

# Management Concepts based Philosophy of Sufficiency Economy

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## Abstract

There is lack of understanding and how to apply the concepts of philosophy of sufficiency economy including, in spite of Thai government put the public policies to apply for implementing. The philosophy of sufficiency economy is philosophy's King Rama 9 of Thailand, this is the basic principles for doing everything. However, to drive the tasks according to role of any must following 2 principles are (1) the idealism means which is concepts or theories trying to explain anything in truly and (2) the practicalism certainly means acting out base on concepts or theories. The objectives of this paper is to explain the connection between philosophy of sufficiency economy and the other practice theories, in order make an understanding easier which means the philosophy of sufficiency economy is the basic principles for practicing. In order that more easily, this paper make a comparable the philosophy of sufficiency economy to general theoretical framework namely; (1) adequacy as self-competency, (2) rationality practices as theory based, (3) immunity necessary as risk management, (4) knowledge as understanding of theory/concepts, and (5) morality requirements as ethics behavior respectively.

**Keywords:** Adequacy, Rationality, Immunity, Knowledge, Morality

## Introduction

Economics within new age values require the government's roles in economic administration to increase. Under a system of market mechanisms, the government has a role in creating institutions that make marketing work well, including directing rights of ownership, marketing regulations, and market interference (Stiglitz J, 2000: 76-89). Economists see that, in reality, the market system will not happen completely. Therefore, the government needs to play a strong role in order to create efficiency that is close to the ideal market. However, the conclusion of sufficiency economy philosophy with economic management and along with economic theories indicates that the economic administration cannot depend on market mechanism alone but it also needs to be consisted of the efficient government. The government will have to drive the market and fix failures of the market system. Moreover, according to the sufficiency economy philosophy, it indicates that the government must have a social role in building sufficiency, rationality, and immunity within people. It is a deeper role than making a marketing system to work in line with the mainstream economics. It can be considered in each important part as follows; (1) The government must balance economic management by taking into account the three economic goals mentioned above and eliminating imbalances in various aspects of the

economy. And there should be systems that will create sufficiency, and rationality of people in society, (2) the government must have a macroeconomic management system, focus on stability and risk management without being too optimistic in order to allow the economy to be able to adapt to changes and be flexible to support the risk that may happen in the future. The sufficiency economy philosophy shows that to follow this philosophy, the government must have good governance to create effective government management that has responsibility, transparency, and public participation. The government must also be aware of the limitations or failures of the government in market interference as well (Stiglitz, 2000: 4-25).

Sufficiency economy is a philosophy that guides a practice or means and ends of expectation based on the balance of reasonable sufficiency and the proper creation of immunity. And it leads to sustainable development and changes in all aspects. The sufficiency economy philosophy is a foundation for a development of the economic theory framework as to follow a middle path and to keep pace with the age of globalized world that has both internal and external change. It requires great wisdom, prudence, and cautiousness in bringing various academicians for planning and implementing of every step to balance and be ready to support rapid and extensive changes in material, social, environmental and cultural aspects of the outside world as well (Chaipattana Foundation, 2006). Therefore, sufficiency economy is like a candlelight that shines the way to the progress of people, communities, and the country. It is a process focusing on growth that gradually develops and is based on existing potentials rationally. This is a truly sustainable process and is more sustainable than rapid building growth, which is from mimicking the development process of another society without thoughtful consideration, and is full of risks of uncertainty (Ministry of Education, 2009: 1-2) Sufficiency economy philosophy is highly honored by United Nations (UN). Kofi Annan, who was the Secretary-General of the United Nations, awarded His Majesty King Bhumibol Adulyadej with the Human Development Lifetime Achievement Award on May 26, 2006. Moreover, in his disquisition, he said that the sufficiency economy philosophy was the philosophy that could start from creating self-immunity and spread it to villages and finally to the wide economy. He also said that the philosophy was useful for Thailand and other countries. The United Nations has supported 116 of its member countries to follow this philosophy as a guide to sustainably develop their countries.

