



**USAID**  
FROM THE AMERICAN PEOPLE

**THAILAND**

# CASE STUDY

## Building Better Business Practices

### Entrepreneurs learn to apply best practices to build strong businesses



Photo: USAID/Suzanne Ross

Villagers develop better business practices through financial management training in Phang Nga,

***“I used to run my business in a traditional way without systematic management. I have now learned and applied modern human resource management at my hotel,” Chatri Laopiyasakul, Managing Director of Ayara Villas, a boutique coastal resort in Khao Lak, Phang Nga province.***

Telling Our Story  
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<http://stories.usaid.gov>

### Challenge

The human cost of the December 2004 tsunami left over 8,000 dead and 8,000 injured in Thailand. But the tsunami also had a devastating financial impact. Thailand suffered the second-largest financial losses in the disaster, with over \$2 billion in damages. On a personal level, the most affected individuals saw their livelihoods and businesses swept out to sea.

### Initiative

One of USAID’s top priorities after the tsunami was helping individuals restart businesses wrecked by the disaster. As part of this effort, USAID supported a “train the trainer” initiative to coach people in how to train affected communities in small business strategies. These people then fanned out into coastal areas to provide business development training sessions to hundreds of entrepreneurs trying to restart businesses. They also led targeted business planning workshops for individuals with the most promising proposals. Over six months, consultants helped 40 small enterprises develop business plans and secure financing. Working with both public and private sector partners, USAID widened access to financial resources and improved local business practices.

### Results

Over 150 government officials, 220 small business owners, 43 trainers, and 400 students collaborated to help small businesses recover. Business owners learned about best practices, while others learned how to manage community-based loan funds. USAID provided small grants to six community savings groups, boosting their financial security and jump-starting business growth through small loans. The program also provided valuable consulting services, helping businesses tailor their practices to market needs. For example, the owner of a small hotel benefitted from consultations on human resource management to develop more sophisticated recruiting, compensation, and reward systems. On-site training improved the staff’s understanding of customer expectations. The hotel is now on its way to securing a reputation as a successful, locally owned hotel — this will help revive other local businesses as visitors and tourists return to tsunami-struck areas of Thailand.