotion, 2012.

The following was found. One, many informants refused to provide data related to their business assets. Two, most selected social enterprises did not fall into either enterprise type. Instead they were a hybrid between production, wholesale, retailing, and providing service in the same organization. Thus, they did not fall under any criteria. Three, since the preselected social enterprise did not belong in the specified categories, it was not possible to identify the number of employed persons.

Moreover, some of the preselected social enterprises had less than five people operating in their organization; this represents the micro-enterprise segment, which is the majority of organizations found in local communities as well. This is suitable for the study of the microenterprise and primarily represents the real local businesses scattered throughout Thailand.

Due to the initial screening process with 67 social enterprises, the researcher decided to select 17 social enterprises that had 50 employees or under, which belonged to small and micro enterprises, all of which had already passed the selection criteria. However, in order to select only 4 case studies for the research, further, screening was required. The selection criteria were as follows: (1) the integration success in each case study should vary, and (2) each case study had to be in a different industry.

In conclusion, the researcher selected 4 case studies for the research which as follows:

- 1) A small enterprise that was relatively successful in integration
 - Thai Craft Fair Trade Social Enterprise (retailing)
- 2) A micro enterprise highly successful in integration
 - Garbage Savings Bank Social Enterprise (environmental preservation)
- 3) A small enterprise mostly successful in integration
 - Mechai Pattana School Social Enterprise (education)
- 4) A micro enterprise highly successful in integration
 - Lung Krai Orchard Social Enterprise (agriculture)

3.3 Data Collection

3.3.1 Data Collection Method

The key informants of successful 4 case studies included: (1) Krai Chomnoi, (2) Chatchanan Masawangpairoj, (3) Stephen Salmon, and (4) Mechai Veravaitaya. The data collection technique chosen for 4 case studies was the semi-structured, in-depth interview. Apart from the interview, observations of other elements such as the surroundings, reactions and emotions were also carefully made in order to gather as much information as possible. This information was crucial for a “thick” descriptive analysis and synthesis of the information via the inductive method.

In order to gain as much insight regarding the integration as possible, the researcher also conducted further semi-structured, in-depth interviews with 20 informants that were related to the main case studies in the form of team members and those that were in the network. As for the selection of sources, the researcher deployed the snowball sampling technique recommended by the key informants in the case studies. The sampling method was not predetermined; however, they had to be qualified to be interviewed. The qualification criteria were as follows:

- 1) The informant directly or indirectly shares the same goal as the case study.
- 2) The informant is directly or indirectly involved with the case study.
- 3) The informant directly or indirectly gains benefits from being involved with the case study.
- 4) The informant directly or indirectly supports the growth of the social enterprise.

Lastly, the researcher conducted a semi-structured, in-depth interview with five experts in the field of the social enterprise and the sufficiency economy as the means to gain expert viewpoints for the integration of the two concepts.

The informants and experts were asked for permission to be interviewed. All of the interview sessions were recorded for further transcription. The questionnaire focused on the following aspects.

- 1) The perspective on the contexts and processes regarding the integration of the social enterprise and sufficiency economy.

2) Information on the community surroundings and the interaction between organizations.

3) Experiences from the integration of the social enterprise and sufficiency economy.

4) Successes and changes after the integration.

The acquired data revealed the details as specified in Table 3.3.

Table 3.3 Required Data, Research Objectives, and Data Collection Technique

Required Data	Research Objectives	Data Collection Technique
1. General Data	- To understand the case studies' environment	- Semi-structured, in-depth interview - Observations
2. Data related to the integration of social enterprise and sufficiency economy	- To find the necessary contexts, components of contexts and processes for the integration of social enterprise and sufficiency economy - To develop the integrated model of social enterprise and sufficiency economy	- Semi-structured in-depth interview - Observations

3.3.2 Interview Guidelines

The interviewer was keen to adapt to the research settings and the participants in order, to extract an essential information without being biased or conveying other messages to the informants. The researcher focuses on open questions without probing with specific questions. All of the questions were to lead to specific answers to serve the purpose of this study. The key to successful interviews was the ability to promote a better relationship with the informant in a comfortable setting. Furthermore, the researcher took a neutral stance throughout the interview sessions as

a mean to avoiding the personal point of view that could inhibit the rise of accurate sources of information.

3.3.3 Data Verification

The data verification process is vital for successful qualitative research. Carefully screening potential case studies and key informants is part of the audit process itself. Moreover, interviewing other informants related to the case studies, as well as interviewing experts, is also part of the verification process.

In summary, the chosen data verification was considered to comprise the triangulation technique chosen to verify the information for accurate analysis at a later stage.

3.4 Data Analysis

The researcher chose the descriptive analysis and comparative analysis methods in order to gain insight in the integration of the social enterprise and the sufficiency economy. This method allows for greater understanding of the contexts involved and of the integration process, which is essential for the further synthesis and the inductive reasoning phase. The findings regarding the contexts and integration processes were analyzed accordingly as follows: (1) the context of the social entrepreneur will be analyzed under the integration process called “the pre-integration phase;” (2) the contexts of organization and network, this was analyzed by the “the integration phase;”(3) the expansion context consisted of the expansion of the integrated model to a wider network, called “the expansion phase;” (4) the environmental context was applied across all of the integration processes. This was crucial for understanding that the contexts and processes are closely related.

There was also a comparison between the similarities and differences between the case studies. Lastly, the researcher used inductive reasoning to all the case studies and informants’ points of view in order to summarize the relevant contexts, the components of the contexts, and the integration processes.

In conclusion, the expected final outcomes are: (1) the explanations of the necessary contexts, the components of the contexts, and the integration processes; (2) the proposition of the integrated model of social enterprise and sufficiency economy.

CHAPTER 4

DATA ANALYSIS AND RESEARCH RESULTS: INTEGRATION CONTEXTS

This chapter consists of the descriptive contextual analysis to identify relevant contexts of the integration of social enterprise and sufficiency economy. The researcher also conducts a comparative analysis and summarize the necessary contexts by using the inductive reasoning at the end of the chapter.

4.1 Case Study: Uncle Krai's Orchard

4.1.1 Background of Uncle Krai's Orchard

Uncle Krai's Orchard is located at Suk Sombun Village, Village No. 2, Thai Samakkhi Sub-District, Wang Nam Khiaw District, Nakhon Ratchasima Province. The garden area used to be located in the red zone considered the Communist Party of Thailand's operational base. Once the situation disentangled, the villagers mustered and moved into the area with a determination to build up an agricultural community considering the perfect weather for fruitful cultivation, and safe from inundation and earthquake. Most of the villagers are agriculturalists in a farming industry. The new community was successfully established and later became a tourist attraction during winter. However, according to Uncle Krai's interview, the researcher learned that growth of the Wang Nam Khiaw community brought along arrays of problems, such as (1) poverty: There is unequal allotment of income. Those who have income bunch up in the cluster and some people still live from hand to mouth. Besides, people in the community tend to compare wealth and social status with one another. This is attributed to their attitudes towards capitalism and materialism and is eventually a cause of long-term debt; (2) people in the community lack of public mind. They mostly work disjointedly and are inclined to copy products of one another. This

deprived their products of the decent quality they should possess, and the effortless solution they frequently turn to is the service of middlemen. The use of the middlemen induces an unfair treatment to the price of the products and dispossesses bargaining power of traders in the community; (3) traders in the community has the propensity to run their business without risk assessment both regarding investment and business transactions. This is due to the lack of necessary tidings, the status of competition, and the knowledge on actual demand and supply as well as the limited level of experience and expertise in running a business. They therefore are unable to come up with a line of products that has a decent level of remarkableness and innovation to meet the customers' requirements, and in due course, turn to duplicate successful product ideas of one another; and (4) the community is short of the leader who can provide an appropriate advice for the people in Wang Nam Khiaw community to run their businesses. The government sector so far has not paid a sufficient amount of attention to the community. It does not even acquire knowledge and understanding of the context of Wang Nam Khiaw community emanating government's policies that are unsuited to requirement and appropriateness of the community in terms of raw materials, cultures, traditions or beliefs of the community. In other words, the government sector has been constantly attempting to apply national policy to the community; for instance, the populism policy that did not sustainably fix the problems. Moreover, such policy cradles waiting-to-be-rescued behavior. It pragmatically endorses and encourages people to be indolent and intolerant to hardship and sways them from the path of self-reliance, and finally, the government sector is not equipped with sufficient amount of budget to administrate transactions in the community level while local organization is constantly intervened by political mechanism. As to the private sector, it has never had any attention towards community development since the beginning.

According to the preliminary problems figured out by the researcher, here comes the Uncle Krai's orchard with the following objectives: (1) to create opportunities and sustainable joint survival; (2) to decrease the level of poverty by initiating job opportunities and mutual income. The newly initiated job must be equally balanced between developing the quality of life and conducting business in the community. This will help all concerned parties to disperse risks, for Uncle Krai

has been placing importance on promoting collective benefits rather than self-interest. Competition among people in the community is never endorsed; (3) to emphasize more on community's self-reliance rather than any support provided by the government or the private sectors. This is an applied production of sufficiency economy philosophy; (4) to solidify the Small and Micro-Community Enterprise (SMCE), especially on income creation of entrepreneurs' network where mutual collaboration is required, and profit is fairly portioned; (5) to cultivate and sell customer and eco-friendly agricultural produce. The produce must respond well to demand of the market while simultaneously offering a range of product variety to reduce transactional risks; (6) to apply sufficiency economy philosophy to SMCE as shown by Uncle Krai's effort to incorporate sufficiency economy philosophy into his business' running process in order to financially empower himself and his network, for he believes that it will be a righteous payback to others and society; and (7) to develop a learning center to disseminate knowledge regarding sufficiency economy philosophy and organic agriculture. The dissemination of which can be considered as a form of social enterprise.

The above objectives effectively differentiate business transactions of Uncle Krai's orchard from others; for it could be proved that it could help amend problems in the community, especially the integration of sufficiency economy philosophy to the social enterprise meaningful context. Uncle Krai Chomnoi's development has derived from the gradual accumulation of experience since his childhood, especially in agriculture—a legacy passed on to him by his parents.

Before the establishment of Uncle Krai's Orchard, he began to gain income from growing cucumbers and other sorts of vegetables as well as sweating on whichever jobs he was hired—harvesting potatoes, picking cucumbers, growing maize, mowing lawns—just to survive. He recounted that he once had a very little money. All he had was a tractor worth around fifty to sixty thousand baht, but his perspective towards life was altered once he had a chance to work with a company in Sweden. As he never feared to learn, imagine and experiment, he began his learning journey by studying a variety of plant seeds from foreign countries. Subsequent to thorough study, he experimented growing those seeds locally and was eventually successful at the time when organic produces were highly popular. Not so long, Uncle

Krai became one of the thriving agricultural pioneers of Wang Nam Khiaw community who paid attention to the organic farming.

At the beginning, Uncle Krai's orchard had a support from the Department of Internal Trade, Ministry of Commerce under the 'Farm Outlet Program', which had a huge influence for the orchard's current continuing achievement. A public relation billboard of the program had guaranteed that the produces from his orchard were standard community produces. Some driving factors had ceaselessly flourished Uncle Krai's social enterprise up until now. The produces from his orchard were very well accepted by customers and people in the community. The more his business grew, the more he connected with his network through Wang Nam Khiaw community's collaboration. His orchard was no longer only an agricultural plot of land, but it was also turned into the community's learning center and his network's distribution center. 22 years since the beginning, Uncle Krai's orchard and his networks have expanded enormously, and it has generated financial stability and living sustainability.



Figure 4.1 The Researcher Interviewing Uncle Krai Chomnoi

The administration of Uncle Krai's orchard is presently conducted on a 15-rai plot of land. All areas and resources are appropriately utilized so that risks to the business and networks are minimized. Uncle Krai gives priority to the administration that focuses on circumstances and environment, e.g. growing vegetables that are a complement to the type of soils, soil resting, growing seasonal vegetables, etc. When

the demand in the market is low, he will have excessive produces processed into organic fertilizer to lessen the overall costs. He supports agriculture that types of plants are circulated to manage effectively resources of the community and the network in accordance with the sufficiency economy philosophy that reinforces an economical risk reduction and cohabitation with others. A pool of efforts led by Uncle Krai, in turn, result in the success of Uncle Krai's orchard which functions as product distribution center. Currently, the center also operates as a learning center for organic agriculture. The knowledge from which is disseminated to the community, academics from government and the private sector. The fame and popularity of the orchard have brought some visits to the orchard to study Uncle's Krai methods of sufficiency agriculture. Uncle has since become a philosopher in the community who never stop growing vegetables, being happy with his life and music. Uncle Krai further detailed that his distinctive reputation is in no way different from the creation of a good, acceptable brand. He presently is designated as 'the agricultural philosopher of Wang Nam Khiaw' who has been unwaveringly adhering to sufficiency economy philosophy and never stops to devote himself to the benefits of the society.



Figure 4.2 The Learning Center Situated in front of Uncle Krai's Orchard

4.1.2 Other Informants in the Case Study of Uncle Krai's Orchard

Sirilak Siritho

In this research, people involved with Uncle Krai's Orchard were interviewed. These people were subcase studies. All the interviewees were recommended by Uncle Krai as the appropriate samples for the study and have different involvements with Uncle Krai's Orchard. As Sirilak stated,

Sirilak is the daughter-in-law of Uncle Krai. She has graduated in accounting from Bangkok. With knowledge and fondness of trade, Sirilak decided to move to and live in suburb area because she had been bored with the urban life as she stated, "I had had enough. I had spent enough time in the city. I lived. I enjoyed life. I became bored. I had visited many pubs and discotheques. I am lucky for being born in Bangkok, the land of liveliness and civilization, so I became bored and would like to be here" (Sirilak Siritho, 2013: Interview).

Nowadays, Sirilak is responsible for the management of shops in Uncle Krai's Orchard, which Uncle Krai does not have expertise in. Sirilak stated that after she had moved to a suburb and started working with Uncle Krai, she discovered a way of life that gives her happiness and balance.



Figure 4.3 The Researcher Interviewing Sirilak Siritho

Phanuwat Worawit

Phanuwat is a member of the network of Uncle Krai's Orchard. He has a bachelor's degree in marketing from the University of the Thai Chamber of Commerce. He had worked with a private company in Bangkok but was persuaded by his parents to come back to work in his hometown. He always has chances to work closely with Uncle Krai's Orchard. For 4-5 years, he has been running his shop to sell clothes, sunglasses, hats and souvenirs to customers who visit Uncle Krai's Orchard. With the awareness that Uncle Krai's Orchard does not have any expert in trade and marketing, Aun applies his knowledge and experiences to supporting Uncle Krai's Orchard. He identified his work with Uncle Krai's Orchard as a family-like relationship with clearly defined conditions for collaboration. What he has learned from Uncle Krai are the perspectives of many aspects of the society and way of life agreeable with sufficiency economy philosophy.



Figure 4.4 The Researcher Interviewing Phanuwat Worawit

Somphon Klamklang

Somphon is a farmer who runs his own organic vegetable farm in Wang Nam Khiaw. He runs his farm with his wife. In the past, Somphon had earned as much as 100,000 baht per month from the cultivation and sale of cucumbers, but the business required a great deal of financial capital, so he faced with labor problems and unavailability of workers. Also, he became aware of the danger from the use of a great amount of chemical substances which causes health problems to consumers. Thus, he had stopped cultivating cucumbers for around ten years and started to cultivate salad vegetables as Uncle Krai's Orchard does. Somphon has learned about Uncle the business schemes of Krai's Orchard throughout that period. He is very close to Uncle Krai, and it can be said that he can be regarded as a relative of Uncle Krai, so he sells vegetables to Uncle Krai's Orchard. Somphon has learned about the business scheme of Uncle Krai's Orchard and believes that Uncle Krai is his role model concerning the truly successful application of sufficiency economy philosophy to work because Uncle Krai can help himself and enable other community members to generate more incomes. As for his future, Somphon dreams of developing his business to be like Uncle Krai's orchard.



Figure 4.5 The Researcher Interviewing Somphon Klamklang

Thawisak Prakopphon

Thawisak is the nephew-in-law of Uncle Krai and was born in Wang Nam Khiaw. He had the advanced vocational diploma in electronics and had worked as a head of a product line for a refrigerator manufacturer from Japan. However, with his characteristics that are against partiality in the organization, he quitted his job so that he could be self-employed. He started administrating his business or Wang Nam Khiaw Village, which is a home stay for serving customers who visit Uncle Krai's Orchard. He puts emphases on sharing with and assisting his guests rather than only generating profits. Currently, Thawisak's business has been greatly growing with a greater number of accommodations and guests. He stated that he is very happy for having cooperated with Uncle Krai's Orchard because he has had chances to learn about Uncle Krai's ideas and experiences, especially the social works and the application of sufficiency economy philosophy to his way of life.



Figure 4.6 The Researcher Interviewing Thawisak Prakopphon

The Deputy Director-General of Thai Samakkhi Sub-District Administrative Organization

The Deputy Director-General of Thai Samakkhi Sub-District Administrative Organization (who desired to remain anonymous) supports activities of Thai Samakkhi Community with his emphasis on social works for collective benefits and the improvement of life quality in accordance with the local way of life and sufficiency economy philosophy. The Sub-District Administrative Organization plays roles of a facilitator and connector to link the governmental works, community's activities and private organizations' activities together for the benefits of Thai Samakkhi Community. Therefore, he plays roles to support indirectly Uncle Krai's Orchard. He stated that the fame of Uncle Krai's Orchard has been attracting tourists to visit the community and buy community products, which generates more incomes for local entrepreneurs. The SAO promotes Uncle Krai's Orchard as a role model for the community to show the success of a social enterprise that focuses on the society and has successfully integrated sufficiency economy philosophy in the business operations.

4.1.3 Characteristics of the Uncle Krai's Orchard

4.1.3.1 Administration

Uncle Krai's business is a household business that is administrated by Uncle Krai and few relatives of his. Incomes are generated from vegetable cultivation and sale of agricultural products at the orchard. However, Uncle Krai's Orchard is a community-level social enterprise that greatly emphasizes on the creation of happiness to all entrepreneurs and all the people in and related to the network. For Uncle Krai, happiness means to live happily the daily life and work by implementing sufficiency economy philosophy to the daily life, which is reflected through the organic agricultural schemes practiced by Uncle Krai by using no chemical substances in cultivating salad vegetables because of the belief that the residues from such chemicals can affect consumers. With different ideas and consideration of others, Uncle Krai's Orchard puts great emphasis on social perspectives more than other businesses with pure business minds, as Krai Chomnoi (2013: Interview) stated:

I have to concentrate mainly on the society because I have only two hands. If the agricultural society cannot survive, my business will perish. Therefore, everyone should emphasize on the society first before thinking about their businesses to change their visions and build good perspectives. I focus mainly on the society. However, in reality, things that everyone should do include (1) to be amicable and hearty as Siam is the land of smiles, so everyone should be friendly to one another; and (2) to set happiness as the first priority, not money and not to do things beyond our wit's ends, so everyone should start from small things and gradually expand businesses.

Uncle Krai's concepts can be interpreted that the social perspective is the model and vision for a business administration that is based on the consideration of others and openness to others to live with all members of the community and network. It is apparent that contentment that emerges from sufficiency is the balanced happiness in accordance with sufficiency economy philosophy.

Uncle Krai strongly believes that solutions to community problems should be based on social foundation. Community members should try solving their own problems rather than just waiting for assistances from the public or private sector. Hence, self-reliance is an important concept for Uncle Krai because it leads to true sustainable. Consequently, Uncle Krai believes that in addition to self-reliance which is a sub-concept in sufficiency economy philosophy, community members' participations in solving problems, which can improve the eco-system of the community to be more balanced, are also the implementation of sufficiency economy philosophy as the foundation for managing way of life and businesses and for creating network-level collaboration. Uncle Krai had experimented and discovered that the application of sufficiency economy philosophy to daily life and work leads to great happiness and success. This can be achieved provided that it should begin with each individual's way of thinking, especially the ideas of self-sufficiency which is the base for the development of enterprise and network levels. For Uncle Krai, to implement the principle of sufficiency as the base for a living is not an ordeal task because he strongly adheres to the teaching of Buddhism that emphasizes on letting things go and staying on the path or moderation, which is balance and sufficiency. Also, Uncle Krai has great faith in His Majesty the King, so he can easily adopt the concepts proposed by His Majesty the King immediately. With the integration of sufficiency economy philosophy at the individual level, business form of Uncle Krai's Orchard is also based on the philosophy. This especially reflected through the administration of the business that emphasizes on economization, cost-effective resource management, risk reduction, self-sufficiency and collaboration with others, all of which are fundamental concepts for the administration of Uncle Krai's Orchard that has eventually turned the business into a social enterprise.

Therefore, the administration and structure of Uncle Krai's Orchard are simple. This is the result of the integration of sufficiency economy philosophy into business administration. Consequently, the structure and operations of the business are smooth, dynamic, adjustable to networks and well-prepared to cope with all environs and circumstances that cannot be anticipated. Risks can be reduced through the allocation of tasks and the use of all capacities and resources from all members of the network to the fullest extents. However, even though the forms of operations are

complicated due to the involvement of many different groups, they are smooth and can be run very easily, for Uncle Krai is the leader and center of all decisions while allowing all members of the community and network to work freely in accordance with the principle of democracy. All people involved with the network deem that Uncle Krai is highly experienced and respectable, so he plays greatly significant roles in sustaining the entire network.

It has been 22 years since Uncle Krai primarily discovered the administration scheme that is agreeable with sufficiency economy philosophy that he has implemented to stabilize his business and network, creating immunity for all members and enabling them to handle and tolerate natural disasters and fluctuation of markets. Even though some years Uncle Krai might be able to generate a little income, it was still sufficient for himself and all his affiliates. The immunity is created in the said manner through teamwork that distributes risks and creates immunity in accordance with sufficiency economy philosophy and simultaneously coexists with the mechanisms for network establishment.

For Uncle Krai, he realizes that the establishment of a network is not for creating immunity for himself or his self-interest, but it is, in fact, a network that helps others to promote joint development. In other words, “self-assistance is the assistance for others” until it has eventually become a social enterprise. Uncle Krai reckons that the true assistance is “the exchange of knowledge and experience” among all parties involved which are the core of immunity creation. Diverse fields of expertise possessed by all parties have brought about a mutual immunity. Hence, the ‘learning’ element makes Uncle Krai aware of the significance of learning and mainly supports learning. It can be understood that ‘knowledge’ is not only the capital and intellectual property that create immunity for all parties involved but also the main component of sufficiency economy philosophy.

According to the perspective above, it is noticeable that the collaboration in a network, especially the share of resources and knowledge among members have finally turned Uncle Krai’s Orchard into a streamlined social enterprise, for there is collaboration and sharing at the networking level. For this reason and from the evolution of Uncle Krai’s Orchard, it is comprehensible that sufficiency economy philosophy is an independent variable that turned Uncle Krai’s

Orchard into a social enterprise. At the same time, being a social enterprise enables Uncle Krai's Orchard and networks to have immunity in accordance with sufficiency economy philosophy. This leads to a dynamic cycle between the status of a social enterprise and sufficiency economy philosophy.

The aforesaid dynamism inevitably consists of learning factors. This encourages Uncle Krai to continuously pursue additional knowledge for himself until it can be understood that Uncle Krai's Orchard is a 'learning enterprise' and 'learning management enterprise' from self-experiments and establishment of a learning center that allows everybody to exchange knowledge with one another. As a result, Uncle Krai has always been meeting with other people and exchanging perspectives, knowledge, and experience with them. This can be said to be the accumulation of additional knowledge and can attract customers to buy products of the orchard.

However, the fact that Uncle Krai's Orchard is considered a social enterprise does not single it out from other enterprises regarding indispensable costs of living and operations. The survival of Uncle Krai's Orchard consequently depends on income generation, and it is vital as stated by Sirilak Siritho (2013: Interview):

If you ask me whether we are doing what we do for the society, I can tell you that it may not be 100% as one still has to live. Nobody is 100% charitable. We can only provide a part of us for the society. For instance, another shop outside sells a bag of jujubes for 60 baht while our price is 80 baht. The price of our produce may be a bit higher, but we are certain of our quality, integrity, and the screening process of our produce. We reject all that do not meet our standards while others might not. This is what we do for the society. We are honest. Our prices may be higher, but our quality is superior.

The combination of social dimension and the business may perhaps seem to be paradoxical for people in general, but Uncle Krai believes that if entrepreneurs 'give' and 'share' in order to do their businesses or to help the society, everyone can live together, for giving reduces the need to take advantages from one another and makes all parties in the network collaborate with one another as all of

them will eventually and together enjoy benefits and growth. Krai Chomnoi (2013: Interview) stated, “The more we give, the more we get”.

Therefore, in the social dimension, giving and sharing involve ‘fairness’ in the minds of entrepreneurs which leads to collaboration with others. Uncle Krai adapts His Majesty the King’s teaching of sufficiency economy philosophy in the aspect of ‘sufficiency’ and ‘morality’ as cores of the administration of his enterprise and establishment of networks. These components are the foundations for the development of Uncle Krai’s Orchard as a social enterprise. Analyzed in details, morality and sufficiency in individual level lead to collaboration with others in co-working, mutual sharing, and joint development. The researcher might generate the comprehension that sufficiency and morality can be essential keys to the generation of ‘motivations’ that make others want to collaborate with Uncle Krai as they believe that they will not be exploited. Since Uncle Krai emphasizes on fairness, instead of competing with one another, all parties collaborate with one another as a network with fair trade. Consequently, all entrepreneurs in the network help one another in doing businesses, distribute risks, and group together in order to create opportunities and move towards sustainability together, as reflected in the ‘empathy’ and ‘if we sustain so they do’ and ‘the more we give, the more we get’ principles because everyone know that they have joint benefit. This leads to the administration in network level. Also, morality concurs with the ‘integrity’ approach that Uncle Krai puts great emphasis on and is a main factor that builds trust in the network. Everyone in the network is willing to collaborate with or become partners of Uncle Krai owing to mutual trusts and commitments. Integrity and morality are important components of sufficiency economy philosophy and are factors that lead to collaboration in any social enterprise. Sirilak Siritho (2013: Interview) stated:

Honesty must be prioritized. Once you manage to excel it, it will carry other significant things along. When we are honest, we will be sincere; then we will not lie. These things happen in a sequence. This is why only morality is never enough. Morality cannot stand alone. It may be swayed without honesty. Being honest is to be truthful from the heart.

Even though integrity is an important component that brings about the participation of all entrepreneurs in Uncle Krai's network, another equivalently important motivation is the 'income' acquired through income distribution emerging from co-thinking, cooperation and exchange as appeared in the general business mechanism. Uncle Krai deems that if all parties can generate income together without troubling themselves and others, they will enjoy true and valid sustainability. Therefore, the administration of the enterprises in the network is mutual sharing and assistance among all members. This means the enterprise focuses mainly on the society. As Phanuwat Worawit (2013: Interview) explained "It is like everyone is helping one another. We generate income and help the locals by selling their products in our shop. This is how everyone helps one another".

However, even though income generation is vital for everyone, Uncle Krai further explained that the more important thing is to limit our greed; otherwise, there will be problems in the network. The component that Uncle Krai deems to be effective in controlling greed is sufficiency. Everyone will avoid taking advantages from one another if greed can be controlled, which is difficult in general. It is, therefore, necessary that terms and conditions for the collaboration are set out in the very beginning phase to prevent problems that might take place later.

Morality is thus a very important factor for a long-term collaboration because it prevents risks and preserves benefits for everyone in the network leading to the decrease of disadvantageousness, production, and price competition among all members. Eventually, joint development will happen as Sirilak Siritho (2013: Interview) stated:

The benefit sharing ratio for a private organization may be 60:40 or 70:30 but for the locals, the ratio can be 50:50 or in some cases, the ratio can be over 100% such as 60:60 which means they get 60% so do I. This depends on quality of the produce. If their produce has high quality, we can make great profits from them. On the contrary, the profit for them and me will be low if the quality of their produce is low.

Phanuwat Worawit (2013: Interview) explained further ‘we do not buy products that compete with one another. All members in the network try to avoid competitions but to emphasize on mutual assistance’.

The business mechanism of Uncle Krai’s Orchard is administrated with social principle and sufficiency economy philosophy, so it can be said that Uncle Krai emphasizes on holism and integration. It can be understood that this enterprise focuses on good governance in individual, enterprise and network levels.

Apart from selling the produce together to generate income, the collaboration also covers resource management in network level. Uncle Krai is aware of the importance of the allocation of resources and capitals in the network in order to improve the competitiveness of the network. This is reflected through the sharing of production materials and the distribution of tasks based on capabilities of each member to enable the network to survive. Phanuwat Worawit (2013: Interview) gave an example of this form of operations:

I think some community members might come up with an idea and want to do business, but they have no commercial skills while some other might be skilled in sale but have no money. So, they can group together in order to help one another. An instance is Uncle Krai’s ice-cream. The producer produces and Uncle Krai has markets, so they work together. For me, even though I sell clothes, I sometimes help the ice-cream shop when there is no worker. All members are helping one another as if we were a family.

It is understood that to work in a group is greatly related to cooperative resource management because each member has limited resources. This leads to the ‘helping one another’ concept to form alliances to solve community problems through collaboration. Uncle Krai believes that the more the networks are established, the more everyone can survive. Thus, the establishment and expansion of alliance networks are important for the attainment of shared resources which leads to the survival of everyone including Uncle Krai’s Orchard. With such perspectives, Uncle Krai believes that the problems of poverty can be solved provided that every member

in the network must be self-reliant and willing to help one another. All of the concepts above concur with sufficiency economy philosophy.

Even though physical resources such as materials and funding are important, the enterprise can grow and generate income for everyone, as explained by Uncle Krai, when there are essential resources like knowledge and tidings. This is the reason Uncle Krai's Orchard and network emphasize on never-ending learning. Hence, Uncle Krai's learning center is the center where tidings, knowledge and experiences are shared and exchanged. It is apparent that Uncle Krai has designed the 'dynamism' of learning and generation of community income together.

Meanwhile, this learning center also extends the success of projects to all people interested in the projects so that they can learn and study in Uncle Krai's Orchard. Also, visitors can buy products. In the perspectives of social principle and sufficiency economy philosophy that are analyzed from Uncle Krai's knowledge and experiences, apart from the dissemination of knowledge that is important for the development of a network to improve people, create jobs, and provide chances. Uncle Krai believes that knowledge exchange leads to development and immunity creation and risk reduction among member in an endless manner. As Krai Chomnoi (2013: Interview) stated:

If I were the only person that can plant, and I did not share, it means there is no assistance. Since I do this, people come to me when they have problems. Knowledge exchange happens. I will know something I have not known before. For example, other community members grow corns, but I do not.

In addition, it is discovered that even though Uncle Krai's Orchard is a small enterprise, it focuses on marketing management like other enterprises in general because products from Uncle Krai's Orchard have to compete with other products in markets. Meanwhile, Uncle Krai aims to extend the success to other communities. With the sale perspective, Uncle Krai believes that not only should an enterprise respond to market needs, but it also should create market needs as well, for instances, products from processed organic vegetables, improvement of packages and product

quality. Products should be differentiated from instead of competing with one another in order to stay in the market together. Therefore, Uncle Krai's Orchard has always been trying to implement marketing strategies to create innovations and new services.

For Uncle Krai, marketing activities could not have occurred unless all parties in the network had been willing to work together. This is because effective marketing strategies emerge from information exchange, co-learning and coordination, which lead to the knowledge that differentiates the products, creates opportunities and new business channels, reduces monopoly from few products, creates innovations and co-immunity, reduces risks and eventually sets the standing point for Uncle Krai's Orchard. With the awareness of all the aforementioned advantages, Uncle Krai intends to expand his network in order to create more opportunities.

From the aforementioned perspective, it is noticeable that the co-working in a small group leads to the exchange of information which creates immunity and reduces marketing risks. Hence, not only does the independent variable of co-learning have advantages in terms of trade but it is also advantageous in terms of risk reduction. In other words, the more people share and learn the more immunity they have.

For Uncle Krai, marketing is not just to do businesses, but it is an important component in the distribution of success for collective benefits in the society. Uncle Krai tries to create his own strength and standing point. With the images as a local philosopher of Wang Nam Khiaw, he has been paid attention to and promoted in the society. For instances, the press promotes him, and he has launched his single with R.S. Promotion. Consequently, he has been visited by a great number of guests, which expands the network and promotes knowledge sharing. Thus, Uncle Krai's network and Wang Nam Khiaw community have chances to extend their businesses and accomplish their objective of being capable of teaching people interested in the project to apply Uncle Krai's method to their lives or businesses.

Even though Uncle Krai's marketing activities are simple, they are truly beneficial to the network and enterprise, as stated by Sirilak Siritho (2013: Interview):

The strong point that enables Uncle Krai's Orchard to sustain is Uncle Krai. Without him, the business cannot go on. Uncle Krai is unique because there are not so many artists who become agricultural workers. Uncle Krai's uniqueness is that people view that farmers and agricultural workers, in general, are poor and uneducated. An agricultural worker was born to poor parents while rich people do businesses or work for governmental agencies. However, when Uncle Krai talks to others, they wonder why he speaks like educated people do, why he has wide visions. Those are Uncle Krai's experiences from the chances to work overseas. Uncle Krai is a talented musician, and he always plays the musical instruments. He has never forsaken his talents. These aspects are compositions of Uncle Krai. If people wonder what Uncle Krai is, they will have to come to Wang Nam Khiaw. He is the strength of this place while selling products is a minor result. People come to visit Uncle Krai, and they want to buy something to support Uncle Krai. In the past, we were unique because nobody did the same as we did, but later, they came to see us and began to do the same. We feel alright because we are their role model. All people can make money. It is income distribution.

4.1.3.2 Knowledge Transfer

Uncle Krai's Orchard is a social enterprise that puts great emphasis on learning for building new skills and experiences. Consequently, this enterprise is learning endlessly. The learning center that Uncle Krai has set at the front of his orchard promotes information and experience exchange among all interested people from governmental agencies and private sector, academics, customers and community members. As a result, Uncle Krai's network becomes aware of business opportunities, understands marketing mechanisms, recognizes the demands and supplies, is capable of reducing risks from investments, and has knowledge in order to prevent risks from external factors that cannot be controlled. Apart from social functions, Uncle Krai's learning center also generates income because when customers visit the center they can buy farm products as well.

Not only does learning benefit the enterprise but it also enables all enterprises in the network to receive information, understand their works, have consciousness and eventually create immunity for their enterprises. Such perspectives are based on sufficiency economy philosophy applied by Uncle Krai. As Krai Chomnoi (2013: Interview) mentioned:

We need to accumulate as many intellectual capitals as possible. I think learning, knowledge and prudence are three gems. These three gems are given by His Majesty the King. We have to think. When we think, we gain intellectual. Then, we try. The experiences from such trials will teach us.

Uncle Krai explained that knowledge and information are most important resources because his enterprise and network of entrepreneurs have limited resources. Each member has different resources with uniqueness. Hence, they face with limitations in terms of capabilities and resources. However, they can share everything and learn with one another in order to create greatest possible benefits for everyone. It is inevitable to admit that the survival and growth of the network depend on learning and sharing. For instances, a member knows about commerce, another is an expert in marketing; another is good at growing green salad vegetables and a local chef can use materials from Uncle Krai's Orchard to cook foods for customers. It is apparent that all of them have different skills, but working together, they make the operations lively and beneficial for all of them.

However, learning in Uncle Krai's Orchard is not limited to the network and Wang Nam Khiaw Community. It is extended to the provincial level. This reflects that when the network expands, more information is exchanged, and continuous dynamism of learning occurs.

4.1.3.3 Network Administration

Since Uncle Krai's Orchard and all the enterprises in the network are small and highly sensitive if operated separately because each of them has limited resources. Hence, they have to group together in order to survive. The stability of a member means that of others. Therefore, operations in network level are greatly

important to Uncle Krai and the networks of small entrepreneurs. This is a reason why Uncle Krai, as the leader of the group, focuses on social perspective or collaboration in the network. As Krai Chomnoi (2013: Interview) simply said “We are parts of the society. We cannot live alone”.

Uncle Krai’s techniques concur with sufficiency economy philosophy in terms of self-reliance and co-existence, which Uncle Krai draws on as the foundations for his network.

To survive and reduce risks together and to boost the growth of the enterprises, Uncle Krai focuses on management of resources, capabilities and capacities of all entrepreneurs in the network, and promotes learning to reduce risks. All of these tactics are related to joint resource management such as the joint production, the outlet of agricultural produce or the distribution of works. As Sirilak Siritho (2013: Interview) explains:

If Uncle Krai did not have the network, how could he get products to sell to customers? There is nothing in Uncle Krai’s Orchard because he cannot grow plants fast enough to meet customers’ needs. Thus, he cannot do marketing activities for his products. However, with the network, he can sustain.

Krai Chomnoi (2013: Interview) also added, “however, we would like to tell everyone that they cannot do whatever they want and receive our supports. For example, a member cannot grow 300 kilograms of a crop because we cannot sell them”.

Somphon Klamklang (2013: Interview) also shares his thoughts on the collaboration with Uncle Krai:

In the winter, I need his help because my vegetables grow well. I know that many customers visit Uncle Krai’s Orchard in the winter. He might receive produces from other entrepreneurs because there will be a lot of vegetables, but he is supposed to help me because I have been helping him as well. ...When my vegetables cannot be sold, he will

sell them for me. Each of us has our own markets. When he runs out of produces, I supply my produces for him. I supply my vegetables to him more than other venders. Many venders want to sell my products but I supply my products to only a few of them. I also supply my products to Uncle Krai, which I do not know why. The price is the same. He does not pay more than others.

Thawisak Prakopphon (2013: Interview) also expresses his work with Uncle Krai as:

We give, and then we survive, and so they do. All of us are members of the network in order to create business channels for one another. My vegetable suppliers are not from this area only. Some of them are from Khao Phaeng Ma area, and they are members of the network as well. They supply asparagus and baby carrots. Uncle Krai screens all members of the network so that all of them can support one another. For example, Uncle Phon's farm is close by and many farms out there. Uncle Krai does not rely on only one or few suppliers. If they have some products, they can supply theirs produces to us. If we did not work with them, we would not survive. If Uncle Krai had to grow vegetables alone, our enterprise would fail because one of our main products is a vegetable salad. If we cannot grow vegetables fast enough to meet customers' needs, we will have no products to sell to customers and customers will have negative feelings towards us.

Hence, what Uncle Krai and the related people mentioned in terms of joint survival can be regarded as cycle and dynamism of interdependence. Consequently, the operations in network level agree with social enterprise principle and sufficiency economy philosophy. Thawisak Prakopphon (2013: Interview) gave further explanation of the aforementioned cycle:

It is cyclical. We have rooms for rent and produces for sale. It is a cycle because the income does not belong to any single member. We set this place up for all visitors to Uncle Krai's Orchard. Thus, this place supports Uncle Krai's Orchard and vice versa. These are reciprocal supports and assistances. For example, if a member's customers have no place to stay, they can come to us, and we will give them a special price. If visitors of Uncle Krai's Orchard do not have any place to stay, Uncle Krai will recommend our place to them. We also advise our customers to buy produces from Uncle Krai's Orchard. This is how we gradually grow together.

Apart from the interdependence in the aforementioned cycle, the administration in the network also increases the competitive capacities of all members of Uncle Krai's Orchard network. All the activities occur from the learning center and the produce center of the orchard. The congregation of all entrepreneurs enables information retrieval, experience exchange and resource sharing which lead to the creation of products and social innovations, as stated by Sirilak Siritho (2013: Interview):

A community network is essential for this business. As a matter of fact, it is also important for other businesses because nobody can do everything alone by himself/herself. A factory has to hire workers to produce. This is a network. Agricultural workers also need networks. For example, I sell preserved jujubes and grapes, but I cannot do everything alone. Nobody can grow and take care of jujubes and grapes during the day time and preserve the produces at night. Networks are needed. All members of a network have to share works. In addition, they must have visions in order to see what they can do in order to form a network.

Therefore, the works of the network ‘extend’ all the members not only the network of Uncle Krai’s Orchard because it creates jobs and income for all networks that join this network until the success is extended in accordance with the social enterprise principle. As Sirilak Siritho (2013: Interview) described:

Uncle Krai also helps others extend their ideas. Such extension might not be in the form of a career opportunity, but it enables people to think what they should do. We extend by our actions. We sell produces for all members. They have to propose what they want to sell. If our business goes well, they will survive. They will also hire other people to work for them. This is a chained effect. If everyone has jobs and sufficient income, social problems such as petty thefts will decrease. We create jobs for them. For example, if I sell and other farmers grow them. If my business goes well, they might expand their farms, and their income will increase. They will become stable. Afterward, they will help others such as their relatives and other people in the future.

As for the administration of the network, it is apparent that the center is Uncle Krai who is like the leader of the network. However, even though Uncle Krai is tremendously important to the network, the in-depth study reveals that all entrepreneurs in the network are the center for one another as shown in Figure 4.7

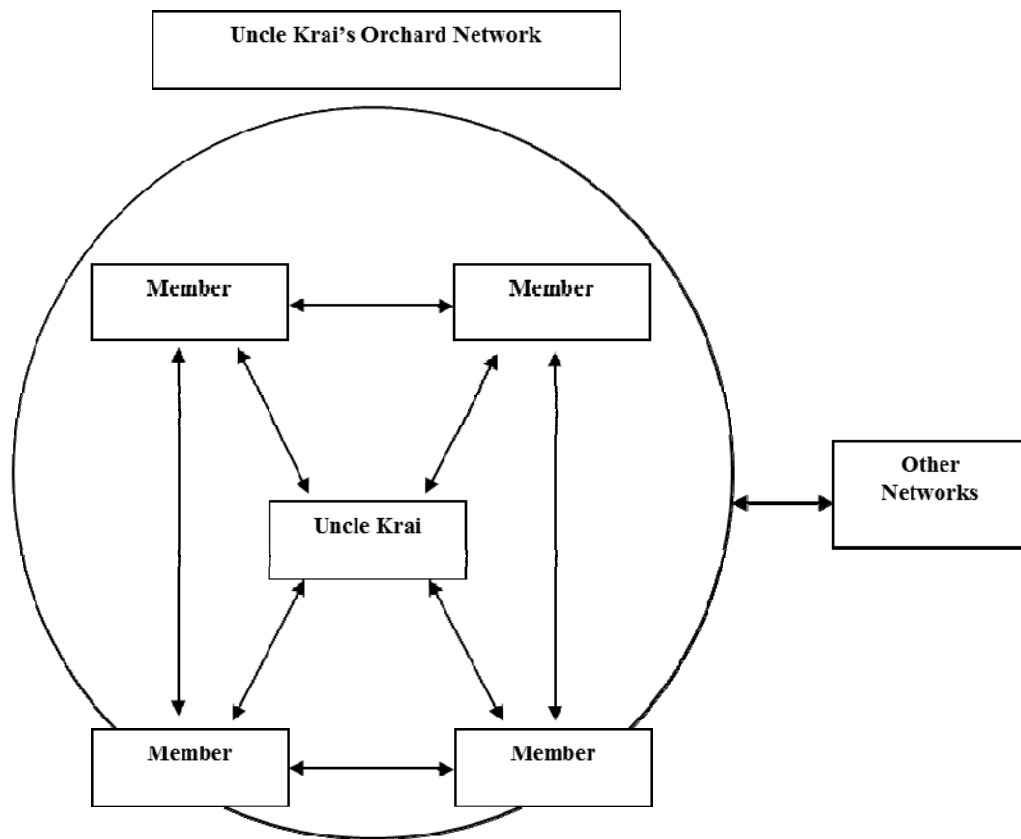


Figure 4.7 Uncle Krai's Network

For the model, it is apparent that all members of the network are interrelated with one another. The increasing interrelations may have negative and positive impacts on all members of the network. An impact to a member can affect others simultaneously. However, the interrelations among members of Uncle Krai's network tend to have positive impacts because Uncle Krai has set out the terms and conditions of the collaboration in a prudent manner, and members have been thoroughly screened. Even though the members of the network are closely interrelated to one another, Uncle Krai still encourages all of them to work freely. Every member is encouraged to be self-reliant and not to rely too much on Uncle Krai. In other words, all enterprises should be able to survive by themselves to certain extents. The operations of the network boost the ability to survive and work capacities. Hence, all members have to share and manage resources together, and focus on work distribution in order to facilitate the operations of the group, to relieve one another's burdens and

to create sustainability that everyone can enjoy, as Sirilak Siritho (2013: Interview) stated:

If the navigator or the head is efficient, all members survive. Likewise, members supply their products to me. If my business goes well, they will survive. And I will go to the point where I think that I can help this one so I can help those others too. There will be the distribution of opportunities, and more members will be attracted to the network.

From the aforementioned interrelations among members of the network, it can be discovered that there are two types of relationships in Uncle Krai's Orchard system (1) personal relationship; and (2) business relationship. The relationships of both types create a new ecosystem in Uncle Krai's Orchard that has effects in community level. This new ecosystem is 'community business ecosystem' which is driven by 'community market strategies'. This system makes all members willing to extend one another's businesses, avoid competitions with one another and focus on collective survival. This means it has the components of 'giving, sharing, sacrifice, mutual development and joint growth' which agree with social enterprise approach and sufficiency economy philosophy that emphasizes on co-existence and sharing.

There are five significant networks appearing in the case study of Uncle Krai's Orchard i.e. (1) the network of community entrepreneurs who supply resources for joint production and produces to be sold at the shop; (2) the network to support Uncle Krai's Orchard which are governmental organizations, sub-district administrative organizations, Ministry of Commerce and some private companies; (3) the learning network consisting of customers, academics and people interested in learning from and exchanging information and experiences with Uncle Krai; (4) the network of regular and other customers; and (5) the network of press to promote Uncle Krai's orchard to the public making people interested in activities of Uncle Krai's Orchard.

