



# A Local Wisdom Knowledge Management Model to Enhance Economic Value Added for Textile Products of Thai–Yuan Ethnic Groups in Mid–Central Provincial Cluster

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## Abstract

The objectives of this research were to study compositions and conditions for success of local wisdom knowledge to enhance economic value added for textile products of Thai–Yuan Ethnic Community Enterprise Group in a mid–central provincial cluster. The research used qualitative research methods. The key informants were the group president, group members, the manufacturer and distributor of Thai–Yuan weaving textiles and 30 supporters of Thai–Yuan Ethnic Community Enterprise Group in Ratchaburi Province. The data was collected from in–depth interviews with the key informants by using the semi–structured interview. The analyzed data was used in the grounded theory of content analysis and data synthesis. The findings showed that components for local wisdom knowledge management to enhance economic value added for textile products by Thai–Yuan Ethnic Community Enterprise Group in the mid–central provincial cluster consisted of participation in learning and inheriting local wisdom, local wisdom knowledge management, Socio–Geography management of ethnic groups and creating value–added to products. The foundation of creating new products maintained identity and met the needs of consumers, including historical stories told by a local philosopher on the packaging that helped create awareness for consumers. Creating products with added value by quality and standards made customers gain more trust in the products. The success in local wisdom knowledge management: producer development, woven fabric market development, leadership, cooperation in knowledge management and products development helped develop products in terms of increasing production efficiency, distribution channels, and participation in setting goals more clearly. New marketing through online media also helped expand the market and increase more customers.

**Keywords:** Knowledge Management Model, Value–Added, Textile Products, Thai–Yuan Ethnic, Local Wisdom, OTOP Village, Mid–Central Provincial Cluster

## Introduction

Foundation economic development and increasing abilities and power on the population to be self–reliant can make job stability and increase income. The national development policy of Thailand has policies to support many products and services in tourism by using benefits from Thai identity and uniqueness that reflect the local culture and community lifestyle, such as tourism linked with OTOP products to help to distribute income to people in communities. It can distribute income to people in the community by using community resources together with local wisdom, Thai culture, innovation, creativity, and knowledge cumulative to create high quality and value in the supply chain to drive economic to be balanced and sustainable. The government gives prioritize to economic development, focusing on the connection between social capitals. It is consistent with 12<sup>th</sup> National Economic and Social Development Plan 2017–2021 and 20<sup>th</sup> Year National Strategy and various national reform plans to be used as the country’s economic and social development plans, to achieve the country’s vision by Community–Based Development, that respond community need.

Knowledge–based society has seen knowledge as wisdom capital for creating value. Knowledge management is a process of intellectual capital usage to create value and price, being a factor for driving economy, being a



foundation for developing competitiveness in production capability, setting goal for community to gain more strengthening by using existing funds in the community or social capital combined with the traditional knowledge of society and modern knowledge to develop social and economic to achieve sustainable development. (Buarapha, 2016, p. 22; Bunsin, 2014, p. 23; Sansorawisut, 2015, p. 109; Office of the National Economic and Social Development Board, Office of the Prime Minister, 2016, pp. 82–96). This is consistent with the research of Hansen & Husmoen (2016, p. 1) that today organizations are concerned with how they can produce high-quality products at the lowest cost to stay competitive in a highly competitive market. Therefore, Knowledge Management (KM) becomes an important concept in organizations to achieve a competitive advantage.

Accordingly, the knowledge management is an appropriate tool to conserve, inherit, manage and develop the community's wisdom and social capital in order to survive and having cumulative knowledge into innovation, new products to add the value of the products of the community. These are ways to increase competitive advantage to make sustainable communities. In this respect, woven cloth of ethnic groups has been regarded as the wisdom created for use together with the beauty of shape, pattern, color, and neatness. It is set to be an important handicraft for identifying the identity which reflects the foundation of people's wisdom from various ethnic backgrounds as well as telling the history of the ethnicity of that community as well. Thai-Yuan ethnic group is famous for *Jok* textile which has been inherited and passed down from the ancestors from generation to generation and it is also connected with the way of life, beliefs, and rituals, integrating cultural concepts. Nowadays, *Jok* textile has been developed in both technique and quality to meet the need of the market.

