





# ABAC ODI JOURNAL Vision. Action. Outcome

ISSN: 2351-0617 (print), ISSN: 2408-2058 (electronic)

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ABAC ODI JOURNAL Vision. Action. Outcome Vol 10 (1) pp. 89-108

www. http://www.assumptionjournal.au.edu/index.php/odijournal

Published by the
Organization Development Institute
Graduate School of Business and Advanced Technology Management
Assumption University Thailand

ABAC ODI JOURNAL Vision. Action. Outcome is indexed by the Thai Citation Index and ASEAN Citation Index

## An Exploration of Key Success Factors of Social Enterprise in Thailand

# Asma Tehmarn<sup>1</sup>, Chiraprapha Akaraborworn<sup>2</sup>

<sup>1</sup>Corresponding author, Ph.D. Candidate, Human Resource and Organization Development, School of Human Resource Development, National Institute of Development Administration, Thailand. Email: asma.tehmarn@gmail.com

<sup>2</sup>Dean, School of Human Resource Development, National Institute of Development Administration, Thailand. Email: chira123@gmail.com

Received: 3 April 2022 Revised: 24 June 2022 Accepted: 7 July 2022

### **Abstract**

The awareness of sustainability is increasing in people across the world. Business needs to incorporate social responsibility practices in its product or process, while there is a new type of business called Social Enterprise (SE) that has a main mission aligned with sustainable development goals. SE shares common characteristics with the typical business but aims to solve social and environment problems in specific areas. This paper aims to explore key success factors of SE in Thailand as it can benefit future research and practitioners. The main research question is the key success factors for SEs in Thailand. Samples were purposively selected from Thai SEs listed in SET (Stock Exchange of Thailand) Social Impact that has been operated on for more than five years. These organizations were categorized into seven groups. Each group had organization representatives voted for the most successful organization among them. There were seven organizations and 12 participants in this study. Data was collected using semi-structured interviews and analyzed using theory-driven thematic analysis. There were 63 emerged themes according to McKinsey's 7s framework, namely: strategy, shared value, system, structure, staff, skill, and style. The outcomes of this study reflected characteristics of SE, the Sufficiency Economy Philosophy, and healthy organization. Researchers in this field can use the quantitative study to confirm the themes of this study, using phenomenology to study living experiences. Practitioners can consider the results as a guide to developing and managing SE in Thailand.

Keywords: sustainability, social enterprise, social enterprise in Thailand, organization development, key success factors

### Introduction

Sustainability has become well-known and increasing in awareness of people in the society. United Nations (2015) developed 17 sustainability goals to be achieved in 2030. In terms of business, sustainability has become mandatory in this era. Brown (2021, December 21) also mentioned that sustainability was a global issue in 2022. The concern for sustainability, social problems, and the environment resulted in the emergence of Social Enterprise (SE). SE and typical businesses share common characteristics, such as challenging the business assumptions, creating innovation, seeking partnership, and learning continuously (Yunus, Moingeon, & Lehmann-Ortega, 2010). SE is an organization that aims to make profits from their products or services and return profits to solve problems in the society

through social innovation and networking and make those changes sustainable (Martin & Osberg, 2007; Michelman & Drayton, 2009; Nitayakasetwat, 2011). However, there are differences between SE and typical business. SE focuses more on unmet needs in society. It creates innovation that tackles social problems, emphasizes making local connections, and aims for social and human capital rather than economic gain. Their leaders focus on their credibility and sharing credit for success with their teams (Shaw & Carter, 2007).

This research explores SE's key success factors that aim for sustainability. As Russ-Eft, Watkins, Marsick, Jacobs, & McLean (2014) addressed that "further research of human resource development (HRD) area in the next 25 years should focus on a model that may lead to research into the factors and characteristics and contexts the lead to sustainability of HRD programs" (p. 9); therefore, research in SE should be focused, too. In addition, Short, Moss, and Lumpkin (2009) mentioned that empirical studies and rigorous methods were needed to establish theories in the SE field. As SE is different from a typical organization, exploring key success factors could give researchers a better understanding of SEs in Thailand. To achieve sustainable goals, SE practitioners can also adopt these key success factors into their organization development interventions. Thiemboonkit (2016) conducted a qualitative study on Thai SEs and found only leaders' soft skills as a key success factor in managing SEs. There are many more factors in developing a successful SE. Exploring all of the key success factors could impact the success of SEs and could solve social and environmental problems in our society more effectively.

