

## **The New Paradigm for Agricultural Co-Operative Management in the Northeastern of Thailand**

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**Abstract:** The objectives of this research were to study the new paradigm for agricultural co-operative management in the Northeastern of Thailand. To study the tri-party management for agricultural co-operative management in the Northern of Thailand. To find out the new paradigm for agricultural co-operative management in the Northeastern of Thailand. The mixed method approaches were used. In the qualitative study, 11 experts were selected as purposive samplings by using in-depth interviews and 30 co-operative administrators, managers and members were selected as focus group. The content of data were conducted and analyzed by Descriptive Method. The quantitative study of 147 executive officers were selected from the total of 386 members of co-operative, the multi-stage sampling were used. The data collections were the questionnaire method. The statistics used to analyze the data were percentage, means and standard deviation. The research findings were: The study found that the old paradigm of co-operative management was concentrated on the official rules and regulations of the co-operative management which caused the inconsistency in management process. It created the atmosphere of not having the accountability, transparency and flexibility which led to corruption in co-operative organization. The quantitative data has indicated that the tri-party co-operative management was lack of integration, shiftless, incompetency of modern management. They were not being able to understand the spirits of team building management. The principles of good governance were not used. The new paradigm of co-operative management should be composed of the followings: Overhaul the existing co-operative management to meet check and balance sheet of co-operative accounting set the time table of management of co-operative organization to survive and make a profit by way of learning and seminar in modern management and to become the proactive leaderships advocate the using of good governance and ethical code of conduct and enforce to use the severe austerity law for ceasing the rampant corruption recruit for the new talent team to be wholeheartedly to manage and to lead the co-operative organization with high aspiration by using know-how and know-why in co-operative management effectiveness.

**Key words:** Paradigm, agricultural co-operative management, corporate governance committee, check and balance, Thailand

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### **INTRODUCTION**

**The importance and origin of the problem:** Agricultural co-operative is also of importance to the economic integration of farmers as well (Giagnocavo *et al.*, 2012). And it is very important to the economy at the grassroots level a group of farmers. Co-operatives have a role in Thailand is very large and has evolved continuously throughout. The purpose and policies for the establishment of co-operatives has been changed and updated to suit the needs of business and society and the country as can be seen from the year 1998. Thailand

suffered a severe economic crisis affecting so much of some of businesses cannot continue to have a financial institution that is a problem but the co-operative is an organization of business and financial organization. However, the economic crisis has affected very little by most business and provide services to its members continue to be confident that the co-operative is an organization of business and to strengthen co-operative security, economic and social progress of the country (Galdeano-Gomez *et al.*, 2011). As a co-operative played an important role. Agricultural co-operatives play an important role, especially as a lot. To improve the quality

of life of people in rural areas. Because the activities of agricultural co-operatives to viewing the family farm in rural social economic status and quality of life improved (Giagnocavo *et al.*, 2010). And providing education and training. Members of the co-operative members have the knowledge about how to produce and market the collective enthusiasm for the profession. Because of the potential seen by the agricultural co-operative activities. Current the co-operative has been divided into 2 categories:

- Agricultural co-operatives include agricultural co-operatives, fishery co-operatives, estates
- A co-operative agriculture shop. Co-operative savings and credit co-operative union (Information Co-operative

The management of agricultural co-operatives. Consist of three divisions: Administration with member and action committee will consist of one person and a number of committee. Which is elected by the members in the general meeting of the co-operative, have powers and duties all operations of the co-operative in accordance with the laws, regulations, rulings and regulations of the co-operative. But, most of the board current operation will be modified in the same series. New members are not elected to the action committee; management consists of managers, assistant managers and personnel who work in different locations. The mission of the co-operative, the position of manager of the co-operative may employ a manager or a designated period of time was acting as the general manager. And responsible for the affairs of the co-operative manager of the co-operative but most of the positions with no fixed term of employment. Department officials, department officials were co-operative. Who belong to are recommended, help, encourage action committee and employees of co-operatives. Working within the framework of law, rules and regulations of the co-operative. The rates are less.

