

ABSTRACTS FROM  
**ICOOP2015**

**The 2nd International  
Conference on Cooperatives**

Waterfront Insular Hotel  
Davao City, Philippines  
14–16 October 2015

# ICOOP2015

## The 2nd International Conference on Cooperatives

*Held in conjunction with ICAEM2015:*

*The 7th International Conference on Agribusiness Economics and Management*

In celebration of the Centennial Year of Philippine Cooperatives this year, the Institute of Cooperatives and Bio-Enterprise Development (ICOPEDE) of the College of Economics and Management (CEM), University of the Philippines Los Baños (UPLB), in cooperation with the Cooperative Development Authority, is holding its 2nd International Conference on Cooperatives (ICOOP2015). ICOOP2015 aims to (1) re-emphasize the important role of cooperatives in agribusiness and enterprise development; (2) recognize them as a viable and sustainable form of enterprise; and (3) identify challenges and opportunities in mainstreaming them in the agribusiness sector.

The conference provides a good venue for sharing knowledge, experiences, and visions related to cooperative development among cooperators, policymakers, practitioners, academicians, and other stakeholders in the field of cooperatives and business enterprises. More than 40 cooperative studies which cover the following topics will be presented during the conference:

- Cooperative enterprise development;
- Cooperative education and human resource development;
- Innovations and best practices in cooperative management;
- Cooperative finance;
- Cooperative governance and management;
- Women and youth in cooperatives;
- Role of cooperatives in environmental sustainability; and
- Cooperatives for food security and livelihood development

### Organizing Committee

**Dr. Zenaída M. Sumalde**

Conference Co-Chair  
Director, ICOPEDE, CEM  
University of the Philippines Los Baños

**Dr. Isabelita M. Pabuayon**

Conference Co-Chair  
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University of the Philippines Los Baños

**Prof. Karen P. Quilloy**

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Assistant Professor, ICOPEDE, CEM  
University of the Philippines Los Baños

**Ms. Pilipinas M. Luis**

Secretariat  
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## **Norbiha binti Kasmuri**

Ms. Norbiha is currently a Senior Training Officer at the Cooperative College of Malaysia (CCM) since 2004. She received her Bachelor of Jurisprudence from the Universiti Malaya in 2001 and her Master in Laws (Corporate Law) from the Universiti Teknologi MARA–Shah Alam in 2013. The subject areas that she specializes in are co-operative law, co-operative management, co-operative leadership, just to name a few. She has been involved in various researches on “Financial Support for Credit Cooperatives in Malaysia: Evidence of Impact” (2014–2015) and “Governance in Cooperative Movement: Assessing the Financial Compliance” (2007–2010). She is a member of PUSPANITA (Women’s Association) and a board member of the CCM Cooperative Society.



### **Mohd. Shahron Anuar bin Said**

Mr. Shahron has been a training officer of the Cooperative College of Malaysia since 2004. He received his Bachelor of Accounting and his Master of Business Administration (Applied Finance and Investment) from the Universiti Kebangsaan Malaysia in 2001 and 2004, respectively. The subject areas that he focuses on are financial accounting, management accounting, financial management, and auditing. He has been involved in various researches: “Mobilization of Cooperative Funds” (2007–2008), “Attributes and Perceived Success Factors of Performing Cooperatives in Malaysia” (2009–2010), “Progress and Prospects of Aboriginal Cooperatives: A Case Study of Perak and Pahang” (2012–2013), and “Implementation of Cooperative Risk Management and Management Commitment towards Effective Risk Management” (2014–2015).

**PLENARY SPEAKER****Dr. Eulogio T. Castillo**

Dr. Castillo is a former professor at the University of the Philippines Los Baños and currently the administrator for Luzon of the Cooperative Development Authority. When he started his stint at CDA, he brought with him a wealth of knowledge and experience in the field of cooperatives which he hopes to share for the furtherance of CDA's functional goal: "to formulate, adopt and implement integrated and comprehensive plans and programs on cooperative development consistent with national policy on cooperatives and over-all socio-economic development plans and programs of the Government." He received his bachelor's and master's degree from the UP Los Banos and his PhD in Agricultural Economics from the University of Illinois, United States. He also holds a Certificate on Cooperative Education and Training from Cooperative College of the United Kingdom.

