

**SUFFICIENCY ECONOMY PRACTICE (EVIDENCE FROM SIAM
KUBOTA CORPORATION COMPANY LIMITED)**



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FULFILLMENT OF THE REQUIREMENTS FOR
THE DEGREE OF MASTER OF MANAGEMENT
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2017**

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Thesis
entitled
**SUFFICIENCY ECONOMY PRACTICE (EVIDENCE FROM SIAM
KUBOTA CORPORATION COMPANY LIMITED)**



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was submitted to the College of Management, Mahidol University
for the degree of Master of Management

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SUFFICIENCY ECONOMY PRACTICE EVIDENCE FROM SIAM KUBOTA CORPORATION COMPANY LIMITED

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ABSTRACT

This paper is looking forward to examine “Corporate Sustainability”. Sustainable business is defined as capacity to deliver strong performance, endure economic and social crises, and deliver public benefit and does not mainly focus on only creating short-term profit for the company. The paper focuses on Sufficient Economic Practice implemented in Siam Kubota Corporation Company Limited (Siam Kubota), a Corporate Sustainability firm in Thailand. Data of this paper is collected by semi-structure interview from 30 company’s stakeholders’ including 8 different positions of managers and 3 customers, 2 Authorized Dealers, 2 used tractor shops, and other 15 employees. The respondents in this paper are selected based on responsibility and the number of year in working experience.

The result of this paper shows how Siam Kubota implements Corporate Sustainability from both Thai and Japanese perspectives, hybrid cultures in the same firms. This paper will be beneficial to all firms to become more sustainable by applying the same practice as Siam Kubota, a Corporate Sustainability firm. Moreover, employees have better life quality by still having a job and still get paid on time. Therefore, social and economic status will be better as a whole

KEY WORDS: Sufficiency Economy Practice/ Siam Kubota Corporation Company Limited/ Corporate Sustainability

68 pages

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CHAPTER I

INTRODUCTION

This part includes background and motivation, research rationale and questions, statement of purpose, Research objectives scope of study, research findings, limitations, contributions and organization of the paper.

1.1 Background and Motivation

Many economic crises occurred in the world such as Tom yum kung crisis in 1997 starting from Thailand and Hamburger crisis in 2007 starting from the United States of America. Although these crises started in only a country, they created domino effects with other countries in terms of economic and social impacts around the world. The economic and social impacts include increasing in the percentages of unemployment rate, bad debt, and household debt. (Ramesh, 2016). Overall, when the economic systems collapse, it lead to bad social system. Once the business system cannot run smoothly, it creates bad economic system as a whole. For example, during Tom yam kung crisis, unemployment rate rose above 6% in Indonesia in 1999 as a result public health care declined from 7.4 to 5.6%, and primary health care center decreased from 47 to 28% (Gragnotati, 2001). In addition, food price in Malaysia increased by 9% in 1998, and national poverty rate in Indonesia increased nearly double from 11.3% to 20.3% and from 9.6% to 19.2% in South Korea (Gragnotati, 2001). Moreover, in Thailand, unemployment rate rose from nearly zero to 4.5% as a result, household expenditures on medical and institutional care fell by 36% (AER2003unemploy, 2008). Then rate of underweight children increased from 7.9% in 1996 to 11.8% in 1998, and the number of student attending to private school declined of 7.2% in private schools and 1.8% in public school in 1998 (Ravallion, 2008). With regard to all above, bad economic affects to the life quality. Therefore, there should be some solutions preventing crises and external factors affecting economic system in order to become more sustainable in every situation.

Corporate Sustainability is becoming very important and broadly discussed in business and academic terms. This subject has been studied by many researchers about competitive advantage in the market for Corporate Sustainability companies.

Corporate Sustainability does not mainly focus on only creating profit for the company in short-term. On the other hand, Corporate Sustainability focuses on how to run the business in long-term and stay competitive in market, not only concern about financial situation, but company's reputation in the social will be company strength, and being able to maintain in the top rank by the market share. Therefore, to become a sustainable company is not only about profit maximization but creates trust within the company and social (Avery and Bergsteiner, 2011).

1.2 Research Rationale

This research is looking forward to sustainable business. Sustainable business can be defined as capacity to deliver strong performance, endure economic and social crises, and deliver public benefit.

There are many researches developed for Corporate Sustainability which are sustainable leadership and Sufficiency Economic Practice (SEP). In this paper, I will focus on Sufficient Economic Practice for Siam Kubota Corporation Company Limited (Siam Kubota). This company has been chosen because Kubota has long-term performance for company net sales (Profit) as follows. Moreover, the company can pass such economic crisis by having a great solution.

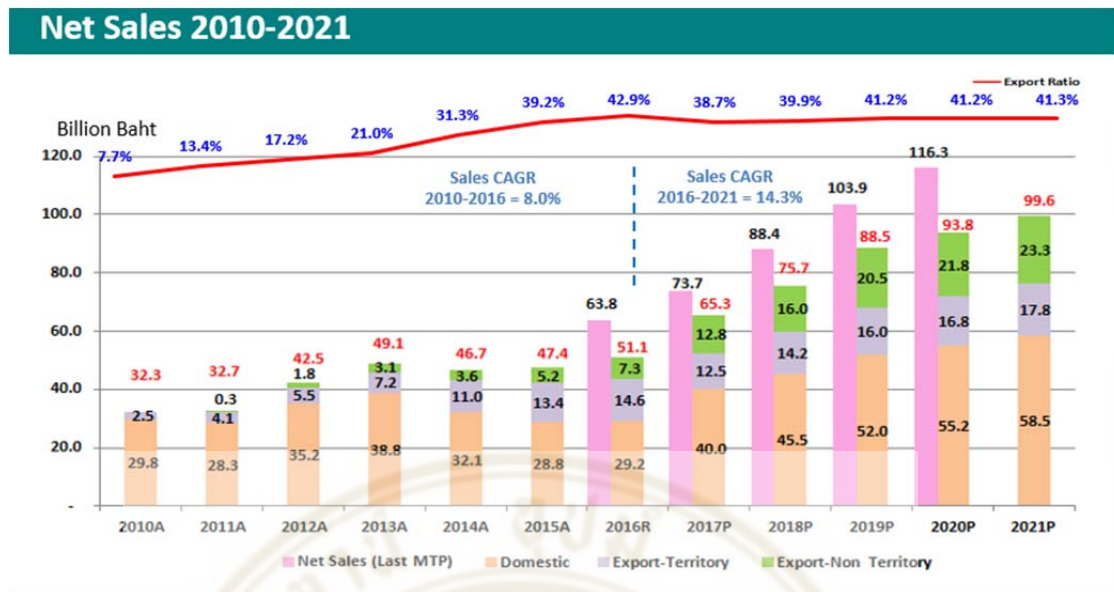


Figure 1.1 Siam Kubota Net Sales (Profit)

As it is shown, even though, there was a national flood in 2011 and Rice subsidy scheme crisis in 2013-2014 which affected to farmers, Siam Kubota main targets, Siam Kubota can come up with the satisfied net sales result. Therefore, Siam Kubota is been studied as their Corporate Sustainability in order to up-dated Sufficiency Economy Practice and for being beneficial for other company.

1.3 Research Questions

1. Does exploratory factor lead to exploratory outcome?
2. How exploratory factor lead to exploratory outcome?
3. Does the company implement exploratory factor?
4. How the company implement exploratory factor?

1.4 Statement of Purpose

This research is to examine the business practices of a sustainable performance company, Siam Kubota Corporation Company Limited (Siam Kubota) by using Sufficiency Economy Practice business model.

There are two objectives of this paper in order to solve all the research questions.

1.5 Research objectives

1. To examine how the company implement SEP exploratory factor
2. To explore how SEP exploratory factors lead to SEP exploratory outcomes from the company perspective.

1.6 Scope of study

This paper would study not only the existing but also exploratory factors that are related to tactics and outcomes of Sufficient Economic Practice (SEP) for highly sustainable firm from stakeholders' point of view including management team, employees, customers, Authorized Dealers, and used tractor shop. The exploratory outcomes include perseverance, resilience, geosocial development, moderation, sharing which lead to strong performance, crisis endurance, and public benefit. In addition, Sufficient Economic Practice (SEP) is used to measure corporate sustainability because this paper aims to create better life quality in the society from better economic system as it is stated in the background and motivation, and Sufficient Economic Practice (SEP) states clearly in the exploratory outcome as public benefit. Moreover, Practice Sufficiency Economy is so special because it is derived from Thai value, creating better economic system by Thai values such as sharing and moderation.

In this case, Siam Kubota Corporation Company Limited (Siam Kubota) is chosen for examining Sufficient Economic Practice (SEP) as the company is one of the highly sustainable firms.

Moreover, Sufficient Economic Practice (SEP) analysis will be discussed in this paper. The usefulness and comments on the concept for Siam Kubota is included by asking the company's stakeholders which are company management, employees, customers, Authorized Dealers, and used tractor shop.

1.7 Limitations

The main limitation in this paper is the scope of the study. In this paper, the study is based on Siam Kubota Corporation Company Limited (Siam Kubota) only. Moreover, due to the scope of study constraint, some respondents or stakeholders within the companies are interviewed. Therefore, the result can be limited to only a company or an industry.

1.8 Contributions

I firmly believe that this paper is the first one that study companies from both Thai and Japanese perspectives in terms of business practice in sustainable business. There are not many hybrid cultures in the same firms especially in Thailand. As Siam Kubota Corporation Company Limited (Siam Kubota) is a joint venture between KUBOTA Corporation from Japan and Siam Cement Group (SCG) from Thailand. The culture is mixed together in the company.

This paper will be beneficial to all firms to become more sustainable by applying the same practice as Siam Kubota. Employees will have better life quality by still having a job and still get paid on time, and the customers have a better life. Therefore, social and economic status will be better as a whole.

1.9 Organization of study

There are seven chapters in this paper.

Chapter one introduces the thesis by giving background and motivation, research questions, statement of purpose, scope of study, research findings, limitations, and contributions.

Chapter two mainly explains what already have been studied according to the Sufficient Economy Philosophy and Sustainable Leadership.

Chapter three covers sample selections, methodologies, explanation of each variable in the study.

Chapter four summarizes the research findings.

Chapter five is benefits of the research and further discussions

CHAPTER II

LITERATURE REVIEW

This chapter presents related theory used in this paper and reviews other related literatures on sufficient economy philosophy.

2.1 Theoretical Framework: Honey bee and locust: sustainable leadership

According to the many companies using Anglo/US business as a core model by focusing on short-term benefit. However, the long-term profit strategy has also been focused and began to be implemented as a measurement tool by many companies. It has ensured company abilities to stay competitive in the market. Moreover, many corporation requires corporate governance procedures concerned with more than just creating short-term benefits (Aras and Crowther, 2008). In addition, not creating damaging scandals, corporate governance should be aimed at creating sustainable enterprise which increases sustainable value not only shareholder, but value to every stakeholder as well (Avery and Bergsteiner, 2011).

Although it shows that corporate governance and corporate sustainability are related in many strategies and not all that is clearly known by the researchers, including the majority of FTSE 100 companies (Aras and Crowther, 2008). How the organization able to enhance long-term sustainability? Avery and Bergsteiner (2010, 2011) have developed Honeybee Practice based on Rhineland Practices. The evidence-based view of 23 characteristics which sustainable leadership company should have. The Honeybee Practice will focus on three main things there are; Environmental Sustainability, Corporate Social Responsibility and Financial Success. Honeybee leadership philosophy and practices provide the research framework for the present study in examining business practice.

Avery (2005), an enterprise that regarded as “Sustainable”, they will be resulted in those three conditions;

1. It has delivered strong financial performance;
2. Exhibit a capacity to endure social and economic difficulties; and
3. Has maintained a leadership in the related market

As background above, Honeybee practice aims for long-term benefits not short-term profit, unlike many Anglo/US business strategies, Avery and Bergsteiner (2010) were finding to identify the key main points to differentiate between long-term and short-term benefits practical. Then, Avery (2005) studies 28 cases studies in 8 countries, there are; Australia, Germany, Hong Kong, Japan, South Africa, Sweden, Switzerland and the USA. The research result shows that Anglo/US business practices are less sustainable than Rhineland Practice even for increasing overall shareholder value, which is core to the Anglo/US model. However, Rhineland companies perform and resulting in many other key performances, such as financial, social and environment measure (Avery and Bergsteiner, 2010; Bergsteiner and Avery, 2006)

The Rhineland approach focuses on long-term innovation and thinking, ethical behavior, maximizing employees and other stakeholders’ values such as the environment, the community and future generations. There are 19 elements that Avery will conclude for the differences between Rhineland approach and Anglo/US business model. Moreover, Kantabutra and Avery have conducted further research and add four elements later in 2011 which are trust, vision, staff engagement and self-managing employees. Thus, Anglo/US model has been renamed as “Locust” and Rhineland approach is also known as “Honeybee” (Avery and Bergsteiner, 2011).

