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Organizational Development of Social Enterprises in a Local Area of Thailand
- For the Youth Employment and Development -
Abstract

Social enterprises have been burgeoning and spread all over the world for the last few decades. The number of social enterprises has been increasing in developing countries as well; however, there is a lack of research for social enterprises in these countries. This research is to understand organizational management of social enterprises in developing countries and to suggest solutions for these social enterprises to develop their operation. The study will use the result of 32 interviews from social entrepreneurs in Nan province which was conducted by researchers from Mahidol University and Knowledge Network Institute of Thailand. The research will use five sectors out of eight sectors from the interview: learning, teamwork, management, evaluation and report, and fund raising. The research will find out correlation of each sector and provide suggestions for the social enterprises in Nan province based on the analysis of each sector and seven cases of European social enterprises. The research found that the social enterprises in Nan province should develop their learning sector to promote other sectors, evaluation and report sector, as well as management sector, can improve fund raising sector, and effective management strategy can improve evaluation and report competency. Based on these findings, the research suggests that the social enterprises in Nan province should improve engagement with other organizations, provide more learning opportunity and communication with the youth, create open decision-making environment, motivate youth through diverse educational tools, hire more youth related people, understand needs of markets, public and the local areas, provide cultural diversity program, understand values of evaluation and reports, develop evaluation measurements, improve management system, produce products and services based on regional characteristics, utilize surplus, and engage with private companies.

Key Words: Social enterprise, Thailand, Youth unemployment, Learning, Teamwork, Management, Fund raising, Reports and evaluation
Student Number: 2016-29273
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국문초록
Chapter 1. Introduction

The number of social enterprises has been increasing all around the globe in the last few decades (Kerlin, 2010). The phenomenon has spread out to different continents and each continent has different characteristics and concepts of social enterprise. The concept of social enterprise first started in Europe via EMES (European Research Network). Social enterprises have been able to address issues that the government and private sectors cannot easily resolve (Defourny and Nyssens, 2010). Most advanced countries have developed the idea of social enterprises to deliver social issues and increase social welfare. On the other hand, developing countries, especially Southeast Asian countries have associated with social enterprises to generate profits and promote sustainable development for economic growth. In this region, most social enterprises focus on issues of unemployment, social services and the environment (Santos, 2009). This shows that the governments in developing countries started to recognize social enterprises as a new sector to solve social issues that the government cannot easily approach. Most social enterprises in this region are small enterprises (Kerlin, 2010). Among many Southeast Asian countries, the research studies the case of Nan province in Thailand where social activism and social entrepreneurship have been widespread in recent years.

Among serious social issues in developing countries, the research studies youth employment and development for the specific study of social enterprises. The youth unemployment rate of the world has been increasing all around the world. The unemployment percentage of total labor force ages between 15 to 24 was 12.295 in 2007; however, it increased to 13.394 in 2009, and it was 13.37 in 2017. The percentage is different based on countries; however, Southeast Asia shows low unemployment rate compared to other developing countries, and the rate is lower than countries in Europe where the notion of social enterprises was first started in the world (World Bank Data, 2018). Thailand is a country that shows
the low youth unemployment rate compared to other surrounding countries in the
region such as the Philippines, Indonesia, Vietnam, Malaysia, Bhutan, and so on.
On the other hand, working environment and their development issue still remain
as huge social issue in the country.

Thailand is a country that has shown the highest economic development
among other Southeast Asian countries. At the same time, the country has shown
the lowest youth unemployment rate compared to other surrounding countries
including Vietnam, Malaysia, the Philippines as well as most developed countries
around the world (World Bank, 2018). As economic and social statue have
increased in the Thai society, interests towards social enterprises also increased.
The Thai government, intermediary organizations, and international organizations
have actively supported social enterprises (Kittisrikangwan, 2015). The Thai
government established Thai Social Enterprise Office (TSEO) in 2010 to
financially support the social enterprises in Thailand, and provide education and
training for the social enterprises (Inter-American Development Bank, 2016).
Intermediary organizations such as UnLtd, Ashoka, Youth Social Enterprise
Initiative (YSEI) and Thai Young Philanthropist Network, and international
organizations such as UNICEF have assisted these movements of social enterprises
in Thailand (Wajavuth and Amarit, 2011; Jung and Svedova, 2014). Among many
regions where social enterprises are actively operating, the research will use cases
of Nan province where social activism and social enterprises are actively present.
In this region, there have been active social movements in various sectors such as
health, education, environment, and poverty, social development, and child and
youth issues (Wongphuka et al., 2015). Besides this phenomenon in Thailand, there
is a lack of research about Thai social enterprises, especially about organizations
and performance of social enterprises in Thailand.

In this regards, this research will focus on the social enterprises in Nan
province by using interviews from 32 social entrepreneurs in this region. The
interviews were conducted by Mahidol University and Knowledge Network Institute of Thailand in 2015, and the research will focus on five sectors – learning, teamwork, management, reports and evaluation, and fund raising - among the eight criteria used in the original research. Learning and teamwork are two criteria that owners think the most confident among other sectors while management, fund raising, and reports and evaluation are marked as the lowest competencies among eight sectors. Learning is the highest competency, and fund raising is the lowest competency. These five sectors will be analyzed based on their specific questions, and suggestions will be provided by introducing cases from European social enterprises – Yong Advisors, Jamie Oliver’s Fifteen, and the Big Issues from the United Kingdom, Friends-International in France, social enterprises in WISEs including Grantoftegaard in Denmark, Kaffe Fair in Denmark, DropOuts in Netherlands, and the Colour Kitchen in Netherlands. These social enterprises are selected for this research since these countries have similar patterns of public policy for social enterprises, and a similar history of economic transition from market-based to service-based. These countries also have been actively supported social enterprises with the legal framework and financial support, so the research selected cases above to provide how these social enterprises work to combat against social issues and improve the functionality of organizations.

The result of the previous interviews shows that the social enterprises in Nan province are confident in learning and teamwork. On the other hand, they did not show strong competency in management, evaluation and reporting, and fund raising sectors compared to other sectors. Based on this result, the research will analyze problems of five sectors and provide necessary concepts and ideas to improve the performance of the social enterprises in Nan province based on cases of successful social enterprises in Europe mentioned above. Moreover, there will be suggestions to improve each sector through the cases of European social enterprises. The research also provides reasons why management, report and evaluation, and fund raising competencies are weak. This includes correlation of
each sector and why strong learning sector does not relate to strengthening other competencies. The research found that social enterprises in Nan province are lack of diverse channels to earn knowledge, lack of leaders who are able to promote empowerment and motivation, lack of strategies to emphasize organizational goals and improve productivity, lack of understanding risks of their projects, need of tools and criteria to measure performance of social enterprises, and need for diverse methods to earn funds and persuade the public to earn more funds. Moreover, the learning sector affects the other four sectors, and enhancement of evaluation and report, as well as management competencies, can strengthen fund raising competency. In addition, a transparent management system positively affects to report and evaluation competency. Based on the founding and European cases of social enterprises, suggestions to improve the performance of social enterprises in Nan province will be provided. The research expects this study to enhance understanding of issues in social enterprise in a developing country and ways to improve the functionality of the social enterprises in Nan province, Thailand. The research hopes these suggestions to be used for enhancing the performances of social enterprises in other developing countries.
Chapter 2. Literature Reviews

Social enterprise has been recognized as an actor to engage in socioeconomic issues that government cannot easily approach (Defourny and Nyssens, 2010). Ideas and concepts of social enterprise are varied around the world based on their purposes and structure of social enterprises. This chapter will introduce definitions, roles, and operation of social enterprises to understand broad meanings and function of social enterprises all around the world. The chapter will also mention about social enterprises and how they contribute to youth unemployment and development, and social enterprises in Thailand. This will include the global trend of youth unemployment and how social enterprises can contribute to resolving youth issues. Nan province in Thailand was specifically chosen for the study to describe the effectiveness of social enterprises to contribute to youth issues since the province and country have maintained low youth unemployment rate compared to other regions or countries, and there has been an active social movement in this region. Lastly, the chapter also introduces the legal framework of social enterprises to show how social enterprises operate and work.

2.1 Definitions, roles, and operation of social enterprises

The idea of social enterprises first started in Italy in the late 1990s, and the term has been widely used throughout the European continent via EMES (European Research Network). Social enterprises have been used to address issues that the government and private sectors cannot easily solve (Defourny and Nyssens, 2010). The emergence of social enterprises in European countries started from dwindling economy and state failure due to the downturn of communism. The application of the idea of social enterprise in these days is new, and it is different from understanding of charity as well as its revenue generation process (Kerlin,
In Europe, there are several schools that address different aspects and function of social enterprises. One school addresses the function of social impact of productive activities from social enterprise based on the social needs to enhance business (Grenier, 2003). Another school emphasizes social enterprises as entities in the third sector, which contain specifics of non-profit and profit organizations. The school also expands the meaning of social impact from the side-effect of economic activity to motivation of social enterprise itself (Borzaga and Defourny, 2001). These advantages and roles of social enterprises also adapt into the employment of disadvantaged people, especially for the youth since one of the primary goals of social enterprises is to solve social issues in society. The youth can establish social enterprises, and social enterprises can hire and train the youth to be hired in jobs they want. Moreover, social enterprises have a prior mission to develop skills and ability to be employed for those who are unemployed (Eurodiaconia, 2017). Most social enterprises in European countries function as a social cooperative or association for employment of particular groups of people or service providers in a certain framework (Kerlin, 2006).

This idea; however, did not only stay in the European countries but also has been spread out to the globe. Most advanced countries have enhanced the role of social enterprises to deliver social issues and increase social welfare. For example, in the United States, social enterprise is recognized as an innovative tool to resolve financing issues of non-profit organizations (Dees, 1998). Moreover, this also emphasizes a characteristic of social enterprise to take risks as an innovative solution to attract more finance (Young, 2001). The United States has shown a similar growth pattern of social enterprises with European countries, and meaning and practice of social enterprises are similar in both countries. However, there are also some differences between the two regions. Most social enterprises in the United States work as non-profit organizations and usually focus on generating profits unlike social enterprises in Europe. Furthermore, social enterprises in the United States regard social enterprises as actors in market economy while social
enterprises in Europe are usually considered as parts of social economy which emphasizes social benefits (Kerlin, 2006).

In Asia, the term of social enterprise has existed for a while, but it was widely recognized after the 1980s. Ashoka - a non-profit organization to support social enterprises in Asia, Grameen Bank – a social enterprise for microfinance and community development in Bangladesh, and BRAC Enterprises - a union of social enterprises, non-governmental organizations, universities and other related organizations and forums in Southeast Asia and Africa - increased awareness of social enterprises in Asia (Kordant Philanthropy Advisors, 2005). In East Asia, the structure of social enterprises is different from European countries and the United States. Forces of the state and civil society are the main powers to run social enterprises, and this trend has been a driving force to run social enterprises. Cooperatives also operate as a type of social enterprises in this region. Development of social enterprises in Asia is under “conditions of necessity and shared destiny” (Defourny and Kim, 2011).

On the other hand, purpose and reality of social enterprises in developing countries are different compared to developed countries. For most developing countries, the purpose and roles of social enterprise are to address a lack of state support and low level of the economy. Social enterprises in African countries such as Zimbabwe and Zambia as well as Argentina in Latin America were established to address the unemployment issue, lack of governmental support due to misuse of international aid. Southeast Asia has associated with social enterprises to generate profits and promote sustainable development. In this region, the social enterprises particularly address issues of unemployment, social services and environment (Santos, 2009). Most social enterprises in this region are small enterprises (Kerlin, 2010). After the Asian financial crisis, most Southeast Asian countries were able to achieve huge economic growth; yet, the countries are still suffering from inequality, poverty and unemployment issues (Kerlin, 2010). Moreover, the lack of academic
research towards social enterprises in developing countries makes these countries hard to measure impacts of social enterprises whether they are able to solve social issues in their countries or well-managed enough to operate by themselves.

In this trend, this research particularly focuses on the cases of Nan Province in Thailand as a specific local case of developing countries where social enterprises are actively engaging in the society to address social issues, especially employment of the youth and their development. To tackle the issues of the youth, it is critical to help young people to access training and have relationships with business, so they can meet the needs of the market and be employed (Grigor, 2011). Moreover, it is necessary to recognize and help those young people who are not privileged to receive education and have access to educational sources to be employed (Marot, 2015). Social issues cannot be simply dealt with non-governmental organizations (NGOs) anymore since NGOs have a hard time maintaining their financial sources to run their organizations and improving social service projects by themselves. This is because NGOs mostly rely on their finance from charity and donation from outside (Chauke, 2013). In this sense, social enterprises can be an innovative and effective solution to deal with a lot of social issues by generating both social benefits as well as economic gains for their sustainability and investment to their projects. The research will focus on the roles of social enterprises in Thailand to contribute to youth employment and youth training. Moreover, the research will analyze the case of Nan province in Thailand with other European countries where many social enterprises for the youth have successfully performed to accommodate the youth to employment. This is to analyze issues in Thai social enterprises, improve functions of the social enterprises, and give suggestions for the social enterprises in Thailand to develop their initiatives and improve their functionality in a successful way. The research hopes this study gives ideas to other developing countries to run their social enterprises more effectively and fruitfully.
2.2 Legal framework of social enterprises

Social enterprises aim to resolve social issues in the community, and they have various kinds of form around the world. Most countries that have social enterprises do have a legal framework that defines the definition, operation, management, and financial structure of social enterprises; however, most Asian countries and some developing countries do not have the legal framework yet. This chapter introduces several legal frameworks in the US, Europe, Asia, and Thailand to show how they operate, how they contribute to society, and how they earn or distribute profits.