At present, woven fabric communities around the country have transformed their products to have a variety of types to enhance their value. It is a process called value creation which gives importance to consumers by adding value obtained from various creative products. Products must be supported by the learning process for community enterprises in order to develop local wisdom to be product creation and innovations that can meet the needs of consumers. Product innovation will bring in revenue, increasing market share, increasing product popularity which will enable the enterprise to grow sustainably. In this regard, the woven fabric community enterprise of the Thai-Yuan ethnic group is not taking serious action in adding value to the textiles, so they can reach customers who buy only woven fabric. In addition, the group lacks management and wisdom knowledge management, social capital management and lack of systematic process in recording local wisdom into written form. If the person who knows about weaving passed away and did not inherit local wisdom to others, those weaving knowledge will be lost, due to the inheritance of knowledge in weaving relay by telling and doing only. It is conformed with the results of Chokbandansuk et al. (2015, pp. 17–32) who found that tradition weaver has decreased continually because the weaver is old and offsprings are less interested in weaving and transferring knowledge in weaving. Therefore, knowledge management in social capital to increase value-added on economy of Thai-Yuan ethnic is important as the group and community knowledge management can help people develop a local product to gain more valued, increase revenue and develop a common product to be a cultural product. This can happen by bringing social capital of Thai-Yuan ethnic group into an inspiration in production, create product with background knowledge and cultural story which indicate their ethnic identity as well as using new technology and knowledge to further develop the production base of commercial textile efficiently, so it can create stability economic value for local communities and the nation.



### Research Question

What are compositions and conditions for the success of local wisdom knowledge management to enhance economic value added for textile products by Thai-Yuan Community Enterprise Group in the mid-central provincial cluster?

### Research Objectives

1. To study components of local wisdom knowledge management to enhance economic value added for textile products by Thai-Yuan Community Enterprise Group in mid-central provincial cluster
2. To study conditions of success of local wisdom knowledge management to enhance economic value added for textile products by Thai-Yuan Community Enterprise Group in mid-central provincial cluster

### Literature Review

#### Local Wisdom Knowledge Management Model

Local Wisdom is the basic knowledge gained from living in balance with nature. It is related to culture in the community which is accumulated and passed on. This wisdom can be both abstract and concrete, but the important characteristics are that it comes from experiences or truth gained from life. The wisdom from real experiences integrates the body, the spirit, and the environment. It emphasizes respect for elders and their life experiences. Moreover, it values morals more than material things (Mungmachon, 2012, pp. 174-181). Knowledge is a makeup of experiences, information, values and systematic attitudes that provide a proper framework for evaluation of new information and experience, and knowledge management is the process of creating, sharing, using and managing the knowledge and information of an organization (Girard & Girard, 2015, pp. 1-20). Xue (2017, pp. 31-33) defines that knowledge can be referred to as information possesses in the people's minds or people's experience and understanding. Besides, Anand & Walsh (2016, pp. 713-730) claim that knowledge contains information, skills, and expertise and knowledge can be divided combined into two forms: tacit and explicit. There is an interaction among tacit and explicit knowledge to create new ideas.

Community knowledge is obtained from both within and outside the community. It is used in ways that benefit the community and in ways in which it can be passed on. Thailand Research Fund categorizes community knowledge into three classes: (1) Knowledge to maintain the community in its history, important stories, main values, culture, traditions, regulations, and the important teachings of the community. This knowledge is a tool of indicator of the community's strength in the face of the flow of changing values; (2) Knowledge for a living is the knowledge of occupations, religion, and training for the development of the potential quality and health of the members; and (3) Knowledge of establishing harmony is the knowledge that comes from people's enjoyment of life or the general knowledge found in coffee shops, retail shops, or meeting places such as temple halls and school sports fields. This knowledge includes storytelling, lullabies, harvest songs, everyday stories, and general news. It establishes harmony through close relationships, enjoyment, and strength among the members. They are the value for elders who have knowledge that comes from life experiences.

#### Identity of Thai-Yuan Ethnic Local Wisdom

Ancestors of the Thai-Yuan ethnic group in Ratchaburi, Nakornpathom and Kanchanaburi provinces, migrated from Yonok, Chiang Saen, are famous for *Jok* textile, one of Thai-Yuan famous weaving which inherited from



generations to generations. It is because *Jok* textile stays with them for a long time, so it connects to people's lives, beliefs, and rituals. Janjam et al. (2014, pp. 3-4) summarized about Thai-Yuan ethnic group: Thai-Yuan ethnic group has a relative relationship, so they got generosity in working and they could create a good community.