Nevertheless, the group that is most influential to Uncle Krai's Orchard is the network of community entrepreneurs because it is directly involved

with the work. Thus, it is necessary that the terms and conditions of the collaboration are prudently set out, and the members are thoroughly screened and selected. The conditions are divided into five groups as follows.

1) All members must have similar attitudes in terms of thinking and objectives. Uncle Krai focuses most on morality, willingness to open for and collaborate with others, sharing a characteristic, sacrifice, an idea against advantage taking, sufficiency, sense of collectivism and desire for win-win situations where all members of the network can have sufficient and fair benefits.

2) All members must be self-reliant and must not rely too much on Uncle Krai or other members in the network which can lead to the risks in network level.

3) Conditions related to the business agreement among all entrepreneurs consists of the agreements not to compete with one another in terms of products, to differentiate products and services, to select with acceptable quality, to diversify the products, to sell products that can be sold forever, and to sell products that benefit the community, the society and consumers.

4) Conditions related to interdependence are that even though some members may not have financial capital, knowledge or experience but Uncle Krai always believes that everyone has chances to extend their businesses, so he will collaborate only with entrepreneurs who are willing to learn from and cooperate with him.

5) Conditions related to the readiness to work. All members must be physically ready to work such as working or living in nearby areas to avoid causing burdens to one another.

4.1.4 Characteristics of Krai Chomnoi

In this section, the researcher will describe and analyze the characteristics of Uncle Krai from the information gathered from the in-depth interview and suggestions from the subcase studies relating to Uncle Krai. The features of Uncle Krai are as follows:

1) Uncle Krai is a generous entrepreneur with a public mind; he likes to help others and always cares about the community and environment.

2) Uncle Krai mainly emphasizes on self-reliance and the notion of co-existence. He believes that generosity is the key to a successful collaborative network. As Phanuwat Worawit (2013: Interview) described:

Generosity is Uncle Krai's underlining principle. You have to contribute to the community. You should help one another, and the development will then be a result. We have to work together, not to fight. If we do not fight, the development will eventually transpire.

3) Uncle Krai is a practitioner. He believes that the sustainable existence emerges from actions rather than the ideas, or waiting to be assisted. This belief is in accordance with the sufficiency economy philosophy.

4) Uncle Krai is considered a respected community leader.

5) Uncle Krai is persistent and valiant for changes. Throughout his life, Uncle Krai has been attempting to adjust the enterprise and his way of living to situations and environment with flexibility. For example, he has persisted through various unexpected natural disasters and has learned to adjust to any situations. As Thawisak Prakopphon (2013: Interview) has described Krai Chomnoi:

Had it not been because of Uncle Krai, many of us might have already given up. I don't think I've seen anyone as persistent as he is. He told me how difficult life was in the pioneering era, and how difficult it was to build the gravel road. He felt discouraged over and over again. Besides, there was no income back then. Let's think how hard it would be if you produced something and did not know who to sell your products to.



Figure 4.8 Uncle Krai Chomnoi

6) Even though the administration of Uncle Krai's Orchard is simple, but he has effectively managed his orchard, that involves the analyzes, planning, strategy building, and utilization of various management disciplines.

7) Uncle Krai is capable of managing limited capital and resources by using resources from the networks.

8) Uncle Krai is open-minded, optimistic, creative, and innovative. Simultaneously, he makes an effort to encourage his networks to think outside of the box, to engage in experimentation, keep on learning, be brave to take actions, and wiliness to take risks in order to change. Such ideas are in accordance with the social entrepreneurship that focuses on learning in order to adjust to any environment and circumstances. As Krai Chomnoi (2013: Interview) once said:

The variable for vegetables is the nature. I cannot get rich from growing plants although sometimes I think I have done it well. I have overcome the diseases coming with the seeds. I got bad seeds, and I could save only four plants, and that taught me. It was a trial. However, many people are afraid. It is greed. They want 30 plants, but they cannot solve problems that occurred. You have to take risks. I like to think counterclockwise like a crazy man. ... We have been trying to make differences by searching and experimenting new things, and no

one can surpass me. I dare say that I am not an idle person. When I can grow vegetables, I tell my friends to do it too. We take new plants and think how to make them sweeter. There are useful techniques that we might have overlooked. We have to try over and over. I have never stopped working until now, for I never boast to myself that I am good. If people think they are perfect, they will stop improving.

9) With his faith in the sufficiency economy philosophy of His Majesty the King and austerity in the Buddhist teachings, he is not greedy and consistently stays humble, simple, kind, and free. He also has social and environmental awareness and has been leading his life with high morality. His understanding of the philosophy allows him to apply the sufficiency economy philosophy to the administration. Also, it makes the administration more thorough, prudent, cost-saving, risk reducing, and creative.

10) Uncle Krai emphasizes on the communication technology since it enables his orchard and networks to receive the information and new knowledge to develop the enterprise and to reduce risks in the overall operations.

11) Uncle Krai personally retains an array of excellent communication skills consenting him to communicate efficiently with others. This also expands his perspectives and gives him new experiences. Also, the fact that Uncle Krai is approachable and has good communication skills allows him to communicate his approach to those interested in his ideas in a straightforward manner, which enables all learners to accept his ideas and apply in a practical approach.

4.1.5 The Integration of Sufficient Economy

The researcher has investigated the integration of sufficiency economy philosophy in Uncle Krai's Orchard social enterprise and found that the integration happened unintentionally. This integration occurred after Uncle Krai has adopted the concept of sufficiency economy philosophy in his life and workplace. Then he was involved with many local farmers and entrepreneur. Due to this social interaction has shaped his orchard into a social enterprise. Krai Chomnoi (2013: Interview) described the concept of sufficiency economy philosophy as:

It is about infinite giving and keeps doing good things. It is also about lifelong learning because when you do something for a long time, you will learn and be well-rounded. The concept teaches us that we need to have friends; we need friends and passion for what we do. The more friends we have, the better immunity we have. These friends will tell me all about the market information and even the market selling prices. When someone talks about me negatively, they will defend for me. This is important since the society and its economy must work together.

Everyone needs to earn income. We are parts of the community, and we create smiles, jobs, and careers. We live by being sufficient, if you build a house with a thatched roof, it can still protect you from the rain. Why do we need a lot of money? That is why I emphasize on doing something with greater happiness, so I would not be stressed. If you are stressed, you cannot think of anything. Just keep things simple and live a simple life. Sufficient economy is not about eating sticky rice with preserved fish. I am a farmer, but I can eat steak. I must be able to eat it. In agriculture, if you give up, you will never win. We have to go out of our safety zones and move forward, not just going back and forth. Never be afraid to come out from the safety zones. This is agriculture and farmers never fight with swords or guns. Agriculture never dies because we all have to eat, but you have to be sufficient.

We have to admit that we have two hands, and have to do what we can. When we have enough, it is sufficiency. I dare say that in agriculture, you die and reborn and die again, but you will still have to learn. Learning never ends. Nature changes, insects change, the world changes. There is no exact formula.

I live life in a middle path, just taking it slow. It can grow on its own. ...We have to hold ourselves back by reminding ourselves to do what we can. This means the villagers should do what they can. It is sufficiency. We cannot have a high employment rate because it can

fall. Nature is the variable. Look at the King, and then look back to ourselves to understand how much we can do. When we are sufficient, we have to contribute back to the community, and that is the beginning. We have to adjust and learn from one another.

It is clear that his perception of the sufficiency economy philosophy has a direct link to the social interaction, even to the point of generating the social objectives. Uncle Krai's perspective on this thinking has extended to other small entrepreneurs and encouraged them to integrate the sufficiency economy philosophy as well. However, the knowledge, the understanding, and the application may depend on each as Panuwat Worawit (2013: Interview) explains "Sufficiency depends on people. What is sufficient for me, may not be for another person. But sufficiency for me is to have food to eat and money to spend and keep. I also focus more on helping the community". Sirilak Sirito (2013: Interview) also added "We must not trouble others. This is what I called sufficiency. We must not be burdens to others. We have to be self-dependent. Self-dependence means you do not steal from others or cheat your customers. You have, to be honest with them".

Thawisak Prakopphon (2013: Interview) also expressed his understanding as:

Sufficiency economy philosophy in my view is simple. Normal people can have the same idea. We grow and sell vegetables, and some are stored for consumption, and some are sold to the neighbors. We do not have to rely too much on the capitalists. We have to rely on ourselves first. We try and see if it works; we help ourselves first. If we cannot, then we ask for support from others. In fact, the definition can be differently interpreted, but this is what I think...Since we start working, we know it. I do not know what to say – like if you try to grow something, you have to grow it in the right amount, not too little. This can be sufficient. If you have some plants nearby, water them and they will grow. For example, if there is a basil plant, you water it, and you will have free basil leaves to consume. This is what the King has taught us.

The Deputy Director-General of Thai Samakkhi Sub-District Administrative Organization (Anonymous, 2013: Interview) finally explained her understanding as “You have to grow potatoes if you want to eat potatoes. You can grow all the plants that you eat. This is sufficiency. Grow what you eat. People need to realize what is important and what they can do. Then, they have to do it, not just waiting for help”.



Figure 4.9 The Researcher with Krai Chomnoi

4.2 Case Study: Garbage Savings Bank

4.2.1 Background of Garbage Savings Bank

Garbage Savings Bank is located in Din Daeng District, Bangkok. Founded by Miss Chatchanan Masawangpairoj, the Garbage Savings Bank is a social enterprise in the environment category. Garbage Savings Bank was initiated during Chatsanan’s crisis resulting from the political situation in 2009. The crisis put her company at risk, and Chatchanan had to be suspended for over three months. Finally, the company dismissed several employees before their official retirement. Chatchanan had witnessed the situation and decided to resign after working for five years. Fueled by this crisis, she began to contemplate that the capitalistic mechanism of modern life has filled the society with selfishness, uncertainty, and instability. These thoughts have made her felt tired and saturated from working with a private company. It was then that Chatchanan has decided to start her new chapter of life.

During this period, she had the opportunity to watch His Majesty the King's speech regarding the concept of sufficiency economy philosophy and felt gratitude for His Majesty's kindness for helping the Thai's citizens. Chatchanan realized that all she wanted to do was to express her sincere appreciation to His Majesty the King by working on his concept. Chatchanan Masawangpairaj (2013: Interview) expressed her feelings during the moment as:

I watched the news, and was so overwhelmed and cried that day. Do you know that you can grow rice in the northeastern part of Thailand; it was possible because His Majesty the King gives them the royal rain? Then I wanted to do something in return. It can be whatever job that can respond to our Father's teachings. That day, I knew what I wanted to do.

After her resignation, Chatchanan went to study a course on business planning in the year 2010 at Siam University. From her previous impression towards the notion of sufficiency economy philosophy, Chatchanan started to question herself what type of career could generate income, able to maintain her life, while being able to help others and solve the social and environmental problems. During the learning session, the lecturer has introduced her the concept of social enterprise. After being introduced to the social enterprise, she immediately realized the compatibility between the concepts of sufficiency economy philosophy and social entrepreneurship. As a result, she came up with the "Garbage Savings Bank" project that attempts to integrate the two concepts together. Chatchanan Masawangpairaj (2013: Interview) explained as follows:

I want to see changes in the society and want people to have a conscious mind. Since I am an environmental, social entrepreneur, I do not want to see garbage left around on the pavement. If I can achieve this goal, then the community people will be developed. For example, why do the Japanese people can build their nation so quickly? You have to see their waste management system. They have been taught at

young ages, and they are disciplined. Their management is to create the disciplines...Humans eat and litter. We do not have responsibilities. Without responsibility, there will be a group of people calling themselves 'The Santa Clauses with Black Bags' who collect your garbage and sell it to the small garbage houses. We have only 2 million people doing this but a much greater number of people littering. There is a gap. How can we create the win-win situations, for the garbage collectors and separators, and for us to improving the environment as well as developing our people? I linked these ideas with His Majesty the King's concept of sufficient economy philosophy. We use the same capital. We use the existing resources that are good for us. There is one type of garbage that can generate income: the recyclable one. It has never been separated although it has values added. It can make money and can be used further. Thus, I decided to set up the Garbage Savings Bank. We attempt to educate our people and teach them how to separate the garbage and make some money. We use a banking system, when people deposit the garbage, we give them the money.

According to what Chatchanan has stated, the development of the Garbage Savings Bank emerged from the motivation to return the good deeds to His Majesty the King, and the motivation to generate the income for her social enterprise, and to the community.

After she had come up with the plan, Chatchanan began studying the problems in Din Daeng Community. Chatchanan Masawangpairoj (2013: Interview) explained the characteristics and backgrounds of the community as follows:

There are over 3,000 units and ten thousands of people in this community. In the past, the community did not have much garbage as it is today. Even though the community and its infrastructures had not been well developed, but the quality of life was good. Nowadays, the community is greatly developed resulting in various physical and

environmental changes. There is much more pollution, and the people became more selfish. They live separately from one another and do not care about one another. They have forgotten their culture, generosity, and kindness. They only care for their benefits rather than collective benefits.

Chatchanan further explained that Din Daeng community is not different from any other communities. The community consists of several social classes, just like a pyramid. The rich are far better off while the poor do not see opportunities in life. Consequently, the social gap between the rich and the poor is still great. Specifically, most of the lower-class people are very poor and have little stability in their lives. They lack the opportunities to work and earn income, which affects their social immunity, and create the negative attitudes towards themselves. These people do not think they would have a chance to develop themselves. When encountering with financial problems, they cannot solve the problems and aggravate them, especially by taking loans from illegal loan providers. As Chatchanan Masawangpairoj (2013: Interview) explained:

When we look at the national data. We can see what problems the poor are facing. Why are the lower-class people poor? We have to distinguish the lower-class people in urban areas from those in the suburbs. Some people rely on illegal loan providers when they cannot grow crops. At the same time, those living in the city do not. They cannot grow anything from the cement ground...There is a major different. The rich are extremely rich, and the poor are extremely poor. Most people here are employees earning monthly salaries. Public servants earn government salaries, and private employees earn monthly salaries, and some are daily employed. Twenty percent of the population here are the upper-class people.

As for the solution to such problems, Chatchanan thinks it is supposed to be the government's duty; however, the government has never been able to solve them in

a sustainable way. There is a high rate of corruption, and the assistance from the government is not practical because it lacks the understanding of the community contexts. For example, The Department of Non-Formal Education had spent over the past 30 years trying to provide career supports for the lower-class people, but never truly succeeded because the people in the communities could not apply the knowledge or skills to their daily lives. The problems were because the government had not been aware of the reality and the real contexts of people in the communities. For instance, the government taught people some career skills, but never set promotional events or marketing activities.



Figure 4.10 Researcher Interviewing Chatchanan Masawangpairoj



Figure 4.11 Products Made with Plastic Bags



Figure 4.12 The Garbage Savings Bank Account Book

Moreover, the people in the communities were expected some assistances from the private sector for the community development. Despite the good intentions, most of the projects have the characteristics of Corporate Social Responsibility campaigns, which are not sustainable. These projects are lacking continuity, and most of them aim to publicize their organizations. Thus, these campaigns do not encourage

the community members to participate in the development of their communities but can create the habits of dependency.

The most significant problem, in Chatchanan's point of view, is the attitude of community people. They tend to be materialistic. As a result, people thrive for wealth and forget their original way of life. Also, it makes people adhere to their egos and become highly individualist, living separately and competing with one another. Consequently, they ended up troubling themselves and the environment, lacking the public mind, social responsibility, generosity, and kindness. As Chatchanan Masawangpairaj (2013: Interview) described:

Community development as we are have known today is the development of the shell. Sciences have evolved, but we forget to develop the core of ourselves. The core is the mind, which has not been developed. People are materially developed but their minds are not.

From all the problems above, Chatchanan sees that the real issue in the community, social and environmental development is the development of the people's mentality. Since social problems emerged from the state of mind, that has not been developed to match the environment. Therefore, Chatchanan perceives that to solve the problems sustainably, it requires the development of people's attitudes, especially by developing their disciplines and behaviors. Nonetheless, the significant challenge faced by Chatchanan is how to make the people participate and willing to change.

These problems have led Chatchanan to initiate the Garbage Savings Bank with the following objectives: (1) social and environmental objectives by raising the community members' awareness to preserve the environment by managing the community's garbage. This is encouraged by creating the discipline to pick up the garbage and deposit it in the bank for the saving in return. This can be seen as a trick to convince the members to realize the value of the garbage; (2) it aims to generate adequately shared income. The profits from the sale of garbage are shared under the agreed terms and conditions that are fair to all parties involved; (3) it aims to create occupations or additional jobs related to the manufacturing of products from the

garbage. In addition, some skilled producer will be trained as assistant trainers who can hold training courses and workshops for those with social; (4) it aims to promote the growth and expansion of the Garbage Savings Bank and Garbage Product Center; and (5) it seeks to encourage the application of the sufficiency economy philosophy in a practical and straightforward manner.

With all the above objectives, the most important component that has fueled Chatchanan's concept is the motivation to generate additional income. Chatchanan believes that all community members need additional income, but it can be made only by taking actions. The deposited garbage will be managed, and the profits will be shared fairly. Most importantly, the more members, the greater the success.

A main factor that leads to the collaboration is to build the "needs" which can be divided into (1) the need to develop the quality of life and (2) the need to earn income. Chatchanan has designed the Garbage Savings Bank to create and fulfill those needs with the goal to develop the discipline of the people. Furthermore, she has tried to tell community members about the values of the garbage. Chatchanan wants to send the message that "garbage can teach people", whether they are rich or poor, they can learn to generate income from the garbage. Moreover, she wants to teach them that with creativity, they can convert the garbage into useful products that can be used or sold. As Chatchanan Masawangpairoj (2013: Interview) stated:

I see garbage as valuable. I teach them to separate the garbage first because there are some valuable pieces of garbage hidden in the pile, which can be the capital. ...Thus, I teach people with garbage: I teach them the disciplines, I create occupations, and I teach Dharma to the people. I am not a good teacher or a monk. But I believe that the garbage can teach Dharma to people...Community members ask me how garbage could create jobs. They do not understand. Hence, I show them some examples of these paper and plastics flowers use in funerals. We dig up the creativity that does not require a Master or Doctoral degrees. However, the members should start by separating the garbage. We cannot get to the second and third steps unless we do the

first one. If you cannot separate the garbage, you cannot do anything. We separate the garbage as the mean to build up the disciplines.

Even though Chatchanan has designed the Garbage Savings Bank to be a channel to generate income, and to build disciplines and new attitudes from depositing and transforming the garbage. She also sees that the garbage can create hopes for some people who always look down on themselves for not having any knowledge. Chatchanan has always tried to find ways to change such attitudes. Chatchanan Masawangpairoj (2013: Interview) stated:

We do not have to focus on those who are better off, but we concentrate on the minority since most of them are food vendors, laundry workers, and cleaners. They are like our labors. I have compassion for these people. I prefer not to use the word pity because if we look closely at them, we will see that they do not have any knowledge. Most of them do not even have a fundamental education. Without knowledge, we cannot talk about the significant income or real opportunities. Who is going to give them opportunities? Are we going to wait for the government? The government does not consider the insignificant people like us.

Chatchanan thinks that everyone in the community needs additional income and self-development. The only limitation is that no one cares to provide them the knowledge or opportunities. Therefore, it is her duty to provide these people the opportunities to learn and build a new career for managing the garbage around them. In other words, everyone can have a job from nothing.

Nevertheless, Garbage Savings Bank has grown continuously due to the establishment of many networks that are connected with the bank. Similar to other social enterprises, the environmental problem cannot be accomplished only by the bank but requires the cooperation of all parties. The participation, thus, is vital for the existence of the bank as well as the success of the objectives. In other words, the more the networks and a member the bank has, the more the income it generates and the

more disciplines it builds, all of which reduce the pollution, and enable the enterprise to grow and to help the community sustainably.

Presently, Chatchanan's social enterprise has grown considerably due to some participants. She could manage to collect 1 ton of garbage per round. There are many branches and development of the Garbage Product Center in a form of a learning center that creates jobs for its members, the revenues of which will be used for administrating the enterprise. It can be said that the Garbage Savings Bank social enterprise is "different" from other environmental enterprises since it has integrated the sufficiency economy philosophy and social enterprise principle from the very beginning. Chatchanan sees these two concepts as highly interrelated with each other, and their integrations have managed to build the disciplines for the people, increased their morality, generate income from being economized, reduce risks, and support the joint learning that finally leads to sustainability.

In conclusion, The Garbage Savings Bank is a social and environmental enterprise that has integrated the concept of sufficiency economy philosophy and social enterprise approach from the beginning. Garbage Savings Bank is mainly administered by Chatchanan and her elder sister. The main strategy is to encourage the community members to change their old behaviors by creating newer attitudes towards the garbage collecting for financial benefits. The bank members will receive the dividend from depositing the garbage like other banks, along with interests in the form of money. Also, the bank has affiliates such as Garbage Product Center that teaches people to see the value of garbage and to generate additional income for the garbage. Currently, The Garbage Savings Bank has gathered and expanded to some networks, especially the collaborations with external organizations that are public and private ones, communities, and academic institutions. As a result, not only does Garbage Savings Bank played the roles as a bank and a learning center, but it also provides consultancy to many other big organizations.

4.2.2 Other Informants in the Case Study of the Garbage Savings Bank

Bumroong Rerkvichien

Siam Glass Industry Company Limited is an organization that produces glass bottles for Osotspa Group. Bumroong Rerkvichien was the Human Resources Manager, who is in charge of supervising the Corporate Social Responsibility (CSR) activities. He was also the Manager of Cooperate Relations. Bumroong's main duty was to ensure the good relationship among the employees and to support the social projects. He had worked with Osotspa Group for more than 36 years until his retirement. He and his staff members have worked with Chatchanan in helping the community and for the garbage management for several times, especially in the management of the refused glass bottles to add values to them. Chatchanan has transferred the knowledge of garbage management and has helped to establish the internal garbage bank in Siam Glass Company. The good relationship between the two organizations makes Siam Glass becomes an important network of Garbage Savings Bank administered.



Figure 4.13 The Researcher Interviewing Bumroong Rerkvichien

Chuleeporn Chokla

Chuleeporn Chokla is an officer of Creative Invention Entity operated under the Department of Environmental Quality Promotion, Ministry of Natural Resources

and Environment. The entity holds the annual competition of creative inventions from garbage. The competition is annually held for the newer generation youths and others who are interested in submitting their inventions. This entity emphasizes mainly on raising people's awareness of garbage value and encouraging a newer generation to use creativity to create the innovations from garbage that can be used in everyday life. Chatchanan is in the role of an expert in garbage transformation. She is also one of the judges for the submitted inventions. Chuleeporn Chokla (2013: Interview) has described the collaboration with Chatchanan as follows:

Now, we are collaborating when there is an event. Chatchanan will gather the garbage lovers, and I will develop these people since most of Chatchanan's staff members can separate the garbage, to sort the garbage in their community. ...Chatchanan has this kind of school, and we will hold a competition. We focus on the competition and make it commercial. If they win, it will be good for them. If not, it still generates income and enables them to be aware of the value of the resources. ...Chatchanan and I are good alliances. On International Environmental Day, Chatchanan will set up a booth about her Garbage Savings Bank and exhibit the waste materials, and I promote her booth to attract more visitors.

Anupap Charoenlerdvilad

Mr. Anupap Charoenlerdvilad is a local entrepreneur who purchases garbage in Bangkok. He said that in 2010, he was a company employee, but due to the financial crisis during that time, he turned himself to be an agent to buy garbage from people, especially recyclable. After purchasing the garbage, he sorts and sells it to the waste smelter plant. Anupap also purchased the garbage from Chatchanan. He sees that his participation does not only supports Chatchanan's social enterprise but also supports the community and environment at the same time. He said that the form of collaboration with Chatchanan was different from other private organizations. Since he realizes the intention of The Garbage Savings Bank, he is willing to collaborate. Even though he does not gain much profit, he feels that his participation supports the

community and environmental development. Anupap Charoenlerdvilad (2013: Interview) described his perception from working with Chatchanan as:

Even the worst pieces of garbage are valuable. The value exists in the garbage if people can manage this resource and make money from it. The good thing is that I get to help the community in an indirect way and help reduce the waste and burden of the municipalities and governmental agencies. I also help prevent waste problems...After hearing about this project; I deemed that it is a very interesting one as it helps the society. So I decided to buy the garbage to support them.

Nuanyai Lordnakorn

Nuanyai was originally a local in Din Daeng community and owned a business selling automobile leather, sofa, and artificial leather. With the economic crisis, she gave up her business and changed her job. During this crisis, she met Chatchanan through one of the Garbage Savings Bank members who told her about Chatchanan and gave her the inspiration. Nuanyai Lordnakorn (2013: Interview) expressed her feelings as “I feel inspired because I always work at home. But when I am here meeting a lot of people, we can help to reduce the global warming problems”.

Therefore, she decided to subscribe to Chatchanan’s network and learned to transform garbage into creative products. With this new knowledge, she can teach her children and become a lecturer at Chatchanan’s garbage product center and earn some additional income. Importantly, she said that this important change comes from the collaboration with Chatchanan. Also, she has learned the application of the sufficient economy philosophy from Chatchanan. Nuanyai Lordnakorn (2013: Interview) stated:

At least, I get to recycle, save money and know the value of money...One water bottle can be used as a planting pot or reused in other things. There are vegetables in front of my house, and I do not have to buy any since I can grow them myself. It saves me the money and everything seem valuable.



Figure 4.14 The Researcher Interviewing Nuanyai Lordnakorn

Daonapa Masawangpairoj

Daonapa Masawangpairoj is Chatchanan's elder sister. She graduated in the field of Banking Information Technology, but after being exposed to Chatchanan's way of life, she decided to retire early on 1st October 2013 when she turned 55. After that, she has been working for the business at the Garbage Savings Bank. As Daonapa Masawangpairoj (2013: Interview) has explained her role as a social entrepreneur:

I earned a lot from the office job. Working in the office paid me a greater amount of money than this. Sometimes I do not earn any money working here, but I am happy. Money cannot buy happiness. At least, I have more chances to take care of my mother. I think I have had enough and I am not in any trouble. I am ready to share things with others. I live with sufficiency without living extravaganza. Sharing is fulfilling my heart...I have come to know about the social enterprise from Chatchanan. She puts me on her team. First, I just knew that it is the enterprise that we have to contribute back to the community. I like it because it is right. We do not take all the profits.



Figure 4.15 The Researcher Interviewing Daonapa Masawangpairoj

4.2.3 Characteristics of the Garbage Savings Bank

4.2.3.1 Administration

Garbage Savings Bank administration is similar to cooperative with the emphasis on business mechanisms analogous to those of private organizations but instead practiced in social enterprise. The form of administration of social enterprise in Chatchanan Masawangpairoj's (2013: Interview) perspective is described as:

Social enterprise is a form of cooperative with a focus on shared benefit. This is unlike big business organizations. Social enterprises employ the structure that does not let anyone become a sole owner. Rather, this structure allows benefits are sharing among the members of the bank; this bank is shared by everyone.

It is observed that the Garbage Savings Bank is a social enterprise that is fully implemented by sufficient economy philosophy. This is mainly seen when members do rely on one another to distribute risks, and this enables all members to survive. Thus, the concept of "partnership" allows members to survive. Furthermore, the motivation from mutual benefits is considered to be one of the main elements that encourage all members of the network to collaborate with Chatchanan. Even though Chatchanan emphasizes on the concept of interdependency, she believes that

everyone in the network should be self-reliant; otherwise, all members will be too interdependent with one another.

The application of sufficiency economy enables the principle of partnership that helps to generate shared income. The sources of revenue comes from, (1) the management of garbage deposited by members; (2) the provision of garbage management services for the villages or other enterprises; (3) the supply of coaches and advisors to administrate the training courses and seminars relating to garbage management; (4) the arrangement of workshops for organizations; (5) provision of consultancy services for both public and private organizations; and (6) convert garbages into craft products that could be sold. Chatchanan Masawangpairoj (2013: Interview) provided some examples of how she managed to earn income as follows:

As for the business goals, taking garbage from our customers' houses is not enough. What we do is to manage waste for organizations and plants. We go and set up the system for them. Some organizations will pay us to learn our knowledge. However, if such organizations have no personnel to operate or manage garbage, they can just pay the management fee to us, and we will implement them. However, as for a community, we make a joint investment from the very beginning. Then, we do share benefits with one another; in the form of a dividend...The primary income comes from the margin from selling garbage. Another source of revenue comes from the training courses, seminars, and on-site consultation service that we provide to certain plants. What we have done with Din Daeng Garbage Community is simply amazing, 70 percent out of 100 percent of all the profit; we gave back to the members just like a fair trade. Everyone here holds a savings account, and we have a bank book just like in a real bank. Seventy percent of the garbage belongs to them, and I will only take 30 percent cut for the management, marketing activities, and public relations works.

The Bank often promotes its activities via public relations to encourage people in the community to deposit their garbage to their bank accounts. Then the bank will sell or process the waste to generate extra income. The income is deposited in the bank until the withdrawal period. Each member can earn interest depending on the amount of garbage they deposited. Interestingly, the money from the saving can only be withdrawn for the predetermined period. Meanwhile, the bank also opened a course regarding how to process and transform the garbage into commodities that can be sold or recycle. In this regard, members can learn new ways to process and convert waste to better usage, and could pass on this knowledge to others, or even generate additional income for themselves.

โครงการธนาคารขยะ
การให้ยืม (LOGO) และรางวัล (MASCOT)
เพื่อการกระตุ้นและสร้างจิตสำนึกในการแยกขยะ

ประเภทขยะ	ราคา
กระดาษ	10
พลาสติก	5
แก้ว	10
โลหะ	10
ยาง	10
ผ้า	10
สิ่งอื่น ๆ	10

MASCOT

TIPMSE

Figure 4.16 Details Regarding Garbage Prices in the Garbage Savings Bank

The operation allows the bank to survive and grow. However, the success inevitably dependent on the numbers of members and network available.

It can be said that garbage is a crucial resource for the Garbage Savings Bank. The fundamental policy is to obtain as much waste as possible. However, Chatchanan could not receive that large amount of waste by herself. Therefore, it is imperative that she comes up with an approach to managing the waste, and especially to obtain the garbage with little risks. The only way to achieve this

objective is to establish a network that encourages members to participate in garbage collection. Thus, members play vital roles in enabling the bank to survive. When the number of members increases, the potential in obtaining the waste rises resulting in income distribution among members. As a consequence, the bank can earn more income to improve its business and to reduce the amount of waste in the community. The approach above requires no investment from the members. However, members need to be disciplined in garbage collection. With this approach, it can be concluded that the major administrative element of the Garbage Savings Bank is the administration of the network to obtain as much garbage as possible by generating income to motivate members. The approach fully utilized the concept of sufficient economy philosophy regarding being economical, building a strong community, being self-dependent, and being interdependent. All of which will lead to considerable growth. Consequently, the Garbage Savings Bank can expand its business by establishing many branches in other communities later on. It is noticeable that the aforementioned social activities have led Chatchanan to use her creativity to come up with the new administration to manage garbage in communities. This new management is thus a true “social innovation” that creates a new perspective towards garbage, which adds values to the trash through the generation of income from the processed and transformed waste. Also, it helps to build social disciplines while promoting new attitudes in a creative way.

As for the administration characteristics of the Garbage Savings Bank, it is found out that Chatsanan’s enterprise combines the features of private organizations and non-profit organizations managed by Chatchanan and her sister. This provides flexibility in decision making. Even though the central administration and decision making are responsibilities by the two administrators, when the Garbage Savings Bank grows bigger and has more members, a committee are chosen from the members to take parts in administration and management. The establishment of this committee can be seen as a form of delegation of some authorities to make the administration smoother. It can be seen that not only does the Garbage Savings Bank place importance on the central administration, but it also relies on the decision making from the members. Therefore, it takes the combination of centralized and decentralized forms of administration. In addition to sharing the responsibilities and

tasks, another major reason Chatsanan has established the committee, so all committee members can share and exchange opinions in accordance with her principle of democracy. This also provides the check and balance with one another, which leads to transparency and accountability. Chatchanan strongly emphasized on such aspects since she is responsible for all the savings. The bank always clearly informs the financial status to its members through garbage price notification banner and provide account summary to prevent doubts.

Regarding the management, Chatchanan has applied the tools from the private sector such as general management, accounting, human resources management and marketing. Despite, the Garbage Savings Bank could not generate a significant sum of total income; the management still emphasizes the responsibilities of its members and the environment. Thus, it is very challenging for her to both promote the growth of her business while managing all the potential risks. Chatchanan chose to maximize the administration efficiency without abusing the resources and by acknowledging information at all time. She also believes that continuous learning would help the bank to confront any situations changes.

The essential tools for setting up a network and boosting the growth of the Garbage Savings Bank are primarily the marketing strategies. It is discovered that (1) marketing strategies allow a fuller understanding of the social context, this is particularly useful for expanding branches in other communities that may have different contexts such as physical foundation, community behavior, and certain limitations. By utilizing marketing strategies, Chatsanan could design a better plan to meet the bank's objectives; (2) marketing helps to create unique features in the Garbage Savings Bank; (3) marketing assist the public relations activities which promote the collaborations of the community, scholars, public and private sectors; and (4) marketing helps to create innovative products from the processed garbage that allows the understanding of the customers' needs and requirement, as well as and creating a new perception of waste. Therefore, marketing strategies are considered as one of her the principal instrument that helps create "social innovations," as well as initiate new perception to the community regarding the garbage's values.

The following conclusions can be made from the management:

- 1) The administration takes form of a network

- 2) The administrative structure is flexible and adjustable to the environment
- 3) The administration aims at integrating the capabilities and resources of the members which in turn promotes the collaborative management
- 4) The administration aims at social innovation management that can generate income and fulfill the social and environmental objectives
- 5) The administration is the combination of centralization and decentralization systems
- 6) The administration emphasizes on empowerment of decision-making;
- 7) The administration relies on morality;
- 8) The administration stresses the participation of all parties involved;
- 9) The administration employs tools and concepts used by private sectors;
- 10) The administration relies on marketing strategies
- 11) The administration relies on the application of sufficient economy philosophy and social business approach.

4.2.3.2 Knowledge Transfer

The Garbage Savings Bank place a high emphasis on the concept of continuous learning. The reasons why Chatchanan considers this as important are as follows: (1) it is necessary to raise the community members' awareness to encourage them to collect garbage; (2) to promote the values of waste as a beneficial resource for gaining income; (3) to enable community members and disadvantaged people to be aware of new opportunities simply by depositing it in the bank, and by converting into usable products. Moreover, by teaching the community the benefits from garbage helps create the network and increase garbage collection. In a nutshell, if community members do not realize the value of the waste, there will never be enough garbage to operate the bank. Chatchanan believes that by engaging new behaviors in a community should always initiate by providing knowledge and understanding; that has enough values to motivate people. Once the community realizes the value of the garbage, by becoming members and finally realize the benefits; Chatchanan believes

that they will be more committed to making the changes and collaborate with the Garbage Savings Bank.

It can be concluded that one of the aims of the Garbage Savings Bank is to develop human resources by building disciplines and new behaviors in the community. Chatchanan feels that everyone is capable of learning, and all members of the community are welcome to get this opportunity. This could be done by just picking up a piece of garbage and begin the sorting process, then give it to the bank. These are simple steps for learning to be disciplined.

This method of learning would not be possible if Chatchanan did not inform the benefits of the garbage management and members to collaborate. The key is to make the community realize that garbage could convert into money. This is considered as an indirect learning approach that helps motivates community members to take actions. Particularly once they perceive the outcomes, they would be more motivated to learn more at the garbage learning center. Such approach helps members think outside of the box and be creative to engage in new social innovations. As Chatchanan Masawangpairroj (2013: interview) stated:

Now, they see waste as valuable assets. They will collect even the garbage cannot sell because they are aware of its value. Only recyclable waste can deposit in the bank. Non-recyclable products can use for making new products as well. Everything can make money. If members see such value, they will become more economical with all resources around them. Now, they can see the benefits and will keep on doing it until it becomes their habit. Afterward, they will pass on this practice to their families. Therefore, it will become their future behaviors...These members can also use this knowledge to find a new career, for example, these flowers are made from garbage use for the merit-making ceremony with none or little capital needed, sometimes they receive an order for more than 100 flowers, how much money would they get? Each jasmine flower sells for 15 baht with three only baht to make.

This learning approach aims to initiate new behavior for the entire community. As a result, members become a real partner in the bank. The additional benefit for Chatchanan is the efficiency in collecting garbage, since all members work together and rely on one another, as Chatchanan Masawangpairoj (2013: Interview) mentioned:

There will be no hiring here, not even monthly employment. Instead, all members come and do activities together. We build them to be our lecturers and teach them how to process garbage. We pose a question to them, what would you do if you do not have any ability or money? We will ask back; do you have a piece of garbage or not? If you do, come and join us because we have a workshop, a table desk here that will teach you. All you need to do is practice, practice, and practice.

Therefore, it is understandable that Chatsanan's primary objective does not only promote learning for generating income but fundamentally aim to improve the perceptions of the members. She particularly endorses the message of individual's dignity and pride from being self-dependence and gaining the opportunity to grow from garbage. Given an example, Noi was formerly a sewer in the leather industry but, later on, she quit her job and was unemployed. After joining the bank with Chatchanan, she was recognized as an assistant teacher in the community and continuously earning income as Nuanyai Lordnakorn (2013: Interview) stated, "I feel proud of myself. In the past, people just ignored me, but now, kids come for a hug, and they called me 'Teacher Nuanyai.' Even those 70-80 years old people respect me. The garbage has taken me this far, and I am so proud of myself"

The goal is to make members satisfied and feel proud of their involvement. This is vital to the Bank, as success messages tend to spread in a community. This would persuade more people to subscribe to the network. Such as Noi, who passed her knowledge on to her family, and he children passed this knowledge on to their friends. As Nuanyai Lordnakorn (2013: Interview) explained:

At least, I have taught my kids to separate the garbage and earn more income as well as passing on knowledge to others ...When my children make some mistakes on their homework, they will just throw away the paper, or they will squeeze a bottle and throw it away when they are done drinking. After I had met Chatchanan, she told me that we could make bags from water bottles. I started to think and told my kid to keep the bottles as well as the paper because I was going to take them to the bank. At least, I have taught my children to know the value of money and to realize that everything is money. Then my kids tell this story to their friends and the words keep spreading.

Additionally, the learning process involves motivation aspects as summarized below:

- 1) Members realize the value of the garbage and become motivated to earn more additional income.
- 2) After earning income, members tend to be satisfied with their involvement and wish to learn more.
- 3) After being successful and pleased with the learning, people will pass on what they have learned to the other persons in the community.

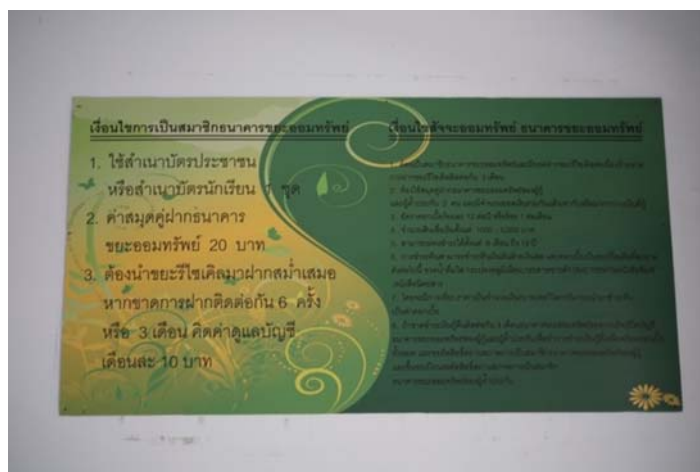


Figure 4.17 Conditions for the Membership of the Garbage Savings Bank

4.2.3.3 Network Administration

The researcher has primarily indicated that the operation in the Garbage Savings Bank is emphasizing on the network administration. The researcher found that the network of Chatchanan consisted of 6 main channels as illustrated in Figure 4.18

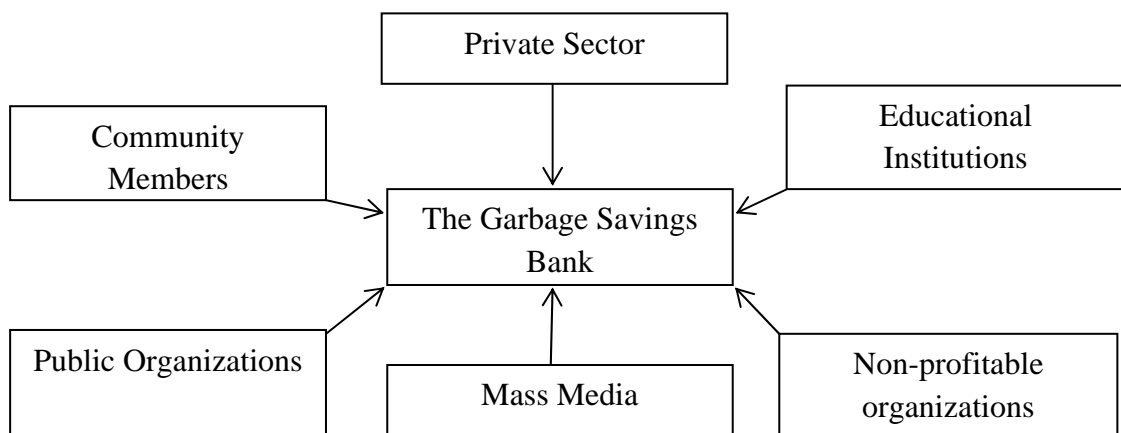


Figure 4.18 Garbage Saving Bank's Networks

1) Community Member Network: At present, the Garbage Savings Bank has expanded the networks and gained members from over 172 households in Din Daeng Community and 60 households in Ram Inthra Community. Also, there are additional members from waste management services for the villages and industrial plants, such as Siam Glass Company Limited and M-150 electrolyte drink manufacturer, making the total number of members in Chatsanan's network over 1,000. Even though the income motivation is the key, the form of network administration also plays important roles, especially in the administration of relationship among the members. Chatchanan knows that the existence of an enterprise relies on collaboration from the members. Chatchanan regards all members as partners based on the concept of interdependence as Chatchanan Masawangpairoj (2013: Interview) described:

My clients are the community, but I do not see them as customers. I view them as members, who are indispensable for our business. Our bank does not care whether our members are rich or poor. We need to have associates and allies to help solve problems which cannot be solved alone.

2) Public Organization Network: Chatchanan stated that the current relationships between the garbage bank and the public organizations are in progress because the directions and objectives of the bank are in line with social welfare policies, community enterprise, and environmental policies by the government. The role of the Garbage Savings Bank is to serve as a community waste management specialist. Thus, in the past, Chatchanan has closely worked with Department of Environmental Quality under the Ministry of Natural Resources and Environment and has collaborated with The Industrial Council, package management and recycled institutions and municipalities. In addition to directions and objectives of the waste bank that are in accordance with the government policies, other reasons that make the public sector support the approach of the Garbage Savings Bank are that (1) the bank can relieve the burdens of the public sector in terms of community waste control; (2) the bank can communicate and create cooperation at the commonwealth level better than the public sector does since it knows the correct contexts of the community; and (3) the bank seriously concentrates on promoting community members' participation in solving social problems. An obvious example is The Innovative Products Competition Agency, represent the public sector discussed regarding the involvement with Chatchanan. As Chuleeporn Chokla (2013: Interview) provided some examples:

We invited a speaker to take care of waste management for Ministry of Natural Resources and Environment. We worked with Chatchanan, and she introduced her project to the community and female prisoners. We work together when there is an event where we gather people who care for garbage and want to make something out of it. Chatchanan has this type of school, and we hold a competition and make it commercial. If

the participants get the prize, it will be good for them. If not, they earn some income and see the value of the resources. We are Chatchanan's alliance network. There are many jobs that we have to collaborate, such as the event on Environmental Day where Chatchanan set up a booth introducing her waste bank project and how to utilize the unused materials. I helped her out, and passers-by would come and see what our project was. She was teaching and while we were helping her with the exhibition. We support one another and work as an associate network.

Therefore, it is noticeable that the type of collaboration concerns is bringing out the strength of each party to complete projects. However, Chatchanan addressed that despite the cooperation with the public sector is toward a right direction; there should be more supports because there have been insufficient supports. Chatchanan believes that the public sector has a vast number resources and networks that could boost the growth of the Garbage Savings Bank. Moreover, she thinks that the public sector should create understanding on the role of social enterprise, especially by legislating legal provisions regarding characteristics of social enterprise. This is because the bank has been paying considerable sums of taxes to the government like other private companies regardless of the fact that the bank operates for the sakes of society and environment.

3) Private Sector Network: This network consists of big companies or private organizations that place importance on social responsibilities. Chatchanan stated that the level of collaboration is great, and the reason the private organizations are happy to help the bank is that their idealism and objectives are agreeable to and can support those of the bank. The forms of cooperation are (1) to do businesses such as buying waste in Ram Inthra or Bang Bon from Chatsanan; (2) to provide funding support or waste to the bank without any charge such as Bangkok Metro Network Company Limited, which is the metro media administrator who donates the unused printing materials for Chatsanan without any charge to support her environmental policies; and (3) to hire Chatsanan and the lecturers and coaches in the

network to hold a seminar or to manage waste for certain companies such as Siam Glass.

Nevertheless, Chatchanan is very careful to involve with private sector organizations, since most of the private companies always aiming for good public images via Corporate Social Responsibility (CSR) campaigns. Chatchanan attempts to avoid working with these private companies because they do not have a serious intention to solving social problems.

4) Educational Institution Network: This network consists of schools and universities that invite Chatchanan to hold seminars to educate their students. Also, such educational institutions have sent students to learn with Chatchanan to enable people of the newer generations to have more understanding in social activities for the environment.

5) Non-profitable Organization Network: This network consists of both domestic and international foundations and charitable organizations that have always been exchanging knowledge with the bank.

