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SURVIVAL, COMPETITIVENESS, AND SUSTAINABLE GROWTH OF SMALL AND MEDIUM ENTERPRISES (SMES) IN THAILAND

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Abstract

Small and medium enterprises (SMEs) are the backbone of any economy providing them with strength, as they contribute to the economic stability of a nation through employment generation, development of ancillary industries, promotion of entrepreneurship, and innovation. However, SMEs still has problems, such as finance, goods being put in places of no interest, disruption of technology and ever-changing consumption patterns. To survive and grow sustainably in the long run, SMEs need to have the right strategies in place, including investment in innovation, digital transformation, workforce upskilling, business partnerships, efficient use of resources, and sustainable business practices. This abstract explains how SMEs can transform themselves for long-term survival by building a strong strategy, rapid response management, and sustainable operational practices.

Keywords: SMEs, Competitiveness of SMEs, Sustainable Growth of SMEs

Introduction

In today's rapidly evolving economic landscape, small and medium enterprises (SMEs) play a crucial role in driving innovation, creating jobs, and fostering economic growth. These businesses are often small, agile and flexible, and face a variety of challenges that can hinder their ability to compete. SMEs are the backbone of the economy, so how they respond will determine the sustainability and health of the economy.

An introduction in this respect highlights those subject areas, determinants typically defining the life map as to SME exit and competition on features on sustainability strategies. In such a gradual mode, SMEs need to exploit their innate advantages while dealing in turn with the multi-faceted pressure triggers initiated by competition, technology and ever-changing global preferences. Sustainable Development can be considered as new direction towards sustainable growth of SMEs through triple bottom line integrated approach which should have concern towards environmental sustainability as well as social equity and economic sustainability. While discussing survival, competitiveness and sustainable growth in SMEs, it is crucial to note that an ideal ecosystem focused on SMEs is necessary to reach larger economic goals. Small and Medium Enterprises SMEs can use these sustainability practices to build resilience, improve their competitive advantage, and contribute to the creation of a sustainable economy. In the following discussion, we will highlight some of the strategies that

SMEs can employ to survive and thrive in both the short and long term in a competitive environment. Because of these businesses being unique, and sometimes small, their is forced to deal with an array of challenges to survive and remain competitive. How SMEs have to ride these challenges is crucial not just to their sustainability but everybody elses in the economy too. This introduction provides an insight into those drivers which ultimately rule the destiny of SMEs regarding survival and competition as well as sustainable growth strategies. These businesses provide employment in local communities, help distribute income and stimulate consumption in various areas. In a situation like this, SMEs have to play to their strengths but leverage their talents masterfully to navigate the pressure points triggered by competition and technology and demand changing on a global scale. It is sustainable which can be achieved through its new conceptualisation through an approach that incorporates the tripe bottom line (TBL) concept addressing environmental sustainability, social equity, and economic sustainability. By adopting sustainability practices SMEs can ensure their resilience and competitiveness and do their bid for sustainable economy A plan on how SMEs can implement various strategies to help survive and going in to ensure maximum short and long-term viability and success in this highly competitive environment will be discussed next. Furthermore, SMEs are also considered as primary sources of innovation since they produce new products and services that are developed to solve problems or to offer customers with new experiences. In many nations, businesses under the definition of SMEs make up over 90 percent of all organizations and play a crucial part in job creation, while the economy is capable of constant growth even in the times of crisis like economic recessions or pandemics. The economy will be stronger when having a large number of small businesses helps spread risk.

Characteristics and Importance of Small and Medium Enterprises (SMEs)

Scale of Operations: SMEs typically operate on a smaller scale than large corporations, with limited resources in terms of finance, personnel, and infrastructure. By dividing into (1) Micro enterprises: These are businesses with annual revenues not exceeding 1.8 million THB and employing no more than 5 people. (2) Small enterprises: These businesses have annual revenues between 50 – 100 million THB and employ between 30 – 50 people. (3) Medium enterprises: These businesses generate annual revenues between 50 – 500 million THB and employ between 30 – 200 people.

Flexibility: SMEs are generally more flexible and adaptive to changes in the market due to their smaller size and simpler organizational structures.

Innovation: SMEs are always at innovation & target niche markets and are known for innovative products and services on market needs.

Local Focus: SMEs are usually rooted in their local communities, providing goods, services, and employment within their immediate geographical area.

