

Strengthening Community's Financial Organization Network in Rattaphum District, Songkhla Province

การสร้างเสริมความเข้มแข็งให้เครือข่ายองค์กรการเงินชุมชนอำเภอรัตภูมิ จังหวัดสงขลา

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Abstract

This research, entitled “Strengthening Community’s Financial Organization Network in Rattaphum District, Songkhla” aimed to identify the strengths, weaknesses, and opportunities for improving the community economy through the Community's Financial Organization (CFO) in Rattaphum District, Songkhla. The study focused on establishing cooperative networks and implementing best practices in financial management. The research utilized a case study approach and centered on the community financial organization group in Rattaphum District, Songkhla Province. This study comprised three stages of data collection from 156 participants. The results showed that 1) regarding different types of CFOs and their characteristics, village funds operated under formal regulations while production-oriented saving groups and other financial entities in the community adopted more flexible and independent management approaches. However, certain weaknesses were identified, including committees primarily comprising older individuals, a lack of volunteers to lead committees, non-adherence to rules by some members, limited financial resources, and inadequate administrative planning. Nevertheless, all community financial groups had opportunities to enhance the community economy with support from both government and private sectors. 2) Concerning the types of CFO networks, the study identified four categories of CFO networks: district-level networks, sub-district-level networks, networks operating in specific sub-district areas, and some CFOs without any network affiliation. 3) As for good practices in CFO

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financial management, the research identified seven effective practices in financial management within CFOs. The paper is concluded with recommendations for policy makers and future research.

Keywords: strengthening, community financial organization network (CFO), community economic promotion

บทคัดย่อ

งานวิจัยนี้มีวัตถุประสงค์เพื่อค้นหาจุดแข็งจุดอ่อนและโอกาสในการส่งเสริมเศรษฐกิจชุมชนขององค์กรการเงินชุมชนเพื่อสร้างเครือข่ายความร่วมมือในพื้นที่และเพื่อสร้างแนวปฏิบัติที่ดีในการบริหารจัดการด้านการเงินเป็นการวิจัยแบบกรณีศึกษากับกลุ่มองค์กรการเงินชุมชนอำเภอรัตนภูมิจังหวัดสงขลาเก็บรวบรวมข้อมูลสามระยะ มีผู้ให้ข้อมูลรวมทั้งสิ้น 156 คน ผลการวิจัย พบว่า 1) จุดแข็ง ได้แก่ มีความแตกต่างกันไปในแต่ละประเภท อาทิ กองทุนหมู่บ้านฯ มีจุดแข็งที่มีระเบียบกฎหมายรองรับอย่างชัดเจน กลุ่มออมทรัพย์เพื่อการผลิตและกลุ่มลักษณะอื่น ๆ มีจุดแข็งที่มีอิสระในการบริหารจัดการสำหรับจุดอ่อนพบว่าคณะกรรมการขาดความเข้มแข็งมีผู้สูงอายุเป็นกรรมการมายาวนานและหาผู้ที่จะสามารถเป็นประธานได้ยากสมาชิกส่วนหนึ่งไม่ปฏิบัติตามระเบียบข้อบังคับมีเงินทุนน้อยและมีข้อจำกัดเกี่ยวกับการใช้จ่ายและยังขาดการวางแผนอย่างเป็นระบบ ส่วนโอกาสในการส่งเสริมเศรษฐกิจชุมชน คือ รัฐบาลและหน่วยงานภาครัฐและเอกชนให้ความสำคัญและคอยให้การสนับสนุน 2) เครือข่ายความร่วมมือมี 4 ลักษณะ คือ เครือข่ายระดับอำเภอ เครือข่ายทั้งตำบล เครือข่ายบางส่วนของตำบลและไม่เชื่อมโยงเครือข่าย และ 3) ได้แนวทางปฏิบัติที่ดีในการบริหารจัดการด้านการเงิน 7 ประการ ทั้งนี้ผู้วิจัยได้ทั้งทำด้วยข้อเสนอแนะสำหรับผู้กำหนดนโยบายและการทำวิจัยที่ในอนาคต

คำสำคัญ การสร้างความเข้มแข็ง เครือข่ายองค์กรการเงินชุมชน การส่งเสริมเศรษฐกิจชุมชน

Introduction

Community Financial Organizations (CFOs) are voluntary associations of local residents who come together to support one another in addressing financial challenges within their community. The group is formed with members and committees who regularly contribute to a shared fund utilized in diverse ways. This concept was initially introduced by the renowned Bangladeshi economist, Professor Muhammad Yunus (Yunus, 2008, 2010), who recognized the plight of the underprivileged and marginalized. Despite limited financial resources, these individuals demonstrated diligence and capability, deserving opportunities to access loans for improving their livelihoods and that of their families. Professor Yunus personally experimented with lending from traditional banks and then proceeded to extend these loans to poor individuals, confident in their sense of responsibility to repay and recognizing their low-risk profile. This pioneering endeavor eventually led to the establishment of the widely recognized

Grameen Bank, which has provided loans to nearly four million people and accumulated savings from its members exceeding 212 million US dollars (Lertkulprayad, 2012; Lertsrichainon, 2013).

