ความรู้ทางธุรกิจและการสนับสนุนจากภาครัฐที่มีต่อผลประกอบการทางธุรกิจ ของร้านค้าฐานชุมชนไทยที่เข้าร่วมโครงการธงฟ้าประชารัฐ
BUSINESS KNOWLEDGE AND GOVERNMENT SUPPORT AFFECTING BUSINESS PERFORMANCE OF THAI COMMUNITY-BASED STORES IN PRACHARAT-BLUE-FLAG PROJECT

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บทคัดย่อ

วัตถุประสงค์ของงานวิจัยนี้คือ 1) เพื่อจำแนกองค์ประกอบสำคัญในความรู้ทางธุรกิจ การสนับสนุนจากภาครัฐ และผลประกอบการทางธุรกิจ และ 2) เพื่อทดสอบอิทธิพลขององค์ประกอบหลักที่มีต่อผลประกอบการทางธุรกิจของร้านค้าฐานชุมชนไทย ประชากรของการศึกษา คือร้านค้าชุมชนที่ลงทะเบียนเข้าร่วมกับโครงการธงฟ้าประชารัฐในจังหวัดร้อยเอ็ด ข้อมูลที่ใช้ในการศึกษาครั้งนี้เก็บจากผู้ตอบแบบสอบถามที่เข้าร่วมโปรแกรมการฝึกอบรม จำนวน 350 ราย ทำการวิเคราะห์เชิงปริมาณด้วยสถิติเชิงพรรณนา การวิเคราะห์จำแนกองค์ประกอบ และการวิเคราะห์ถดถอยพหุคูณ ผลการวิจัยพบว่า 1) ตัวแปรต้นถูกสกัดได้องค์ประกอบหลัก คือ ความรู้ทางธุรกิจและการสนับสนุนจากภาครัฐ 2) ตัวแปรตามถูกสกัดได้ 3 องค์ประกอบหลัก ได้แก่ มุมมองด้านการเงิน มุมมองด้านลูกค้า และมุมมองผลประกอบการภายใน และ 3) 2 องค์ประกอบหลัก คือ ความรู้ทางธุรกิจและการสนับสนุนจากภาครัฐ มีอิทธิพลอย่างมีนัยสำคัญต่อมุมมองด้านการเงิน มุมมองด้านลูกค้า และมุมมองผลประกอบการภายใน งานวิจัยเสนอแนะว่า ผู้ประกอบการในชุมชนจำเป็นต้องมีความรู้ทางธุรกิจเพื่อสร้างความสำเร็จของกิจการ นอกจากนั้น ภาครัฐไทยต้องให้การสนับสนุนในกลไกที่จำเป็นทางด้านการตลาด การส่งเสริมต่อสาธารณะ และการฝึกอบรม

คำสำคัญ: ความรู้ทางธุรกิจ การสนับสนุนจากภาครัฐ ผลประกอบการทางธุรกิจ ร้านค้าฐานชุมชน

Abstract

The research objectives were 1) to explore the key factors in business knowledge, government support, and business performance, and 2) to examine the effect of the key factors on the business performance of Thai community-based stores. The population of the study was the community stores that registered to the Pracharat-Blue-Flag project in Roi Et province. Data used in this study were collected from 350

respondents who joined the training program. Data were quantitatively analyzed by the descriptive analysis, the exploratory factor analysis, and multiple regression analysis. The results revealed that 1) the key extracted independent variables were business knowledge and government support, 2) there were three key extracted dependent variables including the financial, customer, and internal performance perspectives, 3) the two key factors, business knowledge and government support, significantly influenced the financial perspective, customer perspective, and internal performance. The research suggested that the community entrepreneurs need to have the business knowledge for business achievement. In addition, the Thai government has to support the necessary mechanism in the market, public promotion, and training program.

Keywords: business knowledge, government support, business performance, community-based stores.

