A Causal Relationship Model for Effectiveness of Strategic Management of PTT Public Company

Borworn Khomchunsri, Surapon Suyaprom, Kiettisak Suklueng

Faculty of Social Sciences, Mahachulalongkornrajavidyalaya University
[1] borworn33@gmail.com, [2]sura145@mcu.ac.th, [3]kietsn@hotmail.com

ABSTRACT
The objectives of this research were 1) to validate a causal relationship model for effectiveness of strategic management of PTT Public Company with the empirical data; 2) to analyze the causal factors influencing effectiveness of strategic management of PTT Public Company, and 3) to propose a causal relationship model for effectiveness of strategic management of PTT Public Company. Mixed methods research was used by applying a qualitative research method to describe the results of a quantitative research. In quantitative research, there was a sample of 550 people obtained by stratified random sampling. For qualitative research, there were 10 key informants and the target group of focus group discussion of 9 experts and were selected by purposive sampling. The research tools were questionnaires, interview guidelines and questions focus group discussion. Quantitative data were analyzed by descriptive statistics and correlation analysis with software packages including analyzes to validate the coherence of models with empirical data and direct and indirect effects whereas qualitative data was analyzed by content analysis. Results of the research were as follows: 1) a causal relationship model for effectiveness of strategic management of PTT Public Company fit with the empirical data. Results of model validation showed that chi-square value = 95.47, df = 75, p = .0556, GFI = .98, AGFI = .95, RMSEA = .022, effectiveness of strategic management of PTT Public Company (EFFECT) had a forecast coefficient of .968, indicating that the variables within the model could explain the variability in the effectiveness of strategic management of PTT Public Company at 96.80 percent. 2) The causal factors influencing the effectiveness of strategic management of PTT Public Company consisted of 6 factors as follows: 1) Strategic Leadership Factors, 2) Internal Environment Factors, 3) External Environment Factors, 4) Iddhipada IV, and 5) ability to formulate organizational strategies, and 6) ability to implement strategies. 3) A causal relationship Models of effectiveness of strategic management of PTT Public Company showed the relationship between variables were the success factors developed from Iddhipada IV to promote the effectiveness of strategic management of PTT Public Company.

Keywords: Causal Relationship Model, Effectiveness, Strategic Management, PTT Public Company
INTRODUCTION

The changes in the world today affect the management of various organizations, both public and private sectors, which various organizations have to adapt to keep up with changing situations continuously. In particular, various business organizations must have higher competition has adapted quickly and continuously affect both positive and negative especially the gas station business organizations in Thailand are facing problems and very competitive. As a result, the organization is closed continuously from the Department of Energy Business. It can be seen that from 2006 to 2019, the largest number of gas stations were shut down, as many as 1,990 due to unbearable losses from the low market value. One of the main causes of the problem is the Thai fuel price system. Since August 1991, the market structure has changed from the original and using a price mechanism. It is a price setting tool for selling refined oil directly, but there are problems affecting consumers and entrepreneurs at a later time as well affecting the retail price of fuel production costs, trade costs, and higher competition. It can be seen that since the implementation of the measure, the price of refined products has been floating in accordance with the market mechanism since 1991, the volatility of crude oil prices has been the main factor that has greatly influenced the retail price of refined products global crude oil price crisis affect Thailand from the beginning of 2004 to the end of 2006, the price of refined oil the highest rise in history, however, must admit that volatility in crude oil prices affect the price of refined oil and create trouble for the business sector and the public sector. Therefore, it is imperative that the government, especially the Ministry of Energy. They must help, monitor, supervise, and solve problems that arise with the consumers and entrepreneurs as for the oil retail business operators. The state has to monitor and control so that prices are not high enough to cause trouble to consumers and that prices are not low until entrepreneurs unable to continue the business [1].