The legal framework of social enterprises is different in countries to countries and purposes of social enterprises. In the US, not every state follows the same legal framework of social enterprises; however, social enterprises are divided into two different forms: corporations and limited liability companies. Corporations consist of social purpose corporations and benefit corporations. Limited liability companies are with low-profit limited liability companies and benefit limited liability companies. The first two types of social enterprises are the most popular in the US. Social Purpose Corporation (SPC) promotes social purpose that does not put any limits on shareholder’s benefits, directors are able to make decisions without fear of not making much profit, and they need to deliver transparency by including their clear social purpose. Low-Profit Limited Liability Company (L3Cs) often refers to social enterprises that pursue a charitable purpose. They are organized to receive financing from private organizations, and they need specific laws to meet the requirement to receive this financial assistance. The purpose of L3Cs is to attract general public benefit (Triponel and Agapitova, 2016).

In Europe, the legal framework is also different based on the purpose of social enterprises in each country and profit generating system. In the United Kingdom, the government of the UK defines social enterprises since 2002 as
“business with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or in the community, rather than being driven by the need to maximize profit for shareholders and owners (Department of Trade and Industry, 2002).” The government provides four criteria to become social enterprises; social enterprises should regard themselves as social enterprises, they should not pay over 50 percent of their profits or surplus to their financial stakeholders and owners, they should not earn 75 percent of their turnover from trading goods and services, and they should primarily pursue social or environmental objectives rather than profit based goals. The UK also has a legal framework to prevent owners to maximize profits through social enterprises. This includes asset lock for community benefit, transparency, a shared duty of directors, and others. However, not every social enterprise in the UK is bound to this legal framework. They are other forms of social enterprises such as Charitable Incorporated Organizations (CIO), Industrial and Provident Society (IPS), and some other legal forms that similar to private companies. In Italy; however, definitions and operation of social enterprises are somewhat different from the UK. Social enterprises in Italy can be run as a private organization and it performs an entrepreneurial activity to produce social utility goods and services. Social enterprises can earn 70 percent of their profits for their organizations. There are two main forms of social enterprises in Italy: Social Cooperatives and Social Enterprises Ex Lege. Social Cooperatives have their legal form depending on companies’ own framework while Social Enterprise Ex Lege includes any kinds of legal requirements of social enterprises including non-profits (Triponel and Agapitova, 2016).

In Asia, a lot of countries started to create a basis of the legal framework, but not many countries have official legal forms of social enterprises. South Korea is one country that established legal definition and an act of social enterprises. According to Social Enterprise Promotion Act (SEPA), social enterprises are organizations that promote social objectives to improve life quality of residents
while performing business activities such as the production of goods and services. SEPA also includes certification to be recognized as social enterprises. Main features of social enterprises in South Korea are to promote social objectives, provide jobs for vulnerable groups, spend two-thirds of profits for the social objectives, promote participatory decision-making process, meet minimum requirement of revenue, articles of incorporation, asset distribution, and so on. They are also five different types of social enterprises: job-creation type, social service provision type, mixed type, other types, and local community contribution type. Social enterprises in South Korea are not strictly bound to the legal forms as long as they meet the requirements for the legal definition of social enterprises. Another country in Asia that social enterprises are actively encouraged by the government is Malaysia. Malaysia does not have a particular legal form of social enterprises, but they are in the process to establish the legal framework among practitioners and consultancies. Malaysian government established the Malaysian Global Innovation and Creativity Centre (MaGIC) to support operation of social enterprises in Malaysia. MaGIC defines social enterprises as an entity that achieves social objectives through a business model, and it is a form of NGOs and profit-based organization. MaGIC also includes other characteristics including fair compensation and returns, and responsible, transparent and inclusive equity as well as governance (Triponel and Agapitova, 2016).

Thailand is also a few countries in Asia that have a law to encourage activities of social enterprises. Thailand recently passed the Royal Decree on Tax Exemption to promote activities of social enterprises. The decree includes social enterprises to provide goods and services, promote employment in the community, solve issues and develop local communities, and invest 70 percent of their profits to the business or to farmers, the poor, disadvantaged group, and other common benefits. In order to receive tax exemption, an enterprise should invest 100 percent of its profits to the business or use them for benefits of groups mentioned above. They are also eight rules to meet the exemption and this includes items that social enterprise...
enterprise must be certified from the Director-General of the Revenue Department, they are not able to pay assessable income under the Revenue Code and to transfer property used in the business, they cannot be a contracting party of its shareholders or partners and there should be no remuneration of its shareholders, they should be no change in the form of business operation before the lapse of ten accounting periods, and others. There is also a tax exemption for investors and donors for social enterprises. Companies and partners investing in social enterprises can have a corporate income tax exemption of 100 percent of their investment. They can be paid up to 30 percent of its profits in dividends, the share of profits or capital reduction. Companies and partners who donate money or property to social enterprise can have tax exemption up to 2 percent of their net profit. They can also receive 30 percent of its profits in dividends, the share of profits or capital reduction. Besides this tax exemption law, there is an ongoing draft called The Social Enterprise Promotion Bill and it remains as pending now (Supakijjanusorn and Annez, 2017).

Legal frameworks of social enterprises are different according to countries; however, they share the similar idea in terms of the definition of social enterprises that they contribute to resolving social issues in the society and do not maximize their profits for themselves. The purpose of having legal forms is to help founders to start their business more easily and remove difficulties of their process to establish social enterprises. It also helps to compare the operation of social enterprises in many different countries since legal frameworks are different in every country. Moreover, laws such as tax exemption and division of profits can increase financial flow to social enterprise which is the biggest concern of modern social enterprises. By investing in social enterprises, private firms, as well as social enterprises themselves, can enjoy tax exemption, and the caps on dividends are able to help social enterprises manage their funds more effectively (Triponel and Agapitova, 2016). Moreover, these rules and frameworks separate social enterprises from Non-Governmental Rrganizations (NGOs) that heavily rely on
their funds from donation and charity. This shows that social enterprises are able to generate profits on their own, and they primarily were established to resolve social issues in society.

2.3 Social enterprises in Thailand

Thailand has a long history of social enterprises compared to other surrounding nations in Southeast Asia. Before social enterprises gain their popularity in Thai society, the movement of NGOs received recognition in the middle of 1940s. The founder of the Population and Community Development Association (PDA), which planned to promote family planning in rural areas, first addressed the idea of “business for social progress”. In the 1980s, politics became more open to the public, and NGOs and social issues have recognized by the public accordingly. This new trend was recognized from an international organization called Ashoka, a global supporter of social enterprises, and Ashoka decided to support Thailand in 1989 (Japan Research Institute, 2016). The supports from Ashoka expand connection for social enterprises in Thailand, and Thailand became the world fifth largest fellow networks of Ashoka. The Thai government also recognized this trend, and the development of social enterprises started to be led by the Thai government in the late 2000s. The Thai government established the National Social Enterprise Committee (NSEC) in 2009 to promote social entrepreneurship and social business. The government actively encouraged actors of social enterprises to learn about the ecosystem of social enterprises by visiting London, and the government also realized social enterprises as tools to promote economic growth and decrease economic inequality of urban and rural areas of Thailand. The Thai government also launched the Social Enterprise Master Plan from 2010 to 2014.

This Master Plan also included the establishment of the Thai Social
Enterprise Office (TSEO) in order to financially support social enterprises, and smoothly pave the way to build a favorable ecosystem for social enterprises in the whole nation. The Thai government appointed the Prime Minister as a chair of TSEO, and promoted a close relationship between the government and social enterprises (Jaruwannaphong, 2016). This movement encouraged companies in Thailand to adopt social entrepreneurship and made them consider their investment to business for sustainable development of social and economic sectors. By 2015, TSEO created a database of 1,000 social enterprises and grouped them into several categories.

According to the research from TSEO, 39 percent of total social enterprises are community-based organizations, 22 percent of them are cooperatives, Small-Medium Enterprises (SMEs) or young entrepreneurs are 22 percent, and non-governmental or non-profit organizations are 15 percent. The main purposes of these social enterprises are for community livelihood (64 percent), disadvantaged group (10 percent), environment (8 percent), learning and education (7 percent), health (5 percent) and so on. Table 1 shows a detailed classification of the main issues that social enterprises in Thailand currently focus on. The number of employees of social enterprises is mostly between 6 and 20 (51 percent) and most annual revenue of these social enterprises is between 15,000 and 60,000 dollars (43 percent). There is also 13 percent of companies that earn more than 1.5 million dollars in a year. Table 2 and 3 show a detailed number of staffs and revenue information of the social enterprises in Thailand (TSEO, 2015). TSEO has been dismissed after the Five Year Plan was ended at 2015 as the new government was initiated, but the country still actively engages in promoting social enterprises through intermediary organizations and social entrepreneurs who want to contribute to solving social issues in Thailand (The Japan Research Institute, 2016).
### <Table 1. Social issues of Thai SEs >

<table>
<thead>
<tr>
<th>Social Issues</th>
<th>Percentage</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community</td>
<td>64%</td>
<td></td>
</tr>
<tr>
<td>Livelihood</td>
<td>7%</td>
<td></td>
</tr>
<tr>
<td>Disadvantaged</td>
<td>8%</td>
<td></td>
</tr>
<tr>
<td>Group</td>
<td>10%</td>
<td></td>
</tr>
<tr>
<td>Environment</td>
<td>2%</td>
<td></td>
</tr>
<tr>
<td>Learning/Education</td>
<td>1%</td>
<td></td>
</tr>
<tr>
<td>Health</td>
<td>5%</td>
<td></td>
</tr>
<tr>
<td>Communication</td>
<td>3%</td>
<td></td>
</tr>
</tbody>
</table>

Source: TSEO, 2015

### <Table 2. Number of staffs>

<table>
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<th>Number of Staffs</th>
<th>Percentage</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;5</td>
<td>32%</td>
<td></td>
</tr>
<tr>
<td>6-20</td>
<td>51%</td>
<td></td>
</tr>
<tr>
<td>20-100</td>
<td>11%</td>
<td></td>
</tr>
<tr>
<td>&gt;100</td>
<td>6%</td>
<td></td>
</tr>
</tbody>
</table>

### <Table 3. Annual revenue (USD)>

<table>
<thead>
<tr>
<th>Annual Revenue (USD)</th>
<th>Percentage</th>
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</thead>
<tbody>
<tr>
<td>15,000</td>
<td>9%</td>
</tr>
<tr>
<td>15,000-60,000</td>
<td>43%</td>
</tr>
<tr>
<td>60,000-300,000</td>
<td>10%</td>
</tr>
<tr>
<td>0.3-1.5 million</td>
<td>9%</td>
</tr>
<tr>
<td>&gt;1.5 million</td>
<td>13%</td>
</tr>
<tr>
<td>N/A</td>
<td>16%</td>
</tr>
</tbody>
</table>

### 2.4 Youth Unemployment and Social Enterprises in Thailand

Youth unemployment issue has existed everywhere around the world, and Asian countries are not an exception from this issue. The youth unemployment is the number of unemployed youth between the age of 15 and 24 olds. These unemployed people live without any jobs for a living and they have been in a process to seek jobs in the last four weeks (OECD, 2018). The global trend shows that young people are four times less likely to be employed than adults (Datta,
Between 2005 and 2010, the youth employment of the world was significantly dropped, but it started to increase afterward (World Bank Data, 2018). In European countries, the rate is varied according to countries. In early 2018, Greece showed the highest youth unemployment rate which was 42 percent, and Switzerland showed the lowest rate which was 2.5 percent (Trading Economics, 2018). In North America, Canada shows 10.9 percent of the unemployment rate in March 2018 and the United States showed 8.5 percent in the same month. Both countries have shown a huge decrease in the last ten years (World Bank Data, 2018). In Asia, more than half of its region is with unemployment youth and the number of unemployed youth was thirty-six million in 2013 (McKinsey, 2014). This varied rates of youth employment can be explained by different labor market competencies, the expectation for the youth at work, education system, duration of recovery from financial crisis, ration between adults and the youth, and so on (Pastore, 2018).

Huge youth unemployment rate would harm the domestic economy as well as social structures and communities as well. Especially in developing countries, most citizens are not aware of the unemployment situation of the youth since they are not able to access many resources and information about youth situations. Although these young people are hired, they are deprived of decent work since they work under poverty and poor employment status (Fisher and Singhaseni, 2010). The financial crisis did not give huge impacts to the youth unemployment in developing countries unlike other developed countries; however, developing countries have a hard time adjusting to the global trend of jobs, new technology, urbanization and transition of jobs (Pieters, 2013). Furthermore, there are hundreds and millions of children in developing countries cannot finish their primary school education, so the knowledge gap is huge between developing and developed countries (Albright, 2017). This indicates that the youth unemployment issue has been widespread all over the world, and developing countries, in particular, are not aware of youth issues as well as changing trend of a job these days. This also
reveals a necessity for developing countries to understand the youth issues in employment and their efforts to improve the work environment for the youth. In order to seek ways to help youth to be employed and trained for their job, the research chose a country, Thailand in particular.

