

# Internal and External Risk Factors' Influence on Management for Faculty of Education in Public Universities Thailand

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## Abstract

*The purposes of this study were, first, to determine the level of factors in location, size, and internal and external risk factors for management, second, to compare the level of internal and external risk in faculty of education of public universities classified by location and size, third, to determine the correlation between internal and external risk factors with management function in faculty of education, last, to construct the total Management By Expectancy (MBE) equation from internal and external risk factors. The samples, by means of stratified random sampling, consisted of 280 staff members in Faculty of Education, Public Universities in the year of 2008. The research tool for collecting data was a four-point rating scale questionnaire. The statistics used for analyzing the data were means, standard deviations,  $t$  – tests, one way ANOVAs, product moment correlations, and stepwise regressions. The following were the main findings: 1) The internal and external risk factors in faculty of education of public universities were rated at the low level; 2) The location and size in faculty of education of public universities were found no significant difference; 3) The internal risk factors has significantly positive relationship ( $p < .01$ ) with management function as a whole and each particular aspect, but the external risk factors had significantly positive relationship ( $p < .05$ ) with management function as a whole and in each particular aspect; and 4) Each aspect of the internal and external risk factors could predict the management function in faculty of education of public universities, and found the factors on Man ( $X_3$ ), Material ( $X_4$ ), Management ( $X_5$ ), Product and Service ( $X_6$ ), and Structure ( $X_7$ ) could predict Management By Expectancy (MBE) ( $Y$ ) at 73.10 %. It showed the join prediction with statistical significance at the .05 level.*

**Keywords:** Risk Factors, Internal and External Risk, Risk Influence on Management, Faculty of Education and Public Universities in Thailand

## Introduction

Educational management is a task which is relevant to the development of manpower and is very essential to the development of the country. In management, one should consider efficiency in preceding the task worthily aiming that it should bring about standardized valuable outcomes which go along with goals in the formation of total human-being (Morrissey, 1976: 2). Therefore, administrators should aim to control and manage everything which is relevant to education, for example, administrative work, general administration, works which are relevant to teaching and learning process, teaching and learning programs, curriculum activities, methods, teaching aids, and guidance (Good, 1973: 13).

Education is a system of society in which student factor is its input and teaching and learning are the process of bringing about its output which is referred to the academic achievement. The proceeding of educational system involves the factor such as students, management, structure, class schedule, and curriculum as the main resources which should be congruent with the goals of the system. Education also has specific characteristic which is quite different from other agencies. Educational agencies seem not to be a systematic but rather independent and loosely tied together

by bureaucratic system (structural looseness) (March and Olsen, 1976). This characteristic can bring about good result which mostly is referred to the expertise in the organization. Educational agencies aim to develop manpower and manhood. It is nature of nonprofit organization which is service intensive, (Blau and Scott, 1962: 42-45) and cannot refuse its customers who come for attaining services. (Carlson, 1964: 262-278) Moreover, the educational system should mainly aim to serve pupils or students in the form of team work groups which can make decision independently and have their own autonomous control standard (Blau and Scott, 1962). Therefore, such system does not stress on other factors apart from learner's quality.

Educational management expects the goal intensive results should consider social expectation according to role, mission, and responsibility of educational institutes and should utilize more management technique in educational proceeding since the educational system is a system of society which should be more investigated. Facing with the mission of providing quality education in order to match the knowledge with the reality of a new world, the management of educational institutions needs to take into account of various factors (April and April, 2007). The educational system is an open system and consequently, it should accept outside resources for the purpose of more efficient educational management. According to this openness of the system, external factors are as essential factor for educational management as those internal factors inside educational institutes which their administrators should always face problems about educational management. Occasionally, those problems can be expected beforehand but sometimes cannot expect what will happen. Such unexpected problems become risk in carrying on educational works. We can conclude that the mentioned risk factors occur from external influence which sometimes cannot be controlled, including internal factors which can be managed.