Introduction

Thai government tries to implement the sustainable development into all sectors of the country. Community-based stores are very important for Thai people in the local area. Therefore, Thai government must develop and support them for Thailand sustainability both the economics and social development. Ministry of Commerce created the important project to support the Thailand 4.0 Model called the Pracharat-Blue-Flag project. This project was expected to transform the old-style shops in the community to be the source of the necessary products and services for supporting the community life. From this, the Provincial Commercial Office has co-worked with the local University to create the business training program for them. The expectation of this training was to built the entrepreneurs' knowledge in business management, business-related competencies and their confidence to successfully run the community-based stores. From that, the purpose of this study was to examine how the key factors, including key business knowledge and government support, affect the business success of the Pracharat-Blue-Flag stores after passing the core business training program.

Business Knowledge

Business management and knowledge are very important for organizational success. The owner or managers have to focus on the key functions of business doing (Neck & Murray, 2018). Management functions are important for the organizational efficiency and effectiveness. Many studies pointed out that knowledge management worked as a key strategy for organizational performance (Pathirage et al., 2004). The owner and manager need to have the key business knowledge and necessary skills for business success and sustainability including financial management, technology, inventory

and stock management, customer relation, and strategic management (Robbins & Coulter, 2016). Also, they need to understand marketing and sales knowledge especially product knowledge and marketing strategies (Kurtz, 2014). Knowledge usage and knowledge transferring are the most important aspects of knowledge management that impacts organizational performance (Tubigi et al., 2013). This research utilized the key areas to develop the variables for the study including marketing activities and strategies, product management, and store decoration.

Government support

Government support in each country is very important. The government needs to support SMEs and cooperate with universities, and increase the contribution to regional development (Lee, 2011). Watcharakiettisak (2016) noted that the collaboration of all sectors including community, universities and government can operate and develop the community strengthening. Both direct and indirect forms, government support has a positive impact on the firm development especially for R&D and innovation (Petrin, 2018). According to Eniola & Entebang (2015) research, government policies and regulation could support or restrict the SMEs performance. Kuguru (2016) pointed out that government support was related with SME performance. Also, the study of Raravi and Timmanagoudar (2014) concluded that the government support had a relationship with SMEs development and performance. This research utilized the government support variable focusing on the stimulation of consumption and market, the promotion of image and public relation, and providing the training & development program from the government.

Business performance

The authors utilized the four perspectives of the balanced scorecard as the business performance perspective in community-based stores. Balanced scorecard was utilized in the early 1990s by Robert Kaplan and David Norton and became the key one of productivity monitoring and evaluation in many fields. This concept uses both financial and non-financial measures like customer and internal process perspectives (Cobbold & Lawrie, 2002). Many studies explained the benefits of balanced scorecard measurement in all sectors (Chavan, 2009; Dahiru & Malgwi, 2014; Madsen & Stenheim, 2015). Thus, this study used the four perspectives (financial, customer, internal process, and learning & growth) for the dependent variable.

Conceptual framework

After reviewing the literatures, the study proposed the conceptual framework in Figure 1. Two independent variables were the business knowledge and government support. Dependent variable was the business performance. The authors used the four perspectives of balanced scorecard as the business performance.
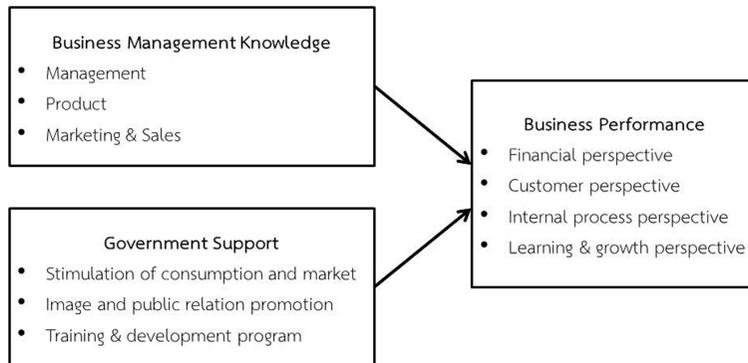
Figure 1 Conceptual framework

Based on the above information, the main objectives of this research are 1) to explore and redefine the key factors in business management knowledge, government support, and business performance, and 2) to examine the key factors influence on business performance of Thai community-based stores.