The impact problem in accordance with the information of the office National Energy Policy Board about the impact of using the floating oil price system. Moreover, it is the result of the government's efforts to promote Support the construction of more gas stations and spread to different regions of the country, causing many business closures to follow facing problems and closing the business of gas stations is an important issue that should be accelerated to study, find a solution, prevent it. If the collapse of the gas station business, especially small service stations, spreads and becomes large, it will cause damage to the country's energy system to the economy well-being of the people receiving inconsistent service a large monopoly unemployment and impact on other businesses that are in service stations or are involved. This problem is emerging and will expand its impact to other relevant dimensions. It is an issue that should be studied for solutions and preventive measures in many dimensions and relevant sectors seriously for the oil business especially PTT gas stations are considered to play a very important role in the oil business. As mentioned above, PTT can almost be regarded as controlling energy in the whole country whether controlling the country's largest refinery and the next size includes 4 refineries, control of exploration and drilling of crude oil and natural gas as well as to control the distribution of both wholesale and retail which has the potential to perform more than other brands, but also faces problems and has tried to find solutions in many ways, such as networking add non-oil businesses to the service area. and recently auctioned off a jet gas station that had to be shut down because of low marketing costs and no refinery of its own to expand the business and at present, PTT Green Energy (PTTGE) has been established
to grow large oil palms in Indonesia. It is a stable and great energy base. PTT's business operations are divided into several business groups such as exploration, production and natural gas business, oil business group Petrochemical and Refining Business Group. In addition, there are other business groups which combines computer insurance into the same group.

The retail business in gas stations is classified as the Petrol Business which operates the business of selling fuel products and lubricant products. It covers the retail market, which is distributed through PTT gas stations and the wholesale market. It is given to oil traders under section 7. There is also commercial marketing, which is sold to government customers. industrial group Airlines and shipping companies, etc., PTT has the highest market share. At about 35 percent, there are the most service stations has a policy to develop into a fully integrated service station to emphasize the image of modern, clean, comfortable, new service stations have been expanded to provide fuel and renewable energy services, as well as supplementary businesses to support consumer demand since providing convenience stores, coffee shops, pharmacies, subsidiary banks. However, gas station operators should have more efficient and more efficient management capabilities for maximum efficiency. This is critical to the survival and growth of a business in this highly competitive market. For situations that are always changing and has high competition. The proper management style is strategic management for the situation that has changed.

Therefore, if entrepreneurs understand the science of strategic management and apply, it appropriately to the nature of their business. This is indeed a good opportunity to solve the problem and business development ultimately, it will affect the solution of the nation's energy crisis. Research in this regard must reach the reality of the gas station business. To study the factors that are important in strategic management that affect the success of a business that will affect its development. In this research, the causal factors were identified and composed of the first factor, strategic leadership. There are research studies supporting the importance of this variable, such as the results of a study by Wang [2], Elizabeth and Alan (Elizabeth, W. & Alan) [3] Reese [4] and Mahsud [5] found that strategic leadership is essential in strategic management and has resulted in the organization's operations with high efficiency. It plays an important role in the organization's success. The next factor is the organization's internal environment. Achara Chanchai [6] is of the opinion that environmental factors within the organization. It is very important to analyze the weaknesses, strengths, opportunities and obstacles of an organization in order to formulate appropriate management strategies, Hadnu & Amjad [7] and Danai Thienput [8] have similar findings that important environmental factors within the organization are the ability of employees, readiness of funds and operating facilities. Another factor is external environmental factors by Alfredo, Terence, David and Angela (Alfredo, Terence, David & Angela) [9] Atchara Chanchai and Pasu Techarin, [10] obtained similar findings that in strategic planning Businesses must keep up with the ever-changing trends of external factors. Variables that are important components of external environmental factors.

In addition, there is a study of firm's ability to formulate strategies and firm's ability to implement strategies. Those who saw the importance of such matters include Agnihotri & Santhanum [11] Sharfman [12], Maria and Rodriguez. [13] Spillan [14] Small [15] agree that it is an important factor in strategic management and what
affects the organization's ability to formulate strategies and implementation of strategies. It comes from the qualities that exist within the management and employees. A key component of a business organization's strategic ability is vision. The ability to analyze SWOT and the ability to choose strategies. An important component of a business organization's ability to implement strategies is the ability to communicate and transmit strategies, ability to control strategies. In addition, there is Iddhipada IV principle that is involved in order to achieve sustainable management efficiency. This research is useful for further application in future research.