Besides the theoretical importance mentioned above, there is also empirical evidence about the application of sufficiency economy philosophy, which has been successfully applied by individuals, such as Pon Meesri, the local philosopher. He passes on his knowledge on agriculture, including integrated farming, soil and water conservation from growing votive grass to farmers and communities in Phayao and other provinces. He also encourages locals in the areas to apply sufficiency economy philosophy to their lives. Pon always reminds others with his motto of success which is, *“Everything is not difficult to be done but what makes it difficult is not working to get things done. If we are determined, hardworking, honest, economical, and patient, everything will be success.”* Pon Meesri has successfully applied the philosophy of sufficiency economy to his way of living and career. He was granted a royal trophy by Her Royal Highness Princess Maha Chakri Sirindhorn on the 2<sup>nd</sup> Sufficiency Economy’s Work Contest at Office of the Royal Development Projects Board (ORDPB). Today, Pon’s house is a sufficiency economy learning center (Bank for Agriculture and Agricultural Cooperatives (B.A.A.C), 2015). Sanmun Intarachaiya is a 52 year old community leader who live sat 27, Moo 5, Tonnalab Village, Tonnalab Sub-District, Bandung District, and Udonthani Province. He lives his life based on sufficiency without causing problems to others. He is happy with what he has. He uses what he has. When he has only a little, he uses a little. When he has a lot, he uses not much. He

shares with others and lives his life consciously. He knows the importance of saving money and lives his life based on morality and rationality, knowing how to solve problems. When we have sufficiency, we can help others, do our best and be determined in doing our works no matter what happens. Nithi Foods Co., Ltd is a company that produces agricultural products with a 20-year experience in food industry business. It was established by Kobchai Taweelertnithi and Suraphon Taweelertnithi. The major marketing is selling raw materials for food industries, such as garlic oil to be produced as seasoning for instant noodle, etc. The company also uses service strategies to meet the needs of customers and to build satisfaction as well as trust in them. Materials used in production must have quality standard, hygiene, high safety. Applying sufficiency economy philosophy in their business, Nithi Foods Co., Ltd. has developed and grown continuously and steadily in sales development, personnel development, and work system. The success result is from practicing philosophy of sufficiency economy based on the learning of personnel and corporate executives. They also support society in education, local traditions, and public benefits

Moreover, according to a study of principles of business management based on royal development projects of sufficiency economy by Kanyamon Inwang and Wanlapa Sritongpim (2008), the study found that the important principles for business management are (1) *3 principle rule* which consists of sufficiency principle, rationality principle, and immunity principle, (2) *work condition*: to create good results from doing business, there should be important conditions for entrepreneurs, such as having morality which is an act of not taking advantages of customers and employees, and having wisdom which is having academic knowledge and being able to connect knowledge together for planning working process and, (3) *practice*: is a process of operating business which has to follow 7 principles, which are using proper technology that is cheap, savings, using resources wisely, focusing on hiring people rather than using machines, a size of business must not exceed the capacity of the operators, do not be uncontrollably greedy, do not focus on short-term profits, being honest and upright in doing business without taking advantages of consumers and stakeholders, risk diversification, producing a variety of products and being able to modify products, do not create debt beyond the ability to manage and use raw materials, including local workers, meeting the needs of local markets, as well as regional market in both domestically and internationally.

However, according to the past phenomena about sufficiency economy movements, even though we have heard about serious sufficiency economy movements driven by both public and private sectors as well as a lot of stories about people who follow and apply the sufficiency economy philosophy into their lives, the sufficiency economy philosophy is not widely effective. This may be because people who apply the sufficiency economy philosophy do not understand the true essential of the philosophy. If their understanding has a misconception, they will not be able to see the true essential and it will affect the true perspective as well. Moreover, another problem is that people from the government sector which is an organization that promote the sufficiency economy do not understand the philosophy clearly. This will affect a design of policies as well as strategies for driving the philosophy which Somkiat Onwimon (Chumsri, 2007) calls it as “sufficiency economy crisis.” It is a crisis of not knowing what to apply the sufficiency economy philosophy for. Additionally, all of the social leaders, including politicians and the government use the word “sufficiency economy” as an excuse for doing any activities to create good image that they have followed the royal philosophy. Therefore, the sufficiency economy is used as a tool for themselves. The misconception may cause confusion that the sufficiency economy and new theories are the same thing. This creates a wrong understanding that the sufficiency

