

## How does it work for community start up; will follow business world or innovation by sufficiency economy?

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### ABSTRACT

The origin of trading is come from community, no matter where you from, you are familiar with selling and buying. Although global trade has influence with human life but community is still alive because it is our original. When capitalism is try to collapse those weaken economy, and to combine with strength community. Why those investors want to be ownership in Richmond land? Because there a lot of natural resource and necessary for production, especially, save cost in both of production and operation.

The significant of this research is to study how does it work for community start up; will follow business world or innovation by sufficiency economy. In depth, what is/are factor (s) can make community is alive and creates community start up. Also, will they follow business world like a trend or innovation by sufficiency like a pioneer.

Almost of existing business and new comer is mean to Start up business are use strategies to compete with other and survival in business world. They are still need to continuously and sustainability because they are believe that strategy can increase their value and keep it at the Growth positioning. Innovation can make them valuable and good in brand image. Economic sufficiency philosophy can reduce in production cost and reached the objective of sustainable strategies.

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**Keywords:** Sufficiency Economy, Innovation, Community Start Up, Business World, Business Survival

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### บทคัดย่อ

ต้นกำเนิด ของการค้ำนี้มากจาก ชุมชน ไม่ว่าคุณจะมาจากการที่เห็น คุณมีการคุ้นเคยกับการซื้อและการขาย ถึงแม้ว่า โลกาภิวัตน์ทางการค้าจะมีอิทธิพลกับการดำเนินชีวิตของมนุษย์ แต่ ชุมชนยังคงอยู่เพราะ นั่นคือถิ่นกำเนิดของเรา ต่อมา เมื่อระบบทุนนิยมพยายามทำให้ระบบเศรษฐกิจที่อ่อนแอ ล่มสลาย และมีการรวมชุมชนที่เข้มแข็งเข้าด้วยกัน ทำไม นักลงทุนเหล่านั้นจึงต้องการเป็นเจ้าของกิจการบนแผ่นดินที่อุดมสมบูรณ์ล่ะ? เพราะว่า ที่นั่น เต็มไปด้วย ทรัพยากรธรรมชาติและเป็นสิ่งจำเป็นในการผลิต โดยเฉพาะอย่างยิ่งช่วยลดต้นทุนทั้งภาคการผลิตและการจัดการ

สาระสำคัญของการทำวิจัยครั้งนี้ คือ ศึกษาถึง ความเป็นไปได้ในการทำธุรกิจชุมชน; โดยจะเป็นผู้ตามโลกธุรกิจหรือ การมีนวัตกรรมโดยยึดหลักเศรษฐกิจพอเพียง ในเชิงลึกนั้น อะไรคือ ปัจจัยที่สามารถทำให้ชุมชนยังคงอยู่และสร้างธุรกิจชุมชนขึ้นมา และถ้าพวกเขาเลือกที่จะหมุนตามโลกธุรกิจ พวกเขาเลือกที่จะหมุนตามแนวโน้มหรือนวัตกรรม โดยเป็นผู้บุกเบิกด้าน พอเพียง

เกือบทั้งหมดของธุรกิจที่ยังคงดำเนินกิจการอยู่ และผู้ประกอบการรายใหม่ ซึ่งหมายถึง ธุรกิจดาวรุ่ง มีการใช้กลยุทธ์ที่สามารถแข่งขันกับคู่แข่งและสามารถอยู่รอดได้ในโลกธุรกิจ พวกเขา ยังคงต้องการดำเนินต่อและความยั่งยืน เพราะเชื่อว่า กลยุทธ์ที่เลือกนั้น สามารถเพิ่มมูลค่าและช่วยรักษาตำแหน่งการเติบโตทางการตลาด ส่วนด้านนวัตกรรมสามารถช่วยสร้างมูลค่าและภาพลักษณ์ที่ดี ในส่วนของหลักปรัชญาเศรษฐกิจพอเพียง สามารถช่วยลดต้นทุนทางการผลิตและบรรลุมิติวัตถุประสงค์ด้านกลยุทธ์ความยั่งยืน

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**คำสำคัญ:** เศรษฐกิจพอเพียง, นวัตกรรม, ธุรกิจดาวรุ่ง, โลกธุรกิจ, ความอยู่รอดทางธุรกิจ

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### ntroduction

Nowadays, there are many theories, philosophies, ideas or anything else that can make a profit on business. It has been long time ago for human who live in the Earth with basic instinct and survival, whatever to make us alive we will.