# **Research Objective**

The objective of the study was to explore key success factors of social enterprise in Thailand

## **Research Question**

The research question of this study was what key success factors of social enterprise in Thailand ?

## **Literature Review**

## **Social Enterprise (SE)**

The characteristics of SE can be summarized into four main elements. First, SE refers to an organization or business with a hybrid characteristic between for-profit and non-profit organizations. Defourny and Nyssens (2008) stated that SE is a not-for-profit enterprise. The profit gained from operation is used to reinvest in the business's core purpose rather than provide to shareholders (Thompson, 2008; Thompson & Doherty, 2006).

The second characteristic is the social dimension. SE has a social objective, meaning that it emphasizes creating values and benefits for the society (Brouard & Larivet; 2010; Defourny, 2001; Di Domenico, Haugh, & Tracy, 2010; Sengupta & Sahay, 2017). It also engages stakeholders to create values for the community (Defourny & Nyssens, 2008)

The third characteristic is the economic dimension. SE aims for an economic outcome to become self-sufficient and sustainable (Brouard & Larivet; 2010; Defourny, 2001; Di

Domenico, Haugh, & Tracy, 2010). Financial returns are from trading goods or services (Defourny & Nyssens, 2008; Di Domenico, Haugh, & Tracy, 2010).

The fourth characteristic is the entrepreneurial dimension. It uses entrepreneurial practices such as pursuing opportunities (Brouard & Larivet, 2010; Diochon & Anderson, 2009; Mair & Martí, 2006), developing innovations (Alter, 2007; Brouard & Larivet, 2010; Defourny & Nyssens, 2008; Di Domenico et al., 2010; Mair & Martí, 2006; Shaw & Carter, 2007; Thompson & Doherty, 2006), gathering and utilizing resources (Chell, 2007; Di Domenico et al., 2010; Diochon & Anderson, 2009; Mair & Martí, 2006), and managing risks (Defourny & Nyssens, 2008).

In Thailand, the Stock Exchange of Thailand (n.d.) encouraged companies listed in the stock market to invest in SE. It defined SE as "a form of social impact investment. Social enterprise has clear social and environmental objectives and targets from the beginning. However, it operates as a business with financial sustainability" (The Stock Exchange of Thailand, Social Enterprise section, para 2).

Many SEs in Thailand are community-based enterprises established to solve local problems (Nitayakasetwat, 2011; Sansaneewitayakul, 2013; Sommit, 2014; Thiemboonkit, 2016). The government's cooperative policy influenced them, and the Sufficiency Economic concept impacted the rise of SE in Thailand (Sansaneewitayakul, 2013; Sommit, 2014).

To define the scope of the research, SE can be defined and summarized as a business that has goals to solve social and environmental problems by using entrepreneurial practices such as exploiting opportunities, creating innovation, and managing risks. This type of business also has to sustain itself economically even though it does not intend to maximize the profit.

### **Organization Development**

The pursuit of long-term Organization development (OD) requires a series of interventions underlined by social and behavioral science knowledge, whereby the ultimate goal for long-term growth may consist of leadership, group dynamics, work design (Cummings & Worley, 2015), motivation, power, communications, perception, problem-solving, goal-setting, interpersonal relationships, intergroup relationships, and conflict management (Beckhard, 2006a), strategy, organization design, and culture change (Cummings & Worley, 2015), and cultural norms (Beckhard, 2006a). The intervention aims for the effectiveness of the organization. The organization's development interventions do not solely focus on improving its financial performance but also on technical and non-technical performance (e.g., problem-solving, stakeholders' expectations management) as it pursues its goals and strategies (Cummings & Worley, 2015). Some of the most prominent frameworks employed in OD practices include McKinsey's 7s framework, Sufficiency Economic Philosophy, and healthy organization.