External agencies and government agencies have supported and reinforced the restoration of weaving wisdom of Thai-Yuan ethnic group in many areas by being model, teaching and exchanging knowledge between themselves and apply them to their own wisdom cloth weave. The outstanding characteristics of Thai-Yuan woven fabric are using black, red, and green as the main colors for the knitting. The popular weave patterns are broken pattern, *Klap* pattern, *Sia* pattern, *Kongkeng* pattern, *Kood* pattern, Double bird pattern, Flower pattern, Orange jasmine pattern, Chain flower pattern, *Pikul* flower pattern, etc. Thai-Yuan cloths come in many forms such as *Phasin-siew*, *Phasin-lae*, *Phasin-tamoo*, Special *Phasin-tamoo*, and *Phasin Teen Jok*. These textiles are used on various occasions such as *Phasin-lae* used in general occasions, *Phasin-siew* and *Phasin-tamoo* used for making merit and *Phasin Teen Jok* will be used on special occasions e.g. auspicious ceremonies. There are also woven fabrics that are used in everyday life, such as bedsheets, handkerchiefs, Naga heads cloth, a seat for a monk, and various sacks. Currently, in the mid-central provincial cluster of Thailand, there are Thai-Yuan ethnic groups that still inherit and conserves weaving wisdom and skills in traditional textiles with exquisite, beautiful and famous which are Thai-Yuan ethnic group in Kubua, Don Rae subdistrict and Rangbua, Chatyai subdistrict, Ratchaburi province. Although the traditional pattern of the textile is exquisite, the changing era can make a change to patterns, colors, and production of woven fabrics because of the needs of customers and fashion trends. Therefore, people have to adapt their local knowledge and wisdom to make contemporary cloth.

#### **Value Added of Textile Products**

Entrepreneurs should do a research and develop new products regularly in order to be the market leadership by designing various characteristics of products or services that are different from competitors in the market and able to meet customer satisfaction, so it will result in adding value to their product (Ernst & Woods, 2011, pp. 1- 4). Creating value-added will increase competitive advantage in customer value, so customer can have more awareness leading to confidence in the decision to select or purchase products and services (Phasang et al., 2017, p. 4). Therefore, development of woven fabric products means development, improvement or change of products to meet the needs of consumers by mixing knowledge, local knowledge or social capital with community principles as the base in integrating activities. Joint management system can result in a network-based connection, and creating a value chain through co-production process and co-creation and integrated value chain by with primary activities including knowledge management, operations, raw material sources, capital resources, production markets, support and participation which connect adding value and value from raw materials, workmanship, knowledge, special expertise including the distinctiveness of ethnic identity. In conclusion, the product development process of the community is the creation of product ideas, moderation and evaluation of ideas, concept development, concept testing, developing marketing strategies, business analysis leading to product development, market testing and business operations by using skills and knowledge in a collaborative manner of the community to produce products that generate income and profit, resulting in the well-being of people in a sustainable community.



## Methods and Materials

In this research, the method of qualitative research is described in details as follows:

**1. Study Areas and Main Informants:** The study area was a textile area at Thai-Yuan Community Enterprise Group in a mid-central provincial cluster in Kubua, Don Rae subdistrict, and Rangbua, Chatyai subdistrict, Ratchaburi province. The main informants included the president group and group members at Ban Tai Weaving Occupation Promotion Center, Thai-Yuan Agricultural Cooperative, Yaison Weaving Group, Ratchaburi Folk Weaving Handicraft Center, Wat Rang Bua Weaving Group and Chanaiphon *Jok* textile Community Enterprise. Supporting groups of operations included academics or government officials and supporters of the operations of community enterprise by purposive selection with the amount of 30 people who had good knowledge of the Thai Yuan ethnic context and inherited the knowledge of weaving wisdom to establish a hand-woven cloth handicraft center and distribute cloth products center.

**2. Data Collection Methods:** The research was conducted with the key informants by using the semi-structured interview to study general information of ethnic groups, social capital, situations in knowledge management, traditional product group forms, and the need for product development of the group to create value-added. After that, the snowball sampling and interviews were used by non-participant observation through observing the method of weaving, threads making as well as surveying the equipment and appliances such as loom and other weaving equipment. The data obtained are a transcript from voice recorder recording in an in-depth interview, note-taking from observations, photos from real examples, documents, related research, and literature review.

**3. Methods for Checking Data Quality:** The data quality was checked with triangulation by examining the reliability of data from observing, theories, methods and empirical material.

**4. Data Analysis Methods:** The content was analyzed and synthesized through the interpretation of the researcher including definition, concepts and categorize to connect data relationships and bring data obtained to synthesize, proposition and theoretical generalization that leads to the creation of grounded theory caused by the real phenomenon of the community. These are used to synthesize the elements of pattern and success conditions of local wisdom knowledge management to enhance economic value added for textile products by Thai-Yuan Community Enterprise Group in mid-central provincial cluster.

