KEY SUCCESS FACTORS OF AN ELDERLY NURSING HOME: 
THE CASE OF BAAN SOMTAWIN

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Prathana Chudapongse
ABSTRACT

Thailand has moved into the aging society since 2005 but the rate of increasing the aged population is growing rapidly. It was around fifteen years ago that Thailand stepped into an aging society and just only about a decade that people starting to realize about it and probably five years ago that aging society has become “the topic of the day” in terms of business aspects. Today, rather than the government’s elderly nursing home, many nursing homes from the private sector are open with the trend of increasing competition as the aging society becomes new business opportunities.

There is a nursing home which is one of the very first private nursing homes for the elderly was established in 1990, even before Thailand shifted into an aging society. It survived in the business for almost thirty years and up until now, it passes the achievement to the hands of the second generation of the owner.

This paper aims to examine what are the keys to their success. What is the strategy to handle the business in a hard time and to survive before the wave until the right wave comes.

KEY WORDS: Nursing Home/ Elderly/ Service Business/ Aging Society/ Quality of Care
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1.1 Population pyramids of Thailand from 1980 - 2040
2.1 Consumer and provider multidimensional model of quality in nursing homes
CHAPTER I
INTRODUCTION

It could not be denied that, as humans, we are living in the life cycle of three steps which are existence, prevail and perish. At some point, we all have to face the time of degeneration. However, the question for everyone is how good we prepare ourselves? How good our children prepare for us?

As indicated in many statistics and information from various sources whether it be the government sector or the private organizations, Thailand is in the group of high rankings of a rapidly aging society in Asia. And is predicted to be the complete-aged society by the year 2021 with 20% of the national population will be the people who are age 60 or above (Situation of the Thai elderly, 2017).

Figure 1.1 Population pyramids of Thailand from 1980 - 2040
According to Caffrey (1991), the two main reasons for the population to become an aging society are fertility and mortality whereas fertility is the key part with mortality being the supporter. Both factors are part of the process known as the demographic transition. Explaining that at the equilibrium, both mortality and fertility rate are high. When the time of modernization comes, mortality rate reduces, however, the fertility rate remains growing. The next phenomenon following is that the fertility rate goes down to compensate for the effect of the decrease in mortality rate. Nevertheless, leave the huge number base population compare to the previous time.

In fact, Thailand has moved into the aging society since 2005 (Situation of the Thai elderly, 2014) but the rate of increasing the aged population is growing rapidly. It can be explained relatively with the fertility factor mentioned above to the question of why Thailand is turning into an aging society so fast. One of the interesting reasons is because of the rising birth rate but declining in death rate after World War II which creating a large number of people in baby boomer generation who were born between 1946 and 1964 (Situation of the Thai elderly, 2014). Continually with another reason when the government tried to decrease numerous babies born to leverage education and healthcare expenditure in the 1970s (Kumagai, 2019). As a result, the number of “million birth cohort”, which are the Thai people who were born during 1963-1983 (Situation of the Thai elderly, 2017) will move into aging status in this approaching twenty years with an outnumber of elderly compare to children who will take care of them. Moreover, in terms of mortality, accessibility to healthcare and wellness improved and it makes people live longer.

It was around fifteen years ago that Thailand stepped into an aging society and just only about a decade that people starting to realize about it and probably five years ago that aging society has become “the topic of the day” in terms of business aspects, for instance, entrepreneur and marketing. Today, rather than the government’s elderly nursing home, many nursing homes from the private sector are open with the trend of increasing competition as the aging society becomes new business opportunities.

Baan Somtawin is the very first private nursing home for the elderly. It was established in 1990, even before Thailand shifted into an aging society. It was founded by an ex-practical nurse whom offered by the doctor she worked with to take care of his
relatives. From that starting point, currently, Baan Somtawin holds up with five single houses. It provides services for various conditions of the elderly, for example, elderly who could not take care of themselves, recovering state patients, Alzheimer patients, Parkinson patients. It also provides professional staff to do the services either doctors, physical therapists, and registered nurses.

