

Guidelines for Successful Business Operation of the Entrepreneurs of Medium and Small State Enterprises in Type of Community Enterprise in the Dvaravati Civilization Area

แนวทางการสร้างความสำเร็จในการดำเนินธุรกิจของผู้ประกอบการวิสาหกิจ
ขนาดกลางและขนาดย่อมประเภทวิสาหกิจชุมชนในพื้นที่อารยธรรมทวารวดี

Sarawan Ruangkalapawongse¹

Annop Ruangkalapawongse²

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Abstract

This research is aimed at studying the influence of organizational innovation, competitive advantage and business network towards the successful business operation of the entrepreneurs of medium and small state enterprises in type of community enterprise in the group of Dvaravati civilization area and guidelines for successful business operation. In addition, this is a mixed research with quantitative and qualitative approaches. According to the results, it was found that the organizational innovation and business network had a direct influence on competitive advantage, which, in turn, had a direct influence on successful business operation of the entrepreneurs. Furthermore, organizational innovation and business network had an indirect influence on successful business operation of the entrepreneurs through competitive advantage. In terms of plans and guidelines for successful business operation of the entrepreneurs of community enterprise in the group of Dvaravati civilization area, the operation should be carried out in 3 stages as follows: first stage: resolution plan; second stage: development plan for enhancing the community enterprises to be a strong

¹ Bachelor of Business Administration Program in Human Resource Management, Faculty of Management Science of Suan Dusit University, E-mail: saruangk@hotmail.com

² Faculty of Management Science of Suan Dusit University, E-mail: aruangk@hotmail.com

professional entrepreneurs with competitive readiness; and third stage: sustainability plan to the community enterprises for the community to be able to continuously increase their income and have a good quality of life.

Keywords: *Organizational Innovation, Competitive Advantage, Business Network, Entrepreneurial Success*

บทคัดย่อ

งานวิจัยนี้มีวัตถุประสงค์เพื่อศึกษาอิทธิพลของนวัตกรรมองค์กร ความได้เปรียบทางการแข่งขัน และเครือข่ายทางธุรกิจที่มีต่อความสำเร็จในการดำเนินธุรกิจของผู้ประกอบการวิสาหกิจขนาดกลางและขนาดย่อม ประเภทวิสาหกิจชุมชนในกลุ่มพื้นที่อารยธรรมทวารวดี และแนวทางการสร้างความสำเร็จในการดำเนินธุรกิจ โดยการวิจัยครั้งนี้เป็นแบบผสมผสานทั้งเชิงปริมาณและเชิงคุณภาพ ผลการศึกษาพบว่า นวัตกรรมองค์กร และเครือข่ายทางธุรกิจ มีอิทธิพลทางตรงต่อความได้เปรียบทางการแข่งขัน และความได้เปรียบทางการแข่งขันมีอิทธิพลทางตรงต่อความสำเร็จในการดำเนินธุรกิจของผู้ประกอบการ ส่วนนวัตกรรมองค์กร และเครือข่ายทางธุรกิจมีอิทธิพลทางอ้อมต่อความสำเร็จในการดำเนินธุรกิจของผู้ประกอบการผ่านความได้เปรียบทางการแข่งขัน สำหรับแผนและแนวทางการสร้างความสำเร็จในการดำเนินธุรกิจของผู้ประกอบการวิสาหกิจชุมชนในกลุ่มพื้นที่อารยธรรมทวารวดี ควรดำเนินการ 3 ระยะ ได้แก่ ระยะที่ 1 คือ แผนการแก้ไขปัญหา ระยะที่ 2 คือ แผนการพัฒนา เพื่อยกระดับวิสาหกิจชุมชนให้เป็นผู้ประกอบการมืออาชีพที่มีความเข้มแข็งและมีความพร้อมทางการแข่งขัน และระยะที่ 3 คือ แผนการสร้างควมยั่งยืนให้กับวิสาหกิจชุมชน เพื่อให้ชุมชนสามารถสร้างรายได้เพิ่มขึ้นอย่างต่อเนื่องและมีคุณภาพชีวิตที่ดี

คำสำคัญ: *นวัตกรรมองค์กร ความได้เปรียบทางการแข่งขัน เครือข่ายทางธุรกิจ ความสำเร็จในการดำเนินธุรกิจของ*