Thailand is a country in Southeast Asia and shares borders with Cambodia, Myanmar, Laos, and Malaysia. Thailand also has maintained a fairly low rate of youth unemployment compared to other Southeast Asia (World Bank, 2018). On the other hand, regarding the whole unemployment rate in Thailand, young people are the most unprivileged group in terms of employment. This matter is even hard to approach in Thailand since youth unemployment is complicated and various (Prabhuddhanitisarn et al, 2005). According to the Thai National Statistic, the youth in the age between 15 and 24 has maintained high unemployment rate compared to adults in the age above 25. The rate has been fluctuating; however, the unemployment rate of youth is eight or nine times higher than adults (National Statistical Office, 2017). This trend started after the recession of Thailand during 1980s and this became a huge domestic issue in Thailand along with decreasing number of youth in the country. The failure of the youth to employment would cause a lack of skills and self-esteem of the youth, and increase the opportunity cost of training the youth in a long-term (Arya, 2002). This shows that the youth employment in Thailand is more vulnerable in the unstable national economy and there should be sound employment policy in order to encourage employment of the youth.

Young people in East and Southeast Asia often face with challenges to involve in social entrepreneurship since the society is not prepared to take risks and creativity, and critical thinking is not highly encouraged in these regions (Jung and Svedova, 2014). On the other hand, some young people take brave steps to engage in entrepreneurship, and small business and they recognize the importance of social entrepreneurship as a tool to solve social and economic issues in their countries.
Thailand is one of the leading countries in this region that active movements of social enterprises are supported by different organizations. In Thailand, there are a lot of intermediary organizations, and forums are held in order to establish a favorable environment for the youth at work through social enterprises. Organizations such as UnLtd, Ashoka, Youth Social Enterprise Initiative (YSEI), and Thai Young Philanthropist Network open conferences and forums for young social entrepreneurs to share their ideas and concerns of their organizations. Academic institutions such as Thammasat University launched a Center for Sustainable Enterprise and Social Innovation Square in order to encourage students to learn about social innovation and change (Jung and Svedova, 2014). Furthermore, International Organizations such as UNICEF also have supported the development of Thai social entrepreneurship for the youth. In 2004, UNICEF assisted a project called “Youth Innovation Year (YIY)”, which is to motivate the youth to engage in social entrepreneurship and create innovation in Thai society. UNICEF also supported the National Health System Reform Office to help the youth develop innovations to influence policies regarding youth and children in Thailand (UNICEF, 2007). Besides intermediary organizations, academic sectors, and international organizations, there are several social enterprises that actively work to accommodate youth to the employment and provide education of the youth. Change Fusion is a first social enterprise in Thailand which provides finance and education to young social entrepreneurs. They work alongside World Bank and also established intermediary organization, YSEI (Shrestha, 2009). These activities show that the government, international organizations, and entrepreneurs recognized social enterprises as a tool to resolve youth issues and promote youth development.

This research will particularly select social enterprises in Nan province, Thailand. Nan province is selected for the research since the area has relatively lower unemployment rate than other parts of Thailand, and there have been active ongoing movements of social entrepreneurship in this region. According to the
recent statistic of the National Statistical Office of Thailand, the northern part of Thailand, where Nan province is located in, has shown the second lowest unemployment rate in both 2016 and 2017 out of all other regions in Thailand. In 2016, the North region had 1.0 percent of the unemployment rate and 1.1 percent in 2017. Other regions such as central and northeast showed 1.36 percent and 1.23 percent in 2017 respectively (National Statistical Office of Thailand, 2017). This trend has been maintained, and the northern region has shown a decreasing tendency of the unemployment rate since 2014. The northeast region had the second highest unemployment rate in 2014 and 2015, but the region has been able to decrease their unemployment rate since 2015. (National Statistical Office of Thailand, 2015) This shows that the region has put their efforts to hire youth to employment, and their efforts have contributed to lower the unemployment rate of Nan province.

Besides the fact that the region has lower rates of unemployment compared to other parts of Thailand, Nan province is located in the north part of Thailand and it is a rural area that shares a border with Laos. The area is well known for national parks, and 478,264 people inhabit in this area (UNDP, 2014). The area has been with many social activities and related organizations. Types of these organizations are varied such as health, education, poverty, development and so on. The region also has embraced issues of youth and children with various organizations in the government, non-government, community-based, and individual sectors (Wongphuka et al, 2015). This low rate of youth employment and diverse social activities from social entrepreneurs in Nan province made the province eligible for the research to understand the impacts of social enterprises for youth employment among developing countries.
Chapter 3. Analysis of Social Enterprises Working for the Youth

The previous literature reviews show that social enterprises contribute to resolving social issues in the community including youth issues. Governments also encourage their activities by establishing or proposing the legal framework of social enterprises. The case of Thailand selected by the research shows there is a necessity of understanding social enterprises in Thailand working for the youth issues in the community to show how these social enterprises operate and what can be suggested for these social enterprises in Nan province to develop their activities to work for the youth issues. The research selected Nan province in particular to analyze the operation of social enterprises working for the youth issues in developing countries.

The history and background of Nan province help analyze characteristics of Nan province, this relates to providing suggestions for the social enterprises in Nan province which will be provided in chapter 4. Nan province is located in the north part of Thailand. There are many different groups of people living in this area, and they use diverse languages accordingly. Nan province shares its border with Laos and most of its area is at the valley. Since the province is located near the border, Nan province has experienced different cultural flows from neighboring countries and kingdoms. The area was ruled by Sukhothai kingdom before 1558, and Burmese conquered the region after 1558. In late 18th, Nan province promised alliance with Bangkok and this is the reason why the province has diverse cultures and population. Besides this diversity, Nan province is also well known for its six national parks, temples and a museum. This attracts many tourists and the number of tourists has been increasing annually, so tourist accommodation such as restaurants and hotels started to become a rising industry in Nan province (Tourism Authority of Thailand, 2018). The area is also well known for its active social
movement and organizations for health, education, environment as well as poverty. Social enterprises and organizations for the youth and children also started to develop in this region (Wongphuka et al, 2015).

In order to analyze the performance of social enterprises in Nan province, the research will use interviews and data from social entrepreneurs in these regions. For Nan province, 32 interviews from social entrepreneurs will be used. The interviews and criteria were performed and established by Mahidol University and Knowledge Network Institute of Thailand. The original interview selected its sample size using the Krejcie and Morgan Table (Krejcie and Morgan, 1970). The sample includes social activists who work in an organization that has conducted social project or activity for the youth and children at least for a year, worked in an organization such as foundation, association, club or government organization, and wanted to participate in the interview. The data used in the previous study used both qualitative and quantitative methods, and three instruments were implemented to analyze the result of the interviews. To explain the motivation of social activists, the interview used semi-structured questions based on the in-depth interview. Moreover, attributes of social entrepreneur and eight social entrepreneur competencies were used by self-assessment questionnaire (Wongphuka, 2017). In order to measure impacts of these social enterprises to embrace youth to the employment, the research will use five criteria out of eight criteria that were used in the interviews from Mahidol University and Knowledge Network Institute of Thailand; learning, teamwork, management, reporting and evaluation competency, and fund raising. These five sectors were particularly chosen because they are the two highest competencies and three lowest competencies among eight factors on the questionnaire. The research will analyze five things that have been well performed by social enterprises and things that need to be improved. These five factors are also correlated with each other, so this research can analyze each sector more critically. The research first introduces the specific contents of each questionnaire and shows the result of the interviews. Through the analysis section
in the next chapter, the research will analyze five questions below each sector, and analyze the strengths and weaknesses of five selected sectors. Based on their strengths and weaknesses, the research will provide necessary ideas that need to be included in the social enterprises in Nan province to improve or solve their weaknesses. The research will provide cases from European countries that have great initiatives or functional structure for each sector. Moreover, the study will provide suggestions based on ideas and cases to help social enterprises in Nan province become more profitable and effective actors to resolve youth issues.

The previous research conducted by Mahidol University and Knowledge Network Institute of Thailand used competency theory to divide specific sectors of the questionnaire. Competency theory is used in previous research to sort out eight sectors of management, teamwork, networking, learning, fund raising, marketing, communication, and reporting and evaluation. Competency means individual characteristics that are related to criterion-referenced effective and or superior performance in a job or a situation (Spencer and Spencer, 1993; p.9). This also means the capability and ability of human being or organizations. Eight sectors that are used in the previous research are visible competencies. Visible competencies are important criteria to measure the effectiveness and success of the performance. They can be developed through knowledge, skills, and experiences. On the other hand, invisible competencies are emotional intelligence, social skills and virtue, and ethics. These competencies often take a long time to be developed, and they are criteria for people to understand whether the performance is outstanding. The previous research chose visible competencies to measure the success of social enterprises in Nan province. Based on this competency theory, the research did qualitative and quantitative method to collect data through the interview. The research provided a self-assessment questionnaire with 40 items by using 4 point scale point. The reliability of this research is 0.95 by Cronbach Alpha’s coefficient (Wongphuka et al, 2015).
From the first criterion, learning competency includes specific questions of understanding knowledge, creating innovation and new strategies by organizations themselves, utilizing knowledge and transferring to others, sharing the knowledge among members as well as outside of organizations, learning through various channels and others. In the second criterion, teamwork, the research will see if social enterprises hold necessary knowledge and values for teamwork, develop their teamwork through workshops and activities, persuade professionals to join their missions, and persuade their team members to work as a team. In the third criterion, management, the research will see goals, project strategies, and plans, and skills of management to deal with challenges or risks. The fourth factor is fund raising competency and from this factor, the research will see the ability of organizations to manage capital, a skill of organizations to bring more finance, strategies of organizations to bring more resources related to projects, and goods and public service. From the last criterion, reporting and evaluation competency, the research will try to see whether organizations write a report on a regular basis, their will to reflect lessons from the previous activities and improve their performance based on the report, and monitoring as well as monitoring plan (Wongphuka et al, 2015).

3.1 Results of interview of social enterprises in Nan province

The previous interviews done by Mahidol University and Knowledge Network Institute of Thailand selected 35 social organizations in Nan province that are actively working for youth employment matters. These organizations are selected because they conducted the youth and child-related projects for at least one year, worked for a non-profit purpose, and wanted to participate in the research. Researchers conducted these interviews in both qualitative and quantitative approaches. Interviewees who participated in the interview are mostly in the age
between 30 and 39 (31.3%), and others are between 40 and 49 years old (28%).
56.2 percent of participants have experiences in working at government organizations that pursue non-profit initiatives, 28.2 percent of them worked at non-profit organizations, and 15.6 percent of respondents worked in community enterprises for business. Monthly income of these owners is mostly above 30,001 baht (37.5%) which is around 960 US dollars. Two-fifths of the participants (43.7%) have been involved in the youth issues for 6 to 10 years (Wongphuka et al, 2015). Most respondents worked for youth and child issues since they recognized social inequality as a key issue that needs to be resolved in the society, and social inequality related issues would be the major market to target for social entrepreneurs (Elkington and Hartigan, 2008). This shows that social entrepreneurs in Nan province are aware of youth and child issues as issues of social inequality and try to actively resolve these matters within various forms of organizations.

The result shows that owners felt most confident in learning while they are least confident in the fund raising part. Learning ranked as the highest competency, teamwork ranked as the second highest, management ranked as the third lowest factor, reporting and evaluation factor ranked as the second lowest competency, and the fund raising is the lowest competency among original eight factors. The owners mentioned that their organizations are most confident in learning capability among other factors. The result of the survey shows that the owners thought their organizations learn through many different communication channels and the organizations are eager to learn new knowledge, innovation, and new technology by themselves. They are also well exchanging and learning knowledge among themselves, organizations in their networks, and outside of their networks. On the other hand, organizations are still hard to manage knowledge gap among groups and organizations within their networks (Wongphuka et al, 2015). This shows that organizations are able to attract sources and information from various methods and they are willing to share this knowledge to others; however, they are still hard to utilize this knowledge and make clear understanding among
team members and outside of their organizations.

Another strong competency, teamwork, participants mentioned that they are most confident in earning knowledge and understanding the purpose of teamwork as well as emphasizing the importance. Respondents also answered that they are able to persuade professionals and educated people to join their projects and initiatives. They are also good at establishing harmony at work without conflicts (Wongphuka et al, 2015). This shows that owners are able to gain the necessary knowledge and bring professional human resources that they need for the mission of the organizations. In this sense, their will to learn and advance their organization is highly correlated with learning competency. On the other hand, competency level of two specific questions is inferior to the other three questions; developing teamwork through workshops, self-learning, and other activities, and persuading team members to work as a team. (Wongphuka et al, 2015). This indicates social enterprises are able to bring knowledge and information that they need; however, they still have a hard time utilizing them for the whole team and developing their teamwork through different workshops and other methods to create a cooperative atmosphere in the team.

For management sector, participants answered that they are confident in managing changes at work, projects or organizations. The participants also showed strong confidence in managing risks during the work and managing changes at work or a project. They are also confident in applying strategic plans in reality (Wongphuka et al, 2015). This shows that the owners are not afraid of making changes and facing challenges during their work, and they can analyze their own issues and suggest necessary solutions for their issues. However, the owners did not show the strong competency in setting organizational or project strategies comparing to other questions. Moreover, setting goals, visions and future plan of their works is also less confident part comparing with other questions (Wongphuka et al, 2015). This could be interpreted that owners expect frequent changes in their
goals and projects, so they would get used to changes during the projects and organizations. This led these organizations to hesitate when they establish their goals and future plans which directly relates to the operation of an organization.

