

# Management of Local Towns (Tambon) According to Philosophy of Sufficiency Economy

Wichian Sriprachan, Chutikarn Sriviboon

**Abstract**—The objectives of this research were to study the management of local towns and to develop a better model of town management according to the Philosophy of Sufficiency Economy. This study utilized qualitative research, field research, as well as documentary research at the same time. A total of 10 local towns or Tambons of Supanburi province, Thailand were selected for an in-depth interview. The findings revealed that the model of local town management according to Philosophy of Sufficient Economy was in a level of “good” and the model of management has the five basic guidelines: 1) ability to manage budget information and keep it up-to-date, 2) ability to decision making according to democracy rules, 3) ability to use check and balance system, 4) ability to control, follow, and evaluation, and 5) ability to allow the general public to participate. In addition, the findings also revealed that the human resource management according to Philosophy of Sufficient Economy includes obeying laws, using proper knowledge, and having integrity in five areas: plan, recruit, select, train, and maintain human resources.

**Keywords**—Management, Local Town (Tambon), Principles of Sufficiency Economy.

## I. INTRODUCTION

THERE are many attempts to revolutionize the management of government administration and affairs. With the problems of economic ups and downs, and modern technology, it is a challenge to the government to keep up their effectiveness with the private sector. This has caused a paradigm shift in the way the Thai government allows the local towns to manage themselves under the framework of representative democracy in order to distribute the service and benefits the local people [1]. In the past, the government system to serve local people has often been criticized for centralization, slow, rigid, and not responsive to the needs and wants of the local people [2]. Peter (1996) stated that the system of reliable to provide service to local people must be based on the local people participation [3].

The Thai development policy of today under the national strategic 2008-2011 focuses on the application of the Philosophy of Sufficient Economy. Therefore, the administrative officials of government sectors must understand the principles and the processes of decentralization and can adjust themselves accordingly. There is a transformation from centralization of the government head-

quarters into decentralization of government and allowing the local towns to govern themselves.

Hence, there is a need to study and analyze local town management to ascertain if there is an effective system to serve local people. Moreover, to find ways to improve the model of local town management to enhance its capability to serve local needs and wants effectively [3].

His Majesty the King developed the Philosophy of Sufficiency Economy. He believed that if sufficiency of people, especially the poor people is achieved, the nation can then progress to economic growth. However, the Principle of Sufficiency Economy is not designed to be the “economy of the poor,” It means not to live beyond your means. There are three principles and one foundation for national development. The first principle is that reasons. The second principle is moderation. The third principle is immunity. When situations change rapidly, it is difficult to design a development plan because there are many risk factors. The Philosophy of Sufficiency Economy will lead to balanced and sustainable development and it will turn the nation’s communities, organizations, and enterprises into a big network of sufficiency-based communities that coexist with one another happily and permanently [4].

This research chose to study the local town management in Supanburi province, Thailand because it is an agriculture province in the middle of Thailand. The government has the policy to apply the philosophy of sufficiency economy into the development of this province [5]. Local town people in this province have been familiar with the Principle of Sufficiency Economy for a few years. They have been applied the Principle of Sufficiency Economy to their daily life and work. Therefore, the results of this research will benefit local towns in terms of enhancing their management effectiveness.

## II. METHODOLOGY

### A. The Objectives of This Research

- 1) To study the management of local towns in Supanburi province, Thailand.
- 2) To develop the management model of local towns in Supanburi province according to the principles of sufficiency economy.

### B. Research Framework

Based on literature survey, Holloway (1959) stated that the local town management means an organization which has a boundary, population, and the right to govern itself. Therefore, it should have a local council which is elected by

the local people [6]. The responsibility of local councils includes human resource management, budget management, enhancement of organization potential, and system to provide service to general public according to application of Philosophy of Sufficiency Economy. The Philosophy of Sufficiency Economy included these four important factors: reasons, moderation, immunity, and knowledge & virtue, illustrated in Fig. 1 below.