Introduction

The medium and small state enterprises are regarded as having an important role in restoring the economic system of the country as they are a source of labor skill development, promotion of competition in business operation, creation of jobs, careers and added values in terms of product, bringing money into the country, as well as a source of experience enhancement to the entrepreneurs (Boone & Kurtz, 2010). However, the overall economic growth in Thailand was previously in the state of slowdown which was partially due to the fact that the medium and small state enterprises still could not develop or enhance the productivity or efficiency in business operation to be able

to compete in an international market. In addition, there is a lack of strong aggregation as well as a lack of realization in the importance of innovation that contributed to help the business compete in the long term. (The Office of Small and Medium Enterprise Promotion, 2017). Therefore, the Promotion Plan of Small and Medium Enterprises No.4 (2017-2021) prioritizes the capacity enhancement of the medium and small state enterprises for the strong growth and the ability in international competition through the concept of creating the value and worth to products and services in accordance with the National Economic and Social Development Plan No.12 (2017-2021). In this regard, it will drive the economic

growth by prioritizing on the enhancement of competitive potential to the medium and small state enterprises (The Office of the National Economic and Social Development Board, 2017). Furthermore, the Promotion Plan of Small and Medium Enterprises is in accordance with the Thailand 4.0 Model stating that the traditional medium and small state enterprises (Traditional SMEs), for which the state has to provide assistance at all times, should be changed to smart enterprises and startups with high potential and innovation driven enterprises (IDE). Moreover, the entrepreneurs in the same industrial group are promoted to aggregate with each other to form the cooperation network and business alliances for reinforcing the strength of a group of entrepreneurs (The Ministry of Industry, 2016). With regard to the community enterprise, it is regarded as the medium and small state enterprises that are a tool in capital management operated by the community and for the community and have to compete with the professional entrepreneurs, including other medium and small state enterprises as well as business entrepreneurs with more readiness in terms of capital, labor, management and status of juristic person (Parinyasuttinun, 2017).

The provinces of Nakhon Pathom, Kanchanaburi, Ratchaburi, and Suphan Buri are the group of provinces in Lower Central Region 1 or “Dvaravati Group” which is regarded as having potential in terms of tourist attractions of Thailand. With regard to Dvaravati culture, it is important to the local as it is the cultural capital which is the existing intellectual property inherited in the society of local community. This culture is therefore significantly worthy and valuable towards the way of life of people in such society. In addition, it is also the cultural

heritage that is inherited from successors to descendants until present.

According to the strategy for development of the groups of provinces, a significant mission is established which is the restructuring of economic operations of the community, agriculturists, community enterprises, and medium and small state enterprises to be strong and competitive. For the tourism in Dvaravati civilization area, the development of tourism area that corresponds with and relates to historical backgrounds, traditions and culture as well as community ways which represent the local’s identity is prioritized.

In this regard, the four provinces of the medium and small state enterprises in type of community enterprise in “Dvaravati civilization” area have local products which are specifically unique to each area and combined with the sensation of ancient civilization that is still magical for the visitors to experience. Accordingly, such four provinces of community enterprises are required to enhance its potential and increase the competitive capacity by using technology and innovation integrating with local wisdom and potential.

According to the literature review, it was found that the innovation is an important tool in change management in the world of innovative economy with an aim to create the added values from applying the knowledge and technology as a significant capital in the administration and productivity (Butchiwan, 2016). With regard to the innovation concept, Johne (1999) has divided the innovation popularly applied by the business entrepreneurs to be successfully competitive into 4 types as follows: product and service innovation, process innovation, marketing innovation and management innovation. Several

research studies indicated a sustainable relationship between organizational innovation and competitive advantage (Butchiwan, 2016; Jaikaew, Wingwon, & Phanpae, 2015). Likewise, Jaakkola, Moller, Parvinee, Evanschitzky, and Muhlbacher (2010) have concluded that the innovation has a direct influence on the success and competitive advantage of the organization.

In terms of business network, it is regarded as an important factor affecting the successful business operation, without which an individual or organization will usually encounter low-rate development and inability to catch up with the changing event of the economic conditions (Thikom, 2014; Wingwon, 2012). According to Kamkrue and Srikhacha (2013), business network will make the medium and small businesses survive and have the ability for global competition. From the said research, it was found that there is a relationship between business network and competitive advantage as the business network has a positive impact on the competitive advantage (Chalermglin, Jessadalak, & Ouncharoen, 2016), while the creation of business network has a direct influence on the success of the entrepreneurs (Kamkrue & Srikhacha, 2013).

On the matter of competitive advantage, it is an ability of the organization in creating work

which is superior to other organizations as a result of product or service provision required by the customers with superior performance. Healy, Serafeim, Srinivasan, and Yu (2014) claimed that the four aspects of competitive advantage include differentiation, cost advantage, concentrated marketing and rapid response.

According to the literature review, it was revealed that there is a relationship between competitive advantage and operational success (Punyaruang & Pooripakdee, 2015). Similarly, Carmona-Mareno, Cespedes-Lorente, and De Burgos-Jimenez (2004) found that higher competitive advantage has a positive impact on the business efficiency which is in line with the study of Lopez-Gamero, Molina-Azorin, and Claver-Cortes (2011). With regard to such study, it was found that the competitive advantage has an impact on financial capacity of the business. Kaplan and Norton (1996), also expressed an opinion towards the success measurement of the entrepreneurs based on the Balanced Scorecard (BSC) which includes financial perspective, customer perspective, internal process perspective as well as learning and development perspective. Hence, the researchers applied the aforementioned issues to form a research framework as per Figure 1.