**PROGRAM**

Thursday, 15 October

Room & Session Chair	Time	
Agila 2&3 <i>The Blue Room</i>	8:00	Registration
	9:00	Opening Program
	9:10	Message from the Chancellors
P.A. Alviola IV		Dr. Sylvia B. Concepcion <i>Chancellor, UP Mindanao</i> Dr. Fernando C. Sanchez Jr. <i>Chancellor, UP Los Baños</i>
	9:30	Message from the President
		Hon. Alfredo E. Pascual <i>President, University of the Philippines</i>
Agila 2&3 <i>The Blue Room</i>	10:00	Plenary Panel <i>The Role of Asia and the Pacific in the Future of Agribusiness</i>
		Dr. Christie Chang <i>University of New England, Australia</i> Dr. Sahara <i>Bogor Agricultural University, Indonesia</i> Dr. Diana Chalil <i>Universitas Sumatera Utara, Indonesia</i> Dr. Khurram Saddozai <i>University of Agriculture-Peshawar, Pakistan</i> Prof. Korabandi Suhasini <i>PJTSAU, India</i>
11:00 Coffee break		
Agila 2&3 <i>The Blue Room</i>	11:15	Plenary Panel <i>Strengthening Philippine Agricultural Cooperatives for Agribusiness Competitiveness: Moving Forward after a Century</i>
		Dr. Eulogio T. Castillo <i>Cooperative Development Authority</i> Engr. Sylvia O. Paraguya <i>National Confederation of Cooperatives</i> Mr. John Y. Gaisano <i>Davao City Chamber of Commerce</i> Atty. Koronado B. Apuzen <i>FARMCoop</i>
12:15 Luncheon		
Agila 3 <i>The Violet Room</i>	1:30	Plenary Sessions 1 and 2
	1:30	ICOOP-01 Norbiha <i>Development of Human Resource for the Cooperative Movement</i>
	2:30	ICOOP-02 Shahron <i>Mainstreaming Cooperatives in the Agribusiness Sector</i>
3:30 Coffee break		
Agila 3 <i>The Violet Room</i>	3:45	Parallel Session B5 <i>Cooperatives and Environmental Sustainability</i>
	3:45	ICOOP-03 M.M.G. Onod <i>Cooperatives and Environmental Sustainability: The Case of Migpange Multipurpose Cooperative</i>
	4:00	ICAEM-04 D.P.T. Depositario <i>Effects of Climate Variability on a Livestock Value Chain: The Case of the Sorosoro Ibaba Development Cooperative Hog Business</i>
	4:15	ICAEM-05 G.S. Gumanao <i>'When Out Is In': Community Mobilization through Social Marketing in Nearshore Fisheries in Panabo City, Mindanao Island, Philippines</i>
	4:30	Open forum
Lawin <i>The Orange Room</i>	3:45	Parallel Session B6 <i>Cooperative Governance and Management</i>
	3:45	ICOOP-06 J.A.B. Madamba <i>Cooperative Business Failures in Batangas Province, Philippines: A Postmortem Analysis</i>

**PROGRAM**Thursday, 15 October *continued*

Room & Session Chair	Time	
<i>Continued</i>	4:00	ICOOP-07 K. Ravichandran <i>A Study on Governance System in Primary Agricultural Cooperative Credit Societies in Tamil Nadu, India</i>
	4:15	ICOOP-08 J.A.B. Madamba <i>Reinvigorating the Sta. Lucia Agrarian Reform Community Multipurpose Cooperative in Dolores, Quezon Province, Philippines: A Cornucopia of Options</i>
	4:30	Open forum

Friday, 16 October

Room & Session Chair	Time	
<b>Agila 3</b> <i>The Violet Room</i>	8:00	<b>Registration</b>
	9:00	<b>Synthesis of day 1</b>
	9:15	<b>Plenary Session 3</b>
		E.T. Castillo <i>Administrator for Luzon, Cooperative Development Authority</i> E. Remonte <i>Operations Manager, Philippine Cooperative Center</i>
<b>10:00 Coffee break</b>		
<b>Agila 3</b> <i>The Violet Room</i>  N.D. Montes	10:15	<b>Parallel Session C4 Cooperatives for Food Security and Livelihood Development</b>
	10:15	ICOOP-09 A.G. Ellson <i>Assessing the Employment Conditions and Patterns of Help-outs among Selected Agrarian Reform Cooperatives in the Banana Industry</i>
	10:30	ICOOP-10 A.R. Parcero <i>Incorporating Environmental Sustainability in Agriculture through Cooperative-Initiated Organic Farming in Agrarian Lands of Barangay Casile, Laguna, Philippines</i>
	10:45	ICOOP-11 J.D.S. Asma <i>The Role of Cooperatives in Achieving Household Food Security in the Philippines</i>
	11:00	No Abstract J.V. Marzan <i>ADTEMPCO, Reaching People</i>
	11:15	No Abstract L.F. Opulencia <i>Five Fundamentals of Sustainable Coop Development (The A E I O U) of Cooperatives and Livelihood Development Department, Calamba City</i>
	11:30	Open forum
	<b>Lawin</b> <i>The Orange Room</i>  G.U. Reyes	10:15
10:15		ICOOP-12 H. Özüdoğru <i>Agricultural Credit Cooperatives in Turkey</i>
10:30		ICOOP-13 K.P. Quilloy <i>Perpetual Help Community Cooperative: Building Success on the Value of Thrift and Saving</i>
10:45		ICOOP-14 N.A. Buisan <i>Shariah-based Microfinance for Limited-Resource Farmers: The Practice of Baitul Maal Wal Tamwil-Tamzis in Wonosobo, Central Java, Indonesia</i>

