

Abstract

In 2005 The Small and Medium Business Enterprises has been played an important role in the Thai economy up to 99.5% of overall business enterprises which were the major sources of Gross Domestic Product and manpower and to protect the monopoly in the economy system. However in 1997-1998, Thai economic crisis effected Small and Medium Business Enterprises were lack of capability in the Free Trade Agreement System. The government was involved and promoted the strategy to sustainable business development based on international standard process which is based on the growth of quality of social development with intellectual approach, knowledgeable, co-operation and sharing, but in practical still did not reach the target yet. For that reason, the study is seeking for a new method to solve these problems by adapting the Corporate Social Responsibility Theory (CSR Theory).

The study is based on objective: the sustainable business development which contains CSR concept and model, CSR process design, human resources management in CSR practices, entrepreneur or chief executive officer's knowledge and understanding with concept and criteria for success. The research method used in mix methodology, qualitative and quantitative approaches and development research. The qualitative survey based on in-depth interviews, observation and structural interview and data are analyzed by the triangulation research method, of sampling 3 groups one the leader opinions, one the Small and Medium Business Enterprises who successfully used the concept and finally, the one who is and interested or used this concept.

The research result is that Small and Medium Business Enterprises must use corporate social responsibility (CSR) to develop sustainable competitiveness. The Small and Medium Business Enterprises must voluntarily reach deep into its conscious to adopt CSR permanently not because it is a fad from inside out, but because CSR is a rightful undertaking providing joy in assisting all stakeholders, business alliances and networks at every level. To obtain corporate governance, operational effectiveness and sustainable growth, Small and Medium Business Enterprises must implant a conscious

desire for advancement by developing a learning organization, creating a scheme for sharing, participation, and involvement, and devising method for linking interaction from inside out as well as from outside in. This leads to a peaceful working cooperation with a powerful community, enabling the organization to develop a socially responsible and a giving corporate culture, setting the standard for other organizations to follow. It also paves the way for congregation of volunteers working for community service, resulting in accumulation of knowledge obtained from working cooperation, and generation of new creativities and mutual support between the organization and the community, bringing mutual happiness to the organization as well as the community, and a sense of belonging to the community for both. Embracing CSR by Small and Medium Business Enterprises to obtain sustainable growth and development requires thorough understanding of CSR and firm commitment by the highest level of business leadership in formulating business vision, mission, business practices and processes that are socially responsible to produce goods and services. To be successful volunteers doing community service work must be formed and methods for bringing feed backs and results for adjustments and improvements must be implemented and reviewed regularly.

To obtain sustainable growth and development, top management must demonstrate a firm commitment to CSR by setting examples and standards for CSR practices, developing a learning organization, implanting CSR as a corporate culture at every level of leadership, and most importantly by demanding that all employees, business alliances and networks consciously practicing CSR religiously. The success of CSR implementation is measured by gauging employee happiness, continuity of CSR as corporate culture, breadth of networks and alliances practicing CSR, and effectiveness of communication.

Furthermore, this study finds that with firm commitment and initiation from the top leadership, Small and Medium Business Enterprises can implement CSR immediately after recognizing the need to be socially responsible because CSR is practiced from within the organization out to the community. After CSR is embraced and accepted throughout the organization, the role of the top leadership turns from

initiator to supporter. This study finds additionally that practicing CSR reduces cost, increases confidence and pride among customers and employees. For Thailand, agencies that are responsible for CSR must implement CSR within themselves to gain thorough understanding before advising to and helping Small and Medium Business Enterprises implement CSR. These agencies must constantly promote CSR by disseminating accurate CSR knowledge to the public as well as publicly recognizing organizations that are doing good deeds for the country.