6) Mass Media Network: This network consists of the domestic and international press. Chatchanan stated that mass media play key roles in promoting the growth of the Garbage Savings Bank through public relations activities and by raising the awareness of the people and the communities which resulted in more members in the network. Some examples are the Kob Nok Kala TV Show that had an interview with Chatchanan and a Japanese newspaper that wrote an article about the Garbage Savings Bank and Waste Processing Center.

All of the six networks discovered from this research are relevant to the Garbage Savings Bank and her Waste Processing Center. As for the details regarding the elements of the administration at the network level, the researcher has discovered the forms of operations in the network as follows.

1) Centralized and Decentralized administration is the kind of administration employed for the Garbage Savings Bank. The administration is centralized with Chatchanan at Din Daeng Community. When expanding branches in other communities, committees and staff members are appointed and assigned to collaborate with the central unit in Din Daeng Community.

2) Network administration with a consistent focus on building incentives and members involvement. Incentives include additional income, career provision, and social and environmental goals. Members also take part in the operations regularly, as Chatchanan stated, “The shareholders shall only be the members. The members shall participate regularly and must be willing to do so. Because this is a participatory group” (Chatchanan Masawangpairoj, 2013: Interview).

3) Collaborations with all types of networks under agreed conditions. The conditions for members include (1) regular participations in the bank’s activities; (2) involvement in training on waste separation; (3) a definite time frame for money depositing-withdrawal which is set up to be twice a month in order to build financial disciplines; and (4) clear income agreement where 30% of the deposited money is charged as the administration fee. All members have to understand clearly the conditions before participating in activities.

4) Placing a strong emphasis on good governance and ethics, especially in the administration, and all activities must be fair. All of which require honesty, transparency, and accountability to build up members’ trust, and confidence to participate. For Chatchanan, ethics is an essential component of developing, administering, and expanding her networks. It can be said that “good governance” only comes from the participation of the members of the network. Ethical conducts allow long-term involvement. This is especially true for transparency which can dissolve members’ doubts in participation, as well as encourages better participation. Chatchanan Masawangpairoj (2013: Interview) gave an example by stating:

Ethics is important. We tell them that we can generate profits without lying for the sake of transparency. We have (1) price tags, and (2) summary of members’ accounts that they can check by themselves. We have to be honest with members to show that we commit no fraud. The relevant information will be publicly displayed so that everyone can see it.

5) Collaborative Resource Management is necessary due to limitations of resources and individuals' capabilities. Chatchanan has chosen to gather the members in order to run collaborative administration, primarily to manage waste resources that can be optimized and maximized.

6) Risk Management is required because Garbage Savings Bank has limited resources which create risks in the operation. Therefore, Chatchanan has chosen to distribute risks within the bank and among members in terms of waste collection and deposit. The risks will be fewer if members are highly collaborative and willing to take actions. However, the risks can increase provided the members are not ready to participate, or there is a decrease in the number of members.

7) Focus on the context-based environment which differs from community to community since each community has its own physical, geographical, behavioral differences as well as ways of life. Chatchanan conducted an evaluative study on the background of each community and identified potential problems and key individuals before introducing her bank.

8) Place importance on communication, and public relations with community members, to notify members on their accounts and as a platform to interact with the community. The communication should be simple to encourage more people to participate.

9) Initiate Participatory Processes from the beginning which include (1) environmental study on the community to attain true understanding, especially the discussion with the people in the community to find the roots of the problems; (2) data collection for making a plan to establish the Garbage Savings Bank; (3) study on feasibility of establishing the bank in the community based on the opinion survey on the community members; (4) the arrangement of an orientation meeting for recruiting members and workshops on waste separation with the information regarding the conditions and benefits from collaborations of all related parties; and (5) establishment of the group. Chatchanan Masawangpairoj (2013: Interview) described the process of participation as follows:

First, the community members should realize the common problems. When they join us, we will start with making an operation plan. We need to do public relations works by asking the targets what their opinions are. If the targets are interested in our project, they will reply us. Then, we will arrange the orientation meeting, workshop on garbage separating and accept members. After being trained, we will allow members to spend two weeks on separating and sorting waste, and deposit the garbage with us on our opening day.

10) Create win-win conditions, which should satisfy all parties involved. As Chatchanan Masawangpairroj (2013: Interview) stated:

It is a win-win situation. For example, my partner has a garbage truck, but he cannot provide any driver. I will say to him that I will hire a driver to drive his truck. In this way, my partners do not have to bear the cost of my business, and they can pay a high price for our garbage. This is how everyone helps one another. Everyone gets benefits...We need to form an alliance. I regard them as my friends. We have to help each other.

11) Support learning and mutual exchanging information. Learning is essential for motivating all parties to improve for themselves for the public. Also, knowledge creates immunities. The exposure to information enables us to adjust plans according to the emerging situations, such as the waste price that changes daily.

12) Appropriate partner selection criteria, which includes (1) partners that are willing to collaborate; (2) partners that do not create too much interdependency among other members; (3) share common mindset; and (4) willing to develop themselves as well as taking actions. Also, the selection criteria apply to other potential partners from the public and private organizations.

4.2.4 Characteristics of Chatchanan Masawangpairoj

In the following section, the description and analysis of the overall characteristics of Chatchanan are made from the information gathered from the in-depth interviews. Chatchanan's Characteristics are as follows.

1) Chatchanan is the respected leader among the community members and plays a significant role in operating the Garbage Savings Bank at the network level. With her approachable and pleasant personalities with interpersonal skills, she can communicate well and encourages high participation from the community.

2) She is an idealist. To improve the quality of life and environment in the community, she is never discouraged by any difficulties and tries to pursue the objectives of the enterprise. Thus, Chatchanan has extraordinary patience since social enterprise cannot generate a significant amount of income, but she is happy to devote herself to the public. As Chatchanan Masawangpairoj (2013: Interview) stated:

We must not leave our standpoint. We need to have clear goals set on how we are going to work this out. Do not let our objectives be distracted. Keep in mind that we are going to run a social enterprise. The people who do this have their passions and figure out how to help the society.

3) She is devoted to the Buddhism. Chatchanan stated that the sufficient economy philosophy is based on Buddha's teachings. She believes that by sharing and sacrificing for others is the core of Buddhism. It can be said that she has applied her religious beliefs to the sufficient economy framework and expanded it in the form of social enterprise. This integration emerges in the levels of beliefs and attitudes that results in the administration style of her social enterprise.

4) She is adhering to good governance and ethics. She focuses on fairness, ethics, and morals in work. She places high importance on honesty, transparency, and accountability.

5) She has great faith in sufficient economy philosophy and His Majesty the King. She believes that to be able to manage social enterprise like the Garbage Savings Bank requires the integration of sufficient economy's principles into

her thinking before the business and the network. She views that the sufficient economy philosophy encourages her to be self-reliant, self-understanding and capable of working with others. Also, this philosophy is a thinking system that enables her to evaluate her potential which will remind her who she is and not do things beyond her abilities. With this characteristic, Chatchanan has high level of consciousness and awareness of situations, which helps creates a protection and risk control system; while allowing her to expand the network of collaborations.

6) She is a risk-taking manager. She dares handle risks and experiment to make a change. She is an active problem solver and dare to learn from trials and errors.

7) She is capable of logical analysis and thinking outside the box. This allows her to create innovations from limited resources, such as fashion bags from garbage to generate additional income.

8) She has great understanding of various disciplines, such as organizational administration, accounting, financing, marketing and product development. She is also capable of making a thorough project plan. Chatchanan particularly emphasized in the practice of risk management by balancing the costs and benefits.

9) She always places importance on analyzing the contexts of operations. She only chose to manage in the area that she has full understanding and confidence that she can succeed. Before initiating any projects, she will conduct analyzes and evaluate the environment, especially the limitations, geography, demography, psychographic, social patterns and behaviors of a community prior any further actions.

10) She pays close attention to continuous learning. Since the Garbage Savings Bank and the community have limited resources, Chatchanan knows that the most valuable capital that can maintain her enterprise and network is knowledge. She is ready to learn new things to develop her business. Also, she pays attention to knowledge sharing so that the members would share information and increase group immunity. She also believes that when members are well-rounded, this will result in knowledge exchange which improves group competitiveness.

11) She is fond of marketing strategies. Chatchanan always applies marketing knowledge to build a strategic plan. This allows her to identify the targets, gain more members and customers, establish a new network of the alliance, extend products and service range, and help create new social innovations. Most of Chatsanan's marketing strategies aim to benefits everyone on the network, primarily to promote income generation in the form of multi-lateral marketing.

4.2.5 The Integration of Sufficiency Economy

The researcher investigated the type of integrations of sufficiency economy philosophy in Garbage Savings Bank and found that the integration took place from the very beginning. It is found that the development of the bank divides into three different stages i.e. the pre-integration phase, integration phase, and expansion phase. The integration consists of “activities” ranging from individual, enterprise, and network levels.

Firstly, Chatchanan applied the concept of sufficiency economy with an attempt to solve social problems. She came to realize that the source of social problems was rooted people's mind. Mainly, newer generation tended to be more materialist and lived by the concept of consumerism without concerning the social and environmental factors. Chatchanan also sees that many crises in the ways of life are mainly caused by the desire for wealth and social status that ultimately create burdens for themselves and do things beyond their abilities. As a result, she believes that the concept of sufficiency economy philosophy could be a way out to improve and change people's perception. The sufficiency economy philosophy in Chatsanan's perspective is more of a reflection of the primary roots that everyone could live happily without desiring too much in life. It can be said that Chatchanan clearly understood the concept of sufficiency economy philosophy and had tremendous faith in His Majesty the King. Chatchanan Masawangpairoj (2013: Interview) explains her understanding of the notion as follow:

This modern era is not like the former ones. In the past, there were few stimuli, but nowadays we were born with all the facilities such as electricity and water. Hence, we do not have to think of basic factors of

life. Rather, we are thinking too much on greed and lust such as how to make a possible money instead of thinking of making creative things like what ancestors did in the past. Nowadays, most people do not do anything. You have to consider the sufficiency economy philosophy of His Majesty the King and those farmers who can stand on their own feet. They do not need help because they can live without it. Why? It is because this theory teaches us to see where our capitals are. If you were a farmer owning a plot of 1,600 sq. m land and you could make over a hundred thousand per year; I would ask what is next. You have to apply your knowledge from His Majesty's projects by not a growing single crop. You need to grow mixed crops or seasonal crops and have a vegetable garden with a fish pond. If you have two chickens at home, it will give eggs for you every day. You will have eggs, won't you? Do you have to buy them? No. You grow rice in a cemented block, and you will get 5 kilograms of rice. Can you eat all that 5 kilograms of rice in one month? You will never be able to do so!

The important lessons she learned from the concept of sufficiency economy philosophy is about being self-dependent, by learning to live with others, being economical, desire for learning, building immunities and adhering to morality, and to survive sustainably. With this understanding, Chatchanan tries to integrate the sufficiency economy philosophy to the operation of her social enterprise. When the researcher asked Chatchanan how do the sufficiency economy philosophy and social enterprise related to each other, Chatchanan Masawangpairoj (2013: Interview) further explained:

They are really related to each other because the principles of running the social enterprise require you to participate in solving social problems or reducing environmental effects. But how can they be practiced? The sufficiency economy philosophy will provide you methods and concepts because whatever your ideas are, they will be in accordance with those of His Majesty the King's. We have to help the

society and ourselves. ...The question is whether social entrepreneurs have to implement such ideas. I see that every business should apply the sufficiency economy philosophy since it will sustain your business. Why do I apply sufficiency economy? It is because His Majesty the King has taught us to be sufficient, conscious, economical, and fix problems. If you apply these four principles to any business, you can make it work and gradually develop yourself. Why are those direct sales businesses so successful? It is because they never treat their members as customers. Rather, they treat them as members and parts of their businesses. If we thoroughly study on and interpret what His Majesty the King has taught us, it will create true sustainability for us and solve the problems in the long run as well as building careers and ways of life in a sustainable manner. Most importantly, this philosophy teaches us not to stay still or exploit others, but to share and be proud of the Thai root.

Chatchanan Masawangpairoj (2013: Interview) also identified the benefits by integrating sufficiency economy philosophy into her social enterprise as:

This is what I have learned from His Majesty the King. We need to be well-rounded and keep learning in order to attain knowledge that can be applied to our lives. Finally, as we apply our knowledge, we need to be sufficient and not to do things beyond our abilities. Some members want us to export our products, but I do not because we are not ready. We do not develop to be an export business. This is sufficient because I know where I am...The sufficiency economy philosophy creates sustainability for businesses because it creates immunity for them. When we apply it to the administration of our social enterprise, we will understand how to become sufficient, how to fill the gaps, and how to develop our personnel, which will consequently lead to the improvement of our services and products. Since our business is not too big, when an economic crisis occurs, our social enterprise will not

be severely affected. This is because our enterprise scarcely has to bear the cost of human capital, and emphasizes on risk and benefits sharing among members. Hence, when there is an effect on the economy which reduces the benefits of the organization, everyone fairly shares the loss. Unlike big businesses and conglomerates, the structure of our social enterprise does not consist of a single owner. All members are shareholders. However, we have to set out the limits concerning the number of shares each member can hold in order to prevent administrative issues. If a member holds more shares than the founder, a problem in administration will follow.



Figure 4.19 Chatchanan Masawangpairroj with a Book of Sufficiency Economy Philosophy

4.3 Case Study: ThaiCraft Fair Trade

4.3.1 Background of ThaiCraft Fair Trade

ThaiCraft Fair Trade Company Limited located at 242, A-kat Lane, Thung Wat Don Sub-district, Sathon District, Bangkok, founded by Mr. Stephen Salmon, a British citizen who is highly experienced in assisting the development of communities in Thailand. Stephen came to Thailand in 1970 to work as a volunteer English teacher until he married a Thai woman and moved back to England. Five years afterwards

when he had learnt about the problems around Thailand's frontiers, he decided to come back to Thailand and worked as a volunteer to help refugees from Cambodia who settled down along the borders of Thailand in 1980, which consisted of Maeo people and people of many other tribes who were neglected and did not received assistances from the Thai government. All of the problems had persisted for a long period before being solved in 1990. Since Stephen and his wife had taken parts in helping and gathering experiences from working for more than ten years, they had a chance to help the refugees in Nan province in 1980 and became acquainted with some tribal people who produced local products and escaped from highlands and mountain to settle down on the plain. These groups of people tried to earn incomes from handicraft products, and this was how the couple built a strong relationship with the refugees.

The problems in that period were (1) the government agencies did not place importance on helping such tribal people in the community, and did not have any policy to support those people through the creation of careers or the actual development of community products; despite the uniqueness and beauty of such products that were worth the conservation; (2) the consumers were not aware the beauty of local products because they did not see the values but favored imported modern brand-name; which led to the decline for the conservation of cultural identities and causing insufficient demand. Local artistic handmade crafts and products were replaced with modern and western ones. The uniqueness and identity of each community, as well as domestic wisdom and its culture, started to disappear, as stated by Stephen Salmon (2014: Interview), "There is a need preserving the ancient crafts and ethnic identities. They are under great threats". More importantly, when there was no successor, modern tribal people overlooked the significance of their culture; (3) despite how interesting the local products maybe, particularly for foreign customers, there was no coordinator in overseas countries. Although, there was middleman taken advantage of the tribes resulted in lower negotiating power for the manufacturers. This prevents them from entering the market successfully. Consequently, the manufacturers did not understand the market system, and were not confident that their products would sell; and (4) the residential area was affected by

deforestation which resulted in the absence of crops and materials for daily consumption and manufacturing of the local product.

The problems identified above initiated the new objectives for the development of ThaiCraft Fair Trade. Stephen's main objectives are as follows: (1) the first goal was to support and maintain the local products, traditions, and culture so that they were passed on to the next generation. This is done by the application of marketing strategies to building the demand for the local products as Stephen Salmon (2014: Interview) stated:

If the traditions are to be preserved, one way we could do that is by promoting their unique craft culture and finding ways in which it can be marketed because now the original need for the particular products is much less clear due to traditions and skills are not handed on to the next generations.

; (2) ThaiCraft Fair Trade aimed to create sustainable well-beings for the community and maintaining the cultural values of local products, as Stephen Salmon (2014: Interview) stated:

It is my belief that no amount of subsidy or promotional support from the government is going to be ultimately sustainable; the only thing that is sustainable is by creating a need for a product, a demand for the products. Because originally there was a demand within the local community for their traditional use such as a basket, these days they don't so much need these products. Therefore, the only way to maintain this identity is to create the demands outside the local community. We also need to find a mean to maintain ethnic identity from the products, to create the value of the products.

; (3) ThaiCraft Fair Trade aimed to support the networks of entrepreneurs in the community, to encourage the entrepreneurs to earn fair incomes, to help the

entrepreneurs to be treated fairly in doing businesses, and to improve the ecology of the community as Stephen Salmon (2014: Interview) stated:

We wanted to make sure that the market that was being offered to the producers themselves was a fair one to the benefits of the producers, not an exploited one undergoes by the middleman. It is necessary to create the system whereby the producers to some extent involve the process of production and marketing, to have some say and some voice by which they can dictate the terms under what they believe is reasonable for them to do their production process. The middlemen are making excessive profits, so what we want to do is to ensure that the people who are most venerable in the market are getting a fair share such as better working income, community safety, and better working environment.

; (4) ThaiCraft Fair Trade aimed to create a market for the local product manufacturers as Stephen Salmon (2014: Interview) described, “Thai craft is a serving agency that enables the existing group of craft producers to find the market. The main purpose of our business is, in fact, to create more markets for these people and not to create wealth for ourselves”; (5) ThaiCraft Fair Trade aimed to enable members in business networks to have better understanding of how to operate a business systematically, as Stephen Salmon (2014: Interview) mentioned, “You see, most people they want to help but they have little idea about business. Thai Craft cannot be an NGO; it has to be a business. We have to make the decisions, not just in regard to the profits, but gaining enough income for the expenses”; (6) ThaiCraft Fair Trade aimed to distinguish itself from other competitors with a fair trade mechanism, as Stephen Salmon (2014: Interview) said “It is very attempting all the time to take the easy route to get all the money for ourselves, but we will lose ourselves because we build the business on the fair trade, it is what makes us different from others”; (7) Stephen’s family and local manufacturers could earn a stable income and grow together; and (8) to supported the local communities to become self-reliance and depend on each other with minimum support from the government.

With this approach, he established his networks in over twenty communities in Nan province. During this time, his family became the marketing center for communities and local entrepreneur; the role was to develop the market's demand and fulfill the customers' needs. The central component that brought success to Stephen was the fair distribution of incomes. For example, Stephen and his team set the monthly salary for the management then he added 20-30% profits on top for exporting products to foreign countries; this includes America, England, Japan, Australia, and South Africa. The profits gained would be somewhat shared among the local entrepreneurs. This approach had been adopted to the present day and branded his enterprise a "fair trade" ever since.

The development of ThaiCraft Fair Trade became more prominent in the year 1990 because most of the local products exported overseas were never sold to the customers in Bangkok. During the time, The International Search Group or the Christian Church Network consisting of missionaries and volunteers throughout Thailand foresee the direction and the potential in Stephen's marketing approach and his community contribution. They eventually invited Stephen to Bangkok and studied whether local products could penetrate the market. They agreed that marketing activities and regular exhibitions could promote the domestic products; they also believed that it was a great idea to truly help the local communities. Also, a group of professors from Chulalongkorn University saw the significance in Stephen's idea of helping the society and joined in. Finally, ThaiCraft Fair Trade was established in 1992 with a dedication to developing the Thai society at the community level. This initiative would create occupations and help generate incomes, as well as conserve the local traditions. Later on, ThaiCraft Fair Trade became an association and then converted into a company, which became a true social enterprise. Mark Salmon (2014: Interview) is Stephen's son and one of the manager explained the background of their plan as follows,

A group of volunteers came in to help tribal people, and that was the beginning of everything. What they did was gathering together as a group to have connections with Christian people and people of other religions, who helped tribal people. This was for pursuing new markets

for these products because there was no other market elsewhere at that time. They realized that there were demands for these products and thought that these products might be needed in certain markets. That was the beginning, but I believe that the actual beginning was the time when Thai Craft became a business. We got supports from the volunteers and considerably relied on the voluntary mechanisms, but now Thai Craft has become a business, we can survive with this and so can the manufacturers.



Figure 4.20 The Researcher with Stephen Salmon.

The networks supported by ThaiCraft Fair Trade consisted of not only the Christian group but also Islamic and Buddhist groups. These networks shared the same perspective as Stephen. They perceive that a sustainable social development should engage in improving the quality of life to those who lacked the opportunities, all of which should come from their action. They should be able to stand on their own feet rather than merely receiving the donations. On the other hand, they should rely on business mechanisms. These people need support in knowledge, skills, and greater collaboration in their community. They should be able to produce a high-quality product that could be sold at a reasonable price and the same moment promotes their cultural values.

In summary, ThaiCraft Fair Trade is a social enterprise positioned as the central organization in charge of marketing activities for local entrepreneurs all over Thailand. Their operation mainly focused on exporting products to the overseas market and held regular exhibitions to allow the local entrepreneurs to meet and trade with their customers. ThaiCraft Fair Trade also operates on the principle of fairness, particularly the fair income distribution with its members. The manufacturers are agreed to deliver high-quality products, and profits are fairly shared with ThaiCraft Fair Trade. The benefits of this agreement are that the producers can earn incomes while ThaiCraft Fair Trade may have enough incomes to manage and develop the company. Also, these approaches of ThaiCraft Fair Trade concur with the concept of sufficiency economy philosophy. Even though Stephen does not realize that his enterprise has applied the sufficiency economy philosophy; but at a later stage, he admitted that his social enterprise has automatically integrated with sufficiency economy without any intention from the beginning.

4.3.2 Other informants in the Case of ThaiCraft Fair Trade

Mark Salmon

Mark Salmon is Stephen Salmon's son. In addition to the role of ThaiCraft Fair Trade's successor, he emphasized in applying the marketing strategies to his father's visions with the hope that ThaiCraft Fair Trade could grow and capable of becoming more competitive.

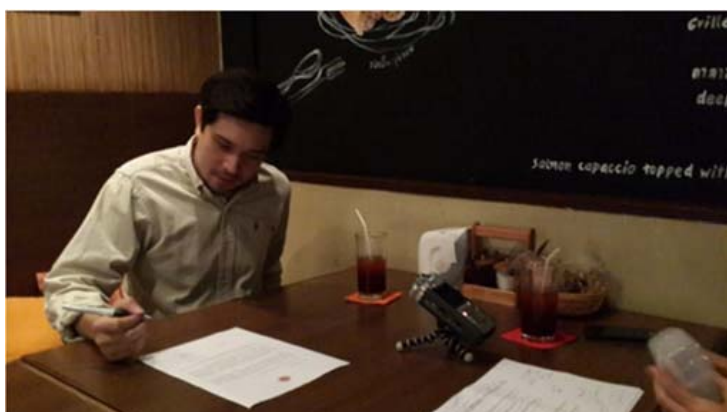


Figure 4.21 The Researcher Interviewing Mark Salmon

Kenneth Mays

Kenneth Mays is the Marketing Director of Bumrungrad Hospital who is responsible for the collaboration between ThaiCraft Fair Trade and the hospital. He told the researcher that Bumrungrad Hospital has been collaborating with ThaiCraft Fair Trade since 1990 because the clientele of the hospital show interests in products from ThaiCraft Fair Trade. Meanwhile, he thinks this also supports the local producers; the hospital does not charge the space rental from ThaiCraft Fair Trade for displaying the products at the hospital.

Noppawan Phengchan

Noppawan Phengchan is the director of Hot Chili Group, which is an affiliate group of ThaiCraft Fair Trade. Hot Chili Group is a group of local manufacturers who produce soap and spa products for ThaiCraft Fair Trade. Originally, the group was located in a community on Sathon Road in Bangkok which once had encountered fire problems. Tam, one of the victims, had to settle a new life which was the time when she met a group of foreigners who encouraged her to make spa products for export, and it was the beginning of the collaboration with ThaiCraft Fair Trade.



Figure 4.22 The Researcher Interviewing Noppawan Phengchan

Green Net Cooperative Group

In the past, Green Net Cooperative Group worked with ThaiCraft Fair Trade. After the group had shifted its focus to agricultural manufacturers, it did not collaborate with ThaiCraft Fair Trade as much. Nevertheless, Green Net Cooperative Group always works with ThaiCraft Fair Trade as an alliance network particularly in marketing activities

Urai Sookko

Urai is the head of Handmade Cotton Group, which has been working with ThaiCraft Fair Trade for a long time. Urai said that each party has different fields of expertise and the group specializes in weaving quality fabric while ThaiCraft Fair Trade specializes in marketing, both of which support each other. Urai told the researcher that the collaboration with ThaiCraft Fair Trade is very successful since not only does it help expand the marketing channel and allow the manufacturers to meet their customers but also teaches product development methods that fulfill the customers' needs.

4.3.3 Characteristics of ThaiCraft Fair Trade

4.3.3.1 Administration

The objectives of ThaiCraft Fair Trade are to support local products from each community, by doing so creates career opportunities and helps retaining

local traditions. Stephen thinks it is imperative to maintain the uniqueness of each community by creating a product with high social and cultural values; and to create market demands for the products rather than purchase from the act of sympathy. This requires solid marketing strategies to produce goods and send correct messages to the customers. Mark Salmon (2014: Interview) stated that the clients would still prefer to purchase products based on their demands rather than from sympathy, “it should not be sympathy that makes them buy products because I do not think it is sustainable. It is not what the customers’ needs”.

Therefore, ThaiCraft Fair Trade acts an important role to become the opportunity initiator for community members, a role that local manufacturers require assisting in marketing activities. However, Stephen stressed that the collaboration should only involve those that willing to develop themselves rather than waiting for assistances. He sees that it is imperative for local producers to developing skills and encouraging them to become self-dependence and ready to collaborate with others.

Regarding how to create social and cultural values for local products, Stephen agrees that it’s hard to do so and require marketing approach. Consequently, ThaiCraft Fair Trade takes the position as being the marketing arm, and the center of manufacturers and customers; as well as initiate new attitudes and modern knowledge to the local products to compete with other products on the market. For example, the group should be able to present how each product is manufactured and what kind of process is done. Meanwhile, Stephen and team also coach the manufacturers to engage in designing attractive packaging to promote product values.

The reasons why Thai Craft Trade Fair chooses to become a profit-making social enterprise was because Stephen believed that to help the society sustainably, it is important that the business must be stable at first. Therefore, he decided to apply the business approach to solving social problems by generating share incomes, which is better than receiving money from donations, or ask for assistances to operate his enterprise. As Mark Salmon (2014: Interview) stated, “ThaiCraft Fair Trade has to be able to create a balance between the business and social impacts, and we need to be self-dependent to build a network, so that everyone can help one another; otherwise, we will fail. It is the concept of social enterprise”.

Consequently, the incomes from selling or exporting products are fairly shared and used for the development and cover managing costs of the enterprise.

With regards to the integration of business and social objectives, Stephen insisted that both of them could be jointly managed and is vital for his business. He stated that the social goals could be carried out with business approach since it would help the enterprise to grow sustainability. Hence, ThaiCraft Fair Trade's stability is dependent on the income generation, as a matter of fact, the existence of ThaiCraft Fair Trade also maintain the survivability of the local producers. In this regard, ThaiCraft Fair Trade is not different from other businesses.

However, when the researcher inquired for the clarity of being a social enterprise, Stephen said that he does not even know that his enterprise was a social enterprise since he has not known the precise definition of it. However, some people regarded him as a social entrepreneur for his contribution to the community development.

With a clearer explanation of Stephen's stances. On the management side of ThaiCraft Fair Trade, it is still a family business legitimately registered and paying taxes like any other companies. As stated by Stephen Salmon (2014: Interview), "We are a small privately run family business in a legal sense. It is not different from other businesses".

The management form and structure of the enterprise are similar to those of private organizations, but with a different focus on helping the communities, as Mark Salmon (2014: Interview) explains "We are a private company as well as a third alternative". Kenneth Mays (2014: Interview) provides a thorough description for the management of ThaiCraft Fair Trade as follows:

It seems to be applying strategies and approaches to business and capitalism to help the societies and communities. It's more like giving opportunities instead of giving money or denoting supply to them. We can think of can we built the business here, an enterprise here, which they can work in this.

The organization structure of the business consists of Stephen, his wife, and other five staff members. The original number of crew was 20 but reduced as a result of the reorganization of the company structure to fit the changed situations. Additionally, Stephen stated that he felt at ease when he runs his own business by himself so that he could maintain his social ideas. The presence of other committee members could affect his decision-making and might result in different opinions or misunderstanding of the organization objectives. Thus, he chooses to manage his enterprise with a small number of staff members in order to be flexible and have enough freedom to operate and make decisions. Even though Stephen chooses to manage his business by himself, he stills place emphasis on the sense of morality and accountability for local producers. For example, he continues to give 25 percent of his shares to non-profit organizations as a form of Check & Balance mechanism. Stephen Salmon (2014: Interview) stated, “We cannot run a company with committees; we are a family operation, but 25% belongs to Non-Profit, which I insisted on keeping as a kind of check and balance”.

Furthermore, the organization structure of ThaiCraft Fair Trade aimed for flexibility and was as organic as possible to adjust to any changing circumstances, as Stephen Salmon (2014: Interview) stated:

ThaiCraft Fair Trade does not have any frameworks; we just let it be an organic business that grown by itself.” (Mark Salmon, 2014: Interview) This concept reflects the small number of staffs and only hiring on certain events, as well as not to stock any products in advance. He believes his approach could minimize potential financial risks, “The sole objective in our marketing life is not having stocks.

Stephen also comes up with a system that would prevent the inappropriate action from the management, so he decided to set the salary for all managers so they would not be tempted to take the dividend from the company’s net profit. Stephen Salmon (2014: Interview) also stated that even the enterprise is based on fair trade mechanism, but it could be very tempting for the owners to gain some dividend:

The cost we impose restrictions on ourselves, who we work with, the situation in which we work with, the fairness we want to create; we don't make a profit. We just about even, sometimes a little bit below even these days. But we pay ourselves a salary; it is far better that money coming from the salary than creaming off profits, we still think the profits should be for the operation of ThaiCraft Fair Trade...Fair trade enables us to control ourselves because there are a check and balance to us, and it is the right way to create a relationship with our suppliers. Producers will trust us, and the only way to do this is about Fair Trade by being total opened and transparent with them by being constantly concerned about their needs about responding about what they are asking. The minute we break a trust with anybody, we are finished because we can only survive with their support and their trusts. At the same time, we also tell them we also trust you also; they have to turn up at the fair with the right products meeting the market.



Figure 4.23 Local Products 1



Figure 4.24 Local Products 2

Mark Salmon (2014: Interview) defined transparency as: “For Thai Craft, we believe in transparency and accountability which means that we do not take advantage of ourselves. The profits gained from our part should only reserve for the management of our business. It helps to balance the incomes and social outcomes”.

In summary, the management characteristics of Thaicraft Fairtrade are as follows: (1) the management is similar to private sector and emphasizes on making profits; (2) ThaiCraft Fairtrade is the center for the management of the network; (3) the enterprise helps negotiate for the local producers; (4) its position as the marketing partner for the network; and (5) continually seek market penetration. As a result, ThaiCraft Fair Trade has numerous private sector characteristics in management approach but maintains the social objectives at its core. It also particularly emphasizes the collaboration with many members with a high level of transparency and trustworthiness.

Regarding the integration of sufficient economy philosophy at the level of management; Stephen identified the characteristics of ThaiCraft Fair Trade to be similar to His Majesty the King’s notion. Specifically, in the concept of self-reliance and learning to depend on each other, promote the utilization of shared resources, to support continuous learning, to have endurance, and to reduce risks. Stephen claimed that the integration process occurred to him naturally. Now he is fully aware of the

integration and is keen to tell others that he has successfully applied the concept of sufficient economy philosophy.

In summary, Stephen stated that the growth of ThaiCraft Fair Trade emphasizes the development of networks, customers, and local manufacturers. All of which are inseparable. Hence, the existence of the group depends on (1) the intention of the entrepreneurs and their teams; (2) the intention of the members of the networks; and (3) the intention of the customers to be interested and willing to purchase local products.

4.3.3.2 Knowledge Transfer

Stephen told the researcher that one of the primary concerns for the people who lack social opportunities and cannot access the free market is the due to not being able to understand how to fulfill the needs of the market. It is the goal of ThaiCraft Fair Trade's to assist in developing production skills and marketing knowledge. As Stephen Salmon, (2014: Interview) stated:

There are also other needs people have; there are many unfortunate people who are locked out of the presence of the society when it comes to production, marketing or even finding a job. And the only thing they can rely on is certain skills that can be offered to them so they can create their entrepreneurial production group and then support by other agencies. We need to find the means to help them access the market.

Another role for ThaiCraft Fair Trade is to support learning for local product manufacturers. Mark Salmon (2014: Interview) stated, "Those who collaborate with ThaiCraft Fair Trade have equal opportunities; everyone can learn. Like Tam's group, which produces shampoo and soap, they have been with us for a long time, and we have been trying to support them".

Stephen believes that local entrepreneurs can improve their capacities by sharing resources, know-how, expertise, and skills so they can grow together. Hence, members of the networks are encouraged to share their experiences to help one another. Even though ThaiCraft Fair Trade does not have a learning center, but Stephen's still insisted members collaborate and improve themselves. This activity

mainly occurs during a product exhibition. As Stephen Salmon (2014: Interview) described:

We hope that our networks also help themselves. Many groups help each other to solve problems together; for example, one group produce boxes for others. There are many other ways they interrelate, and we need to create the opportunities for them to interrelate.

The objectives of learning from each event are identified by Mark, as he suggests (1) the manufacturers can learn directly from the customers requirement; (2) the manufacturers can gain some knowledge from our volunteers; (3) the younger volunteers can gain experiences from participating in the business and helping the community; and (4) the customers can learn and appreciate the origins of local products. Mark Salmon (2014: Interview) stated:

I believe it is a two-way adjustment: the manufacturers and the customers. Hence, the manufacturers need to adjust to the customers' demands. For example, I will not say that they should manufacture knitted shirts, but they should be able to design or adjust the products based on what the customers want. When it is done, it will encourage the customers to use more Thai products...Nowadays, the product exhibitions held by us provide the platform for people to meet and exchange knowledge. We also have workshops in each fair, and people can come and learn how to produce local products. Sometimes, the manufacturers are taught by the customers. The volunteers from international schools are always here to help out in designing, assigning product distribution queues, and packaging. They get to learn how to do marketing for the event, which is a plus.

Stephen Salmon (2014: Interview) also added, "The interrelationship between the producers and customers are direct link is enormously beneficial for production groups, because they can understand what customer wants and trends".

However, Stephen explained that the learning curve would depend on each person's motivation and interests, which cannot be forced or controlled. The best Stephen could do to try to motivate and push them to realize the opportunities of becoming a better entrepreneur. The result of the approach was successful since the members were willing to learn and quickly adapt their products; which in turn, were tremendously accepted by the markets. Stephen also added that most of the adaptation was usually the result of learning and seeing the examples of success stories which often initiate new product innovations. Eventually, success stories tend to motivate other entrepreneurs and triggered the development process. Hence, the opportunity for selling their product is one of the key motivating factors that encourages them to develop further their products. As Stephen Salmon (2014: Interview) stated:

We would only buy something we know we could sell it on. It's just amazing how quickly producers catch on to this if we say we will never buy their products because the quality is not up to standards, within a week they will come out with products with right standards.

These are learning strategy compliance with Stephen's goal to stand for themselves.

According to the emphasis on learning, the following conclusions can be made: (1) Thaicroft Fair Trade promotes learning of knowledge and skills to network members; (2) Thaicroft Fair Trade provides the opportunities for the members to meet with one another, (3) engage in promoting success stories to the local producers; (4) insist members to share knowledge, skills, and experiences; (5) support new knowledge to the local communities and producers; (6) attempt to change customers perception to appreciate local products; and (7) create the supportive environment to promote individual's creativity and social innovations

4.3.3.3 Network Administration

It took Stephen and his wife 20 years to travel around Thailand to build relationships with local product manufacturers, which they managed to gather more than 80 local entrepreneurs nationwide. With these experiences and relationships, they are well aware that the collaboration in the network of local producers and supporters

are essential to solving social problems and the conservation of traditions. The trust and confidence towards ThaiCraft Fair Trade are vital for the network to grow together. Stephen perceives that (1) social and business objectives would be possible if managed through networking; (2) a sustainable business should build on trusts between members in the network; (3) a successful social businesses must see the importance of having community network; and (4) a social enterprise should generate fair incomes for its members. As Stephen Salmon (2014: Interview) explained:

ThaiCraft can't survive without products; so the more we doing is not only for the social purpose it makes good business sense as well. Good business sense is about a good relationship, Good business is about creating the right kind of conditions, Good business is paying the people the right kind of money under the right operating condition; because in the history the most successful companies in the long terms are those provide all these provisions. Many companies in the past started from social concerns companies such as Cadbury Chocolate and Unilever.

Stephen stated that ThaiCraft Fair Trade is not an organization capable of handling all of the social burdens. With limited resources and lack of specific production skills in local goods; the local entrepreneurs are required to develop themselves and constantly working together and not just solely relying on ThaiCraft Fair Trade. In this regard, the concept of the network is fundamentally based on being self-reliance and not to depend on any organization. Each member should cooperate while the social enterprise would assist in another area. For example, ThaiCraft does not have any intention or skills to produce products, but it has the marketing skills to assist local entrepreneurs.

Clearly, the network management for ThaiCraft Fair Trade primarily focuses on the principle of fairness and provides benefits for its members. As Stephen Salmon (2014: Interview) explained:

Fair trade it is the right way to create a relationship with our suppliers. Producers will trust us, and the only way to do this is Fair Trade by being total opened and transparent with them by being constantly concerned about their needs about responding about what they are asking.

It is noticeable that the relationships formation found in ThaiCraft Fair Trade networks are based on mutual interests, involving win-win scenarios. For example, both the social enterprise and the members has to come to an agreement for their contribution to the work and the benefits generate from the participation. As Stephen Salmon (2014: Interview) said, “At the same time, we also tell them we are also trusting you also; they have to turn up at the fair with the right products meeting the market. We can create activities that everybody wins”.

Stephen suggests that one of the key factors for the cooperation with the network is the “confidence” among ThaiCraft Fair Trade and its members. This is achieving by adhering to the code of ethics and sense of morality which appears in the concept of fair trade. Moreover, he sees that confidence promotes co-existence, trusts, integrity, transparency and accountability among members, all of which are related to the concept of sufficient economy philosophy. For him, this is the concept of networking an collaboration that is closely tied to the function of fair trade. Thus, ethics and morality make collaboration possible in Stephen’s perspective. This is because morality permits the collaboration and help to build confidence and benefits among members. Stephen further added that ethical code of conduct as appears in the principle of fair trade also promote (1) the confidence for interdependency; (2) allow resources are sharing; (3) engage in co-learning; and (4) reduce and distribute risks for all members; all of this is believed to promote sustainable development.

Despite, the concept of having as many members of the network is crucial to the success of ThaiCraft Fairtrade. However, not all local producers are suitable to cooperate, since Stephen and his teams have limited resources to assist only some members. As a result, ThaiCraft Fair Trade has to analyze the appropriateness of each potential member regarding its capabilities, ability to innovate, readiness to develop as well as physical suitability. For example, some local

producers may have interesting products to sell, but the lack of proper transportation would prevent consistent cooperation with ThaiCraft Fair Trade. Stephen Salmon (2014: Interview) further defines the selection process as follows:

We basically adopted a philosophy of our own, a selection process for the group we want to work with on two levels: (1) There is a need to find a market because there wasn't one in existence for this particular group and their product; (2) We identify the need within a village or community in which marketing could solve their problems, we could identify the need within the community. It was necessary for us to use the socio-geographic-economic backgrounds of the community and to be convinced that marketing activities could solve their problems.

Also, the selection of potential member is based on criteria as follows: (1) a community that deserves a chance for development; (2) community that has appropriate skills and outstanding quality of products but does not have marketing knowledge or the access to the market; (3) a community ready to generate incomes; (4) a community should focus on self-sufficient and self-reliance. As Stephen Salmon (2014: Interview) said:

Groups have to be self-reliance and self-sufficient, they have to learn to do it themselves, learn to be financially self-sufficient, and the way you can be self-sufficient is working with us and demanding from people like us that you are given the right tools to do.

; (5) having clear intention to seriously cooperate with Thaicraft Fair Trade for the long run; (6) Thaicraft Fair Trade do not collaborate with monopolizing producers, but prefer to work with a local group that create employment in their community; (7) members must share the same objectives and be willing to help one another in order to grow together; (8) accept the regulations and conditions of fair trade; and (9) members must be willing to learn and improve their knowledge.

Regarding the type of networks involving with ThaiCraft Fair Trade. This includes local producers, event exhibitors, exporters, sponsors, and online customers. All of which are willing to support ThaiCraft Fair Trade. The main networks found in the study are as follows:

1) Local Producers: the network consisting of more than 60 local manufacturers, who frequently attend the product exhibition events to sell their products. As Stephen Salmon (2014: Interview) explained:

We have several networks; normally we work on these fairs and exports internationally. I believe the fair are most beneficial to producers. To create fairs, we need the network of producers, at the moment we regularly work with 60 producers, even more in the past.

2) Religious Group: is the group of religious networks such as the Christian network, the Muslim network, and the Buddhist network that have volunteers working in promoting events. These religious networks perceive ThaiCraft Fair Trade as a social organization engaging in the contribution to solving social problems.

3) Customers: consists of Thai and foreign customers, particularly foreign customers with high purchasing power who have tremendously interested in the hand-made products, as well as willing to support the local producers. Stephen Salmon (2014: Interview) added, “Our network of customers and built through various institutions like schools, hospitals, and places of work.”

4) Private Enterprise: Some private enterprise is willing to support ThaiCraft Fair Trade’s objectives because it is compatible with their company’ social policies, one example are the famous Bumrungrad Hospital. As Mark Salmon (2014: Interview) described:

The private sector has contributed considerably, like Bumrungrad Hospital, which is one of our very good partners, and many schools also join us. The reason is that they see that ThaiCraft Fair Trade can support the manufacturers, and they want to join our CSR but do not

know how. They see Thai Craft as a linkage. That is why they support us. They see that we can be a mean to work for them, so they help us.

The researcher also interviewed those who are related to ThaiCraft Fair Trade. They are as follows:

Bumrungrad Hospital

Bumrungrad Hospital is a well-known private hospital located in Bangkok. The executives believe in the social objectives of Stephen. The customers at the hospital also feel good from helping the local entrepreneurs via fair trade. Also, the hospital views that ThaiCraft Fair Trade's events and products are interesting, which promotes the liveliness of the hospital. Regarding some of the reasons, the has continuously cooperate with ThaiCraft Fair Trade since 1990.

The role of the hospital mainly supports the marketing events, especially in providing venues for holding activities without any charge; and help with the public relations to attract new customers. Furthermore, Mr. Ken stated that he is a strict Christian just like Stephen. Thus, the two have similar concepts regarding the sense of morality. It could be said that the collaboration between the two enterprises is based on shared objectives. As Kenneth Mays (2014: Interview) explained:

ThaiCraft is more than an event, first of all, our patients are interested in ThaiCraft, and it's a good match for ThaiCraft. Also ThaiCraft is a good organization; we believe in what they are doing, they are fair trade. It's about differentiation because you can buy crafts anywhere but ThaiCraft feels a little more unique because they do a good job of quality control of the products, and you also feel good about buying these things because you feels like it's fair trade direct from the producers. So there is a reason Bumrungrad to do this than just trying to sell some stuff.

Moreover, both ThaiCraft Fair Trade and Bumrungrad Hospital do share the same group of the customer which is mainly foreigners. This further cements the potential to collaborating. As Kenneth Mays (2014: Interview) stated:

Bumrungrad had been partnered with Thai Craft for almost 8 years now, because Bumrungrad is quite a popular hospital for the expatriate community, a group has always been important market segments that Steven sells to, a big group of people who likes to buy these products are these group, so in that sense Bumrungrad has been important selling channel for him...Win-Win I think what they doing is good for the community, it's a good organization, it differentiate them making them unique, and we knew that our patients groups would be very interested in it, it's almost like matchmaking because we don't take any margin from Thai craft, it's not about making money but it's about making a good match. It's a win-win in a sense that our patients appreciate us to do, and at the same time it's good for the communities.

The collaborations between Bumrungrad Hospital and Thaiculture Fair Trade can be concluded as follows: (1) both share the same social objectives and similar ideals; (2) they share the common attitude in the sense of morality; (3) the hospital trusts Thaiculture Fair Trade's for the commitments to build a better society; (4) Thaiculture Fair Trade supports the positive image and are in line with the hospital's CSR policies; and (5) the selection of high quality products match the target customers.

Collaboration with Hot Chili Group

Hot Chili Group is an affiliate of the ThaiCraft Fair Trade's network. Tam, the owner and head of the group, is in a spa business producing soaps and spa products. Tam believes that ThaiCraft Fair Trade's approach has helped and enables the group to survive without the need to rely on the government or the public sector. As Noppawan Phengchan (2014: Interview) explained on the collaboration, "ThaiCraft Fair Trade always have a better approach than the government and the

public sector. It is easier for us to work with the third sector like ThaiCraft. We can think and share ideas together”.

It is due to this very reason; the collaboration was formed. She explained that the cooperation with ThaiCraft Fair Trade was simple. All she needs to do was to agree to the terms and conditions from the beginning. One of the conditions is to participate in all events held by ThaiCraft Fair Trade. Stephen also helps them with price setting and teaches them to develop proper products required by the market. As Noppawan Phengchan (2014: Interview) explained:

ThaiCraft Fair Trade always stresses on the fairness between the customers and the manufacturers; the products should neither be too expensive nor too cheap. The incomes have to be adequate to sustain both the organizer and the manufacturers as well. If the prices are too low, then Stephen and I cannot survive. If ThaiCraft Fair Trade can survive, so can we.