Up until now, Baan Somtawin has survived in the business for almost thirty years and now it comes to the second generation of the owner. Seeking for expanding their business further.

This paper aims to examine what are the keys to their success. What is the strategy to handle the business in a hard time and to survive before the wave until the right wave comes.
CHAPTER II
LITERATURE REVIEW

In this chapter, it will be divided into three main theoretical frameworks using in this paper, which are composed of the quality of care in the nursing home, the marketing section related to word-of-mouth effect and the leadership styles.

2.1 Quality of care in nursing home

To provide good care of a person who is not your family member requires many dimensions of skill both intellectual and psychologically. However, in terms of service providers, not only just the elderly who come to a nursing home that should be given the attention to, but also their family satisfaction. As the nursing home now becoming more resident-centered, both families’ and residents’ physical preferences are equally important, thus, the creation of a home-like surrounding are getting popular (Thaitrong, 2017). The service provider is helped by this reason to level up their services to serve both elderly and their family needs (Thaitrong, 2017). Thus, this could be seen that not only the elderly and their families involved with the quality of nursing home but also the staff and the owner themselves to create “a place that feels like home” successfully. Seven perspectives are defining the nursing home quality of care consists of staff, home, care, environment, communication, family involvement, and the central focus: residents, families, staff, and community (M. Rantz et al., 2002), see Figure 1.
Figure 2.1 Consumer and provider multidimensional model of quality in nursing homes

According to this model, each minor element will break down with the descriptions based on the multidimensional model of quality in a nursing home from the article: International field test results of the Observable Indicators of Nursing Home Care Quality instrument published in International Nursing Review journal as followed.

2.1.1 Staff

The nursing home should have enough staff with low turnover. Appropriate scheduling should be provided for them. People who work in the healthcare field with the long hours and have an impact on their health tend to have higher possibilities to leave their job (Kramer & Son, 2016). In the hospital business, the employee should be given the independence of decision-making, so-called autonomy, otherwise, they would have the possibility to quit the job because of dissatisfaction (Cook, 2018). And the nursing home should provide the registered nurse (RN) in their care.

2.1.2 Home

One meaning of home, in this sense, is the prioritization of nursing home compare between the profit versus the resident and family. Another one is to make the elderly feel that this is currently their home, by creating the atmosphere that they feel they belong here, will help them grow old in a healthier way (Thaitrong, 2017).
setting of a nursing home should be with efficiency facilities. There is availability in a sense of community, for example, children, plants or pets to show that this place is active and lively and making residents perceive that this place is a friendly place to live (M. J. Rantz et al., 1998)

2.1.3 Care

Treating elderly who are in the nursing home as an individual is required in doing nursing home by giving intendedly care to reduce injuries or accidents, taking care of food and nutrition regard to their conditions. And create and let the residents involved in activities.

2.1.4 Environment

Not only focusing on the physical facilities, a nursing home should have a functional furniture or equipment, the floor is not slip, good lighting and many windows, but also on the atmosphere and surroundings which could affect the perception of living from the residents like cleanliness and odor-free, the place spacious, safety and not noisy (Marilyn J. Rantz et al., 1999).

2.1.5 Communication

The importance of communication in a nursing home should be provided with systematic associated with families, staff and the patients to make sure that each of personal preferences is achieved. Communication with the residents is crucial as its effect on family members satisfaction (Marilyn J. Rantz et al., 1999)

2.1.6 Family involvement

The presence of the family is very mentally importance to the patient. The family wants to visit their parents as often as they can. Family member feels that visiting more frequent makes staff will serve the right and better care. The nursing home should provide the advisory group for the family so that they can communicate with staff and they could have the support in between patient’s families (Marilyn J. Rantz et al., 1999).
2.2 Word-of-mouth effects

In the small or family business that just has been created would not have enough cost to do the marketing like an advertisement, therefore, one way which effective and create the impact on the target customers is to communicate the brand, product, and service through the word-of-mouth. Many researchers found that for the small organization or the start-up, it was crucial to have the new customers by the suggestion or recommendation from the existing ones (Ife, Simintiras, Dwivedi, & Mavridou, 2018). Some part of the services business is very reliable on the positive word-of-mouth to attract the prospective customers, for examples, in the medical treatment, the patients and their family needs the recommendation from the people they know for a good doctor to treat their decease (Maru File, 1992). This is because the service business relies on customer satisfaction. The word-of-mouth communication normally holds among friends, family members or relatives, and close associates because they are recognized to have more trustworthy and less risk compared to the advertisement through the media as the customer might perceive that they have done by profit-based (Kozikowski, 2012).