The fourth sector of this research, reporting and evaluation competency is the second lowest confident sector among other sectors. The participants answered that it is hard to write a quality program and financial report to donors on regular basis. Moreover, monitoring projects after setting a plan to monitor are one of the lagging parts of this sector. The result also reveals that producing knowledge for the purpose of education and dissemination is the other thing to improve. Conversely, the owners answered that evaluating lessons in a coherent way and utilizing results are relatively performed well compared to other parts (Wongphuka et al, 2015). This indicates that organizations do have will to improve their performance after evaluation, and actively reflect the results of the evaluation to their next projects. However, they need to more focus on releasing reports and evaluation on regular basis for their members as well as their donors. Furthermore, organizations need to understand the importance of monitoring system and improve the system to increase work productivity.

The last criteria, fund raising, marked as the most incompetent sector compared to other factors based on the survey. Competency level of this sector and each questionnaire are much lower than other sectors. The result shows that the owners do not think their activities to raise funds and method to gain resources are efficient enough to bring attention from outside. Moreover, there is difficulty in persuading people to join the fund raising activities and promote the agenda that the organizations have established. Respondents also mentioned that their ideas and opinions are not profitable enough to distribute funds or increase income. Even with these difficulties, the owners answered that organizations are able to create creative ideas and goods to raise funds, and they can well recruit, manage and arrange resources as their capital to implement their projects (Wongphuka et al, 2015).
This shows that social enterprises have creative ideas and resources to bring funds, but this does not lead to persuade the public and financial entities to support funds for social enterprises. Furthermore, their ideas and projects to raise funds need to be more specific in terms or selecting targets, understanding the needs of markets and so on.

< Table 4. Learning and teamwork >

<table>
<thead>
<tr>
<th>Item</th>
<th>Competency Level (%)</th>
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<tbody>
<tr>
<td></td>
<td>1</td>
</tr>
<tr>
<td><strong>Learning</strong></td>
<td></td>
</tr>
<tr>
<td>1. Learning new knowledge and technology</td>
<td>-</td>
</tr>
<tr>
<td>2. Utilizing and transferring of knowledge to others</td>
<td>3.1</td>
</tr>
<tr>
<td>3. Exchanging knowledge</td>
<td>-</td>
</tr>
<tr>
<td>4. Improving quality of knowledge</td>
<td>6.3</td>
</tr>
<tr>
<td>5. Learning through new communication channels</td>
<td>3.1</td>
</tr>
<tr>
<td><strong>Teamwork</strong></td>
<td></td>
</tr>
<tr>
<td>6. Understanding of teamwork</td>
<td>-</td>
</tr>
<tr>
<td>7. Hiring necessary people to join the organization</td>
<td>6.3</td>
</tr>
<tr>
<td>8. Building harmonious working atmosphere</td>
<td>-</td>
</tr>
<tr>
<td>9. Pushing everybody to work as a team</td>
<td>-</td>
</tr>
<tr>
<td>10. Developing teamwork through various activities</td>
<td>3.1</td>
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</tbody>
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<table>
<thead>
<tr>
<th>Item</th>
<th>Competency Level (%)</th>
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<tbody>
<tr>
<td></td>
<td>1</td>
</tr>
<tr>
<td><strong>Management</strong></td>
<td></td>
</tr>
<tr>
<td>1. Setting goals of work, visions, or foresee the future</td>
<td>15.6</td>
</tr>
<tr>
<td>2. Setting organizational or project strategies</td>
<td>6.3</td>
</tr>
<tr>
<td>3. Applying strategic plans in practice</td>
<td>-</td>
</tr>
<tr>
<td>4. Managing changes at work/project or organization</td>
<td>-</td>
</tr>
<tr>
<td>5. Managing risks that may occur during the work</td>
<td>3.1</td>
</tr>
<tr>
<td><strong>Fund Raising</strong></td>
<td></td>
</tr>
<tr>
<td>6. Managing resources for social project</td>
<td>15.6</td>
</tr>
<tr>
<td>7. Persuading or raising funds from people or the public</td>
<td>18.8</td>
</tr>
<tr>
<td>8. Persuading people to support social activities</td>
<td>12.5</td>
</tr>
<tr>
<td>9. Conducting fund raising or brainstorming ideas</td>
<td>21.9</td>
</tr>
<tr>
<td>10. Creating ideas/goods for distributions and income</td>
<td>18.8</td>
</tr>
<tr>
<td><strong>Reporting and Evaluation</strong></td>
<td></td>
</tr>
<tr>
<td>11. Providing reports to donors on a timely basis</td>
<td>6.3</td>
</tr>
<tr>
<td>12. Monitoring projects</td>
<td>3.1</td>
</tr>
<tr>
<td>13. Evaluating and synthesizing lessons</td>
<td>6.3</td>
</tr>
<tr>
<td>14. Providing evaluation results to members</td>
<td>15.6</td>
</tr>
<tr>
<td>15. Utilizing evaluation results to improve productivity</td>
<td>3.1</td>
</tr>
</tbody>
</table>

Table 4 and 5 include specific competency level and questionnaires of the survey (Wongphuka et al, 2015). Table 4 includes survey results of two strong sectors (learning and teamwork) and table 5 contains the results of three weak sectors (management, report and evaluation, and fund raising). The result of the other sectors that are not mentioned in this research but analyzed in the original research – networking, marketing, and communication – are in Appendix. Three sectors in Appendix are to show other additional competencies that affect the overall performance of the social enterprises in Nan province. These sectors are third, fourth, and fifth strong competencies out of the whole eight competencies, and they are additional information which affects the performance of the social enterprises in Nan province. Based on the result of the survey, the research will analyze the questions and give suggestions to help social enterprises to more effectively engage in youth employment issues. The suggestion will use cases from social enterprises in France, the United Kingdom, Denmark and Netherlands as mentioned above. The next chapter will discuss reasons and issues of each sector based on the interviews, and provide suggestions to strengthen or improve each factor to contribute more to the youth employment based on successful cases from European countries.

3.2 Social enterprises working for the youth issues in Europe

This chapter compares the cases of social enterprises in Nan province with European countries in order to analyze and evaluate the performance of the social enterprises in Nan province. This research uses cases of successful social enterprises working for the youth in European countries to analyze issues and concerns of social enterprises in Thailand. Furthermore, the research will give suggestions for social enterprises in Nan province based on activities of the social enterprise in Europe and their concepts. In particular, the research studies France,
the United Kingdom, and Work Integration Social Enterprises (WISEs) in Denmark and the Netherlands. These countries were selected for the research based on similarities of their public policy for social enterprises, and they have a similar history of the transition from the market economy to the service-based economy (Bayl, 2015). These similarities show that these countries would have shared reasons and purposes of establishing social enterprises around the same time. Social enterprises in European countries selected for the research are also best cases providing breakthroughs for social enterprises in Nan province in terms of learning, teamwork, management, reports and evaluation, and fund raising.

There are a lot of ongoing activities to help youth to be employed and trained through social enterprises in Europe. In the whole continent, the European Union (EU) recognized social enterprise as a tool to create job opportunities for young people, and prevent the social exclusion of the youth. EU Youth Strategy was initiated in 2009 to attract cooperation regarding youth issues in Europe. This strategy includes ideas of helping the youth to become entrepreneurs or employees of social enterprises. To promote these initiatives and ideas, EU established funding organizations and programs to financially support youth social enterprises (Eurodiaconia, 2016).

Individual countries in the European continent also show active movements of social enterprises based on this trend. Friends-International, located in France, is a social enterprise to help children in urban areas to receive education and develop their skills for real job opportunities. The organization started its main business in Cambodia and expanded it to Laos, Thailand, and Myanmar. Friends-International is currently working with 30,000 young people around the world, and the organization is targeting to have 150,000 more youth every year (Marot, 2015). In the United Kingdom, social enterprises are in a welcoming environment from the public and have shown active movement in nationwide. Social entrepreneurship has been recognized as a national agenda, and supporting policies such as tax relief
have been adopted in the country (Bayl, 2015). A recent study from Simply Business Start-up Index shows that there was 29 percent increase of companies started by young people aged between 18 to 25 since 2008 (Hall, 2013). Among these social enterprises, there is a social enterprise which is solely led by the youth themselves. Young Advisors Charity, found in 2006, is an enterprise that improves the youth engagement to local governors, housing associations and other local actors so that the youth can participate in the decision-making process of a local area and improve local services. The organization usually hire young people aged between 15 and 21 years old, and they mainly provide training for the youth and professionals, service appraisals, consultancy, facilitation, youth proofing, advising policy, engagement, and research. Young Advisors have almost 50 teams and have over 800 young people across the country (Brankovic, 2012). Another social enterprise used in this study is Jamie Oliver’s Fifteen. Fifteen is a restaurant that was established in 2002 by a star chef in the United Kingdom, Jamie Oliver. The restaurant provides young people training programs and employment, so they can learn new skills and gain experiences before going out to competitive real workplaces. The restaurant was ranked in the top 100 restaurants in the UK, and it has 220 graduates who successfully graduated the training. 50 percent of them had drug or alcohol issues before joining the program, but 215 of them successfully gained real jobs afterward. The organization now has locations at London, Cornwall, Amsterdam, and Melbourne (Smith and Howarth, 2012). The last case from the United Kingdom in this research is the Big Issue Foundation. The foundation was established in 1991 to help young homeless people have jobs by selling newspapers. This newspaper is written by professional journalists and sold by individuals. The organization sold 200 million copies in 2016 thanks to these vendors who work as micro-entrepreneurs. Since 1991, the magazine has helped 92,000 vendors to work and earned 115 million euros. The magazine is an award-winning organization, and the motivation and initiative of the foundation have influenced 120 similar magazines in 35 countries all over the world (The Big Issue,
WISEs are economic entities to promote work integration of those who have been disadvantaged in the labor market (Davister et al., 2004). This organization mainly activate in the European continent; however, they are also in Asia, North America, and other parts of the world. There are several different models of WISEs in Europe; transitional occupation, the creation of permanent self-financed jobs, professional integration with permanent subsidies, and socialization through a productive activity (Cerisis, 2001). The main targets of this organization are young jobseekers who dropped out from schools, those who have had a hard time looking for jobs for a long time, and minorities who are discriminated at work, women and, people who have social problems and are rejected from jobs. The research will use WISEs’ cases of Denmark, and the Netherlands in order to show how they promote youth employment. Social enterprises in WISEs that will be used for this research are Grantoftegaard in Denmark, Kaffe Fair in Denmark, DropOuts in the Netherlands, and the Colour Kitchen in the Netherlands.

Grantoftegaard is a social farm that sells agricultural products, and they found youth access to the labor market through education, training, work experience, and personal guidance. Grantoftegaard was financially supported by the city, but now they found their own sources to fund themselves. Kaffe Fair is a hospitality group with a café, workplaces, and conference center. The organization has a similar business model as Grantoftegaard, but they are financially supported from foundation and funds training. The Colour Kitchen is a group of ten workplace canteen venues and one restaurant. They promote employment of the youth through training based on vocational training, unpaid work experience, and personal guidance as well as skills. The organization also provides non-work skills in order to promote organizational harmony. They receive funds from external organizations and foundations. Lastly, DropOuts is a communication and
advertising agency that develops a brand and promotes identities through online, television and other off and online media. This social enterprise provides work experience through individual training, personal guidance and so on. They are mostly funded by the lottery foundation without many loans (Bayl, 2015).

Based on these successful cases of social enterprises in Europe, the research will analyze a case of Nan province in Thailand. The lecture and take-away from European social enterprises will be described in the next chapter to suggest possible solutions for social enterprises in Nan province to sustain and develop.
Chapter 4. Diagnosis and Suggestions for the Social Enterprises in Nan province

Reasons of strong or weak competency of each sector, learning, teamwork, management, reports and evaluation, and fund raising competencies, could affect positively or negatively to the youth employment matters of Nan province. Successful performance of social enterprises and organizations is not just from one factor but from the coherent integration of different factors (Austin et al, 2006). Especially, in the case of Nan province, two strong factors and three weak factors are correlated with each other and affect the operation of social enterprises. By analyzing each sector, the research understands the reasons of the incompetent part and suggests necessary ideas to improve these sectors. Based on this understanding, the research correlates each sector to show how individual sector can affect one another. Strong learning and teamwork competencies show that social entrepreneurs and members are eager to learn new knowledge from many different channels with the cooperation of team members and outside partners. Both criteria show that high learning competency is related to high teamwork skills of social entrepreneurs and members. They are not only able to bring the necessary human resources to their projects, but also able to utilize and use this collected knowledge to develop their work and organizations. However, the lack of fund raising skills would be related to the lack of reporting and evaluation process within organizations since supporters would not invest their money to projects or organizations where they do not know well or when the possibility of return is low. This also relates to the lack of management skills to establish visions and goals as well as future plans for the organization since it is hard to receive feedback due to the lack of an evaluation process. Likewise, each sector is highly correlated with each other, and there are some takeaways that social enterprises in Nan province need to improve based on specific questionnaires regardless of their strength of competency.
4.1 Evaluation of Competencies

Learning is one of the important parts of social enterprises and of entrepreneurs working for the youth since young people are lack of skills that the workplaces need in this automated era (Albright, 2017). The result of interviews from social entrepreneurs marked learning as the most confident sector among other eight sectors. The result shows that social enterprises and organizations are good at exchanging knowledge with other organizations, and well utilize these materials for their works. This means the knowledge learning process is transparent among team members as well as other organizations. Managing knowledge in social enterprises is significant since it allows an organization to cope with new market challenges and approach to new opportunities. This process can be done by necessary resources, collective know-how, experiences, intelligence and others (Frappaolo, 2006). This knowledge management; however, cannot be performed by an organization itself since network with other social organizations helps this process faster and more (de Man, 2008). This also explains why successful entrepreneurs seek networks of organizations to work together (Shaw and Carter, 2007). This clearly shows the importance of learning and knowledge sharing among other organizations, and the organizations in Nan province should maintain their good performance in this sector. This also indicates that learning is related to other sectors since learning is the basic activity of earning all necessary information at work.