II. RESEARCH OBJECTIVES

The objectives of this research were 1) to validate a causal relationship model for effectiveness of strategic management of PTT Public Company with the empirical data; 2) to analyze the causal factors influencing effectiveness of strategic management of PTT Public Company, and 3) to propose a causal relationship model for effectiveness of strategic management of PTT Public Company.

III. RESEARCH METHOD

Mixed methods research was designed using qualitative method to extend quantitative results that can be shown in Figure 1.

![Figure 1 Mixed methods research using qualitative method to extend quantitative results](image)

In quantitative research, there was a sample of 550 samples obtained by stratified random sampling. For qualitative research, there were 10 key informants and the target group in focus group discussion of 9 experts from purposive sampling. The research tools were questionnaires, interview questions and guidelines for focus group discussions. The quantitative data analysis used descriptive statistics and correlation analysis with software packages including validate the model with empirical data and direct and indirect influence scale analyzes with structural equation model, and content analysis was used in qualitative data analysis.

IV. RESULTS

A Causal Relationship Model for Effectiveness of Strategic Management of PTT Public Company was developed in accordance with empirical data. The results of checking the validity of the developed model can be concluded that chi-square value = 95.47, df = 75, p = .0556, GFI = .98, AGFI = .95, RMSEA = .022. Strategic management capability of PTT Public Company (EFFECT) has a forecast coefficient
of .968, indicating that the variables within the model are Strategic Leadership (LEAD), Internal Environment Factors (INFACT) Factors, External Environment (EXFACT), Iddhipada IV (IDDHI), and 5) Organizational Strategic Ability (VISION). Strategy Implementation Ability (PRACT) can explain the variance of the effectiveness of the gas station business strategic management capability of PTT Public Company was 96.80 percent, and the results of direct and indirect influence analysis showed that Iddhipada IV was a mediator in a causal relationship model for effectiveness of strategic management of PTT Public Company. Results of analysis can be shown in Figure 2.

![Figure 2 A Causal Relationship Model for Effectiveness of Strategic Management of PTT Public Company](image)

2. The causal factors influencing effectiveness of strategic management of PTT Public Company consisted of 6 factors: 1) strategic leadership factors, 2) internal environmental factors, 3) factors external environment, 4) Iddhipada IV, 5) the ability to formulate the organization's strategy, and 6) the ability to implement the strategy, and found that strategic leadership factors. It is also an important variable in driving the activities of the organization.

3. The causal relationship model for effectiveness of strategic management of PTT Public Company is a diagram showing the link between cause and effect variables along with the transmission variables are factors leading to success developed from Iddhipada IV principle to promote the effectiveness effectiveness of strategic management of PTT Public Company with leadership. Strategies are 1) vision, 2) the ability to analyze SWOT, and 3) the ability to choose strategies that systematically manage the organization through planning, implementation, monitoring and development. The effectiveness of strategic management of PTT Public Company is measured by 1) the success of the budget disbursement, 2) the number of projects that benefit the organization, and 3) the results of successful projects that related to the...
strategy, and in order to achieve this measure's effectiveness, several contributing factors are needed to achieve acceptance and consensus.

V. DISCUSSIONS

A. Causal factors influencing the effectiveness of strategic management of PTT Public Company is consistent with empirical data with Iddhipada IV as a mediator

From the research findings, it was found that the causal factors influencing the effectiveness of strategic management of PTT Public Company found that the model was consistent with the empirical data, and from the results of the analysis of direct and indirect influences between strategic leadership variables (LEAD) and the effectiveness of strategic management of PTT Public Company (EFFECT), found that the size of influence the indirect effect of Strategic Leadership (LEAD) on the effectiveness of strategic management of PTT Public Company (EFFECT) was significantly higher than that of the direct influence. It is transmitted through the Iddhipada IV variable (IDDHIB). Therefore, Iddhipada IV is a mediator in the causal and effective relationship model for effectiveness of strategic management of PTT Public Company.