Table 2.1 Honeybee and Locust Different Perspectives

Leadership elements	Sustainable leadership “Honeybee” philosophy	Shareholder-first “Locust” philosophy
<i>Foundation practices</i>		
1. Developing people	Continuously developing all employees	Selectively developing employees
2. Labor relations	Cooperate with it	See as threat and uncollaborate
3. Retaining staff	Appreciate long tenure staff	Reduce cost from laying off employees
4. Succession planning	Promote from within	Assign high positions from outside
5. Valuing staff	Concern on employees’ well-being	See employees as costs
6. CEO and top team	CEO leads the team and become speakers	CEO is Decision-maker
7. Ethical behavior	Value “doing the right thing”	Assessing risk and negotiating for ethics
8. Long or short-term perspective	Favor long-term benefit	Concern on short-term
9. Organizational Change	Consider change as good	Does not prefer change
10. Financial markets orientation	Seek for independence	Focus on masters’ will
11. Responsibility for environment	Concern for environment	Exploit environment
12. Social Responsibility (CSR)	Contribute to society	Utilize people and community
13. Stakeholders Consideration	Consider all stakeholders	Only shareholders matter
14. Vision’s role in the business	Share future vision to all	Drive business in short-term

Table 2.1 Honeybee and Locust Different Perspectives (cont.)

Leadership elements	Sustainable leadership “Honeybee” philosophy	Shareholder-first “Locust” philosophy
<i>High-level practices</i>		
15. Decision making	Decentralized	Centralized in manager
16. Self-management	Promote self-management	Manage by managers
17. Team orientation	Empower team	Managers center
18. Culture	Share culture	Unimportant unlike short-term benefit
19. Knowledge sharing and retention	Expand throughout organization	Limited to few people
20. Trust	Gain trust	Control and monitor compensation
<i>Key performance drivers</i>		
21. Innovation	Promote innovation throughout company	Limited innovation
22. Staff engagement	Reward emotionally	Reward financially
23. Quality	Ensure in culture	Depend on controlling

The Honeybee approaches are divided into three elements which are Foundation Practices, Higher-level Practices, and Key Performance Drivers (Avery and Bergsteiner, 2010,2011; Kantabutra and Avery, 2011). Foundation Practices include 14 elements which are focusing on developing and training employees, trying to cooperate with labor relations, appreciating long involvement staffs, rewarding employees, concerning about employees’ work life balance, placing CEO as team leader, focusing ethical behavior, preferring long-term thought, encouraging organizational change, seeking for independent in financial markets, protecting environment, valuing social responsibility, considering all stakeholders’ interests and sharing future business visions. Higher-level Practices is combining of six characteristics; decentralizing decision-making, promoting self-management, empowering teams, fostering shared culture, spreading knowledge-sharing

and gaining trust from relationships and hospitality. Lastly, Key Performance Drivers consist of three elements; driving innovations, valuing employees' engagement and commitment and ensuring quality toward culture. These three main elements from Honeybee practices results in long-term brand reputation, customer satisfaction, operational finance, shareholder value and stakeholder value.

2.2 Previous study of Sustainable Leadership in Thailand: Sustainable leadership in Thai healthcare service

This research was based on Rhineland Leadership theory, and 15 of 19 practices are applied on the case study as the result. One practice that the company does not applied by the company is CEO and top team speaker, and other three practices are uncertain; Decision making, Environmental responsibility and Labor relationship. The company can successfully applied theory to Honeybee practice as it is shown in the study by implementing long-term investment for the long-run benefits. They continue to create innovative environment such as self-governing multidisciplinary diabetes teams that provide several care techniques and new treatment procedure with diabetes professions. The social responsibility and ethical behaviors are high performance as the hospital's culture. The organization also shares their knowledge across the healthcare business both national and international. Moreover, they apply financial independence because they refuse to invest in a large amount on latest medical equipment for preventing risks of over investment.

In contrast, the company should focus more on Human Resources practice such as promoting mid-career or top exclusive level internally than always hiring exclusive level from outside. This can increase engagement within the company which leads to stronger the company value and the company should result in a social vision as a guideline to their business activities.

This research shows that Thai's company implementing the Honeybee practice that pursue for future research to other companies in Thailand (Kantabutra, 2012).

This research was based on Rhineland Leadership theory, and 15 of 19 practices are applied on the case study as the result which the Top - team speaker and financial market practices do not confirm in the study, According to the study, it shows public

service organization can imply sustainable leadership theory, especially, in self-management practice that university seems to develop from the evidence that “Faculty member form a team to stand against unethical dean at their college” (Kantabutra, 2012, page 373) this shows that the university staffs’ sharing the university’s value.

In contrast, the university culture respects their leader as their “Hero.” Therefore, it does not show that the leader can perform as a top-team speaker. The university must imply honeybee practice in the administrative division as the foundation practice and higher level practice to shape up the customer experience.

From the study, it suggests that for higher education institution in Thailand should target for sustainable by applying Honeybee practice in order to continue to operate the university in sustainable perspective.

In addition to Honey bee and locust approach to measure sustainable development, there is an alternative approach conducted by His Majesty King Bhumibol Adulyadej.

2.3 Sufficiency Economy Philosophy background

“...The development of the country must be fostered in stages. It must start with the construction of infrastructure, that is, the provision of food and basic necessities for the people by methods which are economic, cautious and conforming with principles. Once the foundation is firmly established, progress can be continually, carefully and economically promoted. This approach will prevent incurring mistakes and failures, and lead to the certain and complete achievement of the objectives...” (His Majesty the King’s Statement given on 18 July 1974 at Kasetsart University Commencement day)

H. M. King Bhumibol Adulyadej had foreseen the economic situation and warned us the Thai people to stay on our own. Before the Tom Yum Goong crisis in 1997, Thai economy expanded very well in both export and production; becoming more industrial. High industrial skills were more developed. During the year 1959 to 1973, Gross Domestic Product (GDP) has been growth by 8.1 percent in Thailand. Even in the period when the world economy faced with recession in 1974 to 1985, Thai GDP still grew by 6.3 percent. Thai GDP even reached 9.1 percent in 1986 to 1996 (Thongpakdee and Buphawatt, 1997, page 4-6). It was obvious that Thai economy reached the best before the crisis

even the growth was decreased during the world recession in 1996 Thongpakdee and Buphawatt, 1997, page 4-6).

Thai economy was highly stable in terms of products' prices, exchange rate and employment rate. Thai inflation rate was 2.3 percent, 10 percent and 4.4 percent in 1961 to 1970, 1971 to 1980 and 1981 to 1990 respectively (NESDB, 2003). However, Thai economy was imbalanced in many aspects such as income distribution. The proportion of people who have lower income than poverty line is less. The 20-percent bottom line of poorest people accounted for 6 percent of total national income, while the top 20-percent richest people was 50 percent of total national income (NESDB, 2003). This meant that the income distribution is bad. The growth of economy distributed the income to both rich and poor people; however, the rich people got higher rate of growth than the poor (NESDB, 2003).

The economic crisis in 1997 emphasized that the economic development in Thailand has not reached the objectives of economic growth because of the imbalance and stability of the economy and income distribution. The growth of economy was -1.4 and -10.5 percent during 1997 and 1998 respectively. However, the growth of economy was positive at 4.5 and 4.7 percent in the year 1999 and 2000 respectively. Then, the economic growth decreased to 1.9 percent in 2001 (NESDB, 2003).

For Consumer Price Index (CPI), the price increases to 5.5 and 8.5 percent during the crisis in the year 1997 and 1998 respectively. Later, the CPI dropped as before the crisis. The proportion of public debt and GDP increased from 14.9 percent before the crisis to 54 percent in 2002. After the crisis, such proportion became negative; the proportion of poor people became the same as before the crisis (NESDB, 2003). At the end, income distribution was still different. The farmers were accounted for more than 50 percent out of Thai population in 1997, but the income was accounted for only 10 percent (NESDB, 2003). Moreover, during the mid-19 century, most of the factories in Thailand were relied on technology from foreign countries. At that time, Thai economic department was not aware of the problem. There was less saving from Thai people. Then, Thai banks needed to get the loan at very high rate from foreign countries without thinking about the future how to pay back. Worst, Thai banks gave loans to personal and businesses without collaterals. Then, the economic situation forced the government to float the Thai Baht currency. This let the foreigners decide to pull out the investment

from Thailand. The King came to play such the important role in giving a thought to all Thais about self-sufficient and stable development. The main thought is about sufficient economy, in which the National Economic and Social Development Board (NESDB) has developed the ninth National Economic and Social Development plan upon the concept.

2.4 Sufficiency Economy Philosophy

The philosophy of sufficient economy is conceived and developed from His Majesty the King Bhumibol Adulydej. In the era of globalization, there are changes in cultural, environment, material and social conditions. Therefore, immunity to all individual, family and society is necessary to stay in such condition which is about the balanced and constant development of life from Sufficient Economy Philosophy. The middle path is the main principle for such philosophy.

There are three components in sufficient economy philosophy which are moderation, reasonableness and self-immunity combining with two conditions appropriate knowledge, and ethics and virtues.

The first component of the sufficient economy philosophy is moderation. This means the sufficiency, self-dependent and long-term thought followed from His Majesty the King's speech: "Being moderate does not mean being too strictly frugal; consumption of luxury items is permitted but should be moderate according to one's means"

His Majesty the King's Statement given on 4 December 1998 at Dusit Place

The second component of the sufficient economy philosophy is reasonable. This component means think thoroughly about the long-term plan. Academic approaches, legal principles, moral and norms are required.

The third component of the sufficient economy philosophy is self-immunity. It is about preparation and prediction for the flexibility and risks in the future. Internal and external changes of an individual are rapid such as cultural, environmental, social and material circumstances. Firstly, immunity to cultural changes is about value to the culture and heritage of their own and others. Secondly, individuals' actions will impact on environmental changes and finally affects their livelihoods leading them to live with nature peacefully, which is called the immunity to environmental changes. Thirdly, when

social is changing, people are unified, peaceful while still solitary. This is immunity to social changes. Fourthly, individuals would secure for financial plan in the long run against the risks; immunity to changes in material circumstances (Oxford Business Group. 2016. Retrieved 2016-11-12).

The first condition is an appropriate knowledge. Knowledge is necessary in order to plan and implement the concept of Sufficiency economy.

The second condition is ethics and virtues. This condition is also essential for humans in becoming successful and definitely sustainable for that success. Ethics and virtues are set and applied in civil servants, businessmen and scholars. Recently, this condition has been applied as a core value for the business as corporate governance.

The three main components, moderation, reasonableness and self-immunity, and these two conditions, knowledge and ethics and virtues, will bring about the result of Sufficiency economy and the revolution. Figure ... below summarize three components and two conditions in Sufficiency economy (NESDB, 2011).

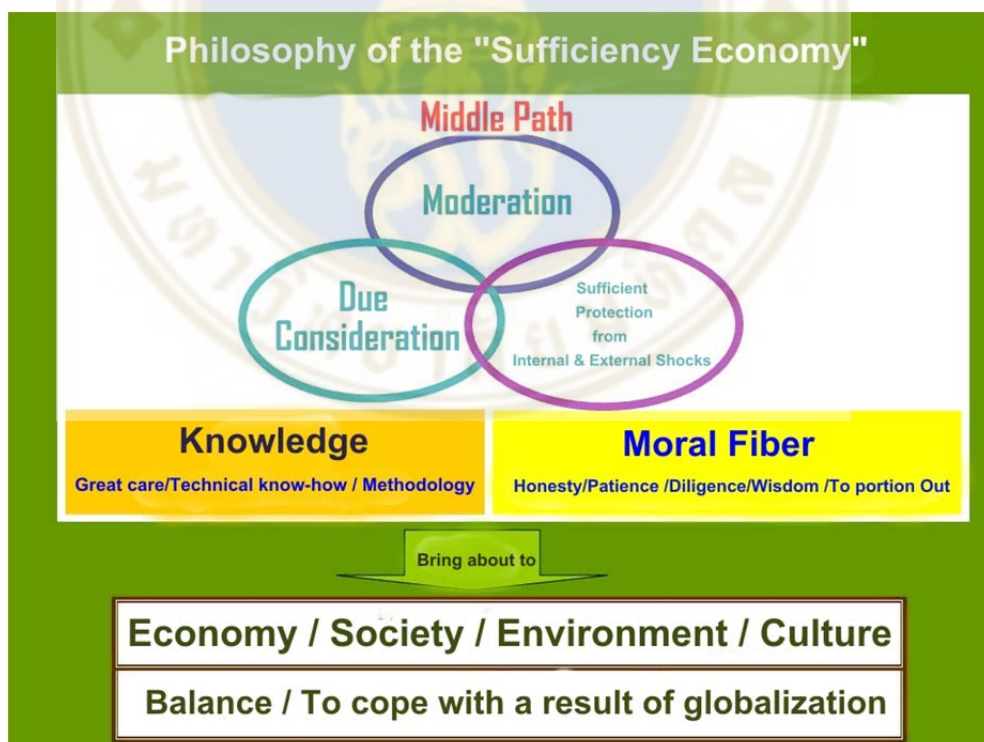


Figure 2.1 Philisophy of the “Sufficiency Economy”

2.5 Measuring corporate sustainability: a Thai approach

Dr. Sooksan Kantabutra was finding the factors which are able to measure corporate sustainability in Thai approach by using sufficiency economy by His Majesty the King RAMA IX which states the linkage between Geosocial Development, Perseverance, Resilience, Moderation, Sharing and sustainable leadership, Ethic with strong performance, crisis Endurance, and public benefit..