However, the respondents of the survey are less confident in a question that organizations are aware of different communication channels to share or learn knowledge. Moreover, the result shows that their level of knowledge is also another incompetent part. This shows that knowledge sharing is performed within limited places and actors. In order to expand communication methods to earn and share more knowledge, organizations should be cooperative with their team members and other organizations as well. This is to increase their channels to
receive different knowledge and technology to understand and resolve youth employment issues. Organizations should be varied by including different types of an institution such as private and public sectors such as government, private enterprises, and especially civil societies as well as a school where a lot of youth study and work. It is important to receive lots of knowledge for social enterprises, but at the same time, organizations should also focus on human capability building in order to help members well understand the knowledge and enhance outcomes of organizations’ projects to the targeted areas (Nielsen and Carranza, 2010).

Teamwork is ranked as the second most confident sector among the eight sectors. The result of interviews shows that members of social enterprises are aware of the value of teamwork, and organizations are able to bring expertise to work and provide the necessary knowledge to their team members. This happens within a harmonious atmosphere of organizations; however, they are sometimes hard to make everyone focus on one goal as a team, and develop their teamwork through different methods such as workshops, self-learning, and participating activities. This indicates that social enterprises understand the importance of teamwork, and they are able to discuss their goal with professionals, but they are hard to lead this to productive outcomes. Moreover, their lack of promoting teamwork in different ways is related to lack of communication channels in the learning competency. The missing point between teamwork and outcomes could come from different reasons; however, this would mean social enterprises have a hard time setting and planning projects or work that meet the need of markets or the public. They also have limited methods to promote teamwork. They have educated people who understand well about the issue and provide advice, but they might not have enough knowledge outside of their specialties. All these issues indicate that social enterprises need leaders who understand different aspects of the youth issue and operation of enterprises and utilize this teamwork to focus on their mission. According to the research conducted by Harvard University, direct leadership and mutual adaptation are usually the primary structures of coordination.
It also shows that leadership that guarantees effectiveness at work can be done through strategic planning (Austin et al, 2006). Leadership is somewhat different from management since management is an activity that needs to be functioning in every business; however, leadership is a relationship between leaders and workers as well as motivation and trust that encourage the organization (Maccoby, 2000).

Unlike other types of enterprises, the leadership of social entrepreneurs shows similar types across the world. According to the interview conducted by Schweb Foundation including five counties in Europe, Asia, and the Middle East, respondents answered that they prefer ethical, transformational, and empowering leadership. Ethical leadership in the research is described as leaders that become ethical role models and provide guidelines for clear and ethical behaviors to their employees. Transformational leadership is for those who encourage their employees with vision, help them deal with challenges by themselves, and help their employees break their comfort zone from their stereotype. Empowering leadership contains characteristics of leaders such as their actions to independently encourage others, to encourage members to develop themselves with common goals to achieve, and to lead members to show their potentials, creativity, and involvement at work. Autocratic leadership is a least-wanted type of leaders for social entrepreneurs (Heinecke, 2014). This shows that most leaders become an example of their organizations, encourage their members to focus on the mission and challenge themselves from difficulties and fixed ideas. They also provide motivation for their members to develop themselves and to maximize their ability. This indicates leaders in social enterprises are people who provide good examples of behaviors, empower, and keep motivating their members.

The third competency is management and it is the third lowest incompetent sector among other five ones. The result management competency indicates that most social entrepreneurs are aware of the goal and mission of organizations to employ and accommodate more youth to the employment. They
also have a will to face with challenges and take risks to change their works. This will positively work for the youth employment since it is important for the owners to have a clear understanding about youth unemployment and consider strategies and projects based on this understanding. As the interviews showed above, most owners thought developing suitable strategies and visions is important for social enterprises. The interview results show that they are relatively not clear about their mission, goals and project strategies compared to other questions. This shows that there should be more strategies for the social enterprises in Nan province to understand their goals and effectively target their projects. There are many strategies to include the youth to employment; however, if organizations do not have any ideas about the reality of youth issues in their society, it is hard to effectively organize and locate resources in necessary places. Strategies in organizations can be defined as a long-term method, and scope of an organization to react with fast-changing environment and needs of the market as well as stakeholders (Johnson and Scholes, 2001). For organizations like social enterprises where social needs are more considered than profits, creating and maximizing social impact need to be their focus. This also means that strategy for social enterprises is to guarantee alignment between social initiatives and the organization as a whole (Austin et al, 2006).

In order to establish feasible strategies to run social enterprises, the organizations should be aware of the impacts and risks of their projects and works because a strategy is a scope of organizations’ activities (Austin et al, 2006). Especially for social enterprises, they need to burden social impact risk which is the probability of achieving or failing to meet organizational goals (NCVO, 2015). Risks in social enterprises, therefore, need to be well understood among members, so organizations are able to create effective strategies to minimize risks and react to challenges without much sacrifice. To do so, social enterprises should have a management structure that acknowledges the needs of the public, market, local community and organizations themselves.
The fourth criterion is report and evaluation, and it is also another part that the social enterprises in Nan province should put most efforts to improve. Report and evaluation criterion is the second lowest competency among eight other factors. The result of the survey shows that owners of social enterprises in Nan province thought their organizations are relatively good at utilizing and evaluating lessons at work. However, they are not relatively confident in producing their knowledge and information for the purpose of learning and publishing. Moreover, they need to write more regular financial reports and quality program to their donors and establish more effective monitoring plan to monitor their projects. This shows that social enterprises in Nan province acknowledge the importance of reports and evaluation; however, they do not publicize the outcome of their works, and there is also lack of a plan to monitor their projects. For most profit-based enterprises, it is relatively easy for them to measure their income and business operation compared to non-profit organizations and social enterprises because their goal is mostly to generate more profits. For social enterprises, profits are not just from economic values, but also from social values, so the measurement of their outcome is vague and more complicated (Austin et al., 2006). Unlike the worrisome results of social enterprises in Nan province, there are tools for evaluating the impact of social enterprises such as impact reporting and investment standards which provide credible and independent performance measurement system to these organizations pursuing social impact and venture (Global Impact Investing Network, 2012). One of the prevalent systems to measure social impact and value is a social return on investment (Harding et al., 2005; Roy, 2012). This kind of social impact measurement and report system for social enterprises can improve performance, access to resources, and the legitimacy of social enterprises (Nicholls, 2009).

In order to measure the performances of social enterprises, there should be tools and criteria that measure their performances. Traditionally, four elements have been used to evaluate organizational performances: inputs, activities or
processes, outputs, and outcomes (Moore, 2003). However, these four sectors can be more specific and varied based on engaged actors, management structures, and so on. This chapter introduces several effective methods of measuring the impacts of social enterprises as well as the previous study of measuring these impacts through cases from WISEs. According to Boris Urban, a social enterprise researcher in South Africa suggests self-efficacy as a tool to measure the performance of social enterprises. Self-efficacy is an important motivational factor which affects individual decision, goals, emotional reactions, efforts, ability to deal with challenges, and persistence (Urban, 2015). The basis of self-efficacy is from the social cognitive theory that emphasizes interaction through correlation of behavior, personal factors, and environmental factors (Bandura, 2001). In order to measure self-efficacy, he includes questions of specific social issues, commitment towards social vision, identification of social needs, establishment of clear social vision, motivation to defend social vision, determination to meet social needs, improvement of long-term social need, promotion of balance among social, economic, social, and environmental concerns, and so on (Urban, 2015). Research from Austin et al provides three big purposes for performance measurement of social enterprises: performance measurement as a part of the management system, performance measurement to focus on stakeholder, and assessment of progress toward the achievement of mission. For the first purpose, the research focuses on distinguishing between outputs and outcomes, and the research found it is important to focus on outcome indicators. Assessment focusing on stakeholder allows social enterprises to identify their stakeholders and their expectation to the social enterprises. This assessment can be conducted by surveys, benchmarking, measures of external recognition, and so on. The last purpose, assessment of progress toward the achievement of the mission, is the most challenging one since missions of the organization could be vague and not feasible. On the other hand, it is significant for social enterprises to establish clear and sound missions that they can achieve (Austin et al., 2006). These different measurement systems from two
pieces of research all include factors to understand the motivation of social enterprises, economic needs of their supporters, and their outcome analysis.

Lastly, fund raising is the most behind part of all other sectors according to the result of the survey. It has the least strong competency among other sectors, and owners did not show their strong belief in each question compared to other sectors. This issue does not just exist in social enterprises in Nan province, Thailand, but many other social enterprises worldwide. The case studies based on youth-led social enterprises in Croatia, Italy, Poland, the United Kingdom, Portugal show that the biggest barrier for them is lack of financial resources (Chandra and Liang, 2017). Likewise, financing has been a huge issue for most social enterprises, and their fund raising is harder than other private enterprises since goals of social enterprises are mostly generating social benefits instead of economic profits. Mostly, social enterprises in Nan province are not confident in persuading or raising funds from the public, partners and for a project, and ask for their support till the project is succeeded. Since financing is financial resources to achieve necessary social activities for social enterprises (Austin et al, 2006), it is critical for social enterprises to have sufficient amount of funds to run their organization and perform their social activities. The successful mechanism of financial resources can guarantee coverage of programs, the participation of stakeholders, and goal achievement of strategies and mission of the social enterprises (Austin et al, 2006). At the first stage after establishing social enterprises, they often rely on philanthropic and government funds. However, this kind of support and reliance cannot be maintained since this increases the probability of failure of social enterprises as well as risks for social enterprises (Kelly et al, 2016). This shows the importance of social enterprises to earn enough funds as well as generate funds from diverse sources. If they are not able to collect the necessary amount of funds, it is hard for social enterprise in Nan province to sustain and conduct any projects for the youth. In order to guarantee the number of funds that they need for their activities, social enterprises in Nan province should understand that enterprises
themselves need to generate profits through goods and services. The organizations in Nan province are relatively well aware of how to manage funds. However, they feel difficulty in persuading the public to contribute funds to them, and their ideas and activities are not profitable to bring enough funds from outside. This shows that the organization should consider different strategies to generate funds such as a market-based approach to earn more profits independently instead of relying on donation and funds from outside.

4.2. Correlation of Competencies

The analysis of the survey shows that each sector is correlated and social enterprises can improve more than multiple sectors by strengthening one sector. Each sector is related to each other, and one sector affects the performance of other sectors. First of all, the learning sector affects teamwork, management, fund raising, and report and evaluation sectors. If learning competency improves, members are able to understand more knowledge and share knowledge with each other to find a solution to promote their organizational goals. This will lead the organization to have more understanding of their work and improve the effectiveness of work eventually. If social enterprises systemize their ways to earn knowledge and select necessary information for their organizations, this will promote and suggest ideas to improve their performance for teamwork, management, evaluation and report, and fund raising. After understanding necessary knowledge, members of social enterprises also need to increase their ability to utilize their knowledge to contribute to resolve real issues of their organization or improve their productivity. For instance, if members understood the importance of evaluation and report, they should also consider creating necessary criteria to measure and evaluate the performance of the organization. In order to improve this ability to utilize knowledge to the real work, the social enterprises in Nan province need to bring
more people who have more real experiences at youth matters and business, so they can bring more practical outcome.

Moreover, improvement of the report and evaluation sector and management sector will bring more funds to the organization. This is because report and evaluation include information about enterprise’s performance and outcome which reveals the importance of investing money to social enterprises. If social enterprises release their report to the public on regular basis, the public and financial stakeholders are able to see how money can be utilized to improve work situations for the youth and their development, and this will bring more attention from outside. Social enterprises also can utilize money and resources effectively. By evaluating their performance, social enterprises will understand where to invest and where to stop investing to promote their organizational goals. Furthermore, management sector is also directly related to fund raising sector since the survey shows that social entrepreneurs in Nan province think members are well aware of the missions and goals of the enterprises. This indicates that the social enterprises in Nan province could effectively spend their money to achieve their mission since members are able to focus on projects that best meet their goals. Members’ awareness towards organizational goals should be connected to members’ ability to utilize funds. This shows that the management team should well understand their financial flow and investment, and report and evaluation are necessary to develop this skill. This closeness of three sectors shows that the issue of fund raising sector is the result of malfunctioning in other sectors as well.

A transparent management system is able to improve evaluation and report section since the organization could release most information about their performance, and this helps the organization measure their performance more thoroughly. Transparent management system means members are able to contribute themselves to the decision-making process of an organization and release all information to members. If more voices are contributed to the evaluation process of
an organization, more members will understand the operation and structure of their social enterprise and projects. This will help the whole team understand more about their issues and evaluate their projects thoroughly. Moreover, if the management team tries to communicate more with their members, the social enterprise can understand the reality of their organizations more effectively without facing bureaucracy in the process of delivering the issue.

