

Innovation Management and Sustainable Development: A Case Study of Cheewawithee Community Enterprise at Namkian, Phupieng, Nan in Thailand

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ABSTRACT

The study's objective is to explore the role of innovation management within the Cheewawithee Community Enterprise, which is situated in Namkian, Phupieng, Nan, Thailand. To achieve this goal, a qualitative research approach was employed. Purposive sampling was the chosen method, involving the selection of a total of 8 participants who have direct experience or involvement in the management of Cheewawithee Community Enterprise in Namkian, Phupieng, Nan, Thailand. Both content analysis and documentary analysis were utilized as research methodologies to glean comprehensive insights. The study's findings underscore the indispensable nature of innovation management in facilitating the sustainable development of community enterprises. This strategic approach equips these enterprises with the agility required to navigate the complexities of a dynamic economic landscape. Community enterprises, exemplified by Cheewawithee, emerge as pivotal contributors to local growth. They play a significant role in job creation, introduce innovative solutions tailored to community needs, and champion sustainability. Their remarkable adaptability to challenges and their knack for seizing emerging opportunities position them as vital drivers of progress, ultimately enhancing the well-being of the community they serve. In summation, innovation emerges as the linchpin for the sustainable growth and prosperity of community enterprises like Cheewawithee.

KEYWORDS: Innovation Management, Success, Community Enterprise, Nan in Thailand

INTRODUCTION

Globalization is taking on a new form in the digital age, characterized by the proliferation of the Internet and mobile communication technologies, as well as advancements in information and communication technology (ICT). Computers and other innovative ICTs are critical technological features of this new era of globalization, connecting the world into a unified communication system and generating a cohesive financial and information landscape (Limna, Kraiwanit & Siripipatthanakul, 2023). Furthermore, significant changes have occurred in the world of society, business, and politics in the era of technological revolution, requiring every organization to adapt to these changes by employing innovation to drive sustainable competitiveness. Innovation is the process that leads to transformative changes and ensures the sustainability of organizations. It has the

potential to enhance the competitive advantage of every country in the world (Dearing, 2000; Schaltegger, Lüdeke-Freund & Hansen, 2016; Thi et al., 2023).

A community enterprise is a business operated by members of a community who are interdependent, share a common way of life, and come together to engage in various activities. A network of community enterprises consists of individuals who unite with a common purpose to undertake specific activities that benefit the overall operation of community enterprises within the network. In this setup, communities act as owners and operators, and the products are derived from processes within the community, utilizing local resources and labor as the primary components. These enterprises are

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innovative, drawing from local wisdom, blending it with global knowledge, and operating in a holistic manner. Activities are interconnected systematically, fostering a culture of learning, self-reliance, and family support (Buratti, Sillig & Albanese, 2022; Intarapak, 2022; Kwangsawad & Jattamart, 2022).

As reported in MGR Online (2017), Technology Chaoban (2019), as well as Thai PBS (2022), the "Chiewawithee Community Enterprise" in Namkian, Phupiang, Nan in Thailand, is a model community enterprise focused on the sustainable conservation and utilization of biological resources. It was founded in 2007 and has been in operation for 14 years. Currently, it has a board of 18 members, 35 employees, and 753 members, totaling 806 individuals. The majority of these members grow medicinal plants as an additional source of income, including plants such as galangal, kaffir lime, turmeric, ginger, and various other herbs. Additionally, the community has used a local herb called "bai mee," which has been a part of their culture for many years. Chiewawithee Community Enterprise serves as a learning and development hub for local herbal knowledge, and it has hosted 1,119 study tours. The products developed by this enterprise prioritize user safety, environmental sustainability, and reducing household expenses while contributing to the community's income. These products have been recognized as top-quality items in Nan Province and are well-known among consumers nationwide. This recognition has allowed the enterprise to generate millions of baht in annual revenue for the local community. This income has created employment opportunities, supported local farmers in cultivating natural herbs, and contributed to the overall well-being of the community. The key strengths of this enterprise include their extensive use of medicinal herbs, minimal use of chemicals, emphasis on adding value through local knowledge, and their clean and certified production processes. Notably, their cosmetics production facility has received ASEAN Cosmetic GMP certification, making it the first of its kind among community enterprises in Thailand. The enterprise has received numerous awards, including the Agriculture Promotion Award from the Ministry of Agriculture and Cooperatives in 2016. Furthermore, the profits generated are distributed among five villages for community development activities, such as firebreaks, irrigation canals, plant propagation, and support for the local health clinic and scholarships for students in the Namkian area. These efforts have earned Chiewawithee Community Enterprise recognition from the Thai Community Enterprise Development Association as an

