

Abstract

According to the increasing importance of Thailand's human capacity building as stated in national development plan, the focus of this study was originated in the area of Thailand's skill training and its sustainable development effect in terms of firm-level's productivity improvement. Its core objective is to study the pattern of skill training implementation in Thailand and its contribution to firm's productivity. The analysis and recommendation offered to both public and private sectors is finally completed to help relieve the scanty condition of knowledge in this area.

The relationship of tested variables is based on firm-level production function approach. While firm's value added is used as the dependent variable in multiple regression analysis, firm's training variables are used as the major independent variables (concurrently with firm's capital, labor and other control variables). The term "training variable" is divided into five categories and separately tested in each model. They include the variables for training provision, training for different job position, training for employee's different education background, training for different training source, training for different external training source. Major data used is primarily collected from 78 firms in four manufacturing sectors. (garment, auto part, food, and furniture nationwide). All of them is the set of data in year 2002.

The result shows that different job position, education background, training source, external institute results in different productivity outcome from training. (Moreover, some control variables such as workforce's education attainment, foreign ownership, firm's age also give significant effect on productivity.) In terms of job position, significant effect on increasing productivity can be found in training for skilled production workers (in overall testing, foreign firms, firms without technology transfer), marketing staffs (only firms with r&d) and unskilled production workers

(only firms without r&d). In perspective of education background. significant productivity effect can be found on training for employee with background in bachelor's degree in food sector, firms without technology transfer, firms with r&d, Thai firms and upper secondary in group of SME. With reference to training source, there is significant productivity effect from external training source in garment firms. Lastly, among several kinds of external source, training in university or other academic institute is the source that can improve productivity significantly (only in exporting firms and SME).