The previous research found that social entrepreneurs have strong confidence in learning and teamwork; however, the research found that learning and teamwork sectors of social enterprises in Nan province affect to low competencies of management, evaluation, and report, and fund raising sectors. This proves why the other three competencies showed low competency compared to the other two sectors. The overall rank of learning competency is the highest, but social entrepreneurs answered that they are lack of channels to earn knowledge and level of knowledge is varied among team members. Lack of variety to learn knowledge leads members to be limited at a certain level and type of knowledge, and this prevents the organization to earn new technology and fast-changing trend in the market. This eventually affects other sectors since the organization is not able to earn knowledge that is necessary to adapt in reality and improve their performance. Teamwork marked as the second highest competency among other sectors; however, the survey shows that social enterprises are hard to make members concentrate on one goal, and members are lack of skills to develop teamwork through various ways. This could harm other competencies since the organization would have to spend a lot of time, money, and effort to make their team focus on the mission. All these specific lagging points of learning and teamwork indicate social enterprises in Nan province need to focus on developing learning and teamwork competencies to create synergy with other sectors and maintain a close tie with other sectors.
4.3 Suggestions

Based on understanding factors to improve in social enterprises in Nan province and correlation of each sector, this section provides suggestions for the social enterprises to improve each competency and overall performance. The suggestion is based on the evaluation of each sector above and suggestion will mention cases of European social enterprises to show practical solutions for the social enterprises in Nan province. The cases from European social enterprises are mentioned above and these are from France, the United Kingdom, and Work Integration Social Enterprises (WISEs) in Denmark and the Netherlands. After introducing cases of European social enterprises, the research provides a possible direction to improve the performance of each sector for the social enterprises in Nan province by considering local situations and resources. Table 6 below shows the summary of diagnosis and suggestion.
<table>
<thead>
<tr>
<th>Problem Analysis</th>
<th>Learning</th>
<th>Teamwork</th>
<th>Management</th>
<th>Evaluation and Reports</th>
<th>Fund Raising</th>
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<tbody>
<tr>
<td>Lack of diverse communication channels and personal development opportunities</td>
<td>Lack of leading teamwork to focus on organizational goals</td>
<td>Developing suitable strategies and establishing sound missions</td>
<td>Lack of confidence in releasing reports and releasing them on regular basis, and lack of monitoring and monitoring plans</td>
<td>Persuasion of the public to donate funds, ideas and plans to bring funds</td>
<td></td>
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</tbody>
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| Necessary Concepts | Diverse communication channels, and improvement of individual capacity | Empowerment and motivation for their members | Establishing effective strategies including needs of market and the public | Various methods to measure social impacts and financial outcome, and understanding benefits of evaluation | Diverse sources of finance – non-profit and market-based |

| Cases from Europe | Friends-Internationals, the Colour Kitchen, and Dropouts | Jamie Oliver’s Fifteen and the Big Issue | Young Advisors and Grantoftegaard | Friends-International and four social enterprises in WISEs | Friends-International and Grantoftegaard |

| Suggestions | Engaging with diverse organizations, providing more learning opportunities, communication with the youth, and cultural diversity program | Providing opened decision-making process, motivating youth through training and education, and hiring more youth related people to the leadership | Understanding needs of markets, the public, and local areas, cultural diversity programs, and hiring more professionals | Understanding values of evaluation and reports, developing evaluation measurements, and improvement of managing members to hear more voice | Producing products and services regarding regional products and advantages, utilizing surplus, and engaging with private companies |
4.3.1 Learning

The previous research shows that learning sector needs to seek diverse methods to earn knowledge and quality of knowledge for each team member. Learning affects to other four competencies as well, so it is critical for social enterprises to improve learning sector to enhance the competencies of other sectors. Based on this analysis, the research provides cases from Friends-International and social enterprises in WISEs. Most European social enterprises working for the youth provide great vocational training and knowledge for the young people in their organizations. The organization is currently in many countries in Southeast Asia, and they have different educational and vocational training based on the needs in the area. Friends-International in France has various vocational centers such as restaurants, beauty salons, garage, hospitality/cooking, electronic appliance repair, motor mechanics, sewing, shops, and others into businesses to provide real experiences to the youth when they go to the real workplaces. The organization also helps these young trained people to be employed and connected to real jobs (Marot, 2015). Furthermore, the organization provides education and learning to the youth outside of their organization. They have campaigns and programs for the youth to increase their security on the streets and communities, public school reintegration project to help young kids to be prepared to go back to public school, family reintegration project to create a favorable environment at home for children’s development, and so on (Friends-International, 2018).

Other social enterprises such as WISEs also provide vocational training and effective knowledge to the youth. This training is focused on youth employability and provides knowledge based on an individual’s interests and desire. Dropouts, established in 2014, is an advertising agency that hires young people who do not have jobs or did not finish their education. Unlike other social enterprises that provide training to be prepared for the real jobs or transitions to the real workplaces, Dropouts work for real customers, and employees work at a real
job. The organization mostly hires young people instead of other adult professionals since they consider youth creativity as their strong resources to run the business. Since the work is complicated and needs skills and technology, Dropouts provide paid training program from six months to two years. This training program includes on-the-job training, workshops, and industry-recognized training to their professional development. The Colour Kitchen in Denmark targets young people who were not able to be hired due to lack of education or other social problems. They help these young people to have recognized qualification or certification for the youth based on intensive social guidance. The program of the Colour Kitchen is to help the youth be hired or gain further education. This includes catering and hospitality services, and the Colour Kitchen also engages with practical schools in college level to share knowledge and help youth in social problems learn about their behavioral and social issues at a professional level. (Bayl, 2015). All these examples of social enterprises show that they help the youth to earn the necessary knowledge from different sources to develop work productivity as well as personal development for work as well as further education. They provide professional skills for young people who do not have much real experience. This not only helps the youth to have a more sustainable job but also improves their fundamental capability to absorb more necessary knowledge and increase productivity at work after they are actually hired in the real world.

In this sense, social enterprises in Nan province should engage in more diverse organizations and institutions for the youth to earn knowledge and develop themselves in the long-term. Furthermore, they need to provide education to help their members and society be aware of youth issues. To increase more channels of learning for social entrepreneurs and enterprises in Nan province, the organizations should understand the needs and interests of the youth they hired. As examples of European social enterprise have shown, social enterprises in Nan province should provide diverse opportunities for the youth through engagement with different academic and private companies, and look for professional programs or educated
people to help maximize potentials of the youth. Since young people still need
guidance and care more than adults, the organizations should continue discussing
with the youth and understand their interests and needs. The social enterprises in
Nan province also consider about collective regional conference and training
programs to share knowledge and current trend with other enterprises in Nan
province. In addition, young people in Nan province need to understand the
diversity of culture in their region. The region consists of many different tribes
within Thailand and outside of Thailand since Nan province had intrusion from
foreign countries and kingdoms (Tourism Authority of Thailand, 2018). The region
is also located near the border of Laos, so there has been a lot of exotic cultures and
people in Nan province. In this sense, social entrepreneurs and enterprises in Nan
province also promote this regional characteristic by including cultural programs to
accommodate more diverse youth and increase awareness of cultural diversity at
work. Through the efforts of leaders to understand young people and their society,
the social enterprises in Nan province are able to develop their own organizations
as well as personal development of the youth. Based on diverse learning efforts, the
social enterprise in Nan province should lead this function to understand the
necessity of improving teamwork, management, report and evaluation, and fund
raising. This means knowledge needs to be developed as ideas to improve the
operation of social enterprises. In order to do so, the social enterprises in Nan
province should utilize knowledge for their team members not only to understand
issues of the youth but also to realize issues within the organization to improve
productivity. As a primary sector of all the other competencies, learning
competency in the social enterprise should promote both developments of young
people and development of social enterprise themselves.

4.3.2 Teamwork
Teamwork section is one of the strong competency; however, the sector is lack of strategy to make team focus on one goal and develop teamwork with various methods such as workshops, self-learning, and so on. The research believes that teamwork competency of the social enterprises in Nan province can be improved by enhancing leadership to deliver empowerment and motivation to the team. Good examples of leadership in social enterprises can be found from social enterprises such as Jamie Oliver’s Fifteen and the Big Issue in the United Kingdom. Both social enterprises are selected for this study since both show great aspects of leadership, especially empowerment and motivation. These two factors are significant leadership for social enterprises since empowerment and motivation are keys of three desirable leaderships – ethical, transformational and empowering leadership - mentioned above, and they are key factors of leadership from Maccoby’s management and leadership models. Empowerment provides power for employers and employees to help their decision-making, especially for employees (Malone, 1997). Since empowerment not only improves the capability of members but also requires a huge commitment of leaders, it usually takes a long time for social enterprises to empower their members (Blanchard et al, 2006). The second factor, motivation is a condition that creates diversity in intensity, quality, and direction towards current behaviors (Cummings and Worley, 2005). Motivation is also a process that moves human activities towards needs that satisfy people, and it is related with experiences with different entities (Bernard, Mills, Swenson, & Walsh, 2005; Hunter, 2012; Kirkwood, 2009; Steel and Konig, 2006; Weinstein, 2014).

A successful social enterprise in the UK, Jamie Oliver’s Fifteen shows great examples of social entrepreneur which includes strong motivation and empowerment to their workers. Ben Chapman, who finished a training program at Fifteen in 2004, and now hired as a chef in Fifteen London, was a drug dealer and car thief and was put in jail because of his crimes. Through Fifteen programs, he was able to restart his career by understanding that he is a person who is being
cared, supported, and trained. Fifteen allowed him to be back to the program again even after he sent to jail again during the training program because he stole a car (Fifteen London, 2011). The organization showed him trust and believed his potentials regardless of his misbehaviors. Another interviewee, Kerry-Anne Dunlop experiences failure in her real jobs. Before she started to work in the real places, she dropped her school. She applied to Fifteen courses through her career adviser and was able to gain her real experiences as well as recognition from the CEO, Jamie Oliver. Jamie gave her advice directly instead of sending messages through other leaders and giving here indirect advice. Besides these interviewees, 220 people graduate from Fifteen’s training course by 2012, and 215 of them was hired from real jobs after all. The leaders aim to create an environment that youth feel more engaged in the organization and make them feel as important decision makers at Fifteen (Oliver, 2011). Likewise, Fifteen was able to motivate young people who had experiences in crimes and abandonment from the society and help them have quality lives through empowerment and motivation from leaders.

Another social enterprise in the UK where leadership successfully motivates and empowers youth is the Big Issue Foundation. The Big Issue Foundation provides jobs for homeless people and people who suffer from inequality and poverty. A lot of young employees at the Big Issue are wives and husbands with their young children. They had to drop out their education in order to take care of their family. Michael Hall, who is a vendor of the Big Issue magazines at Bristol Harbour, mentioned that the Big Issue provided him an opportunity to concentrate on opportunity and future instead of his economic struggles and problems in life. He is able to communicate with many friendly and kind customers and walk around the city to meet more of them. Some of them provided him some meals, cups of coffee and tea during cold days. Thanks to the job at the Big Issue, he can support his housing and enjoy some food and drinks at restaurants where local people normally visit (The Big Issue, 2017). Another interview from Estera, a mother of two children, talked about things that motivate
her as a vendor of the Big Issue, and empower her during her interview. She is working at Harborne, Birmingham area and has been in the business for four years. She had been in the business for a long time, so she has a lot of regular customers as well. Experiences as being a vendor of the Big Issue gave her an opportunity to learn something new every day from different people since she had to talk to a lot of people to pitch. Managers in her branch also take care of her by bringing coffee or tea and helping her to avoid rain on rainy days. By working at the Big Issue, she now has a dream to run her own business one day, so she can help sustainable future for her children (The Big Issue, 2018). The management team also motivates team members by helping them transfer to a new job if they want, and encouraging them to have a sense of self-help even though they are not well educated or experienced. The objectives of the management team are ‘vendor-centric’, ‘inclusive’, and ‘non-judgmental’ (The Big Issue Admin, 2016). This leadership model provides the youth to feel included in the society and helps them understand the value of their potentials and capability. The Big Issue received several awards such as Customer Magazine for the Year from Scotland, UN Habitat Scroll of Honour Award in 2004, and much other social entrepreneurship and charity awards as well (The Big Issue, 2017).

The interviews from two enterprises indicate that it is important for social enterprises to empower and motivate their workers to build sustainable teamwork. For social enterprises in Nan province, they have a relatively strong sense of teamwork compared to other factors. However, in order to keep empowering and motivating their members and develop social enterprises, leaders of social enterprises should aware of the importance of long-term plans or tools for workers to maintain their motivation at work. As the interviewees mentioned above, sense of ownership and learning at work can motivate young people and lead them to achieve personal as well as organizational goals. In this sense, social enterprises in Nan province need to open their process of decision making and work process in general and hear more voices from workers instead of making orders to them.
Moreover, they also need to provide more education, guidance, and training for the youth who do not have many experiences in the real world. Considering the fact that social enterprises in Nan province mostly hire the youth or youth-related people, it is important for the companies to increase self-esteem and motivation of their members through helping them recognize their potentials and understand their contribution to the company and the society. Especially, social enterprises in Nan province have a hard time developing their teamwork through different tools such as conference, self-learning, and other related activities, leaders should organize activities more thoroughly after understanding needs of their members and connecting with necessary resources accordingly. Before empowering and motivating team members, leaders should maintain continuous communication with their members in order to harmoniously motivate their team to achieve the mission of a social enterprise.

4.3.3 Management

Management sector proved that the social enterprises in Nan province are lack of strategies to understand and focus on organizational goals. This shows these organizations need to understand their organization and needs from the market and the public. Cases from Young Advisor Charity and Grantoftegaard provide possible solutions to improve strategies to improve management skills for Nan province. Young Advisors Charity in England provides unique management structure to understand issues in the local area and establish strategies and solutions for the local issues. The charity created collaboration between the youth and adults. The board is run by young people, and adults provide advice and support for the operation based on their professional experiences and positions. Adult advisors for the board are elected by young members of the board (Brankovic, 2012). This helps the organization to have creative solutions for the local issues and sound strategies.
based on consultation from collaboration with adults who are already expertized in real fields. This collaboration not only helps the youth to understand risks and increase the creativity of solution-making but also allows them to be trained and establish solutions that can effectively target the local issues. Young Advisors annually creates 2 million euros of profits based on their service and strategies to approach local issues and policy-making (Brankovic, 2012).