Importance:

Economic Growth: SMEs are crucial contributors to economic growth, accounting for a large share of job creation and GDP in many countries.

Employment: SMEs generate significant employment opportunities, especially in developing regions, helping to reduce poverty and improve living standards.

Innovation and Competition: SMEs encourage competition and drive innovation, which benefits consumers by providing more options and stimulating market efficiency.

Community Development: SMEs contribute to community development by supporting local economies, fostering entrepreneurship, and often engaging in socially responsible practices.

In summary, SMEs are an important constituent of the economic ecosystem of stability, innovation and social steadiness, hence a need for a sustainable economic ecosystem.

Research Framework

1. Which factors affect the problem-solving ability of SMEs in sustaining their operations?
2. Which components influence the competitiveness of SMEs in the market in terms of innovation?
3. Which factors contribute to the sustainable growth of SMEs?

Research Objectives

1. Investigate the present state and find the causes that hinder Thailand SMEs from reaching targets successfully.
2. To analyze the importance of SMEs in Thailand's economic system, including government policies that support and promote them.
3. To develop SMEs of Thailand to have potential for existence, competitiveness, and sustainability of growth.

Scope of the Research

1. Population Scope: The group of entrepreneurs (SMEs) in Thailand.
2. Variable Scope: Financial Variables, Operational Variables, Market Variables, Regulatory and Policy Variables, Socio-Economic Variables, Strategic Variables, Sustainability Variables, Performance Metrics.
3. Time Scope: January – December 2025.

Research Methodology

1. Research Methodology **Research Design:**
 - **Type of Research:** Therefore, this research will use mixed research method approach. It enables an in-depth exploration of the aspects affecting SMEs in Thailand.
 - **Qualitative Component:** Interviews and focus groups with SME owners, employees, and stakeholders to obtain comprehensive information on their experiences, challenges, and viewpoints about survival and competitiveness.
 - **Quantitative Component:** Surveys distributed to a larger sample of SMEs to quantify data on performance metrics, challenges, and sustainable practices.
2. Research Steps
 - 2.1 Literature Review:**
 - First, examine the existing literature on SMEs, survival strategies, competitiveness, and their sustainable growth.
 - 2.2 Define Research Questions and Hypotheses:**
 - Based on the literature review, draft research questions and hypotheses. E.g → What are the key problems of Thai SMEs? What is the effect of sustainable practices on SMEs competitiveness?
 - 2.3 Sampling:**
 - **Target Population:** Small and medium enterprises in Thailand.
 - **Sample Size:** Determine an appropriate sample size for both qualitative and quantitative components. For quantitative surveys, a larger sample (e.g., 200-300 SMEs) is recommended for statistical significance.
 - **Sampling Technique:** Use stratified random sampling for quantitative surveys to ensure representation across different sectors and regions. In qualitative interviews, you want participants who will tell you rich, relevant stories = purposive sampling.

3. Data Collection

3.1 Data Collection Instruments:

- **Surveys:** Develop a structured questionnaire that includes closed-ended questions (for quantitative data) and Likert scale items to assess perceptions of challenges and sustainable practices.

- **Interview Guides:** Create semi-structured interview guides for qualitative interviews to explore deeper insights into specific themes related to survival and competitiveness.

3.2 Pilot Testing:

- Test run the survey and interview guides with a few SMEs, to iron out any issues and wordiness of the questions.

3.3 Data Collection:

- Send out the surveys electronically or conduct them in-person, depending on the accessibility of the target audience.

- Interviews and focus groups (with permission, you can tape them to transcribe them accurately).

• Quantitative Data Collection:

- Distribute the questionnaire using online survey platforms (Google Forms, SurveyMonkey, et cetera). African Data Initiatives Survey: Gather details on demographics, finance performance indicators, and answers on barriers to sustainability.

- Collect demographic information, financial performance metrics, and responses regarding challenges and sustainable practices.

• Qualitative Data Collection:

- Conduct interviews and focus groups. Ask open-ended questions to invite participants to share what they have observed.

- Transcribe and analyze interviews through recordings.

- The presentation of the research results has a clear and logical structure regarding the survival, competitiveness and sustainable growth of Thai SMEs. The following is a possible structure for presenting the research results, with a brief description of what each section should look like.

