

# Efficiency Increasing the Planning and Budgeting System for College of Logistics and Supply Chain

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## Abstract

This research aims to study the efficiency increase of the planning and budgeting system for College of Logistics and Supply Chain. A qualitative research method was used. The key informants in in-depth interviews were 10 people. Data was collected through interviews, and questionnaires, analyzed by descriptive statistics and data verification using triangulation. The findings found that 1) In terms of budget preparation. It was found that the budget was prepared according to university regulations correctly. 2) In terms of budget approval, it was found that there was preparation of an operational plan and a budget spending plan, a policy or measure for budget management was set, and the budget spending was approved, which could be verified. 3) In terms of budget management, it was found that transparency was considered, procedures were adjusted according to disbursement regulations or government regulations, and budget management took into account the principle of economy. 4) In terms of budget control. It was found that the inspection of procurement according to government regulations to control budget usage was the plan.

**Keywords:** Efficiency increasing, Planning, Budgeting

## 1. Introduction

The College of Logistics and Supply Chain, Suan Sunandha Rajabhat University, Nakhon Pathom Campus, aims to develop the college by focusing on enhancing management quality in all dimensions, increasing organizational productivity, and improving governance quality based on the principles of good governance. This includes promoting and providing opportunities for service recipients and stakeholders to participate in the college's management. The college supports processes for monitoring, auditing, and evaluating public service operations and disseminating performance results to the public. To achieve success in implementing the strategic plans of the College of Logistics and Supply Chain, it is essential to formulate a financial strategy to serve as a mechanism for appropriate and sufficient financial management to support the college's various missions. The objectives include:

- Establishing mechanisms for resource allocation.
- Analyzing expenses.
- Efficient financial and budgetary auditing.

Analyzing operational revenue and expenses, considering all sources of funding, including government budgets, education fees, and other revenues received by the College of Logistics

and Supply Chain. Revenue is allocated systematically, supported by a financial database capable of categorizing expenses into different sections. Financial reports are systematically prepared, and there is an effective mechanism for auditing fund usage.

The College of Logistics and Supply Chain is a large educational institution, making management a crucial aspect of its development. This includes budget management, personnel management, and internal office or organizational administration under the leadership of an effective and comprehensive executive team. Additionally, the active participation of personnel within the College of Logistics and Supply Chain plays a key role in the institution's management. This aligns with Wichitra Srisorn and Wimon Nampong (2021), who emphasized participation in analyzing problems and their causes to formulate local development policies, involvement as committee members in procurement processes, participation in submitting motions to remove municipal council members either collectively or individually, and engagement in maintaining public parks or community recreational areas.

The researcher is therefore interested in examining the budget expenditure process to determine whether it has the capacity and efficiency necessary to manage the organization and lead it toward effective future development. Consequently, the researcher aims to enhance the planning and budgeting system of the College of Logistics and Supply Chain. The objective is to identify strategies for improving the efficiency and effectiveness of the college's planning and budgeting system, thereby optimizing the performance of the Planning and Budgeting Division. The findings will be used to propose recommendations for improving the college's planning and budgeting system.

### **1.1 Research Objective**

To identify strategies for enhancing the efficiency and effectiveness of the planning and budgeting system of the College of Logistics and Supply Chain, ensuring optimal performance in the operations of the Planning and Budgeting Division.

## **1.2 Literature Review**

### **1.2.1 Concepts and Theories Related to Budgeting**

Gulick defined budgeting as the preparation of financial budgets, planning or expenditure programs, accounting, and the careful and meticulous control or auditing of expenditures.

Suphawat Paphatsarakarn (2003: 149) summarized the definition of a budget as a state expenditure plan comprising various stages, such as budget preparation, which includes structuring administration, scheduling, and budget control management. Budget planning should take into account regulations, laws, and standards, as well as political and governmental policies.

Pornchai Likitthammaroj (2007: 22) defined the budget as the financial plan related to the estimated income and expenditures of the government over a specific period, which must be approved by the Parliament.

