

# Management by Sufficient Economy Philosophy for Hospitality Business in Samut Songkram

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**Abstract**—The objectives of this research are to know the management form of Samut Songkram lodging entrepreneurs with sufficient economy framework, to know the threat that affect this business and drawing the fit model for this province in order to sustain their business with Samut Songkram style. What will happen if they do not use this philosophy? Will they have a cash short fall? The data and information are collected by informal discussion with 8 managers and 400 questionnaires. We will use a mix of methods both qualitative research and quantitative research for our study. Bent Flyvbjerg's phronesis is utilized for this analysis. Our research will prove that sufficient economy can help small and medium business firms solve their problems. We think that the results of our research will be a financial model to solve many problems of the entrepreneurs and this way will use to practice in other areas of our country.

**Keywords**—Samut Songkram, Hospitality Business, Sufficient Economy Philosophy.

## I. INTRODUCTION

THAILAND social and economic plan always relate to the tourism promotion policies. The sufficient economy philosophy is accepted to apply for both private sector and public sector. This approach can use for reduce the risk and for arrange the confusions in households, businesses, communities and country. The Sufficiency Economy pattern was first mentioned in 1974 when His Majesty King Bhumibhol warned enthusiastic aspirants of totally modernizing the Thai economy to consider *sufficiency* as a more appropriate objective [1]. Since the 1950's, His Majesty has been travelling extensively throughout the rural areas in his country and had set up study centers in different regions to do research on the potential development of each area relevant to their resource conditions. It must have been clear to His Majesty the King that excessive commercialization leading to monoculture specialization of the farm is unlikely to solve the poverty problem and may even exacerbate it. In addition, a more balanced approach to development with the right emphasis on rural and urban development is more preferable. Especially, His Majesty the King suggested that *Economic development must be done step by step* since 1974.

It should start with the strengthening of our economic foundation, by assuring that the majority of our citizen has enough to live on. Once reasonable progress has been achieved, we should then embark on the next steps, by pursuing more advanced levels of economic development.

Here, if one focuses only on hi-speed economic expansion without making sure that such plan is appropriate for our people and the condition of our country, it will inevitably result in various imbalances and eventually end up as failure or crisis as found in other countries [2]. Since then His Majesty the King developed the knowhow further which can now be summarized as *Sufficiency Economy* is a philosophy that stresses the middle path as the overriding principle for appropriate conduct by the populace at all classes. This applies to conduct at the level of the individual, families, and communities, as well as to the choice of a balanced development strategy for the kingdom of Thailand so as to modernize in line with the forces of globalization while shielding against inevitable shocks and excesses that arise. *Sufficiency* means moderation and due consideration in all modes of conduct, as well as the need for sufficient protection from internal and external shocks [3]. To approach this, the practical of knowledge with prudence is essential [4]. In particular, great care is needed in the utilization of untested theories and methodologies for planning and implementation. Simultaneously, it is essential to strengthen the ethical fiber of the country, so that everyone, particularly political and public officials, technocrats, businessmen and financiers, adheres first and foremost to the principle of honesty and integrity. In addition, a balanced approach combining to patience, perseverance, diligence, wisdom and prudence is indispensable to cope appropriately with critical challenges arising from expansive and rapid socioeconomic, environmental, and cultural changes occurring as a result of globalization [5].

Bang Khonthi, the one in three districts in Samut Songkram is selected for our study, 70 kilometers from Bangkok, has many lodging to serve the travelers whose love natural and local culture. This research aims not only to analyze problems and the threat of hospitality business in this community but to prove that sufficient economy is the clearing way for them or not.

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Fig. 1 Map of Samut Songkram



Fig. 3 Morning Culture Buddhist Style



Fig. 2 Environment in Bang Khonthi



Fig. 4 Agriculture Area



Fig. 5 Hospitality Business in Bang Khonthi

TABLE I  
TOURIST STATISTICS IN SAMUT SONGKRAM

Items	2010	2011
Total	716,893	802,052
Thai	703,113	791,009
Foreign	13780	11,043

## II. RESEARCH DESIGN AND DATA

The flags of the empirical analysis came from 3 parts. Firstly was the content which the researcher defined that whatever factors that entrepreneurs in Bang Khonthi used to decide on investment and tourists and excursionist used to expect for their trips by reviewing the literature. So the next step the researcher used qualitative method by using in-depth interview purposively with 8 managers and confirming the results with quantitative method by 400 questionnaires from the tourists. Secondly the time frame of this research was from October 2012 to September 2013. Thirdly the total hospitality firms had 53 firms which are the places to collect the questionnaires.