Based on data from research articles published in the WoS database, there were only 27 articles related to microfinance in the year 2012. However, this number significantly increased to 84 articles in the year 2020. These studies indicate that microfinance serves as an effective tool in mitigating financial capital-related challenges (Ribeiro et al., 2022), particularly among the poor and those with limited access to formal financial resources (Bocher et al., 2017) and small businesses with limited capital (Tarozzi et al. 2015). Moreover, the research findings highlight microfinance as an innovative approach to overcoming the economic difficulties faced by underdeveloped countries (Mustafa et al., 2018) and as a means to combat poverty worldwide (Brau & Woller, 2004).

In Thailand, Community Financial Organizations (CFOs) come in various forms and are known by different names, but they share similar characteristics in terms of management including savings groups, complete life-cycle savings groups, production-oriented savings groups, village banks, community financial institutions, community and urban funds, etc. The Department of Community Development, under the Ministry of Interior, has placed significant emphasis on developing the quality of life for rural communities by promoting and supporting the establishment of “production-oriented savings groups” since 1974 (B.E. 2517). Subsequently, based on statistics, it was found that there are 34,530 production-oriented savings groups operating in various villages and sub-districts throughout the country with a total of 4,506,411 members, and the accumulated savings amount to 25,247,736,106 baht. These initiatives were driven by the government's policies to alleviate poverty in the year 2001 (Dhammasaccakarn & Hanghon, 2018)

Rattaphum District is divided into 5 sub-districts and consists of 63 villages, with a total population of 60,327 people. The majority of the population follows Buddhism, and their main occupation is agriculture, including activities such as rubber plantation, fruit orchards, and rice cultivation. Additionally, the population also has secondary occupations in the industrial sector, such as labor in wood processing factories, rubber product manufacturing, and animal feed production plants. The district has 42 educational institutions, including 2 high schools, 1 vocational college, and 1 Southern Region Women's Vocational Training Center. Moreover, Rattaphum District boasts numerous tourist attractions, such as Boripat Waterfall, Ton Pliew Waterfall, Thip Khiri Sea, Kongka Liaw Monastery, the 200-Year Durian Garden, and others. The district's slogan reflects its natural beauty and landscape, which says "Red Earth, Abundant Fruit, Royal Waterfalls, Legendary Mountains, Gateway to the Border" (Rattaphum District, 2019).

In Rattaphum District, the operation of community financial organizations displays a diverse range of entities, including production-oriented savings groups, community and urban funds, community business groups, occupational promotion groups, and other groups/organizations under various names. There are over 100 such groups/organizations, but

they share similar management characteristics. For example, community financial organizations i.e. the Community Financial Institution of Kamphaeng Phet Sub-district, established in 2006, with 2,195 members and a total capital of 38,740,312 baht. Another example is the Savings Group of Ban Klong Khaolon, established in 1999 in Khao Phra Sub-district, with 1,450 members and a total capital of 70,855,800 baht. Similarly, there is the Savings Group of Ban Sai Yai in Khuan Ru Sub-district, established in 1998, with 802 members and a total capital of 14,008,727 baht (Community Organization Development Institute (CODI), 2013). These fund groups may vary in terms of their strength and stability, the majority tend to lack robustness due to various reasons.

The objective of this study is to identify the strengths, weaknesses, and opportunities of various types of community financial organizations in Rattaphum District, Songkhla Province to promote a collaborative network among these organizations and develop practical strategies to strengthen them sustainably in the long run.

Research Objectives

1. To identify the strengths, weaknesses, and opportunities in the operations of community financial organizations in Rattaphum District
2. To study collaborative networks among community financial organizations, facilitating shared learning from past successes and failures
3. To develop best practices in financial management for community financial organizations based on lessons learned for them to become significant funding sources that can consistently support and strengthen the communities in the long term