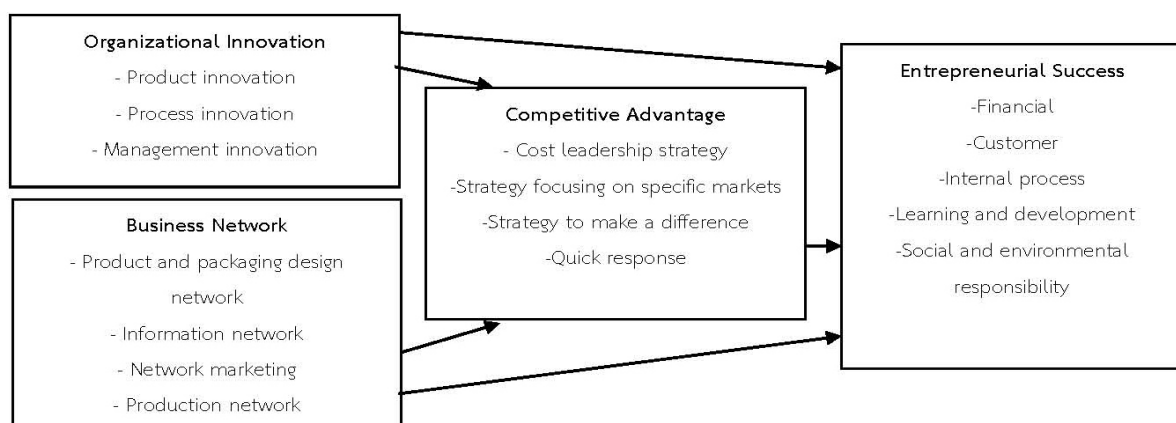


Figure 1 Research framework

Research Objectives

1. To study the influence of organizational innovation, competitive advantage and business network on an operational success of the entrepreneurs of medium and small state enterprises in type of community enterprise in the Dvaravati civilization area.

2. To suggest the guideline for successful business operation of the entrepreneurs of community enterprise in the Dvaravati civilization area.

Research Scope

This research is a study of the success factors modeled for business operation of the entrepreneurs of medium and small state enterprises in type of community enterprise in the group of Dvaravati civilization area. This model is used to explain the influence of organizational innovation, competitive advantage, and business network on an operational success of the entrepreneurs of medium and small state enterprises in type of community enterprise in the Dvaravati civilization area.

Research Methodology

This study is a mixed-method research which includes quantitative and qualitative research. In this regard, the quantitative research used a questionnaire as a tool, while the qualitative research applied in-depth interviews and executed focus groups.

Quantitative research

The population in the quantitative research were 2,047 medium and small state enterprises in type of community enterprise in the Dvaravati civilization area, including the provinces of Kanchanaburi, Suphan Buri, Nakhon Pathom, and Ratchaburi (Community Enterprise Promotion

Division, Department of Agricultural Extension, 2019). The sample size was determined by using Taro Yamane's formula (Yamane, 1967) with the error level at 0.5, totaling 345 medium and small state enterprises in type of community enterprise as the sample group. Moreover, the multi-stage sampling was also applied with the following steps.

Step 1: Simple random sampling was carried out by means of drawing for 12 districts in the provinces of Kanchanaburi, Suphan Buri, Nakhon Pathom, and Ratchaburi. In this regard, the group sampling was drawn to select the districts as a sample group, where 3 districts in each province were selected from 4 provinces which were the total of 12 districts.

Step 2: Proportional stratified random sampling was carried out by comparing the proportional stratification of the entrepreneurs of medium and small state enterprises in type of community enterprise in the group of Dvaravati civilization area. As a result, the sample group included 345 medium and small state enterprises in type of community enterprise used for data collection in each area of the drawn districts under the first procedure.

The research tool for data collection was the questionnaire. The content validity was investigated by 3 experts, yielding an IOC (Index of Item Objective Congruence) value equal to 0.893, and this signified that the content of questionnaire was complete and could be used. Moreover, the reliability was also examined by means of the Cronbach's alpha coefficient, resulting in a reliability value of 0.975 of the entire questionnaire. The Cronbach's alphas for each aspect of organizational innovation, business network competitive advantage and successful business operation of the entrepreneurs were

0.837, 0.854, 0.890 and 0.950, respectively, signifying a high reliability of the questionnaire.

The data were collected using the questionnaires from the entrepreneurs of community enterprise in the group of Dvaravati civilization areas, which are Kanchanaburi, Supan Buri, Nakhon Pathom, and Ratchaburi between January and March 2019.

In terms of data analysis, the statistics used for analyzing quantitative data were descriptive statistics of percentage, arithmetic mean (\bar{X}) and standard deviation, the inferential statistics of correlation analysis with multiple variables, and analysis of structural equation modeling (SEM) to find the direct and indirect influences of the causal variables on the dependent variable.

The researchers also used the data obtained from in-depth interviews and focus group interview to support the distinctness of research result from the quantitative research.

Qualitative research

The qualitative research was divided into 2 steps: in-depth interviews and focus group interview. Each step was related to different key informants, research instruments, data collection and data analysis. Both types of qualitative research comprise a total of 30 key informants.

