

ปัจจัยที่ส่งผลกระทบต่อขีดความสามารถในการแข่งขันที่ยั่งยืนของประเทศไทย

Factors Affecting Thailand's Sustainable Competitiveness

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บทคัดย่อ

วัตถุประสงค์ 3 ประการของงานวิจัยนี้คือ 1) เพื่อศึกษาขีดความสามารถในการแข่งขันที่ยั่งยืนของประเทศไทย 2) เพื่อค้นหาปัจจัยที่ส่งผลกระทบต่อขีดความสามารถในการแข่งขันที่ยั่งยืนของประเทศไทย และ 3) เพื่อค้นหาแนวทางเพื่อการพัฒนาขีดความสามารถในการแข่งขันที่ยั่งยืนของประเทศไทย งานวิจัยนี้อาศัยการวิจัยแบบผสม ทั้งในเชิงคุณภาพและเชิงปริมาณ ในเชิงคุณภาพประกอบไปด้วยการสัมภาษณ์เชิงลึกกับผู้เชี่ยวชาญรวม 17 ท่านในช่วงแรก และการนำเสนอต่อผู้เชี่ยวชาญอีก 22 ท่านในการสนทนากลุ่มเพื่อแสดงความคิดเห็นก่อนสรุปผลการวิจัยในช่วงท้ายของการวิจัย ในเชิงปริมาณ มีการเก็บตัวอย่างการสำรวจจากผู้ให้ความคิดเห็นรวม 390 ท่าน ข้อมูลที่ได้ทั้งหมดได้ถูกนำมาประมวลและทำการวิเคราะห์ แบบอุปนัยสำหรับข้อมูลเชิงคุณภาพ ทั้งการสัมภาษณ์เชิงลึกและการสนทนากลุ่ม และแบบสถิติศาสตร์สำหรับข้อมูลเชิงปริมาณ ทั้งสถิติเชิงบรรยายและสถิติอนุมานอันประกอบไปด้วยการหาความสัมพันธ์ทางสถิติแบบสหสัมพันธ์ และการวิเคราะห์การถดถอยพหุคูณ โดยวิธีเพิ่มตัวแปรอิสระแบบขั้นตอนเพื่อระบุตัวแปรซึ่งก็คือปัจจัยที่ส่งผลกระทบต่อขีดความสามารถในการแข่งขันที่ยั่งยืนของประเทศไทย รวมทั้งลำดับความสำคัญของตัวแปร

ผลการวิจัยในทุกรูปแบบล้วนสอดคล้องและยืนยันว่า 1) ขีดความสามารถในการแข่งขันของประเทศไทยอยู่ในระดับต่ำอันเนื่องมาจากการขาดการมุ่งเน้นและการประเมินคุณค่าทางเศรษฐกิจ

โกลีทธิ์ เฟื่องสวัสดิ์

ทางสิ่งแวดล้อมและทางสังคมโดยตรง 2) ปัจจัยที่ส่งผลต่อขีดความสามารถในการแข่งขันที่ยั่งยืนของประเทศไทยประกอบไปด้วย (ก) การดำเนินนโยบายของประเทศ โดยมุ่งเน้นประสิทธิภาพ ประสิทธิผลและการปกครองภายใต้หลักธรรมาภิบาล (ข) การบริหารประชาชน โดยมุ่งเน้นความมุ่งมั่นและความรับผิดชอบ ความยืดหยุ่นและความไว้วางใจ การกระตุ้นและการสร้างแรงบันดาลใจ และการสื่อสาร และ (ค) อิทธิบาท 4 หลักพุทธธรรมอันประกอบไปด้วย ฉันทะ วิริยะ จิตตะ และวิมังสา และ 3) แนวทางในการพัฒนาขีดความสามารถในการแข่งขันที่ยั่งยืนของประเทศไทยคือการบูรณาการอย่างแท้จริงของ 3 ปัจจัยที่กล่าวมาทั้งนี้ จากผลการวิเคราะห์สหสัมพันธ์และการถดถอยพหุคูณ โดยวิธีเพิ่มตัวแปรอิสระแบบขั้นตอน พบว่าการบริหารประชาชนเป็นหัวใจสำคัญที่สามารถนำไปให้ประชาชนที่มีคุณภาพอันมาจากการพัฒนาโดยอาศัยหลักอิทธิบาท 4 ให้กลายเป็นพลังขับเคลื่อนการดำเนินนโยบายของประเทศ โดยมุ่งเน้นประสิทธิภาพ ประสิทธิผลและการปกครองภายใต้หลักธรรมาภิบาล ประเทศไทยจึงจะสามารถพัฒนาขีดความสามารถในการแข่งขันที่ยั่งยืนได้สำเร็จ

คำสำคัญ : ปัจจัย, ขีดความสามารถในการแข่งขันที่ยั่งยืน

Abstract

This research was initiated with 3 objectives; 1) to study Thailand's sustainable competitiveness, 2) to study factors affecting Thailand's sustainable competitiveness, and 3) to find out the guideline for improvement of Thailand's sustainable competitiveness. A mixed method of qualitative and quantitative approaches was designed for this research. In-depth interviews of 17 key informants were conducted for the qualitative research, in parallel to a survey research of 390 actual respondents. Another 22 experts participated the focus group discussion to sound their opinions on the research outcome and test the proposed policy models. Analytical induction was used as data analysis for data collected from the in-depth interviews and focus group discussion. For the survey research, descriptive statistics and inferential statistics including Pearson's correlation and stepwise regression were used as data analyses.