### McKinsey's 7s Framework

McKinsey's 7s framework is an OD approach to actualizing the organization's effectiveness (Hayes, 2014; McKinsey, 2008). The 7s framework comprises (1) structure refers to authority relationships; (2) strategy refers to actions the organization attempt to gain competitive advantages; (3) system refers to processes within the organization that relate to

how work is done; (4) style refers to organizational culture or informal code of conduct; (5) staff refers to people in the organization including numbers and quality; (6) skill refers to organizational competencies and capabilities that include the institution and individual skills; and (7) shared values, or superordinate goals refers to goals that organization tries to achieve (Hayes, 2014; McKinsey, 2008; Waterman, Peters, & Phillips, 1980). These elements should be aligned to achieve desired outcomes, meaning that the component needs to be changed if it is misaligned with other parts (Hayes, 2014). Though the concept of 7s was introduced in 1980, it still gained acceptance and is being used in research.

# Sufficiency Economy Philosophy

Sufficiency Economy Philosophy (SEP) has been the underlying concept of Thailand's national development (Pruetipibultham, 2010). It demonstrates as one of the OD concepts. SEP consists of three elements: (1) moderation, which is the attempt to avoid extremes to become less vulnerable; (2) reasonableness, which is the consideration of the actions and their consequences before taking those actions; and (3) self-immunity, that is to have protection and ability to cope with internal and external challenges and be able to bounce back (Bergsteiner & Dharmapiya, 2016; United Nations Development Programme, 2007; Wibulswasdi, Piboolsravut, & Pootrakul, 2012). SEP practice is successful under two conditions: (1) appropriate knowledge; and (2) ethics (United Nations Development Programme, 2007; Wibulswasdi et al., 2012). SEP is the root of the way of living in Thailand, including at individual, community, and national levels. As the objective of SEP is to achieve a sustainable goal, it can be considered one approach to creating sustainability.

# Healthy Organization

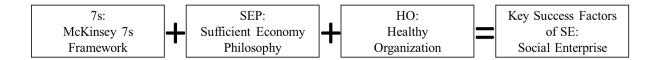
A healthy organization (HO) is a condition that requires a system or multiple systems to transform the inputs into goods and services while considering the needs of all stakeholders (Beckhard, 2006b) and inspiring missions to bring about different circumstances (Ho, 2000; Verschoor, 2003). It continuously incorporates changes in the organization's processes, allowing it to cope with internal and external changes (Wattanamaekhinkul, 2007). Moreover, a healthy organization emphasizes learning at both employee and organization levels that leads to decision making and utilizing organization strengths (Beckard, 2006b; Dive, 2004; Wattanamaekhinkul, 2007)

Wattanamaekhinkul (2007) studied HO conceptual model in 100-year-old Thaiowned private organizations in Thailand and found the components of HO: organization health, employee health; environmental and social health; and basic factors including ethics and mind and spirit. It can be seen that the components of HO shared some similar characteristics to SE. For example, SE has inspiring missions as it aims to tackle social problems while balancing the stakeholders' needs and leveraging resources to solve environmental and social issues.

From the concept of OD above, the researchers developed a conceptual framework as shown in figure 1

Figure 1

Conceptual Framework



## Methodology

This research used a qualitative research to identify key success factors of SE in Thailand.

## **Research Sampling**

Participants of this study were purposefully selected from social enterprises in Thailand that have operated for over five years based on the social enterprises listed on the SET Social Impact (n.d.) 's website. These SEs were categorized based on their products/services and their purpose of conducting the business, namely: energy; platform; organic agriculture product; education; product/services for children, women, elders, disabilities, and minorities; product/service for community development; and product/service that is environmentally friendly. The SE owners in each category were asked to vote for the most successful social enterprise to select the social enterprises for this study, meaning that there were 7 successful social enterprises in this study. Then, the key informants were chosen as the representatives of each enterprise. As a result, 12 key informants participated in this study (See Table 1).