**PROGRAM**Friday, 16 October *continued*

Room & Session Chair	Time	
<i>Continued</i>	11:00	ICOOP-15 M.E.S. Piadozo <i>Assessment of the Capability of Hog Raisers' Cooperatives as Conduits of Agricultural Loans in Laguna, Philippines</i>
	11:15	ICOOP-43 M.M. Elauria <i>Financial Performance of Banca Banca Primary Multipurpose Cooperative under the Laguna Credit Surety Fund Program in Victoria and Pila, Laguna, Philippines: 2010–2014</i>
	11:30	Open forum
Vinta <i>The Teal Room</i>  Z.M. Sumalde	10:15	<b>Parallel Session C6</b> <i>Potentials and Success of Cooperatives in Enterprise Development</i>
	10:15	ICOOP-16 K. Ravichandran <i>Entrepreneurial Competencies of Primary Agricultural Cooperative Credit Societies: A Study in Tamil Nadu, India</i>
	10:30	ICOOP-17 C.R. Salvosa <i>Organizational Capacities of Selected Cooperatives in the Upland Areas of Nueva Vizcaya, Philippines</i>
	10:45	ICOOP-18 D.T. Yamuta <i>Assessment of the Potential of an Organizational Enterprise for Coco Coir Production and Marketing in Misamis Oriental, Northern Mindanao, Philippines</i>
	11:00	ICOOP-19 S.C.R. Britanico <i>Assessing the Capacities of Cooperatives to Manage a Business: The Case of St. Marcos Multi-Purpose Cooperative</i>
	11:15	ICOOP-20 Maryono <i>Grand Strategy of Cooperative Development in Indonesia</i>
	11:30	Open forum
<b>12:00 Luncheon</b>		
Agila 3 <i>The Violet Room</i>  M.E.S. Piadozo	1:30	<b>Parallel Session D4</b> <i>Cooperative Linkages for Development</i>
	1:30	ICOOP-21 C.E. Funtanar <i>Support of State Universities and Colleges (SUCs) and Performance of Cooperatives in the Bicol Region, Philippines</i>
	1:45	ICOOP-22 J.P.R. Labindao <i>Assessment on the Complementing Support Services for Cassava on Selected Agrarian Reform Beneficiary Organizations of District 1, Pangasinan, Philippines</i>
	2:00	ICOOP-23 N.P. Patron <i>Best Practices and Policy Gaps in the Partnership between Cooperatives and Local Government Units in Negros Oriental, Philippines</i>
	2:15	Open forum
	2:30	ICOOP-24 C.G. Alcantara <i>Needs and Design Assessment for Corn Production Enterprise in Selected Agrarian Reform Communities of Cagayan de Oro City and Lanao del Norte, Southern Philippines</i>