Identifying and prioritizing risks whether this will be forecasting or following the disaster has long been the standard of management activities (Casualty Actuarial Society, 2003). The studies of educational risk usually focus on unsuccessful educational proceeding which cannot achieve its goals or fulfill its assigned plans. The study also focuses on the possibility of being lost or obstacles which affected educational institutes. In general management, the educational administrators should perform their duties in accordance with the assigned goals and should control everything for the purpose of achieving the goals. (Stock Market of Thailand, 1998) Such control consists of 1) internal audit, 2) internal control, and 3) risk management. The impact which occurred from the risk is essential for higher education management. We can conclude that 1) It may affect the risk of lost educational proceeding which occur from using a large amount of resources which bring about budget deficiency, 2) It may affect the failure of policy or unsuccessful project which affect the direction of development, 3) It may affect trustworthiness, success or failure of administrators which effect the popularity and trustworthiness of people towards higher education institutes, and 4) It may effect a great educational failure for example the idea of educational management which aims towards human development may aims towards diploma transaction and profit intensive which will seriously affect the educational system of the country in the long run.

Apart from this, the investigation of educational proceeding within educational institutes, if exist, is more or less traditional procedure. In other words, it cannot bring about positive or concrete outcome since the administrators always avoid regulations without being caught.

Charoenkwan Praekthong (1997) concluded from the evaluation of Thai higher education institutes according to standardized criterion of Australia that the quality and standard of 630 higher education institutes in Thailand, as a whole, are at quite low level. Moreover, the researcher also found other risk factors which are called the risk in the area, financial aspect, procurement, and information technology. In the case of faculty of education which is a micro system of Thai university, the risk which will affect the management of the faculty is quite serious since external factors of faculty of education cannot be controlled, i.e. popularity crisis of students who would be input of faculty of education, uncertainties of teacher formation management system, confused policy of the ministry of education, job availability and working condition of graduate who has got a degree in the field of education, lacking of qualified teacher who will teach in faculty of education, the risk which is so great in the aspect of quality of graduates at bachelor degree level, master degree level,

and doctoral degree level which is the result of the occurrence of so many higher education institutes, opening of disqualified, courses in the field of teaching and learning process, testing and evaluation, and above all, there are some changes or adaptation which is congruent with capitalism that focus more on profit than offering real education.

Consequently, the study of the mentioned risk will be a direction for prevention of such problems or decreasing the existing risk until it is generally acceptable. Therefore, the researcher has paid attention to internal and external risk factors influence on management of the faculty of education of public universities in Thailand classified by size and location.

## Purposes of the research

To study the level of factors in the aspect of location, size, and internal and external risk factors influence on management in faculty of education of public universities in Thailand

To study the level of management in faculty of education of public universities in Thailand.

To study the correlation between Internal and external risk factors with management function of faculty of education of public universities in Thailand.

To construct expectancy equation of management in faculty of education of public universities in Thailand from internal and external risk factors.

## Conceptual framework of the research

The study of internal risk factors (included structure and policies, output and service, man, monetary efficiency, material resource and management) and external risk factors (included society and innovation, innovation and information technology, economy, politics and law) influence on management in faculty of education in public universities in Thailand based on the idea and principle of risk which were events or results of misconduct administrators who failed to carry on his duties properly and could not achieve the assigned plans or goals of their educational institutes. Events or results as mentioned might occur from internal and external factors which could be classified into two factors include: 1) risk factor inside organization and 2) risk factor outside organization

In the aspect of management, the researcher analyzed and synthesized in the dimension of 1) duty of public universities in Thailand, 2) planning of information technology system, role and authority of faculty of education of public universities in Thailand. As such, the researcher constructed management process in accordance with goal and result as shown in the diagram of conceptual framework of the research below:

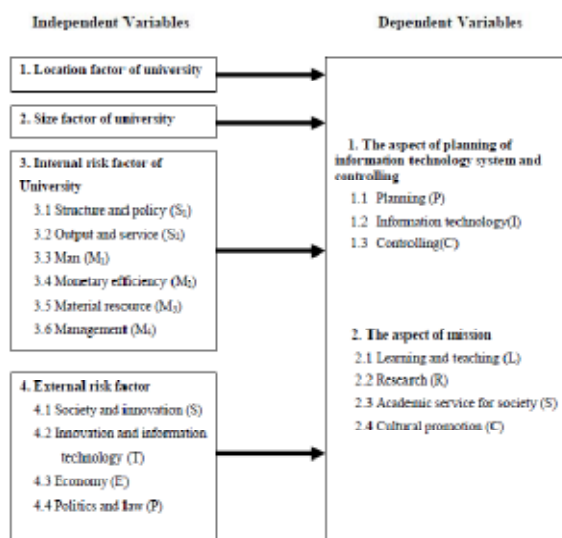


Diagram 1 Conceptual Framework

## Research methodology

This study was a survey research and the purposes of the research were to study internal and external risk factors influence on management in faculty of education of public universities in Thailand classified by size and location focused on studying internal risk factor related to structure, policy, output and service, personnel, monetary efficiency, material, resource, and management. The study also focused on external risk factor related to society and culture, innovation and information technology, economy, politics and law influencing manage in faculty of education of public universities. Moreover, the researcher aimed to construct expectancy equation of management in faculty of education of public universities. The samples, by means of stratified sampling, consisted of 280 staff members in faculty of education of public universities in the year of 2008. The sampling stratified organized by size and location of public universities all over the country.

The instrument used in the study was a questionnaire which consisted of 108 items divided into 5 parts i.e. Part I consisted of questions on the demographic information, Part II consisted of questions on internal risk factor, Part III consisted of questions on external risk factor, Part IV consisted of questions about management by expectancy in the aspect of instrument, and Part V consisted of questions on management by expectancy in the aspect of function. The questionnaire had a reliability alpha coefficient of 0.96. The data analyzed by the mean of SPSS program. Mean, Standard Deviation, t-test, One-Way, ANOVA, Simple correlation and, Stepwise Multiple Regression Analysis were used for the purpose of constructing prediction equation from variables of external and external factors in each aspect which can predict management by expectancy of faculty of education in public universities. Then, the researcher discussed and presented findings in narrative style which was illustrated by tables and diagrams.

## Conclusion and Discussion

According to the objectives of this research are to study the level of factors in the aspect of location, size, and internal and external risk factors influence on management in faculty of education of public universities in Thailand. The research also wanted to examine the level of management in faculty of education of public universities in Thailand. As well as the above objectives, this research aimed to study the correlation between Internal and external risk factors with management function of faculty of education of public universities in Thailand. The last objective was to construct expectancy equation of management in faculty of education of public universities in Thailand from internal and external risk factors.

Provided the above objectives, the researcher found from the study of factors influence on management in faculty of education of public universities that internal risk factors influence on management in faculty of education of public universities, as a whole, were at low level. When considered internal risk factors in each particular aspect, the researcher found that those aspects were also at low level. The following aspects were put in order accordingly to their average scores from maximum to minimum respectively as follows: monetary efficiency, material resource, management, personnel, output and service, and policy.

When analyzed the level of management by expectancy in faculty of education of public universities, the researcher from that management by expectancy in faculty of education of public universities, as a whole, were at low level. When considered risk factors in each particular aspect, the researcher found that all aspects were at low level. The following aspects were put in order accordingly to their average scores from maximum to minimum as follows: research, cultural promotion, learning and teaching, controlling and, information technology.

Related to the analysis of relationship between internal risk factors, external risk factors and management by expectancy of faculty of education in public universities, the researcher analyzed and presented the result of the analyzed of such relationship by calculating Simple Correlation ( $r$ ) between internal and external risk factors in each particular aspect, as a whole, and management by expectancy of faculty of education in public universities. Then, the researcher tested the significance and the findings were that internal and external risk factors had correlation coefficient between .24 and .73.

The aspect of personnel, monetary efficiency, material resource, and, management by expectancy of faculty of education in public universities were at rather high level. The aspect of output and service and the aspect of innovation and technology had significant positive relationship at moderate level. The aspect of structure and policy, the aspect of society and culture, and the aspect of economy had significant positive relationship at quite low level (at the .01 level).

The researcher concluded that, as a whole, internal risk factors had significant positive relationship with management by expectancy at quite high level.

Relate to the constructing of predictive equation of management by expectancy in faculty of education of public universities from internal and external risk factors, after the data analysis, the researcher constructed a predictive equation of management by expectancy in faculty of education of public universities by using internal risk factors in each aspect i.e. factor related to structure and policy ( $X_1$ ), factor related to output and service ( $X_2$ ), factor related to personnel ( $X_3$ ), factor related to monetary efficiency ( $X_4$ ), factor related to immaterial resource ( $X_5$ ), and factor related to management ( $X_6$ ). Apart from that, the researcher constructed the equation by using external risk factors in each aspect i.e. factor related to society and culture ( $X_7$ ), factor related to innovation and technology ( $X_8$ ), factor related to economy ( $X_9$ ), and, factor related to politics and law ( $X_{10}$ ). The researcher analyzed the mentioned factor by using Multiple Regression Analysis to test the result of prediction and analyzed Stepwise Multiple Regression for the purpose to constructing a predictive equation from internal and external risk factors in each aspect which can effectively predict management by expectancy of faculty of education in public universities.