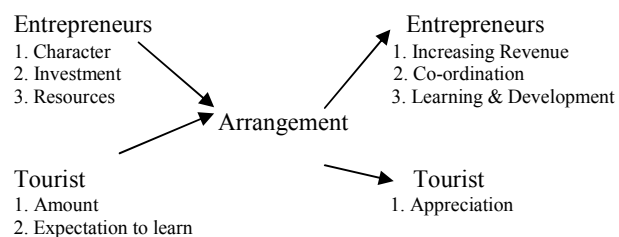


Fig. 6 Conceptual frame work

TABLE II  
CHARACTERISTIC OF THE ENTREPRENEURS

	Amount	Percent
Gender		
Male	4	50.00
Female	4	50.00
Age		
31-40	1	12.50
41-50	5	62.50
51-60	1	12.50
> 61	1	12.50
Marital Status		
Single	2	25.00
Married	6	75.00
Children		
1	3	37.50
2	3	37.50
3	2	25.00
Education		
Secondary	1	12.50
Vocational	2	25.00
University	5	62.50
Occupation		
Government officer	3	37.50
Employer	1	12.50
Farmer	1	12.50
Business owner	3	37.50
Income		
10,000-30,000 Baht	1	12.50
30,001-50,000 Baht	1	12.50
50,001-70,000 Baht	1	12.50
>70,001 Baht	5	62.50
Family members		
2	1	12.50
3	2	25.00
4	1	12.50
5	4	50.00
Number of rooms		
4	2	25.00
>10	6	75.00
Accommodation pattern		
Live together	1	12.50
Separate from tourist	7	87.50
Workforce		
Monthly salary	2	25.00
Relative workforce	3	37.50
Daily / sometimes	3	37.50

## III. RESULTS AND DISCUSSION

The results from Table II show an overall data of supply side which we collected by interviewing the executive person in the period of study.

After collected the data, the qualitative method was further analyze through interviews of 8 randomly selected managers with many questions. The results found that the all firms must improve the good image of hospitality in this area instantaneously especially they have to service with *restaurant and lodging standard*. At the same time they should to promote their local culture, walk of their life in the way of their heritage wisdom and have responsibility to the environment. The strong relation between firms can reciprocate the benefit to both tourist group and lodging entrepreneurs. The results also revealed that people in this area had a significant identity: freedom rather than partnership. They did their business with a conservative, friendly style and local cultural promotion, rather than profit orientation

according to Cultural and Personality Theories [6] and Cultural Ecology Theory [7].

TABLE III  
RESULT FROM DEMAND SIDE

	Amount	Percent
Incentive for this trip		
To see local culture	127	31.75
To see lightning bug	92	23.00
Temple tour	83	20.75
Travel with friends	71	17.75
Other	27	6.75
Tourist expectation		
Natural tourism	247	61.75
Relaxing	110	27.50
Historical tourism	43	10.75
Living pattern		
Separate from the host	383	95.75
Living with the host	17	4.25
Information for this trip		
Internet/web site	173	43.25
Travel magazines	107	26.75
Tour agency	89	22.25
Other	31	7.75
Satisfaction level		
Much	277	69.25
Most	54	14.50
Neutral	24	7.00
Less	21	5.25
Least	16	4.00

TABLE IV  
SATISFACTION BY ITEMS

	$\bar{x}$	$SD.$
Advertising	3.65	0.74
Convenience to approach	3.62	0.91
Natural environment	3.62	0.91
Pricing	3.48	0.88
Parking	3.65	0.74
Living room	3.48	0.88
Rest room	3.62	0.91
Service mind	3.65	0.74
Food and Beverage	3.58	0.79
Activities service	3.56	0.68
Decoration	3.65	0.74
Over all	3.77	0.85

The results from Tables III and IV explained that the tourists who traveled to Bang Khonthi wanted to use a short time of their life under natural environment and rural culture. Mostly source of information for them came from internet and tourism web sites. For satisfaction level proved that the tourist received much satisfied in all 11 items.