Research Methodology

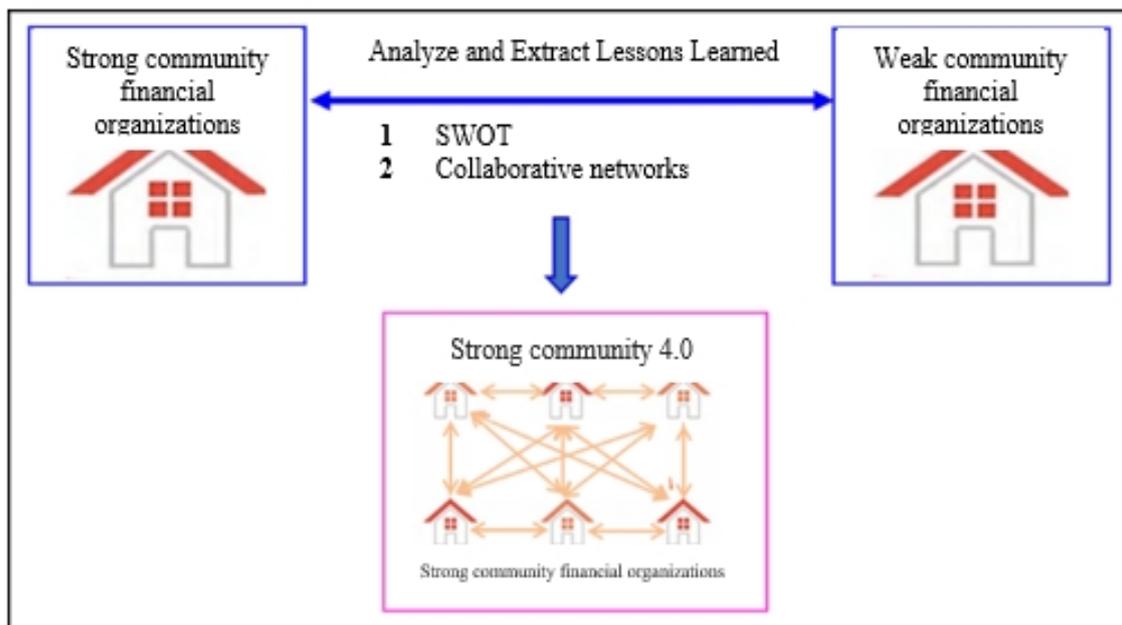
A qualitative approach was adopted in this study based on Pragmatism, which served as a research framework (Tashakkori & Teddlie, 1998) together with an action research method with the researchers' involvement in activities within the field (Somekh, 2006). Additionally, Grounded Theory was employed to study phenomena from different perspectives and to derive meaning from these occurrences. The data collected allowed the construction of concepts and the establishment of connections between various concepts, leading to theoretical conclusions that explain and enhance our understanding of the observed phenomena. Thus, this study consists of a set of phenomena's conceptual frameworks, which are interconnected through proposals demonstrating their relationships in various forms (Glaser & Strauss, 1967; Leedy & Ormrod, 2001).

The research was divided into 3 phases: Phase 1 demographic data collection and interviews, including reviewing of documents from secondary sources about community financial organizations in Rattaphum District, Songkhla Province, to plan on-site interviews with main informants from all 5 sub-districts; Phase 2 workshops for extracting lessons from 5 sub-districts, selecting key informants from both strong and weak community groups based

on the 3-level classification of the Community Development Department. Choosing groups with the lowest (Level 1) and highest (Level 3) levels of strength; and Phase 3 a workshop for analyzing collaborative networks innovation and best practices in financial management among community financial organizations in all 5 sub-districts, as depicted in the conceptual framework below.

Figure 1

A framework of how community financial organizations within Rattaphum District, Songkhla Province can be strengthened



1. Key Informants

Purposive sampling was employed in this study (Teddlie & Tashakkori, 2009, 97) to select key informants, categorized into two groups: the committee members of community financial organizations and members of community financial organizations from all five sub-districts in Rattaphum District. In the initial phase, interviews were conducted with a total of 23 committee members of community financial organizations, both strong and less strong. In the second phase, workshops were organized to extract lessons from the committee members and members of the five sub-districts. These workshops were held three times with a total participation of 102 individuals. In the third phase, a workshop was organized with 31 participants to present the overall community data to the committee members and members in the five sub-districts.

2. Research Tools and Data Collection

2.1 Document Data: This method involved collecting and summarizing information from documents related to the operations of community financial organizations in the target

area including group regulations, operational guidelines, financial statements, and other relevant documents.

2.2 Informal Observation and Unstructured Interviews: This approach involved observing and engaging in informal conversations and unstructured questioning. These approaches were applied to the key informants, both the committee members and the members who are utilizing services within the organizations.

2.3 In-depth Interviews: In-depth interviews involved asking guided questions to 23 committee members of the community financial organizations. The goal was to gain insights into the current operational context and situations of the community financial organizations. The interviews were conducted until data saturation was achieved, where no new or additional information emerged (Lindlof, 1995; Reid, 1996, 387-389, as cited in Sale, Lohfeld & Brazil, 2002). Each interview session lasted approximately 30 to 50 minutes.