Prajai Trakanasirinn (2005: 152-154) defined the budget as a tool of the government, represented in a document that reflects the needs of the government or various government agencies. It consists of a financial plan and projects to be carried out in a specific fiscal year, as promised by the government to the Parliament and the public, with the use of funds under defined conditions and management guidelines.

Kittima Preedidilok outlined the characteristics of a good budget as follows:

1. It is a source that displays all government income and expenditure items as comprehensively as possible, as this will help the government make informed decisions regarding spending based on priority and importance. Additionally, it will promote efficiency by reducing redundancy in operations, leading to potential cost savings.

2. The budget should contribute to the prosperity of the nation.

3. It should help achieve savings, both in terms of revenue and expenditure.

4. A good budget should have an appropriate time frame. Generally, the duration of the budget is set for one year, referred to as the "fiscal year," and it should be consistently defined.

5. A good budget should be clear and easy to understand.

6. It must be accurate and reliable.

7. It should be transparent and open for scrutiny.

8. A good budget should be flexible to meet necessary adjustments.

9. A good budget must be trustworthy, ensuring integrity and free from corruption.

10. A good budget should not involve unrelated matters.

### **1.2.2 Concepts and Theories Related to Work Efficiency**

#### **Meaning of work performance efficiency**

The study of work performance efficiency has been defined by several scholars and experts as follows:

According to the Royal Institute Dictionary (2003), the term "efficiency" refers to the ability to achieve results in work, while "operation" refers to the process of following established procedures and actions to develop proficiency, practice, and service.

According to the Office of the Civil Service Commission (OCSC) (1995, as cited in Paiboon Tangjai, 2011), work efficiency generally refers to performing tasks economically, achieving quick results, and maintaining quality that justifies the use of financial resources, personnel, equipment, and time.

Komthong Thanadana (2005, as cited in Kachaporn Phutthajak, 2010) defines the term "efficiency" as the concept or aspiration in democratic administration aimed at achieving the highest possible results in government operations, justifying the use of tax revenues for national administration, and ensuring public satisfaction.

Simon (1960) defines "efficiency" in business terms as the relationship between input and output, where the most efficient work is determined by the optimal balance between the resources used (input) and the results achieved (output).

Thipawadee Meksawan (1995, as cited in Paiboon Tangjai, 2011) points out that efficiency in the public sector encompasses both productivity and effectiveness, where efficiency is measurable across multiple dimensions depending on the objectives to be considered. These include:

1. Efficiency in terms of cost or production input: This involves using administrative resources—such as people, money, materials, and technology—economically, effectively, and with minimal waste.

2. Efficiency in terms of the administrative process: This refers to performing tasks correctly, up to standard, efficiently, and using more advanced technology.

3. Efficiency in terms of output and outcomes: This involves delivering quality work that benefits society, generates profit, is completed on time, and ensures that employees have a positive attitude towards their work and services, leading to customer satisfaction.

## **2. Methods**

### **2.1 Population and Sample**

The population used in this research consists of administrators, office heads, planning and quality assurance staff, procurement staff, and finance staff at the College of Logistics and Supply Chain, Suan Sunandha Rajabhat University, totaling 10 people.

### **2.2 Research Methodology**

1. Study and review documents, check papers, books, textbooks, articles, and related research, and analyze the characteristics of the required data.

2. Compile the knowledge gained into a conceptual framework, define the scope, and determine the tools to be used in the research.

3. Create a draft questionnaire, define the objectives of the questionnaire, and specify the research tools to be used.

4. Verify the accuracy and comprehensiveness of the questions, making adjustments based on feedback.

5. Print the questionnaires according to the number of target population members to prepare for data collection.

### **2.3 Location**

College of Logistics and Supply Chain, Suan Sunandha Rajabhat University, Nakhon Pathom Educational Center, Nakhon Pathom Campus

### **2.4 Data Analysis**

The researcher will analyze the data using descriptive statistics and analyze all the questionnaires using statistical methods for data analysis.

Section 1 contains general information about the respondents, including gender, type of personnel, education level, work experience at the College of Logistics and Supply Chain, and job position at the College of Logistics and Supply Chain. The questions are close-ended, where the respondents are required to select only one answer from a checklist, totaling 5 questions.