**Table 1**Participants' profiles

Participant Code	Social enterprise category	Level	Gender	Age
P1	Environmental friendly product	Owner	Male	49
P2	Energy	Top management	Male	45
P3	Energy	Operation level	Female	22
P4	Energy	Operation level	Male	36
P5	Energy	Operation level	Male	47
P6	Organic agriculture product	Owner	Male	n/a
P7	Product/services for minorities	Manager	Male	38
P8	Product/services for minorities	Project manager	Female	38
P9	Platform	Top management	Female	37
P10	Platform	Operation level Fema		33
P11	Education	Top management Ma		33
P12	Product/service for community	Owner	Female	32
	development			

### **Data Collection**

Qualitative research involves interactions with people in their social context (Denzin & Lincoln, 2011; Glesne, 2016). For this study, the researchers were an instrument in this approach to gain more understanding by using semi-structured interviews; thus, the representation of information was the interview. Furthermore, the researcher conducted this study under the ethical standard approved by NIDA Ethics Committee to protect participants from any ethical concerns.

The main interview question is, in your opinion, what are the key success factors of your organization? Researchers prepared probing questions based on McKinsey's 7s framework (See Table 2).

Table 2

Element in Mckinsey's 7s framework	Questions			
Strategy	<ul> <li>What actions have you done to achieve the organization's vision, mission, or goa</li> <li>What actions have you done to generate income?</li> </ul>			
Shared value	<ul> <li>What is your organization's culture?</li> <li>How do you communicate organization culture across the organization and related stakeholders?</li> </ul>			
System	- How the organization manages internal systems to deliver desired outcomes?			
Structure	<ul> <li>Who do you perform the duties with?</li> <li>How does the division of labor or the structure work in the organization?</li> <li>How does the organization cooperate and form collaborations with external stakeholders? (e.g., University, government sector, same business group, community society)</li> </ul>			
Skill	<ul> <li>What are the important skills of employees in your organization?</li> <li>How do you decide or develop those skills?</li> </ul>			
Staff	<ul> <li>How many people are there in your organization?</li> <li>What are you looking for when recruiting new employees?</li> <li>How do you manage human resources in your organization to be sufficient and not become a burden in the long run?</li> </ul>			
Style	<ul><li> (In the leader's case) how do you work with colleagues or subordinates?</li><li> (In the case of employees in the team) what are the characteristics of your leader?</li></ul>			
Additional questions	<ul> <li>Does your organization receive support from any agency? And How? (e.g., Government sector, similar business, or community)</li> <li>What do you think about the future of your organization?</li> <li>In your opinion, what are critical factors that will help you succeed in the future?</li> <li>How do you manage your existing resources?</li> <li>How do you manage your network to gain resources?</li> </ul>			

## **Data Analysis**

The thematic analysis process was used based on Rouna (2005) 's stages of qualitative data analysis. First, the voice recording was transcribed word-by-word; then, the researchers assigned the number to each participant's transcription (e.g., P1, P2) and specified line

number in each transcription for the audit trail. Second, the researchers read and re-read each transcript to fully understand the contexts of the information provided to the informants. Third, the researchers started the coding process, categorizing the emerging patterns and creating a codebook. Finally, the researchers interpreted and generated the meanings of the themes from the coding process.

#### **Results and Discussion**

Fifty-three themes of key success factors emerged from the content analysis process. The emerging elements were portrayed based on McKinsey's 7s framework as follows.

#### **Shared Value**

There were six themes in the shared value element. The details were as follows:

1. The organization believes that what it does creates value for others. For example, P3 said,

"What they do can help people in the community."

2. The organization has a safe zone that allows people to share their feelings. For example, P11 said,

"Safe zones are very important in our organizational culture. Everyone can share their feelings. We have conversations such as How do you feel today? What problems did you face today? What do you want to share with us? Then, everyone will listen to that person without judging. We will not say what others did is wrong or ask why they did that."

3. The organization has a friendly culture like a start-up culture. For example, P9 said,

"I am open to opinions. Of course, there is still a hierarchy because I am a manager. Still, I am open to everyone doing what they want to do as long as they tell me beforehand".

- 4. The organization has a work-life balance culture. For example, P1 said,
  "We create a balance between work and life. If we are
  thinking in this dimension, we will do good things for
  others anyway."
- 5. The organization has a shared value that the organization's members can achieve common goals. For example, P2 said,

"This is our style. Our organization has a clear value that everyone shares common goals. We work together to reach our goals."

6. The organization has a shared value that the organization's members can experiment with new things. For example, P7 said,

"Maybe this is the key point. When we try to do something, of course, we want to have good results.

However, we know that it might fail. The important thing is how we can change, adapt, and improve. This encourages us to experience new things. It is okay if it the project is not resulting well. If it fails, we just have to change."