Methodology

Population and sample

The target population in the study was 743 small businesses and community enterprises that registered to Pracharat-Blue-Flag project in Roi Et province and took the core business training program from Roi Et University. According to the sampling technique of Cochran (1977) at the confidence level and error of 95% and 5%, respectively, the sample size of 253 responses was expected. The authors used purposive sampling for data collection with the entrepreneurs that participated the training at Roi Et University in August 2018.

Research tool

The structured questionnaire was developed for the data collection. Its items have designed from the literature review in the main three aspects – business knowledge, government support, and business performance. The authors used the five point-Likert type scale ranging from "strongly disagree" to "strongly agree" to complete the questionnaire survey. For content validity analysis by using Item Objective Congruence (IOC), the questionnaire was checked by three business experts and researchers. A reliability analysis, Cronbach's Alpha test, was performed for all factors. The value above .70 indicated an acceptable reliability (Brace et al., 2012). The specific items of the questionnaire were depicted in Table 1.

Table 1 Questionnaire items and codes

Code	Items
Business knowledge	
X1	Customer relation and services
X2	Accounting and financial management
X3	Technology management
X4	Product selection and ordering
X5	Inventory and stock management
X6	Product display and store decoration
X7	Differentiation strategy
X8	Marketing activities and 4Ps strategies
X9	Link with the local and community products
Government support	
X10	Consumption and market stimulation
X11	Image promotion and public relation
X12	Training and development
Financial performance	
F1	Expense and cost reduction
F2	Debt control
F3	Asset gain
F4	Capital gain
F5	Revenue growth
F6	Profit growth
Customer perspective	
C1	Customer loyalty and engagement
C2	Customer satisfaction
C3	Customer relation management
C4	Customer compliant reduction
C5	New customer gain
Internal process improvement	
I1	Customer communication improvement
I2	Planning improvement
I3	Product distribution improvement
I4	Return product reduction
Learning & growth perspective	
L1	Work skill improvement
L2	Technology competence
L3	Effective store management
L4	ICT implementation

Statistical analysis

The authors ran the descriptive analysis of the participant characteristics. After then, the exploratory factor analysis was employed to extract the key factors. Thereby, using Principle Component Analysis with Varimax rotation was performed. Finally, the multiple regression analysis was used to examine the effect of the independent variables on the business performance as the dependent variable of this study.

Research results

The total of 350 usable questionnaires were used for the analysis. Descriptive statistics, the exploratory factor analysis, and multiple regression analysis were performed.

Descriptive analysis

The descriptive analysis described the key characteristics of respondents who joined the business training program. As it showed in Table 2, responses from 45.1% of male and 54.9% of female respondents were obtained. Within the age group of 36 years and above, about 74% of respondents were covered. The result indicated that a majority of respondents was an undergraduate degree and the largest percentage of income group was less than 900 USD (42.3%).

Table 2 Sample characteristics

Categories	Frequencies (Percentage)
Gender	Male 158 (45.1%); Female 192 (54.9%)
Age	< 26 years 24 (6.9%); 26-35 years 66 (18.9%); 36-45 years 128 (36.6%); > 45 years 132 (37.7%)
Degree	Undergraduate 206 (58.9%); Bachelor degree 128 (36.6%); Postgraduate 16 (4.6%)
Income	< 900 USD 148 (42.3%); 900-1,800 USD 76 (21.7%); 1,800-2,700 USD 44 (12.6%); > 2,700 USD 82 (23.4%)

Exploratory factor analysis (EFA)

The research used the exploratory factor analysis for the factors extraction.

EFA in the independent variables

The Kaiser-Meyer-Olkin (KMO) measure and Barlett's test were run to test the data validity. The KMO value closer to 1 is better and Bartlett's test indicates that the data are factorable if $p < .05$ (Brace et al., 2012). It found that KMO measure was .924. This showed a solid indicator of the data validity. And Bartlett's test of the IV was $p < .05$. The two factors with eigenvalues greater than 1 were extracted and explained a total variance of 62.8% in the data. The results of the factor analysis were presented in Table 3.