outstanding community enterprise at the national level in 2018.

Distanont, Khongmalai, and Distanont (2019) conducted a study focused on examining the innovative management processes within a social enterprise. They proposed a novel approach aimed at enhancing the efficiency of community enterprises by seamlessly integrating process and marketing innovations. Employing a qualitative research methodology, their investigation incorporated literature analysis and a comprehensive case study. The study's findings underscored the pivotal role of process and marketing innovations in driving the success of the enterprise. These innovations, which result from the integration of traditional local knowledge with modern management techniques, serve as catalysts for change and facilitate the dissemination of handmade products. Furthermore, Utaranakorn and Kiatmanaroach (2021) conducted an in-depth analysis of the internal and external environmental factors affecting a sugarcane community enterprise in Khon Kaen Province, Northeastern Thailand. Their findings illuminated the pivotal role played by specific characteristics in the enterprise's ability to successfully gather and supply sugarcane to meet its annual quotas. The community enterprise also meticulously outlined the equitable distribution of profits and benefits among its members. Notably, the study emphasized the significance of kinship relationships and strong internal ties within the group, which fostered high levels of trust, reliability, honesty, and collective responsibility among its members. Lastly, the study highlighted the crucial role of annual financial support from financial institutions, particularly low-interest credit, in ensuring the long-term performance and sustainability of the enterprise.

Recognizing the paramount significance of innovation in today's dynamic business landscape and considering the unique context of the "Chiewawithee Community Enterprise" situated in the picturesque locale of Namkian, Phupiang, Nan, Thailand, this comprehensive study is dedicated to a thorough exploration of innovation management strategies. The study's objective is to investigate how innovation management plays a role within Cheewawithee Community Enterprise located in Namkian, Phupiang, Nan, Thailand. Understanding effective innovation management can significantly benefit community enterprises like "Chiewawithee." The insights gained from this study can guide other similar community-based initiatives in their efforts to achieve success and sustainability.

METHODOLOGY

This study employed a qualitative approach, specifically relying on in-depth interviews as its primary research method. Qualitative research methods are well-suited for capturing the nuanced emotions, attitudes, and experiences of participants, facilitating a deeper understanding of the human experience within specific contexts. The overarching goals of qualitative research encompass exploring the various contexts in which individuals or groups make decisions and take actions, as well as elucidating the underlying reasons behind observed phenomena (Limna & Kraiwant, 2022; Limna et al., 2023). Furthermore, in-depth interviews are particularly valuable for eliciting detailed responses on specific topics, yielding precise and relevant information to address the research objectives effectively (Sonsuphap, 2022). To obtain the primary data results, the study also involved a review of secondary data to identify pertinent key survey questions, which were subsequently used in the in-depth interviews conducted via the documentary method.