The key informants of the in-depth interview are 16 people recruited from the medium and small state enterprises in the type of community enterprise of Dvaravati civilization areas. The informants include entrepreneurs, locals, officers of the government sector (officers of the Office of Tourism and Sport, local officers, such as mayor, deputy mayor, municipal clerk, municipal officer, operations director, officers of the Office of Designated Area 9, Designated Areas for Sustainable Tourism Administration (DASTA)),

as well as tourists and academicians of the educational institute. They were selected by means of purposive sampling.

The interview form was used as a tool to collect data from the selected key informants. The structure of interview questions was derived from the findings of quantitative research. These interview questions were checked by the experts on the suitability basis and piloted with the target sample which different group from this research sample in order to check the suitability of all questions before using it in the actual interview. The researchers interviewed the key informants at their work places in the Dvaravati civilization area between April and May 2019.

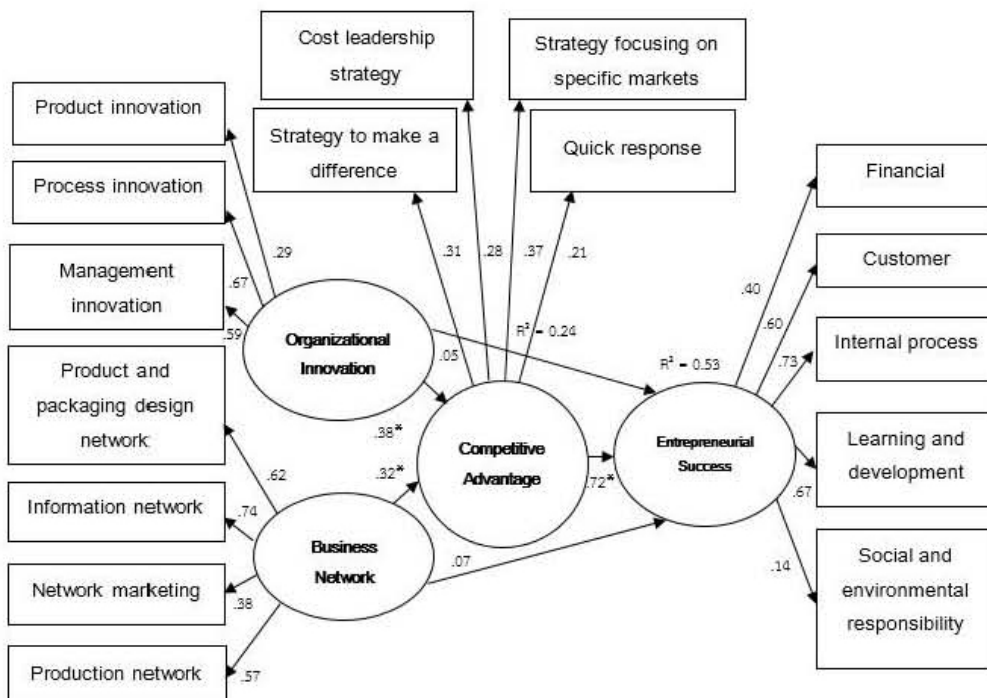
During the in-depth interview, data collection would be stopped at a saturation point, whereby the researchers were unable to generate further data in addition to the existing ones. As a result, it was deemed that such data are complete and the interview should be ended. As for data analysis from in-depth interviews, the researchers categorized data from all key informants by comparing each opinion, rearranged those data, and summarized the overall data in order to be easily understood and clearer.

In terms of focus group, there are 14 persons involved in the focus group, and they include entrepreneurs, officers of the government sector and private sector, academicians of the educational institute and tourists. The researcher used the structured interview for collecting data in focus group interview. These questions were checked by the experts on the suitability before using it in the focus group interview which was held at Century Park Hotel Bangkok on June 15, 2019. The researchers allowed all informants to discuss and express

opinions freely. The data collected from focus group interview were categorized and compared with those collected from the key informants of the in-depth interviews. The derived data were then arranged into applicable knowledge which could be used to set the guidelines for successful business operations of small and medium enterprise entrepreneurs under the type of community enterprise in the Dvaravati civilization area.

Research Results

1. Quantitative research result The relationship between all of observed variables have the correlation from 0.108 to 0.693 which is below 0.70. The observed variables according to the model do not have multicollinearity problems. A measurement modeling of relationship between organizational innovation, business network and competitive advantage as related to successful business operation revealed path analysis and size of influence as indicated in Figure 2.



Chi-square = 105.149 (83 df), CMIN/DF = 1.267, P-value = .051, GFI = .963,

* Statistical significance at a level of .05

Figure 2 Structural equation model

According to Figure 2, the coefficients of determination (R^2) of the internal latent variables that consist of competitive advantage and the successful business operation of the entrepreneurs were equal to 0.24 and 0.53 with a statistical significance at a level of 0.001, respectively. Hence, the statistical result

could be interpreted that the external latent variables of the structure modeling, including organizational innovation and business network, can explain for 24% of the change of competitive advantage and 53% of the change of successful business operation of the entrepreneurs.