## Results

### 1. The Components of Local Wisdom Knowledge Management to Enhance Economic Value Added for Textile Products by Thai-Yuan Community Enterprise Group in the Mid-Central Provincial Cluster

**1.1 Element 1:** Participation in learning and inheriting local knowledge means a process in local wisdom of weaving happens from learning by searching, gathering, inheritance and publish local knowledge until knowledge developed into a cultural heritage of the ethnic groups. Product creation must be a social capital for the community to be self-reliance. It was found that searching and collecting local wisdom of traditional weaving was a continuing knowledge from local wisdom. Additionally, new knowledge from applied local wisdom was knowledge from government, private sector and outside. This included setting a directory or account of local wisdom and organizing learning processes within the community. Local people propagated their local wisdom by using learning methods: local wisdom have to be contained in local curriculum both formal and non-formal education, lifelong education, teaching community members to be local speakers, having local museums to be



learning resources, establishing wisdom learning center and transferring knowledge to future generations continuously.

**1.2 Element 2:** Local wisdom knowledge management means changing Tacit Knowledge to Explicit Knowledge that can be learned, transmit, inherit and improve to suitable for use were found that contains:

1.2.1 Knowledge development process and seeking process were found by practicing with traditional forms and learning from seeing other people. They could seek for knowledge from inside and outside the group, exchange knowledge such as visiting other learning sources and transferring knowledge from old weavers to new weavers.

1.2.2 Knowledge was exchanged and relayed both in informal and group exchanging/ community networks.

1.2.3 Knowledge and the extension of knowledge utilization was used by developing groups into learning and researching places, a cultural tourism destination and promotion of professional development.

1.2.4 The community was developed into a learning place by using knowledge from history, pride, cultural, reader and government agencies. Moreover, community desired to earn income, have career, knowledge and also desire to conserve woven fabrics, pattern, the culture of their ethnic.

1.2.5 Stories were created through historical stories, demonstrations, lectures, trainings, trials and talks about product history to increase product value.

**1.3 Element 3:** Socio-Geography of ethnic groups means a process that leads to gain understanding of Cultural Ecology of community people that share their way of life in Ethnic Village. This included a relationship between the environment and culture. Thai-Yuan ethnic group had a unique culture, tradition, way of life, and wisdom that reflect the identity of ethnic groups. The group also had their own woven fabric products which showed their identity and culture of the community clearly. It is regarded as they had a strong cultural identity and knowledge passed down to the present. It was found that the community had held culture, traditions, ways of life, unique wisdom with strong culture and inheritance until the present day. They also had a culture connected to woven fabric, for example, when there were rituals, Thai-Yuan people wore their traditional clothes with *Jok* textiles to attend the ceremony.

**1.4 Element 4:** Creating products value to increase value means process in value creation that leads to increasing value of product or business, increase competition ability of business, build immunity from copycat and undercut and adjust the position of the business to be a position that can determine the appropriate price and increased revenue and profits (value creation). Design thinking aims that people will use development knowledge to develop real prototype products. This could be done by making products outstanding under the concept of value creation, transforming old products to be new products or developing new product and personnel development to have skills in product development. Productivity modification is a development to create value added on products by using a local wisdom base to create creative work pieces, make a product outstanding and vary it from other products to meet customer's needs, as well as motivate people to build more on creative business. This involved issues as follows:

1.4.1 The potential of products was a famous source for textile production in the country. As one of OTOP products, *Jok* textile was finely detailed in terms of unique identity with high value to be an interesting product. However, the textile had a small amount of production as it was handmade. The group could not make it quickly nor transform it into other products.



1.4.2 The entrepreneurial potential group could buy sufficient threads for production and have continuous production. The fabrics of this group were woven by hand with unique patterns from cotton, natural silk and artificial threads of Thai-Yuan people, so it could give choices to the customer. There was less transformation of *Jok* textile because the fabric price was high. The government also supported the budget to build a building, loom and develop packaging with a community brand's logo. The group also set their village to be an OTOP village, so the area had more chances to promote and broadcast fabrics to more tourists. Government officers in the area helped them by using their cloth as a working suit on some occasions.

1.4.3 The market potential is the potential of the group to have a network to increase many distribution channels, distribution sources such as other OTOP groups or souvenir shops in Ratchaburi and nearby provinces. This included product publications through various media type such as Facebook and Group's website to meet customers' needs.

## **2. Success Conditions in Local Wisdom Knowledge Management to Enhance Economic Value Added for Textile Products by Thai-Yuan Community Enterprise Group in Mid-Central Provincial Cluster**

2.1 Manufacturers were developed by learning, gaining knowledge and relating experience to product development in accordance with the guidelines for creating value add for the product. Group members learned together and relayed their knowledge and experience in production and product development resulting in skills and expertise in production. There were also an increase of production efficiency and network, an analysis of problems and a search for integrated problems solutions between various departments and manufacturers.