The research paper was designed to randomly interview sample of 294 chief executive officers (CEOs) in Thailand about hypothesis of dependence and independence variables of corporate sustainability measurement, and the data was analyzed by regression method to see correlation between each factors (Kantabutra, 2014)

The Hypothesis of corporate sustainability measurement as following

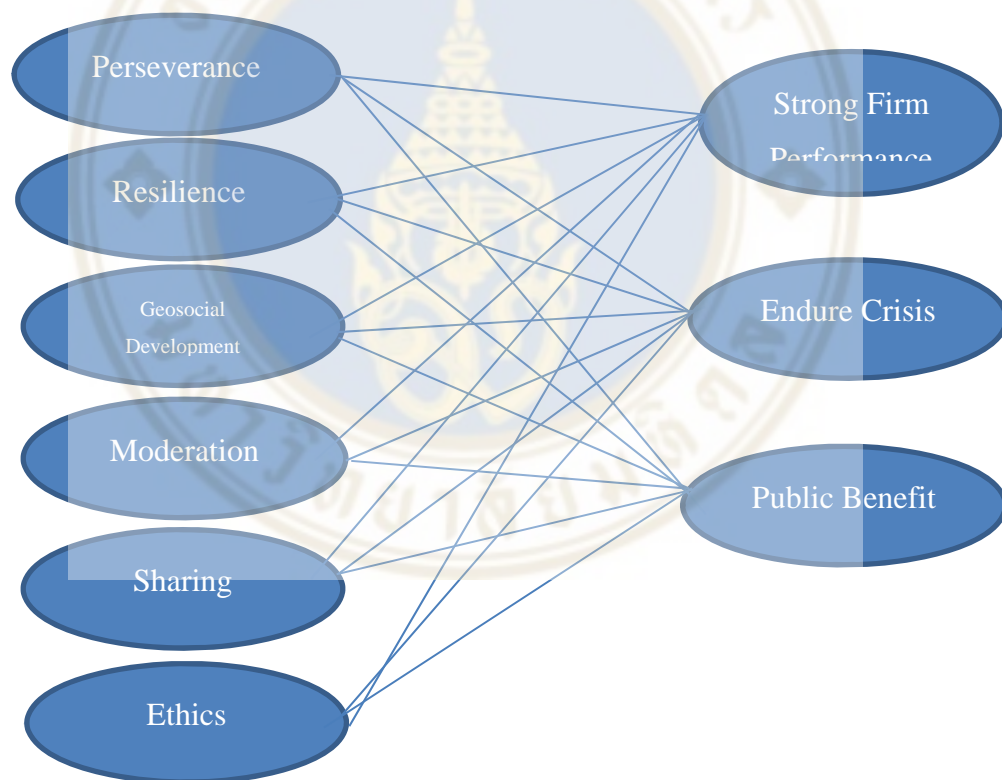


Figure 2.2 Hypothesis of Corporate Sustainability 5 exploratory factors are as follows

1. Resilience is an immune system for the organizations in many ways which has indicators as follows.

- Gives priority to and focus on developing product, service and/or process innovation
- Has a mechanism to promote and support product, service and process innovation development procedures
- Continuously adjusts operational procedures to meet an international standard
- Monitors relevant technology development
- Expects and plans for the unexpected
- Plans and executes as planned
- Manages technology by planning on technology utilization and development in products, services and processes well in advance
- Effectively manages new products/services until they are commercially successful

2. Perseverance is the value of painstaking for the organizations in various directions which has indicators as follows.

- Do not give up easily when facing a difficult assignment
- Do not take a leave unnecessarily because they feel accountable for their assignments
- Try their best to maximize customer satisfaction
- Work most effectively and efficiently
- Carry out assignments despite obstacles
- Finish the assignments they started
- Try their best to deal with company's problems, not just a quick fix
- Are goal-oriented
- Initiate product/service development continuously

3. Moderation is in terms of making reasonable profit without directly or indirectly taking an advantage from others for the organizations which has indicators as follows.

- Does not have a policy to promote products and/or services to maximize short-term profits

- Does not have a policy to set a price to maximize short-term profit
- Has high performing managers that are not always those who can maximize profits within the shortest period of time

4. Sharing is for developing the market and giving back the benefit to the customers and society which has indicators as follows.

- Welcomes competitors to observe the business
- Is willing to train competitors so that they become more capable
- Is willing to pass on excessive demands of products and/or services that his organization cannot accommodate to competitors

5. Geosocial development is about maintain and develop the society, environment and cultures which has indicators as follows.

- Supports employees to develop communities systematically
- Has systematically prepared a budget and plan for social development
- Systematically supports employees to protect and develop the environment
- And systematically promotes environmental development activities
- Assigns a group of employees to work on social development
- Always conducts activities that will carry on tradition and culture
- Assigns a group of employees to work on environmental development
- Continuously puts efforts in restoring natural resources such as water, soil and forests

- Searches for clean energy for use in office, manufacturing and/or servicing process

- Preserve natural resources for future generations

3 exploratory outcomes are as follows

1. Long-term complete performance which has indicators as follows

- The factor analysis results in each sustainability performance outcome but long term shareholder values

- Is recognized in the market as a leader
- Has a significant market share as compared to competitor

- Has competitors that recognized his organization as a leader
- Has competitive performance in the market
- Has competitive that always copy his products/services
- Leads the market trend
- Has >50 percent of trade partner who are regular
- Has trader partner with a high level of satisfaction in working with

organization

2. Low risk with an ability to respond to environment change effects which has indicators as follows

- Can overtime endure the difficult social and economic crises because of wisely responsible with the whole stakeholders.

- Has no case in a court with surrounding communities
- Can always successfully go through economic crisis
- Has no problems with the surrounding communities

3. High brand loyalty, due to their continuing contribution to society which has indicators as follows

According to his Majesty's King RAMA IX accession in 1950, investment toward protecting and developing the society and environment, and corporate social responsibility enhance stakeholder benefits in many ways especially company reputation from social happiness.

- Is thought of the general public as an environmentally responsible organization
- Is thought of by the general public as a socially responsible organization
- Is evaluated by external agencies as an organization that well preserves and develops the environment

The result shows that Perseverance and Resilience directly lead to Strong Firm Performance, Endure Economic Crisis and Public Benefit, Geosocial development directly leads Public Benefit and indirectly lead to Strong Firm Performance and Endure Economic Crisis Moderation indirectly leads to endure economic crisis Sharing indirectly lead to Strong Firm Performance and Endure Economic Crisis and Public Benefits Sufficiency Economy Leadership Practices (Kantabutra, 2013).

The finding shows as the figure below

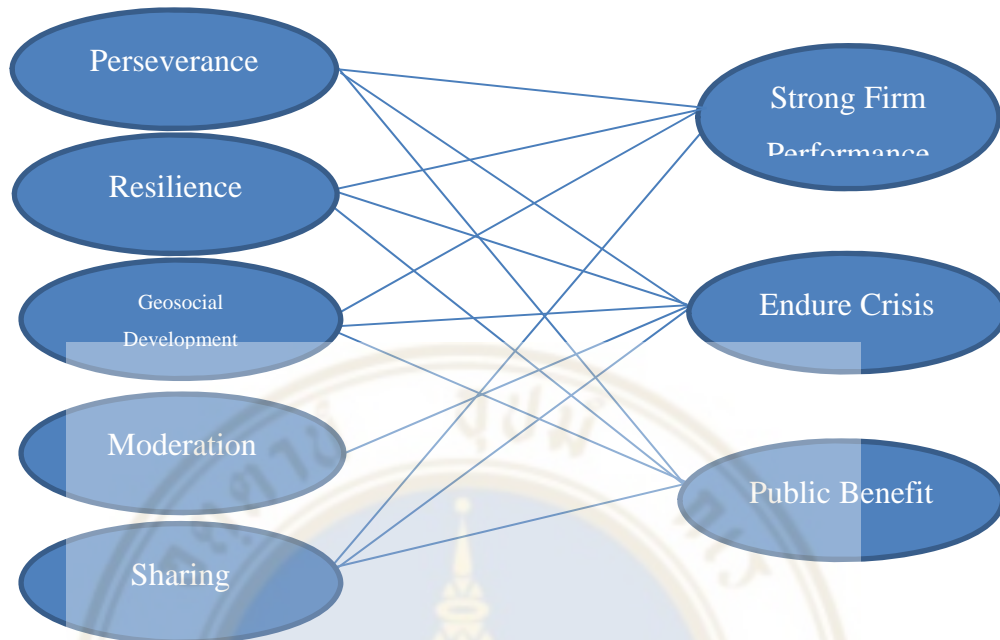


Figure 2.3 Corporate Sustainability Finding

Based on numbers of researches for sufficiency economy, organizations apply this philosophy evidences from executive quotes below.

1. Resilience

“If Media of Medias Public Company Limited who produce many TV programs focuses on producing many TV programs, this can create many problems. So, it is better to produce an appropriate amount of the programs by taking the economy status into consideration. Here, it will balance the amount of income from advertising to support the production part.” (Charlotte Donovanik, Chief Executive Officer, Media of Medias Public Company Limited)

“SCG aims to develop high-value product which is able to develop by the company in which SCG used to depend on other sources of technology. However, in the future SCG will exploit the use of technology from company; mainly the process technology which will be led to incremental improvement. This has been done for more than 20 years or starting from the year 1987. Back then, it was just a little develop creating by our staffs but if it is a big change for the company which needs a large amount of

fund, then it would create from managers. Now, innovation environment has been developed inside the company. Therefore, later mostly the innovation for the company is mainly from our staffs.” (Nithi Patarachoke, Corporate Planning Director or Vice President-Domestic Market, SCG Cement-Building Materials, Managing Director of SCG Logistics Management, Siam Cement Group)

2. Perseverance

“If it is not because our dedicated and fond staffs toward the SCG organization, the difficulty will be faced by the company to tackle with the economic downturn.” (Roongroj Rungsiyopas, Chief Financial Officer, Siam Cement Group)

“Eventually, we moved toward the Ethanol industry by processing agricultural product into ready-to-use product. Thailand is one of the cassava exporters but Thailand is facing with energy crisis. So, Ethanol is vital to Thailand. Then, we start to analyze our potential with limited knowledge and wholeheartedly willingness to help society. Therefore, we bring the Know-how from the collaboration of foreigners.” (Mr.Sangchai Chotchuangchutchaval, Vice President of Sales & Marketing, Director and Vice Chairman of Management Committee, Patkol Public Company LimitedX)

3. Moderation

“If you don’t manage (for quarterly gains), your performance is not good..... Everyone knows being short-sighted is not good, but everyone is pressured by the system..... Those who focus long-term will be fired since you will never get there.... Everyone is pressured to take a short-term perspective, despite knowing that doing so can cause a lot of damage. Kasikorn Bank is trying to find a balance” (Banthoon Lamsam, Chairman, Chief Executive Officer and Member of Risk Management Committee, Kasikorn Bank Public Company Limited)

4. Sharing

“I don’t know. We work with everyone. Can’t think of any competitor” (Thanya Himathongkum, Assistant Director, Theptarin Hospital)

“I like the company. Everyone around here in the community knows the company and the owners very well. The owners are also related to us. We learned about the mulberry paper production from them. The company helps people in the community to earn their living by teaching us how to produce the mulberry paper and craft the products.

We also own a small mulberry paper shop next door” (Competitor of Mulberry paper Preservation House, Chiangmai province)

4. Geosocial development

“We have a plan for GREEN environment which consists of utilizing natural resources economically, protecting forests and animal, saving energy and water, doing waste disposal and recycling waste.” (Saisiri Huntrakul, An executive, The Tong sai Bay)

“SME CARE project is a project that allows participants to become SME entrepreneurs regardless whether they are the clients of the bank or not. It is a CSR project to teach how to run business and to give out useful knowledge for these entrepreneurs. This would lead to stronger SME in Thailand in terms of commercial bank. This means that when these entrepreneurs understand well how to run business. Then, they would have higher ability and chance in paying back their loan.” (Onuma Chailapo, An executive, Kasikorn Bank Public Company Limited)

2.6 Kubota Practice

Siam Kubota Corporation Company Limited (Siam Kubota) started the business in Thailand since 1978 under the name “SIAM KUBOTA Diesel Co., Ltd” in order to provide diesel engine for various purposes such as water pumping, electric generators, transporters, and so on. The company is a joint venture between KUBOTA Corporation (Japan) and Siam Cement Group (SCG). In addition, the company firstly introduced Siam Kubota technical service center in 1983 to support after sale service including on-site services for Thai customers. The most popular engine was occurred in 1990 with walk-behind tractor (power tiller) instead of using buffalo to do farming activities. Afterwards, the company has changed the name to “Siam Kubota Industry Co., Ltd” in order to acknowledge that the company is the leader in not only diesel engine but also other agricultural machineries in 1993. Then, ISO 9002: 1994 was granted to the company in 1997 in order to prove the global standard of production and management systems for Siam Kubota. Furthermore, the company is accredited in environmental management systems with ISO 14001: 1996. In 2000, Siam Kubota expanded modern-farm machinery sales and services support to other ASEAN countries in Indochina including Laos, Cambodia and Myanmar. The products and engines have been continuously

developed namely combine harvesters in 2002, multi-purpose riding tiller in 2005, rice transplanter in 2005, and all types of implements in 2006 to support farming activities. Siam Kubota, in 2006, established Siam Kubota Leasing Co., Ltd in order to grant financial support to farmers and to support sales growth of the company. Kubota max was also founded to support confiscated products in 2007. Spare part center was created in order to back up the old or broken tractors. Later, the company started research and development (R&D) in order to compete in competitive market.