Table 1 The influence of independent variables towards dependent variable

Dependent Variable Independent Variable	COMP			P-value	SUCC			P-value
	Direct influence	Indirect influence	Total influence		Direct influence	Indirect influence	Total influence	
INNO	0.38*	0.18*	0.56*	0.035*	0.05	0.04*	0.09	0.689
NETW	0.32*	0.17*	0.49*	0.017*	0.07	0.06*	0.13	0.574
COMP					0.72*	0.12*	0.84*	0.018*

* Statistical significance at a level of .05

Additionally, when considering the estimation of effect size of the latent variables in the research modeling pursuant to the above table, it was found that organizational innovation had a positively direct influence and an indirect influence on competitive advantage ($\beta=0.38$, $\beta=0.18$); business network had a positively direct and indirect influences on competitive advantage ($\beta=0.32$, $\beta=0.17$); competitive advantage had positively direct and indirect influences on successful business operation of the entrepreneurs ($\beta=0.72$, $\beta=0.12$) with a statistical significance at a level of 0.05. Moreover, it was found that the latent variables had an indirect influence with each other; that is, the organizational innovation had an indirect influence on successful business operation of the entrepreneurs through the competitive advantage ($\beta=0.04$), and the business network had an indirect influence on successful business operation of the entrepreneurs through the competitive advantage ($\beta=0.06$) with a statistical significance at a level of 0.05. The structural equation modeling conforms to the empirical data.

2. Qualitative research result According to the in-depth interview and focus group interview, the researchers have provided the conclusion and analysis in order to support the distinctness

of research result from the quantitative research as follows:

2.1 Organizational innovation: The successful community enterprises should continuously develop new products and services, prioritize production enhancement, develop quality and standard product, emphasize development of unique product, and have prominent point in line with local culture. If the enterprise relates to the tourism, innovation in tourism service which is different from other places should be created. Additionally, new activities that provide direct experience to the tourists should be promoted.

2.2 Business network: Business network can help the community enterprises to notice the new concept regarding the design of product and packaging, have ability to develop the new product rapidly, make unique and different products and packaging that reflect the local identity as well as encourage and persuade the consumers to make a purchase decision.

2.3 Competitive advantage: Providing the manufacturing machine and equipment with modern technology for increasing the production efficiency, having the source of raw material that is delivered for a long term, and finding new suppliers who can sell the raw materials in a cheap price without affecting the product

quality will help the community enterprises to have cheaper costs. As a result, the enterprise will be able to create differentiation of their product.

2.4 Successful business operation: The community enterprises should execute the systematic financial plan and should be able to decrease the operating expenses. Additionally, the enterprise's profitability will depend on the ability of the enterprise, rapid delivery to the customer, good image of the product or tourist attraction, as well as the usage of appropriate media and clear communication through online social media in order to create the recognition to the customers which will lead to an opportunity in further market expansion.

2.5 Internal factors influencing the successful business operation of the community enterprises are the group president and committee that should be strong, devoted, and responsible, whereas the members should provide cooperation and acquire necessary knowledge. In this regard, everyone should be involved in every process of any activities, have a source of funds and channels to communicate with the customers and distribute products with own identity. Furthermore, awards from any organizations should be offered as a reference to generate public confidence. In addition, external support factors should also be provided by the government sector and educational institutes in terms of production materials and equipment, marketing promotion, training for education as required by the enterprise, as well as the performance monitoring of the government sector.

2.6 Problems and demands of community enterprise: Most of the community enterprises confront problems in the following aspects. In

terms of production, they lack raw materials, knowledge and modern production process and ability to expand the production capacity due to no cooperation from members. In terms of product, there is a lack of knowledge in product and packaging development, and the product has not been certified under standard. In terms of operational process, there is a lack of systematic operation and participation in group administration, and the knowledge obtained from observational study cannot be extended some times. In terms of marketing, there is a lack of advanced knowledge in marketing management, and the market still cannot be extended to access the purchasers. Most community enterprises also had problems in public relations of finding marketing channels and there were not many supported markets. Therefore, the community enterprises must rely mostly on the support from the government agencies.

In terms of capital, many community enterprises lack the operating capital and modern technology. In terms of support from the government agencies, the support from the government sector did not meet the demands, and there were communication problems as the news are inaccessible. In terms of demands of community enterprises, most of the enterprises demand the constant purchasing orders and incomes as well as facilities when contacting the government agencies. In addition, the government sector should arrange or provide an area for the enterprise to distribute the products without charge. In addition, the community enterprises would like the government agencies to distribute the project budget to various community enterprises in all areas. Previously, the project budgets were sent

directly to community leaders; therefore, only specific groups of community enterprises received these budgets.