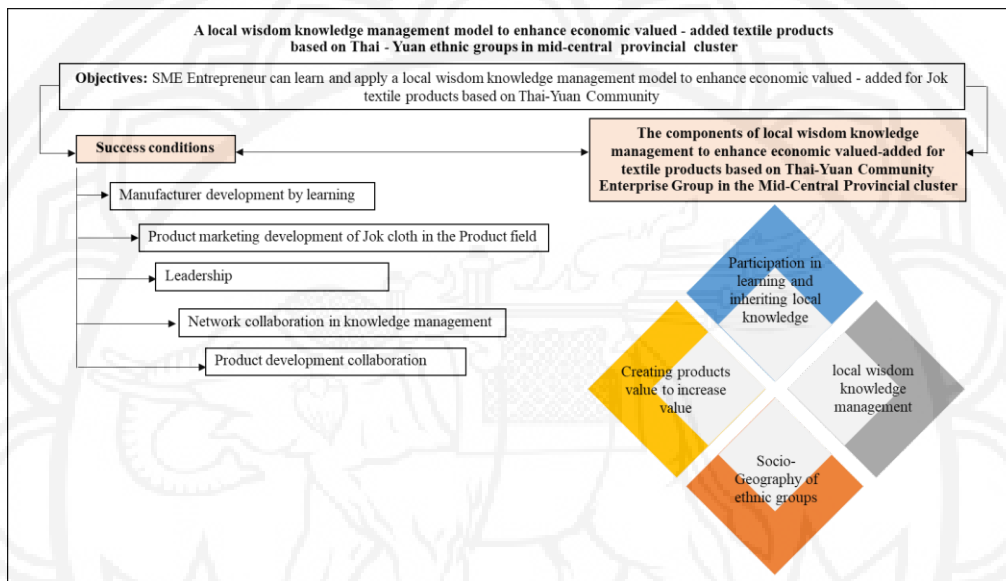
2.2 Product marketing development of *Jok* textile in the product field: *Jok* textile is an OTOP product that is exquisite, unique and valuable. *Jok* textile in price field: *Jok* textile has a high price especially an ancient pattern. In the study, the price-setting of *Jok* textile had no exact standard price, and each piece of fabric was priced according to the nature of the pattern, pattern difficulty, fineness of pattern making and the reputation of the group or weaver. In-place field: the group sold their fabric themselves by setting booths in various fairs throughout the province, other provinces, and Bangkok that public and private sectors organized. Sometimes middlemen from nearby provinces came to pick up the fabric at the group office, and the group brought a cloth to sell for tourists at the OTOP community exhibition center. Moreover, the groups were supported by the government to sew uniforms by using their cloth. In the promotion field: they promoted their products directly on Facebook by chatting directly with costumers and sometimes the group go and set activities or booths in fairs to increase product selling.

2.3 A group leader had potential, experience, local wisdom, power to support members and management skills by using a process that everyone in the group participated and respecting rules that group member created. Regarding factors within the group, the role of group leaders toward product development came from the learning and experience of leader, group management, exchanging process and promoting the participation of group members. Thai Yuan Textile Community Enterprise Group started with the group leader and other members of the group participants to make the group go forward. Factors contributing to the product learning development were the group's leader thinking methods and skills from having the opportunity to learn from outside the group. Other groups came to visit and learn the decision of the leader who wanted to design their new products and continuous consultation meeting in their group.

2.4 Network collaboration in knowledge management was formed by creating knowledge understanding toward process in group working and jointing operations in the sub-districts, districts and provincial networks as well as regional networks and different regions. Government officials created a group understanding that had the

government as a supporter of the group in some parts when the group could not operate by themselves. The importance of knowledge and technology helped solve problems and improve the quality of life of group members, so network collaboration also strengthened, stimulated the desire to learn, encouraged regular group meetings and relayed technological knowledge in various forms as required.

2.5 Product development collaboration from integrating knowledge was gained both within and outside enterprise groups, communities and partners to develop products. The group needed cooperation to make grouping at a higher level. Government agencies came to help develop *Jok* textile of to meet the quality and standard as well as supporting the procurement of good locations for establishing stores to organize Thai fabric exhibitions continuously every year.



**Figure 1** A Local Wisdom Knowledge Management Model to Enhance Economic Valued-Added Textile Products by Thai-Yuan Ethnic Groups in Mid-Central Provincial Cluster

**3. A Local Wisdom Knowledge Management Model to Enhance Economic Valued-Added Textile Products By Thai-Yuan Ethnic Groups in Mid-Central Provincial Cluster:** The four Components and five Success Conditions included:

**3.1 Component 1:** Participation in learning and inheriting local knowledge

**3.2 Component 2:** Local knowledge management – There were fundamental components of creating new products that maintained identity and met the needs of consumers. This included telling the story of the history from a local philosopher on the packaging that helped to create awareness for consumers.