According to "Trade theory" that talk about trading in every era, start from classic until millennium. Basically of concept is move into the future with amount of profit, how is benefit has taken, how long for business life cycle, etc. No matter what the word is, in reality

enterprise involved with " High profit and low cost".

"Sufficiency Economy Philosophy" (SEP), is the name of Thai development approach attributed to the late King Bhumibol Adulyadej's and it has been elaborated upon by Thai academics and agencies, promoted by the Government of Thailand, and applied by over 23,000 villages in Thailand( from Wikipedia, the encyclopedia). From SEP is not just a theory but it is root of human life or we called "Philosophy".

There is the same concept of both theory that need to survive with their “Keys”, but quite different in “Type of profit”. One is “Tangible profit” and one is “Intangible profit”. Describe of tangible is touchable, so conceptual of trading is make a profit in term of money. Intangible has meaning to untouchable then concept of Sufficiency Economy Philosophy (SEP) is to make a profit with sustainable. By the way, they have many questions to think of: How to survive? How to develop their business/product? How to compete with their competitors? How to create their values on product? How to make a profit? ... these are involve with every enterprises. It does not matter what size of your business is but the important is how to survive in business. ( Art Budros 2000, Organizational types and organizational innovation : Downsizing among industrial, financial, and utility firms. Sociological Forum 15(2), 273-306)

Recently decade, there are a lot of small and medium enterprises entry into business world with the conceptual framework; “Startup”. Some of huge amount is still survived in business world and also big volume was failed. Although those entrepreneurs are follow trade theory and have a good financial plan, including of great coach or advisor be part of them... Why failure of them? Unfortunately, what is/are cause(s) of problem or what can be stimulate and support business to reach at

destination that’s mean goal. The question is “What is business goal?”, some organization need a maximum profit, some need to harvest in long-run, some need to be growth and larger than starting. On the other hand, every enterprises have the same objective when start their business; “Survival”. So, it is not difficult to do but it is not easy to complete the job.

In this research need to study: How does it work for community start up; will follow business world or innovation by sufficiency economy?. The significant of community start up is the powerful of generation to generation that show how strong of their intelligence. Researcher has aim to study what is/are factor(s) can make community is alive and creates community start up. Furthermore, the way to make community alive that should be follow business world or innovation by sufficiency economy. It does not matter the business is base on trade theory, profitability, efficiency, simply, quality or quantity, but everything need back to the nature with the concept “Sustainable”.

### Objectives

- To study how does it work for community start up.
- To study what is/are factor (s) can make community is alive and creates community start up.

- To study will they follow business world like a trend or innovation by sufficiency like a pioneer.

### Review of Related Literature

Art Budros 2000, Organizational types and organizational innovation : Downsizing among industrial, financial, and utility firms. Sociological Forum 15(2), 273-306

Why do organizations innovate? Institutionalists argue that the causes of innovation vary by organizational type. While technicoeconomic forces should trigger innovation among “efficiency-minded” organizations, social and cultural forces should spur innovation among “Institutionalized” organizations.

### Sufficiency economy

#### From Wikipedia, the free encyclopedia

Sufficiency economy is the name of a Thai development approach attributed to the late King Bhumibol Adulyadej’s “Sufficiency Economy Philosophy” (SEP). It has been elaborated upon by Thai academics and agencies, promoted by the Government of Thailand, and applied by over 23,000 villages in Thailand that have SEP-based projects in operation.

The Sufficiency Economy Philosophy was elaborated upon in the king’s speeches to students at Kasetsart University in 1974 and

Khon Kaen University. To the latter he said, “Development of the country must proceed in stages. First of all, there must be a foundation with the majority of the people having enough to live on by using methods and equipment which are economical but technically correct as well. When such a secure foundation is adequately ready and operational, then it can be gradually expanded and developed to raise prosperity and the economic standard to a higher level by stages.”