According to the results the approach to manage the hospitality business in Samut Songkhram, applying the concept of sustainable economy, it was found that once the community has developed up to the point where people are given an opportunity to work and get enough income to make a living, the people themselves must be emotionally mature, forward-thinking, and have responsibility towards the society. In addition, they must share a common value, a tradition, and an identity, in order to makes them feel as they belong to the community. The people will have an awareness of preserving such manners inheriting from prior generations. Moreover, they will organize a network to share ideas, create a funding

plan, and solve problems when necessary, all of which help to strengthen the community. Eventually, a unity will be achieved leading to an ideal peacefulness. It can be said that, a strong community is highly capable of dealing with difficulties by itself applying a local knowledge and its network as major resources. Finally, this type of community tends to be self-reliant in most aspects, depending on others only for a compliment.

Nevertheless, the materialism these days has spread so widely that many communities are not able to resist. Such a strong community can still move forward regardless of the changing globalization, making it not become an overnight millionaire or vice versa. Following the philosophy of sustainable economy; therefore, helps to promote a truly strong community which has to start from the smallest unit—a family—then expanding to a bigger network and a whole community at last.

We have suggestions in two main aspects which are a policy and a suggestion for the entrepreneur of the residential in Samut Songkhram. A suggestion regarding the policy for Bang Khonthi district including a whole province of Samut Songkhram is that there must be a sponsor for an ecotourism which emphasizes on arts, culture, and the color of way of life. Also, the nature must be preserved by raising more awareness of tourists towards its importance to all lives on earth. The local people should be encouraged to form a network such as *Ruk Bang Khonthi group* which lets them share opinion and help one another. Eventually, this will lead to a learning process and an experience accumulation. In order to develop the tourism in this particular area, the policy should not be done hurriedly or comparing with others. The main goal is to let everybody involve and thoroughly have them experience the most out of this development. Hence, it can be said that living in accordance with the philosophy of sustainable economy is one approach leading to a real strong community as people are always reminded of a cautious life.



Fig. 7 Ruk Bang Khonti group



Regarding the suggestion for the entrepreneurs of the hospitality in Samut Songkram, firstly, public relations is not only to attract the tourists, but to make a good image of ecotourism and a well-preserved way of life of people along both sides of the river. This can be done through various forms such as having a brochure that has a map giving a clear direction to the resort, a traveling manual, an entrance to the resort should have a big clear signboard which can be seen from afar, and arrows on the board show obvious directions. Moreover, at every junction, there should be a board telling a direction to an accommodation and each one must have a light turned on at night so that the tourist can admire the beauty of fireflies along their way back. The resort needs to be well-coordinated so as to design all board in the same direction. Some roads are uneven and needs repairing, some have quite narrow entrance making it harder to drive in. The trees along the road also cause difficulties for drivers since they make the road narrower. Also, the lodging owner should not have a lot of dogs. The resort should be clean, orderly, have big trees for a green view, have some small gardens to relax, and have a light along the path to make a whole area bright enough during the night. In addition, sets of marble tables and chairs should be placed all over the resort, parking must be enough for tourists and easy to make a U-turn. The parking should have a cover or have some trees. The concrete at the parking should be even. For the resort owner, he or she should be friendly to customers. At the same time, he or she should not interrupt while the customers are inside the room. Regarding the food, it must be tasty, clean, in a proper amount, fast, and uses a local material. The resort should ask the customers what menu they want. Also, clean water must be provided in each room as well as outside the building, some special equipment that might be asked for such as ice can, ice tongs, pliers, wine glasses, and a wine opener. In case of having a large group tour visit, enough restrooms must be provided both in the room as well as outside the building. A small signboard showing the room direction must be along the way. Gentlemen restroom and ladies on must be separated. Water heater must be provided in all restrooms, and the water should flow evenly. In the restroom, towel, soap, shampoo, and toothpaste should be readily placed. Besides, there should be nice set of furniture in the living room as well as outside the building. The room size is big enough that the customers feel comfortable.

The residential owner should highly concern the conservation of natural resources in a particular province to district as well as the local lifestyle along the canal and river, since both attract many tourists who visit throughout the year. Any created activities should be for sake of implanting good thoughts towards the surrounding environment and a regional way of life. Regarding the standard given to the resort which helps it to become more acceptable among tourists, this standard should be occasionally revised and expanded more to other resorts. A criterion for noise and speed of a long-tailed boat and motorbike has to be specified. For an implementation plan, this type of business should be planned systematically both for short and long term, so that the business can steadily

proceed. Lastly, for an income statement and balance sheet, it is also necessary to keep track as it might be of use afterwards.

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