2.3 Leadership style: transformational leadership and leading-by-example leader

Transformational leadership styles have been mentioned in many pieces of research. Many papers state that transformational is more effective than the transactional leadership style. The transformational leadership style emphasizes more in the area of improvement of the subordinates, encourage them to think more creatively in terms of the problem solving and finally make them feel more in charge and grow their productivity by feeling motivate and have more energy to do their work (Vidic, 2007). Along with the transformational leadership, another term is broadly mentioned, the leading-by-example concept. It is a strong influencing and inspires the subordinates to follow their leader (Vidic, 2007). Because the leaders will step in and tried or do by themselves first and see how does it do with the commitments (Lee, 2017). This would
make the followers see things more practically and clearer and create empowerment for the follower to do so.
CHAPTER III
RESEARCH METHODOLOGY

The ultimate goal of this paper is to examine the key success factors of an elderly nursing home, Baan Somtawin. Throughout almost thirty years of running business before the rise of the new business trend created by the ascent of an aging society in Thailand, it is required a comprehensive view to crack on the essential points of doing the business across a long period of time.

The qualitative research methodology, consequently, employed in this paper as the primary data source by using the in-depth interview to reveal the insights from the management. Also, this methodology will help to elaborate on the experiences and attitudes of the owner and the people at the management level toward the business. Additionally, the interviewees can express their thoughts openly on various aspects of the business such as management, marketing or strategies by providing open-ended questions. Furthermore, there is a use of the secondary data source for the reference of the model using as the focal theory to apply with the qualitative method. This paper uses the publication of the International field test results of the Observable Indicators of Nursing Home Care Quality instrument published in the International Nursing Review journal to refer the model of quality in nursing homes. Nevertheless, the factors involving the sustainability of the business will not be included in this paper.

To collect the information, the interview was performed by a face-to-face meeting with two managements from Baan Somtawin Part., Ltd. Other than the different management styles under dissimilar generation, the two respondents were selected since this paper would like to explore the journey of the business from start to present day.

The two interviewees are Khun Somtawin Chansumran, the founder and the Chief Executive Officer (CEO) of Baan Somtawin, and Khun Wipat Chansumran, managing director and Chief Marketing Officer (CMO) and a son to Khun Somtawin. The interview took place at Suchaya 2 Village Soi Nimitmai 6/2 Nimitmai Road Min Buri District, Bangkok. This place is one of the nursing houses among the five of them under the management of the primary founder and her sons, who are the second
generation of their business. The interview was held in an informal style to create a casual atmosphere and made the interviewees feel more relax and be able to transfer their stories accurately because I would like to have the theme of storytelling of their business.

The focus of the questions for each interviewee is different. The questions asked for Khun Somtawin will extract her innate motivation and the way of doing business from the past. For Khun Wipat, marketing perspective and opinions will be approached, besides, he helps his mother to manage and look at the overall process, more in the terms of management of the nursing home as he is responsible for a house of the nursing home. So, the interviews were conducted with two interviewees at the same time because the two of them can add more information from another’s answer.

The interview was taken on 22nd December 2019 at 1 p.m. The duration of the interview was 1 hour 19 minutes. The list of the questions is in the following table categorize by the aim of each question.

