IMPORTANT FACTORS INFLUENCING SOCIAL RESPONSIBILITY OF RESORT BUSINESS IN HUA-HIN DISTRICT, PRACHUAPKHIRIKHAN PROVINCE

Sorat Mongkolmafai[1]

Faculty of Business Administration

Rajamangala University of Technology Rattanakosin

E-mail: sorat.mon@rmutr.ac.th

Abstract

The project aims to study important factors which influence on social responsibility of resort business in Hua Hin district, Prachuapkhirikhan province. It is a quantitative research. The 120 samples were obtained by simple random sampling from resort business entrepreneurs listed in Thailand's Tourism 2010, in Hua Hin district, Prachuapkhirikhan province. A questionnaire was used as the instrument. Statistics used for analysis of data were frequency, arithmetic mean, standard deviation, Pearson's Chi-Square, and gamma statistics. Statistically significant difference was set at .05. The assumptions were factors influencing on social responsibility included self-impetus, organization impetus, social impetus, business impetus and state impetus.

The study found that most of the resort business entrepreneurs in Hua Hin district, Prachuapkhirikhan province were young and in the new generation, under 40 years old; having high education level, from bachelor degree to master degree; related to the businesses as administrators, inheritors or family member; and their work duration was not over 5 years. However, most of them were business entrepreneurs from other areas or other regions. Most of them were in small to medium business with 20-50 rooms. Most of the resorts were located on their own land bought from former land owners. Moreover, the locations were close to tourist attractions, such as sea, mountains and community.

The hypothesis test revealed that factors influencing on the social responsibility, in order of priority, were self-impetus, business impetus, state impetus, organization impetus and social impetus.

Keywords: Resort Business, Responsibility, Social Environment

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[1] Rajamangala University Of Technology Rattanakosin, Wang Klai Kangwon Campus,
  35/9 Thanon Phetkasem (km 242), Nong Kae, Hua Hin, Prachuap Khiri Khan, 77110 Thailand

Introduction

Social responsibility is a kind of management to project. It improves the social welfare as a whole in order to build better life quality for people in the society through various extra activities, besides routine duties which aim to achieve the organization's purposes. The organization has to recognize negative effects caused by its procedures of managing some activities for the society. Thus, administrators or leaders of the business organization have to bring the social concerns in all aspects, and efficiently and suitably use natural environment to manage the business along with the organization's responsibility for discipline of quality maintenance and customers' service. However, some business entrepreneurs currently neglect social responsibility; evidently cause problems of garbage, water pollution, and public land trespass. These problems have had negative effects on the society, and then caused both the business organization and the society lack of sustainability (Phillip. & Nancy, 2005).

Tourism industry has been considered important to Thailand; it has active roles on the country's economy, society, and culture; due to its capacity to make effectively and fast revenue increase into the country and distribute income to local people as well. On the other hand, the fast development and expansion of tourism industry also affects negatively Thailand's economy, society, culture and tourism as well as environment resources of the local. The lack of good management can cause deterioration in environment; for example, destruction of forests, wildlife, water resources, ancient architecture and artifacts, including changes of nature and social way of life of the local communities. The damage is not only difficult to improve, but also affects tourism industry in the long run. Local tourist attractions cannot attract tourists to visit any longer and that causes loss of large amount of income and directly causes loss to the local people and tourism businesses (Office of Research Promotion. Office of National Environment Committee, 1985).

The topography of Hua Hin district in Prachuapkhirikhan province is a crowded city community. It has been an important world-class tourist place due to its beautiful geography with many tourist attractions, such as beaches with white sand and clear sea water, and fresh air. It usually welcomes 1.9 million tourists each year and receives 8,000 million Baht revenues. The situations cause establishing lots of hotels, resorts, restaurants, and other tourist businesses; and they tend to increase every year, following the public policy of tourism promotion. The ongoing policies on tourism cause many businesses to develop and expand tourism activities. There are other facilities to serve tourists, for example, accommodation, restaurants, and landscape improvement. Unfortunately, they unexpectedly affect the environment and community by causing change and deterioration of some tourist attractions.