2.4 Group discussions: Group discussions were the research tool for gathering information with the committee and members of the community financial organizations. These discussions took place three times with 34 participants, 42, and 26, respectively. They were aimed at soliciting opinions and extracting lessons learned about the operations in the organizations. Finally, a community feedback session was organized to present the findings to the committee and members at a broader district level with 31 participants. These sessions provided data used to design innovative collaborations between organizations, along with best practices in the finance management of community financial organizations.

2.5 Research materials included recording devices, cameras, notebooks, and other essential tools. The researcher obtained permission from the interviewees prior to every instance of audio recording or photography. Furthermore, this research project has received ethical approval for human research.

3. Data Analysis

The processes of data verification and analysis are outlined as follows:

3.1 Data Verification involved different specific steps, including assessing data validity by extracting text from the interviews and data from observations, as well as from the group discussions and field notes. Additionally, 2 types of Triangulation were applied. First, Triangulation of Methods was employed (Silverman, 2001, 288) in the documentary data collection, informal interviews, in-depth interviews, and group discussions. Second, Triangulation of Observers (Neuman, 2003, 138-139), was applied in conducting in-depth interviews using the same set of questions from diverse groups of informants.

3.2 Content Analysis (Bergman, 2010, 379-396) comprised three key components: (1) Data organization, involving the process of managing data by categorizing issues based on research objectives, structuring main themes, and subthemes before presentation; (2) Data display, a process of descriptive data representation to illustrate the management processes, strengths, weaknesses, and opportunities in the

operational practices of community financial organizations in Rattaphum District; and (3) Drawing conclusions, interpretation, and verification, where the research findings were descriptively synthesized and analyzed in accordance with the essence of the underlying concepts and theories employed in this study.

Findings

Part 1: Strengths, Weaknesses, and Opportunities in Operations and Community Economic Development of Community Financial Organizations in Rattaphum District.

Data collected from community financial organizations within the Rattaphum District revealed a diverse landscape, ranging from strong groups to weak groups, and several groups are currently in the process of revitalizing their management practices after experiencing setbacks in the past. Presently, community financial organizations in Rattaphum District are classified into various types: village fund groups (63 groups), community financial institutions (5 institutions), savings groups and production savings groups (43 groups), Satcha Saving Groups (40 groups), Mae Khong Pan Din Fund Groups (32 groups), and other types of groups (47 groups). Each of these groups operated as a community financial organization with the goal of providing welfare to their members. The strengths, weaknesses in operations, and opportunities for community economic development are as follows:

The Strengths: Distinct strengths in the operations of each type of community financial are outlined as follows:

1) The Community Financial Institution Groups: These groups had evolved beyond being village fund organizations, reaching a management level comparable to state-owned banks. While their financial transactions may be less extensive, they received mentorship from state financial institutions like the Government Savings Bank and the Bank for Agriculture and Agricultural Cooperatives (BAAC). Consequently, the strength of community financial institutions lies in their autonomy and ability to transcend their initial status as village funds. They had integrated computer systems and financial management software to aid in administration, control of income and expenses, balance sheet accounting, and issuing receipts. Examples included the Nong Mai Kean Community Financial Institution, the Kamphaeng Phet Sub-district Community Financial Institution, etc.

2) The Village Fund Groups: These groups benefited from a strong legal framework established under the Act on National Village and Urban Community Fund (B.E. 2547). The legislation had undergone multiple revisions to adapt to changing circumstances. As a result, most village fund groups had been elevated to legal entities, enhancing their stability. Therefore, when managed by a competent committee with a thorough understanding of management practices rules, and regulations, these village fund groups could experience significant growth and become dependable pillars of support for the community.

3) Savings Groups and Production-Oriented Savings Groups: The distinction lies in the natural formation of these groups. Savings groups were formed organically by pooling contributions from members. Some groups had officials from the Department of Community Development acting as mentors during their establishment phase. The strength of these groups lied in the autonomy of their committee members in management, especially when not bound by extensive regulations. This allowed for flexible organizational management that could cater to the members' needs. Examples included the Nong Mai Kaen Savings Group, the Rubber Plantation Savings Group in Ban Thung Khom Bang, etc.

4) The Satcha Saving Group was an emerging group that aims to exclusively provide community benefits. It resembled a savings group. The group's strength lied in its objective to provide welfare for its members. Therefore, the main source of income was through savings, which continuously grew. Except for cases where members were sick or deceased, or situations where they needed to fulfill welfare conditions, funds were withdrawn and distributed on each occasion. There was autonomy in managing the group's affairs, guided by the jointly established rules between the committee and the members. For instance, some groups might lend money from the accumulated funds to members and charge interest to generate income for managing the group. As an example, the Satcha Saving Group in Tambon Tha Chamuang followed this model.