Sufficiency economy is not a theory about how the economy of a country works, but rather a guide for making decisions that will produce outcomes that are beneficial to development. According to Thailand’s National Economic and Social Development Board:

“Sufficiency Economy is a philosophy that stresses the middle path as an overriding principle for appropriate conduct by the populace at all levels. This applies to conduct starting from the level of families to communities and to the nation in terms of development and administration, so as to modernize in line with the forces of globalization. ‘Sufficiency’ means moderation, reasonableness, and the need for self-immunity to protect from impacts arising from internal and external change. To achieve sufficiency, an application of knowledge with due consideration and prudence is essential. In particular, great care is needed in the utilization of theories and methodologies for

planning and implementation in every step. At the same time, it is essential to strengthen the moral fiber of the nation, so that everyone, particularly public officials, academics, and business people at all levels, adhere first and foremost to the principles of honesty and integrity. In addition, a way of life based on patience, perseverance, diligence, wisdom and prudence is indispensable in creating balance and in coping appropriately with critical challenges arising from extensive and rapid socioeconomic, environmental, and cultural changes in the world.”

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**GUEST WRITER**

**Executive Director of Project X-IT**

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**Opinions expressed by Entrepreneur contributors are their own.**

You may have startup activities in your city, but building a startup community is hard, intentional work. Once created, startup communities help spur entrepreneurs to build new businesses, connect investors to new opportunities, bring members into the community to support startups and celebrate the success as entrepreneurs excel.

Entrepreneurship is a special kind of sport and startup communities provide the network to make your city innovative, vibrant, and a hot bed for employment. Startup

activities are a great start, but a real community will define your long-term prosperity.

The first rule, without question: The community must be entrepreneur led. As a long-time business builder and startup leader, I became interested in building our Denver startup community. I had been in the trenches, and I wanted to help other entrepreneurs succeed. The throes of startup life are best understood by those who live it. There is a natural sense of belonging between those who blaze the trail of creating something from nothing. This shared experience lays the groundwork for a community to come together when all programming, activities, and resources are built with the entrepreneur in mind.

**Startup Communities-Building Regional Clusters**

**Posted on October 8, 2012 by steveblank**

How to build regional entrepreneurial communities has just gotten it's first “here's how to do it” book. Brad Feld's new book Startup Communities joins the two other “must reads,” (Regional Advantage and Startup Nation) and one “must view” (The Secret History of Silicon Valley) for anyone trying to understand the components of a regional cluster.

There's probably no one more qualified to write this book than Brad Feld (startup founder, co founder of two VC firms – Mobius and Foundry, and founder of TechStars.)

## **The Five Fundamentals of Business Survival** **By Doug Ducey PUBLISHED ON: OCT 1, 2006**

How can you make it through the rough patch that even the most successful companies eventually hit? Start preparing while the good times are still rolling.

When I tell people that I'm in the ice cream business, here's what happens: they usually get a big smile on their faces and they say something about how much they love Cold Stone Creamery, and how great it must be to work in such a fun business. And I always smile in return and say something like, "Yes, it is, and I'm glad you love Cold Stone."

I mean every word of it. Working in the ice cream business is great. But make no mistake -- it is still a business and it is still work. The minute any of us, either at Creamery Headquarters or in our stores, forget that fact, it will be the instant we lose our perspective on the realities of what it takes to stay successful. And that goes for any franchising professional, whether he or she is in the pizza business or the dry-cleaning business. We are all in business, and with it come the good times and the challenging ones.

The good times are easy, so I don't have to say much about how to manage your business when everything is going your way. You already know that when you're on a roll, you take a few jumpers from behind the three point line. But let me add one piece of advice:

while you're racking up that double-digit lead, just be sure you're prepared for the cold streak that can hit in the third quarter.