Table 3.1 List of questions and objectives

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<th>Objective</th>
<th>Questions</th>
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| Introduction                  | 1. Can you please introduce yourself?  
2. How can you start this business?  
3. What are the current existing services?  
4. Who are the staff in this organization? |
| Management perspective        | 5. What are the recruitment staff qualifications?  
6. How much the staff turnover rate, how you manage it?  
7. What and when was the hardest part of managing nursing home from 30 years of doing this business?  
8. What are the strengths of Baan Somtawin? |
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<td></td>
<td>10. Which channel that bring the customer come to you most?</td>
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<tr>
<td><strong>Third party involvement</strong></td>
<td>11. Are there any regulations, law or support from the government?</td>
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<td>12. Are there any partnership with other organization?</td>
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CHAPTER IV
FINDINGS AND ANALYSIS

After interviewing with the two managements of Baan Somtawin, there are several topics that I would like to highlight as the supporting of their success story including the obstacles that they have faced throughout the years of business operating. Starting with the key supports.

4.1 High quality of care

From the interview session, I would say that Khun Somtawin was driven by her motivation and inner passion to help other people. She has strong motivation and high empathy along with her 10 years of experience prior to building up the solid business which is leading her to manage the nursing home with high quality of services. According to the Consumer and provider multidimensional model of quality in nursing homes (M. Rantz et al., 2002), her achievement of quality of services can break down into major five dimensions.

4.1.1 Staff

Because the staff is the major key point to the service business, especially in the health care business. Their jobs are very delicate and have many details to consider, to create job satisfaction, the management had come up with “The healthy day” once a week. This activity lets the staff create any event and host by themselves, for instance, making sandwiches class or an exercise day. They will plan and set up everything on their own. This creates a sense of autonomy to the staff, make them feel more important and has the opportunity to express their excellence which leads to the job satisfaction.

The managements also concern about the mental health of the staff. As mentioned above that this job is very sensitive and it will be a very tough job for them
to handle various personalities of elderly, therefore it is easy to get stressed. This reason could lead to resignation. Thus, the management decided to have a roll-over for the staff to take a turn for serving in each house. This was the benefit to both of the staff and the patients as they do not need to confront a person that they do not get along with for a long time. It will be the gap that they could have to forget some issues between them. They also have the activities that get the staff to involve with the organization such as the blessing ceremony for the new house which allows every staff helps each other to successfully create this event.

Also, attract the recruit by offering a higher salary-based compare to the public hospital, free place to live with air-conditioner, and free food to reduce the turnover rate. All of the reasons above are making the staff satisfy in their job and do their job better eventually.

Baan Somtawin provides professional services including 24 hours Registered Nurse (RN) service, quarterly checkup by doctors, and the therapist who come three times a month to follow up on the case and train the staff on how to do the physical therapy case by case.

4.1.2 Make the elderly feel like they are at “home”

The nursing house itself does not project any hospital-like feelings to the elderly. Khun Somtawin and her team have done the interior in each house based on the thought that it is a home, not the place to do the business. As many private nursing homes provide many regulations such as the elderly must wear patient clothes or even the rooms in the nursing home decoration is look like the hospital. This created the ambiance of home to the patients. Apart from the psychological impact from the physical surroundings, Khun Somtawin always addresses to her staff that the patients were like their grandparents, so, treat them like they are your own family. This will be building up the familiarity and increase the trustworthiness of the elderly to the staff. Thus, the elderly lives in this nursing home comfortably and happily.

4.1.3 Care

Taking care of an elderly is hard but taking care of the elderly who come from different of nurture is more difficult. Baan Somtawin uses the ratio of staff and the
elderly to manage quality care, one staff will take care of 4-5 elderly, this is following the new regulation of the new legislation from the ministry of health which will be declared next year (2020). Even though the residents in the nursing home have various needs and wants, the staff treats all of them similarly in terms of the quality of the services. Other than that, the services will be served individually with care and attention to handle each case properly. Such as the elderly who need strictly nutrition control but she resists and wants some food that she likes, the staff must have a way to talk and persuade her to follow the rule. Additionally, through the request of the elderly’s family or the elderly themselves, the residents can go anywhere they want. Baan Somtawin provides transportation and the staff to go outside the nursing home. The elderly who has no problem with physical health can go anywhere freely with the accompany of the staff.

