

CHAPTER 4
THE SITUATION OF DLSMCE GROUPS

This chapter discusses the situation, problems and opportunity of dried longan small and micro community enterprise groups as follow :

4.1 The Situation of Golden Dried longan Small and Micro Community Enterprise Groups (DLSMCE) in Lamphun Province.

Longan is considered as the main economic agricultural production of the province of Lamphun, Thailand. During the past 10 years, longan farmers continuously expand planting area as Table 3.

The total consumption of fresh fruits to internal markets and in the country is about 71,480 tons, 45 percent and the other 55 percent; 87,365 tons were processed into dried fruit with peel, golden dried longan, canned fruits and more.

Table 3 The planting area and products of longan in Lamphun, Thailand

year	Total planting area in Thailand (rai)	planting area in Lamphun (rai)	Volume of Fresh longan (tons)	Volume of Dried longan (tons)
2002	786,350	259,234	195,878	155,872
2003	803,534	261,095	188,345	155,432
2004	835,749	263,348	190,564	198,926
2005	884,932	265,987	312,090	239,766
2006	896,783	268,544	253,140	208,780
2007	901,135	270,620	158,854	286,627
2008	927,684	275,871	476,930	286,392
2009	922,804	265,756	547,075	409,976
2010	879,590	273,448	152,489	91,887
2011	906,789	271,223	155,298	85,992

There is a say that “Longan is Lamphun, Lamphun is Longan”. Longan is the main economic productions of Lamphun. The cultivation of longan causes annual revenue of several billion Baht each year. longan harvest season, late June until September, which is the production of longan excess. The result is a lower price and short shelf life of fruits and perishable. Drying is the way to resolve overflowing fresh fruit market. Currently, production and export of dried longan has continually grown and become an important market for longan growers. It can help increase the value of consumption of fruits and can be stored at the off-season period. (Tuida, 2001) There are two types of longan drying process. The first is to unpeel and dry the flesh; it is called “Golden Dried Longan Flesh” and another type is to dry longan with peel. Golden dried longan flesh is better because it is better than either of the colour, odor, shape, cleanliness and delectable. It can be also eaten immediately, with cost savings in the drying and transport because it takes less time in drying and gain more weight. (Attapunyo, 1977)

Dried longan flesh or trade name is “Golden Dried longan Flesh” which is a product of being interested in the production of a small group in Chiang Mai and Lamphun. To add value and solve the overflow market and price fruit and also slowed down the loss of fresh fruits, which is important to export to the main market, China. Golden dried longan flesh made from fresh longan that has been graded by the glider, peel and core seed out but the flesh longan, through a process to reduce moisture. The products have required for consumption in proper packaging to prevent contamination and moisture. (The National Bureau of Agricultural Commodity and Food Standards, 2006) For Lamphun, there are manufacturers of golden dried longan flesh to distribute to various districts with most in Ampher Muang Lamphun, where the most specific is Sunphaheng Village Moo7 Tumbon Ma Khuea Chae, Ampher Muang, Lamphun province.

According to the Act to promote small and micro community enterprises 2005 (also discussed in chapter II), the small and micro community enterprise groups which composed of atleast 7 community people, have registered under this Act. The number of community enterprises applied for registration in Lamphun on December 31, 2006 was 924 scattered. There are a number of community enterprises that have the process of golden dried longan flesh in 88 scattered in every districts. (Lamphun Provincial

Agricultural Extension Office, 2005) Among these DLSMCE groups, there were the processed golden dried longan fleshes with their own stoves. According to the SMCE criteria, these DLSMCE groups were grouped into good practice, fair and poor performances. It is interesting to note that many DLSMCE groups have interested to improve their group to solve the problems within the group. They gather to share their learning and activities. The group structure and the division of labor are still not clear. The Adjusted group or the medium group is the combined activities group. The structure and the board are clear. However, rules, roles and communication between leaders and members of the group are being reviewed. And the Strong group or the Great extent is a group with the structure and the board is clear. There are the division of roles in the workplace and the activities of the group continually. The rules and benefit sharing are clear.

4.2 Problems and Opportunity

According to the brainstorming about the alternatives of golden dried longan flesh and survived of Agricultural Extension Office of Lamphun on July 28, 2007 have found that there are a number of community enterprises have problem of golden dried longan flesh in both production and marketing. For the processing of golden dried longan have found that the lack of knowledge, skills and techniques of growers to achieve the quality. The house production standard is not good enough. Using a traditional stove cannot control the temperature. The golden dried longan process also affects the environment such as the amount of waste water from washing fruits, the smell of the fruits infested area and adjacent communities, waste from the peel cause a swarm and fly breeding, pollution from the smoke and high temperature from stove causing climate change and a marketing problem.