The researcher investigated fundamental assumption related to the case that predictive reliable did not have to have too much relationship between each other by testing Tolerance and VIE which the researcher found that those predictive valuables had a little relationship since Tolerance value was not less than .01 and VIE value was less than 10. Therefore, it was congruent with the fundamental assumption of using statistics of Regression Analysis when it was able to use the mentioned value to calculate prediction power (Wanee Hirunyakorn, 2004: 113). The result of the analysis showed in Table 1

**Table 1** Factors with predicting power of management by expectancy of faculty of education in public universities

Sequence	Predictor	R	R2	Percentage
1.	$X_3$	.728	.529	52.90
2.	$X_3, X_5$	.803	.643	64.30
3.	$X_3, X_5, X_6$	.846	.712	71.20
4.	$X_3, X_5, X_6, X_2$	.855	.727	72.70
5.	$X_3, X_5, X_6, X_2, X_1$	.858	.731	73.10

From Table 1 above shows that factors which has predicting power of management by expectancy of faculty of education in public universities were put in sequence beginning from the best predictor namely factor related to personnel ( $X_3$ ), factor related to material resource ( $X_5$ ), factor related to management ( $X_6$ ), factor related to output and service ( $X_2$ ), and factor related to structure and policy ( $X_1$ ). All of 5 factors had collective multiple correlation coefficient .858 which had statistics significance at the .05 level and could mutually predict 73.10 %. These data were able to be used in Stepwise Multiple Regression Analysis of predictive variables which were internal risk factors in each aspect that could be predicted as shown in Table 2.

Table 2 Correlation Coefficient Stepwise Multiple Regression of predictive variable of internal risk factors which could predict management by expectancy of faculty of education in public universities using the best predictive variable in constructing of predictive equation.



**Table 2** Correlation Coefficient Stepwise Multiple Regression of predictive variable of internal risk factors

Internal risk factor	b	S.E.b	B	t	P
1. Factor related to personnel ( $X_3$ )	.19	.03	.27	5.59	.000
2. Factor related to material resource ( $X_5$ )	.32	.03	.38	9.79	.000
3. Factor related to management ( $X_6$ )	.22	.03	.26	7.17	.000
4. Factor related to output and service ( $X_2$ )	.13	.03	.16	3.97	.000
5. Factor related to structure and policy ( $X_1$ )	.07	.03	.08	2.36	.019
Constant ( $b_0$ )	.19		.11	1.70	.090

$R = .858$ ,  $R^2 = .736$  S.E.est = .198,  $F = 152.97$

\* $P < .05$

Table 2 showed that predictive variables which could mutually predict the effect of criterion variables of management by expectancy of faculty of education in public universities (Y) using the best predictive variable in constructing of predictive equation revealed that the aspect of personnel ( $X_3$ ), the aspect of material resource ( $X_5$ ), the aspect of management ( $X_6$ ), the aspect of output and service ( $X_2$ ), and the aspect of structure and policy ( $X_1$ ) could predict management by expectancy of faculty of education in public universities 73.10 % and could mutually predict statistically significant at .05 level. The formation of predictive equation was as follows:

$$\hat{Y} = .19 + .19(X_3) + .32(X_5) + .22(X_6) + .13(X_2) + .07(X_1)$$

## Final Conclusion

1. Internal and external risk factors of faculty of education in public universities, as a whole, were at low level. When considered in each particular aspect, the researcher found that every aspect of internal risk factor was at low level. On the other hand, while the aspect of external risk factor related to innovation and technology was at low level, the aspect of risk factor related to society and culture, politics and law, economy, were at high level respectively.

2. The location factor of every faculty of education in public universities all over the country, as a whole and as each individual aspect was statistically insignificant different. Apart from that, the size factor of faculty of education in public universities, as a whole and as each particular aspect, was statistically insignificant different at .05 level.

3. Internal risk factors of faculty of education in public universities, as a whole and as each particular aspect, had statistically significant relationship at .01 level with management by expectancy of faculty of education in public universities. While external risk factors of faculty of education in public universities, as a whole and as each particular aspects, had statistically significant relationship with management by expectancy of faculty of education in public universities at .05 level.