The problems, for example, of 80 – 120 tons of garbage management have caused bad smell and water pollution in the water resources of the communities in Khao Seyrach, Nong Pran Puk, and Wang Krata villages of Tuptai district. Thus, good tourism management should emphasize social responsibility in order to originate sustainable development of business society and environment of the

country as a whole (Weerawatananon, 1998). If entrepreneurs in Hua Hin tourism have social responsibility, it can help promote sustainable tourism and natural resources according to the government's policy, and in the long run, this can lead to cooperation among groups of consumers, business people, and communities in Hua Hin to have awareness of environmental care and use the natural resource efficiently.

Research Objectives

This research aimed at

1. Studying concepts and factors that influence social responsibility behavior of resort business entrepreneurs in Hua Hin district, Prajuapkhirikhan province,

2. Analyzing forms and designing suitable social responsibility procedure, leading to sustainable development, for resort business entrepreneurs in Hua Hin district, Prajuapkhirikhan province.

Literature Reviews

Public policy and social responsibility in tourism industry

The quality and sustainable development of tourism that emphasizes human resource development has been obviously set in the National Plan for Economic and Social Development (NPESD)8 (1997- 2001), NPESD 9 (2002- 2006), and NPSED 10 (2007 2S12) continuously carried on to the present NPESD 10 (2007-2012) by letting all groups of people at all levels participate in systematic tourism planning and management; and has tried to create balance in economy, politics and environment as well as to create consciousness and good attitude of quality tourism, responsible business entrepreneurs for Thai people to make them love and care for national tourism resources. The main policy and measures are set as follows.

1. Create campaigns to contribute knowledge among people and tourism business entrepreneurs and consciousness about tourism resources and environment by using available media in order to reach the target groups clearly and efficiently.

2. Set mechanisms for development service and conservation of private resources and environment for local tourism by organizing local committees from the public and private sectors, and local people, to plan, establish policy, and coordinate development.

3. Concretely apply legal measures to control constructions and buildings to prevent trespassing on public land, rivers, canals and other public water resources.

4. Support private business' operation to develop new tourism activities besides natural resource to attract tourism such as water travel, sports, health and so on.

Corporate Social Responsibility: CSR

The World Business Council for Sustainable Development (WBCSD) defines CSR as continuous commitments of an organization to ethically perform tasks to make progress on economic development as well as developing quality of employees' life, their families, communities, and the society. The European Commission (2001) defines CSR as a concept which an organization combines to its business procedures and interacts with its stakeholders on the basis of willingness. Thus, it can be concluded that CSR is concept of voluntary business management with social responsibility that emphasizes economy, environment, and the society. The operation will not give troubles to the society and environment. It avoids damaging people and the society, and protects the whole benefits of the society to promote better quality of life of the people in order to build sustainable development of the organization and society (Phillip, & Nancy, 2005).

Components and levels of CSR

Seriratana et.al (1993, 57-61), Boonbongkan (2001) and Contreras (2004) said that the four components of CSR are as follows.

1. Economic responsibility is the organization's consideration to be responsible for the society besides making profit.

2. Legal responsibility is the operation that has to be performed in consistent with the laws and all the requirements.

3. Ethical responsibility is the organization's responsibility concerning morality and values that control the organization's decision.

4. Discretionary responsibility depends on consideration and self-selection that the organization should have without legal connection. In order to consider about the level of the business organization's CSR, the level of social responsibility to problem awareness or the level of awareness capacity of the organization's should have commitment to the society. There are three types of business solutions to the social problems that the organization was committed in order to help effectively and efficiently. (Suntiwong, 2003: 96 - 98)

1. Social obligation approach with minimum responsibility according to laws. The organization that follows this practice will renounce its resources according to the law only. The practice is "do as be required" to prevent legal problems.

2. Social responsibility with willingness approach is that business accepts responsibilities, economic profiting to seek profit and increase the capital of shareholders, and CSR- to pay attention to current social problems. However, the solution to solve problems will be limited as long as it does not cause any loss to the organization.

3. Social responsibility with care approach is that business is responsible for economy and society, and it also has a vision to the operation based on mutual care between business sector and the society to live together with balance and sustainability. The approach foresees possible social problems

and renounces its resources to help solve the problems. This approach concentrates on prevention rather than remedy by foreseeing expected problems in the future and solving them promptly.