economy means denying industries and going back to agriculture. There are times that people wonder if a paradigm of sufficiency economy is in the same direction as the development of democracy or not. According to Sanya Kenaphoom's research (2014a), he studied the application of sufficiency economy philosophy in ways of life and democratic living by selecting a sample group in Kokphra, Makha, Kodsaijo Sub-District, Kantharawichai District, and Maha Sara kham Province. The research result found that living the way of life according to sufficiency economy philosophy had a positive relation with the democratic living by statistical significance at 0.01. The result indicates that the philosophy of sufficiency economy is consistent with democratic living. The concept of the sufficiency economy philosophy has to be based on "knowledge (wisdom) along with morality." The concept of democracy has to be based on "rationality." In theoretically, both concepts are based on wisdom which it will lead to a good sustainable development (Kenaphoom, 2015a). Therefore, in this article, the author aims to present the analysis of the sufficiency economy philosophy by connecting it with other concepts that have similar terms. Moreover, the research of Prasomsap & Laothamatas (2017) found that the farmers switch their method to aquaponic farming; adopting a new philosophy of sufficiency economy to survive, to be sufficient and to be sustainable immunize the farmers to achieve the complementary nature; adjusting farmland, reducing the use of chemicals, emphasizing the use of indigenous knowledge for well-being of the household to be able to live, using appropriate technology of integration and professional networking opportunities and generating a steady income immunizes the future risk, in accordance with Kalyanamitra's research (2018) found that the development of social capital in Pathum Thani Province towards sustainable development must focus on strengthening the people's capital of different areas, economic capital, natural resources and environment which are combined and inter-related for the benefits of development leading to strong community development and emphasizing on community support and the power of the community in developing countries.

### **The Connectivity from Theories to Practices**

To make things easier to understand, explanation and vocabulary are needed for word signification because humans are familiar with and adhere to interpretation of vocabulary. Therefore, in this article, the author aims to explain keywords of sufficiency economy philosophy in a term of signification which has same meanings as other words that we are familiar with in other academic fields, as well as to provide clearer examples of practices.

However, the study of administrative science mainly focuses on both principle and locus and focus which is a practice based on theory. From the above point of view, the study of the application and the implementation of the sufficiency economy philosophy are used in all aspects of life and the management of both the public and private sectors. It requires an understanding of mechanics of theory, especially in administrative science, which is an interdisciplinary that requires the application of theories for maximum management benefits. In general, the process of converting theories into practices is in a form of process-like (Kenaphoom, 2014c: 33-42) as shown in a diagram below.



**Figure 1.** A process of converting theories into practices (Synthesis by the author)

Theory means a message containing a set of basic assumption or principles offered to explain phenomena that show relationships of principles or concepts. It leads to systematic definitions and assumptions based on relationships between variables (Kerlinger, 1986: 9-12). Theories are conducted because people are interested in phenomena around them. The observation of phenomena leads to assumption related to phenomena, which is from induction and deduction thinking. In order to be accepted, the creators of theories have to find proofs as verifications that are able to be proven which is known as hypothesis. After that, assumption will be used to conduct theories which it requires these 3 qualifications (Khammanee, 2011: 40-42): (1) be able to explain main facts of phenomena (2) be able to deduce the main facts into rules or other facts, and (3) be able to predict the phenomena. Therefore, the meaning of phenomena can be classified into 3 groups, which are (1) a set of messages or problems that need to be proved or demonstrated, (2) a relationship between variables (concepts) and when they are demonstrated, they can reveal systematic relationships of the phenomena, (3) a specific explanation of phenomena on relationships of variables and how they are related which could predict the phenomena from variables. Moreover, theories consist of (1) concept, (2) proposition or hypothesis and (3) contingency which have a proven process of proposition or hypothesis (Kenaphoom, 2016a).

Policy is a basic framework that sets main organizations' problems, purposes, resolutions, objectives and a guideline. It covers business operations under overall concepts of organizations (Chang and Campo-Folres, 1980: 7) and creates messages of guidelines for developing and operating organizations or programs, which directly and indirectly reflects basic principles or credibility of persons who responsible for organizations or departments (Stecklein, 1989: 8). It is about making wise and thoughtful decisions of the high level administrators (Mc Nichols, 1977: 3). David Easton (1953: 129-132) states that people who involve with activities of a political system are those who have authorities, such as political seniors, administrative section, legislature, judiciary, executive, king's consultants, and other political leaders. All of them are well-known and accepted in the political system. Additionally, they have an important role in setting policies to be consistent with social values and have been accepted as the individuals who have legitimate authority (Kenaphoom, 2016b).

Performance approach is an operation or a process of working that can bring success or lead to achievements. It is widely accepted in academic or professionals and has a clear proof of success which consists of conclusion of operational methods or procedures, as well as knowledge and experiences in a form of documents that can be published and useful to internal or external sections. Moreover, best practice (Sirimahasakhon, 2005) is the best method in achieving success. It is a result from turning knowledge into practices and then, concluding those knowledge and experiences to create their own performance.