Another social enterprise is Grantoftegaard. The organization has a board consists of seven members with a different background. One person is appointed by Økologisk Landsforening, an interest organization of Netherland to secure and develop organic food production. Another is a representative of the local business community that is able to contact school and education areas. One member of the board is from the Organization of Social Economy Enterprises and one person is appointed among the employees. The last three board members are selected by the municipality, Ballerup. The reason behind this selection of board members is to make the organization work for public interests (Grantoftegaard, 2018). Their goals are divided into corporate social responsibility and social enterprise. Based on these diverse members in the board, Grantoftegaard realized there are more unskilled and unemployed people in large cities such as Copenhagen compared to rural areas due to lack of job opportunities and huge population. Based on this concept, the organization now engages with different city job centers to bring more unemployed people to their enterprise, ecological farms, farmers, other social enterprises, and municipality to perform both social and entrepreneur responsibilities (Bayl, 2015). The board of organization and management system not only guarantee the organization to understand the needs of the market, but also promote social impact to the society along with government, private enterprises, schools, and community. This strategy of targeting both corporate responsibility and social entrepreneurship allow the organization to generate huge profits by themselves and be financially independent, unlike other social enterprises which mostly rely on their funds from donation and charity.
The survey results of owners show a positive future of social enterprises in Nan province since strategies are effective and risk-taking will is high. This means social enterprises in Nan province are able to make changes and risks of their projects to be more closely reach their goals. This driven and flexible attitude of owners and organizations would benefit the youth who are vulnerable and need more care than adults. On the other hand, without clear strategies and goals to achieve their organizational mission, social entrepreneurs and organizations would not be able to sustain themselves. This shows that social enterprises in Nan province should be well aware of the public needs, market trend, ongoing situations of the local community, and mission of organizations through active participation in forums, conferences, promotion, and media. This raises the necessity of the organizations to set strategies and goals that are more productive and influential to the society. In order to do so, the social enterprises in this region should be well aware of their areas and issues of their province. Social enterprises in Nan province should consider different regional economic advantages such as cultural diversity, natural parks, and other tourist attractions, and utilize them to develop their programs and earn more profits. Furthermore, these strategies should be based on the long-term mission of an organization since they are still more than thirty percent of the whole population is the youth in Thailand (World Bank data, 2018). This management competency also can be enhanced through developing learning and fund raising competencies since learning can develop their members to be more aware of local situations and needs, and fund raising will allow them to establish more strategies to achieve the mission of organizations and help them hire more professionals from different expertise. Furthermore, management competency affects to report and evaluation sector which is another incompetent competency for the social enterprises in Nan province. The survey shows that members of the social enterprises in Nan province are well aware of their mission and goals of the organization, but this awareness should lead to developing strategies to improve the report and evaluation sector. Likewise, social enterprises in Nan province should
establish clear and most real-like goals to accommodate youth to the society through hiring leaders and members from different backgrounds and these strategies and process should be based on a long-term basis in order to continuously bring and develop youth to employment.

4.3.4 Report and evaluation

In order to improve the report and evaluation section, the social enterprises in Nan province need to have a clear standard to measure the performance of their enterprises and understand the importance of releasing reports and evaluation. Moreover, there is a lack of monitoring plan to maintain the evaluation process and release it regularly to the public and financial stakeholders. To diversify and understand criteria and standards of measuring the performance of social enterprises, the research introduces a case of Friends-International and study conducted for WISEs to show how social enterprises are evaluated under what criteria. Friends-International is one of the great examples that release their report and evaluation on regular basis. Their recent report in 2016 includes information of the number of staffs, total income, total expenses, administration, the breakdown of donors’ contribution to the organization, number of social businesses, profit from each of their social business, financial sustainability, and details of the financial result in each location. This detailed information about their financial situation allows Friends-International to invest their finance to the most needed projects, minimize their funds for ineffective projects to their mission, and help them plan for more feasible and sound projects for the next year. Although their report is mostly about financial outcomes, their regular release provides ideas to their stakeholders and supports about how subsidies are used and developed for Friend-International’s projects to include more youth to employment. Social enterprises in WISEs are also well evaluated and assessed by many researchers. Interviews with
leaders and public information from Grantoftegaard, Kaffe Fair DropOuts, and the Colour Kitchen were used to evaluate social impacts and performance. Tim Bayl assess these social enterprises based on different mechanisms: sourcing and selecting of their workers, vocational development programs, personal development activities, facilitation of familiarity with employers, and transitioning into employment to promote sustainable outcomes (Bayl, 2015). This evaluation is based on interviews with directors and CEOs of each organization as well as their public reports. The result shows that four social enterprises do have a clear vision and mission for their projects. Most social enterprises in WISEs tend to hire their members who are suitable to their programs and who have a clear understanding of enterprises’ expectations. All four social enterprises provide well-organized training to their workers to utilize their skills at the real workplaces. They also contribute to conduct personal development of workers by helping workers to address their voice, increasing teamwork, improving time management skills, and helping them manage their finances. They promote familiarity to work by providing the real business environment, practices, and placements at work, and most real-like experiences and certification for the jobs that members want to have. Lastly, also help their employees to be get hired by providing many experiences and training. They also provide mental or rehabilitative treatment for their workers, so that they are well adapted to their new environment and positions. This evaluation shows that these four social enterprises in WISEs provide programs that help young people be equipped with skills and knowledge before they get the real jobs in a competitive society. They also focus on building self-confidence and the ability of the youth who do not have many experiences at work (Bayl, 2005).

In order to improve the evaluation and reporting sector for social enterprises Nan province, the social enterprises should understand the benefits and effects of evaluation and reporting. This is not only beneficial to members but also profitable to bring more funds and recognition from outside. Through evaluation and reporting, members of social enterprises are able to analyze reasons for their
outcomes, and strengths or weaknesses of their social enterprises. This will motivate members to be more goal-oriented since they can establish a more clear direction to improve their works. Moreover, publication of this evaluation and report provide information and missions of the social enterprises to the public. This increases awareness of the youth issues to the public and necessity to support them. The regular publication of evaluation also strengthens the relationship with their original stakeholders and supporters since stakeholders and supports can track their funds, and see how their money is used in social enterprises. This clearly reveals the importance of evaluation and reports since this can resolve one of the biggest challenges for social enterprises in Nan province which is financing (Wongphuka et al, 2015). After understanding the values of the reporting and evaluation system, social enterprises also need to establish clear standards to evaluate their organization and to measure their impact on the society. As many measurement methods mentioned above, the social enterprises in Nan province can utilize qualitative and quantitative methods to measure their financial outcomes and social values. These evaluation standards would be different based on the programs and mission of their organizations. Regarding the results of the survey, the social enterprises in Nan province should include their financial reports and measurement tools to evaluate their organizational mission because the organizations are lack of financing and management skills compared to other sectors. Moreover, these standards and languages using in the report and evaluation process should be written easily since a lot of members for the social enterprises in Nan province will be young people. They also need to maintain transparent and democratic management and staffing system to hear more voice and feedback from their members instead of leaders at the top positions. By hiring professionals in finance, market, and the public needs through strengthening managing sector, the social enterprises in Nan province can have more people to develop report and evaluation criteria and utilize them to develop their organizations.
4.3.5 Fund raising

The most incompetent sector, fund raising, indicates that the social enterprises in Nan province are lack of diversifying their financial resources. This shows that there is a necessity of diversifying methods of earning profits not only from donation and charity but also from market-based ways. Great examples and cases from social enterprises in European countries can suggest new ways and approaches make income for the social enterprises in Nan province. Friends-International in France used to depend on their donors to finance their organizations as other young social enterprises are used to do. The owner recognized the risk of donor-dependence trend and they started to turn their vocational centers such as restaurants, beauty salons, garage, shops, and others into businesses. These vocational centers do not just provide training and education for young people, but they actually generate profits for the enterprise (Marot, 2015). In 2016, 42 percent of their income came from their business, 19 percent of them come from foundations, and the rest of funds are from individuals, private enterprises, government, and international organizations such as the United Nations and EU. The total amount of income in 2016 was 7,263,325 US dollars (Friends-International, 2017). This method of bringing funds from their social business not only helps the organization to be aware of market needs but also guarantees the sustainability of social enterprises in the long-term. Different sources of funds also allow the social enterprise to be more independent from any pressures from their stakeholders or organizations when they establish their goals and missions.

Another example can be found from Grantoftegaard. Grantoftegaard is an organic social farm located in Ballerup, Denmark. The firm uses their land to produce cereals, field peas, oilseeds, hay harvesting, and raise 700 lambs, sheep and cattle. Besides producing diverse agricultural products, the firm also produces profits through guided tours of the farm complex, carriage rides by horses, shops, and café which sells their own products such as vegetables, honey, flour, lamb and
beef as well as products from local farmers. These are the two-third amount of income sources of the organization. Moreover, they also earn their income through training and education and the amount of income from these activities is one-third of the total income. The director of Grantoftegaard mentioned that the enterprise tries not to rely on supports from the municipality, but seek for their own income and operate the organization on their own. The municipality of Ballerup even had to purchase and book training places from Grantoftegaard. This financial independence of Grantoftegaard allows the organization to conduct many different activities to develop the youth such as Danish, math, and English schooling to help the youth pass government established exams. They also work with a vocational agricultural school, so young people can earn certification from their vocational training (Bayl, 2010). Their turnover in 2014 was 20 million in DKK which is over 3.3 million US dollars (RED, 2014). This shows that producing goods and services for social enterprises themselves allow social enterprises to more successfully achieve their social purposes in a sustainable way.

Likewise, to raise funds more sustainably and successfully, social enterprises in Nan province consider both market-based and non-profit based methods. Values can be earned from offering something such as a product or service as additional sources of revenue (Quinn, 2012). For non-profit based methods, social enterprises can rely on donations from the public and organizations, public resources such as credit lines, contracts for service provision, and subsidies from governments and international organizations. The social enterprises also support themselves from their internal funds such as loans, family funds, and so on (Burkett, 2010; Austin et al, 2015). Even though it is true that social enterprises cannot generate much revenue from goods and services since they are usually not easy to access to the market (Bugg-Levine et al, 2012), donation and subsidies from outside have risks and limitations. For the market-based financing, social enterprises can sell goods or services to the public, fees from the beneficiaries of the social enterprise, and cause-related marketing through campaigns and products.
Diversification of funds can increase awareness and participation of other entities from outside, and receive feedback from many different perspectives from outside (Austin et al, 2015). This diversified method of earning funds not only allows these enterprises to increase their revenue but also allow them to initiate diverse activities to achieve their social goals as cases from two European social enterprises have shown above.

To help social enterprises in Nan province to engage in more financial resources, the social entrepreneurs and enterprises should establish a strategic action plan to earn more funds. Especially, enterprises need to advertise their organizations via different marketing tools such as social media since social enterprises in Nan province are not well publicized. They need to actively promote their plans, initiatives, activities, and outcomes to financial stakeholders as well as the public to bring more attention to their mission and goals. Most social enterprises in Nan province are young, and they mostly had participated in government initiatives for the purpose of non-profits, they might get used to relying on funds from the province. On the other hand, by utilizing regional advantages of Nan province such as natural resources and active interest towards social movement, social enterprises in Nan province are able to look for profit-based sources. As the case of Grantoftegaard, social enterprises in Nan province are able to utilize funding sources for themselves by engaging in the agricultural sector, local tourist agencies, tourists, tourist attractions, and so on. The main economic gain of this region is agriculture and tourism started to boom (Tourism Authority of Thailand, 2018), social entrepreneurs should focus on meeting the needs of markets in Nan province. Furthermore, they also need to effectively utilize their surplus from previous years to invest in profitable business to attract more funds. Since the goal of these social enterprises is to bring more youth to the employment, they should build a close relationship with private enterprises to bring more funds as well as provide their employment to these enterprises after training the youth. In addition, by using reports and evaluation, the social enterprises should understand
where to invest and where not to invest to effectively use their funds. Financial reports and social impact evaluation will help social enterprises spend their money on projects that most benefit young people, and minimize buying or investing for useless resources to achieve their goals. This report and evaluation will also bring more funds from the public and private stakeholders since they will promote aims and projects of the social enterprises and bring more interests from outside. This close relationship between evaluation and fund raising sections will improve the productivity of the social enterprise more strategically.
Chapter 5. Conclusion

Social enterprises in Nan province have been actively engaged in society to improve the employment of the youth and work situations for young people. Nan province is one of the regions in Thailand that has low youth unemployment rate after Bangkok. The region is well known for its natural landscapes and active social movements from NGOs and social entrepreneurs. The research used the previous research from Mahidol University and Knowledge Network Institute of Thailand to understand the performance of social enterprises in Thailand and to analyze their performance based on specific sectors mentioned in the previous survey. Based on the result of the survey, the research chose five sectors out of eight sectors from the original survey; learning, teamwork, management, report and evaluation, and fund raising. These five sectors were selected since learning and teamwork are the two most competent sectors while the other three are three least competent sectors.