So, the overall picture of Thailand's agricultural failure occurs. Due to co-operative corruption problems/bugs. Information that is necessary to make a systematic research study. And researchers realize the importance of education to the target population and poverty monotony. It is an area with a number of agricultural co-operatives all over the country. Therefore, the study area in the Northeast.

**Purpose:**

- The original paradigm of management co-operatives Northeast
- Characterization of the tripartite co-operative management Northeast

- The new paradigm for the management of agricultural co-operatives Northeast

**MATERIALS AND METHODS**

**Population sample:** This study recruited, specialist, academic and those involved in the management of agricultural co-operatives from 2 province total 8 co-operatives. Khonkhan Province is:

- Banpai co-operative limited
- Nanongtum co-operative limited
- Choomchonwangsang co-operative limited
- Tombonchonnabot co-operative limited, Burirum Province
- Khoomaung co-operative limited
- Hanchyjunghun co-operative land reform limited
- Chomchonbansarathee co-operative limited
- Praroobbukeeleak co-operative limited

Population and sample, those involved in the management of co-operatives. In order to encourage the achievement of management in agricultural co-operatives. These events were divided into 4 groups. Group 1 is a study to collect qualitative data through in-depth interviews of the provincial co-operative department. Purposive sampling, provincial officials were co-operative of 11 members. Group 2 storage research focus group by using sample questions from the official provincial co-operative management and the management of the co-operative in a sample of 25 provinces and 1 times the total number of 50 people. Group 3 group, the researcher will collect data from a query in the form of feedback. Samples in various co-operative. In the co-operative management of 98 people. The co-operative management of 49 people and the 386 members of the co-operative total of 533 people.

**Instruments used in this study:** Instruments used in this research is divided into 2 types: To store quantitative data consists of questionnaires. The research was developed within the framework of the principles of good governance. Essentially the threefold training and Human Resource Management (HRM) in the creation and development of co-operative management. To collect data from the sample used in this study, divided into 4 sections. Part 1 management co-operative and management party members. A questionnaire about general information of the respondents. Part 2 is a general query about co-operatives. Part 3 is a survey on the role of agricultural co-operatives in the Northeast. Part 4 is a query regarding the administration of the main principles of good governance and the threefold training. And the

qualitative data consists of interview is a kind of in-depth interviews with structure in-dept interview, focus group, in-dept interview, educational programs modeling paradigm management co-operative. To establish and develop co-operative management.

**Data collection:** Determining the course of research into 2 parts, the 1st part is the quantitative study to achieve reliable empirical data. Analyzed to determine the reasons for the relevant qualitative information. Block weaknesses of the data and the part 2 qualitative study. To understand the importance of the study in detail and breadth of content, the study is complete. As well as in qualitative research to understand the depth information with a detailed analysis can be carried out in a analytic induction.

The quantitative data collected by questionnaire. The research was developed within the framework of the principles of good governance, essentially threefold and HRM. In the creation and development of co-operative management. To obtain information from various co-operatives in the sample. The 386 members of the co-operative.

The collection of qualitative data, depth interviews, using a structure in-dept interview. Department of provincial co-operative officer, purposive sampling, provincial officials were co-operative of 11 members. And focus group discussion of samples in various co-operative. In the management of the co-operative. The key expert information 98 people. And focus group discussion and inquiry, modeling paradigm management co-operative. To establish and develop co-operative management of samples in various co-operative. The co-operative management of 49 persons.