All these approaches coincide and confirm the following research results; 1) Thailand's sustainable competitiveness is low due to lack of direct focus and measurement of economic values, environmental values and social values; 2) factors affecting Thailand's sustainable competitiveness include (a) public policy implementation and its 3 subfactors including efficiency, effectiveness, and governance, (b) people management and its 4 subfactors including dedication and commitment, flexibility and agility, motivation, and communication, and (c) *Iddhipādā* 4 and its 4 subfactors including *Chanda*, *Vīriya*, *Citta* and *Vīmaṃsā*; and 3) the guideline for improvement of Thailand's sustainable competitiveness is to fully integrate the 3 factors. With higher correlation coefficient and degrees of

common effect from these 3 factors analyzed by the stepwise regression analysis, people management is the prime and integrative management tool to turn human quality developed by *Iddhipāddā* 4 into productivity to drive for efficiency, effectiveness, and governance of the public policy implementation for the Thailand's sustainable competitiveness.

Keywords : Factors; Sustainable Competitiveness

Introduction

National competitiveness has become vital to the survival of the country. Higher competitiveness ranking means prosperity of the nation and its population. Every country, including Thailand, employs global competitiveness ranking to define areas where public policies and subsequent national development projects are initiated.

There are three international institutions widely accepted by all nations on competitiveness ranking; International Institute for Management Development (IMD) – Competitiveness Center, World Economic Forum (WEF), and World Bank. These institutions have different sets of competitiveness ranking criteria but similar approaches on data collection; from hard data or empirical approach and from opinion survey.

The competitiveness rankings for Thailand assessed by international institutions have been moving up and down in the middle range with no foreseeable future to be comparable with leading nations, indicating a lack of critical success factors to stabilize and advance its competitiveness. This research attempts to identify critical factors affecting Thailand's sustainable competitiveness, and how to implement these factors to achieve higher national competitiveness in a sustainable way.

Research Objectives

1. To study Thailand's sustainable competitiveness.
2. To study factors affecting Thailand's sustainable competitiveness.
3. To find out the guideline for improvement of Thailand's sustainable competitiveness.

To achieve these objectives, four main and accompanied research hypotheses were proposed for testing.

โกลิถนี เพื่อองสวัสดิ์

Hypothesis 1 : There is a relationship between Public Policy Implementation and Thailand's Sustainable Competitiveness. This relationship can be defined by efficiency, effectiveness and governance. And that there is a predictive effect of the public policy implementation on Thailand's sustainable competitiveness.

Hypothesis 2 : There is a relationship between People Management and Thailand's Sustainable Competitiveness. This relationship can be defined by dedication and commitment, flexibility and agility, motivation and communication. And that there is a predictive effect of the people management on Thailand's sustainable competitiveness.

Hypothesis 3 : There is a relationship between *Iddhipāḍḍā* 4 and Thailand's Sustainable Competitiveness. This relationship can be defined by *Chanda, Vīriya, Citta, Vīmaṅsā*. And that there is a predictive effect of *Iddhipāḍḍā* 4 on Thailand's sustainable competitiveness.

Hypothesis 4 : There is a common effect of Public Policy Implementation, People Management and *Iddhipāḍḍā* 4 on Thailand's Sustainable Competitiveness.

Literature and Related Research Review

Sources for this research on world competitiveness are mostly from IMD and Thailand Management Association (TMA) (2019) Competitiveness Centers, WEF, World Bank, United Nations and European Commission, Office of the National Economic and Social Development Council (NESDC), Sasin School of Management, College of Management – Mahidol University (CMMU), Thai Institute of Directors, Mahachulalongkornrajavidyalaya University and Mahamakut Buddhist University, and several international business consulting firms.

National sustainable competitiveness: The present-day concept of 'national competitiveness' is universally described as a country's ability to grow and to compete with other countries for human capital, investments, and other resources. The WEF measures the national competitiveness by a set of factors, policies, and institutions that determine a country's level of productivity. The productivity leads to growth, which leads to income levels and improved well-being of the citizens of the nation.

Probably the most reputable sustainable development concepts in modern days are the principle of Sufficiency Economy Principle (SEP) and the United Nations' Sustainable Development Goals (SDG). The SEP was initiated by HM King Rama IX in 1974 and adopted by the NESDC in 2002, stipulated in the 9th National Development Plan. The concept was earlier elaborated as a way to create a balanced and stable development, at all levels, from the individual, family and community to society at large by

developing the ability to cope appropriately with the critical challenges arising from extensive and rapid changes such as globalization. The principle stresses the importance of adopting the middle path in three components; moderation, reasonableness, and self-immunity, with two accompanying conditions. These three components are; (1) moderation within reason, in the sense of not too much or not too little, (2) reasonableness justifiable by using academic approaches, legal principles, moral values and social norms, (3) self-immunity emphasizing the need for built-in resilience against the risks which arise from internal and external changes by having good risk management, realizing that real life is dynamic and fluid. The two accompanying conditions are knowledge and ethics and virtues. Knowledge is a necessary condition for SEP to work, as knowledge and academic approaches play a vital role at every stage of planning and implementation. Ethics and virtues are essential to fostering human development in a way that is successful and sustainable. HM King Rama IX reiterated that all citizens must embrace ethics and virtues as they are the integral part of being good human quality. Initially, the principle was driven directly by HM King Rama IX to the society at large from poverty and to the government to develop country with precautions. The principle was later proven to achieve a well balance and stability of developments of economy, society, environment and culture which are the foundation of sustainability later initiated and adopted by the United Nations in 2015.