I've watched and played enough basketball and have experienced enough in business since the beginning of Cold Stone to know the value of preparedness. But what exactly is preparedness? For me, it's been a set of five fundamentals that make a good team great -- and can get you through anything. Here's what I mean:

### **Fundamental 1: Have a solid vision**

Take time, if you haven't already, to lay out a solid vision for where you want to go and how you plan to get there. Do it while times are good, so that you'll be prepared should times get tough. A purpose, a direction, and a path will keep you on course when you'll be tempted to stray. And it's easiest to stray when times are tough.

### **Fundamental 2: Have people who "can"**

When you face tough times, having people who actually possess the capacity to turn things around is imperative. In fact, your best chance of renewed success comes from a great team that understands the challenge, has faced difficulties before, and has experience making the tough decisions.

### **Fundamental 3: Know where you stand, really**

If you know where you want to go and you have great people who are willing to put in the hard work of turning things around, then you need a realistic picture of where you're starting from. I'm always amazed by business owners who say they don't know if their companies are profitable or if they are selling more this year than last. When it comes to turnarounds, you have to establish a current benchmark, set your goal to rise above it, and act fast.

#### Fundamental 4: Stick to your values

They say everyone has high integrity when their integrity has yet to be tested. In tough times, you'll discover your true character, and so will your team. Set a good example by sticking to your values. It may hurt in the short term, but your customers and employees will admire and support you when you lead by example. One of Cold Stone's core values -- do the right thing -- is like a guiding light for us when it comes to tough decisions.

Fundamental 5: Communicate with everyone

Is there anything more crucial? That goes for the message as well as the communication systems you have in place. At Cold Stone, we have an extensive communication system that enables open and honest two-way communication. It includes things like monthly conference calls with our

franchisee National Advisory Board, an intranet, and a direct line to anyone in the company. Our systems are tried and true and already in place for the good times and the bad.

Tough times are challenging, but they can be impossible if you aren't prepared for them. And let's face it -- no one can really be entirely prepared. But everyone can own up to the fact that tough times can happen in any business. So right now, recognize that you won't always be on a hot streak. And not every project is a slam dunk. Recognize that there will come a time when you'll be glad you practiced the fundamentals.

#### Conceptual Framework

According to the topic of this research: "How does it work for community start up; will follow business world or innovation by sufficiency economy?.

Research framework is designed to study; "How does it work for community start up; will follow business world or innovation by sufficiency economy?. We can adapt business theory and traditional experience sharing to local business or we called community start up. The combination between theory and experience that can increase valued on them. Researcher has designed framework with trade theory concept; Classical theories that

is basic of trading and it is a root of business world. From well-known person of economics “Adam Smith” and “David Ricardo” who gave Classical Theories to people. Those theories are manuscript or guideline for every entrepreneur to make a profit as much as they can... by taken idea, concept and process to their businesses.

### 1. Classical Theory

Classical trade theory contribute much to the understanding of how production and trade operate in the world economy. Although like all economic theories it I often criticized for unrealistic or out-of-date, the purpose of theory is clearly to simplify reality so that the basic elements of the logic can be seen. Several of these simplification have continued to provide insight in understanding global business.

- Division of labor – Adam Smith’s explanation of how industrial societies can increase output using the same labor-hours as

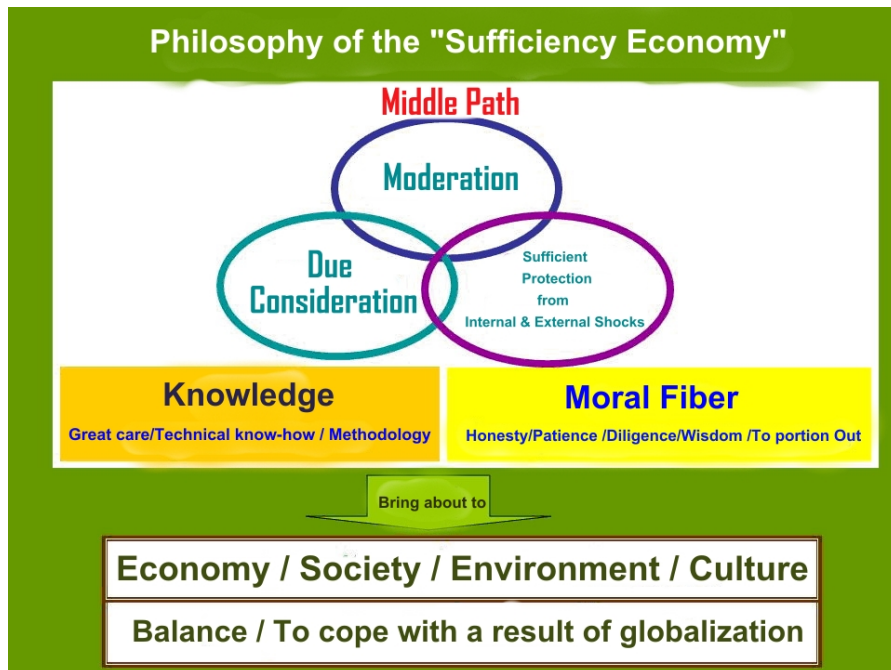
in preindustrial society is fundamental to our thinking even today. Smith extended this specialization of the efforts of a worker to the specialization of a nation.