Strategy is an invention of new and different methods to create success faster and easier than regular methods. It is said that people who have a strategy are advantageous no matter what

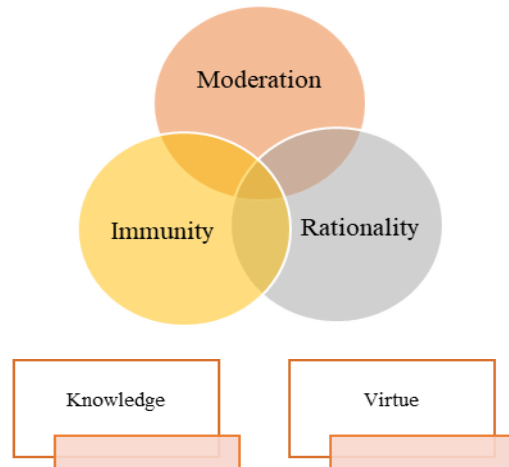
situation they are in. If people have strategies even they are in disadvantageous or advantageous situations, they can always find a way or fix any situations to be advantageous. Therefore, strategic thinking has been used in many aspects, varies from war to love to find a way to fight or find a way to win over competitors. Strategy's characteristics are (Henry Mintzberg, 2000) (1) strategic plans or approaches for achieving goals, (2) strategic patterns that organizations always follow, (3) strategy in a form of status or position of industrial organizations and, (4) strategic perspective which is a vision and direction of organizations

Technique is methods, procedures, skills, technical abilities, specialized procedures or knowledge in specific fields which has patterns and can be learned by practicing in order to become a professional

The reason of introducing vocabulary is because the author wants to convey administrative acts which need to start from concepts or theories. In an academic term, performances base on theory are considered abstract to concrete. Any acts or procedures/ administrations must be based on theoretical possibilities. Therefore, we can determine whether or not the practices have been done or are going to continue using vocabulary associated with it and "the pursuit of sufficiency economy philosophy applies to any subject as well we should check whether the practice is consistent or in line with the essence of the philosophy. If it does not follow the philosophy, it will result in the deviation from the truth that it should be.

### **The Relationship between Philosophy of Sufficiency Economy and Management Concepts**

According to theoretical principles, the sufficiency economy philosophy can be considered using 5 features, which are (1), conceptual framework: it is a philosophy that guides ways of living and behaviors in a way that they should be and is based on the old Thai ways of living in society. They can always be applied and are related to systematic perspectives toward the world which is always changing and mainly focus on surviving threats and crisis for the sustainability of the development, (2) characteristics: the sufficiency economy can be applied to self-practice at all levels by focusing on a middle way's practice and step by step development, (3) definition: sufficiency must be composed of 3 features which are being sufficient without causing problems of oneself and others, such as production and consumption at a moderate level, rationality which is a decision making on a level of sufficiency that must be rational by thoughtfully considering factors involved as well as consequences of actions, and having a good self-immunity to embrace effects and changes that will take place by taking into account a possibility of situations that are expected in the near and far future, (4) conditions: decision making and implementation require both knowledge and morality. A condition of knowledge is composed of knowledge about various academic field sand thoughtfulness in connecting that knowledge together for planning as well as cautiousness in practices. A condition of morality consists of the awareness of the morality, honesty, patience, perseverance, and life wisdom, (5) guidelines/ expectations for applying the sufficiency economy philosophy, which is a balanced and sustainable development that is ready for changes in any aspects, including economy, society, environment, knowledge, and technology.



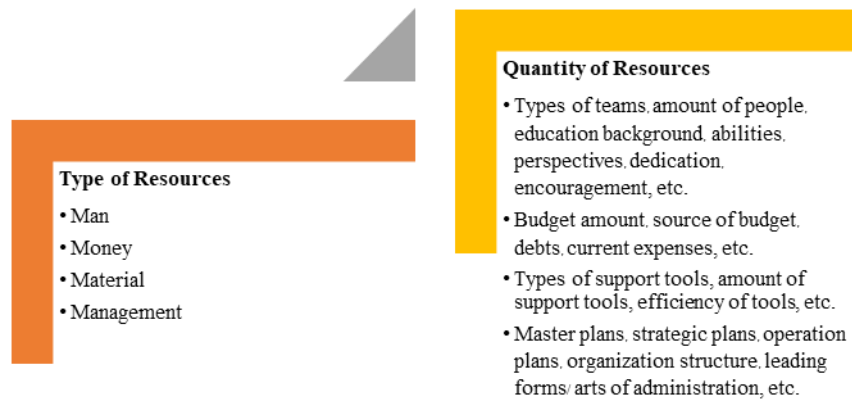
**Figure 2.** Philosophy of Sufficiency Economy