The United Nations' Sustainable Development Goals (UNSDG) was adopted by member countries in 2015 as a universal call to action on 17 differing but integrated goals, and these actions must balance social, economic and environmental sustainability. These 17 goals were later rearranged into 3 major pillars; economic, environmental and social pillars. Economic pillar includes 5 different goals of no poverty (goal 1), zero hunger (goal 2), good health and well-being (goal 3), decent work and economic growth (goal 8), and industry, innovation and infrastructure (goal 9). Environmental pillar includes 6 different goals of clean water and sanitation (goal 6), affordable and clean energy (goal 7), responsible consumption and production (goal 12), climate action (goal 13), life below water (goal 14), and life on land (goal 15). Social pillar includes 6 different goals of quality education (goal 4), gender equality (goal 5), reduced inequalities (goal 10), sustainably cities and communities (goal 11), peace, justice and strong institutions (goal 16), and partnerships for the goals (goal 17).

There are three international institutions widely accepted by all nations on competitiveness ranking; IMD, WEF and World Bank. Most countries including Thailand adopt their rankings and

assessment methodologies. Most countries, including Thailand, use their findings and recommendations published in their annual reports for policy agenda development.

IMD World Competitiveness Ranking: Led by Professor Bris Arturo (2019) IMD World Competitiveness Center based in Lausanne, Switzerland, world competitiveness with relative ranking of member countries has been published annually since 1988. Thailand began to participate officially in 1997, under a coordination of TMA. The IMD World Competitiveness Yearbook is accepted by all public authorities and private agencies worldwide as references for international trade, investment and fund flow, national development, and direction of wealth transfer. The world competitiveness is a formidable tool for nations to attain prosperity, one where the wellbeing of people increases and is sustainable.

The first edition of IMD World Competitiveness Yearbook was published in 1989 for the 1988 ranking results. Only 32 economies were in the ranking. In the latest IMD World Competitive Yearbook, 63 diverse economies were relatively ranked under the same criteria and assessment standards.

The methodology of the world competitiveness ranking divides the national environment into four main factors; Economic Performance, Government Efficiency, Business Efficiency, and Infrastructure. Each of these factors is divided into 5 sub-factors which illustrate every facet of the areas analyzed. These 20 sub-factors in total are detailed in the annual publication. In practice, these 20 sub-factors comprise 340 criteria, although not all 340 criteria are published. There are two types of criteria, hard and informative data. Hard data such as GDP and all other numerical figures are analyzed by measurement. Soft data are analyzed for competitiveness through perception such as availability of competent personnel. Hard criteria accounts for 2/3 in the overall ranking whereas the survey data represent a weight of 1/3. The informative data are for background information only and not used in the calculation of the overall competitiveness ranking, such as demographic data. Finally, aggregating the results of the 20 sub-factors makes the total consolidation, which leads to the overall ranking of the IMD World Competitiveness ranking.

WEF Global Competitiveness Index: The WEF's national competitiveness is defined as 'the set of institutions, policies and factors that determine the level of productivity of a country', and that the level of productivity sets the level of prosperity that can be reached by an economy. The productivity level also determines the rates of return obtained by investments in an economy, which in turn are the fundamental drivers of the growth rates. In other words, a more competitive economy is one that is likely to grow faster over time.

CHAPTER 13

The Global Competitiveness Index (GCI) is assessed annually by the WEF by use of a weighted average of many components, each measuring a different aspect of competitiveness. These components are grouped into 12 categories known as the 12 pillars of competitiveness including (1) institutions, (2) infrastructure, (3) macroeconomic environment, (4) health and primary education, (5) higher education and training, (6) goods market efficiency, (7) labor market efficiency, (8) financial market development, (9) technological readiness, (10) market size, (11) business sophistication and (12) innovation. The most interesting and important part of the WEF's GCI is the methodology and its principle. In practice, all the 12 pillars are not independent but interrelated. However, development of competitiveness comes in stages, not all at once. In the first stage, the economy of a country is 'factor-driven', that is, countries compete with unskilled labor and natural resources. Maintaining competitiveness at this stage of development hinges primarily on well-functioning public and private institutions, which is the collaboration of all parties stated in the 1st pillar, the 'institutions'; a well-developed infrastructure (2nd pillar), a stable macroeconomic environment (3rd pillar), and a healthy workforce that has received at least a basic education (4th pillar). As a country becomes more competitive, productivity will theoretically increase, and wages will rise with advancing development. Countries will then move into the 'efficiency-driven' stage of development, when they must begin to develop more-efficiency production processes and increase product quality because wages have risen, and they cannot increase prices. At this point, competitiveness is increasingly driven by higher education and training (5th pillar), efficiency goods markets (6th pillar), well-functioning labor markets (7th pillar), developed financial markets (8th pillar), the ability to harness the benefits of existing technologies (9th pillar), and a large domestic or foreign market (10th pillar). Eventually, as countries move into the 'innovation-driven' stage, wages will have risen by so much that they are able to sustain those higher wages and the associated standard of living only if their businesses are able to compete using the most sophisticated production processes (11th pillar) and by innovating new ones (12th pillar). It is inevitably clear that countries cannot be competitive by only adopting sophisticated technologies and innovations but ignoring strong and solid institutions, good infrastructure and good macroeconomic environment.