Discussion of Research Result

1. The findings revealed that the organizational innovation had a significantly direct influence on competitive advantage with the effect size of 0.38. This may stem from the fact that organizational innovation is regarded as an important tool in creating the competitive capacity of the entrepreneurs. The organizations that aim at success and sustainable survival need to create innovation that leads to their competitive advantage. As a result, innovation will be a strategic tool for significant competition. The research result supports the findings of Nurul and Sarminah (2016), and Samuel (2016), and conforms to that of Nakkasem and Pasunon (2018). Hence, it may be concluded that the organizational innovation had a direct influence on competitive advantage.

2. The research findings also revealed that the organizational innovation had an indirect relationship with the successful business operation of the entrepreneurs through the influence of competitive advantage with a statistical significance. The above research result differs from the research conducted by Murat and Nilgun (2013) who stated that technology innovation (product and process innovation) is important and has a positive effect on the company's performance. In this regard, the research result of the researchers is not in line with the above academicians which may be due to the fact that the provision of new innovation to the consumers may or may not result in popularity. Therefore, innovation that supports the acceptance of the consumers should firstly

provide the competitive advantage, so that the business operation can be successful later on. The research result supports Wingwhon, Satyophat, and Wingwhon (2012, as cited in Kaewmanee & Chiyachantana, 2018) who found that the organizational innovation had direct and indirect influences on competitive capacity. In addition, the research result is in line with the qualitative data stating that the product and service innovation will make the enterprise succeed in terms of operation while being able to maintain existing customers.

3. The findings also indicated that the variables of business network had a significant and direct influence on the variables of competitive advantage with the effect size of 0.32. In this regard, the business network may provide an opportunity for the organization to access information, resources and knowledge, and encourage the members in the network to cooperate with each other, and help push the performance development in the production mutually. The research result supports Lalaeng, Chaiphet, and Uea-aree (2018) who found that the potential in creating the business network had a significant effect on the competitive advantage of the community enterprises. The interview findings also indicated that the business network would provide the ability for the community enterprises to procure raw materials, goods or service to the community enterprises that meet the demands of tourists/customers. In this regard, the network will offer assistance to each other resulting in the competitive advantage which leads to a tendency of increasing customers.

4. The findings revealed that business network and successful business operation of the entrepreneurs had no direct influence on

each other. However, the business network had a significant and indirect relationship with the successful business operation of the entrepreneurs through the influence of competitive advantage. In this regard, the above research result is different from that revealed by Janthong (2014) who found that social network had a significant influence on successful business operation. The inconsistency of research finding when compared with the reviewed literature may be due to the fact that business network makes the community enterprises mutually exchange information, depend on each other in production process and procurement of raw materials, and have more distribution channels. As a result, there will be the cooperation and assistance within the network group leading to an ability to develop the competitive advantage, and the operation will be successful eventually. Hence, the business network has an indirect relationship with the successful business operation of the entrepreneurs through the influence of competitive advantage of the entrepreneurs.

5. It was additionally found that competitive advantage had a significant and direct influence on successful business operation of the entrepreneurs with the effect size of 0.72. In this regard, it is because the organization is responsible for creating the competitive advantage which is the heart of strategic planning and unique capacity of the organization. The research result is in accordance with Inkhean (2016), that is, the overall strategies, including differentiation strategy, product and service improvement strategy, cost leadership strategy, customer relations strategy, and innovation strategy, relate to the success of the business entrepreneurs.

Plan and guideline for successful business operation of the entrepreneurs of medium and small state enterprises in type of community enterprise in the group of Dvaravati civilization area

With regard to the application of research results to related sectors in relation to the business operation of medium and small state enterprises in type of community enterprise, the researchers presented a 3-stage plan, of which details are as follows.

First stage: solution plan of community enterprise

As the operation of community enterprises is currently confronting several problems, the community enterprise, the government sector, and the concerned persons should take the following actions:

1. Production solution: The community enterprises should use the local raw materials and acquire knowledge about the raw material distributors inside and outside the area. In addition, local government agencies should pair the business partners together, so that the community enterprises can provide raw materials to one another. Also, the community enterprises in the same supply chain should be encouraged to develop the cooperation network in order to create the cooperation in the production process or mutually use the technology.

2. Product solution: Local government agencies or educational institutes should make the new entry aware of the product and packaging development, for which the community enterprises should develop their product to be of accepted quality and standard in order to build confidence with the consumers. In this regard, the government agencies, such

as the Provincial Agricultural Office, should educate the related entrepreneurs and support the coordination between local community enterprises and the Ministry of Industry in order to meet various industrial product standards. In addition, the knowledge about QR Code executed by the government agencies should be offered, so that the purchaser can access the information and details about products or services.

3. Operational process solution: The community enterprises should have a systematic operation and clear work structure by determining the roles and duties of group members as appropriate and in accordance with job descriptions. Also, the operation should be carried out based on the principle of jointly thinking, doing, examining, correcting, and developing the focus on teamwork.