Conception of the organization's CSR operation

Desirable CSR must consist of the four components and meet the level of CSR with care. Steps of CSR operation start with self-development for the operation of sustainable business, building favorable community and strong society, and using creative media to oppress the society and environment. The organization has to use national resource worthwhile by integrating CSR disciplines into its business operation to develop sustainable base in business, society, and environment. Moreover, the use of resource has to be efficient and be reduced by adopting IS0 14000, raw materials must be improved and the production process must also be environmental-friendly.

The step of building favorable community and strong society means self-development to become the organization that can be able to live in harmony with the community and environment without causing any trouble to the community and society. Meanwhile, the organization has to look outward and coordinate itself into the community and society, which is the important role of business to promote and support sustainable development on the basis of inseparable business and society. It is possible through social activities, such as empowering the community to participate in conservation environment, encouraging consciousness about environment and energy or youth development.

The last step, use of creative media for the society and environment to communicate the organization to society, not only distributes its own operational information and shows its environment and be responsible to the society (Contreras, 2004; Phillip, & Nancy, 2005).

Concept of building environment consciousness

Consciousness comes from evaluation and recognizes importance which comes from attitude, beliefs, values, opinions, and interest. The differences of these things importantly depend on levels of feeling (Werathanaporn, 1972: 29). Building consciousness, conditions must be taken into consideration; conditions can build or consciousness or stop consciousness in people. Environmental problem solutions must start people's consciousness and be aware of its importance first. Also, the public sector administrators in particular must see the importance and cooperate and give justice to the problem solutions in setting and operating the policy to maintain the environment through the measures of order and control, and economic impetus. Keenleysides analysis of people's roles in conservation (cited by Chongsawat, 1993: 11) suggested making understanding and expectation of behavior of the local people as much as possible. Environmental consciousness behavior is the mix of belief, attitude, and opinion coming from information reception and mix media, which comprises perception and understanding environmental problems through learning procedure within the city community and procedural context to build awareness of their own roles and be ready to participate in prevention and solving the problems (Phillip, & Nancy, 2005).

Concept of sustainable tourism

Ecotourism is tourism based on the natural attractions with the benefit of conservation. It need financial support to look after the areas. In order to creating work with community environmental consciousness in eco-tourism, there must be good management, based on academic principles, and correct planning and operation. The environment of the tourist attraction has to be managed without causing negative effects on the local and the whole environment to lead to sustainability. There are four kinds of operations:

1. An operation of tourism within the capacity of nature, community, tradition, culture, and way of life of the community,

2. Awareness of tourism activities that affect the community, tradition, culture and way of life of the community,

3. Participation of people in tourism activities that affect ecology community, tradition, culture and way of life of the community, and

4. Coordination among economic needs of the community and sustainable environment conservation.

Research Methodology

The samples in this study included 120 resort entrepreneurs obtained by simple random sampling method from the name list of resort entrepreneurs in Hua Hin district, Prajuapkhirikhan province, listed in Thai Tourism 2010. The research instrument was a questionnaire with the test of validity and reliability. Statistics for data analysis were frequency, arithmetic mean, standard deviation, Pearson Chi Square, and gamma. The statistical significance was set at the level of 0.05. The hypotheses were factors influencing social responsibility including self-impetus, organization impetus, social impetus, business impetus, and state impetus.

Results and Discussions

The results of this study revealed the general information of the questionnaire respondents, who were the representatives of the resort business entrepreneurs in Hua Hin district, Prachuabkhirikhan province. The majority of the respondents, 72.5%, were new generation people who were not over 40 years old. 79.2 % of them finished bachelor's and/or master's degree. 70% of them were administrators, inheritors, or family members of the business. 77.5% of them were those who have been working in this business for less than 5 years, 36.7%, the majority, were business owners who came from other province; meanwhile, only 23.3% were entrepreneurs who were Hua Hin residents. 76.7% were small and medium business and 33% of them had 20-50 rooms. Most of the resort were built close to tourist attractions, such as the sea, mountain and community, and they acquired ownership of their lands by buying them from former owners.