Source: Office of the Civil Service Commission (2016: 39)

1. Moderation means sufficiency that is not too little and too much and without exploitation of oneself and others, such as production and consumption at a moderate level (Chaipattana Foundation, 2006: 8). Moderation conveys two meanings which are sufficiency and self-reliant which is a middle way of living. Every act should be done using a term of adequacy. For example, consumption and production should be balance and saving should be at a level that does not cause problems to them. It is an act of doing things in a full potential without causing problems to others, and it is an act of self-reliant (Chaipattana Foundation, 2006). Therefore, adequacy means being sufficient without causing problems to oneself. When considering principles of adequacy for living, including (1) individuals which is ways of living life or self-management in life, (2) business operation or business management of enterprises and, (3) Mission operation of government or public administration, all of these should be “based on self-competency.” However, the consideration of self-adequacy should be based on these following characteristics:

1.1 Self-Explorer is an exploration of resources that people will use in life manager mission management in order to understand “how many management resources do they have?” because it can indicate a status level of people which shows that if they have a high status, they will have high performance (a lot of resources and high quality), but if they have a low status, they will have low performance (low resources and low quality). Conceptual framework of resources for management are 3M-11M (Management resources) which are (Kenaphoom, 2014b: 35) 1) 3M, including man (human resource management), money (money management), management (general administration or general management, such as planning, commanding, and public relations), 2) 4M, including man, money, management, and material (material management) or man, machine, medium, mission, 3) 5M, including man, money, management, material, morality (moral or virtual management of personnel in organization) or machinery, manpower, material, method, measurement, 4) 6M, including man, money, management, material, morality, market (markets, customers or public service recipients) 5) 7M, including man, money, management, material, morality, market, message (information management) 6) 8M, including man, money, management, material, morality, market, message, method (methods, regulations, plans or techniques), 7) 9M, including man, money, management, material, morality, market, message, method, minute, (time management or framework of time used in work performances), 8) 10M, including man, money management, material, morality, market, message, method, minute,

mediation (coordination or negotiation), and 9) 11M, including man, money, management, material, morality, market, message, method, minute, mediation, measurement, etc. The examples of 4 M application is as follows:



**Figure 3.** Resources Exploration

1.2 Self-analysis: SWOT, analyzing capabilities of internal and external environments of oneself/ organization. These following factors will help people to understand influences that affect their living. *S: Strengths* or advantages are internal characteristics used for achieving goals. *W: Weaknesses* or disadvantages are internal characteristics that may destroy operation results. *O: Opportunities* are situations that give opportunities for achieving goals. *T: Threats*-environmental threats, limitation or factors threatened operations of organizations create situations that hinder goal achievements. The analytical results of SWOT can be used as a basis for setting strategic plans and visions for desired developments.

1.3 Feasibility is an analysis for studying feasibilities of investing in a project or a mission whether it is worth investment. It is also an analysis of budgets and payback periods. It can be used for making decisions on financial feasibilities. Furthermore, Project Feasibility Study consists of (1) a marketing analysis: using marketing tools for analysis, such as demand, supply, market segmentation, customers, products, competitors, 4P, 4C, Five Forces Model, and others things in order to hypothesize feasibilities of market competitions, (2) a structure analysis, such as a study of land data and locations, a study of related laws and acts for conducting physical structures of projects, such as buildings' areas, amount of floors, types of structures and materials as well as utilities. The structure analysis is done for creating the proper physical structures and to meet the needs of markets as much as possible, (3) a financial analysis: using investment tools for analysis, such as WACC, NPV, IRR, PV, Cash flow, in order to understand if it is worth investments, how much the profit is, and when the payback period is, (4) an analysis of budget for investments: analyzing on how much the budget is, how much of the budget that should be from entrepreneurs, and how much money needed to be loaned.

When considering 3 elements mentioned above, they will acknowledge how much potential they have as well as their performance's abilities if they cannot assess their potentials by using the 3 elements, they may not understand their sufficiency level, and it may result in excessively managing life and administering organizations beyond their potentials which is not based on sufficiency principles.



