

Guidelines for Management of Thai Logistics

Business

Suchada Bunrueang*
North Bangkok University

Chaiwut Janma
North Bangkok University

Kietchai Veeayannon
North Bangkok University

— *Review of* —
**Integrative
Business &
Economics**
— *Research* —

ABSTRACT

This research has the purposes of: 1) To study the present state of the Thai logistics business and external business environment factors leading to efficient management of the Thai logistics business organization; 2) To study the characteristics of Thai logistics business and the barriers to business operation of Thai logistics business that affect the effectiveness of Thai logistics business, and; 3) To study, analyze and present an effective management approach of the Thai Logistics Business Organization. Statistical Analysis A one-way ANOVA was used to find out the differences between the characteristics of Thai logistics business and the management effectiveness of Thai logistics business. Multiple Regression Analysis (MRA) in External Factor Testers Effect on Logistics Business Management Effectiveness. The results were as follow : 1) Factors features Logistic Business- Capital side Period of operation Number of employees Experiences; 2) The factors impeding the business of logistics Thailand : New competitors ,The original competitor, substitute goods, The bargaining power of the customer's employer, The bargaining power of manufacturers and distributors; 3) Transportation efficiency: cost reduction , speed of transportation; 4) External Business Environment (PESTEL) : politics Technology Economy Environment Social and Legal Guidelines for Management of Thai Transportation Logistics Business. It is concluded that the overall multiple regression equation (Model) can be used to explain the dependent variable. The variables in business barriers were statistically significant ($r = .552$) at the .05 level of significance. The correlation coefficients of the overall management effectiveness were adjusted in the positive direction (Durbin-Watson = 1.254)

Keywords: Guidelines for Management, Thailand, Logistics Business.

1. INTRODUCTION

Logistics services are at the heart of the development of competitiveness and economic development of the country. The government has set a strategic plan for the development of logistics system No. 3, which will be implemented from 2560 to 2564 (BE) The logistics business will support Thailand to become a hub for transport and logistics. Logistics of the region As for the trade and service nation, the economy is expected to grow at least 5% per year for the development of logistics. Focus on developing management standards. The goal is to reduce logistics costs from 14 percent to 12 percent of GDP, with government agencies involved in the development of logistics. Various projects to support the process of logistics in the country. The ASEAN Framework Agreement on Services (AFAS) aims at reducing the abolition of regulations or measures that are in line with the

ASEAN Framework Agreement on Services (AFAS). Obstacles to services provided by the AFAS Agreement require ASEAN investors to hold up to 70% of the country's membership in 2013, even if compliance with the AFAS agreement is required. Water out The majority of ASEAN member countries, including Thailand, also have rules that hinder the entry of foreign investors. But expect that in the future. Logistics services must be more liberalized. It is imperative that Thai entrepreneurs prepare themselves for the opportunities and challenges that will arise in the future.

At present, the most popular form of transportation is Road transport of more than 80% is the main mode of transport in the country. The transport from the place to where. Door-to-door and logistics activities are important to productivity. Trade links Investment and services in the region. (Department of Land Transport. 2012: 3) Current concepts in Recruiting companies or entrepreneurs with specific expertise from outside the organization to assist in the implementation. Logistics activities are rising rapidly. As a result of the outsourcing of outsourcers. This is why business organizations can reduce costs and choose more specific ones. (Lieb, R., Miller, J.; 2002; Photis M. Panayides, 2005). Road Transport Services Transport operators must understand the role of logistics in logistics and must respond to the needs of transport. Customers as well. The problem of operation of transport operators by medium and small trucks. The past Businesses can not use their own potential. Shortage of funds Labor quality is not uniform, lack of good management. Operators lack understanding of logistics management system. Lack of serious and ongoing support of government organizations. And the private sector lack of coordination and effective integration. This results in the use of existing resources. Most of the plans lacked the linkage from the strategic level to the actual implementation.

Therefore, the researcher is interested to study. Guidelines for Management of Thai Transportation Logistics Business. The potential of work and effective as defined. It can be used as a guideline for Thai logistics business organizations who are interested in studying the management methods of the Thai logistics business organization.

2. PURPOSE OF THIS RESEARCH

1. To study the present state of the Thai logistics business and external business environment factors leading to efficient management of the Thai logistics business organization.

2. To study the characteristics of Thai logistics business and the barriers to business operation of Thai logistics business that affect the effectiveness of Thai logistics business.

3. To study, analyze and present an effective management approach of the Thai Logistics Business Organization.

3. SCOPE OF RESEARCH

This study aims to study Guidelines for Management of Thai Transportation Logistics Business" The scope is as follows.

The population in this study was the logistic operator of the land transport group.

The survey is divided into 3 groups.