4. Data Analysis

Quantitative Data Analysis:

• **Descriptive Statistics:** Analyze demographic data (e.g., age, sector, revenue) and summarize responses using means, medians, and frequencies.

• **Inferential Statistics:** Use statistical tests (e.g., t-tests, ANOVA, regression analysis) to examine relationships between variables, such as the impact of sustainable practices on competitiveness.

• **Software:** Utilize statistical software such as SPSS or R for data analysis.

Qualitative Data Analysis:

• **Thematic Analysis:** Identify patterns and themes from interview transcripts.

• **Coding:** Develop a coding framework to categorize responses based on key themes related to survival, competitiveness, and sustainability.

• **Software:** Consider using qualitative analysis software like NVivo or Atlas.ti to assist in organizing and analyzing qualitative data.

Research Results

When presenting research results for a study on the survival, competitiveness, and sustainable growth of small and medium enterprises (SMEs) in Thailand, it is important to

structure the research results clearly and logically. The following is a suggested outline for presenting research results, along with examples of content for each topic.

1. Demographic Profile of Respondents

- **Sample Size:** Indicate the total number of SMEs surveyed and interviewed.
- **Industry Distribution:** Breakdown of respondents by industry (e.g., manufacturing, services, retail).
- **Business Size:** Distribution of SMEs by size (micro, small, medium) based on revenue and number of employees.
- **Geographic Distribution:** Regions in Thailand where the SMEs are located.

2. Key Findings from Quantitative Data

- **Challenges Faced by SMEs:**
 - **Access to Finance:** Percentage of SMEs reporting difficulties in obtaining funding.
 - **Market Competition:** Proportion of SMEs that feel threatened by larger competitors.
 - **Regulatory Issues:** Percentage of SMEs citing regulatory compliance as a significant challenge.
- **Impact of Sustainable Practices:**
 - **Adoption Rates:** Percentage of SMEs implementing sustainable practices (e.g., waste reduction, energy efficiency).
 - **Performance Metrics:** Statistical analysis showing the correlation between sustainable practices and financial performance (e.g., revenue growth, profit margins).
- **Competitiveness Factors:**
 - **Innovation:** Data on the percentage of SMEs that have introduced new products/services in the past year.
 - **Customer Satisfaction:** Average customer satisfaction scores reported by SMEs.

4. Qualitative Insights

- **Themes from Interviews:**
 - **Resilience Strategies:** Common strategies identified by SME owners for overcoming challenges (e.g., diversification, partnerships).
 - **Perceptions of Sustainability:** Insights into how SMEs view sustainability and its importance for long-term success.
 - **Support Needs:** Qualitative feedback on the types of support SMEs feel would benefit them, such as government assistance, training programs, or access to networks.
- **Case Studies:**
 - Highlight specific SMEs that exemplify successful implementation of sustainable practices or innovative strategies. Provide narratives that illustrate their journey, challenges faced, and outcomes achieved.

4. Statistical Analysis

- **Descriptive Statistics:** Summary tables or graphs showing key metrics (e.g., average revenue, employee count).
- **Inferential Statistics:** Results from tests (e.g., t-tests, regression analysis) that indicate significant relationships between variables (e.g., the impact of access to finance on growth).
- **Visualizations:** Use charts and graphs to visually represent key findings, making it easier to understand trends and comparisons.

5. Discussion of Findings

- **Interpretation of Results:** Discuss what the findings mean for SMEs in Thailand. For instance, if a significant number of SMEs struggle with access to finance, what implications does this have for their growth?

- **Comparison to Literature:** Compare your findings with existing literature on SMEs to highlight consistencies or discrepancies.

- **Implications for Policy and Practice:** Provide recommendations based on the results. For example, if sustainable practices correlate with better performance, suggest policies to encourage their adoption.

Conclusion

The importance of the key findings for the sustainability, competitiveness, and survival of SMEs in Thailand. Emphasise the need to harness the strengths to overcome the challenges identified to build a stronger SME sector.