World Bank Doing Business Ranking: The WB's Doing Business project provides objective measures of business regulations and their enforcement across 190 economies and selected cities at the subnational and regional level. First launched in 2002, the project provides quantitative indicators on regulation for starting a business, from cradle to grave or from the beginning to the end of running a

business. The Doing Business' ranking comes with the real data on each indicator for doing business in a more efficient way. Because of this philosophy, Doing Business keeps changing their reviews on selected indicators. Beginning with 5 in 2002, the 2019 Doing Business Report covers 11 indicator sets for the review of 190 economies.

Public Policy Implementation : International organizations including United Nations and European Commission are the main sources for literature review. Two distinct reviews were conducted, public policy and public policy implementation.

Public Policy: The best-known, simple and short definition of public policy was introduced by Thomas Dye (1992), 'anything a government chooses to do or not to do'. Public policies are made by the government that affecting and influencing all citizens of the nation. Mark Casidine (1994), elaborated with a new definition that a public policy is an action which employs governmental authority to commit resources in support of a preferred value. Theodore Lowi et al. (1964), American political scientist, categorized public policy into four types; distributive, redistributive, regulatory, and constituent. Distributive policies are defined as policies distributing goods and services to the citizens. Examples are policies on welfare, education, roads and highways. Redistributive policies are policies for collection of resources and distribute again to the citizens. Usually, the redistributive policy is intended to generate equality. In practice, the redistributive policy targets specific group in the society while the distributive is for every citizen. Regulatory policies are policies with mandatory control, limiting individuals and organizations to certain types of behavior. Examples are traffic control, business commercials, etc. These policies are generally best applied when good behavior can be easily defined, and bad behavior can be easily regulated and punished through fines and sanctions. In countries where disciplines of people are not well adhered, regulatory policies seem not to work well. Constituent policies are policies creating executive power. The best example is the fiscal policy where authoritative agencies are empowered with executive orders.

One of the best demonstrations of public policy is an illustration of policy process model known as policy cycle. The public policy cycle is a series of political activities consisting of (1) agenda setting, (2) policy formulation, (3) policy adoption, (4) policy implementation, and (5) policy evaluation. Each policy cycle begins with the identification of a societal problem and its placement on the policy agenda. Subsequently, the policy proposals are formulated, from which one will be adopted. The adopted policy is then taken to action. Finally, the impacts of the policy are evaluated. This last stage leads straight back to the first, indicating that the policy cycle is continuous and unending.

Public Policy Implementation: This is the policy performance measurement. The concept of public performance is not precisely defined, and it has a multiplicity of overlapping definitions that are often inadequate, either because they are too general or because they have been uncritically adopted from other disciplines. The performance management system (PMS) had been developed more productively when bringing a concept of business performance to the public and governmental organizations known as a new public management (NPM) introduced in 2008. The first performance management approaches were based on classical economic theory with a focus on the transformation of inputs into outputs; then getting more and more complex. Two major groups have been categorized; one on economic approach and another on stakeholder orientation. The economic approach determines the performance value between the inputs and outputs using the Inputs-Outputs-Outcomes (IOO) model, measuring the performance level from a wider range of criteria for the evaluation of organizational performance.

This model integrates 3 elements into the performance measurement; *economy* is integrated in the inputs, *efficiency* is the ratio of outputs to inputs, and outcomes include *effectiveness*. The term 3E model has been widely accepted by many researchers and used to support the principle of total quality management (TQM). The model has been detailed into internal and external performance and further down into several performance objects; relevance of objectives to needs, efficiency of the production process in terms of resource utilization, effectiveness of management in terms of final or intermediate outcomes compared to objectives, and overall utility of public action in terms of final outcomes compared to needs identified. The external component of the public and stakeholders has been more and more pronounced, leading to the stakeholder orientation, the second major approach on public performance. This approach integrates the participation of citizens into the representation and measurement of performance. For the private sector, this idea is based on the TQM current where customers are involved in the definition of outputs and outcomes. For the public sector, the idea is based on the democratic participation/governance current in which citizens are invited to participate in the life of public organizations. The governance has since then been another major public performance measurement, in addition to efficiency and effectiveness, while economy is integrated into the input formula. In this research, the public policy implementation means policy performance measured by efficiency, effectiveness and governance.

People Management : Sasin, CMMU, and several business consulting firms such as Accenture, McKinsey, Deloitte, Boston Consulting Group (BCG) and Thai Institute of Directors (IOD) provide accesses to global practices on human capital development and people management.

Human capital concept: From personnel management to human resource development, texts and applications had been focused on managing the workforce and not specifically for competitiveness. Not until 1959 when Robert White (1959) of Harvard University published his paper entitled “Motivation Reconsidered: The Concept of Competence” introduced a concept of ‘performance motivation’ to develop ‘personal competency’. David C. McClelland, also from Harvard University later published his paper entitled “Testing for Competence Rather for Intelligence”, emphasizing the relationship between motivation, competency and competitive edge. Later in 1964 when the concept of human capital was introduced by Gary Becker (1964) in his renowned publication entitled “Human Capital: A theoretical and Empirical Analysis with Special Reference to Education”, human resource had never before been categorized as a true asset and subject to investment to generate return in term of profit to the organization. For competitive organization, he elaborated that it would need to manage four main areas of the organization; knowledge management, people management, process management and collaboration.

People management factors on competitiveness: Later in 2003 when human capital management became more universally adopted by many large public and private organizations, a more direct introduction to development of competitiveness for the organization was published in Human Capital Management: New Possibilities in People Management. The organization can become highly competitive only when the workforce is truly aligned with the organization in three domains; dedication, commitment and motivation. Under the rapidly changing environment, survivors need to be flexible and agile. Moreover, when globalization and borderless communication technology have dominated the world, effective communication has become one of the most important skill for people management. These four factors contribute to the people management variable of the research; dedication and commitment, flexibility and agility, motivation, and communication.