## **RESULTS AND DISCUSSION**

**The original paradigm of co-operative management:** The problem with management of agricultural co-operatives in the Northeast are: The establishment of agricultural co-operatives. The establishment of agricultural co-operatives formed by different needs. Management will vary according to the purpose of the establishment of co-operatives. Which affect policy and in order to establish a co-operatives merger has not resulted from want of experience. Management of agricultural management largely depends on the size and the availability of resources of the co-operative. Which refers to the number. Doing business diversity, more important is the availability of personnel and administrative management. The results of the implementation of the agricultural co-operatives to operate without profit to its highest setting. But, the aim is to be a better member. The

key is to adhere to the faithful. Honesty and transparency in the implementation process. The problems and obstacles of management. The support of the government, co-operatives also shown to depend on government funding, especially with the various demands of their inability to rely on themselves. The problem of the government can not do it fully. Because the laws and regulations are open and fully independent organization. Resource issues including the amount of government personnel.

**Characteristics the tripartite management of co-operatives, agricultural found:** The role of the executive committee. Administrative has no knowledge, understanding of their role perfectly. The lack of continuity and commitment in the management of the co-operative. The cause for co-operative management is not as efficient as it could be. The role of the authorities. The management is unable to fulfill the role. Their duties properly, they also have limited knowledge necessary to perform in order to create value. The role of the co-operative members did not understand the role, their duties and the lack of knowledge and understanding of the co-operative. Do not pay attention to and co-operation with businesses and co-operatives, lack of loyalty to the co-operative. These characteristics impede the operation of the co-operative. The role of government to support agricultural co-operatives in the Northeast, most of the help and support roles. Than the previous policy of the department to assist the co-operative's actual needs.

**Manage the achievement of good governance principles of agricultural co-operatives in the Northeast:** Agricultural co-operatives have found that the principles of good governance in the management of the introduction and promotion of the year 2551 under the co-operative development of effective business management in the farm. But, due to the lack of understanding and co-operative and the lack of knowledge of the program can not continue to co-operative with both attention and effort to the principles of good governance, management of agricultural co-operatives. Despite expectations to the principles of good governance in the executive management of agricultural co-operatives is higher than the average of the actual implementation of both the overall and the personnel which may be due to both a lack of knowledge. Understanding the principles and practices for the implementation of the right.

The new corporate governance model management of agricultural co-operatives agreement with the principles of good governance in the management of agricultural

practices seriously and systematically. In particular, the management is required to apply the principles of HRM in order to build morale and motivate performance. Although, the co-operative structure is not conducive to the advancement of the profession. But, people are ready to research in full capacity, it is not taken care of appropriate care. The acquisition of knowledge and compatibility with continuously changing circumstances and the third parties agree to maintain the 5 precepts and the principles of good governance. This will allow the co-operative to moral and social adjustment and can be treated as a good leader. Researchers have also developed a series of actions that lead to the development of Quality Assurance (QA) for agricultural co-operatives in the form of co-operative house of quality.

Co-operative development to QA shown in Fig. 1. Based on the model of co-operative quality home that will lead to achievement of ethics corporate governance committee. Research and development is done with this process.

The development paradigm shift to the executive committee. The management and personnel have a consistent conceptual framework or paradigm and the changes will be a sense of urgency to the problem. And everyone must be prepared to be open-minded. Accept new and changed by the new paradigm is ethical governance.

The images together should make clear that the co-operative will be positioned to the point where selling anything. What will good (Intrinsic Products and Technology). This should be a product or production techniques to co-operative operations with strengths and growth opportunities in the future. Through brainstorming by all parties, the board of directors, management, personnel and stakeholders to achieve the co-operative must have a core competency in 7 ways.

The development of common point and commitment. When it is clear that co-operatives will target its product

or service. And the position of the organization at any point in the present and the future. All parties by the commission. Will require commitment and development. Communicated to all parties participating in the co-operative, understanding and acceptance. It is all based on the accept and appreciate the goal or vision that has created together.

The roof into a co-operative quality was supported by the 3 pillars. Information and documentation system to develop co-operative information systems to give the information and the knowledge because this level will lead to the effective operation of the board of directors. Co-operatives should be the development of Management Information Systems (MIS) and the system, everything is documented, regulations or practices.