Noppawan Phengchan (2014: Interview) described the collaboration between her company and ThaiCraft Fair Trade as, “I think it is a good perspective because it is like ThaiCraft Fair Trade will find markets for us, and we do not need to go and shout to call customers. They just come in. It is like ThaiCraft Fair Trade helps promote the products for us”.

It can be seen that the collaboration between these two organizations each party realizes its role and responsibilities. Furthermore, the collaboration takes place at the coaching level as well. As Noppawan Phengchan (2014: Interview) stated:

They came in and said that our products were too plain, and they wanted us to improve. If we added an attractive package, the products would be much more interesting, and the customers would consider buying them. Stephen teaches us many techniques such as packaging design, basic marketing, and suggest what kind of products would sell.

It feels like we are working together, and they always have a solution for us.

Green Net Cooperative Group

In the past, Green Net Cooperative Group used to cooperate with ThaiCraft Fair Trade. Green Net Cooperative Group activities also focused on the concept of sufficient economy philosophy, especially with the focus on fair trade and promoted local producer to be more self-dependence. This concept is similar to ThaiCraft Fair Trade. However, after Green Net restructured its administration to Green Net Cooperative Group, the collaboration between them was terminated. However, they occasionally work together.

Natural Hand-woven Cotton Group of Na Ngam Village, Village Number 7

The hand-woven cotton group is another member of the network. The group told the researcher that their business success has resulted from working with ThaiCraft Fair Trade. The group admits that after the collaboration, the sale volume has increased and consequently creates employment in the community, as well as help maintaining the traditional hand-woven fabric technique.

4.3.4 Characteristics of Stephen Salmon

The researcher summarized the characteristics of Stephen as follows.

- 1) Stephen has a strong vision to take part in the sustainable development.
- 2) Stephen could distinguish and balance between the business and social objectives. As seen from Stephen Salmon's (2014: Interview) expressions:

One has to balance the social and business objectives. This concept of balance tends to be strange for most people; because they are two different separate things, one maybe funded by the other, and the other may give the funder a certain sense of feel good and the ability to promote the fact that they are helping. But for welfare organization to

be a business, and business is a welfare organization it seems like oil and water, but I believe it can and has to mix. This requires leadership with a vision to do this. Idealistic does not last, but most do not want to make it into a career because there is a high element of risks, not only financial risk, but those around you may not understand you because you can't make a fortune out of it.

3) Stephen is a firm believer in Christianity, this makes him concerns with all the actions regarding the sense of morality and the principle of ethics. The religious beliefs also encourage him to be honest, which in turn allow him to balance both the social and business objectives.

4) Stephen operates on being flexible, and he does not tolerate any external control that would prevent his freedom of choice.

5) Stephen is patient, persistent, sacrificing, risk-taking, and capable of waiting for long-term changes. He also sees that a career in social entrepreneurship should be regarded as a long-term devotion to making social changes. As Kenneth Mays (2014: Interview) explained, "What Stephen has done in Social Enterprise and created ThaiCraft Fair Trade takes a lot of time and energy; it's not something that Private enterprise in the business world has time to commit and devote to".

6) Stephen has the attributes of being trustworthiness, transparent, accountable, and honest. He stated that the component of righteousness was crucial to cooperate with others in the network. Without being trustworthy, a social goal would not be possible.

7) Stephen specializes in many forms of management and disciplines. This includes the management of resources, funding management, learning-organization management, risk management, and marketing management. He also harbored a wide range of administrative skills.

8) Stephen is experienced in both business administration and social affairs. Moreover, he is compassionate and is talented in many ways. As Kenneth Mays (2014: Interview) explained:

You need to have a good heart, beyond pure business or for profit to help the societies. It also requires business savvy. To keep it sustainable, you have to put energy into it. You have to find the resources, and you have to apply business and marketing disciplines to it. You need to do the marketing to meet what the users want to buy. You constantly have to match this, and that, both what the consumer wants, and the capabilities that the producers have; and you need marketing to help with this, marketing is about sitting in the middle communicating what the buyer wants from the producers. You need to have heart, talent, and experience. The heart is the basic motivation that you care about to people who need help, the talent comes from various talents in the organization, effective organizations have a mixture of people with different talents are a match to the job of the organization what the enterprise needs. Experience is about business and marketing disciplines comes from learning. A lot of people who have been successful with Non-Profit is because they learned business disciplines through experience and applied to social enterprise.

9) The ability to manage the network effectively, particularly (1) the ability to form alliances and increase the number of members; (2) ability to coordinate members within the network; (3) the ability to communicate effectively; (4) have decent interpersonal skills; (5) ability to unite the network as one; and (6) ability to manage resources, skills, expertise capacities from the network.

10) Stephen is highly specialized in marketing strategies. Stephen stated that to be a social entrepreneur; one should have a clear understanding of the local lifestyles and be able to manage the changing environments that cannot be controlled. Thus, the administrator should have marketing skills to support the growth of the enterprise and its network. However, the social entrepreneur should be able to implement marketing strategies in the fair and ethical manner, rather than seeking profits or advantages for oneself.

11) Stephen highly emphasizes the importance of continuous learning as to developing oneself and the others.

12) Stephen highly respected His Majesty the King. He has a keen understanding of sufficiency economy philosophy and can distinguish the differences between the social enterprise and the sufficiency economy philosophy.

13) Stephen always utilizes information technology as the mean to gather information and communicate with his clients and members.

4.3.5 The Integration of Sufficiency Economy

The concept of sufficiency economy philosophy focuses on the collective interests rather than self-interest. It also has the objective to solve social problems in a sustainable manner. Once comparing to the way ThaiCraft Fair Trade operates, it could be said that there is many similarities on the objectives and the components level. Even though, for Stephen, sustainability for the local community is one of his major concern and a life-long agenda. He perceives that to approach a sustainable development; one should reflect the root of a problem. He believes that sufficiency economy philosophy could help fulfill this objective, which is one of Thai Craft Fair Trade's important duties, as Stephen Salmon (2014: Interview) stated, "A lot of things we need from sustainability come from the preservation of community identity. We need to go back to our roots as the King has said and looked back at where we came from and created a link of how we can work together".

The key connection between the concept of sufficiency economy philosophy and his social enterprise is based on the principles of self-sufficiency, self-reliance, group work, collaboration to enhance group immunity, to manage resources in the network effectively; but the most important aspect is the ethical code of conducts and the sense of morality. This all reflects on the concept of the middle path which Stephen compares to the word "balance." The word "balance" is very much in line with the concept of "fair trade" in Stephen's perspective. Stephen Salmon (2014: Interview) further explained:

I believe what the King's believe is similar to the principle of fair trade; these principles are similar to the King's concept of sufficiency economy. But the big problems are his wise words have not been implemented and work enough due political and commercial interests

because it means changing the system. The King's himself strangely is perhaps in the most privileged person, but he is the one that come out with a social plan that could be built, he comes out with the nucleus of an idea. I think few people understand sufficiency economy, and I think there needs to be a way in which to interpret into real life situations, in another word creating a model. We have the fair trade principle, but why don't we take the self-sufficiency principles and create certain principle from that. There is no reason we shouldn't promote ThaiCraft Fair Trade as a sufficiency economy organization rather than a fair trade organization; it may be the same. I do think we need some real life example how it could be done.

Therefore, sufficiency economy philosophy is considered as the main principle of Thai Craft Fair Trade. As Mark Salmon (2014: Interview) mentioned:

I think the sufficiency economy philosophy is very important for Thailand, not only at the enterprise level. I think this philosophy is the solution to various current problems because nowadays people do not understand the term sustainability or know how to grow sustainably. Hence, many people fail. If any enterprise applies the sufficiency economy philosophy, it will be great, in my opinion.

Kenneth explained the connection between ThaiCraft Fair Trade and the sufficiency economy philosophy, which particularly focus on the mindset of Stephen. Kenneth Mays (2014: Interview) explained:

The connection is not obvious, Social enterprise is not the same as donating money. It takes somebody to really devote themselves like Stephen to keep it sustainable. That requires somebody to know the word "Imm" (Satisfied). I think for social enterprise to be sustained, it requires experience from the business world with good talent and experience to be willing to say, I've done enough, I've have enough

money and willing themselves to devote to social enterprise. This is not for everyone; it does require some people to say enough or Imm. It requires people with exceptional heart.

Kenneth Mays (2014: Interview) described Stephen as a person who is “Imm (content)”, this word has a connection to the Buddhist teaching,

The Buddhist teaching is about you can be happy by giving more or learning to want less, a better path to happiness is learning to have less. Sufficiency economy is about learning to want less; it doesn't mean learning to be poor but learning to know what is enough.

Stephen Salmon (2014: Interview) also added:

I think sufficiency economy does apply to my organization because I think we need to understand properly the king's philosophy. Sufficiency economy cannot describe the whole thing what the King trying to explain to the people. I don't think the Kings believes village people should isolate themselves from anybody else and just be sufficient under themselves; no man is an island; Civilization is about people getting together and improving anybody's life through cooperation doing things together and division skills, so what the King is saying is about we are consuming and demanding more than our fair share of the resources that are available, in another word some of us are consuming far in excess than our fair share of the resources available, which means others are not getting enough. So Fair Trade operates in the system of markets forces but in doing so we can ensure that certain and ethical needs are being looked after, so the fair-trade is about within the production and marketing chain, every stakeholder need to benefits from the activities where most people right at the bottom particularly those receiving the worse deal.

Therefore, Stephen and Mark believe that the concept of sufficiency economy philosophy is similar to the concept of social entrepreneurship. As Mark Salmon (2014: Interview) finally stated:

The core of sufficiency is focused on sustainability by being self-dependent and not by relying on others too much. ThaiCraft Fair Trade is also a self-dependent business; previously we might not know that we were applying the sufficiency economy philosophy. But I think this principle is the key to numerous things, whether it is the social aspect or the business development. I think when we adhere to the principles of sufficiency, our missions are achievable. People working in the network also see the direction, and we all agree that this is the path we are supposed to keep going.

It could be said that the core of ThaiCraft Fair Trade is in accordance with the concept of sufficiency economy philosophy. The concept is embedded in most of the operation processes, from the objectives to the marketing strategies, network establishment, and fair trade policy.

4.4 Case Study: Mechai Pattana School

4.4.1 Background of Mechai Pattana School

Mechai Pattana School is an educational, social enterprise located in Kwang Ngoi Village, Koak Klang Sub-district, Lamplaimat District, Buriram Province. It consists of 17 districts and 16 villages, each of which has approximately 200-300 households with the total number of population of 9,328 people. Most of the people are farmers and orchard workers.

Chareon, the chief of the sub-district explained the history of the area. He told the researcher that twenty years ago, community members were not familiar with trading and businesses but were used to sharing natural raw materials and resources. Most people in the community live their daily life based on interdependence with one

another. They treat each other as if they were relatives. However, as the community is developed, people's ways of lives changed tremendously. What had changed were (1) the attitudes of the people began to value materialism, especially among the newer generation. This resulted in the use of non-legal loans with higher interests that later caused financial problems. Without adequate money to repay the debts, most people traveled out of town to work and send money back home. This became a cyclical problem that ultimately affects the community development; (2) people in the community created a social classification; (3) newer generations moved to big cities; (4) the newer generation looked down on themselves for not having capabilities or opportunities to build a stable life. They were not confident that they could become a local entrepreneur and choose to become a labor worker; and (5) public entities and organizations lacked the understanding in the locality and did not have a clear approach to encourage people to operate businesses effectively. These are only some of the problems until the current date.

Mechai came to a conclusion that the root of the problems is the inadequate or lack of basic education. This educational issue is considered a national one, that affects the overall education system and preventing sustainable community development. Lamplaimat was one community that encountered such common problems.

Knowing the source of the issue, The Mechai Pattana School was introduced with the intention to produce new social entrepreneurs who are self-dependence and are experienced at running businesses, as well as assisting the sustainable growth for the community development. The objectives of the school are (1) to introduce the knowledge of business management for community businesses, so the locals can take care of themselves; (2) to develop an educational system with an emphasis on promoting social equality and equal opportunity. To create a newer model of the educational system that is suited for the rural areas and different from other public and private schools; (3) to develop an educational system that operates by social entrepreneurs, and engage in raising newer generations of social entrepreneurs; (4) to develop the school as the center for community development that coach business skills to the community members. The school will be the innovation center that helps to provide occupational opportunities, finding additional incomes, and assist in the

marketing of local products; (5) to help the community with the superior concept of resource management; (6) to encourage the school to integrate the concept of sufficiency economy philosophy; and (7) to expand the network of partners and alliances for the school and its members.

The school establishment initiated after Mechai's had the conversations with the local leaders in related communities, administrators, sheriffs and heads of villages, and the sub-district organizations. Afterward, a public hearing was made in order to get people's opinions on the school development, and to gain local supports, as well as promoting the sense of democracy. Once the involved members agreed, they allowed Mechai to develop on a plot of 200 Rai land. Currently, the school operates on a 50 Rai-land and the rest are used for community development.

The school development project also has the investment, operating and maintenance costs which force Mechai to find the source of financial capital to run such project. He eventually decided to use many of his social enterprises to fund and maintain the school until it can generate its income. His personal social enterprise such as BREAD, a company that runs marketing activities for local products, and Cabbages & Condom, which is a famous restaurant. The profits from such businesses are used for managing the school. Mechai has a further vision that the school could become the center for community development that helps to create new local occupations, businesses, and innovate new local products. This requires as many members of the community to get involve as much as possible. Therefore, the school is also developed for other community members such as adults and parents.

Mechai Pattana School also applied the concept of sufficiency economy philosophy in all aspects. Particularly with the goals to change community behaviors toward the concept of self-reliance at the household level. The ultimate goal of Mechai Pattana School is to become an educational; social enterprise integrates with the concept of sufficiency economy that can generate incomes by itself, promote sustainable community development, and create a new breed of young social entrepreneurs.

Nowadays, Mechai Pattana School is internationally recognized as a world class social enterprise. At present, the school has no more than 100 students and no more than 20 teachers. Teachers and administrators receive salaries similarly to

employees in private companies. However, the managers, directors, and students must learn to rely on themselves to reduce unnecessary expenses by self-grown vegetables, adopt the concept of sufficiency economy philosophy, being economical, as well as pursue social innovations that help generate incomes through marketing activities.

Regarding the student enrollment criteria, the students and parents have to accept the terms and conditions stating that they have to make social contributions to the community to be able to study for free. Students are entitled to free tuition under the condition that they have to plant 400 trees and do 400 hours of community services in return. This objective is to create the awareness for both the parents and students with the hope to shape their perspectives. Regarding community development, Mechai expects his students to gain knowledge and share with their parents and other people in the community. Essentially, the students become the ambassadors or social entrepreneurs that could teach the community to do a good act, and able to earn extra incomes.



Figure 4.25 Agriculture Learning Building at Mechai Pattana School

For the past seven years, the school has completely applied the concept of sufficiency economy philosophy on the individual and organizational levels. Mechai successfully introduced the sufficiency economy principles in the teaching and administration. The goal was to develop a new eco-system for the school and its community. The integration of social enterprise and sufficiency economy philosophy

has tremendously helped to develop new career and agricultural innovations, such as the ability to grow off-season limes that could be used for household consumption and sell at a higher price. By his approach, many people were able to repay their debts and have better financial disciplines with enough savings to be stable. Most importantly, community members felt more content and satisfied with their new life. As a result, much newer generation wants to become a local entrepreneur instead of working in big cities. All of these successes are the results from the collaboration in Mechai's networks, and the ability to integrate his school with the concept of sufficiency economy. As for the students, most of them became social entrepreneurs. Even from grade six to grade six, they have 3-5 hundred thousand baht of savings from pursuing the school social business activities. Additionally, many have pursued their Bachelor and Master degrees in one of Mechai affiliated universities. They even get an internship to work with the world-class companies like IKEA.

In summary, The Mechai School and his networks of affiliated social enterprises have helped to develop Lamplaimat community successfully. Nowadays, Mechai School is recognized as a prime example of a community development project where many people have come to learn and adopt his model and method. As for the future plan, Mechai would like to apply his model to other communities both domestically and internationally.



Figure 4.26 The Researcher and Mechai Veravaitaya

4.4.2 Other Informants in the Case Study of Mechai Pattana School

Janprapa Gard-Osod

Toon is one of the administrators of Mechai Pattana School and a coordinator for Mechai's network. Her expertise is in the knowledge of marketing for social enterprises. Before joining Mechai, she used to live abroad and work for a travel company. She felt saturated with her life experience and desire to work for the society, which made her discovered Mechai's approach later on. Toon's roles are to support students and help marketing for the local products by coordinate with many private organizations and potential customers. Also, she plays an important role in developing local products by increasing its value.



Figure 4.27 The Research Interviewing Janprapa Gard-Osod

Jamlong Pulako

Jamlong was born and raised in Lamplaimat. He was recommended to Mechai for his exceptional agricultural skills. Mechai asked Jamlong to work with him as a teacher since 2011. He is interested in the concept of sufficiency economy philosophy, particularly in the social enterprise context. Most of his teachings are

based on how to utilize such concept effectively both in the school and to promote the better well-being of the community.



Figure 4.28 The Researcher Interviewing Jamlong Pulako

Phongsakon Charotram

Phongsakon was another unfortunate child, raised from a low-income family and never had a chance for proper education. However, due to his passion for knowledge made him struggled for a chance to study until he managed to graduate from Suphanburi Rajabhat University. During his university life, he was fortunate enough to help with the social works until he met Mechai in 1999. Afterward, Mechai appointed him to become a teacher to teach the concept of sufficiency economy philosophy and its application in agriculture. It has been more than ten years he has been successfully taking parts in developing new social entrepreneurs. All of his students have solid knowledge in sufficiency economy and can apply to the daily life and for social works.



Figure 4.29 The Researcher Interviewing Phongsakon Charotram

Somkid Attaboot, and Tongjue Boonklueb

Somkid and Tongjue are officers for the Community Development project that collaborated with Mechai Pattana School. Their main duty is to manage a project called Sea Bird, which helps to find opportunities for the people in the community and other villages. Therefore, their role is mainly concern with creating a relationship with the communities and promote the activities in Mechai School. They also help to engage public relation for the school pilot projects as a platform to learn new knowledge for better careers and gain additional incomes.



Figure 4.30 The Researcher Interviewing Somkid and Tongjue

Charoen Sukaviboon

Charoen Sukaviboon is the Chief Executive of the Sub-District Administrative Organization. He is a resident who has lived in the area for over ten years and has worked on several social enterprise projects with Mechai since 1997. As a result, he has much knowledge and understanding of their collaboration. Charoen is an important source of information who can share experiences from working with Mechai School at the community level. He also believed that the collaboration between the social enterprise and the Sub-District Administrative Organization provides a new dimension towards creating a sustainable development for the community.



Figure 4.31 The Researcher Interviewing Charoen Sukaviboon

4.4.3 Characteristics of Mechai Pattana School

4.4.3.1 Administration

Mechai Pattana School is an educational, social enterprise supported by other social enterprises belong to Mechai Veravaitaya networks. These enterprises are similar to private companies that pay taxes, but the profits are reserved for the development and maintenance of the school and its community. Mechai believes that a social enterprise should not depend on receiving donations, but the initial phase of the school development requires capital injection; however, eventually the school

must be able to generate its income from its social and business activities. He believed it was through profit-making approach that would lead to sustainable development of the social enterprises and the communities. Furthermore, Mechai sees that the business approach would help to teach people to stand on their own feet, to be self-dependent and willingly to cooperate with one another in an ethical way. As Mechai Veravaitaya (2014: Interview) stated:

Social enterprise has two sides of a coin, with a head and tail. The head side consists of the businesses, professional administration, Capitals management, and marketing. The tail side aims to help the community. It is helping the community while running a business so that we can make profits to run the school.

Mechai Veravaitaya (2014: Interview) further explained the main reason for the necessity to operate on the business approach:

I have been doing this for 40 years and see that helping people requires money. People need food. They do not have salaries but have to pay for gas to go here and there. We need people and money. Where do we get the money? If we beg for it, soon people will be bored with us. Or we can run a business. It is the only way that is stable enough to get rid of poverty. It is only through a business approach that our goals would be achievable.

Therefore, Mechai emphasizes the significance of business approach to solving social problems. This reflects in the teaching methods and materials to produce social entrepreneurs specialized in creating social innovations that could generate profits and help the growth of their communities. Furthermore, he has high hope for his students to eventually pass on this knowledge to the parents and other community members. As Mechai Veravaitaya (2014: Interview) mentioned, “Social enterprise does not offer free stuff. We need to teach our people to be self-dependent, and if they survived, they also need to help others”.

This approach initiates the process of developing social entrepreneurs at the school and cooperate with the Sea Bird Project. For example, when the parents or community members wish to start a business, they could ask for a loan from the microcredit support by Mechai's group while they may learn necessary skills and techniques from the school's pilot projects. Regarding the administration attributes of the school and its network are described as follows:

1) The school structure operates through many networks of the social enterprises and alliances. Each organization is specializing in a different field to promote the growth of the community. As Somkid Attaboot and Tongjue Boonklueb (2014: Interview) explained:

Mechai's foundation is established to supervise the school, while the school aims at teaching. The development of the school and other social activities are carried out simultaneously. The students are responsible for learning and helping to generate incomes for their parents, as well as convince additional jobs and source of incomes. There are learning resources in the school's yard. If students and community members want to learn how to grow vegetables, raise ducks/ chicken/ pigs/ crickets or whatever they are interested in, we can hold training for them. If they do not have enough financial capital to start a business, we have a bank that gives loans, and they can repay later.

It is observable that all of the enterprises under Mechai's networks do focus in different areas but do share common objectives. Particularly, to produce new social entrepreneurs and to generate additional incomes for the community.

Furthermore, Mechai clearly stated that the school does not belong to anyone. On the contrary, it belongs to every member of the community. One of his goals is to foster the democratic participation for the development of the school. This approach reflects the culture of the school of being democratic and transparent. He believes this is an essential part of social entrepreneurship since it involves the need to balance the profitable gain and the dedication to develop the

community. As a result, Mechai sees transparency and accountability as the crucial part of the management of the school and its networks.

One of the main reason Mechai emphasizes the requirement to operate at the network level is related to the limited resources; because he sees each network has its resource, skills, and expertise that should be utilized together. Despite the resource pulling technique, he still supports each organization to be more productive and taken the concept of sufficiency into account.

2) Regarding the management of team members. Mechai insists that all employee to receive salaries, benefits, and financial stability similar to private companies, and has the opportunities for career advancement by becoming more specialize in their job. Even though the amount of the salary may not be comparable to those of the private organizations since most of the profits gained are for the social contributions. But most employees adopt the concept of sufficiency and are satisfied with working for the communities. Mechai also adapted the concept of sufficiency economy philosophy for the management of his employees. For example, every teacher in the school would receive 1 Rai of land so that they could grow vegetables for their consumption. Additionally, they are allowed to earn additional incomes from running a social business via many of the school's projects. As Janprapa Gard-Osod (2014: Interview) explained:

Staff members receive some salaries while other companies might offer more. However, we can handle this, by becoming satisfied with it and do our best to the others. This is what we have learned. The staff members know they have to be sufficient and do their best. We still have fun working on the job. Even though we may receive only this much money, but we are still satisfied. We do not want anything more.

3) The focus on utilizing marketing strategies. The application of marketing strategies assists the income generation for supporting the school and other social projects. For examples, the school initiates a new concept for rice farming where students introduce this method to parents and other community members. Once the picking season is completed, the rice will be creatively packaged and use

marketing techniques such as petitioning, price and promotion settings as well as target the right customer to earn income for everyone. It is observable that this marketing technique has been utilized across the operations relating the school projects. Apart from the application of marketing strategies, Mechai also engages his students and teachers to learn additional knowledge relating to marketing and basic economic principles of demand-supply. Most importantly, through this mechanism, the customers also receive high-quality products that have deep social meanings. This results in greater support from the customers' side; and satisfied Mechai's intention for the social enterprise to be able to generate its income and distribute wealth to all the people involved. For him, this is far beyond receiving sympathy from donations and charities.

4) Create a platform to promote social innovations. The creation of social innovations is crucial to the approach is taken by Mechai. He also sees that social innovations can be initiated from the integration with the concept of sufficiency economy philosophy, particularly to create new innovations that assist income generation, create new career opportunities, and to help the community to grow sustainably. Many of the school activities are a focus on creating social innovations, such as the demonstration gardens that become the platform to teach the students and community members. The significance of social innovation is closely related to the condition of the school where the resources are limited. By integrating the concept of sufficiency economy philosophy, it is possible to initiate social innovations. This is because, under the constraints, the concept of sufficiency economy and social entrepreneurship helps individuals to use more of their creativity and think outside of a box, which helps initiates social innovations. Therefore, the school tends to focus on practical innovations that can be performed by anyone even without any capitals or resources. For examples, the off-seasonal lime, growing plants from unused cement pipe, and pigs pit. If any innovation becomes successful, Mechai will publicize to the community. He called this concept "bamboo outside its grove," meaning the success stories will eventually expand into other neighboring areas. Once the innovations are adopted by community members and practiced until becoming successful, the result is the motivation for them to learn more and keeps spreading the words to other neighboring areas.

5) Focus on communication strategy. The school's requirement is to operate across various organizations, and communication strategies are of great importance. This helps to create proper mutual understanding among others in the networks and community members. Mechai chose to communicate through simple language, so the community would easily understand. Simple communication also lowers the communication gap and enhance local acceptance and willingness to collaborate.

4.4.3.2 Knowledge Transfer

Mechai developed the school to be the learning center for the communities. He realized that there were many similar communities facing the same environmental and natural variables that are uncontrollable. Some communities may experience problems from drought, floods, lack of basic infrastructures, or lack of knowledge for proper immunity. Mechai perceives that sustainability is largely depending on the development of essential knowledge and skills. Hence, the school and its learning center became the platform to provide necessary skills to improve the lives in the community. This makes Mechai Pattana School an organization that focuses on human development. This is done by adapting the business disciplines and combined with the concept of social entrepreneurship and sufficiency economy philosophy. As Somkid Attaboot and Tongjue Boonklueb (2014: Interview) stated:

Originally, each household worked individually. However, since the opening of the school, it has become an institution, a center for community development. Villagers come and drop their children and see how the learning center operates at the school. When they go back home, they can do the same. They do not have to find knowledge and practice elsewhere. They can come to the school and learn. When they realized what their children can do, they will do the same to generate additional incomes. However, learning through the school is just one of our platforms. We also expand this initiative in other local institutions such as Khok Matum Prison, community hospitals, soldier camps, police station and temples. If they want to open a business, but have little or no knowledge, we can also set training courses for them.

By this approach of learning, the school has essentially become the center for community development that disseminates knowledge and social innovations to other community institutions. Mechai Veravaitaya (2014: Interview) explained this approach as follows:

Our goal is different from others. This school is more than just a school. It is a place for (1) students; (2) local people; and (3) community institutions around the school to come and learn. This is our goal. What does each group do? The first group is the student. We provide fundamental education and life skills that are very important, and we develop them to be social entrepreneurs. We also teach them to have a social responsibility and proficient teaching skills so they can go out and teach others. The second group is the members of the community who want to start businesses. We teach them and give them loans. The third group, we help strengthen them to help develop the community.

The key to the development of young social entrepreneurs is to become the ambassadors of change for the society. Therefore, the students play an important role in changing the future of the community by transferring the knowledge and skills to other community members. Mechai Veravaitaya (2014: Interview) identified this development approach as:

It is a school that teaches local people how to be good at doing business and how to be a good social entrepreneur. The school also prepares them for college. Finally, they will become business people who generate incomes without being employees. They would have time and resources to share with others to improve their quality of life.

Even though the school teaches their students to become entrepreneurs with proficient skills in business disciplines. But the training on social aspect is also very important. The school always place emphasis on the concepts of equality,

sufficiency, compassion, environment conservation, and focus less on the idea of competition. As Mechai Veravaitaya (2014: Interview) explained:

We teach young students to share and grow up to be generous millionaires, or else they would not know compassion. We want them to be social entrepreneurs who can live in the local community and share of what they have. This is based on the concept of sufficiency economy philosophy. When they have profits, they should share.

As mentioned by Mechai, the incubation period of students encourages them to become social entrepreneurs that fully understood the concept of sufficiency economy philosophy. They must have compassion and be responsible for their community. As Mechai Veravaitaya (2014: Interview) explained:

We established the school to produce good people, not smart ones. Good people have responsibilities, they help the society, learn how to do businesses, they are experienced, and can be social entrepreneurs to develop their community. Hopefully, they will not leave their homeland behind.

With this approach, students can extend their knowledge to influence others to engage in lifelong learning. This concept also applies to assist the unfortunate members of the community. As Mechai Veravaitaya (2014: Interview) described, “We spent money on starting a business for the handicapped. Students designed a method for disadvantaged farming by using only wheelchairs, which helps generates income for the handicapped without having to travel to the city”.

To effectively teach the students to apply sufficiency economy philosophy in their role as social entrepreneurs. The philosophy is embedding to most of the school activities. Mechai Veravaitaya (2014: Interview) explained some of the techniques he taught his students:

Children will not be given any meal on Sunday's evenings just to have them realize how those who do not have food to eat feel. Consequently, students say that they will not let other members of the community stay hungry because they know how it feels. The teaching approach is not just about reading from textbooks. Sometimes, I have them sit in the wheelchair and see how hard it is for the handicapped. All of them have to do it. At this point, they design the wheelchair farming method; this new innovation is possible because it makes them think of others.



Figure 4.32 Agricultural Cement Blocks at Mechai Pattana School

Therefore, the concept of sufficiency economy philosophy is considered an essential part of the development of social entrepreneurs. Particularly is included in the learning curve. The school teaches that the concept of sufficiency economy allows them becoming more sufficient, productive, creative, innovative, and able to generate incomes for their families and themselves. As Janprapa Gard-Osod (2014: Interview) explained:

We will grow vegetables around the school so that kids can learn. Sufficiency economy philosophy allows us to do anything, but we have to be able to stand on our own feet. When we have products, we sell them what we cannot consume. The school grows vegetables for consumption and if there are any unused, we sell them. Our products include vegetables, limes, cantaloupes and mushrooms. This tells us to rely on yourself, and being self-sufficient before selling them, or using them for other purposes.

Therefore, the teaching approach is practical and relies on the integration of social enterprise principles and sufficiency economy philosophy. For example, some of the agricultural products are stored for their consumption, and some are sold or processed. Students are encouraged to learn the business approach according to the sufficiency economy philosophy carefully. As Phongsakon Charotram (2014: Interview) described on his teaching:

I teach my students that sufficiency economy is not about agriculture. I teach them how to reduce production costs. For example, for the pig pit that we are running, I tell them to construct from available local materials. We use cheaper and stronger materials. More importantly, the students need to learn how to calculate the costs of making the pig pit. If they know this, in the future they cannot be fooled by any carpenter.

This teaching approach mentioned by Phongsakon was further explained that the integration should begin from the fundamental understanding of the concept of sufficiency economy philosophy before starting a social enterprise. Phongsakon Charotram (2014: Interview) explained his understanding of the concept as:

Sufficiency economy is a system, and everyone needs to understand what 'sufficiency' really is. If you want to become self-sufficient, you may need to have 5 Rais of land with a fish pond, a rice field, trees, vegetables, and everything ready. You can use the solar power which will reduce costs. When you are ready, then you can begin thinking about doing a business. When everything is done accordingly, you will have the supplies for life. It is a critical factor that we do not have to worry about supplies. People will be so interested in how you did it. Then we can think about opening a business. I think we need to succeed in implementing sufficiency economy philosophy in our daily life first, before even thinking about launching a business. It is because business can be complicated. But I still do think that business and the concept of sufficiency can be paired together.

Once the students grasp the concept of sufficiency, they would eventually integrate with the business disciplines and engage in social innovations. The school will also provide enough business skills such as accounting, marketing, finance, and basic management. As well as encourage their students to be more assertive, creative, charismatic, and courageous. As Mechai Veravaitaya (2014: Interview) stated:

We teach them to be creative. We have lots of mushrooms, hydroponic vegetables and cantaloupes are grown in a bag, as well as off seasonal limes, all of which are grown by our students...We put the lateritic soil in a bag and grow limes. We earn 2,000-3,000 baht a year using just a 2.5 square meters of space. Students in each classroom also earn profits up to 1 million baht per year. These are real profits. Whether it is a temple, a school or a village, we help them all. The villagers say they want this type of school and this type of students.

It could be seen that the development of social entrepreneurs and many of the school projects has changed the community's perception of their sustainability.

Thus, success stories from the school and other related social projects help motivate other people in the community to start learning and practice in their daily life. Following many successes, words tend to spread and many others may join in the school activities. This meets Mechai objectives and also increase the numbers of potential partners and alliance to support his goals.

4.4.3.3 Network Administration

The collaboration with communities and other related networks is crucial for Mechai to achieve his goals. The form of collaboration designed by Mechai was found by careful planning since the initiation of the project. To create successful collaboration with the community, Mechai started with the selection process. The selected community must have appropriate environmental and social contexts ready for the development and collaboration. Particularly, the collaborating community should be mentally ready and willing to develop by accepting the terms of assistance and realizing their future benefits.

This type of engagement makes the community members much more confident and willing to support Mechai agenda for building a school. Throughout the period of 7 years, the success of the school was mainly achieved by the collaboration with the affiliated networks and the supporting communities. Mechai identified the key success factors as follows: (1) the collaboration in the network is focus on the idea of interdependence, self-reliance, and co-existence According to conduct of sufficiency economy philosophy; (2) the network focus on “collective” actions; (3) the members always share resources and ideas for solutions; (4) the network focuses on sense of unity. (5) continuous collaboration with community members, private sectors, educational institutions, and customers; (6) members of the network have positive attitudes, generous, and sacrificing; (7) the network focuses on the social equality; (8) having effective communication; (9) operates via legitimacy and trusts; and (10) adhere to transparency, accountability, and group assessment.

Examples of type of networks as are as follows:

- 1) Mechai’s Social enterprise network consists of B.R.E.A.D. Company and affiliated restaurants and hotels.
- 2) Arsomsilp University provides students to further their studies at the graduate levels.

3) The domestic and international private organizations. These networks provide supports in the forms of knowledge, experiences, and expertise.

Mechai views the collaboration with the private sector as important, particularly for the knowledge and experience transfer, and the investment for building school facilities. As Mechai Veravaitaya (2014: Interview) stated,

I can say that we need private companies to help. The school was not originally established by the government but by our social enterprise...We have IKEA, my family and one company selling toys run by an American, who has built this pond.

4) Domestic and international students. Students all over the world come to learn the school system and exchange new knowledge.

5) The customers. Both small and large companies such as the Banyan Tree Hotel are more than happy to support local products initiated from the school. Most customers also acknowledge and understand that the profits are used for developing the community; their appreciation eventually leads to collaboration.

6) The local administrative organizations lend their supports by encouraging community members to study and learn at the school. They also promote the school activities by public relations and communicate on behalf of Mechai. As Charoen Sukaviboon (2014: Interview) explained:

When we talk to the villagers, I tell them to go to Mechai School, and they will find a solution. They tend to see that in order to be sustainable; they need to have large land so that they can survive. But when they go to the school, they will see that old toilets, old shoes, plastic bags, cans, tires are used for growing vegetables and can be placed anywhere. They always tell me that they do not have land and capital. I was the first to show them; now I have flowers, chilies, vegetables, tomatoes. We do not need such a big plot of land, so I show them the plants that I grow in front of my house, which I can eat. Not much space needed. The key is sufficiency. Villagers do not

understand the sufficiency economy philosophy. In fact, I believe Director Mechai had made the idea much more accessible for them to learn.

From the success of Lamplimat School, community members finally accepted the school and its approach as the “model toward sustainability.” In fact, the school has made the community become a fine example for other communities and those who interested to come and learn. This is beneficial for the school since it helps engage in the exchange of knowledge and experiences from other people outside the community. Moreover, as there are more visitors, this helps generate greater incomes for the villagers. Ultimately, Mechai has changed the overall ecology of the community.

4.4.4 Characteristics of Mechai Veravaitaya

The characteristics of Mechai in administering the school and his networks are as follows:

1) Mechai is determined, serious, careful, quick, and creative when it comes to finding solutions for the school and the people in the community. With his down-to-earth characteristic, he can understand the villagers and does not come out as superior but emphasizes on equality with his modesty and friendliness, all of which are the components that make the community accept and ready to make a change with Mechai.

2) He is a highly sacrificing and devoting person; in other words, Mechai is a social entrepreneur who emphasizes on morality, ethics, and sacrifice without considering of his own benefits. He is ready to share and devote himself to the community and school as well as having devoted his time and opportunities for others for a long time;

3) He thinks outside the box, applies theories to actions, and is creative to initiate new social innovations. Mechai possesses the traits of innovation leadership which focuses on creativity and differentiation from the conventional concepts. He can always find the solutions for the community. Mechai’s approach emphasizes on the contextual and resources analyzes before creating innovations; his

innovations are applicable and practical, help generate incomes, and can be used in daily life. Despite his groundbreaking ideas, his innovations can be practically applied which makes it accessible for the community members to practice and disseminate further.

4) He is patient, persistent and perseverant. Mechai School project is a project that takes a considerable amount of time to make a change since there are many relevant dimensions that cannot be immediately changed such as the villagers' attitude. However, with his persistence, perseverance and devotion to the development of the school and community, many projects became successful.

5) Mechai mainly focuses on self-dependence; his operations must be independent, and he is ready to come up with new solutions. The freedom of administration has been reflected in self-employment. Mechai thinks that freedom of expression and administration is crucial for social entrepreneurs since relying on others cannot create sustainability unless one knows how to depend on oneself first.

6) He adheres to his ideals. To be able to succeed in running a social enterprise and establishing large networks requires a leader with clear ideals, especially the commitment to solving the social problems and the endurance to face difficulties despite obstacles and long duration of school development.

7) He is capable of recognizing, analyzing, and solving problems. Mechai loves challenges and always dare tackle problems. Such characteristics must come with the ability to analyze the problem in depth, such as to analyze the environment of the community or potential obstacles. He has a complete ability to analyze the social contexts in order to solve the problems at the right spot.

8) He has visions and leadership. Apart from being the leader with vision, Mechai is the change maker who is ready to change the way of life.

9) He has his standpoint and is well-known. Mechai has been recognized in the community and globally recognized as a successful social entrepreneur. This is Mechai's vital standing point that serves like a brand which has tremendous social values. This makes the community members aware of Mechai's differences and leads to acceptance.

10) Mechai is joyful to help others in the community. Also, Mechai is a social entrepreneur who works with full passion and focuses on the fun factor.

11) He has experiences in helping the community and management of businesses. Besides being a social entrepreneur, Mechai used to work for many non-profit organizations and businesses where he gained a lot of experiences.

12) He always focuses on continuous learning.

13) He excels in resource management. He thinks this should be overcome by thinking outside of the box and focus on creativity.

14) He fully understands the concept of sufficiency economy philosophy. A social entrepreneur like Mechai particularly emphasizes on the application of sufficiency economy to solve social problems.

4.4.5 The Integration of Sufficiency Economy

The group of interviewees stated that the community members have a limited understanding of sufficiency economy philosophy since they do not understand the connection explained by some scholars or public organizations. Charoen Sukaviboon (2014: Interview) further explained:

Many scholars have explained this concept to the villages, but they do not get it. The scholars say that sufficiency economy is this and that; they draw lines like, if you have 15 Rais of land, you can divide it into 30, 30, 30, and 10, which is not applicable and leads to failure as a result.

The obstacle to learning and understanding inevitably affects the integration of sufficiency economy in the social enterprise, especially the inability to distinguish the similarities and differences between the two concepts. This hinders the communication of integration approach to the villagers or students; therefore, the project and teaching approach at Mechai School represent the integration through the learning process within the school. Nevertheless, even though the school does not clarify the integration to the community, the insertion of vision, concepts, and practices is considered to be integrated. As a result, the integration has the core of “learning the process at the individual level that leads to social enterprise”. One

example can be seen in Teacher Phongsakon who has integrated these two concepts in his teaching approach. As Phongsakon Charotram (2014: Interview) explained:

I do not see agriculture as the core of sufficiency economy but as part of survival. I see the whole system of sufficiency economy and the ways of life. For me, it is like we have to unlock and be free from something. Most people see that growing vegetables and raising fish are sufficiency economy, but it is not. If you do both of them but live a fancy life, you will not be sufficient. Hence, you have to start with your mentality. You have to feel sufficient. I see that we live in a concrete jungle but can live a sufficient life. The term sufficiency for me is to live sufficiently. We can walk to work, use water and electricity in cost-effective manners, spend money economically, and have our own system. That is what I see. This teaches us how to be sufficient.

After the researcher had interviewed Mechai and relevant persons in the case study in order to describe the perspectives and understanding of the interviewees towards the sufficiency economy, the researcher discovered that (1) it focuses on the concept of self-sufficiency; (2) it focuses on sharing rather than taking for self-advantage; (3) it rejects social classification; (4) sufficiency is universal and can be applied in many contexts; (5) it takes the form of a philosophy; (6) it concerns with meeting human basic needs and conditions; (7) it is about learning to have; (8) it is about way of life; (9) it focuses on the elimination of individual's greed; (10) it is about being economical and creative use of resources; (11) It concerns the ways to minimize risks; (12) it focuses on interdependence; (13) it concentrates on lifelong learning; and (14) it aims at self-sacrifice.

Mechai School has attempted to integrate these two concepts, especially in producing new social entrepreneurs through learning. This concept is in accordance with the conduct of sharing and helping others. It is also the fundamental principles of social enterprise. As Janprapa Gard-Osod (2014: Interview) described:

Sufficiency does not mean stopping helping others. The sufficiency philosophy is based on self-dependence and contribution to the social enterprise; both of which are interrelated...The growth of social enterprise and sufficiency economy philosophy are interrelated to each other.

Janprapa and Mechai identified the connection between these two concepts as the notion of sharing. Sharing should start building the sense of satisfaction at the individual level. As Janprapa Gard-Osod (2014: Interview) stated:

Sufficiency economy requires you to be satisfied with what you have. Whether you have to hang in there, economize, save up, do what you can, everyone should bear this concept in mind at the beginning...because it is about self-sustain and not bothering others. Just think that you are fine and then help others. It can have an impact on the community. Then the sufficiency economy philosophy will be very well-integrated.

Both concepts of sufficiency economy philosophy and social entrepreneurship concern with the act of willingness to participate with others. This requires the need to reduce one's egos and attempt to be modest, which should result in the sharing and exchange of knowledge, experiences, and resources. If this condition is met, then the interdependence between community members would be possible, and it would be much simpler for the social enterprise to manage and pursue its goals. This is particularly true since people should assist themselves rather than relying on the school too much. It is also the goal of the school to promote individuals to depend on themselves. As Somkid Attaboot and Tongjue Boonklueb (2014: Interview) explained:

Regarding business, we have to look back at the community since we are not alone in the community; we have the community. Sometimes, other members of the community see things differently. In a social

enterprise, there is one part that can help the community, but how can we make the community help itself? We are not going to help them forever. Now we are encouraging the community to help itself by having mentors from various businesses to work with the social enterprise. The supports need not be money. They can be knowledge, personnel or expertise. Some businesses require accounting skills that the villagers can get a hold of. We will teach them so that they can stand on their feet.

However, the concept of self-sufficiency is also a challenge for most people, since they have to confront with daily chores to survive. It is already difficult for them to survive on a daily basis. Thus, the motivation to be self-sufficient seems to be far fetched for most people in the community. However, Mechai's approach provides an interesting motivational factor that would be most interested in the locals. His motivational factor is the concept of "income generation while being self-sufficient". Throughout the development of the school and other social projects, Mechai had implemented such concept to achieve his social and business objectives. As Phongsakon Charotram (2014: Interview) indicates, "We stick to sufficiency economy philosophy that can earn income and large amount of money as well as encourage them to extend it".

Thus, Mechai Veravaitaya (2014: Interview) simply puts the integration of sufficient economy simply as, "We can integrate, and use the money to improve others' lives. I think after we earn the money, we have to share".

Therefore, the integration of the two concepts focuses on the business approach that is applied at the community level. Mechai mainly focuses this approach and applies to the "learning process for the school and the community". Jamlong Pulako (2014: Interview) explained the teaching approach as:

We teach our students about sufficiency economy philosophy. We have a small area, but we can do business that does not require many areas. For examples, we only need a small area, but we can grow vegetables, limes, and many things, which is a very good example for

parents or those interested. Hence, I teach them what sufficient economy is like by giving the examples of His Majesty the King's royal initiatives and linking them to what we're teaching. The term sufficient economy is to utilize this small area and gain lots of products, which is important. To gain the deepest understanding, you have to do it like what we are doing at the school. Now, students understand what social enterprise is like, and so do the people in the community. This is the core of the social enterprise. We do it for the community and make them see what we do so that they can apply. Not only do we teach but we also act.

Chonlada Juengcharoen (2014: Interview) a student at school, also explained what she has learned, "We apply the sufficient economy from His Majesty the King to our farming at the back of the school in order to find the definition of sufficient economy and do a small business from it".

This is why the sufficiency economy philosophy and social enterprise principle are similar as Jamlong Pulako (2014: Interview) stated, "It is the same thing, depending on how we interpret. They can be integrated".