Discussion

You will need to interpret the results with reference to your original research aims and objectives, alongside the existing body of literature, the findings from your investigation on the survival, competitiveness and sustainable growth of small and medium enterprises (SMEs) in Thailand. Here is a step-by-step guide to write the discussion section and all the items you should consider:

1. SME Challenges:

- Describe the key challenges that you have found on your research, such as access to finance, competition in the market, regulatory compliance. Discuss how these challenges compare with findings from the existing literature. If prior studies also identify access to finance as key issue, this indicates the need for policy action. Sustainable Practices Impact: Assess the impact of sustainable practices on business performance. If your results show that SMEs that are sustainable financially perform better, what does this mean for SME owners and policymakers? Try to find out why some SMEs adopt more sustainable practices than others. Scoutmaster: Female so are some mentors in this line of work? Price factors of SME competitiveness: Based on the price of SME competitiveness such as innovation, customer satisfaction etc., — November 9, 2021 Related Posts What is Business Analysis and Why is it Important? Talk about how these factors can be used as leveraging for scaling and surviving in a competitive market. If your research showed that innovative SMEs outperform their peers then make this point and talk about the need to develop an innate culture of innovation.

2. Comparison with Existing Literature

- Compare your findings with previous research on SMEs in Thailand and also elsewhere. Bring out the points on which people or groups agree and the ones they do not. For example, say your research identified regulatory issues as a major hurdle but previous studies found regulatory issues not to be such a big problem — explain why you think that might be. This comparison should highlight both the relevance of your findings and how they advance current knowledge.

3. Implications for Policy and Practice

- recommendations to support small and medium enterprises (SMEs). If access to finance is a key constraint, recommend policies or programmes that can help generate funding for SMEs (for instance, grants, lower interest loans, and/or educational initiatives). How important is public-private partnership in creating an environment conducive to SMEs growth and sustainability? Public-private partnership is important in creating an environment conducive to SMEs growth and sustainability. This highlights need for training and capacity

building initiatives to enhance the skills of SME owners and employees, particularly in the areas of innovation and sustainability.

- Highlight the importance of training and capacity-building programs to enhance the skills of SMEs owners and employees, particularly in areas related to innovation and sustainability.

4. Limitations of the Study

- any limitations in your research methodology or data collection. Discuss how this may impact generalizability, e.g. your sample size was small or not able to access certain types of SMEs. Indicate directions of future work that might overcome these limitations or raise new questions highlighted by your study.

5. Conclusion of the Discussion

- (Summarise the Discussed Points and Re-Emphasize Your Findings in Relation To The Survival, Competitiveness, And Sustainability of SMEs in Thailand) Highlight the importance of ongoing research into and support for small and medium-sized enterprises (SMEs) against the backdrop of a continuously increasing novel economic environment. constant motivation and useful feedback.

Example of Discussion Section

Interpretation of Key Findings: Interviews and focus groups with SME owners, employees, and stakeholders to obtain comprehensive information on their experiences, challenges, and viewpoints about survival and competitiveness.

Comparison with Existing Literature: These findings align with the work of Smith (2020), who noted that SMEs with sustainable practices tend to experience higher customer loyalty and satisfaction. However, what is different that Johnson (2019) who found that regulatory compliance is not a major issue for SMEs, and our research has found that more than half of respondents identified regulatory issues as a major obstacle. These difference may be due to the changing regulatory landscape in Thailand, which has become stricter in recent years.

Implications for Policy and Practice: To address these challenges, policymakers should consider implementing targeted financial support programs for SMEs, such as low-interest loans and grants specifically for those adopting sustainable practices. In addition, a promoting cooperation between government agencies and the private sector organizations may also create an ecosystem that better supports SMEs.

Limitations of the Study: While this study provides valuable insights, it is important to acknowledge its limitations. The sample size was limited to urban SMEs, which may not fully represent the experiences of SMEs. Future research should explore the unique challenges SMEs and the effectiveness of different support programs.

Conclusion of the Discussion: In conclusion, the findings of this research underscore the critical role of SMEs in Thailand's economy and the importance of addressing the challenges they face. Promoting an environment conducive to sustainable and competitive growth will enable the stakeholders to guarantee the long-term survival of SMEs in highly competitive global markets. Structuring of the discussions in this way will allow us to analyze the findings comprehensively, place them in the broader context of the existing literature and lead to more concrete actions.

Recommendations

1. Enhancing Access to Finance
2. Promoting Sustainable Practices
3. Strengthening Regulatory Support

4. Fostering Market Competitiveness
5. Capacity Building and Training
6. Encouraging Collaboration and Networking

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