4.1.4 Environment
Baan Somtawin has the standard medical equipment for nursing home e.g. the hospital bed for the elderly who are bedridden and dependent on the caregivers. The houses and furniture will always be kept clean. Moreover, the houses will be renovated every five years to keep a good environment for the elderly. However, Khun Somtawin could not expand the houses to get more space and reduce the density of the elderly compared with space, so that the residents can live comfortably. The reason is that the law of developed housing states that the house cannot be used as a business place. But Baan Somtawin was established before this law became effective. Therefore, they bought the land and wait for further development and aim to leverage their services to be comparable with the resort of hotel where the elderly and the family would feel that this is the better place to be rather than stay at home alone.

4.1.5 Communication and Family Involvement
As stated above in 4.1.3, the care dimension, staff needs to handle each case of the elderly properly. Some cases need more than the normal talking with the elderly and their families, for instance, the elderly who have Alzheimer’s. Because of the decease, they could have talked to their family with false information like today they did not have lunch but they already have actually. In the past when the technology has
not developed this far, Khun Somtawin used the phone call to report the condition of the elderly. Thus, to communicate effectively to the family, in the present day, the Line group was used as a tool for a communication channel. The Line group consists of the families, the nurses, the staff and the manager (Khun Wiput). They will report the situation and the condition of the elderly regularly. If there are any special events such as “The Healthy Day”, the video and pictures will be taken to pass on the event atmosphere to the families. Family members can ask questions and can be monitoring their parents or grandparents closely and interactively. This allows the communication for both sides back and forth among the team and the families. Furthermore, the family can visit their loved ones at any time. Baan Somtawin has a certain time for visiting, nonetheless, this could be negotiable as many people got some reason to visit their parents outside the visiting time.

4.2 The Marketing

In the old days when there was no digital marketing, Khun Somtawin had advertised her business in the newspaper because it was free, however, it appeared in a limited period, for example, 10 days for a small section in the advertising page. There were several calls to find further information from the newspaper advertising and eventually, she a few cases from this channel. She also tried the advertising in the yellow pages. Although she got some customers from these media, the majority of her customers came from the word of mouth. It was usually the existing customers who recommended her service to their family members, their relatives or even their neighbors. Not just only the suggestions, oftentimes they brought their friends and family to visit the place and show them the actual operations there.

She has many connections within the hospital. There are many times that she got the customers by the recommendation of the nurses and the hospital staff. Also, the patient’s family members, who had used her services, recommended her to their relatives or friends or even their neighbors. This caused the name of Khun Somtawin and her nursing house spread out widely in the industry. Other than that, she did not do anything particularly focusing on marketing. Because she got a huge customer based building up from the service business, the attitude of people who had experiences has a
huge impact on the prospective customers. The more credible of the sources are, the more likely positive perceive effect to the business (Swanson Scott, 2001). The customers of Baan Somtawin are mainly coming from word-of-mouth communication.

Nowadays, when it comes to the digital era, Khun Wiput, the second generation in this business, has done various digital marketing such as Google ad, SEO, Facebook page and the website to promote Baan Somtawin. Most of the customers come from the online channel. They saw Facebook and the website then they visit the nursing home, see the actual facilities and make the decision whether to bring their parents in or not.

### 4.3 The expertise and leadership

Khun Somtawin was worked in the hospital as a practical nurse who operates under the supervision of the registered nurse and does not allow provide complicated care to the patients and not permit to make any decision by their own (Wheeler, 2015). She had experience in taking care of many kinds of patients from the ICU, psychiatric ward to the patients who need care at home. She has direct experience in the jobs. Therefore, she knows every detail of the job and understands most of the wants of the elderly. Because of that, she knows how to treat and handle each of the cases appropriately. Moreover, she does truly understand what are the pressures her staff has to bear in daily job. But she does not just tell staff to do their task properly. Whenever she found things unproperly done such as the staff did not wash the glasses, she washes them by herself and teaches staff to put their selves in other’s shoe, they will need a clean glass to drink water too.