Demographics include logistics operators, land transport groups.

Group 1 Expert (qualitative) is a senior executive or managing director of a logistics business. 7 land transport companies

Group 2 Management (qualitative) is the senior management or Managing Director of the logistics business. 10 land transport companies

Group 3 (quantitative): Representatives or employees related to the logistics business. 150 land transport companies

Scope Population: entrepreneurs logistics.

Area of research: Bangkok and vicinity

Benefits are expected to receive.

1. Used as a guideline for managing business operations and enhancing management efficiency for Logistic Organizations in Thailand.

2. It is used as a guideline for logistics business of related government agencies such as: The Ministry of Commerce The Ministry of Industry and the private sector, such as entrepreneurs.

3. Promoting the development of logistics business to accelerate and encourage Thai logistics business operators to adapt and develop their businesses to be sustainable, sustainable and competitive.

The concept about managing logistics.

Framework for research

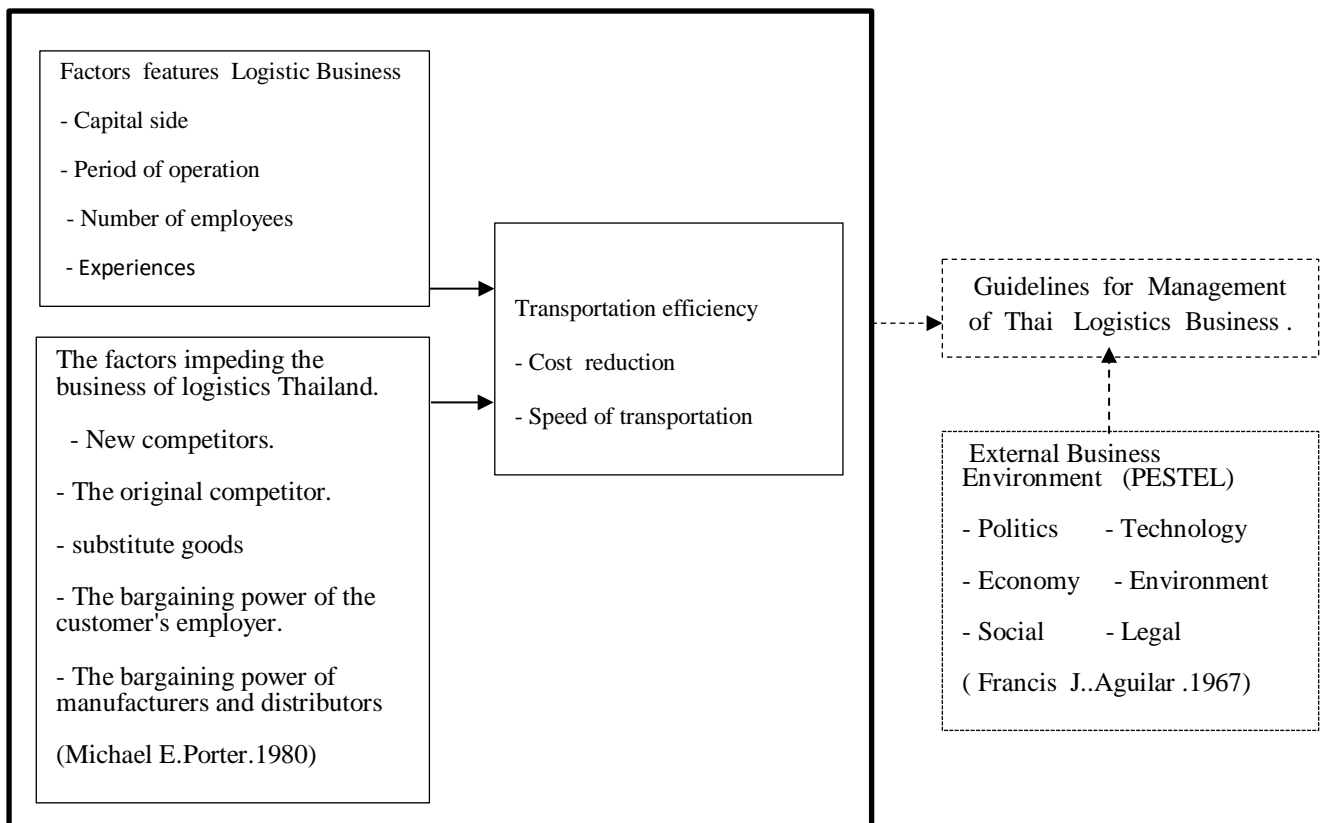


Figure 1 : Conceptual Framework

Materials and Methods

Demographics include logistics operators, land transport groups.

Group 1 Expert (qualitative) is a senior executive or managing director of a logistics business.