2. Rationality: a decision making involving a level of sufficiency should be based on rationality. It should be considered by using related factors as well as considering expected results and consequences of actions cautiously (Chaipattana Foundation, 2006: 8). Rationality is a decision making about behaviors based on sufficiency in various dimensions, such as having goals, proper methods, having knowledge in operations, considerations of related factors and information, visions as well as considerations of effects of consequences in present and future. (Chaipattana Foundation, 2006). Rationality is not a reason to claim because the claim is about finding reasons to support oneself, which may not be based on reality or theories. Accessing to rationality requires understanding of a path from the start to the finish line (Times line) or every single one of jigsaw. Therefore, the rationality requires an understanding of theories, because the theories hold conclusions of truest reality. The concrete of rationality is operations plans. Planning operations should be *“based on theory or basic theoretical possibilities”*

Theoretically, there are 2 types of theory, which are (1) scientific theory or pure science, such as mathematics, physics, chemistry, biology related to humans, animals, environment, etc. The theory or this type of truth is an eternal truth. It could not be changed. It is the truth that already exists which humans only come to discover it, (2) social theory or apply science is a truth that humans create. It is the theory that is attached to movements of humans' ways of life, including opinions, beliefs, human's needs, etc. These truths do not last. They are temporary and can be changed through various conditions, such as sociology, political science, economics, business administration, etc.

Whether it is a matter of life, administration or administration of the nation, it must be based on both types of theory. If it is different from this, we can say, “just a thought about this is wrong” For example, integrated agriculture based on sufficiency economy philosophy and rationality needs to be based on the 2 types of theory, which are (1) pure science theory: farmers need to have a well understanding of the nature of crops that they want to grow, such as a life cycle of rice from the beginning to the end, how to increase value of rice whether it is water, fertilizer or weed control for producing maximum rice yields, (2) apply science theory: farmers need to have a well understanding of the science of management, such as the management of cultivated land of mixed farming, production management for adding value, marketing management for selling all products at affordable prices, financial management, etc.

In summary, rationality means making decisions about the level of sufficiency. The rationality should be rational by considering the factors involved, and taking into account the expected effects of consequences of actions, and based on basic theory or theoretical possibilities in a term of both of pure science and applied science. If the practices are not based on theory, then they cannot be achieved.

3. Immunity: a preparation of effects and changes that may happen by considering possibilities of situations that are expected to happen in future (Chaipattana Foundation, 2006: 8). (3) Self-immunity: dynamics in various dimensions can rapidly create changes in various situations. Therefore, the preparation of expected effects that may happen from changes is needed. It is an act of not only considering situations' possibilities but also considering possibilities of future situations under a limitation of information. Self-immunity leads to sufficiency when there are changes and it helps people in handling difficult situations (Chaipattana Foundation, 2006). In summary, having a good self-immunity means preparing for effects and changes in various aspects by considering possibilities of situations that expect to happen in the near and far future. It is “risk management” in the future.

Risks are events or any actions that may happen under unstable situations which will affect or damage finance and non-finance or cause failures or reduce an opportunity for achieving main missions (Energy Conservation Fund, 2014: 6), such as an uncertainty of results whether they will be as expected, actions or events which may reduce abilities of achieving goals, actions or events that can be opportunities or threats, as well as chances of creating risks and effects when events occurred (Malee, 2015). Therefore, to create immunity, “risk management.” Risk management is an analysis and management of risks. It starts from important risk identification’s process, evaluations of effects of risks, a development of risk management and systematic approach for risk control by integrating resources and management practices to maximize value. The risk management process should be implemented by using these following steps:

Step 1 Risk Identification: identifying risks by (1) exploring risks that may cause failures to self-goals or organization’s goals, (2) identifying a level of risks and types of risks, (3) writing risk statement to identify causes of risks and affects that may occur, (4) risk identification can be done by using self-considerations or considerations from individuals involved, and (5) organizing data of risks systematically for the convenience of a review and preparation.

Step 2 Risk Assessment/Evaluation: the risk assessment can be done as follows, (1) choosing risks identified in an identification process and classifying risks for analyzing causes, impacts, a current control process, and efficiency of that control process, (2) conducting risk assessment by analyzing both impacts and likelihoods that will create risks, (3) risk prioritization: using results from the analysis in (2) for analyzing along with abilities/chances in order to improve risks and time frame.