### **Strategy**

There were three themes in the strategy element. The details were as follows:

1. The organization has strategies that align with the Philosophy of a Sufficiency Economy. The organization neither invests nor runs up excessive debts. For example, P1 mentioned,

"We do business according to the concept of King Rama IX, which is sufficiency that allows us to have enough to get by....we will not scale up until it changes our way of life."

2. The organization has clear social objectives, plans for business growth, and scaling up social impact as well as communicates those objectives and plans to stakeholders. For example, P1 said,

"The objective of the organization is giving, playing, children's imagination, and making children and parents have a good time together. This is our target. If customers understand this, they will come and buy our products and support what we are doing."

3. The organization understands social problems through research about stakeholders' needs. For example, P8 said,

"We talk to our target group first. It is similar to research to understand needs. We went to schools, asked teachers and students, observed trends, identified what is missing or what else should be done."

#### Structure

There were six themes in the structure element. The details were as follows:

- 1. Organization structure is flat. For example, P7 said
  - "I don't want the organization to have much hierarchy."
- 2. The organizational structure is small-sized, resulting in quick decisions being made. For example, P1 said,

"We have only two people working together. Our organization is a small unit so we can make a quick decision... We used to work in large firm where there were many processes, so we could not make decisions quickly. So, we decide to make our business small, so we are independent. We can take action on our own."

3. Organization structure enables engagement with networks and stakeholders. For example, P6 said,

"Having a network helped us from the very beginning. If we want to know or study something, we know who can help us in that specific area. A good network helps us screen which community is ready for us to work together. We did not have a team to support us in terms of finding the community because we did the project from zero."

- 4. Organization structure is flexible. For example, P9 said that "We work in the organization that is flexible because the organization is quite small."
- 5. The organization allocates and distributes projects clearly to team. For example, P6 said

"As the structure of the organization is quite flat, each project is assigned to a specific team."

6. Organization allows teams to works across each other. For example, P8 said, "In some circumstances, we need help from other teams.

For example, we share the same target group which is disabilities. We can share some information or help in some parts."

# **System**

There were 12 themes in the system element. The details were as follows:

- 1. Organization recruits the right people. For example, P9 said, "We should focus on the interview process and pay attention to the interviewee in order to know if that person fits into our organization or not."
- 2. The organization has a job rotation system. For example, P7 said that "There was a rotation system which helps in terms of cost-saving."
- 3. The organization encourages team members to improve their work, set their objectives, and become entrepreneur. For example, P11 said,

"I encourage my team to become an entrepreneur. After learning to be an entrepreneur for one year, they can manage their own project.... I have my team set their objectives at the beginning of the calendar year for the whole of the year. I will provide them rewards if they can complete their objectives. If they cannot finish their objectives, I will have them work within limited tasks."

4. The organization provides reasonable compensation that is competitive with private organizations in the same business. For example, P11 said,

"If we want to attract a skilled person who wants to work for this type of business, we have to be concerned about four requisites and benefits. Benefits should be compatible with private companies in the same business...If we have the mindset that a person who works in a private organization gets this amount of benefits, we should not provide much lower than that. We should try to make it close to that amount to attract people we want to work with and grow together in terms of solving social problems."

5. The organization provides non-financial benefits such as knowledge, experience. For example, P3 said,

"I get knowledge and experience from the organization which is more valuable than compensation."

6. The organization motivates team members through pay-for-performance compensation. For example, P2 said,

"I want the team to develop themselves by having them set their own goals. If they can make it, I will provide benefits. If they cannot make it, they will receive the same amount of compensation."

7. Organization learns and adapts according to the target's expectation. For example, P11 said,

"We have to work to serve the needs of our target group. In some circumstance, the customer is the school who wants us to provide guidance to their students. We focus on what students want rather than what we want to provide to them...We will ask the students what they want, what they want to do, what career interests them. Then we will vote in order to serve students' needs. If we ask for the needs of the school, it is might not match with what students need."

8. The organization learns and catches up with current situations. For example, P9 said,

"One of the key success factors is the ability to learn and capture what happens in society and response to the situation quickly."