Siam Kubota has evidences in passing through the economic crisis such as Tom Yum Kong crisis in 1997 and Hamburger crisis in 2007 from long-term performance in retail sale. Besides the good retail sale, the company also continued granting profit to the employees and expanding the business consistently. For the recent example, in 2011, when there was a flood in Thailand, the company still earned good retail sale and still maintain to grant bonuses at the end of the year to their employees. Even when rice subsidy scheme of the government had a problem, the company still had good retail sale. Moreover, the company even opened a new part center to support the service center for the customers. Furthermore, research and development department (R&D) has been expanded to support the growth of demand and new needs. Additionally, the company also do CSR program to give back to the social. Siam Kubota conducts researches, develops designs, and controls quality of each production process in order to provide the most efficient products to the customers.

This guarantees that Siam Kubota performs sustained performances in every situation of the economic because of the good retail sale, bonuses maintenance, product development and also Corporate Social Responsibility (CSR). In addition even though there is crisis, the company still had public benefit. For example, agriculture with the environment cares project and agriculture System development in term of effectiveness and efficiency.

Sufficient Economy Practice business is chosen to examine Siam Kubota Company Limited mainly because this business price is deriving from Thai value.

CHAPTER III

RESEARCH METHODOLOGY

This chapter will present data, samples and methodologies used in this research.

3.1 Data

Data of this research is collected by semi-structure interview. The interview will last for an hour for 30 respondents. 15 respondents will be interviewed by in-dept interview, including 8 different positions of employees and 3 customers, 2 Authorized Dealers, 2 used tractor shop and other 15 employee will be interviewed by focus-group. There will be questionnaire guide using probing question and also jot down technique. In the room of interview, voice and video record is applied in order to recheck the data validity together with Non Participant Observation is to observe on going behavior of the respondents such as working environment and facial expression of the respondent, respondent's relative and colleagues. After the information is collected triangulation research technique is implied for quality of data summarized.

3.2 Sample Selection

For 8 managers, the respondents are selected based on years in dealing with the business and responsibility and the number of working experience years. The managers which are chosen as respondents must work during national flood in 2011 and Rice subsidy scheme crisis in 2013-2014 or 7 years working in Siam Kubota which able to guarantee that these managers as respondents can provide useful and relevant information in order to answer research questions.

For 15 employees, the selecting criteria is working experience of employees, will be at least 6 years working in Siam Kubota because averagely every 4 years there will be job rotation. Therefore, 6 years is the year where individual employees have

experience in at least two positions, which guarantee the high understanding in Siam Kubota business and experience during the crisis of Rice subsidy scheme crisis in 2013-2014.

For the 3 customers, selecting criteria is based on numbers of years that they are experienced with Siam Kubota's products. The criteria for customers is at least 3 years being with the products because normally customers choose to be in leasing program, and they will pay off within 3 years. This will let customers experience with the products fully and become the real owners of the products.

For the 2 Authorized Dealers selecting criteria will be based on years in dealing with the Siam Kubota Corporation. Authorized Dealers which are chosen as respondents must dealing with Siam Kubota during national flood in 2011 and Rice subsidy scheme crisis in 2013-2014 or 7 years working with Siam Kubota which able to guarantee that these Authorized Dealer as respondents can provide useful and relevant information in order to answer research questions.

For the 2 used tractor shop selecting criteria will be based on numbers of years that they are experienced with Siam Kubota's products. The criteria for used tractor shop is at least 3 years being with the products. This will let used tractor shop experience with the products in term of products' price, reconditioning, and marketing situation.

The sample size is 30 respondents including Domestic sales and marketing division manager, Oversea sales department manager, Kubota Max department manager, Technical support department manager, Cooperate social responsibility assistance manager, Sales representative, Mechanic, and 3 customers, 15 employees, 2 Authorized Dealer, 2 used tractor shop.

3.3 The Respondent Table Summary

The respondents table summary shows the respondents importance toward the exploratory factors and the ability to answer the question regarding the their knowledges according to their position and working experience.

Table 3.1 Respondents Table Summary

Respondents	Perseverance	Resilience	Moderation	Sharing	Geosocial development
2 Domestic sales and marketing division managers	/	/	/	/	/
Oversea sales department manager	/	/	/	/	/
Kubota Max department manager	/	/	/	/	/
Technical support department manager	/	/	/	/	
Cooperate social responsibility assistance manager				/	/
2 Sales representatives	/	/	/	/	/
Mechanic	/	/	/		
customers	/	/	/		/
employees	/	/	/	/	/
Authorized Dealer	/	/	/	/	/
Used tractor shop	/	/	/		

3.4 Methodologies

In this research, qualitative research is applied. Qualitative research is a kind of exploratory research being used to gain insight information about opinions, motivations and reasons behind some actions. This helps researchers in developing further hypotheses or ideas. Individuals' thoughts, opinions, and problems are investigated deeper by using qualitative research.

Qualitative data collection methods can be adapted by using unstructured or semi-structured technique which includes focus groups (group discussions), individual interviews, and observations. The sample size is really small, and respondents are selected base on given quota (Susan E., 2013).

Collecting Data Method

1. Non Participant Observation is to observe on going behavior of the respondents such as working environment and facial expression of the respondent, respondent's relative and colleagues.

2. Interview

The questionnaire is prepared as a guide for interviewer in order to check the completeness of the collected information from the respondents. However, as the semi-structure is selected. There are rooms for interviewer to ask the respondent further question which is not listed in the question guide in order to know the reason behind the respondents though and to observe the respondent behavior after answering the question.

The interviewing time is planned within an hour for all respondents to make sure that interview receive all of the useful information from the respondents. Moreover, the interviewer will use the observing technique in order to make sure that the respondents will be answering with the consciousness with the reliable information. An hour interview includes warm-up question which interview will ask the respondent about the respondents profile and working experience.

The interviewing environment allows respondent the express their idea from their working experience freely. The interviewing section is conducted without any noise. Moreover, the respondent will be explained about the objective of this research before the interview begins in order to let the respondent aware of the importance of this research.

With an hour interviewing period, the interviewer tries to write down very useful information and observing reaction from the respondents. All of the useful information will be analyzed carefully in the summary part.

For the data validity, voice record is used in order to recheck to data from the interviewer's note.

After all information is collected, triangulation research technique is used by indicating information from two (or more) sources to recheck collected information with the purpose to increase the credibility and validity of the results.

3.5 Research Questions

This thesis paper will investigate all these questions.

1. Does exploratory factor lead to exploratory outcome?
2. How exploratory factor lead to exploratory outcome?
3. Does the company implement exploratory factor?
4. How the company implement exploratory factor?

3.6 Research Framework

1. Literature review
2. Collect SEP indicators and outcomes
3. Analysis of different SEP and confirmation
 - Recorded content will be analyzed with the literature review to see the updated SEP in order to conduct the quantitative research in terms of indicator and outcome information.
 - Reflective note taking – to show perspective and learning lessons from the interview.

Conclusion and recommendation

3.7 Interview Procedure

1. Inform interviewees with the questionnaire and permission letter to prepare
2. Interview duration: 1 hour with voice and video record
3. Sending back the final content to the interviewees for the approval to publish the information

3.8 Exploratory Factors

1. Resilience is an immune system for the organizations in many ways which has indicators as follows:

- Gives priority to and focus on developing product, service and/or process innovation
- Has a mechanism to promote and support product, service and process innovation development procedures
- Continuously adjusts operational procedures to meet an international standard
- Monitors relevant technology development
- Expects and plans for the unexpected
- Plans and executes as planned
- Manages technology by planning on technology utilization and development in products, services and processes well in advance
- Effectively manages new products/services until they are commercially successful

2. Perseverance is the value of painstaking for the organizations in various directions which has indicators as follows:

- Do not give up easily when facing a difficult assignment
- Do not take a leave unnecessarily because they feel accountable for their assignments
- Try their best to maximize customer satisfaction
- Work most effectively and efficiently

- Carry out assignments despite obstacles
- Finish the assignments they started
- Try their best to deal with company's problems, not just a quick fix
- Are goal-oriented
- Initiate product/service development continuously

3. Moderation is in terms of making reasonable profit without directly or indirectly taking an advantage from others for the organizations which has indicators as follows:

- Does not have a policy to promote products and/or services to maximize short-term profits
- Does not have a policy to set a price to maximize short-term profit
- Has high performing managers that are not always those who can maximize profits within the shortest period of time

4. Sharing is for developing the market and giving back the benefit to the customers and society which has indicators as follows:

- Welcomes competitors to observe the business
- Is willing to train competitors so that they become more capable
- Is willing to pass on excessive demands of products and/or services that his organization cannot accommodate to competitors

5. Geosocial development is about maintain and develop the society, environment and cultures which has indicators as follows:

- Supports employees to develop communities systematically
- Has systematically prepared a budget and plan for social development
- Systematically supports employees to protect and develop the environment
- And systematically promotes environmental development activities
- Assigns a group of employees to work on social development
- Always conducts activities that will carry on tradition and culture
- Assigns a group of employees to work on environmental development
- Continuously puts efforts in restoring natural resources such as water, soil and forests

- Searches for clean energy for use in office, manufacturing and/or servicing process
- Preserve natural resources for future generations

3.9 Exploratory Outcomes

1. Long-term complete performance and Increment to product innovation, allowing them to maintain a market leadership all the time.
2. Low risk with an ability to respond to environment change effects.
3. High brand loyalty, due to their continuing contribution to society.

3.10 Summary

Table will summarize the independent variables on the left side and dependent variable on the right side to show the summary linkage between dependent and independent variable in this paper

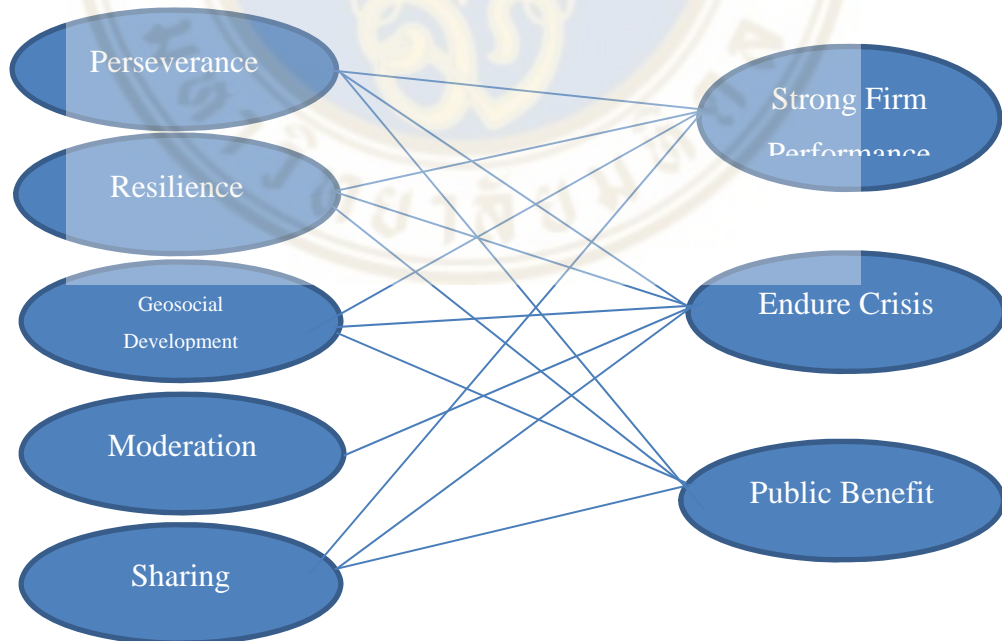


Figure 3.1 Corporate Sustainability Finding

CHAPTER IV

FINDINGS

This chapter will present the result of the research. In this part the results will be separated into five parts according to the exploratory factors which are Resilience, Perseverance, Moderation, Sharing and Geosocial development respectively.

4.1 Resilience

According to exploratory Resilience factor of Resilience consist of 8 exploratory factors as follows

1. Gives priority to and focus on developing product, service and/or process innovation
2. Has a mechanism to promote and support product, service and process innovation development procedures
3. Expects and plans for the unexpected
4. Monitors relevant technology development
5. Manages technology by planning on technology utilization and development in products, services and processes well in advance
6. Effectively manages new products/services until they are commercially successful
7. Plans and executes as planned
8. Continuously adjusts operational procedures to meet an international standard

The company pays attention for 5 years plan which the company calls Medium Term Plan, MTP. Company carefully plans for company's vision and mission which lead to the successful business strategy for next 5 years (Medium Term Plan) in order to make sure that company is able to stay competitively in the market by analyzing external threat and opportunity in order to match them with the company strength and

weakness. Moreover, Medium Term Plan must be revised ever year. However, in order to make Siam Kubota plan able to be executed properly, the company needs to do as these 3 techniques.