From the research results above, it means that in order to promote effectiveness of strategic management of PTT Public Company, it is necessary to integrate the four Buddhist principles of power. Strategic Leadership Building Activities. Iddhipada IV principle is a Buddhist principle that has 4 important elements, namely love in duty, diligence, attention and understanding in the performance of work and has been applied in many contexts especially concerning corporate management. This is consistent with the research of Padung Wannathong [16] which studied the application of Iddhipada 4 principles of power in the administration of NGOs in Nonthaburi Province, namely: because it is the starting point that will cause personnel to be born and satisfied with their responsibilities and perform to the best of their own abilities, love and be satisfied to receive their own development. 2) Persistence is necessary and important. It is very important to the administration of NGOs. 3) Chitta is necessary and important for the administration of NGOs. Likewise, the executives gave priority to work that relied on the Chitta aspect, which must always pay attention to the work. The same is true because executives attach importance to personnel development by evaluating the performance of personnel appropriately to solve the problems of personnel's operations to improve further including in the context of Iddhipada IV Educational Institution, it has been applied continuously in the research of Bowon Kaewrat who has studied the subject using Iddhipada IV principles in the work of personnel at Mahamakut Buddhist University Lanna Campus, 2005, found that personnel have opinions related to the use Iddhipada IV in this university because they are interested in working and have to complete their work according to their own schedule want to see new academic works and self-assessment on moral principles. In addition, the work must be reviewed before work and reflected on what has been done every time, thinking before speaking with colleagues and checking the workload before going home every time (Vimangsa). Personnel should know and understand the principle Iddhipada IV. Personnel should be able to understand the practice and should organize training and seminars on Iddhipada IV should be open to accepting new things and should love the institution very much [17].
B. Causal factors influencing the effectiveness of strategic management of PTT Public Company

From the findings of the research, it was found that the causal factors influencing the effectiveness of strategic management of PTT Public Company consisted of 6 factors: 1) strategic leadership factors, 2) internal environmental factors, 3) external environmental factors, 4) Idhhipada IV, and 5) the ability to formulate an organization's strategy, and 6) the ability to implement strategies and found that the strategic leadership factors Strategic leadership is also an important variable in driving the organization's activities. Leaders with strategic leadership are 1) vision, 2) the ability to analyze SWOT, and 3) the ability to choose strategies. This is consistent with the research of Narongrit Taya [18]. “Leadership Affecting Management Effectiveness: A Case Study of Local Administrative Organizations. It was found that the leadership of the administrators of the local administrative organizations affecting the effectiveness of the administration of the local administrative organizations consisted of 3 aspects: 1) motivation skills, 2) vision, and 3) in self-confidence and courage to make decisions any organization whose leadership has leadership qualities together with teamwork in the organization will make it more successful. Consistent with the research of Rattikorn Chongwisand [19]. Entrepreneurial Leadership: the structural relationship between psychological attributes, teamwork, and business success. The study found that entrepreneurial leadership had a statistically significant positive effect on teamwork at the .05 level. Entrepreneurial leadership and teamwork had a positive influence on teamwork success. Business operations were statistically significant at the .05 level. Therefore, effectiveness of strategic management of PTT Public Company had to be related to various factors as mentioned above.

C. Causal relationship model for effectiveness of strategic management of PTT Public Company From the findings of the research, it was found that the causal relationship model for effectiveness of strategic management of PTT Public Company is a diagram showing the link between cause and effect variables together with the transmission variables are the success factors developed from Idhhipada principle to promote the effectiveness of gas station management capability of Petroleum Authority of Thailand Public Company Limited. Strategic leadership: 1) vision, 2) the ability to analyze SWOT, and 3) the ability to choose strategies. that uses systematic organizational management through planning, implementation, monitoring and development The effectiveness of the gas station strategic management capability of PTT Public Company is measured by 1) the success of the budget disbursement, 2) the number of projects that benefit the organization, and 3) the results of successful projects that are in line with the strategy, and in order to achieve this measure's effectiveness, several contributing factors are needed to achieve acceptance and consensus. Leadership roles are therefore essential to become a coordinator. As shown in the research of Manoon Wanyi [20] researched on “The role of community leaders having a benefit and community participation affecting the acceptance of electric power development projects in the southern region of Thailand.” Leadership role in building relationships with people in the community to accept both ideas and practices, able to convince others to work hard for the community virtuous leader and have a lot of life experience. It will be accepted by many people in the community. The community leaders around the construction project have the role that people in the community accept the most.
VI. BODY OF KNOWLEDGE FROM RESEARCH