4. Internal risk factors which were able to predict management by expectancy of faculty of education in public universities revealed that factor related to personnel, factor related to material resource, factor related to management, factor related to output and service and, factor related to structure and service, were able to predict management by expectancy of faculty of education in public universities 73.10 %, and were able to mutually statistically significant predict at .05 level.

## Recommendations

### 1. General recommendation

#### 1.1 Internal risk level

1) In relation to the aspect of structure and policy, there should be focusing on technique and method more than content in carrying on teaching and learning programs. Moreover, teacher formation should be customer centered.

2) In relation to the aspect or output and service, graduate formation should focus more on capacity of analysis and evaluation.

3) In relation to the aspect of personnel, there should managerial reinforcing on organizational loyalty and working industriously, including personnel planning for the recruitment of some more efficient and good teachers in faculty of education.

4) In relation to the aspect of monetary efficiency, there should be reconsideration on the budget for the quality development of students in the field of education more than focuses on teacher development.

5) In relation to the aspect of material resource, there should be provision of hardware material resources for the formation of qualified and sufficient teacher.

6) In relation to the aspect of management, there should be the focus on opening courses or disciplines which are congruent with role and function of faculty more than focusing on income. Moreover, there should be more publication or giving more information about the faculty.

#### 1.2 External risk level

1) In relation to the aspect of society and culture, there should be more concentration on trying to solve the problem of low professional value or popularity crisis of faculty of education. As such the faculty could not recruit good and efficient student to study in faculty of education. Therefore, there should be special program to motivate more students coming to study in the field of education.

2) In relation the aspect of to innovation and technology, as the information is now playing a deeper and more comprehensive role, and gained more value and importance than in the past (Erood, 2012). There should be suggestion on using internet on studying or doing research more than using it on entertainment.

3) In relation to the aspect of economy, there should be provision of more budgets for sufficient and qualified teacher formation or teacher training. Moreover, there should a specific organization for the purpose of controlling standard and quality of teacher formation or training apart from existing accreditation agencies.

4) In relation to the aspect of politics and law, there should be more caution on the results which might occur from leading universities to be outside bureaucratic system. On the same issues, there should be regulations based on the same standard.

#### 1.3 Management be expectancy in faculty of education

1) In relation to the aspect of planning, there should be planning for the future, predicting future for the purpose of carefully dealing with new mission or function of the faculty.

2) In relation to the aspect of information technology, there should be fast and accurate information which is useful for right decision.

3) In relation to the aspect of controlling, there should be rapidly and accurately problem solving for the purpose of satisfying personals in the faculty or creating good organizational atmosphere.

4) In relation to the aspect of teaching and learning, there should be the focus in the first 2 years, on intensive teaching and learning subjects in the field of liberal art stressing on manhood and genuine profundity in major subjects.

5) In relation to the aspect of research, there should be doing research for the purpose of investigating and solving educational problems rather than creating personal academic achievement.

6) In relation to the aspect of academic service for society, there should be programs letting educational trainees to participate, together with their supervisors, in social development in the vicinity of the school in which they had been practicing their teaching and learning activities.

7) In relation to the aspect of cultural promotion, faculty of education ought to be a centre for cultural promotion of community through student and teacher activities.

#### 1.4 Relationship between risk factors and management

Personnel factor, material resource factor, management factor, output and service factor, and, structure and policy factor, had positive relationship and were able to predict management by expectancy of faculty of education in public universities. Administrators should focus on creating effective

working process in faculty of education of public universities, especially focusing in the first place on personnel factor and management factor for the purpose of producing qualified and standardized output in faculty of education.

## 2. Specific Recommendation

2.1 There should be further study using methodology of qualitative research by inquiring personals of all departments of faculty of education in public universities concerning problems or obstacles and suggestions for the more extensive development of management by expectancy of faculty education.

2.2 There should be further study in the section of exclusive opinion in various matters such as system factor and risk model, and internal control for the purpose of knowing more about the significance of other factors influencing management by expectancy.

2.3 There should be further study on administration model of risk management in the aspect of personnel and the aspect of management related to role and function of faculty of education in public universities for the purpose of achieving the most efficient risk management in faculty of education of public universities in Thailand.

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