1. Managerial involvement

The managers from different departments must be involved in making Siam Kubota Medium Term Plan because the manager will know their department roles for the company vision and mission. In addition, when the managers know their department importance toward achieving company mission, the manager will encourage their teams to work with passion to achieve the company goal as it is set by the managers.

2. Total Quality Management

The company mainly uses Total Quality Management tool (TQM) to plan for business strategy. The tool is a useful tool to guide to create business plan logically from supporting data for setting execution plan as the result the company can increase product and service quality, develops process, and stakeholder involvement from the given plan.

3. Annual plan

The medium term plan is useful for making annually plan, one year plan, and the annual plan will be revised semi-annually in order to make sure that the company stays competitive in the market. Annual plan will be planed exactly which month Siam Kubota activities and sales promotion should be conducted, and it will be easier for employee to follow the plan

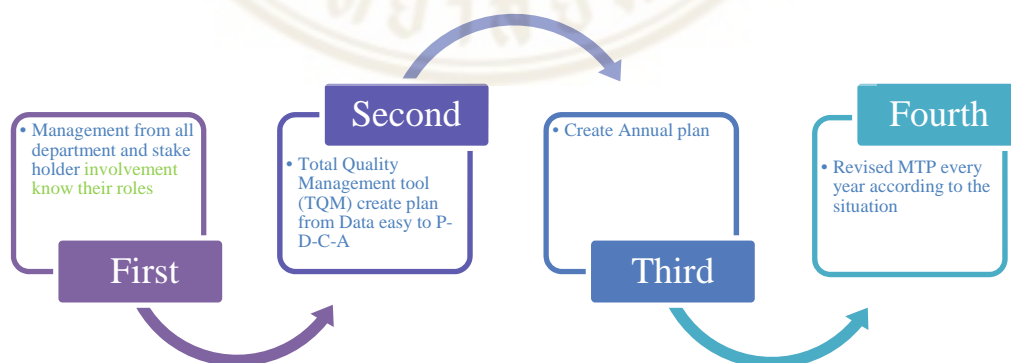


Figure 4.1 MTP Techniques

In addition, Medium Term Plan allows the management team to be able to create new products according to changing environment such as changing customer behavior and be able to promote them successfully for strong firm performance.

As the interview from the manager

“The company focuses on MTP conducted every year (Medium Term Plan) which manager from all department must be involved Medium Term Plan MTP - carefully plan for company’s vision, mission which lead to a successful business strategy for next 5 year (Medium Term Plan)

To make sure that company is able to stay competitively in the market by analyzing external threat and opportunity in order to match it with the company strength and weakness. That is the reason why company can create new products and promote team successfully according to changing environment and utilizing new technology according to international standard”

Another evidence to support that the company pay attention to plan and execution which is really important toward company performances as senior executive vice president said “to make market plan is like guessing but having a good plan make us able to improve our plan (target/ situation) so we will have a better plan next.”

To sum up, the company gives priority to and focus on developing product, service and/or process innovation and has a mechanism to promote and support product, service and process innovation development procedures as the first and second exploratory factors of Resilience.

The third exploratory factor of Resilience is Expects and plans for the unexpected. The company already expects and plans for the unexpected at the beginning of Medium Term Plan. Unexpected is in term of changing of customer profile, competitor, and government policy. This plan for unexpected allows stay competitively in the market by analyzing external threat and opportunity as the interviewee said.

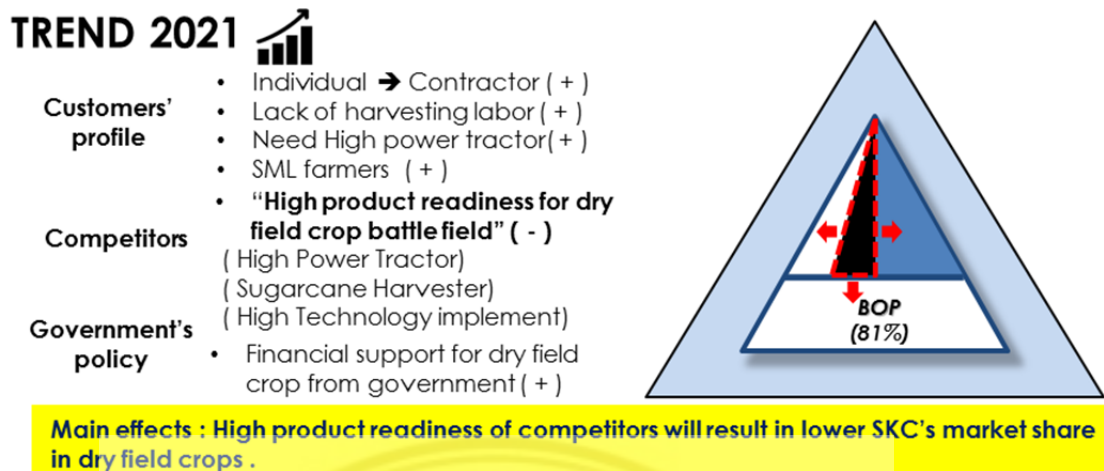


Figure 4.2 The Evidence to Support Expects and Plans for the Unexpected

The 4th, 5th 8th exploratory factors of Resilience are monitors relevant technology development and manages technology by planning on technology utilization and development in products, services and processes well in advance, and Continuously adjusts operational procedures to meet an international standard

The company tries to monitors relevant technology development and manages technology by planning on technology utilization and development in products, services and processes well in advance

Production: Siam Kubota sets up and develops new production technique and index (based on productivity, efficiency, defect, cost, and investment as “Kubota Production System”) to meet with international standard and benchmark with other factories which will be revised ever year as the following objectives and technique.

Production technique

1. High productivity (both direct and indirect)
 - Model line
 - Kaizen
 - 5GEN
 - Karakuri kaizen
2. High efficiency
 - EFF target setting
 - Linestop reduction

- Hejunka
- 3. Low claim and defect
 - Pokayoke
 - QA Network
 - Operator as Inspector
- 4. Low part cost, Low warehouse cost
 - Supplier kaizen
 - CMP, VA-VE,
 - Stock reduction
 - JIT
- 5. Low Investment
 - Low cost automation
 - MC time reduction
 - Kaizen

Table 4.1 Production Performance Indicator

Group	Unit	Index	2014	2015	2016	2017	2018	2019
Safety	Case	Serious	0	1	1	0	0	0
		Major	1	2	0	0	0	0
Quality	Bpm	Tractor	827	1,544	474	500	500	500
		Combine	1,114	471	742	500	500	500
		Engine	25	7.5	3.5	20	20	20
		Power tiller	1.6	0.5	0.5	20	20	20
Cost	%	Part Cost reduction	3.2	3.2	0.8	1	1	1
		Productivity up	15.7	16.9	4.5	12	12	12
		MC time reduce	5.6	2.1	0.3	3	3	3
Delivery	Month	INV turnover	N/A	1.8	1.0	0.9	0.8	0.8
	%	Line efficiency	94.8	94.4	94.9	>98	>98	>98

Moreover, the company is able to create new product from the plan for unexpected and new technology mention above as the following figure.

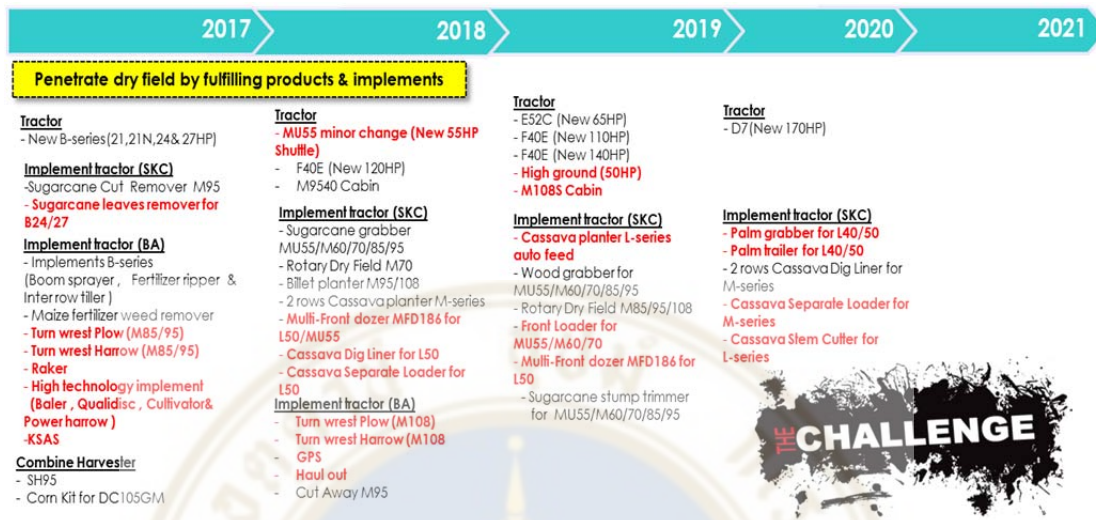


Figure 4.3 New Product from the Plan

After we know that there are less and less labor supplied for farming activities market and Government policy has financial support for dry field which means the farmer need modern farm machinery for varieties farming activities such cassava transplanter and harvester. Therefore, the figure showd that planning on technology utilization and development in products, services and processes in advance.

According to 6th and 7th exploratory factors of Resilience are effectively manages new products/services until they are commercially successful and plans and executes as planned

The company effectively manages new products/services until they are commercialized successfully. For example, to sell cassava transplanter and harvester, the company must let cassava as the influencer. Therefore, the company must make relationship with the factory which the company already plans in advance and be able to be executed as planned because of action plan made in Medium Term Plan as the following figure.

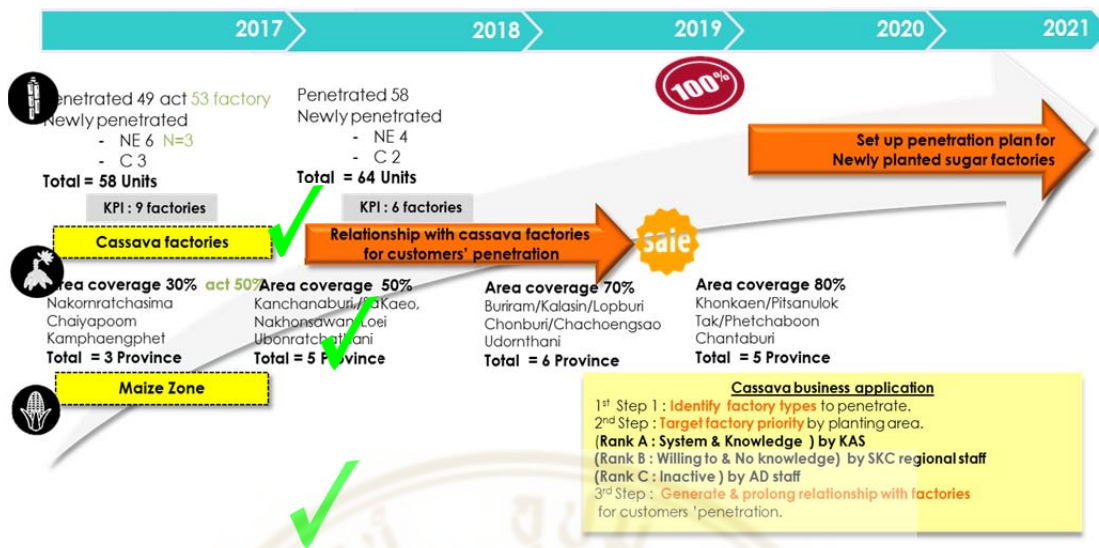


Figure 4.4 Cassava Transplanter and Harvester Plan

Plan for launching new products (new technology) for customers as the company core competency and stay healthily in the market as the result the company can capture 78% market share in modern farm machinery market. In addition, the company revised Medium term plan, 5 years plan, annually according the environment and competition situation in order to make sure that the company run the business smoothly according to the market situation. The medium term plan is useful for making annually plan, one year plan, and the annual plan will be revised semi-annually in order to make sure that the company stays competitive in the market as it is summarized below.



Figure 4.5 Resilience Summary

4.2 Perseverance

According to exploratory factors of Perseverance consists of 9 exploratory factors as follows

1. goal-oriented
2. Do not give up easily when facing a difficult assignment
3. Work most effectively and efficiently
4. Carry out assignments despite obstacles
5. Try their best to deal with company's problems, not just a quick fix
6. Finish the assignments they started
7. Do not take a leave unnecessarily because they feel accountable for their assignments
8. Initiate product/service development continuously
9. Try their best to maximize customer satisfaction

The manager already gives the tasks KPI such as the deadline or sales target when he or she assigns the task which means that the employees are goal-oriented. In addition, the employees try to work more effectively and efficiently because of work KPI. Moreover, when the employee faces the obstacle, they do not give up easily, instead they can carry out assignments despite obstacles because they want to improve themselves and help our team to finish the task together as the teamwork. Furthermore, they do not take leave unnecessarily because they do want finish their work together with their team. If they leave, it means that their team will carry on their assignment instead. Therefore, it leads to company performance. This proves that the company has first 7 exploratory factors of Perseverance.