5) The Mae Khong Pan Din Fund Group stemmed from an initial fund created for the purpose of overcoming substance abuse within the village or community. The group's strength lay in being the sole recipient of donations or allocated funds, without engaging in the collection of savings like the Satcha Savings Group. As a result, managing the group was not complicated. When funds were needed for any activities, the community members used a collaborative decision-making process unique to that village or community, for example, the Ban Na Pab Mae Khong Pan Din Fund Group and the Khlong Yang Daeng Village Woman Fund. These groups or funds typically did not have a permanent establishment. They were usually embedded within other types of community financial organizations. The majority of members were also members of these community financial organizations.

6) Groups of various types, for the most part, emerged to provide occupational support to their members. For example, a fertilizer group operated by pooling together various needs for both chemical and organic fertilizers. This group acted as an intermediary, procuring fertilizers from wholesalers and distributing them to the members, often earning a profit from the price difference. Members had the option to use the fertilizers before making payments at a later time. The strength of these groups lies in their focus on promoting livelihoods, enhancing the quality of life, and directly strengthening the members within the community.

The Weaknesses: Despite their differences in objectives and methods, the operations of community financial organizations of various types, what they shared in common was the group management structure through committees. The observed vulnerabilities which had an impact on the growth of these groups primarily revolved around management factors (4M) as follows (Rompho, 2014).

1) Man: One crucial factor in managing community financial organizations was the people or personnel involved. An often-observed weakness was that the committee and group/organization

members did not cooperate in adhering to rules and regulations. Borrowed funds were not returned, even when the committee followed up and requested repayment. There was a persistent attitude of "deny, avoid, and refuse to pay." This behavior negatively affected the group's strength. If legal action was taken, conflicts arose, and the committee members were often reluctant to take legal measures due to the fact that all members were part of the same community and were familiar with each other.

2) Money: There were weaknesses in terms of capital and financial expenditure, which could be divided into two parts. The first part was insufficient capital to meet the borrowing needs of the members. Additionally, the loan approval process was controlled to prevent easy and excessive disbursement of funds. The second part was related to the limited financial resources, leading to minimal allocation for expenditures resulting in low compensation for the workforce which reduced motivation for work. As a result, the workforce was primarily volunteering.

3) Materials: The weakness lies in the group's office premises and facilities. This was evident in groups that were not yet well-established, where there was a lack of a clearly defined office space. Seating and workspaces were often shared with various community activities, lacking privacy. This resulted in discomfort for the committee members while working. It also hindered coordination among members contributing to overall challenges in terms of meeting locations, etc.

4) Management: This was a crucial factor affecting the progress and advancement of a group. A significant weakness commonly observed in less established groups, especially those in the process of revitalization from past failures, was the lack of systematic short-term, medium-term, and long-term planning. Additionally, there was a deficiency in updating regulations to current standards and a lack of organized financial accounting. Efforts tend to be reactive and focused on resolving immediate issues. A key vulnerability for these groups was member confidence, which required a considerable amount of time to rebuild.

Opportunities: Throughout the past two decades, Thailand has faced financial and economic challenges on various occasions, such as the 1997 Tom Yum Kung Crisis, the 2007 Hamburger Crisis, and the 2014 political turmoil. As a response to these challenges, direct funding support had been provided to village and urban community funds nationwide, starting with an initial budget of 1 million baht in 2001 (Wongkham, 2017: 211). This has led to the transformation of village funds into legal entities, with the aim of establishing community banks in the future. Furthermore, financial organizations in various forms emerged, including production-oriented savings groups with support from both the public and private sectors. State-owned banks also contributed by strengthening communities in diverse ways, including academic support, advisory services, and low-interest loans to elevate groups into community enterprise entities, etc.

In summary, community financial organizations have progressively grown in significance, playing a vital role in driving community and national well-being and economy. Through this study, both strengths and weaknesses in their operations have been identified, along with opportunities to boost community economies. These insights can serve as valuable

lessons to further fortify community financial organizations as foundational pillars for community resilience. Additionally, the findings can be used to facilitate inter-group connections, fostering mutual aid and expanding cooperation among groups, ultimately leading towards the establishment of a network of community financial organizations in Rattaphum District.

Part 2: Collaboration Network Among the Community Financial Organizations in Rattaphum District

The study revealed that community financial organizations in Rattaphum District, Songkhla Province, consisted of various groups, including village fund groups, community financial institutions, production-oriented savings groups, Satcha saving groups, Mae Khong Pan Din fund groups, and other similar groups. While each group follows a committee-based management structure, the internal management details differed among them. All these groups made efforts to establish connections and networks among themselves to provide mutual advice and support. The networking structure varied, including connections at the district and sub-district levels, as well as groups that remained unconnected with others as shown in the following sections.