**3.3 Component 3:** The geopolitical culture of ethnic groups helped create product patterns and how to use them. It reflected the conservation and inheritance values through festivals and traditions.

**3.4 Component 4:** Creating product value for added value by quality and standards helped consumers accept the product: the weavers’ expertise, finely weaving, creativity in pattern development. The expansion of the product form was very necessary because it required skills to make quality weaving, pattern and new products to match the market.





The five Success Conditions helped develop products, including increasing production efficiency, distribution channels, and participation in setting goals more clearly. New marketing through online media also helped expand the market and increase more customers.

**4. Using a Local Wisdom Knowledge Management Model to Enhance Economic Valued-Added Textile Products by Thai-Yuan Ethnic Groups Model** to create added value of woven fabric products of the Thai Yuan Community Enterprise Group to design and develop patterns of Thai woven cloth products of Thai Yuan ethnic wisdom and Chanaiphon *Jok* textile Community Enterprise Group Co Ltd, Village Mu. 4, Dontako Subdistrict, Mueang Ratchaburi District. This was done by the president of the group and group participation to design the product together by using the manual to use local knowledge management model consisting of principles and reasons goals of the manual, objectives, theory, basic concepts, principles of component development, conditions for the success of the model, the role of the developer and the role of community enterprise entrepreneurs who participated in the activity. They reviewed the knowledge to prepare the textile enterprise entrepreneurs from local Thai Yuan ethnic wisdom and participated in the activity to have a knowledge base before implementing thinking training and product design practice by the components of the model. Establishing a learning ladder for product development to develop products that created value add for weaving and joining in product development, which were souvenirs such as key chains, cloth, and coin bags. Price calculation, costing, and determining sales price to test the market of the new product model that led to a study of the satisfaction of the consumer groups on product design and development.

#### **5. Suggestions for Further Research**

5.1 There should be a study on the formulation of the enterprise development plan for the ethnic woven cloth community enterprise.

5.2 There should be a study of identity creation and the interpretation of weaving patterns to design and develop different types of products to match market needs, to help community enterprise develop their products consistently and gain the quality meets the specified standards.

### **Discussion**

Local wisdom knowledge management model was created in order to enhance economic valued-added textile products by Thai-Yuan ethnic groups in mid-central provincial cluster consists of four components and five success conditions are:

#### **1. The Components of Local Wisdom Knowledge Management to Enhance Economic Value Added for Textile Products by Thai-Yuan Community Enterprise Group in the Mid-Central Provincial Cluster**

**1.1 Element 1:** Participation in learning and inheriting local wisdom could conclude that it consists of searching and collecting traditional weaving. This combines local knowledge and new knowledge from the application of local wisdom and knowledge supported by government, private sectors and outsources. Inheritance and publication of local knowledge is another important thing. Accordingly, people bring their knowledge into local curriculum both inside and outside the school system, life-long learning, being local lecturer, having a local museum for learning, developing into occupation and preserving and transferring knowledge to a new generation. This is consistent with the research of Xue (2017, pp. 31-33) who defines that knowledge can be referred as information possesses in the people's minds or people's experience and understanding.



**1.2 Element 2:** Management of local wisdom knowledge changes Tacit knowledge (Deep-rooted Knowledge) to Explicit Knowledge (Clear Knowledge) that can be learned, transmitted and modified. This is knowledge development, knowledge exchange and transfer, knowledge modification and knowledge extension through utilization, community development and storytelling. The process is consistent with the research of Taikham (2014, pp. 606–632) who concludes that learning in organizations of community enterprise groups leads to new discussions and suggestions of group members which affect the creativity of a person, and that community innovation can increase efficiency in production. The study collects expert documents on learning in an organization, showing that community enterprise system makes community developed learning system and brings knowledge to produce efficiency product and develop potential in product competitive.

**1.3 Element 3:** Socio-Geography and culture of the ethnic groups are tradition, way of life and unique wisdom that reflect the identity of ethnic groups. This is reflected on woven fabric products with local wisdom and cultural history that clearly show the identity of the community regarded as a strong cultural capital. It involves cultural relation to woven fabric products when they need to join any ceremony and wear *Jok* textile. It is consistent with the research of Thailand Research Fund (Ratana-Ubol, 2019, p. 12) that categorizes community knowledge consists of knowledge to maintain the community in its history, important stories, main values, culture, traditions, regulations, and the important teachings of the community. This knowledge is an indicator of the community's strength in the face of the flow of changing values. Knowledge for a living is the knowledge of occupations, religion, and training for the development of the potential quality and health of the members. Moreover, knowledge of establishing harmony comes from people's enjoyment of life or the general knowledge found in coffee shops, retail shops, or meeting places such as temple halls and school sports fields. This knowledge includes storytelling, lullabies, harvest songs, everyday stories, and general news. It establishes harmony through close relationships, enjoyment, and strength among the members. They value elders who have knowledge that comes from life experiences. According to Janjam et al. (2014, pp. 3–4), the Thai-Yuan ethnic group has relative relationship and generosity in working to create a good community.