As the interview from the manager

“When the task is assigned for us, it will come with KPI, so that we can work more effectively and efficiently. However, when we face the obstacle, we believe and we can solve the problem with the best solution. This is not because we afraid of boss, but we want to improve ourselves and help our team to finish the task together as the teamwork, so that we do not take leave unnecessarily because we have to finish assigned work together for better company performance”.

4.2.1 How company creates the great working environment

The manager will distribute responsibility for each employee and coaching which employee can consult with other manager whenever they get a problem and the company has consulting section semi-annually in order to make sure that the employees make most effective solution by PDCA tool (plan – do – check - act). Finally, the employees and managers able to present their suggestion and how they improve they work effective and efficiency in front of committee for both intrinsic reward proud and extrinsic reward money. Moreover, the company let the employee call their manager as 'P' in order to bring manager close to their employees and create good working environment.

This make the employees improve themselves as the result it affects to the company long-term complete performance in the market and an ability to respond to environment change effects.

4.2.2 A case study for Perseverance from marketing officers

The employees have to conduct "Dealer meeting 2017" which they have to finish within 9 Mar 2017 as their KPI. However, the obstacle is the supplier is not able to finish rice transplanter catalog on time. Therefore, the company cannot present the point of sales of rice transplanter. The solution is that they conduct role play, not presentation, because role play allows the employee to present and point out point of sales more than presentation.

Point of sales of new rice transplanter is to increase HP 2 and Height 5 CM to attract new customer.

This shows that employees have Perseverance character which are

1. goal-oriented and work most effectively and efficiently as their KPI is finish within 9 Mar 2017

2. Do not give up easily when facing a difficult assignment Carry out assignments despite obstacles, and try their best to deal with company's problems, not just a quick fix which they can fix the supplier problem not, finishing rice transplanter catalog on time, with the great solution which is role play. The role play solution shows that they try their best to deal with company's problems, not just a quick fix because role play allows the employee to present and point out point of sales more than presentation.

In addition, the marketing officer stays and works together until 2 PM including with their manager and marketing officers from other teams and no one leave before Dealer meeting conducted as the result the Dealer meeting finish before the deadline as KPI

This shows that employees have Perseverance character which are finish the assignments they started and do not take a leave unnecessarily because they feel accountable for their assignments

Besides, retail sales of rice transplanter increases and be able to penetrate to new customer as target after dealer meeting because of role pay as follows

Table 4.2 Rice Transplanter Retail Sale Performance

Retail Sales Price	2015	2016	2017
rice transplanter	221	208	362

Table 4.3 Type of Customer of Rice Transplanter Retail Sales 2017

Customer	Existing	New
	32%	68%

The 8th and 9th exploratory factors of Perseverance are. Initiate product/ service development continuously and try their best to maximize customer satisfaction.

The company continues to develop new product to maximize customer satisfaction as the company continues to develop sugarcane harvester for 2 years with excellent after sale serviced support to maximize customer satisfaction. This allows company to stay competitive in the market due to product adaptation according to changing customer behavior.

As the interview from the manager

“We continue to develop sugarcane harvester with retails sales price is according to farmer purchasing power for 2 years as MTP with excellence after sale service to make sure that product is the best solution for the farmer and maximize customer satisfaction because after sales service is the competitive advantage for the company to stay in the market”

4.2.3 Sugarcane Harvester Project

4.2.3.1 Situation

Competitor Sugarcane Harvester retail sales price is more than 15 Million Bath. Therefore, Farmer who has farming area less than 150 rai cannot own the Harvester

4.2.3.2 Solution

Kubota produces Sugarcane Harvester with retail sales price equal to 3.5 Million Bath and Sugarcane Harvester Potential area Check program

1. Kubota has Potential area Check program which Kubota will check the area of customer before the customers buy Kubota Sugarcane Harvester to make sure that Kubota Sugarcane Harvester work effectively in the area.
2. The suggestion retail sales price is not setting for maximized profit only and but also comfortable for the customers to own the modern form machinery for their better lives cheaper price than competitor
3. Kubota heavily invest in Kubota agricultural solution is a solution to maximize profit and reduce cost for the farmers in order to create a better life for Kubota end-user

4.2.4 Sugarcane Harvester selling process

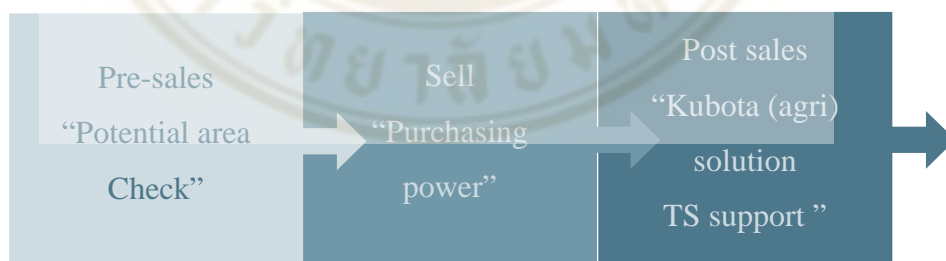


Figure 4.6 Sugarcane Harvester Selling Process

This allows company to stay competitive and stay in the market due to product adaptation according to changing customer behavior which does not mean to maximize short term profit only.



Figure 4.7 Perseverance Summary

4.3 Moderation

According to exploratory factor of Moderation consist of 3 exploratory factors as follows

1. Does not have a policy to set a price to maximize short-term profit
2. Does not have a policy to promote products and/or services to maximize short-term profits
3. Has high performing managers that are not always those

The first exploratory factor is does not have a policy to set a price to maximize short-term profit. The company does not set the price to maximize company profit because they believe that if they set the price according to market price to maximize profit as their competitor which are Yanmar and Iseki, the farmer may not able to own the tractor. Therefore, the company sets the retail sales price according to farmer purchasing power in order to allow the farmer to own the tractor as their investment to create better lives for them.

As the interview from the manager

“We set retail sales price according to market price. It is not setting for maximized profit only by comparing with competitor retails sales price, but comfortable for the customers to own the modern form machinery for their better lives if the farmers

do not have enough money how they can buy our product that is why we have high market share.”

Moreover, the research team compares the retails sales of Kubota, Yanmar, and Iseki tractors which the horse power are between 39 to 41 as support for interview.

Table 4.4 Tractor Retail Sales Price

Retail Sales Price (Baht)	Yanmar	Iseki	Kubota
Tractor	504,000	494,000	490,000

It is shown Kubota set retail sales price lower than Yanmar and Iseki, direct competitor.

In addition, the research team gets the evidence how Kubota set price according to customer purchasing power as follows.

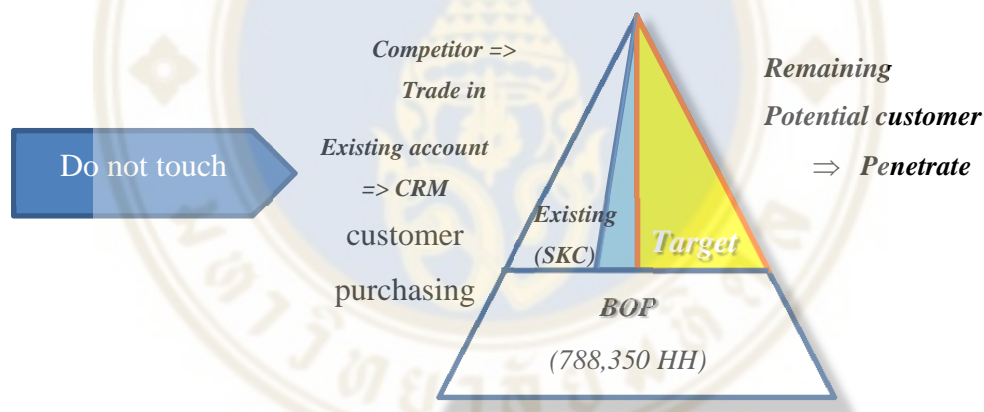


Figure 4.8 Customer Purchasing Power

The Manager explains that BOP is from bottom of pyramid. This type of customers has farming area less than 50 rai. Kubota will not try to sell the tractor to them because they cannot afford financial load according to their income calculated from the company. If the company tries to sell to them to maximize short term profit, it will create bad debt for the farmer, and it will create bad debt for the company in the long run as confiscated product from the farmer. Therefore, the company targets the farmers who have farming area more than 50 rai or income more than 20,000 baht per month.

The manager states that according to company retail sales price policy, it can create stable market share, and it is the exploratory outcome, strong performance. The research team found the supporting evidence as follow.

4.3.1 A result from company retails sales price setting policy

Vision: market leader	KPI	'13	'14	'15	'16	'17	'18	'19	'20	'21
Farm & industrial machinery Southeast - Thailand										
Tractor Sale share	%units	P	70%	70%	Not less than 75%					
		A	69%	76%	78%	81%	83%			

Figure 4.9 Kubota Tractor Share

The second exploratory factor is does not have a policy to promote products and/or services to maximize short-term profits. The company perceives that to stimulate tractor retail sales by sales promotion alone is not the good idea because farmer as their investment to conduct farming activity. Therefore, sales promotion allow the farmer to easily own the product such as low down payment or installment, but the farmer also need good aftersales service and part available for them to conduct farming activity smoothly also.

As the interview from the manager,

“Kubota perceived Tractor as former investment for agricultural solution to maximize profit and reduce cost in order to create a better life for Kubota end-user. Therefore, Technical sales support pay the important roles as after sales support to create good WOM and repurchase more than sales promotion alone, moreover, good after sales service can let us know our weakness of our product, so we can improve it next time”

Research team also found evidence to support about why the farmers choose to buy tractor for the second time as the Manager states that good after sales service lead to creating good word of mouth among target customer and repurchase.

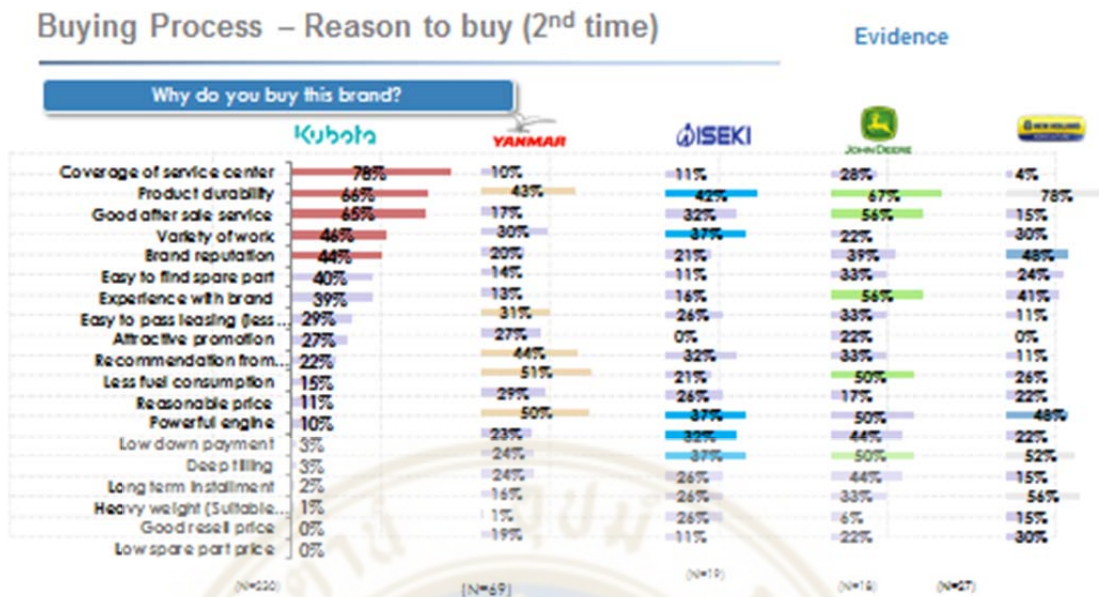


Figure 4.10 Reason to buy Next Time

Brand	Product	Service	Brand	Financial
KUBOTA	<ul style="list-style-type: none"> Product Durability(66%) Variety of work(46%) 	<ul style="list-style-type: none"> Coverage of service center (78%) Good after sale service (65%) 	<ul style="list-style-type: none"> Brand reputation (44%) 	
YANMAR	<ul style="list-style-type: none"> Less fuel consumption(51%) Powerful engine (50%) Product Durability (43%) 		<ul style="list-style-type: none"> Recommendation from other (44%) 	<ul style="list-style-type: none"> Easy to pass leasing (less process) (31%)
ISEKI	<ul style="list-style-type: none"> Product Durability (42%) Variety of work(37%) Powerful engine (37%) Deep tilling (37%) 			<ul style="list-style-type: none"> Low down payment (32%)
JOHN DEERE	<ul style="list-style-type: none"> Product Durability (67%) Deep tilling (50%) Less fuel consumption(50%) 	<ul style="list-style-type: none"> Good aftersale service (56%) 	<ul style="list-style-type: none"> Experience with brand (56%) 	
NEW HOLLAND	<ul style="list-style-type: none"> Product Durability (78%) Heavy weight (suitable for field) (56%) Deep tilling (52%) Powerful engine (48%) 		<ul style="list-style-type: none"> Brand reputation (48%) 	

Figure 4.11 Brand Strength

4.3.2 A result from excellent after sales service

As it is shown, the reason why the farmer repurchases tractor is mainly about coverage of service and good after sales service as first and third place. As Kubota is the only company focusing on rather than attractive sales promotion 9th place. This leads to exploratory outcome which are strong performance.