Section 2 contains questions about the factors affecting the budget management of the College of Logistics and Supply Chain in 4 areas. The analysis will be done by calculating the mean ( $\bar{x}$ ) and standard deviation (S.D.) and interpreting the mean score using a rating scale based on the Likert method (Boonchom Srisatad, 2002: 102-103) with 5 levels.

## **3. Results and Discussion**

3.1 Factors Affecting the Planning and Budgeting System in Budget Management of the College of Logistics and Supply Chain

Table 1: Factors Affecting the Planning and Budgeting System in Budget Management of the College of Logistics and Supply Chain

Item	$\bar{X}$	S.D	Level of Opinion
Aspect of Budget Preparation	3.94	0.71	High
Aspect of Budget Approval	3.81	0.52	High
Aspect of Budget Management	3.87	0.56	High
Aspect of Budget Control	4.08	0.53	High
<b>Tổng</b>	<b>3.93</b>	<b>0.58</b>	<b>High</b>

The factors affecting the planning and budgeting system in the budget management of the College of Logistics and Supply Chain, as a whole, are perceived to be at a high level. When considered by each aspect, it is found that all factors influencing the planning and budgeting system in the budget management of the College of Logistics and Supply Chain are at a high level. The factors, ranked from the highest to the lowest mean score, are: Budget Control, Budget Preparation, Budget Management, and Budget Approval.

1. Budget Preparation: Overall, it is at a high level, with a mean score of 3.94. When considered by each item, the top three factors affecting the planning and budgeting system in the budget management of the College of Logistics and Supply Chain are:

- The preparation of the budget is done correctly according to the university's regulations, with a mean score of 4.30.
- The operational goals are set correctly, and continuous coordination is made between the departments and the planning division in preparing the budget, with a mean score of 4.20.
- The budget is prepared within the specified timeline, and the college has clear plans and projects for operation, with a mean score of 3.90.

2. Budget Approval: Overall, it is at a high level, with a mean score of 3.81. When considered by each item, the top three factors affecting the budget management of the College of Logistics and Supply Chain are:

- There is a plan for operations and the expenditure of the revenue budget, with a mean score of 4.30.
- The college has set policies or measures for budget management, with a mean score of 4.10.
- The college has a policy for managing the revenue budget on a quarterly basis, with a mean score of 3.80.

3. The budget management aspect is generally rated as high, with an average score of 3.87. Upon examining individual factors, the top three elements influencing the planning and budgeting system in the management of the College of Logistics and Supply Chain are:

- Budget management considers the principle of transparency, with an average score of 4.60.
- Budget management considers the principle of economy, with an average score of 4.50.
- Improvement of procedures according to disbursement regulations or government regulations, with an average score of 4.50.

4. The budget control aspect is generally rated as high, with an average score of 4.08. When examining individual factors, the top three elements influencing the budget management system of the College of Logistics and Supply Chain are:

- **Compliance with Government Procurement Regulations:** Ensuring that procurement activities adhere to government regulations to control budget usage according to the plan, with an average score of 4.60.
- **Timely Monitoring of Budget Usage:** Overseeing and tracking budget expenditures to ensure they are completed within the fiscal year, with an average score of 4.50.
- **Adherence to Reporting Formats:** Submitting reports in the formats specified by the college, with an average score of 4.30.

## 4. Conclusion

Based on the study of factors affecting the budget management of the College of Logistics and Supply Chain, the research findings are discussed as follows:

**1. Budget Preparation** The college demonstrates strength in preparing budgets in accordance with university regulations and setting clear objectives, which are fundamental to effective budget management. Additionally, effective coordination between departments and the planning division contributes to a smooth budgeting process.

**2. Budget Approval** The presence of clear operational plans and budget expenditure plans, along with the establishment of verifiable policies and measures, ensures that the budget approval process is systematic and transparent.

**3. Budget Management** The College of Logistics and Supply Chain emphasizes sound budget management principles, such as transparency, cost-effectiveness, and the improvement of disbursement procedures. These factors are crucial in building credibility and ensuring the efficient use of the budget.

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