Iddhipāḍḍī 4 : Out of thousands of Buddhadhamma, the research focuses on the application of *Iddhipāḍḍī 4* as an essential precept for leaders and the citizens, on a basis to improve and sustain competitiveness of the nation. Libraries of Mahachulalongkornrajavidyalaya University and Mahamakut Buddhist University are the sources of data.

Iddhipādā is a compound term of ‘power or potency’ and ‘basis or constituent’. In Buddhism, the power is referred to a group of spiritual powers and *Iddhipādā* can therefore be translated as ‘base of power’.

Iddhipādā 4 is therefore the four ‘base’ mental qualities to achieve such powers. These four base mental qualities are (1) concentration on intention or *Chanda*, (2) concentration on effort or *Vīriya*, (3) concentration on consciousness or *Citta*, and (4) concentration on investigation or *Vīmaṃsā*. In practice, *Iddhipādā* 4 is the most direct Buddhadhamma for individual development for competitiveness.

Thailand’s Competitiveness : Thailand’s competitiveness in the last 5-year period ranked by IMD, WEF and the World Bank has been in the middle tier of the global ranking. In general, Thailand’s competitiveness ranking has been second only to Malaysia for the Southeast Asian group, with an exception to Singapore which has been rated among the top. (The World Bank, 2019)

IMDn: Thailand, participated in the IMD World Competitiveness Ranking since 1997, has been assessed and ranked up-and-down with its best ranking of 27 in 2017 and worst ranking of 30 in 2018 for the last 5 years during 2014-2018. The total assessment scores for Thailand for the same period were close to the world’s average of total 63 countries.

Table 1: IMD 2014-2018 World Competitiveness Ranking for Thailand, Singapore and Malaysia, with the World’s average.

| Country | 2018 | 2017 | 2016 | 2015 | 2014 |
|-----------|----------------|----------------|----------------|----------------|----------------|
| World | 76.61 | 77.033 | 73.267 | 69.228 | 64.762 |
| Singapore | 98.553 (3) | 99.488 (3) | 97.649 (4) | 94.950 (3) | 90.966 (3) |
| Malaysia | 85.174 (22) | 83.530 (24) | 83.048 (19) | 84.113 (14) | 82.088 (12) |
| Thailand | 79.450 (30) | 80.095 (27) | 74.681 (28) | 69.786 (30) | 64.976 (29) |

Note: 1) Number represents the competitiveness score.

2) Number in parenthesis represents world competitiveness ranking.

โกลิทธิ เพื่อองสวัสดิ์

For the 2018 world competitiveness ranking, the top 5 goes to USA, Hong Kong, Singapore, Netherlands and Switzerland. The actual ranking of each country moves up and down as years go by. However, certain leading countries especially those in the OECD, Scandinavian and Hong Kong and Singapore are able to maintain their position at the top. Many other countries are ranked in scattering all over the place with a group including Thailand, ranked in the middle with high potential to move up the ladder. Singapore, a relatively newborn country compared to Thailand, came all the way up to the top in less than 2 decades. More interestingly, Singapore has been up at the top 10 for the last many years with no sign of falling. Malaysia, another member of ASEAN, has been moving at the par level with Thailand but in recent years, stepping up with a goal to breakthrough into the upper income group; leaving Thailand and the remaining of ASEAN members to stay behind, known as the middle-income trap (MIT) group.

Table 2: IMD 2014-2018 World Competitiveness Ranking for Thailand, with rankings of factors and subfactors.

| Factors and Subfactors | 2018 | 2017 | 2016 | 2015 | 2014 |
|--------------------------|------|------|------|------|------|
| Economic Performance | 10 | 10 | 13 | 13 | 12 |
| Domestic economy | 34 | 33 | 37 | 46 | 33 |
| International trade | 6 | 3 | 6 | 8 | 5 |
| International investment | 37 | 37 | 28 | 34 | 29 |
| Employment | 4 | 3 | 3 | 3 | 4 |
| Pricing & Cost of living | 23 | 28 | 45 | 19 | 37 |
| Government Efficiency | 22 | 20 | 23 | 27 | 28 |
| Public finance | 18 | 11 | 10 | 14 | 19 |
| Fiscal policy | 6 | 4 | 5 | 6 | 6 |
| Institutional framework | 35 | 30 | 33 | 34 | 39 |
| Business legislation | 36 | 38 | 44 | 51 | 51 |
| Societal framework | 45 | 44 | 44 | 45 | 55 |

Table 2 (continued)

| Factors and Subfactors | 2018 | 2017 | 2016 | 2015 | 2014 |
|------------------------------|------|------|------|------|------|
| Business Efficiency | 25 | 25 | 25 | 24 | 25 |
| Productivity & Efficiency | 40 | 41 | 43 | 47 | 49 |
| Labor market | 6 | 8 | 5 | 8 | 5 |
| Finance | 24 | 24 | 23 | 21 | 21 |
| Management practices | 24 | 20 | 26 | 25 | 26 |
| Attitude and values | 17 | 23 | 23 | 24 | 20 |
| Infrastructure | 48 | 49 | 49 | 46 | 48 |
| Basic infrastructure | 40 | 41 | 43 | 47 | 49 |
| Technological infrastructure | 6 | 8 | 5 | 8 | 5 |
| Scientific infrastructure | 24 | 24 | 23 | 21 | 21 |
| Health & Environment | 24 | 20 | 26 | 25 | 26 |
| Education | 17 | 23 | 23 | 24 | 20 |

Note that the latest top 10 countries with highest competitiveness ranked by IMD were (1) USA, (2) Hong Kong, (3) Singapore, (4) Netherlands, (5) Switzerland, (6) Denmark, (7) United Arab Emirates, (8) Norway, (9) Sweden, and (10) Canada.