**1.4 Element 4:** Creating value-added products consists of product potential, entrepreneur potential, and market potential. This is consistent with the research of Anand & Walsh (2016, pp. 713–730) who claim that knowledge contains information, skills, and expertise. Knowledge can be divided and group into two forms: tacit and explicit. There is an interaction among tacit and explicit knowledge to create new ideas.

Therefore, the community is strengthen through learning, cultivating the identity of the community by local wisdom conservation and restoration, promoting understanding in multiculturalism in order to live peacefully together, encouraging people in the community to work together and formulate guidelines for local community development by self-reliance principles, considering on socio-geography, managing themselves with area context and inheriting knowledge to help develop occupational skills by knowing local area and socio-geography through mechanisms driving development to enhance local knowledge management (Surathanaskul et al., 2017, p. 93). Strengthening components of community can be applied to enhance economically value-added textile products by Thai-Yuan ethnic groups in the mid-central provincial cluster with 1. Common goals 2. Community participation 3. Cooperation networks 4. Community learning 5. Socio-geography capital 6. Community competencies and 7. Community management that will drive common goals happening.



## **2. Conditions for Success in Local Wisdom Knowledge Management to Enhance Economic Value Added for Textile Products by Thai-Yuan Community Enterprise Group in Mid-Central Provincial Cluster Consists of**

2.1 Manufacturer gain knowledge and experience in product development, co-learning, exchanging production experience to have more expertise. To increase efficiency in production, it is necessary to build product networks, integrate problem solutions and work with efficient expertise and knowledge. This is consistent with the research of Cheamuangphan et al. (2013) who study business in communities in the north and have suggestions for the development of community enterprises that Learning and leadership development are important. Providing education through training is not enough to create knowledge and understanding, and the ability to manage the business. Therefore, incubation methods should be used for members or directors to learn gradually. In addition, small tools and equipment should be developed to help save energy. Increasing labor productivity and production efficiency will help the group develop more products. The development and dissemination of knowledge and technology should be extended to local wisdom to help the product development group and the production of more complex products.

2.2 Regarding product marketing development of *Jok* textile in the product field, it is an exquisite, unique and valuable OTOP product. For *Jok* textile in price field, it has a high price, especially with an ancient pattern. The price-setting of *Jok* textile has no exact standard price; each piece of fabric will be priced according to the nature of the pattern, pattern difficulty, fineness of pattern making and the reputation of the group or weaver. In-place field: the group sells their fabric themselves by setting booths in various fairs throughout the province, other provinces and Bangkok that public and private sectors organized. Sometimes, middlemen from nearby provinces come to pick up the fabric at the group office, or the group will bring a cloth to sell for tourists at the OTOP community exhibition center. Moreover, the groups are supported by the government to sew uniforms by using their cloth. In the promotion field, the products are directly promoted on Facebook by chatting directly with costumers, and sometimes the group set activities or booths in fairs to increase product selling. This is consistent with the research of Kurokawa et al. (2010, p. 12) who mention that OTOP subcommittees have elaborated and implemented innovative policies to promote cottage industries. Two prominent measures for marketing OTOP products, OTOP brand making by a common logo and internet marketing, are examined here. The product is exportable with a brand quality. Its production is sustainable with consistent quality, providing customer satisfaction and an impressive background story.

2.3 Leadership is an internal factor related to product development which comes from the learning and experience of the leader, group management, exchanging process and participation of group members. Thai Yuan Textile Community Enterprise Group started with the group leader and other members of the group participants to make the group go forward. Factors contributing to the product learning development are the group's leader thinking methods and skills from having the opportunity to learn from outside the group; other groups come to visit and learn. The decision of the leader who wants to design new products and continue consultation meetings in the group is important. This is consistent with the research of Singh et al. (2019) who study top management knowledge value, knowledge sharing practices, open innovation, and organizational performance. This suggests that knowledge management and practice influence open innovation and organizational performance. The results of the study are discussed in light of previous studies and suggest implications for the theory and practice of open innovation.



