

Evaluation of Community Potential for Community Innovation: A Case Study in Phayao Province, Thailand

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Abstract: The research aims to evaluation of community potential enterprise in Phayao, Thailand. The research instrument was participation action research (PAR) and potentially community questionnaires with key informants. The research instrument was participation action research (PAR) and potentially community questionnaires. The study results the community assessment of external and internal audit can be two parts; the procedure assessment was moderate level (\bar{x} = 2.15, SD. =0.12), good organization management, a market management, knowledge management. In term of assessment outcome of audit was moderate level (\bar{x} = 2.21, SD. = 0.05), the community was quality and service product, implement efficiency and development of community enterprise. And can be using for implementation of other community enterprise and value added to making-decision for the local administration and local government.

Keywords: Community Enterprise, Community Innovation, SWOT analysis

1. Introduction

The situation to equality and economic stability with 12th National Socio-Economic Development Plan, this has been implemented according to His Majesty Bhumipol Adulyadej's sufficiency economy philosophy. This is a crucial strategy to residents economic growth and strength communities' capacity to participate in learning, achieve long-term, and sustainable development (Sriwichailamphun, 2012; United Nations, 2019). The achievement of community enterprise groups is an economic and social development tool at the national level. If the economic and social systems of a society become unbalanced, as a result of indebtedness or labor migration, the economic and social situation is likely to suffer. As a result, it is of national importance to promote and maintain community strength and self-sufficiency as important components of economic and social growth. These operations can be aided by a variety of instruments. One way to let people enrollment in collective critical-thinking, acting, and accepting responsibility (Seifer et al., 2021) in the productive use of community capital is for community members to create enterprise groups. These enterprises are community-led endeavor to deliver products or services with the goal of generating income and developing self-sufficiency. Capital, labor, and management are the factors of production. The items are made from locally available raw materials and go through the learning procedures of the community members. Through training and development, local wisdom is combined with global wisdom to produce knowledge (Proikaki et al., 2018). This becomes part of the local culture and can be used when the community expands into new markets. Community enterprises are like activities that the community generates through learning process and that they can easily carry out. The emphasis is on developing jobs in the neighborhood and increasing income for the residents (Jussapalo, 2017). For these reasons, community enterprises have begun to play an increasingly important role in Thai society as a vehicle for resolving problems, especially in the context of learning and self-reliance at the local level in rural areas. Some community enterprises have shown to be successful (Bauwens et al., 2022), which will help to grow the community. Several community enterprises, on the other hand, have come into difficulties, leading to their closure (Beynon et al., 2020). The purpose of both community enterprise and corporate organizations is to find a strategy to properly manage a group while decreasing the risk to its operations (Wu et al., 2015; Zeng & Skibniewski, 2013).

The current business environment is extremely competitive (Proikaki et al., 2018). Businesses with large capital reserves have a greater chance of running smoothly and efficiently. Small firms, on the other hand, such as community enterprises, small and medium enterprises (SMEs), or small businesses with limited capital, are severely harmed by this harsh rivalry, and may go out of business or go bankrupt as a result (Doung, 2009).

From the previous study many researchers investigate of community enterprise or local enterprise using a lot of tools for assessment such as community forest enterprise (CFEs) in Mexico (Bray et al., 2021), Cameroon (Piabuo et al., 2022), the improve of local labor market from government policy (Ham et al., 2011), Women's cooperatives in Turkey (Hatipoglu, 2021), community enterprise in the Southern Region of Thailand (Niramitsrichai, 2021), assessment of local food and beverage in Turkey (Ozturk & Akoglu, 2020), community perception in environmentally (Proikaki et al., 2018), creating supportive for community enterprise (Seifer et al., 2021), local enterprise in China (Zhang et al., 2017). And some study evaluation tools for TQM As a result, it's critical to identify risks in administration, such as group and member management, production, marketing, and finance, to prevent small community businesses from failing (Hatipoglu, 2021; Pinheiro et al., 2020). The goal of this study is to identify and assess the community enterprise in Phayao area. The findings will be used as a guide to assist entrepreneurs and government agencies in reducing or avoiding risk that could harm their business operations

2. Methods and Materials

2.1 Research model

In terms of assessing community enterprise. A technique for evaluation was developed based on Total Quality Management (TQM) and SWOT analysis. The instrument, as well as its implementation by important informants such as the community's chief, the village's chief, and all the personnel in this area. An evaluation instrument modified from the Agriculture Department's Support (ADS). (Agriculture Department Support, 2017)

2.2 Research group

We created two data groups, which were as follows:

1. Key informants: There were 26 external respondents (agricultural committee, head of village, head of community, local administration representative).