Step 3 Risk Responses: (1) risk toleration, is the acceptance of risks when the cost of risks management is not worth the profit that may occur, (2) treat and control of risks, is not an obviation of risks but it controls chances and impacts of risks at an acceptable level, (3) Share/Transfer of risk: sharing or transferring risks to a third party, such as insurance, (4) cancellation/termination of activities that contain risks. Some risks can be controlled by terminating goals, projects, risky activities, (5) taking the opportunity: some risks can lead to opportunities in management.

Step 4 Risk Management Plan: an official determination of risks management process which requires a conduction of a risk management plan as follows: (1) Identify risks’ names and Describe briefly what the risks are, (2) risk rankings for practices, identification of the risk’s score, (3) score ranking: identifying scores of impacts, opportunities, controls, improvements, and time, (4) identifying types of risks, (5) fundamental of risks: identifying causes and impacts toward purposes, (6) current risk control: identifying the current approaches, (7) action plans for risk control: identifying processes, missions, schedules, backup plans, hosts, stakeholders, (8) indicators of progress and success: identifying If the measure is followed, the risks are reduced and not, and (9) guidelines for monitoring and reporting: identify progress in implementation.

Step 5 Risk Management Review, Report & Presentation: this step is for tracking changes of a risk profile in order to make sure that the risk management is effective. If problems are found, a new measure or a backup measure will be used for managing risks.

The 3 elements cannot be succeeded if they are driven without the important conditions, which are knowledge, the deep knowledge of what to be done, including self-management (living life), business administration or government administration (public administration/ public administration science) and ethics, which is a matter of a peaceful co-existence of humans, a mutual support.

4. Knowledge: the element of every work must start with a body of knowledge which must be deep and wide knowledge, and can be able to bring academic knowledge for planning and processing every step thoughtfully and carefully because without knowledge, problem may occur in practices (Chaipattana Foundation, 2006: 8). Conditions of knowledge are knowledge, prudence, and carefulness. Knowledge is a well academic knowledge of many aspects that are useful for sufficiency practices. Having well knowledge will lead to the right decision making, as well as prudence and carefulness. It is a plan making that uses knowledge and various disciplines for connecting the relationships and consciousness. It can create awareness of the changes that will occur from using action plans, which is based on academic knowledge for practices by properly applying to both physical and social environments (Chaipattana Foundation, 2006). In summary, the conditions of knowledge consist of knowledge about the various related fields and prudence for bringing that knowledge into consideration of planning and cautiousness in practices.

This knowledge is knowledge about sciences related to and necessary for living, such as concepts, theory, and research or we can say, “Understanding in theory and related knowledge is needed.” As mentioned above, there are two types of body of knowledge, which are pure science and apply science. Therefore, the conditions of knowledge are in line with the rationality based on theory. Any acts without body of knowledge of related sciences or understanding of the concepts or theories are not based on rationality. The final step in understanding the relevant body of knowledge consist of these 3 elements:

4.1 Understanding Significance of Body of Knowledge: the understanding of true meanings of the body of knowledge about its nature or the understanding of the significance of body of knowledge does not involve with vocabulary because facts of the body of knowledge is the significance of those things, not vocabulary.

4.2 Understanding of Strategies or Mechanisms of Body of Knowledge is movement systems, causes, and results of variables that are elements of body of knowledge. It can be explained by using system theory or Pratityasamutpada (Wisdom of Interdependent), which is a thinking process of finding factors involved or relativity theory or concentric theory. Pratityasamutpada is a concept related to relativity theory, which is a thinking of relationships that are related or connected to each other and no factors can be left out (Kenaphoom, 2014d: 13) or it can be compared to jigsaw (N. Jigsaw puzzle: a picture cut into pieces of different shapes that must be joined together correctly to form the picture again). When we truly understand things, we will be able to control and use benefits from the body of knowledge easily (Kenaphoom, 2014e: 26)

4.3 Understanding of Advantage Using: when understanding deeply and chances are ours for using benefits from the body of knowledge, it is the same as when we understand that water moves from high to low places, and if we know that our rice fields are on lower area, we can dig channels for our rice fields. However, not all people with knowledge know how to use the knowledge they have. The ability in using knowledge is the ability of value Added which is based on the exist knowledge. Humans are more likely to value or make decisions based on valuable things more than what they have. It is a utility theory which is based on value. Therefore, the understanding of advantage using from knowledge creates supreme value. That is the reason why wisdom is needed. “PAN-YA-LO-KUT-SA-Mi-PAT-CHO-To) means wisdom is the light of the world.