1) Networking at the District Level: Representatives from community financial organizations in each sub-district came together to form a district-level network committee. This committee's strength lay in its establishment of an operational team of village and urban community funds in Rattaphum District consisting of skilled and enthusiastic individuals. This task force was dedicated to assisting and advising on various aspects, including changing fund regulations and maintaining balanced financial accounts. The team was equipped to provide both academic guidance and practical management support related to fund management within the district.

2) Networking at the Sub-district Level: The network connected all community financial organizations within a specific sub-district. The study revealed that while there are legal regulations in place, some village fund groups were not yet prepared to engage in such network activities due to various reasons. However, there were strong instances of sub-district-level networking observed, such as the network of village fund groups in Khuha Tai Sub-district, the network of village fund groups in Khao Phra Sub-district, and the network of village fund groups in Kamphaeng Phet Sub-district. However, for other types of community financial organizations, such as production-oriented savings groups, Mae Khong Pan Din fund groups, and Satcha savings groups, there was no evidence of sub-district-level networking.

3) Partial Networking at the Village Level: This involved connecting some of the community financial organizations within a specific village. The study found that there was partial driving of the sub-district-level village fund network, with some village fund groups participating while others did not join in the network activities. In some cases, village fund groups only associated their name with the network but did not send representatives to

participate. Examples of these included the village fund network in Tha Chamuang Sub-district and the village fund network in Khuan Ru Sub-district. Additionally, there was also networking observed among other types of community financial organizations, such as savings groups and community financial institutions, which engaged in exchanging practices and guidelines among certain groups. Examples included the savings group in Ban Klong To Sub-district and the community financial institution in Ban Na Pap Sub-district, etc.

4) Lack of Networking with Other Groups: The lack of networking with other groups was mainly attributed to past management failures, where some groups had experienced irrecoverable setbacks or partial recovery, rendering them unprepared to engage in networking. Examples included the village fund groups of Plai Lahan Sub-district and Chai Khlong Sub-district, etc. There were also instances where certain groups disappeared entirely, such as the savings group in Khao Soi Dao Sub-district and the savings group in Ban Na Lueak Sub-district. Furthermore, some other types of community financial organizations did not establish networking connections from the outset. These included the Satcha saving groups, Mae Khong Pan Din fund, livestock-raising groups, goat-raising groups, and other product processing groups, etc.

In summary, the networking among community financial organizations in Rattaphum District demonstrates various levels of connectivity, each differing in its strength. Furthermore, the extent of connectivity is influenced by the specific type of community financial organization. Some affiliations adhere to established organizational regulations, such as village and urban community fund groups. The decision to join these networks often depended on the readiness of the organization and the perceived benefits of participation.

Section 3: Best Practices in Financial Management of the Community Financial Organizations in Rattaphum District for Strengthening Community Resilience

The study revealed that at the core of effective management for the community financial organizations lay the human factor, particularly the committee members. When individuals embodied qualities such as honesty, knowledge, selflessness, and a strong spirit of volunteerism, they became driven to contribute to the group's growth, fostering its resilience. They actively sought methods to propel the group forward, especially in terms of achieving financial stability. The workshop, aimed at gathering opinions and exploring efficient models for managing the community financial organizations in Rattaphum District 20 September 26, 2020, revealed intriguing conclusions, presenting a commendable approach to best practices in the management of the community financial organizations in Rattaphum District to bolster community strength including 1) a committee with high integrity, selflessness, a strong volunteer spirit, and substantial knowledge and abilities in financial management, particularly if the committee chairperson possessed expertise in accounting or audit, it significantly enhanced the efficiency of financial management, 2) regular preparation of income and expenditure statements and balance sheets every 6 months or annually, ensuring their up-to-date status for seamless audit readiness, 3) All monetary transactions, both receipts, and

disbursements, should be recorded in separate ledgers from the income and expenditure accounts, with detailed and thorough documentation, 4) each payment and receipt must adhere to the regulations and guidelines set by the organization, especially in the allocation of funds for various expenses. Any payments beyond the established guidelines should be presented for approval at committee or member meetings before disbursement, 5) regular updates and improvements should be made to the organization's regulations and guidelines, aligning them with the members' needs gathered during the annual general meeting should be utilized for these revisions, 6) adherence to the members' regulations and guidelines was essential, as any updates or changes must be approved during the general assembly. In each general assembly, the committee should summarize the key regulations and any new amendments for member awareness, fostering a collective review of the practices, and 7) there should be an auditing committee/department in place, which could be adaptable based on the situation. For instance, there could be an auditing system involving committee members, personnel from other departments, or even from networked organizations. The purpose of the auditing process was not primarily to detect wrongdoing, but rather to help mitigate risks and ensure mutual accountability.