9. Organization learns and improves from past activities and encourages communication within team. For example, P11 said,

"Another important factor is what we call an afteraction review. When we finish each project, we will review what lessons have been learned from the project. We will discuss what we are doing well, what we should do to improve. We will share our feelings about this project. I find that not many organizations do this activity but I think it is important. The most important thing is what our team members feel. Next, we will discuss if the project is done well or not, what we should change, what is good, what is not good enough."

10. Organization encourages learning between leaders and teams. For example, P9 said,

"When there was a new member in the team, that person brought new ideas that have an impact on the organization. So, I had to adapt and learn from that person, too."

11. The organization focuses on productive activities. For example, P2 said, "I don't want to waste time. I will not do activities that are not productive".

12. Organization applies technology in product and/or process. For example, P2 said, "I think we can use technology in products and/or processes to make organization competitive. We can use technology in many ways including human resource activity."

P3 said,

"In the future we have to focus on applying technology and new knowledge such as agricultural technology."

#### Skill

There were 18 themes in the skill element. The details were as follows:

- 1. Team members are open to new things. For example, P6 said, "A person who works with our organization should be open to new things."
- 2. Team members are persistent in doing their jobs. For example, P11 said, "Our team has the mindset that whatever happens, we will keep on solving problems and working together to get through."
- 3. Team members know social problems. For example, P6 said, "Our team members know about social problems in order to coordinate with the external organization or community."
- 4. Team members are self-learners and self-initiators, able to start and complete work independently. For example, P11 said,

"Members of my team have to solve problems by themselves first. If they have any problem, they can ask for advice. I think this way strengthen the team in terms of discussing, problem solving, and continuous improving."

5. Team members have communication and interpersonal skills. For example, P2 said,

"Some people are fluent in technical terms but lack interpersonal skills. They should have communication skills in order to coordinate with stakeholders and people in the community. We want a person who can think and communicate. They do not have to be fluent in numeracy. They have to be able to communicate and summarize the essential ideas."

- 6. Team members have a good attitude toward their work. For example, P7 said, "I would like to have people with the same attitude and determination as to the organization."
- 7. Team members have skills required by the organization. For example, P6 said, "When recruiting employees, we need to find people with specific skills suitable for that position. There are no fixed skills for the entire organization."
- 8. The leader has a mindset in business and passion in social value creation. For example, P11 said

"The mindset of them (social entrepreneur) is that they are not working as charitable organizations. Instead, the social entrepreneur does business that assists in solving social problems."

9. The leader understands and has expertise to work with the social problems. For example, For example, P9said,

"Management has expertise in social issues. They know what is insufficient in society and use their expertise to solve problems."

- 10. The leader has an entrepreneurial mindset. For example, P2 said that, "I think social entrepreneurs tend to have a much more public mindset and forget about business in reality. Business needs revenue, and there must be a market for the products or services. I think some organizations cannot survive because there is no market. It is only good intentions. If the market is not big enough, they cannot expand the business. Some have to quit their business."
- 11. The leader has financial management skill. For example, P9 said, "The important factor that affects the organization is to manage initial capital and cash flow."
- 12. The leader has marketing skills. For example, P11 said,

"The social entrepreneur has to be concerned about revenue. If I look back, it is fortunate that I am interested in marketing. I know that whatever we do we have to communicate with the target group. Setting the price for the product is also important."

13. The leader is eager to learn. For example, P7 said,

"I am not the best in everything. I have to study and learn from others."

14. Leader is perseverant. For example, P6 said,

"Leader has to be persistent and not give up easily."

15. The leader responds to change quickly. For example, P9 said, "Leader has the capacity to make business responses to change quickly and in a timely manner."

16. The leader has relationship management skills that enable the organization to acquire valuable resources to develop the business. For example, P9 said,

"Management in the organization is resourceful. They can acquire resources and manage them efficiently in order to develop the organization."

- 17. The leader is decisive in the activities of the organization. For example, P8 said, "The project managers have to be the leaders and have leadership skills. They can decide in an ambiguous situation. Thus, they can decide on which activities should be continued."
- 18. The leader communicates the impacts of the organization's work on economic, social, and environmental matters. For example, P12 said,

"The leader has to communicate about the products and their impact on society to the target group."