2. There were ten internal evaluators.

3. Data collection

This research used semi-structured questionnaires, an assessment form, and a focus group with stakeholders (e.g., the head of village, the head of community, project personnel, and the self-community enterprise), as well as pre- and post-testing.

2.3 Process steps

There were five steps to evaluating a community enterprise.

- 1) Internal (Self-community enterprise) and external (agricultural committee, head of village, head of community, local administrative representative) evaluators collaborate with community enterprise for results provided and concluded to assist community enterprise committee.

- 2) Knowledge management (KM) through involvement in online and onsite actions to analyse community enterprise perspective, assessment method, conclusion, and evaluation plan for local administration in these areas. On the finding, see figure 1-4.

- 3) In this study, the assessment approach included both semi-structured questionnaires and a focus group with important informants.

- 4) A researcher collects data from Questionnaires and an evaluation form after step 3. After that, a tool was used to pick and classify the groups. Furthermore, the data was first imported into Excel and then classified into three levels and three scores (2.34-3.00 was high/good, 1.67-2.33 was medium/moderate, and 1.00-1.66 was low/improve). Second, discussing and focusing on strategies to guide community enterprise creation and support. Finally, use the results to make decisions on the community enterprise's strategy and action plan.

- 5) A summary of community enterprise efficiency that can be used to improve other businesses.

2.4 Data analysis

We used descriptive analysis, mean, and standard deviation to assess the data, while qualitative SWOT Analysis (Strengths, Weaknesses, Opportunities, and Threats) was analysed and the findings were interpreted.

2.5 Ethic Approved

The Ethic Committee of the University of Phayao gave its approval to this article. UP-HEC 2.2/030/64

3. Results

Based on the findings of a study in the evaluators' section using semi-structured questionnaires. Finish with two criteria. The first is the management assessment process. The second step is to examine the outcome of the community enterprise.

Table 1. The procedure assessment criteria by external evaluators (N=26).

Part I. proceduressessment criteria	\bar{x}	SD	Satisfaction Level
1. Organization management	2.21	0.08	moderate
2. Community responsibility	2.00	0.11	moderate
3. Plan and management of community enterprise	1.98	0.02	moderate
4. Action plan and implement for target and goal	2.15	0.73	moderate
5. An applied from strategies plan to action plan based on PDCA process	2.08	0.04	moderate
6. Market management	2.44	0.01	good
7. Knowledge management	2.09	0.12	moderate
8. Information data is clear and effective	2.23	0.02	moderate
9. Member administration in community enterprise	2.09	0.05	moderate
10. Inclusivity with product and services	2.23	0.03	moderate

Table 1 shows how a community enterprise procedure covers ten criteria. Market management and comparison with ($\bar{x} = 2.44$, $SD. = 0.01$), information data is clear and effective ($\bar{x} = 2.23$, $SD. = 0.03$), inclusivity with procedure and service ($\bar{x} = 2.23$, $SD. = 0.03$), and plan and management of community enterprise ($\bar{x} = 1.98$, $SD. = 0.02$) received the highest procedure evaluations, respectively.

2. In term of assessment of community enterprise part.

Table 2. The outcome assessment of community enterprise(N=26).

Part II. Outcome's assessment of community enterprise	\bar{x}	SD	Satisfaction level
1. mission effective of community enterprise	2.19	0.03	moderate
2. Quality and service of product	2.48	0.14	good
3. Implement efficiency of organization	2.10	0.05	moderate
4. the development of community enterprise	2.08	0.00	moderate

The average external evaluator outcome for community entrepreneurship was moderate ($\bar{x} = 2.21$, $SD. = 0.05$). Quality and services product ($\bar{x} = 2.48$, $SD. = 0.14$), mission effective of community enterprise ($\bar{x} = 2.19$, $SD. = 0.03$), Implement efficiency of organization, and community enterprise development ($\bar{x} = 2.08$, $SD. = 0.00$) were the first and second highest outcomes, respectively.