- Comparative advantage – David Ricardo’s extension of Smith’s work for the first time explained how countries that seemingly had no obvious reason for the trade could individually specialize in whichever production the “di best,” and trade for the product they did not produce.

Gains from trade – The theory of comparative advantage argued that nations could improve the welfare of their populations through international trade. A nation could actually achieve consumption levels beyond what it could produce by itself. To this day, this is one of the fundamental principles underlying the arguments for all countries to strive to expand and “free” world trade ( Michael R Czinkota, Ilkka A. Ronkainen, Michael H. Moffett, Eugene O. Moynihan; Global Business: second edition : p.40 )



## 2. Sufficiency Economy Theory



The Philosophy of Sufficiency Economy; Kanidtha27878 WorldPress.com

### Research Methodology

1. Qualitative method is the way that researcher, carry out the results.
2. "Focus group", is population for research, because researcher needs to control quality. They are in goods and services Industry (Thais).
3. Connection by way of face-interview.
4. Close end question in theory part and open end question for personal attitude.
5. Population size is 20 per each group (totally 40 samples) and they are the ownership and executive in SMEs both of goods and services industry.
6. Research result by comparing the number of sample who have the same or different attitude.
7. Taking all results to analyze, and bring the analysis result, to recommendation that can evoke solutions, suggestions, and also continue research in other related topics areas.

### Research Design

1. Depth interview with focus group - random the group from goods and services industry who are local SMEs.

2. Study group is manpower and working in goods industry and agriculture business.

3. Appointment to interview; to meet a person at his /her workplace by date and time (Thais).

4. Population size is 40 interviewees from both in goods and services industry.

5. Collects all data at the same time by lead time being within two weeks.

6. Analysis data to get more information for discussion.

7. Information from discussion can continue recommendation and show some resolutions or suggestions for this research.

### Research Instrument

1. Depth interview questionnaires with 5 close end questions and 2 open end questions.

2. Scope of questionnaire, there are close end 5 questions that involve start up; Sufficiency economy philosophy, trade theory, market trend and open end 2 questions that interviewees can express their idea.

### Research Procedures

1. Prepare questionnaire, there are close end 5 questions that involve start up; Sufficiency economy philosophy, trade theory, market trend and open end 2 questions that interviewees can express their idea.

2. Make an appointment with the group for interview that they are in goods and services industry in Thailand. To meet a person at his /her workplace by date and time

3. Collect all data for analysis; implementation of the idea that community start up; will follow business world or innovation by sufficiency economy.

4. Conclusion for all research result, also discussion and recommendation for continuity in the future. If the result is showed in the contrast way, we can do the research what is cause a problem? On the other hand, if the result is showed in the same way it is assuming that should is better than previous edition, we also continue what else can develop or improve that can meet the International Standard quality and it is Sustainability.

### Data Analysis

Data analysis method is qualitative; conduct a couple of interviews for case studies. Researcher analyzed from interviewee's attitudes and implementation of the idea that community start up; will follow business world or innovation by sufficiency economy.

### Research Results

-Percentage of population have knowledge about Start up is 100% (40 of 40);

they know what start up is?, and know-how to be start up.