From the integration perspective, it is apparent that the sufficient economy becomes the core that supports students and community to be self-conscious and open-minded. A social enterprise becomes a practical mechanism. Consequently, sufficient economy is considered to be a motivational factor that promotes the sense of sharing, while the social enterprise is the mechanism that amplifies the concept of sufficient economy to be more practical. Charoen Sukaviboon (2014: Interview) further explained on this:

We can say that we are sufficient when we have had enough. We have done this for a long time, and I can extend it now. It generates additional incomes for me but cannot be a business. Thus, how are we going to do social enterprise? We use this knowledge and get the community together to create unity and strength. In the past, we called farming where people get together Long Kak. Mechai says we need to

get together, to share capital and do it together. When we do this for some time, we will love and respect each other which will make it easy to succeed and make the community stronger. If we divided, we would get lost. One part of being sufficient is interdependence, not that we hire others to help us. The simple principle of sufficient economy is that everyone shares capital and do it together until the goal is reached. Then we can do a social enterprise. To make social capital means that if we do it together, we will have the distribution process, which I see is very good. This is the capital for community development, educational scholarships, social welfare, the elderly, the physically challenged, and those who lack social opportunities. This is a social enterprise...I think social enterprise and sufficiency economy are similar. For example, we may have 100 baht, and we invest 100 baht, not 200 baht because we will be in debt. We invest what we have, eat what we have, and spend what we have. Never get a loan to invest. This is like a business for the community because we collect everyone's money and do it together to be sufficient. The individual sufficiency is similar. Therefore, social business applies the sufficient economy to do businesses. If someone has a problem with the costs, we will tell them to group with others. Now in Khok Klang Sub-district, we have many groups, and we have this type of business. The sufficient economy can be included in the social enterprise. ...I think Mechai might notice this and see that the sufficient economy does not work because people are unequal, so we have to get together and do it sufficiently and start a social enterprise at the school.

As a result, the school intention is to reshape the people's thoughts and perceptions by letting them know the beneficial gain once they practiced sufficiency economy philosophy in the social entrepreneurship approach.

In summary, the integration of the concept of sufficient economy and social enterprise occurred at the school and the learning center. The goal was to promote individual development. Mechai believes that the integration of the two concepts

should initiate from the individual level, which is most likely to be the barrier to a successful integration. If the integration is successful in the format of social activities that could help generate income for the students, this should motivate other community members to follow. As such, the integrated concept is converted to simple knowledge that can be followed and executed for any ordinary individual. In this sense, the integration of social entrepreneurship and sufficiency economy philosophy has been successfully transferred to the community members in a form of simple methods and practices. Such knowledge is transferred by students who reveal practical methods that are a proven to be successful for others to follow. As Tongla Kamjan (2014: Interview) stated:

The students show the way. Farmers or those who do not have land to start with can do it in small spaces around the fences of their houses. They can start with little things like growing plants in round cement blocks in front of their houses. They will have plenty of products that can be sold.

Mechai also stated that the school teaching method has to implant the concept of sufficiency economy philosophy into the students' mindset to become better social entrepreneurs. Somkid Attaboot and Tongjue Boonklueb (2014: Interview) stated, "Mechai told us if we want to implant the concept of sufficiency economy philosophy in people; we have to start with the children. If we do this with adults, it will be very much time-consuming and extremely difficult".

Therefore, teaching students is of great importance for extending the concept of sufficiency economy philosophy into practical use. The development of newer generation children with these both concepts will be piloted at the school and hope that it will be expanded to the adult. The experiments will be done in the form of demonstrations and activities held in the school. Charoen Sukaviboon (2014: Interview) stated, "Whoever comes to the school will never get bored because they get to see how to make a living. When they go to Mechai School, they will find the answers".

Hence, the school activities become a learning platform for community members to learn both concepts in a practical way. Phongsakon Charotram (2014: Interview) stated, “We try to reflect the sufficiency economy philosophy to the community so that they can survive. This is an attempt to include sufficiency”.

Charoen stated that the successful integration of sufficiency economy philosophy and the principles of social enterprise are mainly responsible for Mechai’s capability of making students and community members understand and practice with simplicity. Charoen Sukaviboon (2014: Interview) finally explained, “The villagers did not understand the sufficiency economy philosophy of His Majesty the King. They thought it had to be this and that. In fact, we have to do it like Mechai does”.

Now a day, community members are confident in the concepts and continuously applying to their daily practices and businesses. Moreover, many visitors from neighboring communities and those of public and private sectors come and visit, and learn from his model of success. They also planned to use Mechai’s model to develop other communities as well.



Figure 4.33 Agriculture Learning Center for the Handicapped in Wheelchairs

4.5 The Analysis of Case Studies

The descriptive analysis of the case studies is summarized and compared in various contexts. This includes environmental context, social entrepreneur context, organization and network context, and expansion context. These contexts involved the integration of social enterprise principle and sufficiency economy philosophy. Similarities and differences among the case studies are summarized and shown in the following Table 4.1

Table 4.1 The Comparison of the Case Studies.

1. Environmental Context	Case Study	
1.1 General characteristics of the environment	Uncle Krai 's Orchard	1. General environment, regarding geography, climate and basic infrastructure is appropriate for an agriculture business.
	Garbage Savings Bank	2. The garbage savings bank is located in a community with simple public infrastructure. The community is densely populated, which creates a large amount of garbage. This makes it suitable for the garbage savings bank. Din Daeng community is one of that neglected district by the Bangkok authority, resulting in several problems for proper development. Moreover, the physical environment in the community is contaminated, so the overall quality of life is quite low.
	ThaiCraft Fair Trade	3. ThaiCraft Fair Trade does not operate under any particular environment because it acts as the central management for all the local producers scattered throughout Thailand.
	Mechai Pattana School	4. Even though Mechai Pattana School is located in a rural setting, the environment is futile and fully-equipped with good public utility. The area occasionally encounters natural hazards; however, the residents want to find new approaches to improve their quality of life.

Table 4.1 (Continued)

1. Environmental Context	Case Study	
1.2 Characteristics of people in the environment	Uncle Krai 's Orchard	<ul style="list-style-type: none"> • The residents tend to compete against each other. • The local authorities have limitations in developing the community. • Many residents, and local entrepreneurs would like to corporate with Uncle Krai. • Most have positive attitudes and are willing to learn and develop with Uncle Krai.
	The Garbage Savings Bank	<ul style="list-style-type: none"> • The residents of the community and local organizations require garbage management and proper community development. • The residents would like to get involve with Chachanan in order to earn extra income from the garbage. • The residents believe in Chatchanan's approach to improving their lives, and their community and the environment. • The residents have positive thought and willing to learn and develop themselves for their community.
	ThaiCraft Fair Trade	<ul style="list-style-type: none"> • Local product producers are constantly seeking to ensure stable incomes from cooperating with ThaiCraft Fair Trade.

Table 4.1 (Continued)

1. Environmental Context	Case Study	
1.2 Characteristics of people in the environment	ThaiCraft Fair Trade	<ul style="list-style-type: none"> • The local producers lack technical business disciplines and understanding, but looking for the right partner. • The local producers want to find a way to ensure their income while preserving their local culture and wisdom. • The local producers seek a way to enter the free market.
	Mechai Pattana School	<ul style="list-style-type: none"> • Community members wish to improve the quality of their lives, develop themselves, earn extra income, and establish financial stability for their families. Such needs match the way Meechai Pattana School agenda. • The community members and the local organizations are willing to support and cooperate.
2. Social Entrepreneur Context		
2.1 Personal Purposes	Uncle Krai 's Orchard	<ul style="list-style-type: none"> • Mr. Uncle Krai's primary purpose is a business goal for his family. • A secondary goal is the social and environment objectives. • He is determined to balance between the three purposes. • He believes the three purposes should exist together. • The balance of objectives can be achieved by using the concept of sufficiency economy philosophy.

Table 4.1 (Continued)

2. Social Entrepreneur Context	Case Study	
2.1 Personal Purposes	The Garbage Savings Bank	<ul style="list-style-type: none"> • Chatchanan's main objectives are the society and environment. • She believes the business mechanisms can help her meeting the objectives. • She insists that social, business and environmental objectives should exist together. • Chatchanan believes that the business purpose sustains the garbage savings bank.
	ThaiCraft Fair Trade	<ul style="list-style-type: none"> • Stephen mainly focuses on the business purpose based on fair trade principles. • His main goal is to preserve and maintain cultural identity of the local producers. • He sees the social network mechanism is critical for his business.
	Mechai Pattana School	<ul style="list-style-type: none"> • Mechai's primarily objective is a social one. • His goal is to create sustainable development for the community by promoting a new type of social entrepreneurs to be the ambassador of change. • He desires to create a school that becomes the new platform to change community lives.

Table 4.1 (Continued)

2. Social Entrepreneur Context	Case Study	
2.1 Personal Purposes	Mechai Pattana School	<ul style="list-style-type: none"> • He believes in achieving the social purpose; it requires the application of business mechanisms.
2.2 Application of Sufficiency Economy Philosophy to Social Enterprise	Uncle Krai 's Orchard	<ul style="list-style-type: none"> • Uncle Krai has tremendous faith in His Majesty the King. • He strictly lives and work by the concept of sufficiency economy philosophy. • He always disseminates the concept to other people in the community, and to those that are interested in his success. • Uncle Krai is confident that the sufficiency economy philosophy has truly supported the growth of his social enterprise.
	The Garbage Savings Bank	<ul style="list-style-type: none"> • Chatchanan has great faith in His Majesty the King and has applied the principles of sufficiency economy to the operation of the garbage savings bank. This applies to the individual, organizational, and network levels. • Chatchanan made the effort to study thoroughly His Majesty the King's projects and applied them to the garbage savings bank. • Chatchanan used the concept of sufficiency economy philosophy thoroughly to initiate the development of the garbage savings bank from the very beginning.

Table 4.1 (Continued)

2. Social Entrepreneur Context	Case Study	
2.2 Application of Sufficiency Economy Philosophy to Social Enterprise	The Garbage Savings Bank	<ul style="list-style-type: none"> • Chatchanan also helps to disseminate the principles of the sufficiency economy to other related networks and those who are interested.
	ThaiCraft Fair Trade	<ul style="list-style-type: none"> • Stephen has high respect for His Majesty the King. • Stephen has only the basic knowledge and little understanding of the sufficiency economy. • He thinks that the sufficiency economy is one of the key mechanisms that made him successful in his in social entrepreneur career. • Stephen believes that the concept of sufficiency economy philosophy should be fully understood before starting up a social enterprise.
	Mechai Pattana School	<ul style="list-style-type: none"> • Mechai is a true believer in His Majesty the King and has involved in some of His Majesty the King's projects. • Mechai has a profound knowledge of the sufficiency economy. • Mechai has applied the knowledge of the sufficiency economy to the school in many dimensions such as managing of the school, designing curriculum, and extending to the social activities both inside and outside the school.

Table 4.1 (Continued)

2. Social Entrepreneur Context	Case Study	
2.3 Social Entrepreneur's Life Experience and Attitudes	Uncle Krai 's Orchard	<ul style="list-style-type: none"> • Uncle Krai is a highly experienced individual. He has faced various problems and crises throughout his life, which is one of the main factors that have helped him to become more content and feel saturated in his life. • Uncle Krai's perceives that by earning incomes, one should also do good deeds for the society and the environment. • Uncle Krai views that an individual chance of survival equates to other people ability to survive as well.
	The Garbage Savings Bank	<ul style="list-style-type: none"> • Chatchanan had gained an important life lesson when she quitted her previous job and started devoting herself to building her social enterprise. • Chatchanan believes that by improving the society and the environment, one must be able to generate incomes at the same time. These three purposes should be kept well-balanced by using the concept of sufficiency economy philosophy. • Chatchanan believes that one should have a sense of morality. Particularly on social and environmental issues. From this point of view, one's sustainability is based on helping others to survive as well.

Table 4.1 (Continued)

2. Social Entrepreneur Context	Case Study	
2.3 Social Entrepreneur's Life Experience and Attitudes	ThaiCraft Fair Trade	<ul style="list-style-type: none"> • Stephen is a social veteran; he has been improving and helping the society for his entire life. • He decided to start his social enterprise to earn income for his family and to keep his social goals from being active. • Stephen believes in the concept of fair distribution of income, so the foundation of his business must treat others in the fairest way. • Stephen believes that a social enterprise could succeed when there are people, and the networks are willing to cooperate. • He sees that the social objectives could not be separated from the business approach.
	Mechai Pattana School	<ul style="list-style-type: none"> • Mechai had many experiences in numerous social campaigns, and he is skilled at handling social problems. • Mechai believes that problems and issues in society can be fixed by applying business disciplines. • Mechai thinks that a fair business mechanism must operate according to the concept of sufficiency.

Table 4.1 (Continued)

2. Social Entrepreneur Context	Case Study	
2.3 Social Entrepreneur's Life Experience and Attitudes	Mechai Pattana School	<ul style="list-style-type: none"> • He sees that in order to solve sustainable social change, this should be initiated from the ground up approach. Particularly, the teaching for younger generations to become better a citizen for the future.
2.4 Management Approach	Uncle Krai 's Orchard	<ul style="list-style-type: none"> • Uncle Krai does not have any direct experience in management or high education level, but he used his experiences to efficiently manage his own business. • He notes the characteristics of a good management should focus on passion for work, risk-taking, bravery to change, positive attitudes, being creative and innovative, and the ability to think outside-of-the-box. • Uncle Krai perceives that the effective form of management should focus on collaboration as a method to reduce potential risks and create new opportunities. • He sees that a viable business should be flexible and adjustable to any environment and circumstances. • He has applied the concept of sufficiency economy philosophy to all aspects of management. This was done from the beginning, and he continues to extend the approach to other businesses and networks.

Table 4.1 (Continued)

2. Social Entrepreneur Context	Case Study	
2.4 Management Approach	Uncle Krai 's Orchard	<ul style="list-style-type: none"> • He believes that an efficient management should be driven by inventions and creativity. • He emphasizes on the continuous learning as a mean to create new opportunities and reduce risks. • Uncle Krai notes that the operation of social enterprises always cooperates with others. Thus, interpersonal skills, excellent communication skills, and having good psychological understanding are very important. • Uncle Krai is a respectable and inspirational leader to his community. He mentioned that a leader must be trustworthy and able to inspire others to good deeds. The leader is also required to have excellent negotiation skills, particularly to negotiate for the community members.
	The Garbage Savings Bank	<ul style="list-style-type: none"> • Chatchanan believes that to working for the people, it requires passion and positive thinking to maintain the social goals. She also thinks that the characteristics of a social entrepreneur should be able to manage risks, dare to initiate and take action, able to think outside the box, have strong leadership, have excellent interpersonal and communication skills, and the ability to inspire others in the society.

Table 4.1 (Continued)

2. Social Entrepreneur Context	Case Study	
2.4 Management Approach	The Garbage Savings Bank	<ul style="list-style-type: none"> • Chatchanan places high emphasis on the cooperation and participation of the people to solve social problems. This requires the ability to managing resources from the networks. • Chatchanan has implemented the concept of sufficiency economy philosophy to business administration. • Even though there are high risks in her business, Chatchanan believes that creativity and inventions are the major factors to lower the risks, and helps the business to be adjustable to any situations. • Chatchanan believes a productive social enterprise requires a systematic administration and collaboration from all partners. • Chatchanan is keen on the concept of knowledge management. She regards that the most critical capital for the development of a social enterprise is the knowledge capital, which could be converted to another form of capitals.
	ThaiCraft Fair Trade	<ul style="list-style-type: none"> • Stephen realized that his business has a high-risk factor. However, he believes that by utilizing marketing strategies, out-of-the-box thinking, creativity, and product inventions would make his business and local producers more sustainable.

Table 4.1 (Continued)

2. Social Entrepreneur Context	Case Study	
2.4 Management Approach	ThaiCraft Fair Trade	<ul style="list-style-type: none"> • Stephen is a motivating and inspiring leader, which is the key to uniting all the partners. • Stephen insists on the management of resources, particularly by working together, and sharing experience and skills. • Stephen has emphasized the marketing strategy to adjusting with the trends, and targeting a specific group of customers with a high purchase power. • Stephen believes that by having knowledge, he would be able to compete with other private sectors. Meanwhile, he also tries to push his members to learn more to create group immunity. • He believes that the concept of sufficiency economy has helped him balancing both the social and business goals.
	Mechai Pattana School	<ul style="list-style-type: none"> • Mechai is a social entrepreneur with a high sense of morality, who can motivate and inspire others to improve themselves. • Mechai places on the importance of systematic administration. • He engages in solving social problems in a democratic way. He believes that mutual efforts would make social objectives sustainable.

Table 4.1 (Continued)

2. Social Entrepreneur Context	Case Study	
2.4 Management Approach	Mechai Pattana School	<ul style="list-style-type: none"> • He constantly pushing community members to improve their business skills and adopt the principles of the sufficiency economy. • Mechai is a strong believer that the improvement of educational system would improve the better quality of life. Particularly if the learning is based on the actual practices that applied the practical and creative use of business disciplines.
3. Organization and Network Context		
3.1 Purpose of the Enterprise	Uncle Krai's Orchard	<ul style="list-style-type: none"> • To solve on the level of local problems, rather than on the macro social issues, as he thinks it is beyond his reach and capabilities. • To promote the concept that community's problems can be solved by local enterprises. • To assist the growth of other local entrepreneurs, and to provide a learning platform for other to come and learn his method.
	The Garbage Savings Bank	<ul style="list-style-type: none"> • The main purpose is to develop the principle of self-discipline for the residents. • To initiate a project that helps to earn extra income, or having a career.

Table 4.1 (Continued)

3. Organization and Network Context	Case Study	
3.1 Purpose of the Enterprise	The Garbage Savings Bank	<ul style="list-style-type: none"> • To create motivation for others to get involve solving social and environmental problems. • To increase the numbers of members.
	ThaiCraft Fair Trade	<ul style="list-style-type: none"> • To promote local producers to do business together. • To conserve cultures and traditions, and to promote social development. • To initiate new occupations and new opportunities. • To focus on fair income distribution.
	Mechai Pattana School	<ul style="list-style-type: none"> • To develop a newer generation of local social entrepreneurs. • To create career opportunities, business opportunities for community members. • To engage sustainable community development by adhering to the concepts of social entrepreneurship and sufficiency economy philosophy. • To inspire self-development. • To promote a better quality of life by the utilization of sufficiency economy approach. • To set the examples for other community to follow.

Table 4.1 (Continued)

3. Organization and Network Context	Case Study	
3.2 Organizational Structure	Uncle Krai's Orchard	<ul style="list-style-type: none"> • A household enterprise with simple management structure. • Focuses on building the flexible structure. • The organization structure should be able to adjust to any circumstances and situations.
	The Garbage Savings Bank	<ul style="list-style-type: none"> • Having a structure of a micro-enterprise • Similar organizational structure to private enterprises. • Focuses on a flexible structure. • Organization structure is context based.
	ThaiCraft Fair Trade	<ul style="list-style-type: none"> • As a household family business. • Focus on decentralization rather than centralization. • The structure is flexible. • The structure should be adjustable to any changing environments.
	Mechai Pattana School	<ul style="list-style-type: none"> • Complex organization structure involving several internal and external organizations. • Having structure similar to the private sectors.

Table 4.1 (Continued)

3. Organization and Network Context	Case Study	
3.3 Organization Culture	Uncle Krai 's Orchard	<ul style="list-style-type: none"> • The culture is built on the concept of sufficiency economy philosophy. • It encourages creativity for new social inventions • Promote risk taking the attitude to initiate new innovations. • It emphasizes the importance of continuous learning. • Focus on the sense of morality and the code of ethics.
	The Garbage Savings Bank	<ul style="list-style-type: none"> • The sufficiency economy is implemented to be the primary culture. • It encourages the sense of self-sacrifice. • Promotes positive thinking, driven by change, and to create social inventions. • Emphasized in continuous learning.
	ThaiCraft Fair Trade	<ul style="list-style-type: none"> • Encourages the concept of fairness. • Promote self-development. • Engage the sense of togetherness.
	Mechai Pattana School	<ul style="list-style-type: none"> • Built on the principle of sufficient economy. • Driven by creativity and innovations. • Promote the sense of self-sacrifice • Promote the concept of social entrepreneurship.

Table 4.1 (Continued)

3. Organization and Network Context	Case Study	
3.3 Organization Culture	Mechai Pattana School	<ul style="list-style-type: none"> Promote the concept of change.
3.4 Organization Strategies	Uncle Krai 's Orchard	<ul style="list-style-type: none"> Uncle Krai occasionally implements some of the business approaches such as marketing techniques and product differentiation for his organic products. Utilize word-of-mouth method to public relates the enterprise. Be more proactive with informative news. Utilize network's resources and capabilities. Implements the principles of the sufficiency economy Focus on continuous learning to increase immunity.
	The Garbage Savings Bank	<ul style="list-style-type: none"> Focus on expanding more networks. Engage in fair price strategy. Create an alliance with the mass and local Medias.
	ThaiCraft Fair Trade	<ul style="list-style-type: none"> Focus on the developing business capability and competitiveness. Emphasis on the non-oppressive operation, but using morality and participation in the administration. Adopts some marketing strategies and applies for knowing competitors, group positioning, product and services design, events and exhibitions, aiming.

Table 4.1 (Continued)

3. Organization and Network Context	Case Study	
3.4 Organization Strategies	ThaiCraft Fair Trade	<ul style="list-style-type: none"> • Utilized several network to spread success stories. • Engage in risk management. • Maximize the use of resources from the network. • Focus on knowledge management. • Support development of skills and competencies. • Manage by the social and physical contexts. • Focus on both the decentralization and centralization. • Adopts the sufficiency economy to manage all the organizational aspects.
	Mechai Pattana School	<ul style="list-style-type: none"> • Focuses on increasing the competitiveness • Engage in the marketing and public relation strategies. • Concerns risks management. • Utilize resources and capability from the network. • Encourages its members to improve their knowledge and skills, aiming to develop inventions and meeting the market expectation. • Expand as many networks as possible. • Use the concept of sufficiency economy to control the balance between the social and business objectives.

Table 4.1 (Continued)

3. Organization and Network Context	Case Study	
3.5 Purposes for Collaboration	Uncle Krai 's Orchard	<ul style="list-style-type: none"> • Enhance the capability and skills of the social entrepreneurs. • Extend proven practical successes to teach the residents of the community. • Create high quality sentimental and valuable products. • Form network alliances with the local and mass media. • Seek more partners and alliance. • Integrate the concept of sufficiency economy in all aspects of the project. • Continuously engage in knowledge management for team members, students, parents, and community members. • Constantly engage in new social innovations. • Seek collaboration and support from the local authority. • Seek support from other social enterprises.
	The Garbage Savings Bank	<ul style="list-style-type: none"> • To create networks for gathering resources in the network. • To invite a local entrepreneur to sell products together, as a mean to create more product varieties for the customers. • To share information as a mean to initiate new opportunities • To disseminate information and know-how to other people. • To increase immunity from working together.

Table 4.1 (Continued)

3. Organization and Network Context	Case Study	
3.5 Purposes for Collaboration	ThaiCraft Fair Trade	<ul style="list-style-type: none"> • To increase the chance of survival • To increase numbers of members • To increase garbage collectors • To join with potential supportive networks. • To create more garbage buyer, or recycle products buyers.
	Mechai Pattana School	<ul style="list-style-type: none"> • To gather local products and entrepreneurs' skills and capability from each community to create an opportunity to grow together. • To increase products varieties. • To create a more supportive network of alliances. • To initiate group survival from the cooperation. • To encourage the residents of the community to improve themselves • To encourage the community to be self-dependent • To create larger network of alliances and supporters
3.6 Approach to Network Management	Uncle Krai's Orchard	<ul style="list-style-type: none"> • Connected with many external networks. • Focus on the concept of network hub, where each local entrepreneur becoming center for one another, • Concentrate on interdependency

Table 4.1 (Continued)

3. Organization and Network Context	Case Study	
3.6 Approach to Network Management	Uncle Krai's Orchard	<ul style="list-style-type: none"> • Focus on resource pulling from members in the network. • Create many supportive networks. • Having a good relationship with the local and mass media. • Place emphasize on co-learning and knowledge transfer. • Each member brings their specialization and cooperates together.
	The Garbage Savings Bank	<ul style="list-style-type: none"> • Optimize for centralization and decentralization. • Implement the concept of sufficiency economy throughout the network. • Promote collaboration and cooperation from all parties. • Promote the sense of morality and code of ethics. • Focus on the concept of interdependence and group survival.
	ThaiCraft Fair Trade	<ul style="list-style-type: none"> • Focus more toward the centralization regarding group management. • ThaiCraft Fairtrade does not interfere with the internal operation of each member. • Essentially takes the role of the marketing partner and coordinator of the local producers. • Concentrate on knowledge and skills transfer between each member.

Table 4.1 (Continued)

3. Organization and Network Context	Case Study	
3.6 Approach to Network Management	Mechai Pattana School	<ul style="list-style-type: none"> • The management structure is highly connected with many other external networks at various levels. • Optimize for the concept of integration and the holistic approach. • Engage collaboration between networks. • Optimize for both centralization and decentralization. • Using the concept of sufficiency economy for the management of the network. • Creates mutual benefits for those who are involved in the network. • Promote interdependency. • Promote collaboration to create sustainable change. • Promote the code of ethics and sense of morality. • Constantly sending the message of social problems and the solutions. • Constantly publicized the successful stories.
3.7 Expansion Context	Uncle Krai 's Orchard	<ul style="list-style-type: none"> • Expand to others via conversations • The learning center helps spread the knowledge of organic farming according to the concept of sufficiency economy • Publicize by the local and mass media.

Table 4.1 (Continued)

3. Organization and Network Context	Case Study	
3.7 Expansion Context	Uncle Krai 's Orchard	<ul style="list-style-type: none"> • Create inspiring stories that engage others to be motivated and learn from Uncle Krai.
	The Garbage Savings Bank	<ul style="list-style-type: none"> • Continuously expand in other communities. • Successful stories are distributed by the mass media, making others join or be motivated for the social cause. • Many have come to request knowledge or suggestions from Chatchanan, which helps to expand her model to other communities and organizations in all sectors.
	ThaiCraft Fair Trade	<ul style="list-style-type: none"> • The success stories from local producers make others want to join the network. • Many customers now have joined the good cause through digital media platform. • Many organizations are interested in hosting more events for the group. • Stephen has recently opened a showroom for export business.

Table 4.1 (Continued)

3. Organization and Network Context	Case Study	
3.7 Expansion Context	Mechai Pattana School	<ul style="list-style-type: none"> • The positive changes from the students and their community have drawn much attention from the mass media, and many visited the school for his model of success. • The success stories also brought in other investors who wish to join the good cause.

4.6 Summary of the Findings: The Contexts for the Integration of Social Enterprises and Sufficiency Economy.

Despite there are variations for the integration of social enterprise and sufficiency economy, all the case studies were successfully integrated to some extent. The descriptive analysis and the comparisons of the findings in the previous section, the researcher noticed that all the case studies revealed high similarity in their patterns. Such patterns have a high possibility to occur in other case studies. The researcher proposed to summarize the details of all the contexts by using the inductive reasoning method. This is to establish the deeper understandings of the contexts affecting the integration of social enterprises and the sufficiency economy. The components of the following contexts should be studied further. In the following section, the researcher summarizes details of each context as follows.

4.6.1 Environmental Context

Environmental context appears throughout the integration process of social enterprise and sufficiency economy. The context comprises of the physical environment, geographic factors, demographic factors, and the characteristic of the people in the environment. These components surround the operation of the social enterprise. The environmental context consists of:

- 1) General characteristics of the environment: A suitable physical surrounding is found on two aspects. (1) the physical environment should be accessible and does not face any uncontrollable environmental. Therefore, if the area lacks sufficient resources, public utilities or a proper transportation system, the development would be hindered. Despite, the concept of sufficiency economy can be applied to any environmental context, but for the social enterprises to fully operational, it would still require a suitable location. The location of Mechai Pattana School, for example, is not too impoverished but is not fully developed neither. Even though the area occasionally confronts with natural floods and droughts, the area still locates near the main road, which helps promote the development. Another example is Uncle Krai's Orchard would still require a fertile soil to start a business; (2) the area should not be too overly developed with extensive facilities, as there would not be the need for further development. In this aspect, provided that the environment is fully equipped with modern facilities or already

excessively developed; the concept of sufficiency would be very difficult to adopt by the residents. This is because they simply do not have the needs to be self-sufficient. Hence, if there is sufficiency, there is also no to be sufficient.

In conclusion, the appropriate environments for the integration of social enterprises and the sufficiency economy should be balanced, that is to say, not being too impoverished or too developed. This is also in accordance with the Buddhist teaching called “the middle way” as there are no needs to improve when everything is excessively developed.

2) The characteristic of the people in the environment: The related groups of people include residents in a community, members belonging to a network of a social enterprise, and the target group that the social enterprise wishes to develop. These groups of people might be encountering issues regarding the quality of life, financial status or other problems, and may wish to improve themselves and seek further support.

The appropriate characteristic of the people that the social enterprise should involve are as follow: (1) the target group should have the eagerness to learn and experiment new approaches as well as possess some positive thoughts on the collaboration with the social enterprises; (2) the groups of people should not be too wealthy or too deprived, but should have basic resources for growth. This is important for being able to effectively adopt the approaches of the sufficiency economy and social enterprises; and (3) the target group should not face with too many conflicts in the community or among each other, there should not be local politics involved, or should not excessively compete against each other.

Nonetheless, the groups of people are not limited to just the residents of the community or from the networks of social enterprises. The groups also include public sectors and local organizations aiming to support a social development.

Overall, the conditions of the environment are virtually essential for the success of the integration of social enterprises and the sufficiency economy.

4.6.2 Social Entrepreneur’s Context

The integration of social enterprises and the sufficiency economy varies among individual entrepreneurs. The social entrepreneurs’ characteristics, regarding attitudes, personalities, behaviors, and management capability can be explained as follows.

1) The social entrepreneurs should have clear purposes for both the business and society aspects. The social entrepreneurs should also set explicit goals to engage profit making while improving the society and environment. This goal should be supplemented by applying the concept of sufficiency economy philosophy.

The goals should be driven by personal inspiration and motivation to devote oneself to the society, culture and the environment. All of which should focus on the personal journey rather than simply receiving the donations for financial support. The social entrepreneurs should encourage the targeted community to engage in the concept of self-reliant, and willing to support each other. Moreover, to achieve the social and business purposes, the social entrepreneurs should be determined to sacrifice truly themselves for the benefits of the society.

In order to succeed in improving the society, the social entrepreneurs should find ways to earn income as the means to maintain daily life and for the operation of the social enterprise. Thus, the social entrepreneurs can pursue the social objectives by simultaneously earning sufficient income for themselves and enough to support the others. Therefore, one of the key purposes for the social entrepreneurs is to establish their financial success as well as creating positive social impact (known as Double Bottom Line).

Nevertheless, a challenge to maintaining the balance between the social and business objectives can be difficult; this requires the social entrepreneurs to focus on self-awareness and self-restraint. However, the concept of sufficiency economy philosophy may become the mechanism helping to sustain the balance between both of the purposes, especially to controlling risks from thoughts. In other words, the sufficiency economy helps the social entrepreneurs to control their excessive thoughts and unnecessary requirements. In a sense, the sufficiency economy helps reduce the risks from the entrepreneurs' thoughts. Thus, the concept of sufficiency economy philosophy helps to remind the social entrepreneur not to be too greedy and maintaining the balance.

2) The social entrepreneurs should truly understand the concept of sufficiency economy philosophy. The integration of the social enterprises and the sufficiency economy can be achieved by initiating the understanding on the common characteristics between the two concepts.

3) The social entrepreneurs should have the capability to efficiently apply the sufficiency economy philosophy to their social enterprises. The integration would be more successful if both concepts are integrated on the subconscious level in the social entrepreneurs' mind. This could be done by truly understood and appreciate in both concepts and practice them regularly. Besides the subconscious understanding, the entrepreneurs should also be humble, having a down to earth attitude, and should be able to control their desires. The combination of having the knowledge of the sufficiency economy philosophy, and focus on the goals of creating the positive social impact; it is believed that the social enterprises can be effectively managed by the concept of sufficiency economy philosophy.

Even though the notion of morality, the middle path, and being sufficient are essential components in the concept of sufficiency economy. Other components such as reasonableness and learning to create immunity are also of great importance. Being reasonable promotes self-awareness and prudence, resulting in rational business judgments. Additionally, constant learning improves the entrepreneurs' immunity. Overall, the integration should initiate from realizing these principles before extending to the practice of a social enterprise.

4) The social entrepreneurs should considerably have a high level of experienced both in work and life. The social entrepreneurs with considerable business experience who have passed and solved individual, communities, social, and environmental crises would have a stronger stance to solve social problems. Despite these facts, the social entrepreneurs are not completely different from any ordinary people. They still seek profits and ensuring financial stability for their survival. But the key difference is that they do not aim for their personal benefits, but focus on helping others while being able to sustain their work and life. They consider helping others is equal to helping themselves. With this concept, the social entrepreneurs always value both business and social purposes.

Another characteristic of the social entrepreneurs is their unique approach to thinking. Unlike other people and common business owners, the social entrepreneurs have their own ideals, and are a desire for freedom of thinking, and doing by passion. The social entrepreneurs do not want to be supervised or controlled in their lives and work.

5) The social entrepreneurs are used to confront problems. Being determined to changing the society, the social entrepreneurs dare to take risks for positive change. They have a passion for their work and are positive thinkers. Their method for solving issues is based on the collaboration of everyone.

6) The social entrepreneurs do have a high level of leadership. Most social entrepreneurs usually take the leading role in their networks, and continuously inspiring many others to participate in social actions. Naturally, they are often seen as an innovative and change leader with a high sense of morality and fairness. They can also take many sub-roles such as social and business consultants, mentors, trainers, or negotiators. Besides, the leadership skill requires excellent communication skills, psychological understanding, trustable, and interpersonal skills to cooperate with members in the networks.

7) The social entrepreneurs are experts in risk management. In other words, the social entrepreneurs are aware of the risks in the operation of the social enterprises, especially from having limited resources. But they can adjust their enterprises to any pressures and circumstances. This was done by applying the principles of the sufficiency economy to increase the immunity. The core notions of being self-sufficient, logical, pursue continuous learning and particularly to promote the interdependence were used to enhance immunity. This also appears in the collaboration with other members of the networks to minimize and distribute the risks.

Risk management does not only concern the management of resources but is also a monitoring process. The management must focus on risk minimization via detailed analysis. Furthermore, the social entrepreneurs must able to control their thoughts from potential risky actions. The concept of sufficiency economy philosophy also helps to control this aspect. Moreover, by having a high level of creativity initiates practical innovations and strategies to cope with the changing surroundings and circumstances.

8) The social entrepreneurs are knowledgeable in various fields of managements. Such knowledge is the result of cumulative experiences. The social entrepreneurs may not be specializing in any form of knowledge but takes the approach of generalists that can utilize many kinds of knowledge.

However, the fundamental knowledge that any social entrepreneurs should have is the knowledge in the disciplines of business administration, organization

management, strategic management, innovation management, and resource management. Also, trading skills, marketing knowledge, accounting, and financial skills are essential. In other words, the social entrepreneurs are often knowledgeable but do not necessarily need to know everything in depth, but should take the practical approach. If required further specialist skills and expertise, they can request support from those that are in their networks.

9) The social entrepreneurs always seek new knowledge and skills. Social entrepreneurs should have a passion for learning and also encourage others to learn. They believe it is necessary to continuously learn to be competitive to be able to reach the social and business objectives. Besides, knowledge is considered as a primary resource of capital which should be invested in. Knowledge can also be transferred into other forms of resources and is mainly use for solving problems. This idea is related to the concept of sufficiency economy philosophy and is an important part of the social enterprises. Such knowledge can be obtained from various sources such as the awareness of problems, information from the networks, long life experience, experiments, or theoretical studies. The knowledge can also lead to creativity and provide the source of imagination; the results are the innovations for solving social problems.

Additionally, the social entrepreneurs believe it is their duty to encourage members of their network to keep learning. They also see that knowledge should not be a personal asset but belong to everyone. Thus, the more they share and transfer information and knowledge, it would help them to develop together. Thus, knowledge is not only used for competition but is primarily concerns with enhancing group immunity for the chance to survive and grow together.

4.6.3 Organization and Network Context

The integration of social enterprises and the sufficiency economy in the levels of organization and network should have the following characteristics.

1) Having a clear purpose of social development: The social enterprises must have clear purposes for improving the society and solving social and environmental problems in a sustainable approach. These objectives should be generated from the concepts of social enterprises and sufficiency economy philosophy. The ultimate

objectives should seek a sustainable and balanced growth for the society, economy, culture and the environment.

Although the social enterprises goals should emphasize to improve the social and environmental conditions rather than focusing on generating business profits as it appeared in most businesses.

Even though the social enterprises may have great intention to solve social issues on the macro level, but it is more suitable to achieve on the micro level at first, such as local communities before taking an attempt to the larger problems.

To meet the social and business objectives, the social entrepreneurs are required to motivate others to join and collaborate, particularly in the form of income generation, jobs creation, and opportunities to improve a better quality of life. Such motivations play an important role in the collaboration. They also need to motivate its members in the network to engage in being self-reliant, self-sufficient, and be interdependence.

The motivation is very importance; however, if the members of the network lack the sense of morality, or becoming greedy, then it would affect the purposes of the social enterprises. Having morality in this context means the social entrepreneurs and their networks should not take advantage of each other, or compete against each other. They should be aware of the importance for helping each other instead.

2) Optimize the management by adopting the concept of sufficiency economy philosophy: The process should begin from enlightening the team members to clearly understand the concept of the sufficiency economy philosophy, especially on the concept of the middle path. The social enterprises should also train their teams to be able to implement the knowledge in actual practice. The team should be trained to be frugal, prudent and eager to learn. Plus, the team should aim for enhancing immunity for the enterprise minimizing risks, encouraging morality, honesty, fairness and transparency at work.

3) Appropriate Organizational Qualities: The organizational management should contain some features of the private sector and non-profit organizations, with the emphasis on making profits and bettering the society and the environment. The combined features grant the social enterprises with different approaches to administration tools from

various sectors. This should include a well-planned organizational structure that is adjustable to adapt to changes.

4) Having a distinct organization culture: The social entrepreneurs should promote their teams to be self-sufficient, self-reliance, and focus on the purpose of improving the society. The organization culture of the social enterprises should integrate the concept of sufficiency economy philosophy. It should encourage the teams to sacrifice for others, to have perseverance, be patience and engage in creativity. Besides, the teams are encouraged to initiate new social innovations and willing to take risks, and be able to wait for changes.

5) Focus on Competitiveness: The social enterprises should encourage themselves to be able to compete against other private organizations regarding products or services offerings. Despite being competitive, the competition should be of fair competitions. The reason the competition is needed because most social enterprises still require earning income for the management. Furthermore, the source of income is an important motivation for the social entrepreneurs, the team members and the networks. Therefore, the requirement to develop competitiveness is not different from the private sectors. They would include the need to utilize marketing strategies to identify customers' needs, and observe competitors' products. It also helps to allocate appropriate market positioning and market differentiation. In addition to the marketing strategies, the social entrepreneurs also need to focus on the business development, such as product and service development, product value creation, packaging improvement, or product processing to meet customers' expectations. Business development also includes the business expansions such as network collaboration to attain more partners, customers, and alliances.

Even though the marketing strategies and business development are important in enhancing competition capability of the social enterprises; the marketing events and the network expansion still require public relation strategies. As well as using information technology to create market opportunity and find new networks to support the social enterprises.

6) Focus on risk management: Since the social enterprises have limited resources and operating costs, the risk management involves (1) the assessment of currently owned resources and resources in the network, this need to be assessed with the organization goals and adjust accordingly; (2) apply the concept of sufficiency economy

philosophy into the operations, and for the decision making; (3) design strategies to adjust to the unexpected circumstances and pressures from the surroundings; (4) promote the idea of self-reliance, prudence, reasonableness, continuous learning on related news and information, and by cooperating with others; and (5) optimize for creativity and flexibility.

7) Engage in continuous learning: The social enterprises always place the importance on learning, this involves (1) encouraging the team members to value learning because the social enterprises do have limited resources. Thus, knowledge is the most valuable asset, which can be transformed into other forms of resources, and help to create opportunities as well as boosting immunity for the enterprises; and (2) the social enterprises have the intention of spreading knowledge to other networks. It believes that by disseminating knowledge to other networks help to gain allies and increase the group immunity. Thus, knowledge obtained from the news, information and experience allow the enterprises to be more adaptable to changes in circumstances.

8) Focus on collaboration with external networks: It is necessary for the social entrepreneurs to collaborate with other networks by achieving the same objectives. The logic for gathering members and supporters is to attain physical resources such as financial capital and natural resources; and intellectual resources including ideas, experiences, skills and capability that the networks can share and provide.

However, to gathering resources and engage in collaboration requires motivation, the especially motivation for income, better quality of life, and confidence in the social enterprises. Confidence among members is related to the sense of morality of the social entrepreneurs and is the key component for gaining trusts in the networks.

9) The network shares the same objectives as the social enterprises: Components that motivate the same purposes for the networks consist of income generation, improvement of the better quality of life, financial stability, and the urge to solve social issues via business approach.

10) The network shares similar traits to the social enterprises: The networks should have similar characteristics to cooperate with the social enterprises. This includes similarities in the approach and concepts, attitudes, perceptions, and the expectation. Having these similarities helps smoothen the collaboration.

11) Emphasize mutual goal of group survival: The networks are willing to collaborate for their survival and mutual growth by sharing resources, knowledge,

information from the customer database, skills, and capability. This is to increase groups' stability and chances of survival. Without the collaboration, there might be some risks regarding investment, lack of information or necessary skills to survive together. Thus, by forming a group can help to create opportunity, reduce risks, improve immunity and eventually growing together.

12) Expand the concepts of social enterprises and the sufficiency economy philosophy throughout the network: Members in the network are encouraged to learn the concepts and practices in both concepts. Once they are clearly understood, the integrated concept will be possible. The knowledge can be transferred by direct or indirect methods. The former is done by providing a platform for learning such as seminars, theoretical teachings, or actual experiments. The latter is by the absorption and viral spread of the knowledge of the communities, such as the spread of success stories that engage others to follow.

13) Risk reduction by the collaboration in the networks: The social enterprises are encouraged to operate at the network level; this is to systematically minimize potential risks. However, the structure of the network should feature both the decentralization and centralization. Each member and the social enterprise should act as a hub between one another as it helps reducing risks for the collaboration. Therefore, the risks are not centralized but distributed. This encourages the members of the network to think, act and experiment more since there are lower risks upon oneself to create new innovations. Furthermore, risk minimization is also related to the need to select appropriate members of the network. If a network is not suitable or has different purposes, the efficiency of the overall networks would be affected; this also increases the chance of risks for everyone.

14) Managing resources within the networks: All resources should be optimized and maximized for everyone. This is because most people would have limited resources. Thus, it makes sense to share and co-manage the resources.

15) Network knowledge management: The social enterprise networks place importance on learning together, particularly by sharing wisdom and knowledge. The social enterprises thereby emphasize the importance of encouraging network members to keep learning for survival and growth. Besides, by exchanging knowledge, experience, skills and information help generate creativity to invent new products and services for the

group. This leads to the improvement in the group competitiveness. Moreover, by having greater knowledge, this would also motivate people to learn more and grants the path of self-development

16) Encourage the networks to initiate social innovations: Network members are encouraged to be creative and to use the imagination to create new inventions or innovations for the society. These outcomes should focus on the improvement of the quality of life and generate incomes.

17) The networks must adhere to the code of high morality: The networks are considered living and working with each other. Thus, morality and ethics are very important, this particularly applies to the practice of a fair income distribution and a fair distribution of benefits. Specifically, the morality in this context is honesty, frankness, work ethics, accountability, and transparency. The morality is also an important component of the sufficiency economy and is also the mechanism helping to collaborate in the social enterprises networks since morality creates the confidence and mutual trusts. It can be said that if the social enterprises and their networks have strong practices in the sense of morality, the networks would continue to expand and enhances their collaboration.

18) The networks focus on the democratic actions: The social enterprises should promote the democracy within their networks by considering the opinions from anyone in the networks. This encourages information sharing, co-learning, co-development and to balance democracy authority within the networks. Democracy also includes the encouragement for the members to participate in designing purposes from the beginning. Some examples are brainstorming sessions with the community or the public hearings to gain consensus from everyone.

19) Continuously expanding the allies: It is necessary for the social enterprises to expand their networks to gain more support from other types of networks. This allows effective gathering of the resources, knowledge, informative news, and opportunities to expand. The allied networks can include community enterprise, other social enterprises, a non-governmental organization (NGO), educational institutions, governmental and private networks that can support social enterprises' campaigns. Also, the mass media networks play an important role in publicizing the successes.

4.6.4 Expansion Context

1) Extending the concepts of social enterprises and the sufficiency economy to external networks: This refers to the extension of the concepts to other networks. This includes (1) publicizing the success stories to other networks; (2) inspiring others to study or experiment; (3) adopt the concepts and adjust to their contexts; (4) success stories must be motivational, particularly those that are related to the human's basic needs for survival and growth. This includes, an adequate resource for consumption, stable income, and a stable career. In addition to this, people also need fairness, equality, justice, honor, pride, and dislike from being taken advantage; (5) the concepts should help people to overcome their fear from furthering their career since most people always consider the risks of their assets, money and opportunity; (6) the researcher found that despite the problems above, the real issue is the lack of motivations for self-improvement and the inability to see the opportunity for self-development. This prevents personal development as they would expect supports from the others, for example, from the government, the private sectors, and foundations; (7) the success stories should be achievable. For example, if people compare themselves to Master's degree graduates, they will not be motivated. On the contrary, if they compare themselves with the people of the same level, they should be motivated to change positively; and (8) success stories should involve the explanation of possible changes if properly adopted the model. The changes are as follows: personal stability; continuous growth in financial status; quality of life and quality of the community/society; awareness of the balanced growth in economy, society and the environment; career development; constant creations of new inventions, products and services; ability to confront the free market; communities has become immune to the changes in market fluctuation, climate, or natural calamity; fair and trustworthy approaches of work; democratic system; minimum conflicts within the network; and the preservation of the local traditions and cultures.