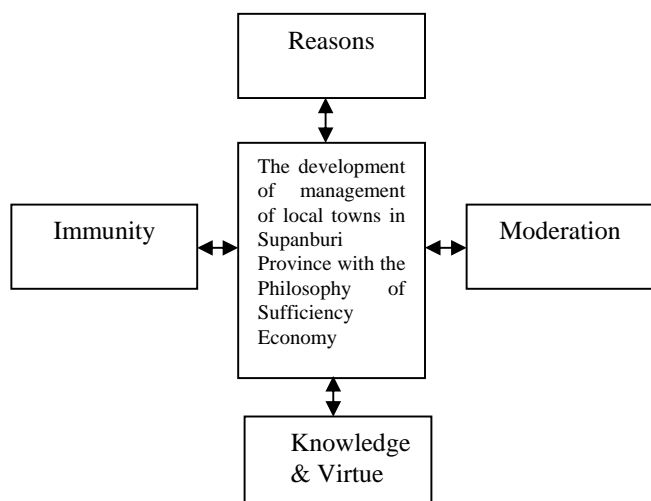


Fig. 1 Philosophy of Sufficiency Economy

### C. Stages of Conducting Research

The population of this study included 10 local towns in Supanburi province, Thailand.

First, an in-depth interview had been conducted in these 10 local towns. The interviewees included the top management of local town who came to the position by election, and the top management of local town who came to the position by appointing; these included high ranking officials planning, analyzing staff, and financial staff.

Second, in-depth document research had done on information of local towns about the human resource management, and financial management.

Third, survey research was conducted in the ten towns in order to observe their social interaction between the town management and the local people who used the services.

### D. Research Tools

There were four kinds of research tools for this study:

First, the record book was used during the in-depth document research to record the human resources information, and financial information.

Second, the research and staff members worked in the field.

Third, a structured in-depth interview was designed to question important people in the local town management. The validity of the in-depth interview form was tested by experts in the field of human resources and town management.

Four, another structured in-depth interview was designed to question mainly academic people who had an expertise in the area of town management. The validity of this in-depth

interview form was also tested by experts in the field of human resources and town management.

### III. FINDINGS

The findings revealed that the management organization chart in each local town was quite similar which consisted of two main groups: council members and government official members. The 12 council members are elected whereas the 4 government officials are appointed. The total number of staff members depends on the size of the local town.

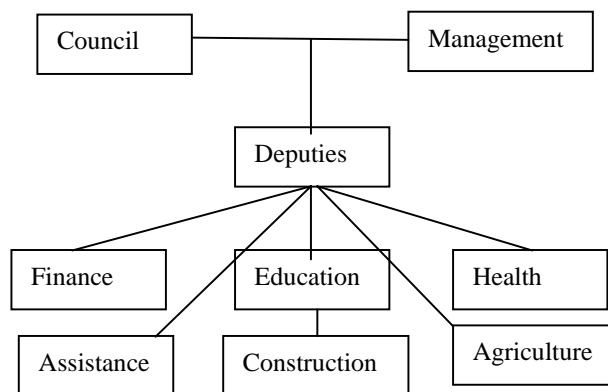


Fig. 2 Organization chart of town management

Model of management which applied the Philosophy of Sufficiency Economy should have the following conditions.

The financial management should have:

- 1) The ability to manage their financial situation with correctness, honesty, up-to-date technology and information with constantly improvement.
- 2) The ability to make decisions by using the system of democracy or majority rule.
- 3) The ability to have a check and balance system, to monitor plans, do internal audit, and plan improvement.
- 4) The ability to control, follow-up, and evaluate in every step in the financial process. Also, focus on the principles of reasons and immunity.
- 5) The ability to enhance the level of participation from the local people.

The human resources management should have:

- 1) Planning of human resources should utilize the knowledge & virtue, and reasons.
- 2) Recruiting of human resources should utilize the process of law, knowledge, and virtue.
- 3) Selecting of human resources should utilize the proper process of law, knowledge, and virtue.
- 4) Training and development of human resources should utilize correct and fair system.
- 5) Retaining of human resources should base on the system of high value, and sustainable.

The findings revealed that the majority of local towns had the management system according to the Philosophy of Sufficiency Economy in the level of "good". This means local town management had a dependable financial management

system, and had human resource management based on knowledge & virtue, reasons, immunity, and moderation.

#### IV. LIMITATIONS AND FUTURE STUDIES

There are two limitations that need to be acknowledged and addressed regarding this study. The first limitation concerns the qualitative study of this research which may not sufficient to explain if the local town management was really successful based on the opinion and satisfaction of the local people. The mixed method of qualitative and quantitative methods should be used. The second limitation has to do with the extent to which the findings can be generalized beyond the cases studied. The number of local towns studied is limited in one province and it may not be proper for broad generalizations to the local towns all over Thailand. The future studies should expand more in terms of area of local towns covered and should use both qualitative and quantitative methodologies.

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