Purposive sampling is a qualitative research technique in which researchers leverage their expertise to carefully select a sample that is most conducive to the study's objectives. The aim of this sampling is to gain comprehensive insights into a specific phenomenon or population (Siripipatthanakul et al., 2022). Consequently, a purposive sampling method was employed, focusing on stakeholders of a community enterprise in Nan, Thailand, as the participants. The sample comprised community enterprise members aged 18 and above, all of whom were Thai residents of Nan, Thailand. Data collection involved conducting in-depth interviews with 8 stakeholders associated with the community enterprise in Nan, Thailand. Subsequently, the collected qualitative data from these interviews were analyzed using the content analysis method. Content analysis is a qualitative research technique designed to systematically and objectively describe and quantify specific phenomena by drawing valid inferences from verbal, visual, or written data (Asanprakit & Limna, 2023; Limna, 2023). As per the research by Kraiwant, Limna and Siripipatthanakul, (2023), NVivo serves as a qualitative data analysis tool employed for the purpose of structuring and examining extensive datasets. NVivo employs word clouds as a means to visually represent frequently used words derived from interview responses. Consequently, NVivo was also employed in the analysis of the qualitative data.

RESULT

For Cheewawithee Community Enterprise, innovation management is undeniably the lifeblood of

sustainable community enterprise development, underpinning their ability to thrive in today's rapidly changing economic landscape. This strategic approach empowers community enterprises with the means to swiftly and effectively generate fresh ideas and streamline procedures. Such agility is critical for maintaining competitiveness and long-term viability. Embracing innovation offers a multifaceted advantage, ranging from increased productivity and profitability to enhanced adaptability to evolving market demands. Furthermore, in the contemporary digital age, community enterprises assume a pivotal role in the economic growth and inclusive development of regions, particularly in emerging economies such as Thailand. They function as dynamic engines of progress, not only contributing to the expansion of the national economy but also fortifying the social fabric by fostering localized economic ecosystems. These enterprises extend their influence beyond mere economic metrics; they hold the potential to create new job opportunities, introduce inventive products and services that address local needs, champion sustainability initiatives that protect the environment, and most importantly, instill hope for a brighter future within their communities.

By nurturing innovation, community enterprises display a remarkable capacity to creatively confront the challenges they encounter, whether it's resource constraints or competitive pressures. This innovative spirit allows them to remain nimble and responsive to the ever-shifting economic landscapes and evolving societal needs. Furthermore, their readiness to adapt positions them to identify and harness newfound opportunities, thus amplifying their impact. The ripple effect of their success reverberates far beyond their immediate operations, positively impacting the entire community. It not only generates employment opportunities but also stimulates local economies, ultimately enriching the collective quality of life within the community. In essence, innovation is the linchpin upon which the sustainable growth and prosperity of community enterprises and their surrounding communities hinge.

"Indeed, innovation management is at the core of sustainable community enterprise development. It allows these enterprises to adapt and flourish in our ever-changing economic environment (Respondent 1)."

"Absolutely. Consider a local cooperative in Thailand. By embracing innovation, they developed a new process for packaging their agricultural products. This not only increased their productivity but also enabled them to enter new markets, boosting profitability (Respondent 2)."

"Beyond economic gains, community enterprises like this one provide job opportunities, improve living standards, and contribute to environmental sustainability through innovative practices, ultimately enriching the lives of residents (Respondent 3)."

"About the changes happening at the local cooperative, we are using some kind of innovation to improve their processes. We have been working on streamlining their operations, which should help them become more competitive (Respondent 4)."

"For the impact on the community members, well, if they become more profitable, they might create more job opportunities and perhaps even invest in community initiatives. That would be a win-win for us (Respondent 5)."

"We have been talking about the importance of innovation in our community enterprise. We have seen how it can increase productivity and profit. Importantly, we have all agreed that we should encourage everyone on the team to contribute ideas and foster an environment that values innovation (Respondent 6)."

"We have been focusing on innovation lately. It has been transformative. Well, we have started collaborating with local community enterprises. By sharing innovative ideas and resources, we are all benefiting. It's becoming a hub of progress (Respondent 7)."

"Innovation doesn't always require huge investments. Start small, encourage brainstorming among your team members, and explore low-cost solutions (Respondent 8)."

The analysis and interpretation were conducted utilizing NVivo software. The accompanying visuals illustrate the results of a word frequency query in the form of a word cloud.