-Percentage of population attitude about community start up; will follow business world or innovation by sufficiency economy.

1. First group is 95.00% (38 of 40); they think that community start up; will follow business world. They believe that follow business world is qualified to work, so their organization will be able to transform costs into profits by identifying concealed opportunities and more efficient organizational systems from their industry.

2. Second group is 85.00% (34 of 40); they agree that conduct by innovation. They believe that the innovation is qualified to work, make a profit by identifying concealed opportunities for innovation which news update. Additional to their attitudes, consumers must be willing; to pay for the costs of differentiation, satisfaction and information about product's revolution. This group has the an idea to support new comer or start up should compete with other by create value on business.

3. Third group is 82.50 % (33 of 40); they agree that should be mix between business world and economic sufficiency philosophy. They believe that both of business world and economic sufficiency philosophy are qualified to work. Entrepreneurs will be able to transform costs into profits by economic

sufficiency philosophy. On the other hand, business world will help in term of competitive on price and environmental performance. Furthermore, these new comer can take benefit from both efficiency theory and learning from existing competitors. It is not easy to conduct by follow business world but it is not difficult to mix them all as your guideline.

4. Fourth group is 75.00 % (30 of 40); they agree that depend on each situation and mix between trade theory and philosophy. They believe that situation has influence with work, so they need both trade theory and philosophy to be guideline at the beginning. This group has though that theory and philosophy is the best way and will take new comer to the right way.

## Discussion

Although Percentage of population have knowledge about Start up is 100% (40 Of 40); they know what start up is?, and know-how to be start up, and Percentage of population attitude about community start up; will follow business world or innovation by sufficiency economy is not quite different number. The result show that these populations are still believe in theory and focus on reality practical. Business world is like a journey of entrepreneurship. Innovation is the colorful of business and sometime it can make you like transformer or magician in business. Sometime,

there is some environmental pressures occur to industry that you are in and direct or indirect effect to each business, so it should be good if new comer or startup can operate in the right way.

Almost of existing business and new comer is mean to Start up business are use strategies to compete with other and survival in business world. They are still need to continuously and sustainability because they are believe that strategy can increase their value and keep it at the Growth positioning. Innovation can make them valuable and good in brand image. Economic sufficiency philosophy can reduce in production cost and reached the objective of sustainable strategies. That's mean Community Start up can growth with any way that suitable to each business and no longer for whom do not adapt yourself since the first coming. It does not matter what or how you follow up business world, it must be come from what your take action on your enterprise. If you not strength to compete with existing competitors, so you should make the different to create value on business. Furthermore, benefit on cost is the basic of entrepreneurship because margin is come from gap between cost and profit. Although Economic sufficiency philosophy is not pure theory but it can increase value on many industries because this sufficiency need to

focus on cost reduction and natural resource beneficially usage.

### Recommendation

According to research result, Almost of populations have agreed that community start up; will follow business world. They believe that follow business world is qualified to work, so their organization will be able to transform costs into profits by identifying concealed opportunities and more efficient organizational systems from their industry. Depend on each startup has policy or strategy to support these supposes. Also which one can make their organizations can reach the goal and sustainable.

Researcher has agreed that sufficiency has influence with every entrepreneurship no matter what you do, huge or small business volume, existing or new comer, what is/are strategy of yours, you are the same position that is stakeholder who need to take advantage from each strategy and put the right to your firm.

Furthermore, if any community startup will engage with any strategy or theory for their operation, please realize and compare, between the advantages and disadvantages after addressed, both in terms, of entrepreneur and market.

Nowadays, sustainable is meaningful, not only for industry but also public/consumer, either domestic or global, and we cannot deny how important, and if it has become and even to long-life production. Due to profitability and natural resource are much more and long profits generable than losses. Finally, innovation can make you extreme in every position of business cycle life but sustainably can make you still alive in the long time.

In the next time, researcher will follow up the result of this research, especially in case of startup has agreed to follow business world. Will they survive or not?, because world business is always change and depend on world economic. The power countries are still control world economic and has influence with other countries. That's very interesting to find out what should business do in the long run, between adaptation to follow other and adaptation to be unique.

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