The research found that learning competency affects all other sectors – teamwork, management, report and evaluation, and fund raising. This is because earning necessary knowledge for work will enhance the understanding of work and help social enterprises analyze issues of each sector in depth. They also need to utilize this knowledge to use as a useful tool to improve their productivity. Moreover, improvement of evaluation and report competency can strengthen fund raising sector. The regular release of evaluation and report will give more chances for the public and financial stakeholders to understand the mission and projects of social enterprises. This will bring more funds for social enterprises and increase the transparency of the financial flow of social enterprises. This also helps social enterprises increase their effectiveness of utilizing funds since social enterprises recognize where to invest and where to withdraw through the evaluation. Finally, a transparent management system improves fund raising competency. If the management team is more willing to communicate with their members and open
their decision-making process to members of their social enterprises, evaluation and report will include more necessary opinions and record to evaluate the performance of social enterprises. This shows that each sector is correlated, so improvement of one sector can enhance the performance of other sectors.

The research provides suggestions to the social enterprises in Nan province based on cases of European social enterprises in the United Kingdom, France, WISEs from Denmark and Netherlands. Based on successful social enterprise cases of other continents, the research provides possible ideas and suggestions regarding situations of Nan province. For learning competency, the research provides cases of Friends-International, Dropouts, and the Colour Kitchen to show diverse methods to earn knowledge and educate their members. Based on these cases, the social entrepreneurs and enterprises in Nan province should look for more opportunities from outside to provide more diverse education and training for the youth. Moreover, considering the cultural diversity of Nan province, young people in Nan province should be aware of different cultures and people and respect different cultures in the province. The second competency was provided cases of Jamie Oliver’s Fifteen and the Big Issue from the United Kingdom as examples to show leadership including empowerment and motivation. For the social enterprises in Nan province, they should consider making their decision-making process more transparent to the whole members, providing more education to motivate and empower the youth, and continuous communication with the youth to understand the motivation of their lives.

The third competency used cases of Young Advisors Charity and Grantoftegaard to show effectiveness in delivering organizational strategies to improve management sector. These examples show the structure of management team that delivers opinions of the youth, needs from the market and the public, and goals of social enterprises to include more youth to the society. Based on the concept and examples, the research suggested to the social enterprises in Nan province to put
more efforts to realize needs from the public, market, and local area through active
generation with related actors. They also need to include cultural awareness
program for the youth to be more adapted to diverse cultures of Nan province. The
report and revaluation sector includes different methods and ways to measure the
performance of social enterprises and their social impact on society. Based on a
clear understanding of values in evaluation and reports, the social enterprises in
Nan province should have their own measurement standards by combining both
qualitative and quantitative approaches. These reports and evaluation should be
easily written considering readers who will be youth related people or the youth,
and the leaders should focus on listening more voice and feedback from their
members. The last sector, fund raising, introduced cases of Friends-International
and Grantoftegaard provided ideas of a market-based approach to generate money
for themselves by providing goods and services to the society. The research
suggested the social enterprises in Nan province establish a strategic action plan to
bring more funds from outside and utilize regional advantages of Nan province to
create funds for themselves.

Evaluation of the social enterprises in Nan province and suggestions for them show
three important takeaways. First, the social enterprises in Nan province should
strengthen their learning competency to improve other competencies. Learning can
promote individual development in social enterprises and this will increase the
overall performance of the social enterprise in the end. At the same time, social
enterprises should strive to develop this knowledge to be worked as a tool to
increase their productivity and resolve any issues in the organization. In this sense,
the social enterprises in Nan province should provide practical knowledge and
ways to connect with knowledge and reality. This shows that the social enterprises
in Nan province should engage in different kinds of forums, conferences,
discussion, and self-learning to receive diverse knowledge and share knowledge.
This is to develop information in order to be used to employ more young people
and develop skills of the youth. Young people are still in the process to learn, and
they need diverse knowledge to develop their ideas and find solutions for themselves. If the social enterprises in Nan province conduct more roles as an educational institution, more youth will be able to have professional jobs and develop their dreams. This also leads the organizations to develop other incompetent sectors with professional knowledge and solutions.

Importance of learning sector also emphasizes the need for educational tools for the youth and the necessity of including youth to the decision-making process of the social enterprises. Since young people are easy to earn knowledge through technology and media, social enterprises should consider creating digital contents and online application to educate young people in social enterprises. Moreover, a management team should communicate with young people more often to learn their needs and interests of them, so social enterprises can consider the most effective methods to provide knowledge for the youth. The education for the youth should deliver interests of the youth and consider the relationship between their interests and the real workplaces. As many social enterprises in European countries have shown above, social enterprises should provide most real-like experiences to the youth, so they can develop their skills that the real workplaces require. This is why young people in social enterprises should more engage in the decision-making process. Being a decision maker of an organization not only delivers opinions of the youth to the organization but also encourages young people to contribute themselves more to the work and develop themselves. In this aspect, it is important to actually adopt ideas of young people to the policy and project in reality after analyzing the practicality of their ideas. This will give motivation for the youth to work in the organization and help them have clear goals for their jobs in their organization.

In addition, expansion of networks and understanding needs from the public and the youth are keys to improve social enterprises working for the youth in developing countries. Broad network means social enterprises are able to earn
knowledge in various areas and relate their networking experiences to the real workplaces. This shows that the social enterprises in Nan province should expand their network among social enterprises as well as with private firms, public institutions, and citizens to provide more practical experiences to the youth. To do so, social enterprises need to have a clear understanding of the market and the public to understand the current needs and mainstream trend of the public. This indicates the importance of social enterprises to hire people who have many different experiences on the market, the public, and youth issues.

Lastly, the social enterprises in Nan province should utilize local resources to earn profits and release more reports and evaluation to the public. By utilizing local resources in Nan province, the social enterprises in Nan province are able to find ways to earn more funds for themselves. A lot of European cases have shown above, most European social enterprise uses local resources to produce goods and service. This became a huge portion of their profits annually. Since Nan province has a lot of natural sites to visit, and tourism started to boom in this region, the social enterprises should look for ways to use these regional advantages to bring more funds. Moreover, Nan province has various people and cultures, so social enterprises should be aware of cultural differences and ways to combine these different cultures to their profits. Both natural advantage and cultural differences can be financial assets for social enterprises to develop different ways to earn funds. They could think about building accommodations, providing a guide for tourists, language programs, and cultural understanding programs for other people. Through understanding the advantages and resources of the local community, the social enterprises can develop their own goods and services to independently bring more funds for them. In order to utilize regional resources and cultural differences of Nan province, the social enterprises should analyze and evaluate their enterprises and release reports to the public. This will increase awareness of social enterprises to the public and bring more funds from outside. The social enterprises are also able to utilize and invest funds to more effective projects and withdraw funds from
ineffective sectors through this report and evaluation process.

The social enterprises working for the youth in Nan province have potentials and will to improve their organizations to accommodate more youth to the employment and provide better work experiences to young people. The number of social enterprises has been increasing, and a lot of governments in developing countries started to encourage the establishment of social enterprise by establishing intermediary organizations and financial plans for social enterprises. This shows that social enterprises not only contribute to resolving social issues but also promote employment of the community. Regardless of these advantages of social enterprises, developing countries still need to consider ways to improve the function of their organizations to increase the productivity of the organization and target urgent social issues of the community. In order to do so, social enterprises in developing countries should realize their issues, actively engage in outside resources, be aware of their own organizational issues to improve their performance, and ultimately contribute to resolving social issues in the society. As the social enterprises in European cases have shown, the vision and mission of social enterprises are bright and hopeful. With more understanding and improvement towards a community, social issues, and their organization, the social enterprises in developing countries would be an effective entity to improve the life quality of a community.
## Abbreviations & Explanations

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Explanation</th>
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<tbody>
<tr>
<td>BRAC</td>
<td>Building Resources Across Community</td>
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<tr>
<td>CIO</td>
<td>Charitable Incorporated Organizations</td>
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<td>EMES</td>
<td>European Research Network</td>
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<td>EU</td>
<td>European Union</td>
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<td>IPS</td>
<td>Industrial and Provident Society</td>
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<tr>
<td>L3Cs</td>
<td>Low-Profit Limited Liability Company</td>
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<tr>
<td>MaGIC</td>
<td>Malaysian Global Innovation and Creativity Centre</td>
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<td>NGO</td>
<td>Non-governmental Organizations</td>
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<td>NSEC</td>
<td>National Social Enterprise Committee</td>
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<td>PDA</td>
<td>Population and Community Development Association</td>
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<td>SE</td>
<td>Social Enterprise</td>
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<td>SEPA</td>
<td>Social Enterprise Promotion Act</td>
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<td>SMEs</td>
<td>Small-Medium Enterprises</td>
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<td>SPC</td>
<td>Social Purpose Corporation</td>
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<td>TSEO</td>
<td>Thai Social Enterprise Office</td>
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<td>YIY</td>
<td>Youth Innovation Year</td>
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<td>YSEI</td>
<td>Youth Social Enterprise Initiative</td>
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<tr>
<td>WISE</td>
<td>Work Integration Social Enterprise</td>
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List of Tables

Table 1. Social issues of Thai SEs

Table 2. Number of staffs

Table 3. Annual revenue (USD)

Table 4. Learning and teamwork

Table 5. Management, fund raising, and reporting/evaluation

Table 6. Summary of diagnosis and suggestions

Table 7. Networking, marketing, and communication
## Appendix

*Table 7. Networking, marketing, communication*

<table>
<thead>
<tr>
<th>Item</th>
<th>Competency Level (%)</th>
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<tbody>
<tr>
<td></td>
<td>1</td>
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<tr>
<td><strong>Networking</strong></td>
<td></td>
</tr>
<tr>
<td>1. Building a strong relationship among people in communities</td>
<td>-</td>
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<tr>
<td>2. Building a relationship between organizations and private sectors</td>
<td>3.1</td>
</tr>
<tr>
<td>3. Coordinating with other organizations on project movements</td>
<td>3.1</td>
</tr>
<tr>
<td>4. Extending network cooperation within and beyond the target areas</td>
<td>3.1</td>
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<tr>
<td>5. Prolonging or sustaining networks</td>
<td>9.4</td>
</tr>
<tr>
<td><strong>Marketing</strong></td>
<td></td>
</tr>
<tr>
<td>6. Seeking more opportunities and new social markets</td>
<td>9.4</td>
</tr>
<tr>
<td>7. Promoting individual and organizational performance to communities and society</td>
<td>3.1</td>
</tr>
<tr>
<td>8. Persuading new members to join the mission of an organization</td>
<td>12.5</td>
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<tr>
<td>9. Presenting social activities, public goods and services to communities and society</td>
<td>9.4</td>
</tr>
<tr>
<td>10. Improving credibility and reliability of individuals in communities/society</td>
<td>3.1</td>
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<tr>
<td>Communication</td>
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<td>------------------------------------------------------------------------------</td>
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<tr>
<td>11. Improving communication channels</td>
<td>6.3</td>
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<tr>
<td>12. Understanding message receivers (reaction, group behaviors, and mass psychology)</td>
<td>6.3</td>
</tr>
<tr>
<td>13. Creating media and information based on accurate data for target groups</td>
<td>3.1</td>
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<tr>
<td>14. Transferring and disseminating knowledge</td>
<td>6.3</td>
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</table>


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국문초록

사회적기업은 최근 몇십 년간 계속해서 발전해왔으며, 전 세계로 퍼져나갔다. 개발도상국에서도 사회적 기업의 숫자는 증가해왔지만, 이 지역에 대한 연구는 아직 부족한 편이다. 이 연구는 개발도상국 사회적 기업들의 구조적 경영에 대해 이해하고, 그들의 운영을 증진시키기 위한 방법을 제시한다. 이를 위해 본 연구는 마히돌 대학교(Mahidol University)와 Knowledge Network Institute of Thailand에서 32개의 사회적기업가들을 대상으로 한 선행연구를 사용하였다. 본 논문은 인터뷰에서 사용한 8개의 부문 중 배움, 팀워크, 경영, 평가와 리포트, 그리고 자금 모음의 다섯 가지를 이용한다. 본 연구는 각 부문의 연관성을 찾고, 이 분석과 일곱 개의 유럽 사회적기업들의 사례에 근거해 난 지역 사회적 기업들에게 제안을 할 것이다. 제안들은 유럽 국가의 7개 사회적 기업들의 사례를 바탕으로 만들어 질 것이다. 본 연구는 난 지역 사회적 기업들이 다른 부문들을 발전시키기 위해 배움, 평가와 보고서, 영업 부문을 강화하여야 하고, 평가와 보고서 부문과 운영 부문은 자금 모금 부문을 강화시킬 수 있으며, 효과적인 기업 운영 기술은 평가와 보고서, 영업 부문을 항상 시킬 수 있다는 것을 밝힌다. 이러한 내용에 근거해, 본 연구는 난 지역의 사회적기업들이 다른 기관들과 더 교류하고, 청년들을 위해 배움의 기회와 대화의 장을 제공하고, 열린 의사결정 환경을 제공하며, 다양한 교육적 기구로 청년들에게 동기를 부여하고, 청년과 관련된 사람들 기업에 고용하고, 시장과 공공, 그리고 지역의 요구를 이해하고, 문화 다양성 프로그램을 제공하고, 평가와 리포트에 대한 가치를 이해하고, 평가 방법을 수립하고, 경영 시스템을 향상시키고, 지역의 특성에 따라 재화와 서비스를 생산하고, 이윤을 잘 활용하며, 사기업들과의 교류를 통해 이윤을 증진시켜야 한다고 제안한다.