WEF: For the last five years since 2014, Thailand has been ranked in the middle of developing economies, generally in the upper rank of Southeast Asian neighbor countries, with exception to Singapore and Malaysia.

Over the last five years, Thailand's global competitiveness index has been moving up and down directionless to sustainable competitive, illustrated by the following table.

Table 3: Thailand's GCI during 2014-2018.

| | 2014 | 2015 | 2016 | 2017 | 2018 |
|---|------|------|------|------|------|
| Basic requirements (40.0%) | | | | | |
| Institutions | 78 | 84 | 82 | 78 | 60 |
| Infrastructure | 47 | 48 | 44 | 43 | 60 |
| Macroeconomic environment | 31 | 19 | 27 | 9 | 48 |
| Health and primary education | 81 | 66 | 67 | 90 | 42 |
| Efficiency enhancers (50.0%) | | | | | |
| Higher education and training | 66 | 59 | 56 | 57 | 66 |
| Goods market efficiency | 34 | 30 | 30 | 33 | 92 |
| Labor market efficiency | 62 | 66 | 67 | 65 | 44 |
| Financial market development | 32 | 34 | 39 | 40 | 14 |
| Technological readiness | 78 | 65 | 58 | 61 | 64 |
| Market size | 22 | 22 | 18 | 18 | 18 |
| Innovation and sophistication factors (10%) | | | | | |
| Business sophistication | 40 | 41 | 35 | 42 | 23 |
| Innovation | 66 | 67 | 57 | 50 | 51 |

The table clearly shows volatility of the global competitiveness index for Thailand over the last five years since 2014. Regardless of tremendous resources invested by Thailand on any or all these pillars over the period, the ranking for Thailand has not been continuously improving or up. Unlike certain advanced economies, their competitive capabilities are sustainable at the high level throughout the period. Some of these significant negative progress in 2018 were outstanding despite large budget and manpower had been allocated including infrastructure, macroeconomic environment, higher education and training, and goods or product market efficiency.

Note that the latest top 10 countries with highest competitiveness ranked by WEF were (1) Switzerland, (2) USA, (3) Singapore, (4) Netherlands, (5) Hong Kong, (6) Sweden, (7) Norway, (8) Denmark, (9) Canada, and (10) United Arab Emirates.

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WB: For Thailand, 10 indicators were applied for assessing the national competitiveness including (1) starting a business, (2) dealing with construction permits, (3) getting electricity, (4) registering property, (5) getting credit, (6) protecting minority investors, (7) paying taxes, (8) trading across borders, (9) enforcing contracts, and (10) resolving insolvency. Like rankings published by the IMD and WEF, Thailand's rankings on all these categories have been up and down, despite significant investments and resources allocated to improve on all these categories. Out of 190 economies assessed by WB, their latest ranking revealed that Thailand was ranked 27th with a total score of 78.45.

Note that the latest top 10 countries with highest competitiveness ranked by WB were (1) New Zealand, (2) Singapore, (3) Denmark, (4) South Korea, (5) Hong Kong, (6) USA, (7) United Kingdom, (8) Norway, (9) Georgia, and (10) Sweden.

Also note that top ranking countries ranked by these 3 international institutions were ranked by different sets of criteria and different assessment approaches, but they have been able to maintain their competitiveness at the top. This clearly shows their ability to sustain their competitiveness, differing from Thailand's competitiveness which have been up and down and not sustainable. Based upon hypotheses of the research and observations from the above literature reviews, there are at least 3 factors driving the national competitiveness up and become sustainable; human quality, people management, and public policy implementation. The conceptual framework was therefore designed to link these 3 independent variables; public policy implementation, people management, and *Iddhipādā* 4 with the dependent variable which is Thailand's sustainable competitiveness.