These changes can be “inspirational” and aspire for the others to be more “motivated” to learn the concepts of social enterprises and sufficiency economy.

4.7 Conclusion

The descriptive contextual analysis and the comparisons between the case studies help to perceive the similarities and the differences in the integration of the social enterprises and the sufficiency economy. According to the initial conclusion, the researcher found that all the case studies have similarities rather than differences. This makes it possible to summarize the necessary contexts by utilizing the inductive reasoning approach.

CHAPTER 5

DATA ANALYSIS AND RESEARCH RESULTS: INTEGRATION PROCESSES

The objective of this section is to analyze the integration process of social enterprise and sufficiency economy philosophy. The analysis divides into 4 case studies in the following order:

- 1) Analysis of the integration process of Uncle Krai's Orchard.
- 2) Analysis of the integration process of Din Daeng Garbage Savings Bank.
- 3) Analysis of the integration process of ThaiCraft Fair Trade.
- 4) Analysis of the integration process of Mechai Pattana School.

The analysis of the integration process is the result from the synthesis of the descriptive analysis presented in Chapter 4. The integration process divide into three stages: (1) The pre-integration phase, (2) The integration phase, and (3) The expansion phase. This consists of (1) Activities prior the integration process concerns with the adoption of the concept of sufficiency economy and the initiation to become a social entrepreneur. (2) Activities during the integration process involve the integration on the organizational and network level. (3) Activities during the expansion to other networks or communities.

5.1 Case Study: Uncle Krai's Orchard

5.1.1 Activities during the Pre-Integration Phase

The financial crisis is mainly the caused that made Uncle Krai to become a social entrepreneur. These economic challenges made him reflect on his past and seek solutions to solve his problems. The first challenge was not being able to receive enough income from growing cucumbers. As a result, he decided to explore another

career in a foreign company until he discovered winter vegetables that could grow in Wang Nam Kiaw area. The vegetable farming was a major success and made him joined the Farm Outlet program as part of the Ministry of Commerce. This has helped him to gain more customers, and many of his products were selling in reputable department stores, organic shops and famous restaurants such as Lemon Farm, Shangri-La and Sizzlers.

Despite the successes, he was faced with a natural disaster which damaged most of his farms and resulting in the loss of quality. Moreover, he could not produce enough vegetables for the market demand even though he attempted to increase the production process. His attempt to meet the market demand had affected the soil and the quality of his crops. Due to this issues and the realization of his age, he became upset with his competitive career that worsening his overall health. At the same time, most of his buyers decided not to purchase his products. This has ultimately affected his business and reduces the income for his family. It is these issues that had urged him to start a new chapter of life by stopping sending vegetables to the brokers and the restaurants.

It could view that the crisis in both career and financial status became a new beginning for him. It was the time that made him reflected more in his approach to life. During this period, he discovered the concept of sufficiency economy philosophy in various royal projects of His Majesty the King, which inspired him to recover his life. Uncle Krai is a loyal to His Majesty the King and has strong faith in the king; this eventually led him to study the concept of sufficiency economy philosophy. It is this concept that has ultimately changed his life perception and approach to life. He realized that his stability should come from the idea of being self-sufficient, self-reliance, cost control, and live by the code of ethics rather than aiming for excessive competition. He realized the concept of sufficiency economy as follows:

- 1) The idea of sufficiency economy philosophy encourages the ideas of self-awareness, mindfulness, consciousness, and reasoning which make the individual much more resistant to the outside factors.

- 2) Sufficiency economy philosophy helps Uncle Krai to manage risks and build up immunity against the outside factors. This was done by adopting the principles of resource management and the knowledge management to minimize

risks. Uncle Krai realized that to survive and expand his business; he needs to depend on necessary resources such as the knowledge, experience, skills, capital investments, and his land. Uncle Krai understood that he could not survive and succeed by working alone. He realized that to be successful; he needed to rely on the supports and the cooperation from others, particularly on the resource sharing, knowledge development, and risk distribution. Also, Uncle Krai focuses on the continuous learning as the way toward true sustainability. He also realized that by learning the new knowledge and skills would give him a better chance to manage his resources much more efficiently. This has also helped to create better cooperation with others. Uncle Krai had emphasized that the knowledge and the constant learning were essential to enhance the survivability for his business. Therefore, common knowledge and specialized knowledge such as management, marketing, accounting, etc. helped his business to grow in a sustainable way. This also allows him to be more creative and improve his overall product innovations.

3) Uncle Krai has applied the moral aspect from the concept of sufficiency economy philosophy as a fundamental idea to create the network of cooperation. He believed that any social entrepreneur must adhere to the code of morality, fairness and honesty. He simply puts by mentioning that if he does not treat people well, why would they be kind to him. Thus, workplace ethics, namely the notion of fairness and integrity are crucial to developing the network of collaboration. He is convinced that this concept is similar to the notion of the middle path in Buddhist's teaching, which promotes the ideas of selflessness and consciousness for not taking advantages of others. He believed that a sense of morality would promote the conducts of honesty, such as fraud prevention, exploitation of consumer or local farmers, and for the better of the social and the environment.

4) Uncle Krai shared what he had learned from the concept of sufficiency economy philosophy. This concerns with being hard working, ability to tolerate, being patient and require hands-on approach. He had applied the King's philosophy into his life concept which had taught him to be self-reliant rather than hoping support from the others.

Based on the four aspects he has discovered in the concept of sufficiency economy philosophy, Uncle Krai has developed them into his fundamental approach

toward his business and way of life. Uncle Krai's engagement in the practice of sufficiency economy was essentially the concept of surviving together. This idea became the fundamental thought for him that eventually lead him on the path of social entrepreneurship.

Therefore, Uncle Krai had a firm belief that it is necessary to build a network to allow the business to survive. The big question was how to form a network that would cooperate with him because he sees it would be challenging for others to work with a farmer like him. Even though the concept of sufficiency economy philosophy has taught him to be sufficient and act in moderation, but he sooner realized that such notions may not help him to achieve the financial growth. Hence, he sees that for the sufficient growth to be able to achieve, this is possible if the people were willing to cooperate in a form of a network. Phanuwat Worawit (2013: Interview) suggested:

I think being individually sufficient cannot promote the business growth. But by gathering into a group, I think the business could grow. If we assembled in one place and tried to help each other to sell each other products, more and more travelers would visit us.

Phanawat's concept of networking and Uncle Krai perception of networking are apparently the same. Although, not only Uncle Krai's goal was to be sufficient, he also engages the others to be motivated and grow with him. Thus, it is convinced that Uncle Krai's concept of networking is not only for the intention to help other people, but it is also about creating motivations for the others to cooperate and generate income. He considers this as the way toward sustainability and is essential for the network to grow.

It could be inferred that Uncle Krai's concept of business is based on the combination of both the social and business objectives. This eventually has shaped his business into a social enterprise that helps generate income for himself and the others. This was possible because he discovered the concept of sufficiency economy philosophy in the beginning.

To summarize, the application of sufficiency economy philosophy was a critical step for Uncle Krai to develop into a social entrepreneur. Uncle Krai perceives

the characteristic of his social enterprise as promoting the sustainable growth, which focuses on achieving the social and business objectives in a balanced fashion. In Uncle Krai's opinion, the sufficiency economy improves the sense of self-control, so that entrepreneur would not be attempting to gain advantages over the others.

In conclusion, the integration of social enterprise and the sufficiency economy philosophy started from the discovery of the concept of sufficiency economy. However, as Uncle Krai realized that being self-sufficient would not provide him enough income to sustain his business. As a result, he then started the social business activities that promote cooperation from the community members and the local entrepreneurs. With this concept in mind, Uncle Krai Orchard had finally developed into a social enterprise.

5.1.2 Activities during the Integration Phase

After Uncle Krai had fully adopted the concept of sufficiency economy, he stated that his work and daily life became more balanced. Most importantly it has recovered his business from total failures. During the period of great success, Uncle Krai was motivated to learn and apply the concept sufficiency economy philosophy at a higher level. This made him cultivate more organic vegetables as it generates higher income and meeting the market demand for natural health trend. By utilizing the concept of sufficiency, he managed to reduce his expenditures by developing organic fertilizer for his farm. With this approach, Uncle Krai has managed to create a new market for organic products which are healthy, high in quality, and reasonable price. Moreover, he had learned new knowledge in food processing which added more values to his agriculture products.

During this period, Uncle Krai has added a variety of products by joining with other local farmers and entrepreneurs. Thus, if a customer visits his shop in front of his orchard, the customer could purchase be able to buy various kinds of products through this one-stop shop. This plan helps Uncle Krai and partners, and also satisfies the customer from not having to go around. As a result, this approach solidifies the network. Under these types of initiative, eventually assists the development of his business into a more functional social enterprise. Uncle Krai also stresses on the fair distribution of incomes and benefits; this results in other entrepreneurs wishing to join

Uncle Krai by giving more support, resources, capital fund, and collaborations. Uncle Krai also considered this approach as providing him and his partners with a greater chance to generate income and help distribute the risks. Due to the success, Uncle Krai realized that the concept of social approach with regards to its business side could help him and many others to survive and grow together. As a result, he had the intention to share the knowledge and experience by establishing a learning center, which would help him gain more networks and further increase his opportunities. In response to his success, The Ministry of Commerce had supported Uncle Krai Orchard and his network of local entrepreneurs through The Farm Outlet project resulting in greater growth for their business.

It could be seen that the application of sufficiency economy does not only apply to the way of living but also effectively applies to the operation on the organizational and network level.

It is noticed that the integrating of social enterprise and sufficiency economy had an influence on goals and objectives of the enterprise. This leads to 5 business objectives as follows:

- 1) The objective on the social and business aspects.
- 2) The objective to generate the income for all.
- 3) The objective to promote the community growth.
- 4) The objective to protect the environment and community way of life.
- 5) The objective to apply the concept of sufficiency economy philosophy to business.

These five objectives still have the foundation of the concept of sufficiency economy.

Once he realized that the sufficiency economy philosophy has improved his business work performance and improve his quality of life, he insisted on sharing his experience and gather more networks from the learning center. Therefore, the more Uncle Krai shares his knowledge and experience, the more his business would grow and become more stable. The learning center also became the learning platforms for him and his network to be aware of the new up-to-date information to co-create social innovations, and solving local issues.

Nonetheless, all of the objectives mentioned would not be possible to achieve without proper management at the organizational level. Although Uncle Krai had already adopted the concept of sufficiency economy philosophy into his fundamental idea, the management pattern was considered a critical factor as well. It is observable that the concept of sufficiency economy philosophy has penetrated in the management at the organizational level. Uncle Krai had managed to convert his belief in the concept to his official plan, particularly to running his business with the conduct of morality, operates on group benefits, promotes integrity, and focus on fair income for all. Sufficiency economy can also be seen in his concept of risk management that includes the careful planning, detailed analysis, and manage of limited resource for the most beneficial outcome. It can be concluded that the integration process at the management level is based on the conversion of his idea to his business via social goal. The integration process that appears in the management and cooperation on the network is usually started when the network realized the benefits from the collaboration with Uncle Krai. It could be said that the benefit from joining played a major role in building up trust and encouraging the network to cooperate. The motivational factors that made other people to joining Uncle Krai are as follows.

- 1) The need to survive.
- 2) The necessity of income.
- 3) The need for trusts.
- 4) The need for self-development
- 5) The need to have a network of a friend to eliminate risk and strengthen the group immunity.
- 6) The need for learning.
- 7) The need for information and knowledge.
- 8) The need for security.
- 9) The need for stability

These motivations could be observed from Uncle Krai speech on his concept of collaborations. As Krai Chomnoi (2013: Interview) stated:

If our partners can live, we can also live. Do you know that a fresh salad would have cost costs 180–200 baht per kilogram at the moment? But why do I sell for 60 Baht? It is because I have feelings for the consumers. I must have the sense of morality. The King always gives endless give. So, the more you give, the more you are going to get. I sell products so that I can live. But I do not need to be extremely wealthy. All I seek is happiness in life. That's it. I don't have to study marketing because what I did is marketing by itself. I work these days just to survive and lead a happy life, we came from nothing, what else would you ask for.

By observing his thinking behind the speech, it is clear that Uncle Krai is an individual with compassion for others. His self-restraint to control the desire and greed has helped him created the conditions of fairness, which is favorable for collaboration. Therefore, the success of the cooperation would largely depend on the morality and the need to generate income.

Realizing his success and the development of his members, Uncle Krai has established the learning center to expand his networks. The learning center is also the community hub for transferring the knowledge of sufficiency economy and the practical know-how into grow organic crops. It is clearly seen that the orchard became an active social enterprise that is responsible for providing business opportunities, and also became a hub that disseminates knowledge to those who wish to learn from his success. He also believes that the concept of sufficiency economy philosophy would be beneficial to improve the well-being of the others. As Thawisak Prakopphon (2013: Interview) mentioned:

If you asked me how the concept is transferred. Let me put it this way. I am Uncle Krai's nephew-in-law for more than ten years; I have been listening, and seeing him every day. The concept has absorbed into my mind. Before I used to against these sorts of concepts, but now it has changed me.

Hence, the need for the collaboration has many benefits for everyone in the network. Mainly, it helps the integration of the two concepts to become much more concrete.

Regarding the management of the network, although it seemed that Uncle Krai Orchard was the center of the network, but in fact, everyone was the center for one another. This concept of a network is found on the notion of interdependency, where each member is connected to form a larger and a complex web. This reveals that the chance of survival for Uncle Krai would depend on his networks, and this is the same for his members. Furthermore, by choosing the right network to collaborate would build the network strength rather than creating a burden for one or another.

Despite the fact that Uncle Krai Orchard and the network had grown to become more stable, it still does not guarantee sustainability. This is because the performance of each member would eventually change; therefore, Uncle Krai is required to extend his network regularly, as well as to support the strengths of his members. As a result, a bigger and more stable network would increase the chance of survivability.

Additionally, the performance of Uncle Krai Orchard and his network would be increased once getting more support from the other types of network, such as the public and the private sectors, and the media.

5.1.3 Activities during the Expansion Phase

After Uncle Krai had developed the 15 rais of orchard and the learning center. The Wang Nam Kiaw sub-district organization has praised Uncle Krai for his role as the community leader that promotes the positive image of Wang Nam Keaw. Due to his successes, much local and mass media were interested in his secrets to success. As a result, many local people from the nearby communities, as well as the public and the private sectors had continuously shown their interest in learning and sharing knowledge with Uncle Krai. Many seminars on the practices of organic farming and the applications of sufficiency economy philosophy were held at the learning center. Additionally, many customers also visit the farm to purchase various products. The growth of his orchard has resulted in more services are being offered to the customers and those who wish to listen to Uncle Krai. For instance, his nephew just recently

launched a home-stay business to serve Uncle Krai guests; his salad farm partner had grown more salad vegetables for Uncle Krai Orchard to sell. Furthermore, the expansion of Uncle Krai Orchard is not limited to the community level but is expanding to other provinces.

It can be concluded that the social and business activities of the orchard and the learning center have become the role model of success for community development. This was done by the integration of the concepts of social entrepreneurship and sufficiency economy philosophy.

5.1.4 Changes after the Integration

The changes after the integration of the social enterprise and sufficiency economy philosophy are divided into three levels. This includes the individual, organizational, and network levels.

By applying the concept of sufficiency economy philosophy to the social entrepreneurs' way of lives would initiate the positive perspective toward a balanced lifestyle. Uncle Krai stated that "The meaning of success for me is happiness" (Krai Chomnoi, 2013: Interview). He also suggests that the integration made him more conscious, he can let go, and able to restrain his desire just by knowing to be sufficient. As Krai Chomnoi (2013: Interview) stated:

My success is that I can let go more easily, and I have more sense of consciousness. I can think clearly and understand more about myself. The key is to have consciousness in what you think and what you act. Everything depends on your conscious. So it is important that you are aware and you can let go. If you can't let go, you can't grow vegetables. If there were a storm or a pest outbreak that would damage your crops, you would panic, and eventually, use the chemical substance on your farm. I can't do that; I need to be more conscious and think carefully.

By having consciousness and think carefully, he suggests this would support the social entrepreneur to become more self-sufficient. This also creates conditions for growth and stability, which would result in sustainability.

Regarding the changes on the organizational level. The results include

- 1) The organization is driven by creativity to effectively manage its limited resources. Moreover, creative thinking continually brought innovations and approaches for serving both the business and social goals.
- 2) The organization becomes more flexible and can deal with the uncontrollable environment such as the changing weather, the natural disasters, and the volatility in commodity price, etc.
- 3) The organization became more stable since it is optimizing for the ideas of being economical, being discreet, and having a stronger immunity level.

As for changes in network level. This includes

- 1) The network members learned to share and cooperate more effectively. Members of the network used their creativity to manage their limited resources. By this, they could initiate new innovative ideas.
- 2) The network focused more on the conduct of high morality. They are learned to devote, share, and act in moderation. The people in the network do not take advantage of each other.
- 3) The network members are concerned with the protection of their natural resources and local wisdom.
- 4) The members in Uncle Krai's network provided support for one another and to help to create employment and income.
- 5) Members of the network are appreciated for the applications of sufficiency economy. As Thawisak Prakopphon (2013: Interview) suggested:

We don't need excessive growth. We are satisfied with what we have now. We have enough to live with happiness. We don't need to push ourselves and compete with others. There is no business war here. We do what we have, and that's enough. Enough to feed my family and my employees, that's all I want.

Sirilak Siritho (2013: Interview) also added:

We can live like this, dress like this, it's fine for us. Simply back to basic...I am feeling successful now. This is much better than in the past. Now I can have anything I want. I have what people have. I can eat what I like. I can travel where I want. I can say I have enough, and I feel just right at this point.

5.2 Case Study: Garbage Savings Bank

5.2.1 Activities during the Pre-Integration Phase

The beginning of the integration of the Garbage Savings Bank started after the year 2009. The period happened during the political crisis in Thailand, which ultimately affected the country's economy and its stability. During the time, Chatchanan was working for a renowned insurance company name 'AEG'. Being located in the crisis area, the company had to close down for three months. As a result, the employees were affected. It was during this event that Chatchanan had learned more about His Majesty the King Bhumibol Adulyadej's projects via television. She became appreciated and fond in the concept of sufficiency economy philosophy. This inspired her to rethink seriously regarding her life and career path. It was during this time that made her want to engage in social works, and do a good deed for her beloved King.

After she had carefully reflected and considering her career status of being unemployed for almost three months. She came to the realization that the city life was full of problems, and noticed that the evolution of this country was just based on the appearance level. Such political conflicts that occurred would only trigger more social issues. Chatchanan has assumed that most of the Thai people living in the city lacked in the fundamental development of the sense of morality. She compared this to a farmer who had followed the concept of sufficiency economy philosophy, and could make a living and gain the income as much as hundred thousand baht on his own; with only a small portion of land and was still able to lead a simple yet a sustainable life. She began to realize that the sufficiency economy philosophy was the ultimate

answer for herself and for the society. Then, Chatchanan started to study her community and found that the biggest problem was the sheer amount of waste. Additionally, she also figured out that most people living in the Din Daeng community had severely stressful lives and would only live by being paid for the labor work. Her sympathy toward the community members made her realized the problems as follows: (1) The large volume of garbage scattered throughout the community was caused by the lack of discipline; and (2) The people of the community had lived a hard life due to not being able to find another opportunity for a better career path. This is because most of the community members had minimal education or even uneducated. As a result, they would develop a dependency on the government support. This also led to another problem where poverty became a political tool for the corrupted politicians responsible for the vote buying. After she had recognized these issues, she researched and found that there are a large number of poor people throughout Thailand. Chatchanan also realized that the cause of many social problems is caused by individual's attitude and behavior, which often lead to controversial issue and extended to political conflicts. Chatchanan decided to dedicate herself to develop the society by using the concept of sufficiency economy philosophy to alter the people's behavior as the means to solve social and environmental problems.

In this regard, Chatchanan has managed to turn her personal crisis into the social opportunities. To solve social and environmental problems, at the beginning phase, she performed a self-assessment of her knowledge, her potential, competencies and other resources she owned. Then she started to learn more on the concept of sufficiency economy with particular interest on solve the social problems she had identified earlier. Then she finally decided to resign from the company where she had worked for five years. It was then that she began the journey of becoming a social entrepreneur.

After she has studied the concept of sufficiency economy philosophy. She had summarized the essence of the sufficiency economy as follows: (1) concerns with Moderation. She believes that by having the sense of moderation would prevent the root causes of many problems. She found out that by being moderate, one has to be mindful, rational, and economical; (2) to be self-reliance and willing to learn with

others; and (3) sufficiency economy is a very efficient approach to manage risk. Chatchanan sees the relation between risk and the ability to control risk from being sufficient. Without realizing self-sufficient, an individual could risk taking advantage of other, which may lead to conflicts. She believed that the practical risk management should be originated from the learning to share and live harmoniously with other people. Thus, it is important for an individual to have moderation, be patient, and be willing to cooperate work with the others; and (4) the sufficiency economy philosophy is rooted in the teaching of Buddhism. Specifically, the notion of “the middle path” is focused on the balancing between extremes. This applies to the thinking and working process.

Therefore, Chatchanan’s understanding of the sufficiency economy involves the reflection of her personal life and the surrounding. However, she faced an issue and began to question herself on how to apply the concept of sufficiency economy philosophy to solve the garbage problem in her community. She soon realized that the concept of sufficiency economy alone might not be a practical way to solve the social problems sustainably; this is because many people in the community are not motivated to live a sufficient life. Or there is not enough motivation for the people to collaborate on her social goal. Finally, she realized that most people including herself would need an income to sustain daily life.

5.2.2 Activities during the Integration Phase

Later in the year 2010, Chatchanan joined a class on business planning at Siam University. During a learning session, her teacher suggested her to study the concept of social entrepreneurship. It was at this moment; she found the solutions to solve her earlier issues. She saw the connection between the concept of sufficiency economy philosophy and social enterprise. This has encouraged her to study in both concepts in greater details. After the clearer understanding of both concepts, she attempted to integrate both notions and the result was the garbage bank project. Chatchanan fully realized that the concept initiated by His Majesty the King’s teaching could potentially create the sustainable development for Thailand. She saw the alignment between both concepts where she could earn the income and employ herself as well as

to motivate the others to join her social cause. As Chatchanan Masawangpairoj (2013: Interview) mentioned:

The people say they want to do the social works. They think they want to help the others, but they just can't even support themselves. People should be able to support themselves, and we can help them. I don't mean that we have to be very profitable, just so that we can earn a living and others can also too. In this way, we can live, share, and helping each other.

After Chatchanan has studied the details regarding the sufficiency economy and social enterprise, she believed that both of the concepts could be integrated and produce the positive outcomes for reaching her goals. Even though the integration would consume tremendous efforts on her part, but she was confident that she could succeed in her goals. Once Chatchanan was satisfied on the initiative, she eventually designs the business structure of the garbage bank and laid out the objectives as follow: (1) the objective of solving social issues; (2) the objective of solving environmental problems; (3) the objective of developing a new habit, attitude, behavior and discipline of the community members; (4) the objective to promote the sustainable community development; (5) the objective to generate income for all members that are involved; (6) the objective to productively apply the concept of sufficiency economy philosophy to manage her social enterprise; and (7) the objective to promote continuous learning.

Apart from these objectives, Chatchanan has set up several managing strategies, mainly to build up the community network, and to design the management structure that promotes motivation. Furthermore, it was noticeable that the business plan of Din Daeng Garbage Savings Bank was not different from of the private sectors. The significance difference is the application of the concepts of sufficiency economy philosophy and social enterprise approach. During this period, Chatchanan had spent almost two months on formulating her business plan and model.

After the launch of the garbage bank, Chatchanan decided to open the garbage processing center to create innovative products from waste. These two businesses had

indeed integrated the sufficiency economy philosophy and social enterprise approach to management. By adhering to her objectives, Chatchanan managed to reduce much of the community's garbage and was able to create new discipline and behavior for the community members.

Since the beginning of the project, Chatchanan realized the requirement for having as many networks involve as possible. As a result, the concept of the integration is indirectly transferred to the members in the form of daily practices. This meant that the integration was not only limited to the bank and the learning center, but it was distributed throughout the network. Therefore, Chatchanan insisted that the integration of the two concepts was mainly driven by the business mechanism, which represents through these actions (1) the conversion of garbage into financial resources; (2) reduce the expenditure by co-operating with the network members, particularly to collect garbage in return for the savings; (3) the bank only operates by a few people to effectively cost the operating expenses; (4) operating the business with a high sense of morality; (5) optimize for risk management at all levels; and (6) gain additional income from various sources, such as the seminars, workshops, training, or the conversion of garbage into usable products.

The attempt to build the cooperation in the network was considered to be a significance part of the integration. This requires (1) the understanding of the community members' requirement; (2) realizing that everyone wants a secure income and a stable occupation; (3) knowing that many people would like to engage in self-improvement; (4) the willingness to promote public interests; (5) the need to foster the sense of high morality, which is a necessary factor to create trusts among the members; and (6) the need to publicize this concept to the public.

It can be said that by meeting these criteria, the integration of the concepts of sufficiency economy and social enterprise would become more concrete. More importantly, the more networks would provide a greater chance to engage in the income generation and deliver the increased security for the garbage bank and its members.

5.2.3 Activities during the Expansion Phase

After the successful integration, The Garbage Savings Bank became more stable, and the members of the networks grew in numbers. As a result, there is more garbage; the community became significantly cleaner, and most of all, the members expanded with a positive attitude. At the start of the project, the bank has received up to 500-600 kg. Each time for the collection. Currently, the bank has received more than 1 ton each round of the collection. As for the operation of the garbage conversion center, there are many orders made and also create additional incomes for the members. Realizing the success of Chatchanan's social enterprise, other communities, and the public and private sectors showed their interest and often visited her office. Hence, she has provided consultation to many organizations namely; Siam Glass Co., Bangkok Metro Networks, and many of the SCG Village projects. Eventually, these groups became her alliance and willing to support her further.

The success stories have made Chatchanan into a respectable social entrepreneur. She is often invited to be a guest speaker or helped to set up a garbage bank in an organization. Most importantly, she always explained the origin and root of her project as originated from the concept of sufficiency economy philosophy and practice through the approach of the social enterprise. Ever since, she has continuously adopted and applied the concept of sufficiency economy philosophy into the practice of social enterprise with the goal to develop the community, society and the environment.

It could be said that, through the success stories and her explanation on both of the concepts. Many members and those from other networks showed greater interest in the integration. This is considered as the distribution of the knowledge of the sufficiency economy philosophy and social enterprise. However, Chatchanan thought the accomplishment of the bank and the garbage conversion center was just the beginning. She still needs more supports from both the public and private sectors, including the mass media to help to expand her concept to the wider society.

5.2.4 Changes after the Integration

Chatchanan suggested that the changes in the integration on the entrepreneurial level were the balance in both work and life. She also felt secure

regarding the job security, and by having adequate income, she is motivated to continuously solving social and environmental problems. Furthermore, she suggests that the concept of sufficiency economy philosophy has played a major role to reminding her to be conscious, to excessive restraint desire, to be realistic, be moderate, be mindful, and be patient for the changes. As Chatchanan Masawangpairoj (2013: Interview) explained, “It helps me to be aware of my thinking and actions, and makes me more economical. Also, it helps to prevent the unnecessary leakage and non-essential process”.

Moreover, the concept has made her engage in continuous learning, being self-reliant, self-sufficient, promote interdependency, leading an effective collaboration, and enhance the practice of higher sense of morality. All of these factors have made Chatchanan into a successful social entrepreneur. Chatchanan also added that every entrepreneur, both the social and private alike, should adhere to the concept of sufficiency economy as Chatchanan Masawangpairoj (2013: Interview) stated:

If you asked me, is it necessary for other entrepreneurs to practice the concept of sufficiency economy philosophy, I say that every business should apply this concept to the management as it makes business more sustainable. Why do I introduce this philosophy into my business? It is because the King teaches us to be self-restraint, to have self-awareness, to be economical, and to stop any unnecessary leakage. Just these four points are enough.

As for the changes in the organizational level, Chatchanan stated that the Garbage Savings Bank has achieved all the eight objectives. Most importantly, the social enterprise became more sustainable and continuously growing. Chatchanan Masawangpairoj (2013: Interview) further explained:

The concept of sufficiency economy philosophy makes the business more sustainable, as it builds up the immunity for the business. Additionally, by integrating the concepts of sufficiency economy philosophy with social enterprise management, you become more

moderate in your thinking and actions, it also prevents unnecessary leakage. The concept also engages in employee development, which also enhances the development of the organization such as in the customer services and the product development. Our organization is not as big, and you can notice that during any crisis, most social enterprises does not get much impact. It is because we use this concept to manage our risks properly. And this also benefits all the related parties.

Chatchanan also pointed the other advantages regarding the management perspective; (1) the concept of sufficiency economy philosophy has helped the business to be more moderate; (2) assist in better product development; (3) reduce the risk from the management. This was possible, since the business only operates at minimal cost, instead, it used the network cooperation to attain other resources; (4) promote the collaboration and the collaboration between the network members; (5) increases in the flexibility; (6) helps to engage in more economical actions; (7) promotes the organizational creativity and innovation; and (8) promote a better organizational learning.

However, regarding the organizational success. The Garbage Savings Bank became the prototype of a successful social enterprise. This response in the positive image and the reputation among other networks. As a result, in response to the good image, many new members are constantly joining the bank. As Chatchanan Masawangpairoj (2013: Interview) explained:

The real benefit is our reputation and positive image. People have looked at me as an individual who has tirelessly worked for society, not like other business people. With respect to the image, I get more clients, and my business keeps growing. Previously, we would receive about 500-600 tons per collection. Now we get as much as 1 ton. With the greater volume of garbage, the bank gets more income. The garbage conversion center is also doing well. It receives more income bits by bits, and we have developed more products varieties. I also

have the chances to share my knowledge, as I was always invited to be a guest speaker from time to time. I talked about how we established the garbage bank and taught them how to transform garbage into the product.

With the popular image, people in the community and members of other networks had recognized and willing to cooperate with the garbage bank.

As for the changes on the network level, Chatchanan has claimed that the Garbage Savings Bank had created a new dimension for a social enterprise. She is confident that her enterprise could promote the positive attitudes towards the protection of the environment by establishing the community disciplines to pick up garbage. Additionally, by picking up garbage, and store at the bank could create a secondary source of income for the community members.

The success of the cooperation on the network level responded in the continuous growth of the members. Though her method, the members had learned to help their community by managing the garbage. Moreover, the network and the community are well aware of the values of the garbage. They are also becoming more familiar with the concept of sufficiency economy philosophy. This has engaged them to share knowledge and their resources. Overall, by following the concepts of sufficiency economy philosophy and social enterprise (1) the members were willing to cooperate; (2) they are willing to initiate new creativity and social innovations; (3) new knowledge and practices are distributed throughout the community and the networks; (4) many members gain substantial income from the garbage and from converting waste into practical products; (5) many people became more sustainable; (6) members has learnt the concept of sacrifice, self-reliance, and interdependence; (7) the community became more immune to changes in the environment; (8) the changes in positive attitudes, perceptions, behavior, and discipline; and (9) the community members appreciated their surrounding and community more than ever before. As Chatchanan Masawangpairoj (2013: Interview) stated:

The society gains many benefits. People get to share more...If everyone makes their living, everyone can live in a more sustainable way. Should there be another financial crisis like Tom Yam Kung or the second round of the U.S.A. economic crisis, I am not afraid, and Thailand will live...I am so proud to see the good behavior from the waste separation. The garbage amount was reduced. We have met our first objective. If we can create more awareness and engage in better discipline, people will have more disciplines in their lives. This sort of discipline can be applied to anything, whether it is being disciplined with time, discipline in daily life, discipline in their finance, family discipline, etc. I mean disciplines in every aspect of life. It's a big thing. You need to thank yourself. You have the discipline of separating the waste; it has become your new behavior. All I did was initiating the idea; I really do hope that the people have more discipline.

The cleaner surrounding of Din Daeng community was soon realized by the other communities and networks. This includes the public and the private sectors, the non-profit organization, the educational institutes, etc. They have visited and learned from the Garbage Savings Bank through various activities. It could be mentioned that the integration of both concepts has extended to other networks, making the concept of sufficiency economy philosophy and social enterprise more recognizable and praised by the wider network.

5.3 Case Study: ThaiCraft Fair Trade

5.3.1 Activities during the Pre-Integration Phase

Stephen Salmon came to Thailand in the year 1970 as a volunteering English teacher. After he married a Thai lady; he decided to move back to England. Five years later, from realizing the problems around the Thai border; he consulted his wife and came back to Thailand as a volunteer to help the refugees from Cambodia. Since then

he became more familiar with the hill tribes people and formed a close relationship with the refugee groups in Nan province.

Stephen and his wife tried their very best to find a solution to make these refugees be able to rely on themselves. They had taught the refugees to develop the deforested area into a cultivation space to grow vegetables for daily consumption, as well as promoting an alternative to creating income from selling their products. This would also prevent the loss of local knowledge and traditions. Stephen believed that the local products were valuable and worth selling, but all they needed was the right business strategy.

The problem was, in the past, the community had a tiny idea of running the business, or lacked the selling channels. However, from time to time, they received supports from the third sector which could not solve their problems in a sustainable way. Based on this reason, Stephen had set up a household unit consisted of his wife to be a business center for the community. He became the coordinator of the group, by helping to coordinate the selling of local goods through the fair trade practices. He also shared the business skills and product development knowledge to the community. It could be understood that the sources of income were coming from two parts. The first part was for the community, and the second part was reserved for Stephen's family. The fundamental concept that Stephen had introduced to the community was the concept of fair trade.

After Stephen had set up the business unit and gathered more business partners into the network, there were still problems regarding the budget and the lack of resources. At this period, he asked supports from the other non-profit organizations, NGO and NPO, both domestic and international, such as Oxfam and Ten Thousand Village. The network also consists of importers from various countries. His approach to business has tremendously made his network becoming more sustainable.

His successes with the local producers created the fame for his good deed. It was then that his business was recognized as a social enterprise. In 1990, many networks such as the International Church in Thailand, and other volunteer network had shown a keen interest in Stephen's social enterprise approach, and wanted to supports to his enterprise. Consequently, he had received the support from the Chulalongkorn University's professors. They believed that his business could be

marketed in Bangkok, since then, he officially had established his business under the brand ThaiCraft Fair Trade in the year 1992.

In conclusion, most activities during this period involved providing the assistance for the local producers. However, during this phase, it cannot be concluded that the ThaiCraft Fair Trade was officially a social enterprise, or had applied the concept of sufficiency economy philosophy. Nonetheless, based on the analysis of his activities, it can be said that Stephen's concept of fair trade, his attitudes, and management approach was similar to a social enterprise that contained many functions of the concept of sufficiency economy philosophy.

The major problem prevented him from realizing his organization as a social enterprise was the lack of a concept and a definition of social enterprise during the time. Regarding the applications of the concept of sufficiency economy. Stephen admitted that he had heard of His Majesty's sufficiency economy philosophy, but he did not know much about it at the time.

To conclude, there was no integration during this phase. However, After Stephen had reconsidered the integration; he soon realized that the integration took place without him realizing it. Thus, the researcher has assumed that the case study had already been integrated from the beginning, but Stephen was not aware of the process.

By analyzing Stephen's characteristics and his management pattern, his approach was highly related to those of a social enterprise and the sufficiency economy. This corresponds to his belief that the growth and the survival of his business would largely depend on having a good cooperation with the others. This belief was in accordance to the concept of sufficiency economy philosophy that focused on the notion of interdependency, knowledge sharing, having high morality, and promoting immunity. Hence, by engaging in cooperation and interdependency, it can be seen as part of the integrating process of sufficiency economy philosophy and social enterprise.

Moreover, Stephen realized that ThaiCraft Fair Trade's success would depend on the need for various resources. He knew that everyone had different resources, competency, and skills. One way to achieve this cooperation was to support and encourage everyone in the network to help one another. For example, Stephen may

have the experience of solving social issues and have a clear understanding of business; but he did not have the ability or the skills to manufacture local products. While the local people can skillfully produce the products but lacking the business approach. This is seen as the “interdependence” between the local producers and Stephen. This concept is exemplary in the concept of sufficiency economy. Notably, this interdependence relation is driven by the motivation to earn profit which is essential to the group’s survival, and it helps the members to work together.

Despite there is the need of income for everyone, but is not necessarily the most important factor for Stephen. As he sees that without morality, this form of cooperation would have not happened.

5.3.2 Activities during the Integration Phase

Stephen’s management approach contains much of the characteristic of social enterprise, particularly his organization goals were composed of both the social and business objectives. Regarding the application of the concept of sufficiency economy philosophy, Stephen did not realize that he had introduced the philosophy into his organization. However, he has learned that most of the fundamental components of the concept were found in his management approach. As a result, the integration process was unintentionally applied to his management. This made him realized that ThaiCraft Fair Trade’s objectives were on the same par as it appeared in the concepts of social enterprise and sufficiency economy philosophy.

Once he realized that his enterprise was a social enterprise which had been integrated with the sufficiency economy, the organizational development became more apparent. Nevertheless, Stephen agreed that ThaiCraft Fair Trade’s concept had high similarities with sufficiency economy philosophy.

In conclusion, the integration of social enterprise and sufficiency economy in ThaiCraft Fair Trade did not have any official process, without a definite pattern, and happened automatically.

5.3.3 Activities during the Expansion Phase

After Stephen and Mark have realized that ThaiCraft Fair Trade was a social enterprise that has been integrated with the sufficiency economy philosophy, they

began to publicize their integrated business to the general public. This led to the expansion of the integrated model to other entrepreneurs in their networks and communities. This has created a new awareness, particularly for the applications of the sufficiency economy philosophy in other sectors. For example, a soap producer within the ThaiCraft Fair Trade network has eventually developed into small-scale social enterprise; or a traditional hand woven fabric manufacturer has followed Stephen's ideas to launch their social enterprise that has also applied the sufficiency economy philosophy in their community to create employment, income, as well as preserving the local wisdom.

5.3.4 Changes after the Integration

Stephen explained that the utilization of the sufficiency economy philosophy in his social enterprise had actually changed his life to becoming more balanced. Additionally, it created the sense of stability over his career. The journey for the past twenty years was not as easy for the social entrepreneur like Stephen, who had a tremendous determination to dedicate himself to the social work. There are many times he has felt from the discouragement. But by following the concept of sufficient economy philosophy has helped him to become by being more conscious and rational in his thinking and actions. Stephen has suggested the following changes on the individual as: (1) becoming more conscious would result in lower risks; (2) being self-restraint has helped to control his excessive desire which has happened from time to time; (3) he has becoming much more creative and innovative; (4) he has managed to control his operating expenditures by being economical; (5) he has more friends from his network; (6) he felt more contained and lead a happy life; and (7) he seemed much more determined to help solving the social problems.

The changes in the organizational level are as follows: (1) his business became much more sustainable; (2) his enterprise has continuously grown; (3) his networks continues to expand; (4) the organization has becoming more adaptable and is much more flexible; (5) the enterprise has managed to utilize the resources creatively and productively; (6) his enterprise could mitigate risks much better than ever before; (7) his organization continues to expand more product lines being offered to the

customers; (8) better engagement in creating the social innovations; and (9) ThaiCraft Fair Trade was able to accomplish both the social and business objectives.

The changes on the network level consists of: (1) the relationship between the local producers and Stephen's social enterprise became more dynamic; (2) everyone had generated income to sustain their families; (3) not only the local producers are employed, but their employees also have stable careers while staying in their home communities; (4) the life of most local producers became more stable than ever before; (5) the networks have learnt the benefits of the concept of interdependence; (6) the organizations in the network can manage their resources much more effectively; (7) the networks have focus on the continuous learning between themselves; (8) local knowledge, information, and expertise were shared throughout the network; (9) the local entrepreneurs managed to develop their products that suited the need of the end users; (10) the network members has placed a greater importance on self-awareness, self-restraint, and knowing their limitations; (11) the networks of local entrepreneurs became more immune to the changing environment and from the external pressures; (12) the local entrepreneurs felt more confident to becoming competitive, and willing to face the free market, as Mark Salmon (2014: Interview) suggested:

I can see a lot of changes. I think that new product is the result of the development and the adaptation to the market need. It's very evident. I can notice the goods are more colorful and look much better. Some groups were with us a long time ago; there were just a few people working in the company. Now they have expanded, some even have as much as twenty people working, just like a small factory.

Stephen Salmon (2014: Interview) also shared his thought on the successes:

I believe that many partners have changed; they are more confident and can confront the outside world. Enormous changes in their understanding of the business and much better response to the market. They have learned by being more sustainable.

In conclusion, the success has initiated a new concept of the community development. This was possible by the integration of the concepts of social enterprise and sufficiency economy philosophy. These changes are considered as major successes in each level. This has resulted in the expansion of the integrated model in other communities. But most importantly, Stephen's success has extended to other business operators and has created the positive influences in many communities.

5.4 Case Study: Mechai Pattana School

5.4.1 Activities during the Pre-Integration Phase

Before Mechai had assumed the roles in developing the Lam Plai Mat community, he had accumulated some experiences from administrating many social enterprise projects as well as adopting the concept of sufficiency economy philosophy to those projects. Many of his successful projects were recognized in the family planning program, as well as the campaign to encourage the use of condoms throughout the period of 1967-1974.

Mr. Mechai had learned from his experience that most of the social problems always have the same root, which is the lack of proper human development. Particularly, the lack of a good educational system that should be accessible to anyone. He thoroughly realized that the sustainable social development for Thailand would mostly depend on the newer generations of the Thai citizens. It was during this time that he has discovered the Lam Plai Mat community. After several observations and talked with the local authorities and the local people, he knew that Lam Plai Mat was suitable for his development of a new project.

In the beginning, he had established The Mechai Foundation at Lam Plai Mat Community in 2007. The Foundation assisted the community members to find occupations with a steady income, as the means to pay off their debts. However, Mr. Mechai realized that by helping the community was usually done with the adult. After the contemplations, he has concerned for the future of the community, in particular for the newer generation. Therefore, he decided to develop a school that would eventually shape into the community learning center. The primary objective was to create the new generation of young social entrepreneurs to contribute themselves for

the better of the community and to assist the sustainable growth for the overall community.

5.4.2 Activities during the Integration Phase

The integration of the social enterprise and sufficiency economy in the form of the Mechai Pattana School was a product of a careful study and analysis. This whole process started with the feasibility study of the environment, with a particular interest in the suitability of the physical conditions, current problems, and the community attitudes toward the development of the school. Mechai had particularly formed a close bond with several local authorities such as the Sub-District Administrative Organization and the head of the villages at Lam Plai Mat. After several discussions and a public hearing, they all agreed on Mechai's terms and proposal to create a school that would be the center of the community development. After the agreement, Mechai had designed the school objectives by separating into two main objectives as follow: (1) to develop the school for the development of the newer generations of social entrepreneurs; and (2) to establish the school as the learning center for the local community members. The school becomes the knowledge hub that would provide practical knowledge to create new careers, offers new opportunities, generate income, and engage in sustainable development.

Mechai has stressed that both objectives must incorporate the concept of sufficiency economy philosophy as the conceptual framework to design the school to becoming a social enterprise. Moreover, all the management practices must be formulated based on the sufficiency economy philosophy, which in turn, will be integrated into the social entrepreneurship approach.

The logic behind the applications of sufficiency economy philosophy was to teach the newer generation and the adults to learn the ideas of self-sufficiency, self-reliance, self-restraint, interdependency, and how to lead a happier life toward the true sustainability. Moreover, the integration of the concept of social entrepreneurship is to teach his students and the community members to learn to devote and sacrifice themselves for the better community. This was driven by introducing the motivation factor such as income generation, and career advancement for oneself and their community.

However, during the development of the school, it represents a challenge since Mechai had limited budget and resources. This has left him with no other choices, but to set up part of his earning from his restaurants and hotels as part of the school development fund.

Regarding other activities occurred at the school. The recruitment of students was selected from the unfortunate children in the community. These children should have a public mind with the intention to study at the school. As for the teachers, they also received the monthly salary, the same rate as in other schools.

The teaching materials and the learning activities at the school follows the national curriculum but were also adapted to the concept of sufficiency economy philosophy in a social enterprise approach. Specifically, the heart of all the learning activities has adopted the elements of the sufficiency economy philosophy into the real life practices. All the activities must be able to generate income while promoting the well-being of the society and the environment. As such, many of the school operating cost were taken care by the school and its students. Moreover, by following the concept of agro-sufficiency practice, the students and the staffs would have enough food for their daily consumption, as well as being processed for sale later on.

With the success of the integration in the school, Mechai has extended the activities by linking with local organizations to promote regular visits for the parents to learn and absorb the practice discovered in the school for their household practices. This process is the attempt to disseminate the concept of sufficiency economy philosophy and the practice of social enterprises to the wider community members.

Regarding the integration of the two concepts, it has revealed that the designing of the school's objectives and the management of the school and its network were based on both concepts from the very beginning. Mechai claims that the need to develop a newer generation of social entrepreneurs is critical to the building of a stronger community. These young social entrepreneurs would soon grow to become more productive adults that can provide the teaching for the local community to be able to stand on their own feet. This is possible by the teaching of the practical business model that is simple and can be easily motivated. Moreover, the goal was to teach the community, local entrepreneurs, to have the immunity from creating their innovations that are both able to generating additional income, and promotes a better

life. Hence, these objectives and approaches to solving the social problems are actually based on the integration of the concepts of social enterprises and sufficiency economy philosophy, as Janprapa Gard-Osod (2014: Interview) has specified, “a social enterprise should utilize the concept of sufficiency economy philosophy”.