### Staff

There were three themes in the staff element. The details were as follows:

- 1. Team goals are aligned with the organizational goals. For example, P11 said, "The expectation of team members should be in the same direction. When we recruit new members, apart from skills required for the specific position, we also consider their expectations. If they join our team, what do they want and what they expect."
- 2. The organization has high-performing leaders and teams. For example, P9 said, "The co-founders of the organization are people who have high performance in different expertise."
- 3. The team consists of members with diverse skills. For example, P11 said, "The team comprised people with diverse expertise, such as facilitators in the organization's activities. Some members are responsible for marketing and communication. Some members are administrations who work with documents."

## **Style**

There were five themes in the style element. The details were as follows:

1. The leader is the person who decides about the alignment of activities in the organization. For example, P8 said,

"The leader decides about the alignment of activities in the organization."

2. The leader works closely with the teams and can teach, coach, and guide the team. For example, P3 said

"Learning from the leader is important, especially in management skills. If I work in a big organization, I might not have this opportunity."

3. The leader encourages team members to learn and develop their potential. For example, P3 said,

"The leader builds my passion and is open to encouraging me to improve in my interested area."

- 4. The leader has a straightforward working style. For example, P5 said, "I like when he (the leader) tells me straightforwardly if I did something wrong or if there is something that I have to change."
- 5. Leader has responsibility for and commitment to long-term business. For example, P11 said

"One of the factors is that the co-founders do not have pressure from any dimensions in life so we can commit to doing this business in the long term."

#### Discussion

The objective of this study is to explore key success factors of SE in Thailand. The main output of this study is themes of key success factors according to McKinsey's 7s framework. This study expanded Thiemboonkit (2016) 's research on the success factors of Thai SEs. Those success factors were the participation of stakeholders in the community and the quality of the SEs owners, including persistency and continuous effort, coordination skills, and ability to raise awareness in the community. In addition, this study showed that the skills of the SEs leader that were key success factors were soft skills and skills needed to serve social and business objectives.

Moreover, Jenner (2016) stated that a sustainable social enterprise from an international perspective had five main success factors: application of business practices, collaborative networks, capabilities of the enterprise including structure, strategy, marketing, and systems; supporting resources; and legitimacy that support competitive advantage. Considering internal success factors, SEs in Thailand also had the same factors as international SEs. The main results from this study are shown below:

Shared value: The result reflected characteristics of SE. For example, the organization believes that what it does is valuable to others, and leaders consider business and social objectives as resourceful leaders.

Second, SE in Thailand had SEP as the foundation. For example, the strategy of SE is moderate and reasonable in terms that it neither invests nor runs up excessive debts; leaders and team members have knowledge in social problems; and ethics in terms of solving social problems. This finding aligns with Sansaneewitayakul (2013) and Sommit (2014), who mentioned that SEP impacted SE in Thailand.

Structure: The structure of SE in Thailand was flat and helped the organization make changes quickly. It also engages networks and stakeholders, similar to Wattanamaekhinkul (2007) concept of HO.

System: Learning in the organization was important, similar to characteristics of HO, according to Beckard (2006b). For example, an organization learns and adapts according to the target's behaviors, learns and catches up with current situations, learns and improves from past activities, and encourages learning between leaders and teams.

Skill: Team members had competencies that the organization required. The competency includes a good attitude towards their work, interpersonal skills, and knowledge related to social problems. Moreover, there were more skills required from leaders. Apart from knowledge of social problems, the leader had an entrepreneurial mindset too. The skills required include marketing, financial, and resource management skill. Leadership quality includes perseverance and decisive, too.

Staff: The organization comprises members with expertise in diverse skills. As Rink and Ellemers (2010) said, team members with diverse skills can work together and integrate their knowledge to achieve desired outcomes. Therefore, diversity in team members is also important to the organization's success. Furthermore, leaders and team members have goals that align with organizational goals. This finding is by Alagaraja (2013) stated that organization alignment is important to process and outcome and impacted the goal achievement.

Style: The result showed that the leadership style aligned with transformational leadership. Transformational leadership has four characteristics: idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration. The leadership style in SEs in Thailand encourages and inspires members to achieve desired outcomes, motivating team members to learn and develop, being a coach or mentor, and working closely with the teams. They also had to be responsible and committed to doing SE long-term.