4. Marketing solution: The government sector and private sector should support community enterprises by assisting in distributing products to the consumers directly, setting up a stall for product distribution in product exhibitions, procuring and connecting the market for product distribution to the community enterprises, or arranging the permanent place for the showcase of provincial products, with the entrepreneurs not bearing any expenses. Additionally, the government sector and private sector may help distributing their products to official government premises throughout the country. The entrepreneurs should also be encouraged to create their webpage using the free finished application provided by the government sector, so that the community enterprises can enhance the public relations efforts through social media for communicating with the consumers.

5. Financial and capital solution: The community enterprises should increasingly emphasize self-sufficiency. With regard to the source of revolving funds, the funding may be conducted with the members for group operation. Moreover, the community enterprises should create a business network to reduce the limitation regarding resources by means of renting or borrowing modern production machine/technology, materials, or equipment within the business network. Also, the government sector should coordinate with the low-cost investment fund or provide low-interest loans; therefore, the community enterprises are able to purchase the equipment and machines as necessary

6. Support from government agencies: The government sector should consider each enterprise's necessities, demands, and contexts in order to make the investment of each government sector worthwhile and for the community enterprises to achieve the highest benefits. Furthermore, there should be an inclusive communication channel with the community enterprises that can be equally accessible. Likewise, the central government sector should carry out the transparency inspection in the local operation to prevent the officers from too much favoring a certain group of people.

Second stage: development plan of entrepreneurs of community enterprises in the group of Dvaravati civilization area

The researchers hereby suggested the guideline for development of the community enterprises in order to enhance the community enterprises to be the professional entrepreneur with strength and preparedness for competition as follows:

1. According to the development plan of community enterprises in the group of Dvaravati civilization area in terms of organizational innovation regarding product innovation, the community enterprises should create new products and services, focus on product development from the resources and wisdoms of the community, and seek for production methods to produce high-quality products and excellent services. In addition, they should regularly develop and search for the way to enhance the development of existing product.

In this regard, the concerned government sector, such as the Community Development Department, should offer in-depth consultancy and advice regarding the development of new products and brands, so that the community enterprises will have a capacity to get in national and international competitions.

In terms of process innovation, the community enterprises should improve the production process to enhance and increase the production efficiency, create added values for the product, and reduce the production cost in a long term by using the raw materials in the locality or network group. Moreover, the government sector should promote the knowledge regarding the development of production process and quality control by focusing on the production principles in accordance with international standards.

In terms of management innovation, the community enterprises should be prepared for an investment in machine/equipment to create production innovation. For the concerned government sector, several factors facilitating the business operation of community enterprises should be supported, such as investment fund, machine, equipment, personnel, knowledge and administrative system, so that the entrepreneurs can be growing and competitive.

2. According to the development plan of community enterprises in the group of Dvaravati civilization area in terms of business network regarding product and packaging design network, the members in network should be connected with the network inside and outside the community and create the knowledge network with educational institutes, government sector, private sector, and the best practiced community enterprises. As a result, they can make a product to be unique, creative, and more beautiful and also gain more marketing opportunities. In addition, the government sector should drive and push the network groups of community enterprises of similar products for the sake of market aggregation, instead of pricing competition.

With regard to the production network, the community enterprises should build the cooperation in the network for production resource management by means of procurement/exchange to have the complete raw materials in the production process. If the community enterprises have the production network, it will help to have an easily accessible resource of raw materials which reduces the operating cost, and lay the basis of mutual benefits in the group of manufacturers throughout the supply chain.

3. According to the development plan of community enterprises in the group of Dvaravati civilization area in terms of competitive advantage regarding cost leadership strategy, the community enterprises should use the resource worthily for the most benefits, and mutually use the resource in the network group in order to reduce the costs. In addition, there should be the business network with raw material distributors to get raw materials in the cost price.

In terms of concentrated marketing strategy, the target regarding sales and services should be clear to meet the demands of customers in time. With regard to differentiation strategy, the image and reputation should be created to be well known, and the up-to-date information and news about the information technology should be provided. In terms of rapid response strategy, the new products should be rapidly invented and developed to catch up with the demands of market, with an ability to adjust the product quality in order to rapidly meet the demands of customers.

Third stage: sustainability plan for entrepreneurs of community enterprises in the Dvaravati civilization area

Sustainability is a guideline to help solve the poverty problems of the public and encourage the community to use local resources in the operation for creative capital management of the community to achieve stable and long-term self-sufficiency. Therefore, the researchers hereby suggested the sustainability plan for the entrepreneurs of medium and small state enterprises in type of community enterprise in the group of Dvaravati civilization area pursuant to the priority as follows:

1. In terms of competitive advantage regarding differentiation strategy, the entrepreneurs should differentiate their products or services based on the identity and uniqueness of the communication that are special and different from other competitors. In this regard, the community enterprise should search for products and services at base costs that renders the highest customer satisfaction to meet their demands. In terms of cost leadership strategy,

the entrepreneurs should accumulate the experiences in business operation to be able to reduce the operating costs and expenses. Moreover, the level of operating cost should be reduced or kept unchanged.