Figure 1. Word Frequency Query (Word Cloud)

DISCUSSION AND CONCLUSION

The study underscores the pivotal role of innovation management in the sustainable development of community enterprises. As elucidated, innovation is not merely an option but an indispensable element in navigating the complex and rapidly evolving economic landscape. In the contemporary context, community enterprises like Cheewawithee have shown that embracing innovation can result in a multitude of benefits. Foremost, it equips them with the agility needed to remain competitive and viable over the long term. This agility, derived from the ability to swiftly generate new ideas and streamline processes, is critical in adapting to changing market dynamics and demands. Moreover, these community enterprises play a significant role in the economic growth and inclusive development of their regions. In emerging economies like Thailand, they act as catalysts for progress by contributing to both the expansion of the national economy and the strengthening of local social fabrics. Beyond the traditional economic metrics, their influence extends to the creation of job opportunities, the introduction of innovative products and services tailored to local needs, and the championing of sustainability initiatives that safeguard the environment. Perhaps most importantly, they instill a sense of hope and optimism within their communities for a brighter future.

Community enterprises possess a remarkable ability to creatively tackle challenges, including resource constraints and competition, thanks to their innovative spirit. This adaptability not only enables them to overcome obstacles but also positions them to recognize and capitalize on emerging opportunities, thereby magnifying their positive impact on their communities. The collective outcome of their success extends well beyond their organizational boundaries, with their efforts generating job opportunities, boosting local economies, and ultimately enhancing the quality of life for residents. In essence, innovation stands as the essential catalyst for the sustainable growth and prosperity of both community enterprises and the communities they serve.

The study's results align with prior research. For instance, Sriprasert (2013) indicated that entrepreneurial orientation significantly influences the job satisfaction and overall life satisfaction of community enterprise entrepreneurs. Moreover, Dassah and Ngatse-Ipangui (2019) reaffirmed that social enterprises assume a significant role within local communities. They achieve this by introducing fresh avenues for job creation, fostering income growth, enhancing service delivery, promoting greater retention of local income, and actively

engaging communities in development initiatives. In addition, Jangjarat and Jewjinda (2023) pointed out that in the post-pandemic era, there are opportunities for small and medium-sized enterprises (SMEs) to leverage digital technologies and innovation for their benefit. Furthermore, SMEs have embraced these digital technologies and innovative practices as integral components of their services and operations, aiming for sustained long-term growth, given the significant advantages they offer to SMEs. Tang et al. (2023) found that distributed innovation has a positive impact on enterprises' digital innovation performance. This relationship is partially mediated by digital entrepreneurial opportunities. Additionally, the study revealed that IT-enabled capabilities play a moderating role, positively influencing both the relationship between distributed innovation and digital entrepreneurial opportunities and the mediating effect of digital entrepreneurial opportunities on the link between distributed innovation and digital innovation performance.

In conclusion, the research underscores that for community enterprises like Cheewawithee, innovation management is not just a strategy but a vital lifeline that empowers them to thrive, create positive change, and contribute significantly to the well-being and prosperity of their communities. By fostering a culture of innovation and adapting to the ever-changing landscape, these enterprises become not only economic engines but also sources of hope and progress for their regions.

The study, while shedding light on the pivotal role of innovation management in community enterprises like Cheewawithee, is not without its limitations. The relatively small sample size of 8 participants, while deliberately selected, may not fully capture the diversity of perspectives within the enterprise. Consequently, the generalizability of the findings to other community enterprises, particularly those in distinct geographic or socio-cultural contexts, may be constrained. Additionally, as with any qualitative research, subjectivity remains a potential limitation, although efforts were made to minimize bias through rigorous analysis. Furthermore, the study's temporal scope primarily focuses on the present, potentially overlooking the longer-term impacts of innovation management. In light of these limitations, future research is encouraged to employ larger and more diverse samples, consider comparative studies, adopt longitudinal approaches, incorporate quantitative analysis, explore cross-cultural dimensions, and investigate policy implications. By addressing these aspects, future studies can contribute to a more comprehensive understanding of innovation

management's dynamics in community enterprises and its broader implications for sustainable development.

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