Table 3 Rotated component matrix of Independent variables

Variables	Components	
	1	2
X1	.619	
X2	.586	
X3	.687	
X4	.705	
X5	.755	
X6	.769	
X7	.705	
X8	.759	
X9	.570	
X10		.871
X11		.875
X12		.821

Next, the reliability was analyzed by Cronbach's alpha. As can be seen from Table 4, the Cronbach's alpha values have exceeded .70 for all extracted factors. This indicated the internal consistency of the measures.

Table 4 Reliability analysis for independent variables

Variables	Number of items retained	Cronbach's alpha
Business knowledge	9	.898
Government support	3	.899

EFA in the dependent variables

It found that KMO measure of the dependent variables was .931 and Bartlett's test was $p< .05$. The three factors with eigenvalues greater than 1 were extracted and explained a total variance of 62.3% in the data. The results of the factor analysis were presented in Table 5. It found that I4 variable was not extracted and not included in any factors. Next, the reliability was analyzed. The result showed in Table 6, the Cronbach's alpha values have exceeded .70 for all extracted factors. This result indicated the internal consistency of the developed measures.

Table 5 Rotated component matrix of dependent variables

Variables	Components		
	1	2	3
F1	.595		
F2	.805		
F3	.717		
F4	.805		
F5	.676		
F6	.625		
C1		.679	
C2		.709	
C3		.641	
C4		.703	
C5		.565	
I1			.604
I2			.706
I3			.627
L1			.741
L2			.667
L3			.833
L4			.759

Table 6 Reliability analysis for dependent variables

Variables	Number of items retained	Cronbach's alpha
Financial perspective	6	.898
Customer perspective	5	.836
Internal performance perspective	7	.899

Multiple regression analysis

The study ran the multiple regression analysis in order to investigate how the key extracted factors, business knowledge and government support, affect the business performance in three new extracted performance perspectives (financial, customer, and internal performance perspectives). The results showed in Table 7-9.

Table 7 Results of regression analysis: Financial perspective as dependent variable

Variables	Financial perspective	
	β	Sig.
Constant	1.529	.000***
Business knowledge (Knowledge $_{Business}$)	.402	.000***
Government support (Support $_{Government}$)	.190	.001**
F	66.196	
Sig. of F	.000***	
Adjusted R^2	.272	

Remark ***, ** it is significant at the .001, .01 level, respectively.

From Table 7, the result of regression equation testing showed that the business knowledge and government support jointly explained 27.2% of the total variance of the financial performance. Both two dimensions were found to be positively and significantly related to financial performance, which is business knowledge and government support. The multicollinearity was assessed using Variance Inflation Factors (VIF). Since VIF was less than 5 for both the business knowledge and government support (VIF of the business knowledge was 1.792 and VIF of the government support was 1.792), this indicated that there was no multicollinearity problem in the estimated regression equation (Hair, Black, Babin, & Anderson, 2014). Thus, the regression equation was the following one:

$$Financial = 1.529+0.402Khowledge_{Business} +0.190Support_{Government} \dots\dots\dots\dots (1)$$

Where Financial = Financial performance perspective, Khowledge $_{Business}$ = Business knowledge, Support $_{Government}$ = Government support

Table 8 Results of regression analysis: Customer perspective as dependent variable

Variables	Customer perspective	
	β	Sig.
Constant	1.529	.000***
Business knowledge (Knowledge $_{Business}$)	.438	.000***
Government support (Support $_{Government}$)	.152	.006**
F	65.771	
Sig. of F	.000***	
Adjusted R^2	.271	

Remark ***, ** it is significant at the .001, .01 level, respectively.