2.4 Network collaboration in knowledge management builds a network at the sub-district, district and provincial levels, as well as between regional networks and different regions. It can be done by stimulating the desire of learning and encouraging regular meetings, group discussions and transferring technological knowledge in various forms. In conclusion, using cultural capital to create benefits for economy, society and people should be started with a collaboration from both public and private sectors interested in building value-added products and taking action together with the same aim to preserve the original identity of arts and culture. Therefore, the historical story of products and the cultural capital is necessary because they are academic knowledge for understanding. Therefore, it is important to create an appreciation for each product to have lasting value.

2.5 Product development collaboration can be done by integrating knowledge within and outside enterprise groups, communities and partners to develop products. The group needs a cooperation to make grouping at a higher level. Government agencies come to help develop *Jok* textile of to meet the quality and standard as well as supporting the procurement of good locations for establishing stores to organize Thai fabric exhibitions continuously every year. Accordingly, external agencies and government agencies have supported and reinforced the restoration of weaving wisdom of Thai-Yuan ethnic groups in many areas as a model by training them and exchanging knowledge. This is related to research of Laophuangsak (2014) who studies development of community enterprise network management model to enhance the competitiveness of the community economy in the western region. This involves many factors such as community planning and goals setting, learning to change, capital utilization, support from external agencies, product processing, expanding market opportunities, resource allocation, social communication, cooperation between members, corporate culture and good leaders. The resultant factors are the effectiveness of the mission, operational efficiency, product and service quality, the potential of community enterprises and community enterprise networks.

Such conditions are important in strengthening the community to be a self-reliant community and managing strategies on local wisdom knowledge to enhance economically value-added textile products by Thai-Yuan Community Enterprise Group. The strategies are:

1. Strategy for development of manufacturers and marketing
2. Strategy of production and woven fabric products knowledge development
3. Strategy for community enterprise groups development to be a learning source and tourist attractions

The strategies link to ethnic identities from the process of local wisdom knowledge management for Thai-Yuan Ethnic Community Enterprise group in mid-central provincial cluster. This can be done by creating and finding knowledge from old knowledge, local wisdom and new knowledge from outside the group and ethnic group network. Then it is necessary to exchange knowledge within a group and community before distributing and transferring it internally and externally to groups and communities. Additionally, to make quality community products under community identity and match the need of customers, the community should study the demand for buying souvenir products from tourists. This includes storytelling to create value for local souvenirs through the process of social capital that ethnic groups maintain. It consists of: Creativity Capital modernized by role models; Knowledge Capital related to knowledge, skills and new ideas of group leaders and members, including support from network partners; and Cultural Capital referred to development of Thai-Yuan Ethnic groups. Success comes from the cooperation between government agencies, local administrative organizations and communities working together to create prototypes and extend products from a cultural heritage that reflects the identity of ethnic groups. The aim is to preserve cultural knowledge and encourage the community to apply knowledge of cultural heritage



to further develop the identity of the community. The cultural capital development helps promote the creation of value added for ethnic products by maintaining standards and quality of the local heritage wisdom on woven fabric products. Creating a product from culture capital with quality and community identity can increase value-added products. Furthermore, it can inherit knowledge and understanding about ethnic groups in the country in terms of preserving and restoring the identity of ethnic groups.

A Local wisdom knowledge management model is created in order to enhance economic valued-added textile products by Thai-Yuan ethnic groups in mid-central provincial cluster from all four components and five conditions for success can be seen that:

1. Participation in learning and inheriting local knowledge development is important. The trainer should give knowledge in various forms for individuals and groups, including applying a variety of methods for members or group members to learn from practicing gradually. Community enterprise groups should persuade new generation members to participate in learning and inheriting local knowledge. Also, appliances and tools should be developed by using modern technology for faster production, beautiful product, a variety of works, and marketing development.

2. Local knowledge management in community enterprises development has to remain the standards and efficiency. The group should add learning processes and knowledge management in their community enterprise groups to change the knowledge deeply embedded in the individual so that knowledge can be learned, inherited, and adapted to suit the application.

3. The application of geo-cultural and ethnic groups should present wisdom and way of life of ethnic groups as a base for creating a product identity and creating a further idea for their new product models.

### **Conclusion**

This research studied the compositions and conditions for success in a local wisdom knowledge to enhance economic value-added textile products by Thai-Yuan Ethnic Community Enterprise Group in a mid-central provincial cluster. It was found that components for local wisdom knowledge management consisted of participation in learning and inheriting local wisdom, local wisdom knowledge management, Socio-Geography management of ethnic groups and creation of value-added to products. The condition of success in local wisdom knowledge management to enhance economic value-added textile products by Thai-Yuan Ethnic Community Enterprise Group in the mid-central provincial cluster consisted of producer development, woven fabric market development, leadership, cooperation in knowledge management and products development.

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