Moreover, the Manager states that good after sales service can let us know our product weakness, so we can improve next time. This affects to product durability by the company be able to improve the product quality according the real customer usages, and it leads to exploratory outcome which are endure the economic crisis.

To support company focusing on after sales service, the research team found out number of Kubota and Yanmar, direct competitor service after sales center.

Table 4.5 Number of Kubota and Yanmar After Sales Center

Region		North East	North	Central & South	Total
Kubota	SSC	18	14	17	49
Yanmar	SSC	4	4	3	11

As it is shown, Kubota has service after sales center more than Yanmar, direct competitor, 4.2 times.

The third exploratory factor is has high performing managers that are not always those can maximize profits within the shortest period of time.

The company does not perceive that the manager who has high performance is that managers who can maximize profits within the shortest period of time. The company thinks that to encourage manager to achieve the target and maximize profit in the short run is a good idea because it guarantees the high profit for the short run only, but it does not guarantee the company sustainable performance for the long run. Additional, it will lead manager to have undesirable habit. For example, the manager may try to maximized company profit by selling the tractor to the farmers who are not our target or do not have sufficient income to pay for the tractor leasing program, and it will create bad debt for the company, after farmer is not able to pay for the leasing program. Therefore, the company encourages manager to anticipate the market situation and develop their team rather than maximize profits within the shortest period of time. This will let manager makes decision not base on short term benefit but effects on stakeholder such team. farmer, Authorized dealer, company. This will enhance company to endure economic crisis for the long run by letting manger to make decision bases long run stake holder effects.

As an interview from the manager

“If good manager means can maximize profits within the shortest period (achieved the target with minimized promotion), it good for short-run but it is not guarantee for the company sustainable performance. There are other factors to be concerned such as self & Team development or Ability to anticipated the situation”

Furthermore, the research team got the evidence to support the third exploratory factor which is the company Manager KPI as follows.



Figure 4.12 Manager KPI

For all above, the company does not aim for create maximum profit in the short run. On the other hand, the company aims to be leading provider of agricultural solutions that aim for a better living for stakeholder which are end users, dealers, Kubota employees as “Siam Kubota family” as the result the company gains leading market share as stated and be able to create stable profit even during crisis as the summarized below

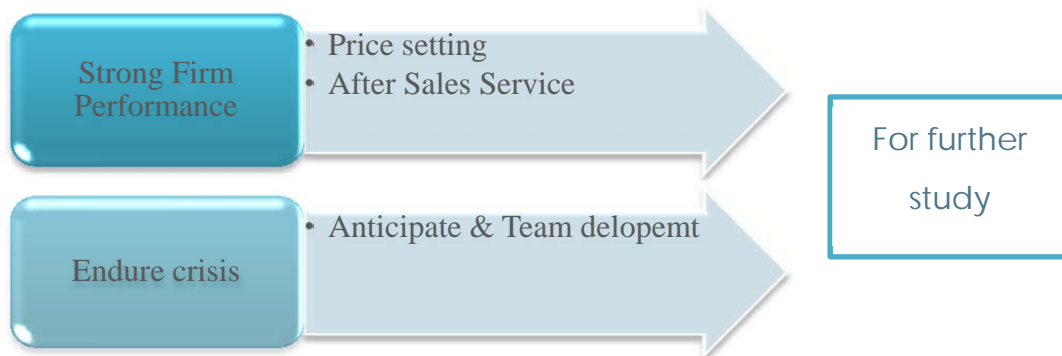


Figure 4.13 Moderation Summary

However, according to previous study Moderation indirectly leads to endure economic crisis only. Therefore, the team will conduct further study about how Moderation about how it leads to strong firm performance

4.4 Sharing

According to exploratory factor of Sharing consist of 3 exploratory factors as follows

1. Is willing to pass on excessive demands of products and/or services that his organization cannot accommodate to competitors
2. Is willing to train competitors so that they become more capable
3. Welcomes competitors to observe the business

The first exploratory factor is willing to pass on excessive demands of products and/or services that his organization cannot accommodate to competitors.

The company is willing to pass on excessive demands of products and/or services that the organization cannot accommodate to competitors. The company perceives that they should not try to serve all of the demand from the farmers by own production to maximized profit because it will create high risk for the company by cost of loss sales which means that the company may not be able to serve product for the customers when the customers need it due to the varieties of products. Therefore, the farmer cannot run the farming activities smoothly as they expected, and it will create customers dissatisfaction. So, the company chooses to pass on excessive demands of products and/or services that his organization cannot accommodate to competitors. Moreover, the company is willing to train and share the information with the competitor which the company aims growth together as the strategic partner by having strong performance by reducing cost of loss sales which lead to higher customer satisfaction and endure the economic crisis by training and sharing the information with the competitor for the competitor to have capacity to re-adjusted stock for production flexibility in order to avoid themselves to go bankruptcy during crisis. Moreover, more capacity to avoid themselves to go bankruptcy during crisis for competitor as supplier affects capacity to avoid company to go bankruptcy during crisis also because it guarantees the company will have stable product delivered to the customers during crisis which will create customer satisfaction.

4.4.1 An example for company sharing

The company has more than 100,000 part SKU. If the company wants to maximize profit by own production 100%, it will create cost of loss sales. The company will face high risk of out of stock for part, since, the company has to wait for at least 7 days for part will be delivered to the customers. Therefore, we are willing to let local part producer joins Kubota family as our supplier.

As an interview from the manager

“We have more than 100,000 parts. If we want to maximize profit by own production 100%, how about COLS, therefore, we are willing to let the local part producer join Kubota family as our supplier and growth together by training and sharing information as strategic partner”

The Manager is also confirms that they are afraid that they are training the competitor to have more capacity and become the company direct competitor in the future by saying

“If you treat them like competitors, they are competitors.

“If you treat them like your family, they are brother with a lot of hidden benefit for retail sales performance in the long run”

The Manager continues to say that “We have less time to delivery part to the customer than Yanmar, and we have our part cost is less than them also, since they try to delivery all of part from Japan. Therefore, Kubota customer has more satisfaction than competitor which leads to stronger performance”

The research team gets the support for company willing to pass on excessive demands of part that his organization cannot accommodate to competitors benefits as follows.

Kubota has part local production for 60%

1. Fast response to the customer needs (1-3 day(s) Delivery period)
2. Reduce Cost (27% reduced)
3. Local Development (More than 27 suppliers employees 1,000 person)

Moreover, evidence to support about why the farmers choose to buy tractor for the second time which is easy to find spare part get 6th place, and Kubota gets higher percentage than competitor which is reason why Kubota have better sales performance than competitor.



Figure 4.14 Reason to buy Next Time

The second exploratory factor is willing to train competitors so that they become more capable.

The company is willing train competitors, so that they become more capable as state above “We have more than 100,000 parts. If we want to maximized profit by own production 100%, how about COLS, therefore, we are willing to let the local part producer join Kubota family as our supplier and growth together by training and sharing information as strategic partner”

The company is willing to let competitor, local part producer, to join Kubota as suppliers, and Kubota will train them from continuous improvement supplier to Strong supplier to Long term relationship supplier as follows



Figure 4.15 Supplier Development Program

In addition, the company will train to the competitors mainly about 4 topics which are

Capacity checking – be able to sufficient or operate in 2 shifts

Double part consumption – moving toward full truck load

Model Variety – More product/model

Cost reduction – controlling cost due to exchange rate and tax

The third exploratory factor is welcomes competitors to observe the business.

The company welcomes competitors to observe the business by conducting SKC Meeting 2 times a year, semi-annually with the propose to up-dated company retail sales situation for the local part product to plan for increasing and decreasing in part production and shares the company vision especially, for production quality with the local part producers for the company stakeholder to move in the same way with the local part producer, competitor, as part supplier. As a result, the company has enough parts to serves customers during flood because part supplier is able to adjust stock and factory capacity during crisis.



Figure 4.16 SKC Meeting 2016

As the an interview,

“During flood our suppliers are well-prepared. Therefore, we have enough parts to serve customers and prevent suppliers from the crisis. Therefore, we have enough part for customers during the crisis”

Moreover, 27 part supplier which faced flood, crisis, are still supply part for Kubota which means that all of them are well-prepared as a result from Kubota training.

Whenever the company found product claim, the company tries to find the root cause of the problems whether it is from customer usage, product production, or part production.

If it is because of part production, the company does not have policy to discontinue ordering part from the local product or punishing because it does not sustain solution for both party, company and local part producer. Therefore, when there is part production problems, the company will set a committee in order to deal with local part producer to help local part producer to develop production capacity and grow together with the company

As the manager states

“We discontinue one we will create a great competitor or great loser. We continue to develop we will create a great college in the Kubota family”



Figure 4.17 Sharing Summary

For all above, the company is willing to lead competitor join Kubota as “Siam Kubota family” as the result the company gains leading market share as stated and be able to create stable profit even during crisis and create public benefit as the summarized.

4.5 Geosocial

According to exploratory factor of Geosocial consist of 10 exploratory factors as follows

Communities Development

1. Has systematically prepared a budget and plan for social development
2. Assigns a group of employees to work on social development
3. Supports employees to develop communities systematically
4. Environment Development
5. Systematically supports employees to protect and develop the environment
6. Systematically promotes environmental development activities
7. Assigns a group of employees to work on environmental development

8. Continuously puts efforts in restoring natural resources such as water, soil and forests
9. Searches for clean energy for use in office, manufacturing and/or servicing process
10. Preserve natural resources for future generations

Always conducts activities that will carry on tradition and culture

The first three exploratory factors of Geosocial are has systematically prepared a budget and plan for social development, assigns a group of employees to work on social development, supports employees to develop communities systematically.

The company has started cooperate social responsibility program on 2015 at that time, there are only two cooperate social responsibility officers with 8 Million Baht as the budget allocated to the department. On the other hand, more and more budget allocated to the department until 2017. There are 6 cooperate social responsibility officers with 84 Million Baht as the budget allocated to the department. It is equal to 0.6 percent of company profit.

As the interview from the manager

“CSR Dept. was set up 2015 which aims to create a better for farmers from beginning to the ending as our vision. We have more and more budget and man power distributed for our department in every year as a support for management team for CSR in Kubota style”

Moreover, this is the supporting table about how the company allocates budget and manpower to region in Thailand

Table 4.6 CSR Officers

Retail Sales Price	North East	North	Central & South	Total
Staff	3	2	1	49
Budget	12M	8M	4M	24M

In contrast, as the interview from assistance manager, she also states that more and more budget is not guarantee for communities sustain development according to Kubota style as follows

“More budgets is not guarantee for communities sustain development”

The company aims to help the farmers to set up Small medium enterprise (SME). This is not only help the farmer to have more income from higher productivity and lower cost but also help the farmers as the producer to have more bargaining power with the trader in the long-run.

The company aim to develop social to have more social sustainability from beginning until the end.

4.5.1 Corporate social responsibility process

1. Sitting Vision together with the farmers, Cooperate social responsibility officer will tell the farmers what they will get or does not get from this program. For example, the farmers will be able to produce their own quality product with their brand. However, the company does not have policy to give money to the farmers, as the company believes that giving money to the farmers cannot develop the social for the long run. This will help farmers to know exactly what they will get from this project, and the farmers have their rights to reject the project.

2. Evaluate the project, after the project runs the farmers will see the obstacle of the program. For example, they will think why they have to have their product with their brand. It is easier to just simply send the rice to the trader and receives the money. Cooperate social responsibility officer has to talk with the farmers that why they should have their own product as their benefit and never let the farmers give up.