Even though she is the CEO now, she still remembers all the medication of her under-cared elderly and walks around the houses to see everything is okay every day. When there is an event like the house blessing ceremony, regardless of her position, she helps her staff do every duty in the house whether it be hard work like cleaning the house or managing and coordinating tasks. This affects other staff, as from the same example of an event, such as the nurse who usually holds their pride and privilege that they are the professional nurse who meant to only take care their elderly patients and
supervise the staff, also doing the extra tasks like cooking the food in the kitchen. In this event, they are all equal as the member of Baan Somtawin.

Khun Somtawin is using the way of leading by example. As she took action and inspire her staff to follow her as the role model.

4.4 The Obstacles

Along the journey of their business, there is not just only the success that they have made but also the obstacles and problem have passed through their way. Twenty years ago, the word aging society are barely known. It looked like a very far point from our concerns. Khun Somtawin tried to register her business legally which will let her pay the tax lawfully as she was pressured by the Revenue Department. Nevertheless, there was no kind of this business before in Thailand, she was not unable to register her business. She has tried several times until the year of 2009 she can register Baan Somtawin with the ministry of Commerce. And just two years ago, they are successfully registered Baan Somtawin with the Department of Health Service Support, Ministry of Health, to get more support from the government sector.
CHAPTER V
CONCLUSION

From the research and the interview, I would like to conclude the main factors that make Baan Somtawin success in their business from the past until now. There are three main factors which comprise of quality of services and consistency, the adaptation of the new era and doing the business with heart.

5.1 Quality and consistency are the main keys

The quality is the most important factor in the success of the service business. As the goods which brought revenue are the service, which does not have a tangible measurement. Particularly, the service that needs the depth of the knowledge and skill to operate like the nursing home. The experience and the skills combined make Khun Somtawin know the insight of her customers. This allows her to be able to deliver the services with high qualities because she truly understands the jobs, the elderly and their family, and the staff. The customer can be touched and reached to the quality by experience directly. Throughout the 30 years of operating the nursing home, Baan Somtawin has offered a high quality of care individually for each elderly and maintains the level of quality for years. This reflects their consistency in terms of the goods.

The quality is also having an impact on the marketing part. With the good services that Baan Somtawin provides, it was widely dispersed the positive word-of-mouth among the customers. The existing customers who have direct experience with them have high satisfaction in their services. People still believe in the persons who have been in the actual services, especially in the very delicate services which need the expertise of the service provider to create the trustworthiness and confidence of the customers. Thus, they are recommended Baan Somtawin to their family members, relatives, and friends. Baan Somtawin was well known without any major spending on commercials or advertisements.
5.2 Be able to adapt to the new era

In terms of marketing, even though most of the past customers come from word-of-mouth communication, they know that the behavior of the target customer is change. As the persons who will search for this kind of services are, actually, the children or the grandchildren who are in the new generation relying on the online information, Khun Somtawin does not adhere on to the traditional way of finding the customer, using the word of mouth, she and her son put their business to be in an online word for quite a while starting from the website and does not hesitate to find more customers. Additionally, even the differences between generation and the different styles of management, the team worked together and created a wider angle of doing the business. This could happen only when the first generation, who started the business, trust and let the second generation do their jobs, let them share their opinion and listen to them. The founder must have an open-minded and good vision to strengthen the business and not stick the old way because with the world that evolve rapidly these days, business also needs to develop with the same pace.

5.3 Do the business with not only the mind but your heart

Both Khun Somtawin and Khun Wipat express their strong core competency of Baan Somtawin as they set up the goal of their business as quality comes first before the profit. They would like to help every elderly and the family to have a better quality of living. The elderly who lives within good care and a good environment will have a reflection on their mental healthiness. Therefore, their family does not have to worry about their parents or grandparents and live their life happily also. If they use the model of profit comes first, this kind of business will easily fail as mentioned that the service business can be survived by customer satisfaction. It was easily seen the result when the family takes their parents to the nursing home and it fails to provide a quality service, the customer will leave in a short period of time.

Also, the second generation of the owner went through all the time with his mother and father since they started the business. This reason makes him feel involved with the business deeply and inherited a good intention from his mother to all of the
clients. This makes the business even stronger because they share the same vision to drive the business.


REFERENCES (cont.)