The result of regression equation testing as shown in Table 8 revealed that the business knowledge and government support jointly explained 27.1% of the total variance of the customer performance. Both two key variables were found to be positively and significantly related to customer performance. After the multicollinearity testing, VIF was less than 5 for both the business knowledge and government support, it found that there was no multicollinearity problem in the estimated regression equation (VIF of the business knowledge was 1.792 and VIF of the government support was 1.792). The regression equation as follows:

$$\text{Customer} = 1.529 + 0.438\text{Khowledge}_{\text{Business}} + 0.152\text{Support}_{\text{Government}} \dots\dots\dots(2)$$

Where Customer = Customer performance perspective, Khowledge $_{\text{Business}}$ = Business knowledge, Support $_{\text{Government}}$ = Government support

Table 9 Results of regression analysis: Internal performance as dependent variable

Variables	Internal performance	
	β	Sig.
Constant	1.585	.000***
Business knowledge (Knowledge $_{\text{Business}}$)	.426	.000***
Government support (Support $_{\text{Government}}$)	.179	.000***
F	99.467	
Sig. of F	.000***	
Adjusted R^2	.361	

Remark   *** it is significant at the .001 level.

From Table 9, the result showed that the business knowledge and government support jointly explained 36.1% of the total variance of the internal performance perspective. Both two dimensions were found to be positively and significantly related to the internal performance. The multicollinearity was assessed. It found that VIF was less than 5 for both the business knowledge and government support (VIF of the business knowledge was 1.792 and VIF of the government support was 1.792), this indicated that there was no multicollinearity problem. Finally, the following equation was developed and proposed as followed.

$$\text{Internal\_perf} = 1.585 + 0.426\text{Khowledge}_{\text{Business}} + 0.179\text{Support}_{\text{Government}} \dots\dots\dots(3)$$

Where Internal_perf = Internal performance perspective, Khowledge $_{\text{Business}}$ = Business knowledge, Support $_{\text{Government}}$ = Government support

Discussion and Conclusion

The purpose of this study was to explore the key factors of business management and to examine the effect of the key factors on business performance perspectives in Thai community-based stores. The research provides empirical evidence that 2 key factors, business knowledge and government support, were positively influenced the business performance in three dimensions – financial, customer, and internal performance perspectives. The final research model is shown in Figure 2.
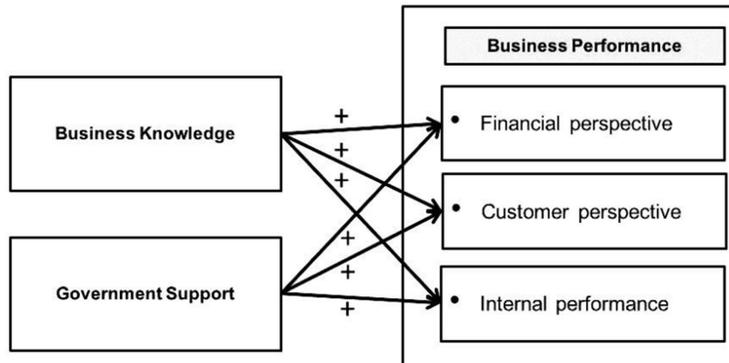

Figure 2 Final research model

The research findings suggest that the business knowledge including the business management, the product management, and the marketing & sales management have a positive effect on all three dependent variables of the business performance. Also, the government support in the necessary things like business training and development, market stimulation, and public promotion, is the key factor affecting the business performance in the community-based stores. This provides further support the literature, which suggests that the business knowledge and government support are the key critical factors to achieve the business goals, both financial and non-financial evaluation, and to be the success in the Thai government project for the community sustainability policy. This finding was supported by Tubigi et al. (2013) who stressed knowledge usage and knowledge transfer are the most important aspects that affect the organizational performance and also supported by the study of Watcharakiettisak (2016) which concluded that the collaboration of the community with universities and government can successfully develop the community strengthening.

Research implications

The managerial implication of this study is that the community entrepreneurs need to have the business knowledge for business achievement. Also, the Thai government has to support the necessary things such as the mechanism in the market, public promotion, and training program. This will help the community entrepreneurs about the improvement of their business knowledge, key competencies, necessary skills, and also the business-related confidences.

This study conducted the survey in a single area which could limit the applicability of the results to other contexts. Nonetheless, it should be noted that further investigation needs to be conducted in other areas of Thailand. It is expected that the community-based stores in the different area may have different key success factors.

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