**5. Morality:** conditions of morality that need to be supported consist of awareness of morality, honesty and patience, perseverance, life wisdom (Chaipattana Foundation, 2006: 8) Conditions of morality that need to be supported consist of awareness of morality, and honesty which cover

the whole nation, officers, academicians, businessmen in both terms of wisdom and actions. The first aspect emphasizes on knowledge and morality, awareness in morality, honesty and proper knowledge. The aspect of actions or life's guidelines emphasizes on patience, perseverance, wisdom, and prudence. These conditions will make the fulfillment of the content of sufficiency possible. They will prevent greed in people. People will not take advantages of others or society. Greed is the thing that pushes people to do something extreme without thinking about risks. It is never enough and creates chances of corruption (Chaipattana Foundation, 2006).

In summary, the conditions of morality that need to be promoted consist of awareness in morality, honesty, patience, perseverance, and life wisdom. Therefore, morality is based on ethics and its main concept is, "we can live, and they can live without causing problems to others" as follows:

5.1 Ethics for Self-Management, is an ability of self-management in daily life for achieving goals and creating highest productivity, such as a schedule of activities, self-motivation toward achievements, good self-encouragement, honesty, patience, perseverance, taking risks, knowing self-abilities and potentials well (Wagner and Sternberg, 1985; Pannitamai, 1999).

5.2 Ethics for Organization Management is ethics for management in general based on social reality. Administrators are those who have more abilities than other people. Therefore, administrators have to be good people of a society. And almost every society is based on the principle of religion as the basis of goodness and coexistence. However, there are many cases that the cultivation of morality does not connect with religion directly. For example, the British, which is considered to be a very high ethical nation cultivates 7 of moral principles to kids at young age to achieve "adherence of righteousness", which is a virtue higher than honesty. Those 7 principles are (Teekasup, 2005) true, honesty, sense of duty, patience, fair play, consideration for others, and kindness. For Thai people, most of morality and ethics are applied from Buddhism. Administrators are ordinary people who have a family. They are responsible for happiness and peace of their own families and societies. Consequently, it is very important for the administrators to study and practice basic virtues of laypersons for administering their families and organizations for achieving personal and organizational goals, such as virtues for a good household life, Sappurisa-dhamma: qualities of a good man, Apàyamukha: causes of ruin, Disà: spiritual directions, Punnakiriya-vatthu: bases of meritorious action, etc.

5.3 Ethics for Social Management is creating benefits for the society, so the society will provide benefits back. This can be done by using Corporate Social Responsibility (CSR), which is an implementation of internal and external activities of organizations considering effects on societies within organization and at near-far level. The CSR process uses resources from organizations or from outside of organizations for creating peaceful coexistence in societies. (Thai CSR Network, 2015). Corporate is focusing on the business for profits (other types of organizations included). Social is aiming for a group of people who are connected or have a common path, both natural and intentional, including other living things and surrounding environment. Responsibility is the acceptance of both good and the bad results in the business that has been made or is the responsibility of the business, preventing and improving bad results, as well as maintaining good results that affect stakeholders.

Therefore, according to sufficiency economy philosophy, the connectivity with practices of other theories can be analyzed as shown below:

**Table 1:** Sufficiency Economy related Management Concepts

<b>Sufficiency Economy Philosophy</b>	<b>Management Concepts</b>
<b>Adequacy</b>	Base on Competency
<b>Rationality</b>	Based on Theory
<b>Immunity</b>	Risk Management
<b>Knowledge</b>	Understanding in theory
<b>Morality</b>	Based on Ethics: Could live and they can live without causing others problems.

## Conclusion

Sufficiency economy philosophy is an excellent philosophy. When individuals or organizations follow the philosophy, and bring it to practice, they can achieve their goals efficiently. However, in the past, individuals or organizations do not truly understand the core of the philosophy. As a result, the design of the guidelines, such as policies, tactics, strategies, activities, is discrepant and incomplete. Therefore, the public policy making and strategy conducting related to a movement of sufficiency economy philosophy require a deep consideration. This article presents analytical perspectives of the connectivity with practices of other theories in order to guild the implementation of concrete practices. Additionally, adequacy is a balance and self-potentials based on Competency. The rationality needs to be based on theory. The immunity is risk management. Knowledge is the deep understanding in theory and morality is based on ethics, “we can live, and they can live without causing others problems.”

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