3. Self-community enterprise assessment.

Table 3The procedure assessment criteria by self-community enterprise (N=10)

Part I. procedure assessment criteria	\bar{x}	SD	Satisfaction level
1. Organization management	2.35	0.25	good
2. Plan and management of community enterprise	2.10	0.30	moderate

Part I. procedure assessment criteria	\bar{x}	SD	Satisfaction level
3. An applied from strategies plan to action plan based on PDCA process.	1.43	0.15	Low/improve
4. Knowledge management	2.22	0.21	moderate
5. Member management administration in community enterprise	2.20	0.08	moderate

Table 3 demonstrates that the average self-community enterprise assessment procedure was moderate (\bar{x} = 2.06, SD. = 0.18). Organization management (\bar{x} = 2.35, SD. = 0.25), Knowledge management (\bar{x} = 2.22, SD. = 0.21), Member management administration in community enterprise (\bar{x} = 2.20, SD. = 0.08), and Plan and management of community enterprise (\bar{x} = 2.10, SD. = 0.30) are the first and second highest items, respectively.

4. In term of assessment of community enterprise part.

Table 4 The outcome of assessment of community enterprises (N=10).

Part II. Outcome's assessment of community enterprise	\bar{x}	SD	Satisfaction level
1. Mission effective of community enterprise	1.77	0.28	moderate
2. Quality and service of product	2.60	0.30	moderate
3. Implement efficiency of organization	1.60	0.34	moderate
4. The development of community enterprise	2.05	0.30	moderate

Table 4 reveals that the average outcome of the community enterprise assessment was moderate (\bar{x} = 2.00, SD. = 0.30). Quality and service of the product (\bar{x} = 2.60, SD. = 0.30), The development of community enterprise (\bar{x} = 2.05, SD. = 0.30), Mission effective of community enterprise (\bar{x} = 1.77, SD. = 0.28) and Implement efficiency of organization (\bar{x} = 1.60, SD. = 0.34), respectively, were the first highest in terms of items.

Table 5 SWOT analysis

<p>S: Strengths</p> <p>S1The community is compatible and involved in the action.</p> <p>S2Natural resources and be complete.</p> <p>S3The community has a strong group formation.</p>	<p>W: Weaknesses</p> <p>W1lack of marketing knowledge in some community enterprise.</p> <p>W2lack of budget for implement infrastructure support.</p> <p>W3 lack of active skills.</p> <p>W4 lack of selling channel.</p>
<p>O: Opportunities</p> <p>O1Local authority have a local development plan.</p> <p>O2 Strategies plan to action plan.</p>	<p>T: Threats</p> <p>T1The Situation of Coronavirus-19 pandemic.</p> <p>T2Unsuitable of local policy and law.</p>

Table 5 describe major stakeholder strengths, weaknesses, opportunities, and threats. The community enterprise was good for the environment and natural resources, and all the community enterprises are well-established. On the other hand, limitations included a lack of marketing expertise and a sales approach. Nonetheless, local prospects included an action plan and the implementation of tactics, as well as threats related to the Coronavirus-19 pandemic and inadequacies in local legislation and law.



Figure 1 Onsite activity of community potential evaluation.



Figure 2 Community potential activities across KM management.



Figure 3Community potential assessment.



Figure 4Products by community enterprise.

4. Conclusion

An internal-external audit can be divided into two parts when evaluating community potential. First, a community-based evaluation technique was used to assess community-based innovation. Beneficial organizational management, marketing management, high knowledge management, and planned management are all good practices as a result. Second, the average external audit outcome evaluation was mediocre. This conclusion illustrates the high quality of the community's offering and its value. Furthermore, the local firm's organization and administration are also incredibly effective. Finally, the community enterprise can use swot analysis to make decisions and implement a community innovation action plan in the future.

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