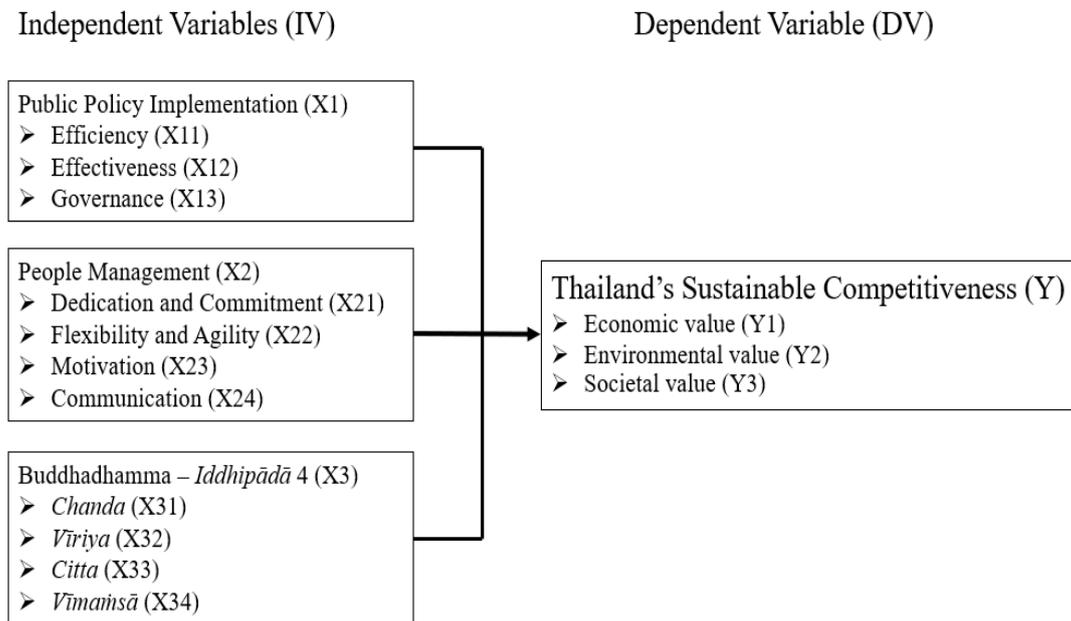


Figure 1: Domain conceptual framework.

Research Methodology

The research methodology is a mixed qualitative and quantitative method with structure as follows.

Table 4: Mixed methods of qualitative and quantitative approaches.

| | In-depth Interview | Survey Research | Focus Group Discussion |
|------------------|---|--|--------------------------------|
| Sample selection | Non-probability purposefully selected | Probability stratified random sampling | Purposefully selected |
| Sample size | 17 | 356 | 22 |
| Instrument | Structured and non-structured questions | Questionnaires | Open discussion |
| | Notetaking and audio recording | | Notetaking and audio recording |
| Data analysis | Analytical induction | Advanced statistical analyses | Model testing |

For qualitative research, in-depth interviews with 17 key informants selected by diversity, depth of knowledge, roles and responsibilities, and direct involvement in the subject matters related to the research topic were conducted for. These selected key informants are leaders in various public and private organizations directly involved with the development of Thailand's competitiveness.

For quantitative survey research, the total survey research population of 3,186 comes from total full-time personnel of 4 diversified groups; (1) policy and planning sector including Office of the National Economic and Social Development Council (NESDC) and Thailand Management Association (TMA), (2) government sector – Office of the Civil Service Commission (OCSC), (3) academic sector including Faculty of Fisheries of Kasetsart University, Sasin School of Management, and College of Management of Mahidol University (CMMU), and (4) industrial sector – the Federation of Thai Industries. The sampling size determined by Yamane's (1973) approach was 356.

For qualitative research to verify and confirm analyses done by in-depth interviews and survey research, a focus group discussion with 22 experts who are chartered directors and facilitators of the Thai Institute of Directors was organized. Data analyses including analytical induction for in-depth interviews and focus group, and descriptive statistics and inferential statistics for survey research were performed. These inferential statistical analyses include correlation analysis of Pearson's correlation coefficient to determine and test relationship between each independent variable and the dependent variable, simple linear regression analyses to define predictive effect of each independent variable on the dependent variable, and multiple linear and stepwise regression analysis in testing the effect of influence of all independent variables on the dependent variable.

Research Conclusions

The research can be concluded in response to 3 research objectives as follows.

1. Thailand's sustainable competitiveness.

1.1 Thailand's sustainable competitiveness is low, because all the administrations have been focusing only on development of competitiveness driven by criteria designed by international institutions and not on sustainability of competitiveness. It is essential to directly measure the sustainability of the competitiveness; economic values, environmental values and social values.

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1.2 Thailand has been allocated tremendous efforts and resources to increase competitiveness but fails to become truly competitive and achieve sustainability.

1.3 While government claims their successes on higher competitiveness ranking for Thailand, people disagree.

1.4 The research discovers what the government has done to develop the national competitiveness does not generate positive values to the economy, the environment and the society and certainly not in a sustainable way.

1.5 Developing the national sustainable competitiveness must be done in stages. Historical lessons have proven that competitiveness achievement from making shortcuts cannot be sustainable.

2. Factors affecting Thailand's sustainable competitiveness.

2.1 The research confirms that public policy implementation, people management and *Iddhipāḍḍā* 4 are factors affecting Thailand's sustainable competitiveness. Despite all the efforts to improve Thailand's competitiveness, it is not sustainable due to poor implementation of public policies, lack of people management at the national level, and low individual human quality of the Thai citizens due to a lack of effective use of *Iddhipāḍḍā* 4 principle.

2.2 Hypothesis 1 is confirmed; there are strong relationships between efficiency, effective, and governance of the public policy implementation (X1) and Thailand's sustainable competitiveness (Y) and its factors including economic, environmental and societal values. The effect can be statistically predicted by $Y = 0.508 + 0.501X1$; where Y is Thailand's sustainable competitiveness and X1 is public policy implementation (with $F = 241.901$, $P\text{-value} = 0.000$, $R\text{-square} = 0.384$, and $Beta = 0.620$).

2.3 Hypothesis 2 is confirmed; there are strong relationships between dedication and commitment, flexibility and agility, motivation, and communication of people management (X2) and Thailand's sustainable competitiveness (Y) and its factors including economic, environmental and societal values. The effect can be statistically predicted by $Y = 0.316 + 0.631X2$; where Y is Thailand's sustainable competitiveness and X2 is people management (with $F = 269.894$, $P\text{-value} = 0.000$, $R\text{-square} = 0.410$, and $Beta = 0.640$).