Group 2 Management (qualitative) is the senior management or Managing Director of the logistics business.

Group 3 (quantitative): Representatives or employees related to the logistics business. There are 150 companies in the land transport sector, divided into 2 levels.

1. Management company representatives are managers or managers.
2. Management level representatives are employees.

Research samples

The samples used in this study were the logistics business operators in the land transport sector. Researchers sampled from The sample size is based on the success of the table. Krejcie & Morgan: 1970). This table is also used to estimate the proportion of population. The proportion of interest in the population is 0.5. The tolerance is 5%. There is a 95% confidence level.

Descriptive Statistics

- Frequency (Percentage) : Statistical data used to describe the respondents and the characteristics of the logistics business. Mean and standard deviation are the statistics describing the external factors of the logistics business.

Inference Statistics : Statistical Analysis A one-way ANOVA was used to find out the differences between the characteristics of Thai logistics business and the management effectiveness of Thai logistics business.

Multiple Regression Analysis (MRA) in External Factor Testers Effect on Logistics Business Management Effectiveness

4. CONCLUSION

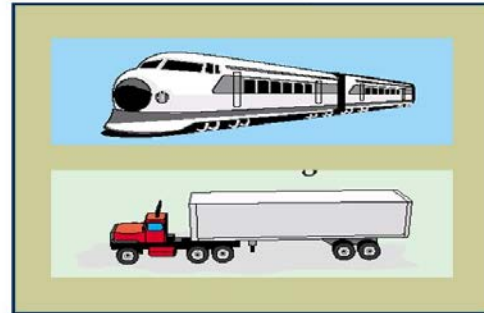
The results were as follow 1) Factors features Logistic Business- Capital side Period of operation Number of employees Experiences 2) The factors impeding the business of logistics Thailand ,New competitors ,The original competitor, substitute goods, The bargaining power of the customer's employer, The bargaining power of manufacturers and distributors 3) Transportation efficiency : cost reduction , speed of transportation 4) External Business Environment (PESTEL) politics Technology Economy Environment Social and Legal Guidelines for Management of Thai Transportation Logistics Business .

Concluded that the overall multiple regression equation (Model) can be used to explain the dependent variable. The variables in business barriers were statistically significant ($r = .552$) at the .05 level of significance. The correlation coefficients of the overall management effectiveness were adjusted. In the positive direction (Durbin-Watson = 1.254)

APPENDIX

Transportation

- ♦ **Rail**
 - low-value, high-density, bulk products, raw materials, intermodal containers
 - not as economical for small loads, slower, less flexible than trucking
- ♦ **Trucking**
 - main mode of freight transport in U.S.
 - small loads, point-to-point service, flexible
 - More reliable, less damage than rails; more expensive than rails for long distance



ACKNOWLEDGEMENTS

Foremost, I would like to express my sincere gratitude to my advisor: Dr. Chaiwut Janma and Dr. Kietchai Veeayannon (Co-advisor) for his patience, motivation, enthusiasm, and immense knowledge. His guidance helped me in all the time of research. Besides my advisor, I would like to thank the rest of my thesis committee: Associate Prof.Dr. Pissamai Jarujittipant , Dr. Anan Thumchalai (Dean of Faculty of Political Science, Doctor of Philosophy Program in Management (Ph.D Management) , North University. Thailand

REFERENCES

- [1] Arun Bororn. (2011) *Cost Reduction by Outsourcing*. Logistics Thailand.
- [2] Ballou, R.H. (2004) *Business Logistics/Supply Chain Management Planning, Organizing and Controlling the Supply chain*. 5th Edition, Pearson/Prentice Hall Inc., New Jersey.
- [3] Cooper, R., & Kaplan, R. (1999). *The design of cost management systems*. (2nd ed.).USA. Prentice – Hall. Love, Stephen.
- [4] *Department of Land Transport*. (2018).
- [5] Francis J..Aguilar . (1967) *Scanning the business environment*. New York: Macmillan.
- [6] *Industrial Logistics Performance Index: ILPI (2555)*.
- [7] Krejcie &Morgan (1970).*Determining Sample Size for Research Activities*. *Educational and Psychological Measurement*,30(3), pp. 607-610.
- [8] Miquela, C. G. (2001). *Activity-based costing methodology for third-party logistics companies*. *International Advances in Economic Research*, 133 – 146.
- [9] Roth, H. P., & Sime, L. T. (1991). *Costing for warehousing and distribution*. *Management Accounting*, 42 – 45.
- [10] Zeng, A. Z., & Rosseti, C. (2003). *Developing a framework for evaluating the logistics cost in global sourcing process : An implementation and insights*. *International Journal of Physical Distribution and Logistics Management*, 33 (9), 785 – 803.