Team work co-operative activities, all of them will need to be smooth and well coordinated team will be driven in the development of co-operative problem solving.

Since, the implementation of Article 1-6 will lead to the achievement of ethics corporate governance committee. The quality level that can compete. This will enable quality assurance and co-operative system into good governance.

## CONCLUSION

Co-operative education problems that can not be managed in accordance with such guidelines. Due to the lack of transparency in business management, management of the co-operative. Limits of government officials to monitor the operation and consultation on the implementation of the agricultural co-operatives. Limit performance management, administrative management. Despite the promotion of good governance principles in the management of agricultural co-operatives. However, lack of knowledge of the business practices that will contribute to the achievement. Lack of mechanisms to promote participation in the management of agricultural co-operatives or those who is involved (Henson *et al.*, 2011; Schipmann and Qaim, 2010). The lack of checks and balances as well. And problems in the management of agricultural co-operatives in the 5 major areas:

- The establishment of agricultural co-operatives
- Management excellence
- The results of the process
- The problems and difficulties of management
- The support of the government

Tripartite management of agricultural co-operatives in the Northeast. Management has no knowledge,

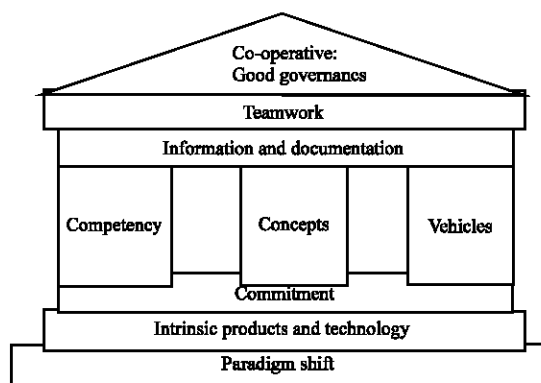


Fig 1: Co-operative house of quality (QA)

understanding of their role perfectly, the lack of continuity and the aim of management of the co-operative. The cause for co-operative management is not as efficient as it could be. The administrator is unable to fulfill the role, their duties properly. They also have limited knowledge necessary to perform in order to create value. And enhance the competitiveness of the co-operative. The members of the co-operative members did not understand the role. Their duties and the lack of knowledge and understanding of the co-operative. Do not pay attention to and co-operation with businesses and co-operatives. These characteristics impede the operation of the co-operative. Provides support agricultural government in the Northeast, most of the help and support roles. Than the previous policy of the department to assist the co-operative's actual needs (Francesconi and Heerink, 2010; World Bank, 2006).

Achieved by management principles of good governance of co-operatives in the Northeast. Depending on the factors that affect the quality of agricultural management. Factors and performance management paradigm, management and personnel. The role of those involved in agricultural business form factor management of HRM and promote virtue, ethics in management.

The new corporate governance model management of agricultural co-operatives. QA system to help with the management principles of good governance. HRM is a management approach that has characterized their participation in the management of a house of quality. The guidelines for the management of agricultural co-operatives to compete, survival and sustainability in the future. The principles of good governance in the management of agricultural seriously and practices in a systematic way. In particular, management is required to apply the principles of HRM in order to build morale and motivate performance. The conclusion is problems in co-operative society or in the real primary. As a matter of religious belief which is one component. In the main, the focus of religious morality an important part. Which makes the co-operative society to moral and ethical and can be treated as a good leader.

### RECOMMENDATIONS

The structure in modern times global economy has entered a new economy. The competition is based on the economy of speed is the same economy of scale. Should be reviewed and updated in line with changes over time. The regulations concerning the election of the board of directors to be replacing every 2 years.

The process co-operative promotion department should develop a QA in the form of co-operation similar to a quality assurance system ISO 9000:2008.

The management personnel, co-operative promotion department should define core competency desired believed to be able to walk to the co-operative progress.

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