2.4 Hypothesis 3 is confirmed; there are strong relationships between *Chanda*, *Vīriya*, *Citta*, and *Vīmaṃsā* of *Iddhipāḍḍā* 4 (X3) and Thailand's sustainable competitiveness (Y) including economic, environmental and societal values. The effect can be statistically predicted by $Y = 0.053 + 0.689X3$; where Y is Thailand's sustainable competitiveness and X3 is *Iddhipāḍḍā* 4 (with $F = 220.642$, $P\text{-value} = 0.000$, $R\text{-square} = 0.363$, and $Beta = 0.602$).

2.5 All factors of public policy implementation (X1), people management (X2), and *Iddhipādā* 4 (X3) are positively interrelated with Thailand's sustainable competitiveness (Y) with the highest focus on people management. The relationship is positively strong with statistical significance of 0.000 and can be predictable by the standardized formula; $Y = 0.357X2 + 0.352X1 + 0.143X3$; where Y is Thailand's sustainable competitiveness, X1 is public policy implementation, X2 is people management, and X3 is *Iddhipādā* 4 (with $F = 146.814$, $P\text{-value} = 0.000$, $R\text{-square} = 0.5329$, and $\text{Beta} (X1) = 0.352$, $\text{Beta} (X2) = 0.357$, and $\text{Beta} (X3) = 0.143$).

3. Guideline for improvement of Thailand's sustainable competitiveness.

3.1 Thailand shall focus on efficiency, effectiveness and governance of the implementation of public policies, applying appropriate people management, and upgrading quality of the citizens by use of *Iddhipādā* 4. Without the adoption of this concept but keeping on following suggestions by international institutions according to their annual findings and assessments, as well as using their criteria, Thailand's competitiveness is likely to fluctuate up and down like in the past few decades.

3.2 The correlation coefficient with the people management is the highest (0.640), followed by the public policy implementation (0.620) and *Iddhipādā* 4 (0.602). This could be interpreted statistically that all these three variables are closely correlated to the Thailand's sustainable competitiveness, and that people management has the highest statistical significance, followed by the public policy implementation and *Iddhipādā* 4.

3.3 The research confirms that all independent variables including public policy implementation, people management and *Iddhipādā* 4 are mutually or reciprocally inclusive with dependent variable Thailand's sustainable competitiveness.

Discussions on Research Results

Three main discussion points can be summarized.

1. Validity: it is possible that the findings are prejudiced by the current political conditions, realizing that the scope of time for this study is five years, under the single administration led by General Prayut Chan-o-cha who took control of the government by the military force.

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2. Information: data sources of this research are in Bangkok and its vicinity; the geographic distribution may be questionable. Data from the millennials and Generation-Z in the future may be different.

3. Authority in charge: Currently, TMA Competitiveness Center and NESDC are jointly in charge. The research finds no other suggestions.

Recommendations

1. Research Recommendations on Public Policy.

New nationwide public policy implementation assessment: All the administrations focus only on speed of budgetary disbursement to accelerate spending to stimulate the macro-economic cycle. Without equal considerations on time and quality management, all projects are under satisfactory level and all budgets are lost in vain.

Human capital management: In formulating policies and development projects, the government sees that people including the workforce and people in the communities are problems and concerns, and certainly not assets. A concept of people management and human capital is totally misperceived. Timing of success measurement: The public policy implementation shall focus at the end points, not at the policy makers. The idea of measuring success at the approval of the project is incongruity with highly competitive nations. At the project level, performance should be measured by cost, time, quality and integrity of human including those associated with the project and stakeholders. The concept of measuring speed of budget disbursement for the sake of economic cycle stimulation should be totally discarded as it has proven to create more problems to the entire nation including corruption, poor quality, output under specifications, and so on. At the national level, the successful public policy implementation shall be measured by degree of efficiency, effectiveness and governance. Efficiency without effectiveness is merely a loss and reinventing the wheel. Moreover, people should be involved throughout the policy cycle process. Good governance shall be part of the policy initiation and formulation.

Public participation and good governance: The entire policy cycle should be driven toward sustainable competitiveness, governed by economic, environmental and social values. This is to ensure sustainability of the policy and its subsequent implementations. The entire cycle should be within the frames of people management and human quality. *Iddhipādā* 4 can be one of the best tools to improve human quality.

2. Research Recommendations on Implementation.

2.1 Known case studies of South Korea and Singapore on how to implement public policies truly integrative with human capital should be pursued. The simulation can be reviewed before making decisions and launching the policy.

2.2 Direct measurements of the total efficiency, effectiveness and governance of the Thai government is scarce and not universally deployed. The citizens are always frustrated if the government's performance is good or bad. The non-performing government shall resign so that the development of nation can continue, and the citizens can learn from the righteousness. Only this way, democracy can be flourish. It is strongly recommended that Thailand should set up a standard performance measure on efficiency, effectiveness and governance, and let the citizens help monitor and be part of the democratic development process of the country.

3. Recommendations of Future Researches.

Iddhipādā 4 is selected as it is direct to the need of the research, path of power and success or competitiveness. There are other Buddhism principles which are also direct toward competitiveness development such as The Four Noble Truths, The Eightfold Paths, The Threefold Learning, and those directed to leadership development such as The Five Precepts, The *Brahmavihāra* 4, and The 10 Virtues of the King.

Research on how to develop pragmatic integration process of human quality development into megaprojects is also recommended. The real world is dynamic and so are behaviors of the citizens.

A research on real-time measurement and assessment of government performance with highly advanced technologies is recommended. The citizens can assess the performance of their government in real-time and can participate in the monitoring and redirecting of the administration.

This research will become invalid through time and changing conditions. This research should be updated regularly, probably in every five-year period.

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