Discussion

Based on the findings from the three aforementioned research sections, several notable achievements, innovations, and new insights have been derived, which can be summarized as follows:

1. Establishing a robust network of community financial organizations is possible when all parties share a common interest. This was evident in the case of training sessions on fund accounting provided to the network of village funds in Khao Phra Sub-district. The research team consulted with the Village Fund Network (VFN) in Rattaphum and found that the network's operational team from the district office was willing to serve as trainers, leading to a tripartite collaboration involving the Faculty of Liberal Arts, Rattaphum District's network operational team, and the village fund network of Khao Phra Sub-district. This collaboration extended to include 12 participating village funds for them to share their common practices. Furthermore, representatives from various government agencies were invited to observe and participate in the project. These included the Community Development Office and District Chief of Rattaphum District, who served as project consultants. Additionally, officers from Songkhla Village and Urban Community Fund Office were also involved as speakers, while the village headman and sub-district headman of Khao Phra Sub-district jointly presided over the closing ceremony. The circumstances align with the findings of Yimyam and Thawarom (2018) who identify factors contributing to the self-sufficiency and resilience of prototype village communities. These factors encompass state and private sector support, community management processes, active participation, and notably, the establishment of networks, which emerges as another pivotal element in fostering resilience. The findings also aligned with the research conducted by Thiraphat et al. (2012) exploring the sustainability of community

welfare funds in the context of striving for group excellence. It was found that key components included extending the group's operations to other communities, establishing both internal and external network connections related to various group activities, and creating a collaborative work network within the group to foster collective learning among its members, etc.

2. Strengthening community financial network organizations is possible if the network committee consistently holds consultative meetings, as can be seen from the village fund network in various sub-districts such as Kamphaeng Phet Sub-district, Khao Phra Sub-district, and Kuha Tai Sub-district. These networks have a monthly committee meeting in different village fund groups' offices within the sub-district. The research team participated in these meetings, suggesting ways to establish second and third tiers of leadership to prepare for a new leadership structure. Currently, most leadership positions are held by the elderly. This proposal will guide the Village Brick Fund of Kuha Tai Sub-district in implementing these recommendations. This is in line with the research by Kitiwong and Rattanasanuanwong (2018), which discusses the components contributing to the success of community-based occupational groups. These components consist of four main factors: leaders, followers, networks, and collaboration between government and private sector entities. The process of building success within these groups includes fostering inspiration, self-assessment, management, progression towards achievements, and collective goal attainment. Furthermore, this aligns with the findings of Chantaranamchoo et al. (2018), who explored causal factors affecting the application of the Sufficiency Economy Philosophy in managing community financial institutions. They identified five key dimensions: leadership, committee members, members, learning, and networks. These dimensions play a crucial role in guiding the management of community financial institutions and establishing connections with the local economy, leading to sustainable success.

3. Creating greater cooperation in a multicultural society, as observed through on-site research conducted by the research team, it can be concluded that Rattaphum District is an area with a high level of cultural diversity. Many village funds (VFs) and community networks within the sub-districts have members from both Buddhist and Muslim communities. These groups adhere to the same rules and regulations without encountering conflicts, and importantly, they provide mutual assistance to each other. This aligns with the research by Lakthong (2015), who studies strategies for building community resilience within a multicultural context and identified seven key strategies for community resilience-building, including (1) developing the capacity of community leaders, (2) cultivating unique community knowledge, (3) designing activities to foster relationships within the community, (4) community involvement, (5) establishing internal network organizations within the community, (6) community funds, and (7) rules, regulations, and discipline.

4. Promoting resilient community economies has been found to involve several sub-districts and networks that effectively utilize community financial organizations as a foundation for advancing the local economy. For instance, the network of village fund groups

in Kamphaeng Phet Sub-district provides support to various groups such as fertilizer cooperatives, cattle farming groups, goat herding groups, Ung (Stingless bee) product processing groups, and community artisan groups, etc. This aligns with the research by Butsalee et al., (2019) which explores sustainable strategies for strengthening the economic development of communities in the northeastern region. The study highlights that communities should engage in collaborative group management through various processes and methods, including: (1) active participation in community activities, (2) leadership strength and managerial capacity, (3) shared rules, regulations, or guidelines for cooperative operations, (4) collective knowledge for group functioning, and (5) collaborative utilization of resources for joint endeavors. The findings are in accordance with a study by Lasanklang et al., (2020), examining debt management in participatory household economics in Lamphun Province. The focus was on evaluating the outcomes of economic resilience building. The study found that resilient communities must maintain regular household accounting, engage in various community funds, conserve watershed forests, and reduce unnecessary household expenses. Additionally, the research revealed that sustainable community resilience requires three important components: active participation in community activities, application of Self-reliant Economy, and the transmission of ethical values through the cultural traditions and customs of the community (Kongjareau & Rattanaubon, 2011).