Mechai honestly believed that the concept of sufficiency economy philosophy can help develop the community sustainability. He sees that the integration of sufficiency economy philosophy and social enterprise would be a preferred approach to raising the public consciousness and to open up for the social collaboration. This social interaction is inevitably operated by the concept of self-reliance and interdependence which are the fundamental to both the concepts. This co-existence would help the development of a community to become more sustainable. However, Mechai is well aware that the implementation of the sufficiency economy philosophy to yield the maximum benefit does require an appropriate mechanism to make it into actual practice. He realized that the drawback of the implementation of the sufficiency economy philosophy in the community was the condition to accept the concept of being self-sufficient. Therefore, it was his goal to create the school as the means to develop the community. As Somkid Attaboot and Tongjue Boonklueb (2014: Interview) explained, “As for the social enterprise and the sufficiency economy philosophy, the social enterprise aims to improve the society by promoting the idea of self-reliance, and not to depend on others for too much”.

To accomplish these objectives, it is especially challenging to alter the elderly's mindset and attitudes to learning how to satisfy in with what they already have. Mechai has foreseen these issues and decided to develop the newer generations instead. He was keen to teach the newer generation to share and be able to generate their incomes as well as sharing their earnings with the community. As a result, it was important to nurture the students' attitude and perspective from the very beginning. This approach is focusing on the emotional and the state of mind development to ensure that the students would absorb the concept of sufficiency economy philosophy; as well as training to become the social entrepreneurs that have the passion to share and to help the others. The students were encouraged to apply theories they have learned in their class on the actual applications in the school activities. As they progress, they will be introduced to newer management concepts such as the basics of

business management, followed by the introduction to becoming the social entrepreneurs. This form of teaching approach is critical for the integration since the students were required to understand fully the similarities and the differences between the concepts of sufficiency economy philosophy and social entrepreneurship. Once the students became more confidence in the practice of both concepts to the point that they could generate income for themselves and create opportunities for the others; they will be well prepared to become the future social entrepreneurs. As Janprapa Gard-Osod (2014: Interview) explained regarding the teaching at the school as follows:

The sufficiency economy philosophy is based on the level of individual's satisfaction toward a particular thing. It is about one being endured from having too much excess. We teach our students about this. We tell them to endure for the others who are with greater needs. To think what we have done for the others made us satisfied with our life. You see, the connection is here! Because by keep doing good things for others, it needs one to become self-sufficient. The sufficiency is therefore related to the idea of sharing and having enough. Thus, the concepts of social enterprise and sufficiency economy philosophy will continue to exist side by side.

The statement delivered by Junprapha was a reflection of the regular teaching that has occurred at the school. Therefore, this form of instruction is extremely crucial for the integration of both concepts to create a new breed of social entrepreneurs. Nonetheless, the greatest challenge of all is how to make these teaching produce the tangible results. Mechai School was well aware of this. Otherwise, the teaching would be useless. That is why Mechai has always placed the emphasis on the learning from actual usages that happened throughout the school activities. Phongsakon Charotram (2014: Interview) stated on his teaching of sufficiency economy:

I have taught them to realize that the sufficiency economy is not only related to agriculture. I taught them to be economical in all aspects of life, for example, how they could produce a pig pit without spending too much, but as efficient. We have to be able to tell them that we can replace with the cheaper materials.

Mechai stated that even though, the applications of the concepts of sufficiency economy and social enterprise in actual practice is critical. However, he realized that to convince his students and the others to practice regularly in both concepts, this requires the mechanism of motivation. To be motivated and to be satisfied is closely linked. He sees that most people, even his young students wish to gain income, to have a better career, or simply have a better life. Once they are rewarded for their success, they will be more motivated to practice the concept at a higher level. Most importantly, the motivation is considered a crucial factor in developing the social entrepreneurs, leading to the students' desire to further their studies. More important, once the locals and the parents noticed their children's progress, they would eventually adopt to practice in their home.

5.4.3 Activities during the Expansion Phase

It is believed that the success of the integration would be more completed if the Mechai's model has been received by other communities. Mechai had given his priority to develop the perfect model for disseminating to community members and other communities.

The school's successes have been well received by the parents and other communities' members. Where many others wish to learn the Mechai techniques to improve their quality of life. But this does not extend to only the community people, but his model has been widely adopted by other local institutions such as the prison, police station, hospital and temple. The accomplishments were well received that the local and mass media have caught on the school successes and made several cover stories. This encourages the other networks and communities, as well as academic to travel to the community and study on his approach. As they have learned from his approach and disciplines, they realized that the successes initiated by the concepts of

sufficiency economy philosophy and social entrepreneurship. Last but not least, Mechai Pattana School has gained the reputation as a social enterprise model that has contributed to the sustainable development of the local communities.

Once the public has caught on his success, Mechai has formed a public relation strategy that aimed to educate the concept of sufficiency economy philosophy and social entrepreneurship. He realized that in order to expand the concepts, it was necessary to form a proper communication strategy to be able to convince those who are interested in understanding in his concept. He suggested that the most challenging hurdle to convince the local people was how to overcome their current knowledge and the existing perception of sufficiency economy philosophy. As Phongsakon Charotram (2014: Interview) has provided an example, “Sufficiency economy philosophy may seem complicated and full of technical terms that the locals would find it difficult to understand. They only wish to know an easy way to make a better living”.

Mechai’s objective was to make the local people easily understood in the concept. The secret to solving this obstacle was the role of his students and the use of his demonstration farms and gardens. He simply explained to the local people that the success came from their children. If they could do it, so can you. They just take a peek at the demonstration farms and gardens, and they will soon realize that they could do it. This strategy was simple, yet efficient and productive. The local people get to see the money making innovative vegetable techniques such as the off-season lemons and herbal gardening. These products could be sold at a high price, and they can use it for their daily consumption, and if they have the left over, they can be processed to sell or keep for later use. These ideas were a significant success. But behind the success, Mechai also told the locals that it was the adaptation of sufficiency economy philosophy. It was through this approach that has caught the locals’ attention and started to see the sufficiency economy in a new way. As Charoen Sukaviboon (2014: Interview) mentioned:

At first, the locals could not understand the sufficiency economy state by His Majesty the King, they thought it has to be done like a formula, but in the reality, it has to be done the Mechai’s way. Whoever entered

the school would not be bored because they will see the answer themselves.

With the aforementioned guidelines, the local community became more interested in the project and has adopted to use it in their daily life, as well as generating additional income for their family. It could be concluded that the pilot projects initiated by the school had ignited the new and creative ideas for the community to follow. Consequently, the concept was widely adopted, and the result was monumental. Tongla Kamjan (2014: Interview) a local who has followed Mechai's approach briefly explained on this:

He taught us to live a better life. No matter who you are, even you are a farmer without a land; you can always make a living. You just have to be more creative and live a simple life. Take a look at our fence; we could grow vegetables or even a small vegetable bed in front of our home; we could produce lots of plant for our consumption. If we have the excess, we could sell them too.

5.4.4 Changes after the Integration

The highest achievement for Mechai was his ability to apply the concept of sufficiency economy philosophy to develop the school and his students successfully. Moreover, he was able to extend the success to other communities and networks, who wish to use his concept to develop on their part. Mechai Veravaitaya (2014: Interview) expressed his success in as humble way as "Nothing is to be proud; I have never used this word. I have never thought of it as my pride. But I am proud to be able to accomplish so many things. I am happy that it did not fail".

As for the changes in the organizational and network level. The researcher has summarized as follows: (1) the school has grown rapidly with high stability; (2) the school became a well-known social enterprise in the field of education; (3) the school manage to successfully integrated the concepts of sufficiency economy philosophy with social enterprise; (4) the school managed to generate its own income to cover the operation expenditures and related costs; (5) the staffs and teachers at the school felt

confident in their careers and willing to dedicate their life to the school, as Janprapa Gard-Osod (2014: Interview) stated:

Even the salary could not be compared to the private sector, but our goal is to help the society. So we use the concept of sufficiency to maintain our career. Anyhow, the majority of the workers here are happy to do their social work.

; (6) the school managed to form the partners and alliances from various sectors; (7) the school has produced high-quality social entrepreneurs, which already have disseminated the knowledge to their parents and other community members, as Mechai Veravaitaya (2014: Interview) stated:

The students have high hope for their life; they have plenty of energy and enthusiasm. When their parents visit the school, they saw things that they have never seen it before. They saw their children growing vegetables and earning lots of income. The students also showed their parents to do the same at home, and the community development starts from there.

; (8) the students have fully adopted the concept of sufficiency economy and practice in the social entrepreneur fashion. They became more creative, innovative, self-dependence, self-sufficient, willing to live with other according to the idea of interdependence, they concern for the sustainability of the community and the environment, and they became a much better business people than their parents; (9) the social innovations created at the school and its students have produced tangible results that can be transferred to the local communities, As Charoen Sukaviboon (2014: Interview) mentioned:

The social innovations initiated by the school became a major success, now the knowledge and practices are transferred to our people. Now we follow the young students; they seem to know more than us. It is

strange, but at least, we see the tangible results coming from the school!

; and (9) most students who just recently graduated decided to become the local social entrepreneurs and wish to stay and develop their community. They did not want to move to large cities, as they believe they would find a better life right here in their community.

As for the changes on the network level, it could be observed from the following changes: (1) the changes of the community member's lifestyle, particularly the positive attitude and perception toward their life outlook; (2) many locals were employed, or self-employed; (3) the increase in the financial discipline. Many locals who were in debt have managed to pay off, and have more savings; (4) many households who were already employed have gained the additional source of income from the supplementary occupations. By learning from the school and the newer generations of the social entrepreneurs, they could generate an additional income such as cricket farming, and off-season lemons. As being told by Jamlong Pulako (2014: Interview):

Before using this approach, we were just regular farmers growing rice and fruits, we had very little knowledge, we let nature dictate our success. But when the school shows us the pilot projects, we see hopes. Now the approaches have spread to the community, and now, even the nearby communities and villages are doing the same thing.

; (5) many households took the economical approach to their daily life, specifically from the self-grown vegetables and herbs that can be used for gaining income, as well as for the household consumption. This helps the families to reduce household expenditure and reducing unnecessary costs; (6) better utilization of land area by growing variety of rice, vegetables, fruits, herbs, raise chickens and fishes. By using this approach has reduced their risks from seasonal, environmental, and the market pressures. This non-concentrated farming approach has increased the immunity for the locals from the external changes, so they would be able to maintain their life in

difficult times; (7) the locals appreciated the concept of doing the good deed that promotes their better quality of life; (8) the locals have learnt the benefits of their democratic actions; (9) many local institutions have adopted the Mechai model, as Mechai Veravaitaya (2014: Interview) mentioned:

The district hospital has a cement floor but surrounded by the vegetables. Our volunteers also provide advice and guidelines to the patients who travel to the hospital. We also organize a community's elderly group, even the prisons to adopt our social enterprise approach. Even the police station follows us. Anyone can do this.

; (10) the success stories have spread through the word-of-mouth and have extended by the local and the mass media, particularly by the internet. This has encouraged the other networks and other communities and villages to come and visit the school. As a result, many have realized the potential of the concepts of sufficiency economy philosophy and social entrepreneurship. As Charoen Sukaviboon (2014: Interview) explained:

Lots of people have visited the school...the words have spread widely and at a rapid rate. Now it is similar to bamboos that are spread in every direction. People came to see our projects, just by knowing that it could generate income. Many people were the tourists, which is great because it has automatically generated the additional income for the community.

; (11) the locals have learned how to initiate innovations from their existing resources; (12) the local people have less dependency on the public sector, and the charitable organizations. They have instead learned the concept of interdependence and self-dependence; (13) the community has created the job specialization for each member, this has strengthened each local entrepreneurs and formed a better teamwork. As a result, it has developed a productive ecology in a form of creative economy on the local level; (14) the locals have learned to share information and news; and (15)

community members have finally realized the benefits of the sufficiency economy philosophy and practice the concept regularly. As Charoen Sukaviboon (2014: Interview) stated:

The concept of sufficiency has been practiced for a long time. I am still using it, and I can even use it to sell my products. I earned my income even though it may not be a proper business. Mechai told us that we have to unite; it is a form of collaboration, a joint-investment on the similar goal. Mechai told us that if we work together, eat the same type of foods; pretty soon, we will learn to love each other. If we love each other, then we can have faith in one another. Then the community would become stronger. In another word, sufficiency starts from working together toward the same goals. The social business means that if we work together, we will survive together.

5.5 The Summary of the Integration Process

The analysis of the integration process of social enterprise and sufficiency economy is to study the nature of activities that occurred during the integration of each case study. It is the goal of the researcher to investigate the integration process and to compare between each case study in order to seek the similar patterns across all the case studies. The results of the analysis are shown in the Table 5.1

Table 5.1 The Summary of the Integration Process

Case Study	The Summary of the Integration Process
Uncle Krai's Orchard	<ul style="list-style-type: none"> • The case study has successfully integrated the concepts of social enterprise and sufficiency economy philosophy. • The integration process did not occur in any specific procedures. Instead, the integration was developed through the practices of sufficiency economy philosophy in daily life and workplace. These practices lead to the practice of social entrepreneurship, and the social enterprise was fully developed with the social and environmental missions. • The integration happened without any particular intention but occurred automatically.
Garbage Savings Bank	<ul style="list-style-type: none"> • The case study has successfully integrated the concepts of social enterprise and sufficiency economy philosophy. • The integration process occurred with definite steps and procedures. The integration started from the individual level and followed by organizational and network levels. • The integration was developed through systematic planning
ThaiCraft Fair Trade	<ul style="list-style-type: none"> • The case study has successfully integrated the concepts of social enterprise and sufficiency economy philosophy.

Table 5.1 (Continued)

Case Study	The Summary of the Integration Process
ThaiCraft Fair Trade	<ul style="list-style-type: none"> • The integration process did not occur in any specific procedures. But it started to develop after the individual felt saturated in life, and wish to devote to the social works. This led to the formation of a social enterprise, where the individual took the role of a social entrepreneur. Until later, the social entrepreneur has realized that he has adopted the concept of sufficiency economy philosophy from the beginning without being noticed. • The integration happened without any particular intention but occurred automatically.
Mechai Pattana School	<ul style="list-style-type: none"> • The case study has successfully integrated the concepts of social enterprise and sufficiency economy philosophy. • The integration process occurred with definite steps and procedures. The integration started from the individual level and followed by organizational and network levels. • The integration was developed through systematic planning

From the results, the researcher has found the following three integration patterns:

1) Pattern 1: The individual and his organization have implemented the sufficiency economy philosophy prior the unintentional development of a social enterprise. This is considered as a non-systematic integration process.

2) Pattern 2: The social entrepreneur is fully active in his social enterprise, but unaware of the adoption of the sufficiency economy philosophy.

Hence, the concept of sufficiency economy philosophy had unexpectedly put into practice. This is considered as a non-systematic integration process.

3) Pattern 3: The social entrepreneur has thoroughly studied the concepts of sufficiency economy philosophy and social enterprise before integrating both of the concepts systematically.

The above integration patterns would respond differently due to the differences in the contexts, experiences, learning curves, and the environmental conditions.

It could be explained that the causes of the three integration patterns were responsible for the following factors:

- 1) The lack of the understanding of the concepts of sufficiency economy philosophy and social enterprise from the beginning.
- 2) The concept of sufficiency economy philosophy is highly abstracted and could be interpreted in many ways. Without proper explanations, definitions, benefits, enough practices and examples would make the learning of the concept difficult for many people. Moreover, most people in the society perceive the sufficiency economy as a philosophy, rather than a practical concept that can be applied to the actual situations.
- 3) The definition and meaning of social enterprise are relatively new and ambiguous for most people.
- 4) Inadequate numbers of the projects based on the sufficiency economy philosophy, and there are few existing social enterprises in Thailand.
- 5) By not fully understanding in either concept of the sufficiency economy philosophy and the social enterprise, it is impossible to describe the integration of the two concepts.
- 6) The sufficiency economy philosophy and the concept of social enterprise do share a high level of similarities. This makes it difficult to differentiate the differences between the two concepts.
- 7) The inability to prioritize which initial concept as the starting point of the integration.

Due to the differences in the patterns, it is impossible to select the most appropriate integration process. However, once analyzed the process in each of the

case studies in greater details, it could be understood that all of the patterns do share similarities. This provides an adequate platform to formulate a systematic integration process. The researcher decided to use the inductive reasoning method to conclude the most appropriate integration process for this study.

It is concluded that the systematic integration should initiate from the mindset of the individual who wish to become a social entrepreneur. The initial mindset should be developed by the concept of sufficiency economy philosophy on the individual level, then expand to the development of a social enterprise on the organizational and network levels, then following the expansion phase.

The findings suggested the integration of social enterprise and sufficiency economy is developed from three phases. This consists of (1) the pre-integration phase; (2) the integration phase; (3) and the expansion phase which is explained as follows:

- 1) The pre-integration phase: the phase is usually initiated by the two pathways. The first is the encountering of an individual's difficulties in life and work. The second is when an individual felt saturated and attempted to seek a different meaning of life. The former tends to be of extreme cases, such as the loss of career, being unemployed or facing life crisis. This would eventually have made the individual becoming more saturated to the point of having enough and wish to seek something differently. The latter usually occurs with the individuals who already felt satisfied with their life, and wish to do some good deed for the others. In either case, the individual would confront the feeling of being saturated, or in another word is the sense of having enough. This usually initiates the individual to seek solutions to solve his/her problems, as well as finding solutions to the community/society. It could be seen that once the individual has felt being sufficient, or have learned the concept of sufficiency economy philosophy; it is considered that the person is in line with the concept of sufficiency economy philosophy. Regarding this progression, the individual may seek additional knowledge of sufficiency economy, as well as study other models to solve his/her and social problems. After the individual have learned the concept of sufficiency economy philosophy in greater details to the point of realizing the potential of the concept. Then the individual would be more motivated to learn and apply the concept to his/her daily life and workplaces. Since the concept

places the emphasis on the idea of collaboration, cooperation, interdependence, as well as self-reliance. The individual would eventually associate with more people. Hence, it could be said that the concept has shaped the individual to becoming more socially active. In other words, it is the starting point for the individual to develop into a social entrepreneur.

2) The integration phase: After the individual has engaged in the role of a social entrepreneur. This is followed by the proposition of the social and business objectives, as well as the designing of the organizational structure and management approach. This must be consistent with the concept of sufficiency economy philosophy and based on the social enterprise mechanism. Subsequently, the social enterprise should gather and built the network of community members, partners, and alliances. This should have the goal of collecting the resources, managing the network capabilities and competencies, meeting the same objectives, and build the group competitiveness. Furthermore, the success of the network building would largely depend on the agreeable group objectives, and the terms and conditions agreed by all involved parties. During this phase, it is critical for the social entrepreneur to explain the necessity to adopt and apply the concept of sufficiency economy philosophy in managing the cooperation. This should involve the benefits from using the concept for long-term cooperation. The benefits from the participation should consist of meeting the same objectives, creating the employment, building the occupations, generating the income, promoting the quality of life, maintaining the local wisdom and knowledge, and protecting the environment. These are considered as the core motivation factors that are necessary for the collaboration. If becoming successful, then the integrated model would be accepted and gain confidence by the network members.

3) The expansion phase: This phase occurs after there are enough successes on the existing networks of the social enterprise. Once the networks are satisfied with the collaboration, then it would initiate the positive stories and extended to the other networks, such as to other communities, the public and the private sectors, the academics, other institutions, or the general public. This expansion of the integrated model could be done in two approaches, (1) by organic approach, which is usually found by the use of word of mouth that is naturally spread the successful

stories to other networks, without the social enterprise intervention; and (2) by directly disseminate the successful stories via various activities such as arranging pilot projects in other communities or providing a seminar through a learning center. All of the above approaches are considered as the expansion of the concepts of social enterprise model and sufficiency economy philosophy to the outside networks.

To explain the overall processes in greater details. It is natural once an individual is confronted with a problem, or perceived a problem from the society; the individual would seek a solution to solve his own or social problems. This is regarded as the need to build the immunity for the survival of the individual or the society that he is concerned. For example, Uncle Krai was confronted with the crisis from growing too many vegetables more than the market demand, this has resulted in his business being expanded too rapidly and finally has affected his financial status. Such incident has made him realized that the actual problem was his greed for gaining as many customers as possible until he had to shut down his business.

After the individual has discovered the problems. The next stage is to seek a solution to solve the problems such as finding more information, searching for the causes, initiate the creative thinking, or trying on new experiments. As an example, Chatchanan went to find a new knowledge by attending a business training course; or Stephen, who has traveled to Thailand many times as the volunteer. Eventually, he realized that being a part-time volunteer would not be able to solve social problems sustainably, so he decided to travel to Thailand and stay indefinitely to find a permanent solution to solve the community problems.

The next stage is when the individual was introduced to the concept of sufficiency. This could be explained by two approaches (1) the individual was inspired by the concept of sufficiency economy philosophy through His Majesty the King's royal projects, as well as having a great faith and loyalty for the King; or (2) the individual may have felt saturated in life, and is eager to get involved in solving social problems. This second approach is exemplary in the cases of Stephen and Mechai, who were initially felt fulfilled and saturated from their daily life, and was inspired to do a good deed for the others.

However, these motivations may not be enough to fully motivate the individual. This is because, like ordinary people, the individual requires income to

maintain their daily life and for their survival. Despite the social goals, the individual would seek a good quality of life, expected financial growth, and stability. Therefore, by having the business goals is the crucial motivation to achieve the social objectives. This is the reason the concept of sufficiency economy philosophy never disregarded the need for financial growth and stability. Moreover, without gaining enough income to sustain the entrepreneur's life, this could prevent the successful implementation of the sufficiency economy. Also, if the individual has to endure hardship for solving social problems and without having enough income to sustain one's life, then the social accomplishment would be impossible. Therefore, the inspiration to be self-sufficient is required the pursuit of business goals as well.

Once the individual has realized that the sufficiency economy philosophy is particularly useful for meeting both the social and business objectives. This would motivate the individual to seek further knowledge regarding the concept. After the individual has fully understood the concept of sufficiency economy thoroughly, this should enable him to clearly realize the benefits of having high consciousness, use judgement based on rationality, being self-reliance, being self-sufficient, focus on interdependence, risk management, continuous learning, and focus on creating self-immunity, as well as leading a balanced life, particularly to balance the social and business goals. Once the individual is mentally prepared with these concepts, then he is ready to pursue both the social and business goals. This will lead to the actual practices in the reality. This should occur in regular daily practice, in the workplace, and by working with others. The practice of sufficiency economy philosophy should provide the fundamental basis to form a better collaboration and cooperation with the other people. This is because (1) when the individual becomes more economical, it will engage him to cooperate with others in order to acquire necessary resources; (2) when the individual has a high level of morality, he is considered generous, fair, trustable and is more likely to have more partners and alliances; and (3) when the individual has higher concerns for the others, he would promote better sharing of resources, information, skills, and knowledge. Once the partners have received the useful and beneficial resources, they will do the same for the individual. With this approach, the individual is more likely to collaborate with a wider network. This would result in the higher immunity, and ability to achieve the social and business

objectives, as well as reducing potential risks that could occur upon the individual actions.

It is clearly seen that by utilizing the approach of sufficiency economy philosophy, the individual would develop into the direction of becoming a social entrepreneur. Thus, once the individual has lived and operated by the conducts of the sufficiency economy philosophy while pursuing a business on the network level, it is observable that the connection between the two would eventually merge into the practice of social entrepreneurship. As a result, the outcome would be that the individual has shaped into a social entrepreneur, and his organization would be a social enterprise. This is usually the unintentional approach of the integration process. However, as in other cases, the individual could study both the concepts of social enterprise and sufficiency economy philosophy since the beginning. Thus, the integration would be systematic and intentional.

One particular connection between the two concepts is the sense of morality and the ethical codes of conduct. However, as mentioned earlier that being sufficient and having a high morality may not be enough to sustain the individual. Therefore, the social objectives and the business mechanism are critical for the integration. As a result, the business and social aspects cannot be separated. It can be said that the social enterprise would not be as effective if the individual does not accept the concept of sufficiency economy. And the sufficiency economy philosophy would only be a concept without the business mechanism. Thus, the integration between the two notions does make sense, as they two complement one another. The logic of the integration can be seen as the following stages:

- 1) The more the individual practices the principle of sufficiency economy philosophy, the higher the sense of morality and the greater support and interaction with his partners and alliances.

- 2) If his network also practices the principle of sufficiency economy philosophy, this will result in a better coordination with the individual.

- 3) If the network and the individual have pursued the same social and business goals, they are more motivated to cooperate and to make the goals much more achievable. This also response to a better social and business interaction

between each party. Hence, this sort of interaction can be seen as the practice of social entrepreneurship.

4) If the network or the social entrepreneur have reduced their sufficiency and morality. This will ultimately affect the collaboration and the balance between the social and business objectives. This will also reduce the efficiency and the productivity of the social enterprise and its network.

After the individual has developed into a social entrepreneur, the next level of the integration is the organizational and network level. This should begin with the setup of the organization to meet the social and business objectives.

The management structure must adopt the concepts of sufficiency economy philosophy to meet both the social and business objectives. The process involves the laying out of vision, objectives, designing organizational structure, administrative structure, and teamwork management. The personnel are required to understand the direction of the social enterprise fully and need to adhere to the concept of sufficiency economy philosophy. Therefore, it is the duty of the social entrepreneur to transfer the knowledge of sufficiency economy philosophy to the teamwork. This should involve the need to train the team members to realize the benefits of the integration. Furthermore, team members must be encouraged to see the value of learning to create innovation, and having the positive attitude from cooperating with others. The organization should also design the key performance indicators to measure the internal performance such as the implementation of the sufficiency economy, and the indicators to measure the business and social successes.

Once the administrative structure is clarified, the next procedure is to extend the organization network. This involves the design of the collaborative model, terms and conditions, as well as the mutual benefits. The networks should include any necessary members such as a community, the locals, the public and the private sectors, the non-governmental organization, educational institutions, the mass media, the non-profit organization and other social enterprises. The social enterprise should take the role of the initiator, organizer, and the center of the network. However, it is recommended that each member should rely on each other rather than depend on any particular network or member. Besides, the social enterprise must inform the networks the requirement and benefits of using the concept sufficiency economy

philosophy, as well as clearly explain the social and business objectives. This is also considered as the expansion of the integration concept.

Regarding the collaboration with the networks. The social enterprise should initiate (1) the joint planning and consultation; (2) learning and sharing information, skills, expertise between each other; (3) managing the networks' resources; (4) designing the role of each partner; (5) co-create innovations; (6) design the terms and conditions for the cooperation; and (7) create a group of committee to foresee the overall operation.

The ultimate goals of the collaboration on the network level are to create jointly social innovations, meeting the mutual benefits for both the social and business objectives, to solve the social problems, and to disseminate the concept of the integration. All of these goals should result in a better sustainability development. Therefore, the social innovations must be able to answer both the social and business objectives, and all parties should meet the same goals. These social innovations may be in the forms of a project, a service, merchandise; or any other activities that would engage in social and business progress, create income, raise immunity, promote sustainability, and environmental preservation. The benefits should primarily focus on those require greater needs, such as the unfortunate people, and communities that require necessary development. However, the social entrepreneur and its network should be able to maintain their organizations by meeting both the social and business goals. Hence, the long-term sustainable development will be more achievable.

Moreover, once the social innovations that were jointly produced to help the society become successful, the network members would recognize the benefits of using the concept of sufficiency economy philosophy through the social enterprise. In other words, the networks would be satisfied with integration, since it enabled them to accomplish their social and business objectives.

The success of the social enterprise and the related networks would eventually introduce the success stories that spread to the outside network and the general public. It is said that the public relation of the integrated model would also transfer the concepts of sufficiency economy philosophy and social entrepreneurship to the wider audiences and help to inspire many others to join the social cause. The success stories should be a simplify version of the integrated concept, with the emphasis on the

seeing results of the integration. This should also be accessible and easily absorb, fun, practical, and applicable in their daily life. Most of the entire hidden motivational message should focus on the benefits of using the model, such as the income generation, a better quality of life, and the ability to create social impact with significant results. The success stories should be able to convince others to learn the concepts of sufficiency economy philosophy and social entrepreneurship.

CHAPTER 6

CONCLUSIONS, DISCUSSIONS AND RECOMMENDATIONS

This chapter presents the research findings and reveals the issues preventing successful integration of social enterprise and sufficiency economy. The researcher also presents experts' perceptions and points of view regarding the integration of the two concepts. The main part of the chapter will focus on the research findings on the integration of the social enterprise and sufficiency economy, as well as presenting The Integrated Model of Social Enterprise and Sufficiency Economy. Toward the end of the chapter, the researcher also clarifies policy implications derived from the study and suggests guidelines for future research.

The objectives of the research were: (1) to study the contexts and integration processes of the social enterprise and the sufficiency economy; and (2) to develop The Integrated Model of Social Enterprise and Sufficiency Economy. The overall research based on the qualitative method utilized semi-structured, in-depth interviews and observations of case studies, all of which were fully analyzed in chapter 4 and 5. The findings of the contexts and processes will be employed to formulate the integrated model and to explain the relationship between the social enterprise and the sufficiency economy. This procedure will be analyzed using inductive reasoning method.

Before the study, the researcher proposed the research question: "How to develop The Integrated Model of Social Enterprise and Sufficiency Economy systematically?" The findings suggest that in order to integrate the two concept systematically it requires the following: (1) the contexts of the integration, including the environmental context, the social entrepreneurship context, the organizational and network context, and the expansion context; and (2) integration processes that can be divided into 3 phases—the pre-integration phase, the integration phase, and the expansion phase. These findings were the result of careful descriptive analysis and comparative studies, as previously explained in Chapter 4 and 5.

6.1 The Experts' Understanding on the Integration of Social Enterprise and Sufficiency Economy

The experts' perceptions on the integration of the social enterprise and sufficiency economy are a summary that seeks to explain the relationship between the two concepts and to understand the integration processes. The experts were carefully selected based on their outstanding reputation and academic work in the field of social enterprise and sufficiency economy.

Piyawat Boonlong

Doctor Piyawat Boonlong is the director of The Knowledge Network Institute of Thailand, a non-profit organization funded by the government. His primary interest is in gaining information and knowledge from various sectors to form strategies and competitive knowledge for new leaders, the private sector, and local communities.

Juthathip Pattarawart

Associate Professor Juthathip Pattarawart is the director of the union study, the economic department at Kasetsart University. Her expertise is in the area of union research, the social enterprise, and the sufficiency economy.

Sujinna Karnasoot

Assistant Professor Doctor Sujinna Karnasoot is an academic specializing in environmental science at Kasetsart University. Her specialization is in the area of social innovation via technological development. Her research is mainly focused on raising awareness of social and environmental development.

Weeranat Rojanaprapa

Doctor Weeranat Rojanaprapa is a well-known social entrepreneur based in Bangkok, Thailand. He is also the president of the Barn Arree Foundation. He has a keen interest in the study of socio-economic development by integrating Buddhist practices and sufficiency economy with social enterprise.

Martin Wheller

Martin Wheller is a prominent social leader residing in the countryside of Thailand. His main interest is in the area of the sufficiency economy. Martin is an Englishman, born in England and gained his 1st class honor degree from The University of London. However, he decided to move to Thailand in Khon Kaen province to be an ordinary farmer. As the years passed, he managed to become a social leader and also an instructor giving speeches on the applications of the sufficiency economy.

6.1.1 The Experts' Understanding of the Sufficiency Economy

The experts agreed that the sufficiency economy retains the “philosophical” characteristic particularly derived from the teaching of Buddhism, which has been practiced by Thai citizens throughout its history (Weeranat Rojanaprapa and Sujinna Karnasoot, 2013: Interview). The King of Thailand first introduced the knowledge of the Sufficiency Economy. Therefore, it is believed that the concept is conceptualized according to the Thai social contexts (Piyawat Boonlong, 2013: Interview). Contexts in this regard were founded in the historical upbringing of the Thai culture, the political system, Buddhist teachings, the way of the middle path, and the way of life in which people depend on each other. Additionally, the sufficiency economy has reflected the social well-being of the Thai nation throughout its history; as the locals tend to say “In the water we have fish, in the field we have rice!” This suggests the abundance of natural resources and the condition of not being too comfortable or not too harsh. It was due to this background that the concept of sufficiency was quickly realized (Weeranat Rojanaprapa and Wheller, 2013: Interview).

Even though the notion of the sufficiency economy brought under the Thai social structure, such knowledge was believed to be able to be applied to any other social contexts, as in other nations. This is because the concept is universal in its nature and is founded on the Buddhist teaching, which focuses on the idea of ethics, a sense of morality, and good governance for example. It is due to this fact that the sufficiency economy is often seen as a “conceptual framework” that can be applied to any context; however, such a framework may require a particular mechanism in order to utilize it effectively. Such applications of the sufficiency economy could be in the

area of union study or development of the knowledge of the social enterprise. In summary, the sufficiency economy is a philosophical concept which may require instruments such as the social enterprise to be the body or instrument for the concept to fully realize its potential (Weeranat Rojanaprapa, 2013: Interview).

Although the understanding of the concept is still unclear because it is fairly abstracted and would depend on each individual. As a result, the concept of the sufficiency economy may depend on the understanding of each person. Overall, the experts agreed that the concept has a universal appeal and can be integrated with any discipline and practice. Experts have also agreed that the concept of the sufficiency economy is well suited to the age of globalization where dynamic changes are occurring all the time. Therefore, the sufficiency economy is adaptable to any situations and has the capability to be applied to any instruments or organizations. Thus, the integration of the social enterprise and the sufficiency economy is very much conformed, rather than against each other. It is also clear that the objectives of both concepts can be found in the efforts to promote creative, sustainable development for the society and the environment (Piyawat Boonlong, Juthathip Pattarawart, Weeranat Rojanaprapa and Wheller, 2013: Interview). Interestingly, the majority of people have slowly realized the significance of the sufficiency economy due to continuous conflicts and damage to the socio-economic and environmental structure. It is said that the realization of knowing the value of the sufficiency economy occurred when there is crisis or difficulties in the society. (Piyawat Boonlong, Juthathip Pattarawart, Sujinna Karnasoot, Weeranat Rojanaprapa and Wheller, 2013: Interview)

Overall, the experts attempted to explain the concept of the sufficiency economy as follows:

- 1) The concept of the Sufficiency Economy is very much related to the psychological acceptance of one being self-sufficient. Thus, the integration process between the social enterprise and sufficiency economy should be initiated from a thorough understanding of the concept of being self-sufficient, which is related to one's perception, attitudes, and behavior, particularly in order to reduce greed and selfishness, be satisfied from having enough, reducing ego, and learning to have enough. If an individual can act according to these criteria, then he or she is prepared

to realize compassion and gain the true sense of morality and adhere to a code of ethics. This is considered as a prerequisite to gain social consciousness and help develop a sense of public interest rather than personal interest. As a result, the individual would have enough compassion to collaborate with others through this ethical conduct. It is also believed that if an individual is self-sufficient, and by having positive thoughts, he or she should be able to share and promote the social goals as appear in the social enterprise.

2) If a person can adopt the sufficiency economy and has a greater social concern, then it is believed that the concept of group survival is possible. Group survival can be reflected in activities such as resource sharing, co-managing of competencies, profit sharing, risk dispersion, and group growth. It is suggested that this should be done at slower paces, so all individuals would eventually gain their immunity by learning and sharing with each other. Also, the integration would be more successful if individuals realized the real potential in the utilization of the sufficiency economy in the social enterprise. Additionally, once people begin to realize the success, which can be in the form of a better well-being, life stability, gaining higher income and a greater chance for growth. This should motivate them to learn and collaborate at a higher level.

Based on the experts' understanding of the integration of social enterprise and sufficiency economy; it could be summarized that the sufficiency economy is suited for a social enterprise that seeks to achieve a balanced growth with high dynamism. Particularly, such a combination would be beneficial for building a concept that would promote sustainable development. The logic behind this explanation is because even though the sufficiency economy proof to be a useful concept and has much potential but by lacking proper mechanism would prevent the idea to reach its full potential. As a result, the combination of the two concepts is seen as a fruitful approach to engaging suitable sustainable development initiative.

6.1.2 The Experts' Understanding of Social Enterprise

The experts (Piyawat Boonlong, Juthathip Pattarawart, Sujinna Karnasoot, Weeranat Rojanaprapa and Wheller, 2013: Interview) shared similar thoughts on the concept of the social enterprise, even though the definition of the social enterprise has

never been clearly defined. However, according to the experts' perspectives, they perceive the social enterprise as a form of organization that has social objectives, particularly to promote social equality, equal opportunities, to maintain the historical heritage, culture, and traditions, and to promote the well-being of the environment by using the business method. They firmly believed that such social objectives are achievable if there is business objectives involved, such as commercial gain for everyone. This is considered as the "motivational" factor, responsible for group collaboration. Nevertheless, the goals are not merely based on the business perspective but also on the promotion of self-growth, self and group dependency, a co-working attitude and greater collaboration, for example.

Thus, the social enterprise is a form of mechanism that assists in the growth of community enterprises. This is similar to unions or other social businesses that intend to create careers while helping the society at the same time. However, what makes the social enterprise different from charities and other non-profit organizations is the goal to generate profit and promote self-dependency via social and business objectives. It also supports beneficial and social functions, such as resource sharing, drawing on the competencies and expertise of every member. The social enterprise also endorses a codes of ethics, where all members must respect the sense of morality. This is, in fact, beneficial as it helps to maintain the collaboration of all members and increase immunity, as well as group survival.

6.1.3 The Connections between Social Enterprise and Sufficiency Economy

The experts firmly believed that in order to integrate the concepts of the social enterprise and the sufficiency economy, it is crucial to realize some of the key similarities and differences between the two. The experts clearly expressed that the concept of the sufficiency economy is a philosophical concept consisting of principles and processes. Also, it is a conceptual framework that has its roots in Buddhism. On the other hand, the concept of the social enterprise is seen as an instrument or mechanism. Once combined, the social enterprise is embodied by the sufficiency economy (Piyawat Boonlong, Juthathip Pattarawart, Sujinna Karnasoot, Weeranat

Rojanaprapa and Wheller, 2013: Interview). As Weeranat Rojanaprapa (2013: Interview) explains, “Social enterprise is a form of instrument that brings out the concept of sufficiency economy”.

Piyawat Boonlong (2013: Interview) also share similar thoughts:

Social enterprise appears to be on the management level, whereas sufficiency economy founded on the philosophical level. However, sufficiency economy can also be applied to another form of organizations as well. If combined with social enterprise; it could be said that it develops a form of social enterprise that has sufficiency economy at its core. I believe both concepts are similar rather than being different. This is because if we apply sufficiency economy to another business approach, it may not turn out so smoothly. But if blended with social enterprise, I see it as a better combination.

It is clear that both concepts concentrate on the idea of group collaboration and networking. As Wheller (2013: Interview) suggested:

Sufficiency economy teaches one to be self-sufficient, but the most important aspect is the concept of belonging together, to work together, to depend on each other...I believe this is the critical importance of the notion of sufficiency economy...therefore, the concept has the socio-economic dimension to it.

Even though both concepts may be similar in one way or another. However, the sufficiency economy would be more productive once combined with the social enterprise and driven by motivational factors such as the desire for better income and stability, an area where social enterprise excels. This motivational factor is critical for integrating the two concepts since most people still require income as part of their daily life. However, income generation should not follow another business model that seeks maximum profit; on the contrary, both concepts encourage individuals to gain only enough income. The significant difference based on having enough income to

sustain and grow, as well as contribute to others rather than accumulate for personal benefits. Both concepts place great importance on such a perspective and insist that all individuals should adhere to codes of ethics and a sense of morality.

Therefore, the integration requires understanding the distinction between the two concepts as well as being aware of the benefits once both are integrated. The social entrepreneur should acknowledge all of this before venturing into forming a social enterprise (Wheller, 2013: Interview). Furthermore, the integration should be actively practiced to see the end results. Most importantly, the social enterprise objectives must be aligned with sufficiency economy goals as well (Sujinna Karnasoot, 2013: Interview).

Regarding the connections between both concepts and discussing them in greater detail, Sujinna Karnasoot (2013: Interview) agreed that the sufficiency economy places great emphasis on the idea of individual survival via being self-sufficient, gaining consciousness, raising one's awareness to reasoning which would promote immunity and balance. Once combined with social the enterprise, it could enhance social and business objectives altogether. In a nutshell, the sufficiency economy is also a concept that turns out to be a mechanism that operates on the individual's perception, and helps to maintain a sense of morality, as well as balancing both social and business objectives (Juthathip Pattarawart and Weeranat Rojanaprapa, 2013: Interview).

Another aspect that is closely related to the two concepts is the notion of group learning. Group learning is an essential part of the notion of the sufficiency economy, and this also appears in the teaching of the social enterprise. Both ideas promote the idea that people should learn from each other as a mean to endorse group immunity and competencies for growth.

6.1.4 Issues Preventing the Integration of Social Enterprise and Sufficiency Economy

The experts also shared their viewpoints on the recent development of Thailand as being slow in improving the quality of life, particularly in the local communities. They agreed that the sources of the issue were affected by the instability

of Thailand's economic system. Additionally, such an economic issue is closely tied to the attitudes and perceptions of the Thai citizens, which focuses on competition for stability and social status and where the indicator of a good life largely depends on the notion of having plenty of income. This monetary attitude continuously traps the Thai citizens under the capitalistic ideology, leading to competitions in materialism. Hence, the social structure is mainly judged by wealth, which creates the social class segregation and inequality. The subsequent issue is the attitude of a newer generation of Thai citizens that desire to be rich and require higher social status.

Another major problem that prevents stability and sustainability is where many Thai citizens believe that they are not capable of improving or learning. This attitude creates dependency on the government and is the primary cause leading to political corruption (Wheller, 2013: Interview). As a result, the government and its public sector have gained high authority and have prevented effective policies from developing Thailand sustainably (Piyawat Boonlong, 2013: Interview). This has also created a gap between the public sectors and the citizens and has reduced the chance for the citizens to understand clearly the government's initiatives. Moreover, due to this difference, the public sectors could not provide proper public policies that are the most appropriate for any particular community. This is because the government barely understood the local community's requirement and their contexts. As a result, most public policies tend to cover the whole nation without realizing particular local needs or their circumstances (Piyawat Boonlong, 2013: Interview).

All of the above are considered as public failure to solving the social issues in a sustainable way. In turn, this has created the third sector, such as charities and social welfare organizations, or even corporate social responsibility programs which have attempted to alleviate social issues on behalf of the government. However, their solutions are considered as not bringing about true sustainability; on the contrary, it creates citizens' dependency upon these organizations, or have only become instruments of the private sectors or power-seeking groups. The key to solving local issues sustainability should focus on assisting the local citizens in learning about the concept of self-dependency and helping them to cooperate with their local groups (Sujinna Karnasoot and Wheller, 2013: Interview).

All of the experts agreed that the solutions for true sustainability would depend on the effort to motivate local citizens to stand up for themselves and fix their social issues. However, to motivate local people to start such initiatives seems impossible without particular assistance. The experts believed that it is necessary to have organizations that have the capabilities to support regional development, particularly regarding community enterprise initiatives; that is, a type of organization that excels in this area is the social enterprise. Furthermore, if the social enterprise can combine the concept of the sufficiency economy, it would be even more beneficial since the local people could easily adopt the idea. The experts approved that both concepts sought a balance for social growth without neglecting the capitalistic ideology of creating income. It is also mentioned that the middle path between a socialist and capitalistic movement would be more appropriate as most people in a capitalist society are still driven by profit-seeking; however, if this were balanced by social goals it would eventually lead to sustainability.

The initiative to develop the social enterprise also faces many challenges due to the limited supply of resources. Despite the real intention of the social entrepreneurs, the lack of resources prevents any social goals from becoming a reality. However, the experts perceived that the most important resources for social entrepreneurs is intellectual support, such as knowledge and expertise in business disciplines.

The experts also mentioned that integrating the concepts of the social enterprise and the sufficiency economy will be a challenge since the social entrepreneur is required to understand the two concepts as well as know how to integrate them systematically.

The possible challenges for the integration are as follows: (1) the social entrepreneur does not fully understand the concept of the sufficiency economy; (2) the social entrepreneur does not know how to apply the concept of the sufficiency economy; (3) the social entrepreneur needs to overcome the general concept of sufficiency economy as understood by most people; (4) there is no flexibility concerning the sufficiency economy, and instead an attempt is made to strictly follow other formulae; (5) the sufficiency economy can be very subjective, and it depends on individual perception and his or her social context; and (6) the social entrepreneur

needs to overcome his or her need and desire by learning to have enough, which is a challenge for most people (Piyawat Boonlong, Juthathip Pattarawart, Sujinna Karnasoot, Weeranat Rojanapraba and Wheller, 2013: Interview).

The key challenge is the ability to change one's mind to have enough and to be self-sufficient; this is considered the prerequisite for becoming a social entrepreneur. Therefore, the key to integrating the social enterprise and the sufficiency economy would largely depend on the ability of the social entrepreneur to change his/her attitude, perception, and behaviors toward the concept of the sufficiency economy. Despite the challenge, neither the concepts of social the enterprise or the sufficiency economy should ever prevent the people from building a stable life or pursuing a business career. On the contrary, the social enterprise engages the social entrepreneur to become stable and to gain income as well.

In conclusion, the integration process is not being possible if the social entrepreneur cannot develop the right mindset toward the concept of sufficiency. Hence, the integration process will always be initiated by the entrepreneur's attitude, perception, and behavior toward self-sufficiency.

6.1.5 The Integration Process at the Level of the Social Entrepreneur (the Pre-Integration Phase)

The experts clearly suggested that the integration should be initiated from the level of the social entrepreneur, particularly the need to fully understand the concept of the sufficiency economy as well as to be willing to adapt one's attitude, perception, and behavior. As Sujinna Karnasoot (2013: Interview) stated:

The principle of social enterprise is knowing what is enough if an individual is greedy or expect to gain more from others he cannot become a social entrepreneur. Therefore, the individual needs to alter his attitude, perception or even behavior. He should reduce his ego and start learning to become more ethical regarding his further actions.