2. In terms of organizational innovation regarding product innovation, the community enterprises should improve the new products/new services as well as old products/old services to have their own identity which can be a potential selling point. Furthermore, the product and packaging should be developed to be outstanding in terms of symbol and remarkable identity that reflects the culture community in order to create differentiation and added values to product and community.

For the food entrepreneurs, the quality of local food should be developed by enhancing the management of sanitation, cleanness and safety, as well as execution of health recipe of the local food that uses the natural and toxic-free local raw materials. In terms of management innovation, the community enterprises should provide the training to members or employees to have knowledge and expertise in order to create innovative work and develop the product at all times.

3. In terms of business network regarding marketing network, the community enterprises should create a social cooperation network for selling the product. The said network serves as the product distribution channel and provides access to the market to develop special competitive advantages through the accumulation of knowledge and development of network connection between businesses. In terms of data network, the community enterprises should have the social network that

helps them get access to the resource necessary for business operation as well as exchanging and learning new knowledge with each other.

There are additional matters regarding the strength and sustainability of the community. The group should aggregate with strength and transparency, expand the benefits based on fairness, and procure the professionals who have specific knowledge, competence and expertise in such matter. Similarly, systematic coordination and collaboration should be provided in terms of government sector, locality and community. With regard to business network, it should focus on the uniqueness of products, and the balance of supply chain should be maintained, including the upstream, mainstream and downstream approaches. Moreover, the enterprise should be self-sufficient and adjustable to be successful.

Suggestion for Application of Research Result

With regard to the literature review and data collection regarding the success factors for business operation of the entrepreneurs of medium and small state enterprises in type of community enterprise in the group of Dvaravati civilization area, the researchers hereby suggested the application of research result with the following details.

Suggestion for policy

1. The government sector and concerned agencies should support the entrepreneurs in both knowledge and budget. As a result, they could develop their market-acceptable product quality, create added value to the product, and develop production technology for modern production process as well as marketing communication technology to expand the marketing channel. Later, the community

enterprises can widen the acquired knowledge for their own business.

2. The government sector and concerned agencies should act as the medium for connection with the community enterprises that have similar operation to be merged as a business network. As a result, the community enterprises in the network can exchange the knowledge with each other, and extend the network to other districts or provinces to increase the number of members and strengthen the bargaining power of the network.

3. The government sector and concerned agencies should conduct an assessment of problems and demands of the community enterprises for solution, assistance or response to the true demands, transmit information, and thoroughly allocate the budget to the community enterprises. The redundant procedures should also be decreased to facilitate contacts between community enterprises and the government agencies. The aide-support channel should also be increased to the community enterprises. Furthermore, the operation of the community enterprises should be inspected annually to help the community enterprises handle any problems and hence support growth and potentially-strong success.

Suggestion for community enterprises in the Dvaravati civilization area

1. The community enterprises should develop sustainability and self-sufficiency by means of the continuous learning of the group members and local wisdom. In this regard, the product should be made from nature mainly but adjusting to conform to the changing consumption trends. Also, the professionals

in creative product development should be provided to help design and develop the products to be innovative, unique, modern and diverse in accordance with the local identity.

2. The community enterprises should improve the production process and develop the production potential to be more effective by emphasizing the use of raw materials from the locality or within the group network. Moreover, good organization management system should be conducted, such as control, assessment, recording, accounting, and evaluation. Additionally, the community's natural resources and environment management should be developed, and the community enterprises should take good care of society and environment leading to the sustainable business development.

3. The community enterprises should build the related business network or business partners within their supply chain and create the network with agencies in the government sector, the private sector, and local educational institutes. In this regard, the network should focus on the uniqueness of products. Likewise, information, and news about resources, should be exchanged within the network, whereas network activities should be mutually conducted on a regular and continuous basis. The community enterprises that are located in the same district should also provide cooperation in establishing the learning center and distribution center to serve as a source of product collection of the community enterprises in such district. The members can therefore directly sell their products through the said center. Additionally, the market of the community enterprises should be penetrated, and public relations regarding product and price should be made to increase contacts with the community enterprises.

Suggestion for application

This research results can be used as the guideline for successful business operation of the entrepreneurs of medium and small state enterprises in type of community enterprise in other areas of tourist attractions.

Suggestion for Further Research

1. For further research, the variables in this study that do not have a direct effect on the entrepreneurs of medium and small state enterprises in type of community enterprise should be further investigated whether they should be the causal variables or not. In this regard, these variables should be cross-checked with related theories. Also, the collection of additional qualitative data should be conducted for the variables that do not have a significantly direct effect.

2. For further research, variables that bear significant effects such as transformer leadership, member characteristics, form of the operation, and innovative competence were found to relate to the successful business operation of the entrepreneurs of medium and small state enterprises in type of community enterprise. Therefore, they may possibly serve as be the factors that have an influence on the successful business operation of the entrepreneurs in type of community enterprise. In this regard, further research should be done by means of participatory workshop in order to obtain more in-depth data.

3. The study should be done with groups of population in other regions other than the group of Dvaravati civilization area in order, to compare the data obtained from each group for further use for business development and success.

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