

Excellence in Practice 2019

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Hardwiring social responsibility and sustainable innovation in the DNA





Thailand is facing the challenge of innovating in the global economy while suffering severe structural inequality, an ageing population and poor governance. However, Thai businesses know well that more needs to be done to boost human capital, broaden access to education and skills, and ensure that future economic growth benefits everyone.

In a bid to tackle these challenges, successive Thai governments have sought to develop human capital, reduce inequality and strengthen environmental protection. Significant welfare gains have been achieved but regional inequalities still loom large. Community enterprise is a critical element of government development strategy. Thousands of community enterprises have been launched across the country, producing numerous products, but the vast majority underperform because of very basic flaws in marketing, production processes, accounting, labour management and collaboration.

The “Thammasat Model”, described below, presents an exciting opportunity for organisations to reimagine their connections with communities as engines of sustainable innovation and prosperity with potential benefits for the entire nation.

Collaborative synergies

The story begins in 2013 with the formation of the Community Partnership Association (CPA) between five of the most significant industrial operators (PTT Group, SCG, BLCP, DOW and ENGIE) in the Map Ta Phut area of Rayong province, Thailand. The partnership aimed to co-ordinate and enhance CSR activities to successfully develop local talent, strengthen grassroots links and give something positive back to communities. Unfortunately, CPA programmes

faced three main challenges: lack of sustainability; ineffective stakeholder engagement; and lack of innovation. The resulting failure and demoralisation prompted two CSR managers, Monchai Ruksujarit and Natthaphon Silakoo, to look around for novel solutions to these challenges.

Like the CPA, Thammasat University has a keen interest in social responsibility. Sustainability and community involvement have always been at the heart of the university's work. Thammasat Business School (TBS) brings this remit into the corporate world. TBS is renowned for its grasp of business sustainability but also innovative delivery methods – coming especially through the new TBS curriculums.

However, as a learning institution, the university can at times seem like an Ivory Tower, far removed from the reality of day-to-day business. Therefore, TBS is always looking for ways to make its programmes more practical and relevant to the real world.

With this in mind, Thammasat University has long worked with communities to engage students with issues of business development and sustainability. Compulsory subjects such as TU100 Civic Education and Business for Society are examples of TBS course innovation concerning social responsibility and sustainability.

Students have to provide community service and development through a real practice project-based course under the supervision of TBS faculty. Students are expected to engage closely with small businesses in rural areas to research, improve and develop products and improve business management for sustainability. This approach is called the Thammasat University Model (TU Model).

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"Monchai Ruksujarit read about the Thammasat Model in an article by Wittaya Damrongkul, a member of TBS faculty. His ideas about economic development and trading seemed to answer the CPA purpose of advancing the grassroots economy. Therefore, we met TBS in 2015 and signed the first MOU with TBS in 2016 to develop community enterprises in the same direction. After years of limited progress, suddenly everything came together."

Natthaphon Silakoop,
CPA, Reflection on the TU Model

When the CPA became aware of the TU Model, it saw an opportunity to collaborate to the benefit of all stakeholders- the communities, Thammasat students and the CPA. The purpose of the alliance was to co-ordinate CSR activities for communities in the Rayong area with the mission to raise the well-being and quality of life of people in the communities by focusing on the application of knowledge, technology, innovation and management from the industrial sector. The idea was to go "beyond CSR " and realise the full potential of the communities by synergising the complementary strengths of the relevant parties.

The Thammasat Model (TU Model) creates a mechanism for the three stakeholders to collaborate in the delivery of effective CSR projects. The initiative creates high-impact, sustainable community-centred enterprises based on grassroots participation. As an L&D initiative, it combines executive, professional, talent and organisation development domains. All TBS students, domestic and international, participate in a community project as part of their core credits.

The CPA screens projects for entry, provide funding to support students and mentor participants. Projects typically last five to seven months. The goal of students and mentors is to work alongside the community to help it realise its full potential while developing their business acumen.



As a whole, the initiative aims to create high-impact, sustainable community-centred enterprises based on grassroots participation. The impact of the TU Model spans three levels: individual stakeholders in each project; local, university and business communities; and regional, and national levels.

Impact and momentum

So far, over 20 local projects have been conducted under the CPA-TBS partnership involving over 100 TBS students. Generally, the community enterprises have demonstrated exponential increases in their turnover, profitability and other measures. The involvement of the mentors and particularly the students have transformed businesses that were close to failure. In the 18 months since the start of the project, only two projects have fallen apart and the product discontinued, giving the TU Model a success rate of over 80%.

Despite the involvement of large academic and corporate institutions, multiple stakeholders and an ever-increasing number of projects, the TU Model succeeds because it moves individuals to make tangible changes, however small they might seem.

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In 2019, 12 projects have already been completed. This represents 12 communities, hosting over 120 TBS students, developing over 18 new products, and impacting over 12,000 community members, across two regions of Thailand



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By the end of 2019, over 160 community projects will have been completed all over Thailand, involving nearly 1,500 students, on multiple products, and numerous other stakeholders

For the communities, the development of basic business literacy can have a profound impact, once the right way to communicate it is found.

For CPA mentors, the model offers the chance to be part of a genuinely sustainable grassroots enterprise, doing “real” CSR.

For the students, the project offers a means to connect deeply with community members. Because of their sincerity and lack of cynicism, the community members feel more comfortable to work alongside people they come to think of as being like their own children. In this way, the model creates huge levels of commitment and momentum behind each project, which account for the many dramatic success stories.

For example, a project in Ratchaburi province, where most people were employed in sugar cane, has provided a community with an impressive regular income to supplement their insecure agricultural wages. Under the TU Model, students helped the community transform a tired sun-dried banana snack, grown only for household consumption into a new creative brand of wrapped, dried bananas, or ‘Kae-Kin-Kuay,’ in Thai, aimed at the lucrative tourist market. While the students assisted with the marketing, the CPA partners

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worked with the locals to source technical and financial help for packaging and processing. As a result of the project, the product sales price rose by 300%, and sales increased by 800%, in the first three months of the project. This is just one of many TU Model projects transforming communities and livelihoods up and down the country.

Attracted by these kind of successes, 13 more companies applied to join the CPA, bringing its membership from five to 18 members. This added bandwidth means that In 2019, 12 projects have already been completed. This represents 12 communities, hosting over 120 TBS students, developing over 18 new products, and impacting over 12,000 community members, across two regions of Thailand, Rayong in the east and Kanchanaburi in the west.

Perhaps the most significant impact of the programme has been its scalability. In 2018, 16 more universities across the country agreed to come under the TU Model to make it a truly national project. By the end of 2019, over 160 community projects will have been completed all over Thailand, involving nearly 1,500 students, on multiple products, and numerous other stakeholders. Through this mechanism, in the longer term, social responsibility and sustainable innovation will be embedded into the DNA of the entire country.

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