From the discussion, the researchers summarized key success factors of social enterprise in Thailand, as shown in figure 2.

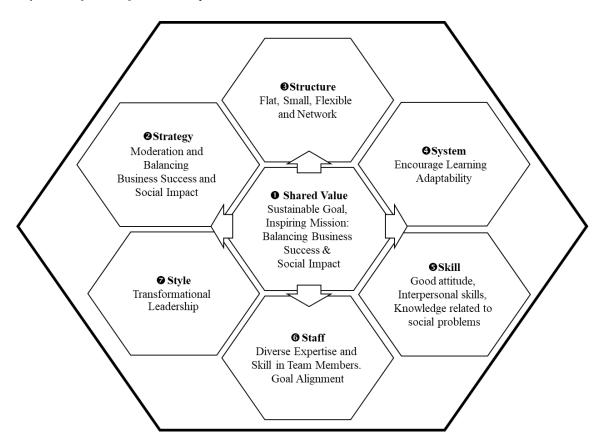
Figure 2
Summary of Key success factors of social enterprise in Thailand

7s: McKinsey 7s Framework	SEP: Sufficient Economy Philosophy	HO: Healthy Organization	Key Success Factors of SE: Social Enterprise
-	- +	- =	:
Shared Value The organization believes what it is doing creates value for others	Morality The members of the organization shared common goals that are to solve social problems	Organization Health The mission is inspiring for business success and social impact  Environment and Social Health The organization does not create negative impact the environment or communities	Sustainable Goal, Inspiring Mission: Balancing Business Success and Social Impact
Strategy The Strategies align with the Sufficiency Economy Philosophy. The organization; neither invests nor runs up excessive debts The organization has clear planned strategies for business growth and scaling up social impact	Moderation and Reasonableness Operate under the condition that the organization has ability to operate  Morality The organization has clear planned strategies for business growth and scaling up social impact	Organization Health Strategic Planning is clear, uncomplicated, and consistent with reality	Moderation and Balancing Business Success and Social Impact
Structure The organization structure is flat, small, and flexible The organization structure enables engagement with networks and stakeholders	Moderation and Reasonableness The organization considers about the appropriate the size of the organization that is effective enough for operation	Environmental and Social Health Customers, suppliers, and partners network are involved with the organization	Flat, Small, Flexible and Network
System The organization learns and adapts according to the target's behaviors		Employee Health The organization have development programs for the employees to improve knowledge and skills	Encourage Learning Adaptability
Skill Leader and team members have good attitude, interpersonal skills and knowledge and related to social problems	Knowledge Knowledge requires breadth and thoroughness and can apply to work	Employee Health Employees are supported to use and improve their skills for personal growth and learning	Good attitude, Interpersonal skills, Knowledge related to social problems
Staff Team members have diverse expertise and skills Team goals are aligned with the organization's goals	Knowledge The organization has high performing leaders and teams		Diverse Expertise and Skill in Team Members. Goal Alignment
Style Leaders work closely with the team and can teach, coach, and guide the team	Knowledge Leaders have ability to decide and guide team members	Employee Health Leaders act as supervisors and trust in team members	Transformational Leadership

From figure 2, the researchers proposed a model of key success factors of social enterprise in Thailand, as shown in figure 3.

Figure 3

Key success factors of social enterprise in Thailand Model



## **Conclusion and Recommendations**

As SEs' objectives are parts of sustainable development goals, the success SEs can result in sustainability. This study explored key success factors of SE in Thailand. The results showed that the concept of Thai SEs aligned with the concept of learning in organization and Healthy Organization (HO), which researchers can study to gain more insights into this area. Moreover, there were similar elements of key success factors between SEs in Thailand and international perspectives, such as using business practices, community connection, and supporting strategy, structure, and system. The key success factors also portrayed The Sufficiency Economy as a Philosophical foundation of Thai SEs distinguished from an international perspective.

The limitation of this research is that it used a semi-structured interview to explore key success factors of social enterprise in Thailand. Therefore, future research can use phenomenology methodology to explore lived experience and gain in-depth information, especially about how to survive in a time of crisis. Furthermore, the quantitative methodology can determine and confirm these key success factors.

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