From the testing of the hypotheses, the most important factors influencing the entrepreneurs to have social responsibility was self-impetus, and other important factors were business impetus, public impetus, organizational impetus, and social impetus, respectively.

Picture1 The pattern of social responsibility of resort business entrepreneurs in Hua Hin district, Prachuabkhirikhan province.

According to the study, the development of the tourism must aim at sustainability. Therefore, to be sustainable in tourism business, it is important that there must be a combination of self-impetus, business impetus, state impetus, organization impetus and social impetus.

The finding of the research indicates that the resort entrepreneurs of Hua Hin district, Prachuabkhirikhan province have self-impetus that makes them run the business with high level of social responsibility. In fact, social responsibility does not only mean there is no harmful acts to the society, but it also considers the economics of the society. The social responsibility consists of four points which are economic responsibility, legal responsibility, ethical responsibility and discretionary responsibility in organizational, social and national level (Seriratana et.al, 1993, 57-61). The entrepreneurs must, especially, acknowledge and take social and environment effects into consideration while running their business.

The finding also revealed that the business impetus focusing on the business competition through usage of corporate social responsibility. The reason is that the corporate social responsibility can create very reputable brands or organization which can finally return some profits to the organization. With that, the organization is attempting to promote corporate social responsibility.

Also, the study found the importance of state impetus. The state impetus refers to the promotion and support done by the government, such as policy or legal to force the organization to consider the benefit of having the social responsibility and create the environment consciousness. In the literature review, the public sector administrators in particular must see the importance, and cooperate and give justice to the problem solutions in setting and operating the policy for keeping the environment through the measures of order and control, and economic impetus.

Another factor affecting social responsibility of resort business entrepreneurs in Hua Hin district, Prachuabkhirikhan province, is organization impetus. The organization impetus refers to the organization activities focusing on continuing to attract tourists, and afford the business entrepreneurs to gain profits. Therefore, the organizations need to develop themselves at all time. The development is in particular focused on people in the organizations. This is corresponding to the previous studies mentioning that the quality and sustainable development of tourism can be depending on emphasis of human resource development which all groups of people at all levels participate in systematic tourism planning and management in order to create consciousness and good attitude of quality entrepreneurs and tourists. However, there must not be any, or least, effects on the natural environment, society, and culture. To enable sustainable management to maintain the existence of tourism, entrepreneurs must consciously have social responsibility. There are four ways the organization can create consciousness and good attitude of the organization members. The first is to contribute knowledge and understanding to people and tourism business entrepreneurs. The second is to set mechanisms by organizing local committees from the public and private sectors, and local people, to plan, establish policy, and coordinate development. The third is to use legal measures to control constructions and buildings to prevent public land trespassing, and use of land, rivers, canals and other public water resources. Lastly, the fourth is to support private business' operation for developing new kinds of tourism activities to add more attractions apart from natural resource, such as water travel, sports, health, etc.

However, the social impetus is quite low. In fact, the entrepreneurs must bear in mind that the participation of the society is very crucial. The community networks are beneficial to resorts by offering these supplementary services to tourists. The tourism business should involve in community. Unfortunately, there are still little cooperation between the community and the business sector, but there is high public impetus; the government requires the entrepreneurs to invest in saving the environment, such as wastewater treatment and garbage disposal.

Recommendations

Recommendations for practices

According to the result of the study, the recommendations for practices can be proposed as follows. The first is that the proper process in building social responsibility for resort entrepreneurs in Hua Hin district, Prachuapkhirikhan province should start form having self-impetus; it is the most influential and can be used to drive the organization forward. The second is that the relationship between business benefits of the entrepreneurs and social benefits of the community must be promoted. Therefore, there must be activities and concrete results shown from such promotion. The third is that the government sector must focus on building impetus instead of giving commands to business owners, and self-impetus should be used for inspection more than giving supports.

Recommendations for future research

The next research should focus on studying how to develop the resort business vision, strategies and members in the resort to support the organization's social responsibility because the study showed that self-impetus is important to the resort's promotion of social responsibility; but, the organizational impetus of the resort is quite low. In addition, the next research should also focus on how to develop the participation of the community or society that can cooperate with the resort business since the social impetus is low.

Acknowledgement

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