Despite government measures to support of Golden Dried longan Small and Micro Community Enterprise Groups only two years but there are some members from women's agriculture group and promoting careers group in Lamphun, who has 10 years experience in drying golden longan and have knowledge and skills to improve the quality of golden dried flesh, a variety of system and production methods. There were 15 DLSMCE groups which can produce at the advanced level of standard of FDA (Food and Drug Administration), standard of GMP (Good

Manufacturing Practice), standard of Standard of Community Products. The packaging development as well as market supply and distribution have resulted in making income within a group and be self-reliance which can be produced by the raw materials, resources and knowledge in the community. These 15 DLSMCE groups were considered a good practice groups which have choice and the survival on the processing of golden dried longan flesh. They could be a good model for knowledge transfer to other groups.

At the same time, there were more than 100 groups of golden dried longan flesh which could get benefits. These fair and poor performance groups also lack the knowledge, expertise, skills and lack of experience in group management. They wanted to develop and improve production and management to help themselves in the future.

In addition, the survey was to explore the area of Golden Dried longan Small and Micro Community Enterprise Groups was found that there was a group that operates on several levels a great extent, a fair level and a need for improvement level as shown in Table 4

Table 4 The situation of the operation of Golden Dried longan Small and Micro Community Enterprise Groups

No	The level of the group	Strengths	Weaknesses	Opportunities	Threats
1.	A Progressive success groups. There are 9 groups 90 members	<ul style="list-style-type: none"> - The Board of Directors has strengthened - The division of roles and functions 	<ul style="list-style-type: none"> - Generally a business person - The group has too many missions 	<ul style="list-style-type: none"> - Have a source of product marketing - Have an opportunity to approach the financial support 	<ul style="list-style-type: none"> - High production costs - The Raw materials are not available in areas such as longan, fuel etc.

Table 4 The situation of the operation of Golden Dried longan Small and Micro Community Enterprise Groups (continued)

No	The level of the group	Strengths	Weaknesses	Opportunities	Threats
		<ul style="list-style-type: none"> - Have skills in production - Quality Products - Group activities on a regular basis - Have a communication within the group through a social network 	<ul style="list-style-type: none"> - A shortage of workers in the coring 	<ul style="list-style-type: none"> - Get support from outside agencies 	
2.	<p>A Fair Level</p> <p>There are 15 groups</p> <p>117 members</p>	<ul style="list-style-type: none"> - The Board of Directors - The Board of Directors is divided into functions -Have a communication within the group - Have skills in production 	<ul style="list-style-type: none"> - poor quality products - Do not have regular activities - A shortage of workers in the coring 	<ul style="list-style-type: none"> - Get support from outside agencies 	<ul style="list-style-type: none"> - High production costs - The Raw materials are not available in areas such as longan, fuel etc. - Do not have a source of product marketing

Table 4 The situation of the operation of Golden Dried longan Small and Micro Community Enterprise Groups (continued)

No	The level of the group	Strengths	Weaknesses	Opportunities	Threats
3.	A need of improvement level There are 13 groups. 94 members	- The Board of Directors - The establishment of the kinship group	- The Board does not break functionality - A poor quality product - Do not have regular activities - A shortage of workers in the coring	- Get support from outside agencies	- High production costs - The Raw materials are not available in areas such as longan, fuel etc. - Do not have a source of product marketing - Do not have an opportunity to approach the capital

From Table 4, the learning process should be organized among these DLSCME groups in order to share their strength, weakness, opportunity and threat may be as follow:

1) The progressive success and fair performance groups could share their strengths for example

1.1) Group management such as communication among customers/ members through regular activities and social network

1.2) Skills for quality products

2) The poor performance groups also have the practical knowledge on how to establish the production among the kinship to share

3) All groups may collaborate in dealing with the labour shortage during in June – September for example establishing production line with the kin group and desired to have a core cutter to replace the worker.

4) All groups were get opportunities and support from outside agencies such as got the loan from government, the knowledge from local government and university.

5) All groups have the threats such as high production costs, the Raw materials are not available in areas: longan fresh was not enough and fuel very high cost.

6) The fair and poor performance groups have the problems about marketing, do not have product marketing.

Accordingly, The core research team interested in how to promote the establishment of learning network between the groups with progressive success, fair and poor performance groups to create potential and strength in problem solving and exchange things via interrelated learning, group participation and process. Thus, creating a learning network between good practice groups and poor performance groups for the potential and motivation to resolve a problem and change things through the exchange of knowledge between them. Participation and group processing that lead to change in the objectives and common goals of small and micro community enterprise groups will contribute to their capacity in the processing of golden dried longan flesh was enhanced.