Despite the hurdles as mentioned, the social entrepreneur is required to overcome obstacles, particularly the mindset, dare to change and challenge, be able to

take potential risks, be courageous, and be self-sufficient and satisfied with what he or she has. The individual should question the following: (1) can I be self-sufficient?; (2) am I ready to sacrifice for others?; (3) can I change my behavior?; (4) can I balance both social and business goals altogether?; (5) do I have the capability to manage resources and networks to achieve objectives?; (6) have I clearly assessed the potential risk of pursuing social enterprise goals?; and (7) if I became successful, would I be able to maintain the balance between both business and social objectives in the long run? (Weeranat Rojanaprapa and Wheller, 2013: Interview).

If the social entrepreneur can adapt to such criteria, then it is possible to form social consciousness for sustainable development (Piyawat Boonlong, 2013: Interview). It is also believed that if the social entrepreneur is self-sufficient, he or she would be able to care for others. As a result, to engage in social enterprise activities, social entrepreneurs need to adapt to the discipline of self-sufficiency.

It is also critical that the social entrepreneur is required to realize the key similarities and differences between the concepts of the social enterprise and the sufficiency economy. First, the sufficiency economy needs to be seen as a philosophy, as a conceptual framework, and as a mechanism that helps to balance the social entrepreneur and his social enterprise. Secondly, the social enterprise has become an instrument, a so-called the mechanism for reaching social and business goals. Once, the social entrepreneur clearly understands both concepts; it is possible to form the social enterprise's objectives. Such goals would focus on generating income and developing social well-being for everyone involved.

6.1.6 The integration Process at the Level of the Organization (the Integration Phase)

The experts suggested that the integration process at the organization level should begin by locating the right local community to develop. The community should be ready to advance. The social entrepreneur should be wary that some communities are not willing to initiate social, and business goals and some may not even intend to develop them. Hence, the selection of the best community is essential to the success of a project. Moreover, the selected population should represent the majority of other communities. This suggests that if such a community becomes

successful, then it could be imitated by others. As Piyawat Boonlong (2013: Interview) explained:

We should look out for a community that has been developed to a certain extent, not a new community that barely knows what to do. Therefore, before choosing the business goal, it is necessary to screen the social factors prior any decision. If anyone wants to start a social enterprise, one should seek social factors first before running an enterprise.

Once the social entrepreneur selects the most appropriate community, the next stage is to design the organization objectives. At this point, it is necessary to get community members involved; that is, during the earliest phase. The social entrepreneur should also explain the agenda and the goals of the social enterprise and clearly explain the need to utilize the sufficiency economy in building the community, as well as the benefits (Piyawat Boonlong, 2013: Interview). It is imperative for the social entrepreneur to form a teamwork based on the involvement of community members. This network should be the co-working group that helps to initiate social innovations that would create social benefits and generate income or job creation for the community.

The next stage is to design the organizational structure and to build an internal team. Regarding the team members, they should fully understand the organization's objectives and realize the importance of the sufficiency economy. This could be done by explaining the fundamental concept of the sufficiency economy and by continuously suggesting the importance of self-reliance, managing cost control, learning from each other, knowing how to manage resources efficiently, and finally engage them in developing social innovations that would create good income, job creation and new opportunities (Piyawat Boonlong and Wheller, 2013: Interview).

The most important aspect is the ability to manage limited resources at this critical stage. The social entrepreneur is urged to adapt the concept of the sufficiency economy to resource management, particularly how to acquire and maintain resources from the network and community members. Hence, the survival of the social

enterprise at this stage is based on the ability to manage the resources from the network. Moreover, the social enterprise is encouraged to create its resources and generate its income while managing risks, creating more networks, engaging in self- and group learning, beginning to depend on oneself and others, and initiating creativity to produce social innovations (Piyawat Boonlong, 2013: Interview).

The next step is to design the management structure. This involves the design of an organization workflow that should not be elaborate or complicated. Rather, it should be simple, flexible, and be able to adapt to any situations. Still a chain of command and a hierarchy of decision making are required as appear in other organizations. Moreover, the social enterprise should develop planning for short, middle, and long terms. The social entrepreneur should also create performance indicators, which should be derived from the concept of the sufficiency economy and the social enterprise. These indicators involve cost control, learning, profit, social benefits and goals, for example (Wheller, 2013: Interview).

The social entrepreneur should also create a culture of continuous learning in order to increase competencies and immunity, enhance organizational growth, and reduce potential risk as well as encourage adaptation to change. This involves training team members to become specialists in their career path and also to engage team members in learning from other essential business disciplines such as finance, marketing, accounting, innovation management, and strategic management. The organizational culture should also focus on the social objectives and the concepts of the sufficiency economy.

6.1.7 The Integration Process at the Level of the Network (the Integration Phase)

The collaboration with other organizations and individuals in the network is critical to the integration process. This is because integration is only being possible if there are other networks involved. The central idea behind the concepts of the social enterprise and the sufficiency economy is related to the social aspect. Therefore, the concept of a network is inevitable.

The experts suggested that the integration of the social enterprise and the sufficiency economy at the level of the network should be initiated from the closest

network in proximity. Particularly, networks such as households, co-groups, and community levels are most appropriate and then could later be expanded to wider networks (Piyawat Boonlong, Sujinna Karnasoot and Wheller, 2013: Interview). The logic behind the suggestion was because the involvement with larger networks would be extremely difficult to bring about cooperation if there were no success stories based on a smaller network. It is considered a natural process since people tend to follow the success of others. As for the social enterprise, it would be appropriate to start with a smaller network and then slowly expand to larger and complex networks (Wheller, 2013: Interview).

Once a community and network has been selected, it is important to convey the management style to those that are involved, particularly the need to explain the logic behind the application of the sufficiency economy in relation to the social enterprise. This could be done by promoting the concepts of the social enterprise and the sufficiency economy through simple actions and local gatherings. Such as providing seminars for teaching the community how to effectively manage their resources, to promote community self-help groups, and engage members in learning the principles of being self-sufficient. The knowledge transfer should be as simple and intuitive as possible so that they can grasp the concepts and understood the objectives of the social enterprise. The social entrepreneur should also explain the benefits of utilizing the concepts of the sufficiency economy in social enterprises, such as income generation, career building, promoting the well-being of the community, creating new opportunities, helping to maintain traditions and cultures and care for the environment. The outcome should be the better understanding of the role of the social enterprise and the better community members' involvement (Sujinna Karnasoot, 2013: Interview).

If done successfully, the social entrepreneur could become a social leader and lead to social acceptance. This requires excellent communication skills on the part of the social entrepreneur; the ability to explain and convince community members in the knowledge and application of the sufficiency economy is vital for the collaboration in the network. The communication should also convey the benefits of motivating members to collaborate to a greater extent. However, the most important aspect of sending a motivational message should not solely focus on financial

benefits; rather, it should place emphasis on the sense of morality and ethics such as fair trade, fair deals, and adequate growth for everyone involved.

Furthermore, it is also believed that if the network fully adopts and accepts both concepts, it will help to expand the network at the same time. Eventually, this agenda should create new attitudes, perceptions, and engage new behaviors on the part of the people involved in the network.

6.2 Issues Preventing the Successful Integration of the Concepts of Social Enterprise and Sufficiency Economy

A list of issues preventing successful integration of the social enterprise and the sufficiency economy is summarized from the experts' point of view, as follows:

- 1) The difficulties in differentiating the similarities and differences between both concepts
- 2) The current knowledge of the social enterprise in Thailand is still very limited. Also, the theory of social entrepreneurship has never been established or universally accepted. As a result, the lack of a definition of the social enterprise is an important academic issue.
- 3) The understanding of the concept of the sufficiency economy may depend on each person.
- 4) There has never been an attempt to study the integration of the social enterprise and the sufficiency economy.
- 5) The concept of the sufficiency economy is an obscure topic, and subjective by nature. As Phanuwat Worawit (2013, Interview) explained, "I think what we don't have today is the actual guidance on how to use sufficiency economy. Many people tried to follow the King, but its difficult to use it correctly". Mark Salmon (2014: Interview) also explained, "The word sufficiency is really about being able to control one's desire, the problem is few people really understood this meaning". Charoen Sukaviboon (2014: Interview) described issues as, "The key issue with the concept of sufficiency economy is the ability to explain in local settings for local people to understand".

6) Social goals are difficult for most people, but the concept of the sufficiency economy is even more challenging because the individual has to challenge his thoughts and actions. As Kenneth Mays (2014: Interview) suggested:

The flawed in the sufficiency economy are radically changed from another economy in the world work. It's a change of a shock; a radical change and people don't like much change at the same time. Sufficiency economy is good as a philosophy, a personal view as a better path to happiness but harder to make it harder regarding national policy, it's not a free market it's not the way things work. It may be a good idea for an inspirational leader to say this, but it would be different if President Obama of the United States as the leader of the economy leader would say it. Sufficiency economy is a personal philosophy, what is sufficiently for me maybe different from a farmer in Korath. You cannot draw one line saying what is sufficient for everybody; it's more personal and pretty about where you are and how you have been brought out from the family environment.

7) It is difficult to balance both social and business goals at the same time.

8) The social entrepreneur is required to be self-sufficient in solving social problems. People in the society are concerned about their chance of survival, and they are motivated by having a stable income and a good quality of life. Thus, it is necessary to consider these aspects, as Mark Salmon (2014: Interview) mentioned:

I believe a great social enterprise should be able to combine with business disciplines and at the same time concern with the concept of sufficiency. To operate a social enterprise, the social entrepreneur also needs to be self-sufficient.

9) Most people regard social issues as too large for them to get involved in.

10) The concept of the sufficiency economy goes against the typical way of life in the modern society, as Chatchanan Masawangpairoj (2013: Interview) explained her point, “Sufficient economy will face challenge from materialism and consumerism, it is the people mindset that’s hard to adapt and change”.

6.3 The Integrated Model of Social Enterprise and Sufficiency Economy

The “contexts” of the integration are an essential part of the integration of the two concepts. Without appropriate contexts, integration is not possible. The logic behind the requirement to study all of the contexts as suggested was because the explanation of the integration is not possible to be explained by any particular context. All contexts are interrelated to a certain extent. Therefore, all contexts are considered “necessary” for the integration to be successful.

The “integration processes” is also considered as a crucial part of the successful integration. The integration process is divided into three parts. The pre-integration phase mainly concerns how individuals respond to the concept of the sufficiency economy and become social entrepreneurs. The integration phase focuses on the integration at the management level, particularly the integration that occurs at the organizational and network level. Lastly, the expansion phase places emphasis on the development of the network and promotes an integrated model to wider networks. Regarding the contexts involved during the integration stages, there are altogether four contexts consisting of: (1) the environmental context that surrounds the social enterprise and involves the community; (2) the social entrepreneur context, which is based on the characteristics and qualifications of a social entrepreneur; (3) the social enterprise and its network context, which are based on organizational and network qualities; and (4) the expansion context found with reference to the necessary components that promote the development of networks as well as an integrated model.

The development of the integrated model of social enterprise and sufficiency economy requires analyzing the involved contexts and integration processes. As a result, “integration contexts” and “integration processes” are related. This is because

necessary contexts assist with the integration process; without enough contexts, integration would not be possible. Therefore, studying the integration process systematically provides a better understanding of how each process functions and is related to appropriate contexts.

Hence, the integration of the social enterprise and the sufficiency economy requires (1) the necessary contexts and integration processes for the overall integration; and (2) an explanation of how both concepts are interrelated at the knowledge level.

The research findings suggested that in order to fully understand the integration of the social enterprise and the sufficiency economy, two models are required. The differences between the two types are as follows. (1) the first model attempts to explain the systematic integration processes with the necessary contexts. A process would not be possible without its related context. The integration process can be divided into three parts. First, the pre-integration phase is related to the social entrepreneur context. Secondly, the integration phase is related to the organization and network context (social enterprise and its network). Lastly, the expansion phase is linked to the expansion context. However, the environmental context exists throughout all the integration processes; and (2) the second model attempts to explain the interrelation between the concepts of the social enterprise and the sufficiency economy and to provide an explanation of the final outcomes of the integration.

The proposal of the model is the result of the research findings, particularly on the detailed analyzes of the “integration contexts” and “integration processes”, which were analyzed fully in chapter 4 and chapter 5. As for chapter 6, only provides brief explanation on the integration contexts and processes. Thus, it is encouraged to seek detail explanations and understanding regarding the contexts and integration processes in chapter 4 and 5 accordingly.

6.3.1 Model 1: The Contexts and Integration Processes of Social Enterprise and Sufficiency Economy

The contexts and the integration process can be divided into three phases and four contexts. Each context is different from the other, but they are closely related.

The integration process will continue to develop if the corresponding contexts are met. This is explained as follows:

- 1) The pre-integration phase is related to the social entrepreneur context.
- 2) The integration phase is related to the organization and network context (social enterprise and its network).
- 3) The expansion phase is related to the expansion context.

The environmental context exists throughout all of the integration processes.

The pre-integration phase of the social enterprise and the sufficiency economy is initiated from the individual level. This is mainly caused by life or work crises, or the realization of social problems, or simply being fulfilled in life. This initiates the reflecting process in the individual's mind, particularly with an attempt to seek solutions to the perceived issues and problems. It could be said that the individual already has certain social goals in mind. During this stage, the individual will eventually find the concept of the sufficiency economy or simply feel self-sufficient and desire to do something greater than him/herself. This leads to the detailed study of the concept of the sufficiency economy and to apply it to daily practice. It is also the time when the individual begins to cooperate with other people to solve social problems, and automatically expands the personal network. If the individual is successful in applying the concept of the sufficiency economy and realizes its effectiveness, this will motivate him or her to continue to practice the concept at a greater level. This sense of motivation would ultimately initiate new attitudes, perceptions, and behaviors to solve social issues.

It could be said that the individual is developed to become a social entrepreneur at this stage. During this stage, the corresponding contexts are as follows: (1) the individual has clear social and business objectives; (2) the individual understands the concept of the social enterprise and the sufficiency economy; (3) the individual effectively applies the sufficiency economy to daily life and in the workplace; (4) the individual has entrepreneurial qualities; (5) the individual is prepared to confront problems and issues; (6) the individual has high leadership skills; (7) the individual can manage risks effectively; (8) the individual is knowledgeable;

and (9) the individual places emphasis on continuous learning and is willing to support others.

The integration phase occurs at the organizational and network level. At this stage, it is considered that the social entrepreneur has already established a social enterprise. The first action is to create social and business objectives and to design the organizational structure and workflow based on the concept of the sufficiency economy. Furthermore, the management of the social enterprise should also be made up of the components of the sufficiency economy. Accordingly, the organizations and individuals in the network that cooperate with the social enterprise should also adopt the concept of the sufficiency economy and share the same objectives as the social enterprise.

The application of the sufficiency economy in the social enterprise should promote resource sharing, continuous learning, group competencies, and adopt the culture of self-reliance and be self-sufficient. This reinforces the immunity for all members and promotes sustainability.

At the later stage, the social enterprise and its network should expand the networks across all sectors, particularly with the goal to attain new partners and potential alliances. The ultimate outcomes from the collaboration should result in social innovations that would promote the well-being of everyone in the network, and should generate income for those that are involved fairly. The underlying organizational and network context should also include the following (1) the organization and its network should focus on sustainable objectives by utilizing the concepts of the social enterprise and sufficiency economy; (2) the concept of a sufficiency economy should be applied to design the organizational structure; (3) have excellent organizational qualities; (4) a clear organizational culture built on the concepts of the social enterprise and the sufficiency economy; (5) promote competencies and competitiveness; (6) focus on risk management; (7) promote continuous learning; (8) co-management with other organizations in the network; (9) the organizations in the network share the same goal as the social enterprise; (10) the organizations in the network cooperate with the social enterprise; (11) focus on group survival and growth; (12) the organizations in the network should also utilize the concepts of the social enterprise and the sufficiency economy; (13) risk dispersion

across the network; (14) the network shares resources; (15) the network focus on co-learning; (16) the network engages in developing social innovations; (17) the network operates on ethics and a sense of morality; (18) the network operates with democratic actions; and (19) the network continuously engage in expansion.

The expansion phase completes the integration process. At this stage, the goal is to expand the social enterprise network to wider audiences. This is possible by promoting success stories and explaining the benefits and changes after the introduction of the social enterprise and the concept of the sufficiency economy. Inspirational stories of successful cases should be distributed to a wider network, which in return would provide aspiration for other individuals or organizations to study and learn. Organizations from all sectors could eventually learn from the stories and adopt the integrated model of the social enterprise and the sufficiency economy into their organization or network. As a result, the expansion would strengthen the integrated model, and the social enterprise would gain more alliances and networks at the same time. Furthermore, the concepts of the social enterprise and the sufficiency economy would gain more interest from others. The underlying expansion context is as follows: (1) the ability to inspire with successful stories; (2) to promote aspiration; and (3) to promote the adaptation of the integrated model in other contexts.

The environmental context does not belong to any integration process. On the contrary, it appears across all processes. The environmental context consists of the following: (1) the social enterprise initiative should be developed in a suitable physical location; and (2) the target community members are ready for the development.

In summary, the corresponding contexts are not separable from the integration processes. This model is shown in Figure 6.1

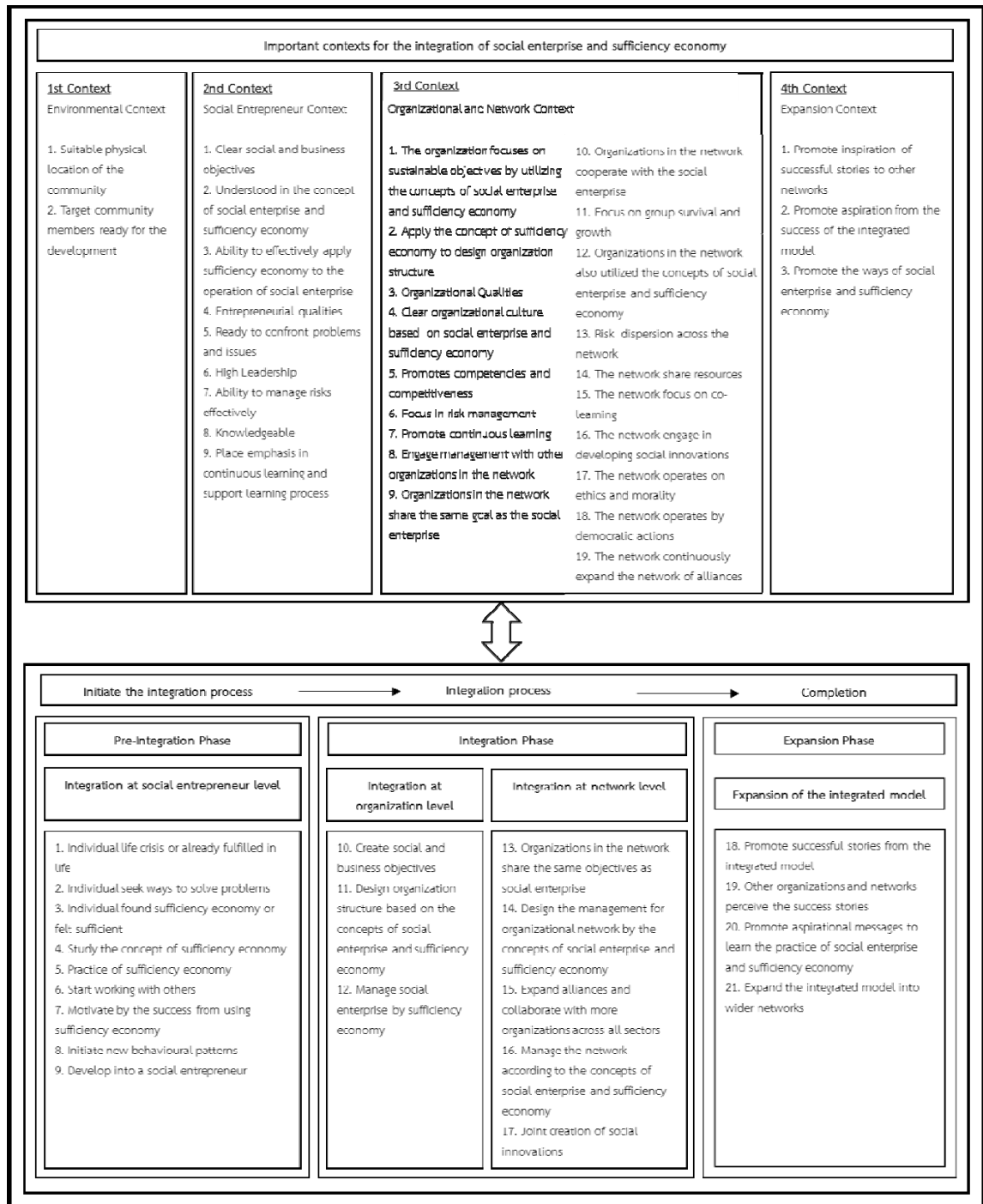


Figure 6.1 The Contexts and Integration Processes of Social Enterprise and Sufficiency Economy

Despite the importance of the contexts and the integration processes, another critical factor that allows for the successful integration of the concepts of the social enterprise and sufficiency economy is the “motivational factor.” The motivation factor occurs across all levels; this includes the social entrepreneur, the social enterprise teamwork, the individuals and organizations in the network, or even other networks. Motivation is critical and is the main driving force behind a successful integration. This is because most people still require basic needs such as the ability to survive, the desire to alleviate problems or solve personal goals, the need for a better quality of life, the ability to gain more income and a stable life. This includes the opportunity for personal growth, the need for social acceptance, or even social status and recognition. These are mainly human desires which the social enterprise should take into consideration and attempt to serve. However, this should be managed appropriately to balance the social and business goals. If the social enterprise can motivate its members in the network, collaboration would be possible and would eventually help to drive both social and business objectives. Hence, the consideration of motivational factors as mentioned is critical to the success of the integration.

6.3.2 Model 2: The Relationship between the Concepts of Social Enterprise and Sufficiency Economy

A model representing the relationship between the concepts of social enterprise and sufficiency economy is shown in Figure 6.2

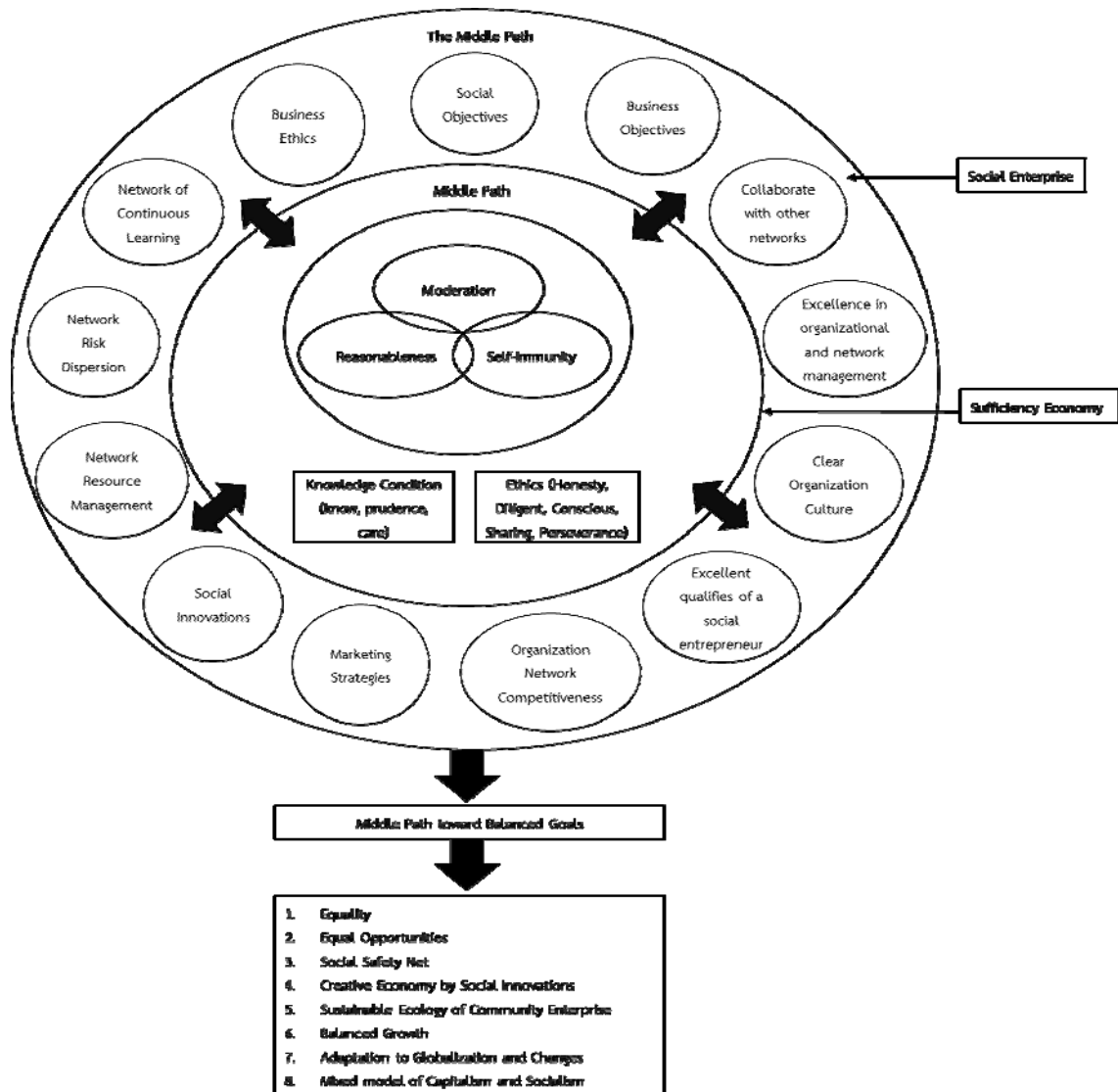


Figure 6.2 The Relationship between the Concepts of Social Enterprise and Sufficiency Economy

This model explains the interrelation between the concepts of the social enterprise and the sufficiency economy. The model is divided into two parts. The first is the “outer circle,” which represents the concepts surrounding the social enterprise, which include: (1) social objectives; (2) business objectives; (3) collaborate with other networks; (4) excellence in organizational and network management; (5) clear organization culture; (6) excellent qualities of a social entrepreneur; (7) organization Network Competitiveness; (8) marketing strategies; (9) social innovations; (10) network resource management; (11) network risk dispersion; (12) network of continuous learning; (13) business ethics; and (14) the way of the middle path in the management of a social enterprise.

The second “inner circle” represents the concept of the sufficiency economy, which includes: (1) the way of the middle path in the mindset of the social entrepreneur; (2) moderation; (3) reasonableness; (4) self-immunity; (5) knowledge condition (know, prudence, care); and (6) code of ethics (honesty, diligent, conscious, sharing, perseverance).

It could be viewed that the concept of the sufficiency economy (inner circle) represents the “core” of the integration, since the concept is found in philosophical thought, it is also a conceptual framework for one to conduct, and particularly is a crucial mechanism that helps to control and maintain the social entrepreneur’s thoughts and actions as a check and balance. It is, therefore, the heart of the integrated model. As for the concept of the social enterprise (outer circle), it represents the “mechanism and method” for the concept of the sufficiency economy to be exercised effectively. In a nutshell, the integration of both concepts should be initiated from social entrepreneurs’ thoughts, attitudes, perceptions, and behavior and then the integration will further take place in the social enterprise and the networks (organizational and network levels).

The social enterprise becomes the amplifier of the concept of the sufficiency economy. Most importantly, the concept of the sufficiency economy does not only apply to the social entrepreneur, but also can be applied to all involved members. As a result, team members and other individuals are required to absorb and learn the concept of the sufficiency economy by becoming more reasonable, placing greater emphasis on being self-sufficient and self-reliant, focusing on continuous learning and

resource sharing while maintaining a code of ethics and a sense of morality. This integration on the personal level would enhance the social enterprise goals, and engage the collaboration of others. Despite the personal absorption, it is also crucial to realize that the social enterprise goals should include motivational messages, particularly to generate income for all members, create new business opportunities, create new careers, increase immunity and stability, and improve the overall quality of life. This motivational factor is essential for the integration, as it helps individuals and organizations collaborate to achieve social and business goals.

These objectives still require the readiness of the social enterprise to be managed efficiently and productively. This requires the excellent qualities of a social entrepreneur, an organization culture that emphasizes both the sufficiency economy and the social enterprise, continuously increase the competencies for competitiveness, and the ability to manage resources and engage in group learning. This should result in risk dispersion for any social and business initiatives. Moreover, the social enterprise is required to learn modern business disciplines from the private sector to drive the competitiveness; this would include the knowledge of strategic management and marketing strategies for example. However, most importantly, the social enterprise must adhere to the way of the middle path to balance both social and business objectives; this will require a high level of ethics and a sense of morality. This is critical since both the concepts of the social enterprise and sufficiency economy place significant emphasis on creating a balance of all activities. Otherwise, the social and business goals would not be sustainable. As a result, the objective to alleviate social or environmental problems would not be possible. Therefore, this requires the social entrepreneurs and all members involved to adhere to the concept of self-sufficiency at all costs; otherwise, if the social and business goals are out of balance, then issues such as internal competitions or the effectiveness of the social-business missions would not reach their full potential.

In summary, the concept of the sufficiency economy represents the “core” that helps to maintain a balance of the social enterprise ideology and its goals, whereas the concept of the social enterprise is the “mechanism and method” that contribute to amplifying the notion of the sufficiency economy to operate productively; hence, the arrows connecting the inner and outer circle in the model. As a result, the efficiency

of the integrated model would be possible if the core and its mechanism are present. Having a mechanism and method such as the social enterprise helps the concept to become more practical.

The discussion of the concept of the social enterprise has never before mentioned how individuals and social entrepreneurs could maintain the balance between social-business-environmental goals. Knowledge of the sufficiency economy ultimately fills this gap of knowledge. Therefore, the relationship between the two concepts is very productive and will be beneficial at the individual, organizational, and network levels. It could be said the concepts support one another.

The researcher would like to briefly explain the logic in the relationship between both concepts as follows:

If an individual is concerned with his survival and sustainability, this would require him to learn and live with others. To survive with others, he needs to learn the concept of sufficiency by being able to control his needs and requirements. The individual need to be more logical by using his reasons and wisdom to control his thoughts and perception, and ask himself how to be self-sufficient. If he fully understood the concept and able to reduce his ego, this would allow him to see his limitations such as competencies and resources. The reduction of ego by adopting the concept of sufficiency would help to develop the sense of compassion, morality, and ethical codes of conduct. It is the compassion and sense of morality that would allow him to be accepted by others and promote collaboration. It could be said that if he has high ethics, his chance of survival would also increase due to the ability to collaborate with others. Hence, the concept of sufficiency is the foundation to build ethics. If the individual manage to accept this idea, it would allow him to gain more networks. This is an essential part of becoming a social entrepreneur and the fundamental operation of a social enterprise. Despite the importance of ethics, it would not be enough to motivate the individual or others in the network to cooperate with him on the social enterprise agenda. This requires another form of motivations, mainly to generate income, to create new careers and opportunities, and to promote well-being. In a nutshell, the motivational factors should improve the chance of survival for everyone. Therefore, the collaboration between people in the network with the social entrepreneur is essential to achieve the social-business-environmental goals. This type

of collaboration promotes the concepts of one being self-sufficient, self-reliance, and improve the ecology of collaboration in local communities. If done correctly, sustainable development would be possible. But if anyone in the network loses the concept of sufficiency to the point of losing the code of ethics, sustainability would not be possible for all.

As suggested from the researcher's perspective, the key to a successful integration would also largely depend on the ability to maintain a balance between social and business objectives. The middle path concept of the sufficiency economy is rooted in Buddhism and becomes the center of the integration process. This middle way should be applied to the individual, the organization, and the network levels. The outcomes of the integrated model could be seen as the “the middle path towards balanced growth” or so-called “sustainability,” which consist of: (1) the balance between social, business, and environmental objective; (2) the balance between individual and others' chance of survival; (3) the balance between self-reliance and group dependencies; (4) the balance between self and others; (5) the balance for sustainable growth, not too rapid or too slow; (6) the balance between the concepts of capitalism and socialism; (7) the balance between knowing when one has enough, and enough to share with others; (8) the balance of resource utilization; (9) the balanced development between the knowledge of politics, society, economics, environment, and technology; and (10) the balance between the rich and the poor as a means to reduce poverty.

If balanced growth is possible, the final outcomes would be as follows: (1) social equality; (2) equal opportunities; (3) social safety net; (4) creative economy by social innovations; (5) sustainable ecology of community enterprise; (6) balanced growth; (7) adaptation to globalization and changes; and (8) a mixed model of capitalism and socialism.

To conclude, the proposal of the integrated model of social enterprise and sufficiency economy requires the preliminary understanding of the two models as follows: (1) the contexts and the integration processes of the social enterprise and the sufficiency economy; and (2) the interrelation between the concepts of the social enterprise and sufficiency economy. The two models need to be studied in order realize the integrated model of the social enterprise and the sufficiency economy.

6.4 Academic Contribution

In chapter 2, the literature review involved the study of the concepts of the social enterprise, social entrepreneurship, the sufficiency economy, and organizational networks. These concepts were used to propose the conceptual framework for the research. The findings of the study support the literature regarding all of the concepts mentioned. Therefore, this proves the strength of the existing literature and its suitability for future reference. The concepts and definitions of the social enterprise, social entrepreneurship, and the sufficiency economy are required for further study however since the definitions and concepts depend on a personal understanding of the concepts. As a result, the concepts are still subjective.

The goal of the research is not to falsify existing knowledge but to provide a new concept and knowledge regarding the integration of the social enterprise and the sufficiency economy as a model that assists in the development of the understanding of sustainable development and that can create a balance for socio-economic-environmental growth. Furthermore, the research findings provide a better understanding and application of the sufficiency economy and social entrepreneurship. The researcher believes that by drawing strengths from both concepts is more beneficial regarding the academic contribution. Meanwhile, the study also helps to correct the weaknesses in each concept. Given the example of the deficiencies found in the idea of social entrepreneurship (1) the concept barely explains how ethical codes of conduct can occur on the subconscious level or as individual perception; (2) it has never been stated how ethics can be transferred to other people in the network; (3) it has never been mentioned that the sense of morality is required to operate with forms of motivational factors; (4) it has never been explained that ethics are a key motivational factor; (5) it has never been mentioned how ethics can be created; (6) it has never been stated that the social entrepreneur, individuals, and organization in the network have to be self-sufficient for the collaboration to be most active; (7) it has never been stated how to balance both social and business goals; and (8) the issue of the type of mechanism that promotes patience, positive thinking, and the ability to wait for changes that would take a long time to occur have never been raised. These research findings are only some examples that

the sufficiency economy helps to fill the knowledge gap in the concept of the social enterprise.

Regarding the notion of social entrepreneurship and the social enterprise in Thailand, the concepts are only known in limited academic circles. As for the idea of the sufficiency economy, the major issue is that only a few people realize how to apply the concept. Most people continue to regard the sufficiency economy as related to the agricultural segment, whereas it can be applied to any business, industry, or even environmental sectors. Furthermore, the practical examples of sufficiency economy in royal projects are still limited in numbers. All of these once taken into consideration prevent the concept from being adopted effectively. As a result, through the application of the concept of the social enterprise, the notion of the sufficiency economy would be able to be exercised productively.

To conclude, the research findings help to locate the weaknesses in each concept and the combined the strengths to complete both ideas much more efficiently. It could be said that the notion of the sufficiency economy requires the mechanism of the social enterprise to be utilized much more effectively, whereas social enterprise would benefit from the sufficiency economy, mainly to control the balance between social and business goals.

6.5 The Definition of the Sufficiency-Based Social Enterprise

As mentioned earlier, the research findings support the literature reviews; however, the research proposes an integration of the social enterprise and the sufficiency economy, which has never before been studied. Since the approach has never been explored prior this study, the researcher is required to provide a definition of the integrated model to provide a precise understanding and conceptualization of the model and so that it can be applied in other contexts. The researcher has called this model the “model of the sufficiency-based social enterprise” and provides the definition as follows: a sufficiency-based social enterprise takes the form of a hybrid organization between the local, public, and private sectors. It is a third-sector organization that responds to the development of the community enterprise by adopting the concept of the sufficiency economy and private sector business practices

as a social enterprise. This concept applies to social entrepreneurs, the social enterprise, and its network. The objectives of the sufficiency-based social enterprise seek a balance among the sustainable growth of social, business, and environmental goals. Furthermore, it aims to motivate and engage in behavioral change for all that are involved. The ultimate goal is to increase immunity for community enterprises that would assist in the sustainable development and growth for all.

6.6 The Relationship between the Integrated Model and the Concept of Social Enterprise

Kurt Lewin's force-field theory explains the social change process that occurs when there are social pressures. The theory seeks a method to promote balanced and permanent changes in the social structure. The research findings support this notion since the integrated model seeks sustainable change that is mainly caused by social interaction through the actions of the social enterprise and its network.

The bubbles theory explains that social changes should occur at the individual level, specifically from people's perceptions and how they interact. It is believed that people with similar mindsets would trigger social changes. This theory explains such social interactions in the form of tiny bubbles that eventually join and form into a larger bubble. Moreover, it seeks to explain that changes only occur when people are ready to change themselves. The research findings support this notion since to be able to change people's perception via the integrated model a suitable environment and the readiness of the people to change are required. Furthermore, similar people in a given community would turn toward the same or similar goal; this is analogous to the bubbles phenomenon. Similarly, a network is considered as a tiny bubble; once there are enough networks with the same mindset the system will expand. Therefore, the role of a social enterprise is to understand and motivate social changes by aiming to shape new social behavior and to develop the network.

Self-organization theory explains how organizations manage themselves automatically without any central control. The theory assumes that "simple rules tend to produce complex patterns," and this idea is also present in chaos theory. It suggests that changes should occur from simple rules as they appear in the law of nature,

similar to the way in which ants operate. Despite their complex structure, ants can manage themselves and to help each other to find food and other resources. This represents group survival without a central command; rather, they act by natural instinct. This theory also suggests the imitation process that could occur when people perceive success stories and aspire to do the same. By comparing with the integrated model, it is seen that the simplicity of the concept of the sufficiency economy could produce complex social interaction and patterns. The King also suggested that social changes should follow the way in which nature adapts itself as long as they are based on natural adaptation. It is also worth mentioning that the operation of the social enterprise tends to be self-managed, and this can be represented as self-reliance and as a co-working environment that assists with group goals. Moreover, the motivational factor suggested by the integrated model also explains that people tend to follow success stories that are critical to the success of a social enterprise to expand the network of collaboration.

Timmon's model of the entrepreneurial suggests the business process and the role of the entrepreneur are able to support a balance between teamwork, resources, and opportunities at the same time. If one of the factors changes, it would also affect another factor as well. Timmons suggests that it is important to create a balance of all the internal factors in order to cope with external changes. The findings in this research also support this notion, particularly regarding the concept of the "balance" that both the concepts of the social enterprise and the sufficiency economy emphasize.

The social entrepreneurship process model explains the operational processes that are under many external pressures such as rules and regulations, laws, social beliefs and culture, local community characteristics, politics, and economic status. The model suggests that the social enterprise must be able to manage human capital, financial capital, and opportunities to create the social value proposition. The research findings also support this model, since all of the case studies mentioned the importance of balance despite confronting many external issues that cannot be controlled.

Interorganizational relations theory suggests that (1) organizations are under the open environment; (2) each organization has different resources, and it is important for all organizations; and (3) organizations share similar perspectives. It

also suggests that for the survival of most organizations, the exchange of resources and collaboration for the benefit of everyone are required. By comparing these theoretical assumptions with the integrated model of the social enterprise and the sufficiency economy, the theory fully supports the research model. These findings suggest that all of the case studies operate in an open environment, and they continuously exchange and share resources within their network. This allows the survival of the social enterprise under various external pressures and limitations. Therefore, the social enterprise tends to be flexible and adaptable for survival. Moreover, the management of the social enterprises tends to operate with other organizations in the network, and particularly the social enterprises become the central organization that helps to organize others in the network similar to a spider web.

Social network theory suggests the structural relations between individuals, groups of people, and the organization group. This theory places emphasis on the social capital, consisting of knowledge and information sharing, as well as the relationship between people through the concept of interdependence to gain resources, opportunities, and together to overcome obstacles. Once compared with the integrated model, there are many similarities, particularly regarding the social dimension in terms of the way that organizations operate and relate to each other.

6.7 Policy Implications

The research findings suggest policy implications that would be useful to extend the usage of the integrated model. The researcher suggests considering three dimensions as follows:

- 1) To support the learning of the concepts of the social enterprise and sufficiency economy. To fully appreciate and understand the integrated model of the social enterprise and sufficiency economy, this requires a thorough understanding of both concepts, particularly the similarities and differences between them. The preliminary knowledge of both concepts would provide a solid foundation for actual practice. Furthermore, the understanding is critical to understanding the logic behind the integration; this should promote new perspectives toward both concepts. The

learning process should clearly explain the benefits and potential success to motivate further studies. As a result, a practical learning process which emphasizes the integration through a step-by-step approach is preferred. Ideally, the learning process should not be too theoretical, but should rather focus on actual practice in real situations. Moreover, the learning curve should also be entertaining, and be easily accepted by ordinary people; this should motivate others to learn more. The learning process should not only target potential social entrepreneurs but be applied to other sectors which include local organizations, the third sector, and public and private enterprises.

2) The support from all sectors is critical for the growth of the social enterprise in Thailand. This involves full support from the public, private, third sector, and currently-existing social enterprises in Thailand. This is because each area has its own resources and strengths to promote the growth of the social enterprise. For example, the private sectors could participate by teaching business disciplines and competitive knowledge; and the public sector could provide support by promoting the social enterprise and the concept of the sufficiency economy.

3) It is urged to spread the success stories of many existing social enterprises in Thailand via public relations. Success stories as found in the research would provide a good starting point for others to learn and to be inspired to set up a social enterprise. Thus, these stories should not only be concentrated in the field of academic study but instead, should be publicized to inspire many others. The public relations could be carried out by many sectors, particularly the mass media. Therefore, a strategic public relations plan is recommended to spread stories to the public as much as possible.

6.8 Future Research Suggestions

1) Regarding the research topics, future research should focus on the numbers of case studies in greater quantities. The researcher also suggests researching varieties of contexts, such as the public, private, and non-profit sectors. Furthermore, the researcher urges the study of the issues and obstacles to a successful integration of other case studies in greater detail. Finally, it is suggested to study the integration of

the social enterprise and the sufficiency economy during a longer period; these suggestions should provide a greater in-depth understanding of concepts as well as the integration contexts and processes.

2) Regarding the research methodology, the researcher continues to support the qualitative research method as a means of creating a clearer understanding in other future studies. Additionally, the qualitative research should not only be conducted in Thailand but should be employed in other contexts with different cultures, traditions, and socio-economic and political systems. Such findings would be beneficial to the understanding of integration. Quantitative research is only suggested once there is enough case studies and evidence to support further empirical methods such as the deductive method and the use of statistics.

3) Regarding the analysis, this research was only based on the researcher's observations, synthesis, and analysis. However, many social phenomena could be explained from different perspectives. Therefore, it is urged to study the findings from other points of view, which could potentially initiate new ideas and findings.

6.9 Final Words

The Famous phrase delivered by Mahatma Gandhi (1869-1948 quoted in Goodreads, n.d.) suggests the need to be sufficient, “The world has enough for everyone's need, but not enough for everyone's greed”.

This statement by Mahatma Gandhi reflects the simple truth that the world has a limited supply of resources that should be reserved for the necessary survival of mankind. The social and environmental issues that occur throughout the world are mainly triggered by the desire to survive and from greedy groups of people. If mankind were able to be self-sufficient and to learn to share with full compassion, without any attempt to harvest or control limited resources for their personal survival, creative and sustainable development would be possible. All the world needs are simply the words “having enough,” which could save it from destruction. These major concerns also respond to His Majesty the King Bhumibol Adulyadej's (Bhumibol Adulyadej, King of Thailand, 1956) speech on the concept of the sufficiency economy. As the King stated,

Sufficiency Economy reflects the foundation of life...the foundation of national stability could be compared to a stake that holds a building... A stake only holds such structure... but most people do not realize the importance of this stake, some even neglected.

Being sufficient should be considered the foundation of life. Without being sufficient, the society will tremble. The sufficiency economy is a philosophy that individuals should follow a pathway toward happiness. However, such a concept should reveal its strengths if it has a mechanism that makes the idea reach its full potential. The social enterprise is mostly appropriate and suitable to be the embodiment of the sufficiency economy; similar to concrete that cements the foundation of a building. If people in the society realize the concept of being self-sufficient and are willing to grow creatively and care for each other, this will promote sustainable balanced growth for the society and the environment. The King's speech indeed reflects the foundation of life and answers the goal of sustainable development. However, such a concept requires mechanisms such as the social enterprise to operate efficiently, as the King (1976 quoted in The Center for Distance Learning of Sufficiency Economy, 2012) stated:

The development of a nation requires different stages; firstly it is necessary to create the foundation where people have enough food to eat, and enough basic needs...particularly for the majority of the people...this is possible by adopting the concept of cost control...every suggestion should provide adequate foundations for the people to grow...then we can slowly support the economic growth at a later stage...however, if we focus too many efforts on rapid economic growth without reflecting the conditions of the nation and its people, then imbalance growth could occur...and would eventually turn into complexities and ultimately led to failures.

The King's speech reflects the truth that humankind is always aware of its survival, but survival should be the concept of having enough to meet most basic needs and then slowly grow together. Therefore, balanced growth is the key to sustainability, but sustainability is not being possible if humankind never learns to have enough.

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