Nevertheless, there are several issues that need to be addressed. Firstly, communication challenges aroused by different factors i.e. age gaps, educational levels, and financial status may arise both within the groups. The issue also occurs between the community financial organizations and government regulatory bodies. These are in line with Muensai et al., (2017) who found that to enhance access to welfare-promoting funds, clear communication channels and more transparent profit-sharing mechanisms should be established. Mediators could be appointed to facilitate communication, offer guidance, organize forums to exchange knowledge, run projects, and write appealing project proposals, etc. From the service users' or the public's perspective, issues such as lack of information tracking, residential mobility, and misunderstandings of the information conveyed by current media used by organizations might occur. These problems are exacerbated by limited learning opportunities due to economic and societal factors. Nonetheless, the state and all relevant stakeholders should promote group activities, foster community financial organizations, or increase group formation in various forms. This will contribute to the development of a community democratic process by showcasing receptiveness to others' opinions, respecting each other's rights, fostering collaborative learning processes, and sustaining community culture (Plodkong & Dhammasaccakarn, 2013).

Conclusion

In Rattaphum District, community financial organizations come in various types, each with its own strengths and weaknesses in operations. Additionally, they offer different opportunities for promoting the local economy. For instance, the village fund groups have a strong legal framework to support them, while the community financial institution groups have

built on their own identity, uplifted from village funds, and incorporated computer systems and software to assist in financial management. Next, the savings groups and production-oriented savings groups gain the advantage from their flexible management, allowing greater adaptability. Likewise, the Satcha saving groups have their strength in providing member benefits and the Mae Khong Pan Din Fund Groups excel in being the sole receiver of donations or allocated funds to be used exclusively for activities related to community drug prevention. Lastly, the strengths of other financial entities in the community lie in being organizations that promote their members' livelihoods. As for the weaknesses identified in community financial organizations that are not yet strong, the 4M management factors serve as a framework for analysis. It can be concluded that in terms of the Man, the weaknesses revolve around an insufficiently robust committee, comprising elderly and long-serving members. Some members do not follow rules and regulations, borrowing money but failing to return it. In the area of the Money, the weakness is characterized by limited capital, while members have significant borrowing needs. Moreover, there is restricted funding available for essential operations. In addition, concerning the Material, there is a lack of designated workspace, necessitating the use of the community's multipurpose hall or committee members' homes. Regarding the Management, weaknesses include a lack of systematic planning, failure to update rules and regulations to current standards, absence of balanced financial record-keeping, and a deficiency in conducting audits to serve as a cornerstone for risk mitigation within the group.

Regarding network collaboration among the community financial organizations in Rattaphum District, it has been found that there are linkages at both the district and sub-district levels, as well as instances where some groups have no connections with other groups at all. The most well-defined network is the one among village fund groups, which aligns with the regulations stipulated by the government. However, in practical implementation, it has been observed that this network has not been fully established in every sub-district.

For effective financial management practices to strengthen the community financial organizations in Rattaphum District, the following key points can be summarized: (1) committee members should possess qualities of honesty, integrity, self-sacrifice, volunteerism, and relevant knowledge and skills in financial management, (2) regular financial records of income and expenses, balanced sheets should be maintained, (3) record keeping of all financial transactions in a ledger, (4) every financial transaction, both incoming and outgoing, should strictly adhere to the established rules and regulations of the group, (5) continuously update and improve the organization's rules and regulations to stay current, (6) all group members should abide by the established rules and regulations, and (7) an audit committee responsible for overseeing and evaluating the organization's operations should be established.

Recommendations

1. Policy-oriented Recommendations

The government should consider reducing populist policies as they tend to provide equal assistance to all organizations without analyzing each one's specific needs. This can lead

to a situation where many organizations do not strive for self-improvement and instead rely solely on government assistance.

Simultaneously, efforts should be directed toward promoting welfare through the utilization of community welfare fund networks as a foundation. This approach would serve to enhance the strength of the community financial organization network in another impactful way.

2. Recommendations for Future Research

It is advisable to study the integration of state-promoted financial organizations, such as village and urban community funds, with pre-existing community-initiated financial entities to understand how these two types of financial organizations can create a unique and potent force, thereby enhancing the resilience and strength of the community in the future.

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