From the causal relationship model for effectiveness of strategic management of PTT Public Company proposed the following interesting findings: 1) the causal relationship model for effectiveness of strategic management of PTT Public Company developed in accordance with the empirical data. It means that the model corresponds to the real conditions in society. 2) All variables in the model jointly describe the efficiency variables for effectiveness of strategic management of PTT Public Company by 96.80 percent. Findings on influence and mediators in model: 1) Strategic leadership affects effectiveness of strategic management of PTT Public Company with Iddhipada IV and the ability to implement strategies as a mediator. 2) External environmental factors affect effectiveness of strategic management of PTT Public Company, with the ability to formulate the organization's strategy as a mediator. 3) Internal environmental factors directly affect effectiveness of strategic management of PTT Public Company. It can be summarized as a research knowledge model as follows:

Figure 3 Body of Knowledge from Research

VII. RECOMMENDATIONS

A. Recommendations for Policy

1) From the obtained research results, the causal relationship model for effectiveness of strategic management of PTT Public Company was identified as a structural equation model. The link between the variables and the discovery that Iddhipada IV principles or factors leading to success are important as the transmission variables that support the effectiveness of strategic management of PTT Public Company. Therefore, relevant agencies should present this finding model and apply it as a model for efficient and effectiveness of strategic management of PTT Public Company for service users.

2) From the research results obtained, it was found that the strategic leadership factor variables are important in the implementation of the gas station strategic management of PTT Public Company to play a role in management or supervision. Therefore, the agency should define qualifications such as vision, ability to analyze SWOT and the ability to choose strategies in order to recruit personnel who are ready to take care
of the management in order to achieve the effectiveness of management continuously and sustainably.

B. Recommendations for Applying the Research Results

1) Based on the research findings, it shows that the Buddhist principle of power, or factors leading to success, is the key to the development of gas station strategic management of PTT Public Company. Therefore, executives should organize projects or activities about the application of Iddhipada IV to personnel in the agency to enhance the working capacity of the personnel of the agency.

2) From the findings of the research, it was found that all variables in the model shared a high level of efficiency variables of gas station management capability of PTT Public Company. This job requires leaders with leadership in management containing. The ability to formulate organizational strategies and the ability to implement strategies with internal environmental factors and external factors as supportive factors. Therefore, relevant agencies should consider the findings obtained from this research and apply them in the future.

CONCLUSION

A Causal Relationship Model for Effectiveness of Strategic Management of PTT Public Company was developed in accordance with empirical data. It means that the model corresponds to the real conditions in society. All variables in the model can be described the Effectiveness of Strategic Management of PTT Public Company at 96.80 percent. Strategic leadership affects effectiveness of strategic management of PTT Public Company with Iddhipada IV and the ability to implement strategies as a mediator. External environmental factors affect effectiveness of strategic management of PTT Public Company, with the ability to formulate the organization's strategy as a mediator. 3) Internal environmental factors directly affect effectiveness of strategic management of PTT Public Company. Therefore, relevant organizations should present this finding model and apply it as a model for efficient and effective for service users.

C. Recommendations for Further Research

1) From the results of this research, a causal and effective relationship model of gas station strategic management capability of PTT Public Company can be used as a model for designing activities to develop personnel who will perform duties in of PTT Public Company and used quasi-experimental research in research design. This will allow personnel to be developed more from the process of organizing the activities of that agency.

2) In the next research, participatory action research should be designed by focusing on research that allows personnel of the agency to come together to provide information and collect information. There are activities that promote the performance of personnel whereby the researcher gives an opportunity for those involved in the research to play a role in the research as well. It will be a research mechanism that jointly develops an organization between researchers.
REFERENCES