3. Develop the products; after the farmers have their own products, the company will help them to have selling channel become more sustainability. Then the farmers will perceive that Kubota is their own family

All of information above is explained by Cooperate social responsibility officers

As the following cooperate social responsibility project process

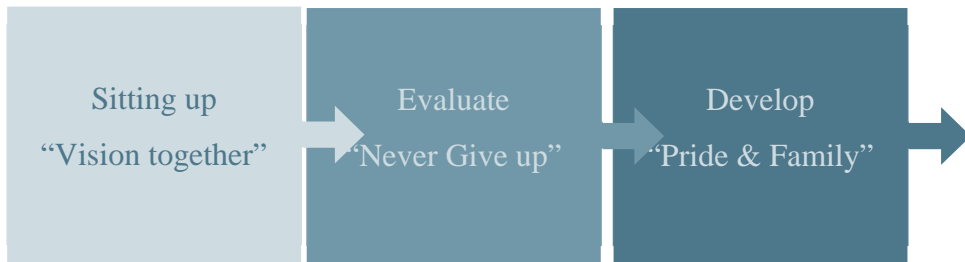


Figure 4.18 CSR Process

Kubota
เพื่อสังคมยั่งยืน

โครงการสยามคูโบต้าช่วยชาวนา

ขอเชิญร่วมอุดหนุน..
ข้าวคุณภาพดีหลากหลายพันธุ์

ส่งตรงจากมือชาวนาโครงการ **“ชุมชนพลังเกษตรสร้างสุขสยามคูโบต้า”**

เปิดพรีออเดอร์ข้าวคุณภาพดีจากกลุ่มเกษตรกร
ประจำเดือน **“มิถุนายน”** ได้แก่ **“กลุ่มห้วยตาช่า”**

สั่งซื้อได้ตั้งแต่วันที่ - 13 มิถุนายน ปี 2554
รับสินค้า 30 มิถุนายน เป็นต้นไป

พนักงานที่สนใจสามารถกรอกแบบฟอร์มการสั่งซื้อที่แนบมา
และนำส่งที่ Boutique Shop หรือ สุพรรณฯ สมจิตร (โท) #668,
supunsa.s@kubota.com



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- ✓ ผ่านการรับรองมาตรฐาน GAP
- ✓ เพราะปลูกอย่างปราณีต ข้าวจึงหอม นุ่ม สีสด แพ็คบรรจุใหม่ทุกซอง

โดยทั้งนี้ จะเปิดรับ Pre-Order ข้าวจากทั้ง 3 กลุ่มเกษตรกร เป็นประจำหมุนเวียนเปลี่ยนกันทุกเดือน ดังนี้

ม.ค.	ก.พ.	มี.ค.	เม.ย.	พ.ค.	มิ.ย.	ก.ค.	ส.ค.	ก.ย.	ต.ค.	พ.ย.	ธ.ค.
พักโทม	ห้วยตาช่า	เกษตรกรพี่ชาย (สุพรรณบุรี)		พักโทม	ห้วยตาช่า (สุพรรณบุรี)	เกษตรกรพี่ชาย (สุพรรณบุรี)	พักโทม	ห้วยตาช่า	เกษตรกรพี่ชาย (สุพรรณบุรี)	พักโทม	ห้วยตาช่า
จ.ศรีสะเกษ	จ.อุตรธานี	จ.ศรีสะเกษ		จ.ศรีสะเกษ	จ.อุตรธานี	จ.ศรีสะเกษ	จ.ศรีสะเกษ	จ.อุตรธานี	จ.ศรีสะเกษ	จ.ศรีสะเกษ	จ.อุตรธานี

“ เพราะเราอยากให้คุณ.. ได้ทานข้าวคุณภาพดี และมีความปลอดภัยมากกว่าข้าวทั่วไป
(ลดการใช้สารเคมีขณะปลูกและไม่มีการรมควัน)
และที่สำคัญ ยังได้ช่วยให้เกษตรกรมีรายได้เพิ่มขึ้นอีกด้วย ! ”

รู้หรือไม่ว่า?

**“โครงการชุมชนพลังเกษตรสร้างสุขสยามคูโบต้า”
หรือ SKCE (SIAM KUBOTA Community Enterprise)**

เป็นโครงการที่สยามคูโบต้าเริ่มดำเนินการมาตั้งแต่ปี พ.ศ. 2554 โดยมีเป้าหมายในการพัฒนาคุณภาพชีวิตเกษตรกรในด้านต่างๆ ไม่ว่าจะเป็น การทำเกษตรเพื่อลดต้นทุน เพิ่มผลผลิต การเพิ่มมูลค่าสินค้าและตลาด รวมไปถึงการพัฒนาภาคีเกษตรกรอื่นๆ อันจะนำไปสู่ชุมชนที่เข้มแข็งและคุณภาพชีวิตที่ดีขึ้นอีกด้วย

ปัจจุบันโครงการ SKCE ได้ดำเนินการใน 3 กลุ่มชุมชนด้วยกัน ประกอบด้วย ชุมชนบ้านดงเือง (เกษตรกรพี่ชาย) อ.ราชโกล จ.ศรีสะเกษ ฟูฟัดข้าวอินทรีย์สุพรรณบุรี, ชุมชนตำบลพักโทม อ.ห้วยทับทัน จ.ศรีสะเกษ และกลุ่มท่าบ่อห้วยตาช่า อ.หนองวัวซอ จ.อุตรธานี




Figure 4.19 CSR Project

This is Hue Tad Ka community, Udontani. The community which Kubota has CSR project with, and they are sustainable community in term of income today.

As a result, more budgets does not guarantee for communities sustain development according Kubota CSR style, but cooperate social responsibility officer has to work closely with farmers and encourages them to have more sustainable future. Moreover, the farmers become our speaker as they love Kubota. Therefore, Kubota own 100% market share in the area.

As the interview from manager

“Even we do not aim to sales Tractor, but because they love us very much that they became our speaker for Kubota Family. As a result, Kubota own 100% market share in the area” which means that Kubota has stronger performance according to cooperate social responsibility project as an indirect benefit.

The 4th to 9th exploratory factors of Geosocial are, systematically supports employees to protect and develop the environment, systematically promotes environmental development activities, assigns a group of employees to work on environmental development, continuously puts efforts in restoring natural resources such as water, soil and forests, preserve natural resources for future generations, and always conducts activities that will carry on tradition and culture

The company started to let the employees involve in environmental development project since 2007. The environmental development projects get very good feedback from both employees and communities which the number of participate increase approximately 7 percent every year as the result 20 percent of total employees involved in the environmental development project.

As the interview from the manager

“We should assign our employee together with communities to help environment because after employees help the environment, they will have some idea to continue to help environment, and our activities get the more and more involvement and feedback from employees and other communities from additional activities every year since 2007.

There are 4 employees responsible to conduct environmental development project as of 2017.

In addition, there are more than 10 environmental development activities every year such reforest at Nan and run for forest conducted in Bangkok for the employees

who do not want to go the other provinces, and farm stay to learn about sufficiency economy practice lesson which activities will carry on Thai tradition and culture such as rice transplant.

Moreover, the channel to promote environmental development activities is on the company website and friend get friend.

4.5.2 Environmental Development project summaries

Employees: 4 persons

Activities: More than 10 times (Employee involvement more 20%) other 10,000 person

Promote; website, friend get friend



Figure 4.20 Reforest at Nan



Figure 4.21 Run for the Forest



Figure 4.22 Farm Stay

In addition, the company also has environmental program for all employees. The company believes that the company should not only give money to develop environment because it is not sustain for long-run, but we should assign our employees to help

because after employees help the society they will have some idea to continue to help the environment. This will help the company and society to stay happily and productive together and create brand loyalty for the stakeholder, due to their continuing contribution to society.

As the interview from the manager

“What kind of the working environment at Siam Kubota looks like, when all employees are empathy. This environment will let employees be more productive”

As the further interview from employees who join the environmental development activities, they confirm that these activities let work more productively and be able to adapt the work according the changing environment because these activities allow them to meet with new friend who has similar habit. Having similar habit lets them get closer faster, and they can improve their works together after the activities.

For example, the interviewee as the marketing officer met the accounting officer in the environmental development activities. They become close friend very fast. One day, they talked together about the weakness of company estimating whole sales plan which does not accurate. Therefore, they develop estimate whole sales project together smoothly which can reduce interest cost 121 Million Baht. Moreover, both of them went to SCG young talent 2017, a marketing plan competition together. They created the marketing plan smoothly together and they won 1st place



Figure 4.23 SCG Young Talent 2017 Winning Team 2017

As the interview from marketing officers

“It is the great opportunity to have a connection, meeting with new friends, who has similar habit in the reforest activities. We can become close friend fast. Since we have connection with them, we can improve work after the activities.”

The 10th exploratory factor of Geosocial is searches for clean energy for use in office, manufacturing and/or servicing process.

The company tries to search for clean energy for using in manufacturing process which are Solar energy at Amata, Chonburi because the company want to search for more sustain energy which their production is not depended on the electronic supplied from Amata alone which allows them for the smooth production and does not affected from energy crisis in the future.

As the interview from the manager

“SKC tries to search for cleaner energy such as solar energy at Amata, Chonburi in order to release less CO2 and flight for sustain future which will affect to company performance”



Figure 4.24 Geosocial Development Summary

For all above, the company continues to conduct activities for community and environmental development project and search for more sustain and cleaner energy as the result the company has better working environment which leads to working more productive and be able to work more flexible during crisis and crate public benefit as summarized.



CHAPTER V

DISCUSSION AND RECOMMENDATIONS

This part will summarize the findings and suggest further study.

5.1 Summary

In order to create sufficiency economy practice in company, it has to be involved by many departments. For example, manufacturing department has to use goal setting and benchmark technique to develop product quality from new production technology, sales and marketing department has to set retail sales price according to the customer purchasing power and has excellent after sales service to create great customer satisfaction, and cooperate customer responsibility has to help society from beginning to the end to create long term relationship with the society. Moreover, the sufficiency economy culture in the company has to be supported by human resource department as summarized below.

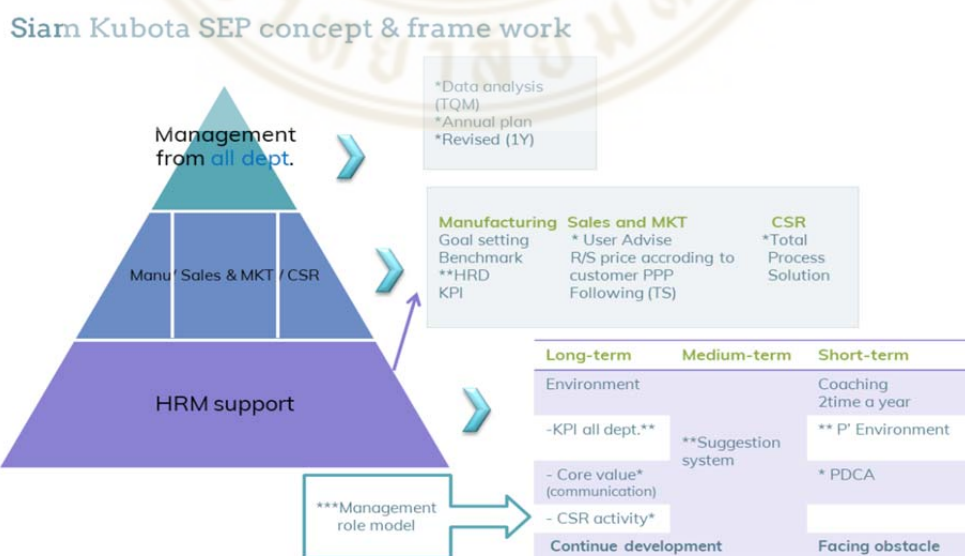


Figure 5.1 Siam Kubota SEP

Many company stakeholders get benefit from sufficiency economy practice not only employee but also customer, supplier and social as the result of sufficiency economy practice. For example, customer gets benefit from high quality product and good after sales support from the company, suppliers get benefit from supplier development program and be competitive producer in the market, and social get support for their careers in the long run as summarized below.

Siam Kubota SEP concept & frame work

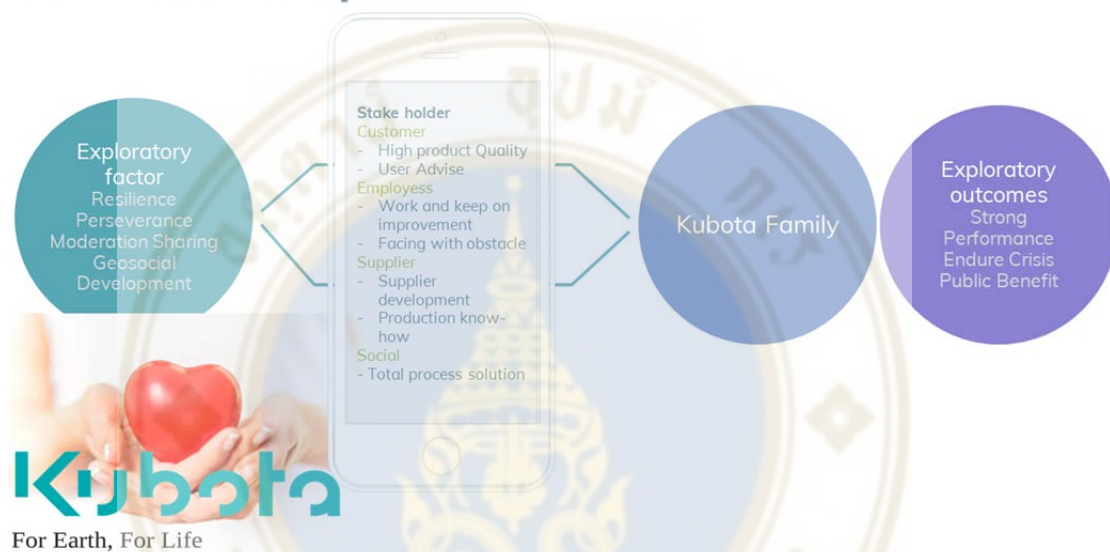


Figure 5.2 Siam Kubota SEP Benefits

5.2 Limitations

The limitation of this study is based on Siam Kubota only. The study conducted with one company from one industry. The study may not be able to be applied for other companies from different industries

5.3 Recommendations

This research must be studied further by collecting data from other companies from different industries about Sufficiency Economy Practice in order to make sure about exploratory outcome of Sufficiency Economy Practice Evidence From Siam

Kubota Corporation Company limited whether it can be applied for other industries or not. Moreover, the previous study states that Moderation indirectly leads to endure economic crisis only, but for Sufficiency Economy Practice in Siam Kubota, Moderation leads to endure economic crisis and strong firm performance. Therefore, This research must be studied further whether Moderation leads to strong firm performance or not.



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