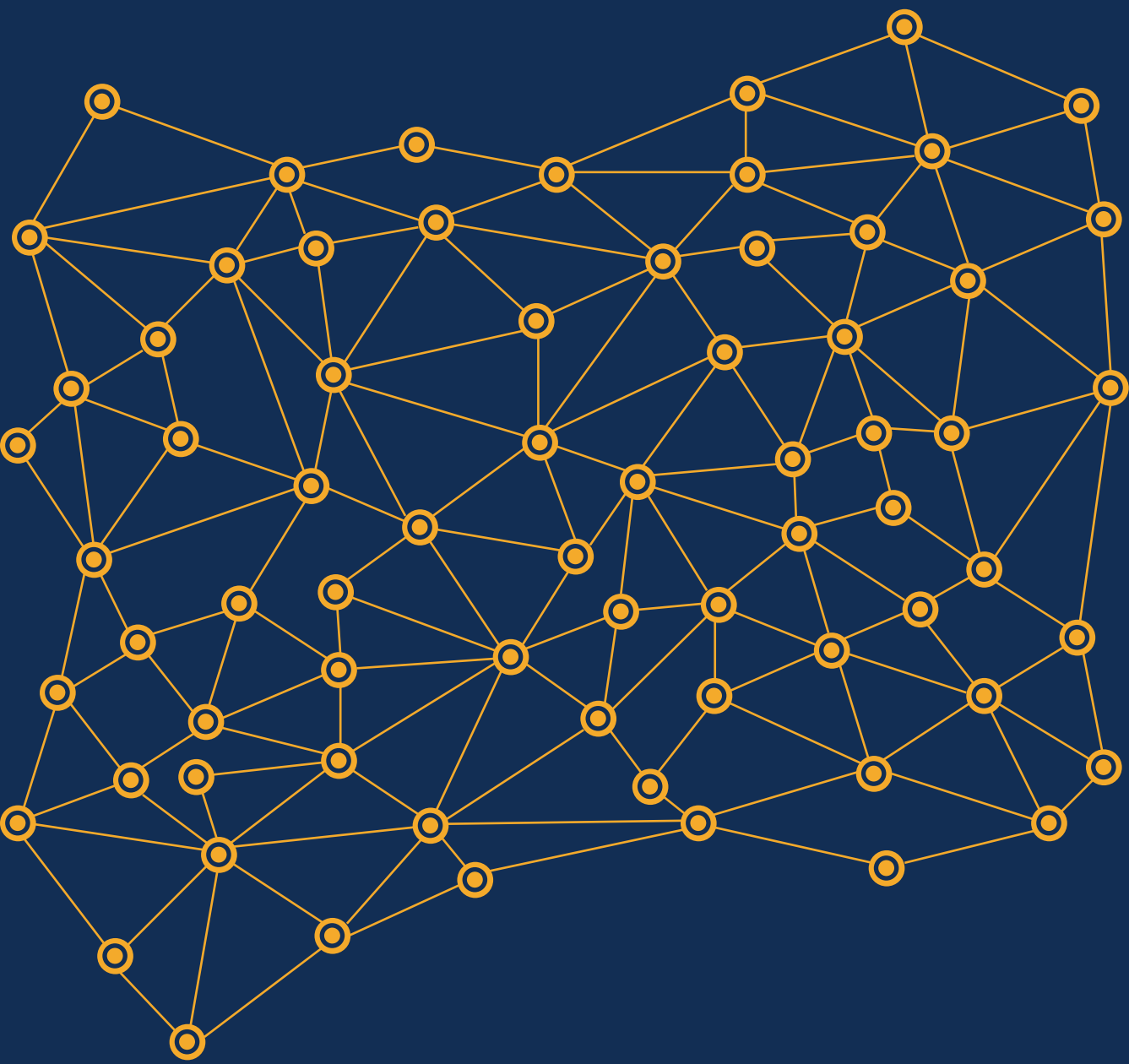
**PROGRAM**Friday, 16 October *continued*

Room & Session Chair	Time	
<i>Continued</i>	2:45	ICOOP-25 G.P. Sarmiento <i>Fast-tracking the Development of the Mandarin Industry of Nueva Vizcaya, Philippines: The Case of the Malabing Valley Multipurpose Cooperative</i>
	3:00	No Abstract P.L. Mabato <i>Tanikala ng Pagkakaisa Multipurpose Cooperative: A Journey of Unity, Defying the Challenges of Time</i>
	3:15	Open forum
Lawin <i>The Orange Room</i>  J.D.S. Asma	1:30	<b>Parallel Session D5</b> <i>Human Resource Competencies in Cooperatives</i>
	1:30	ICOOP-26 A.J.L. Binaoro <i>Assessment of Cooperative Officers' Leadership Competencies in Oroquieta City, Philippines</i>
	1:45	ICOOP-27 R.Q. de Leon <i>Organizational Capacity Assessment of Cooperatives in the University of Rizal System, Philippines</i>
	2:00	ICOOP-28 M.C.M. Samorin <i>Workplace Competency among Cooperative Management Graduates in the Philippines</i>
	2:15	ICOOP-30 B.B. Onate <i>Cooperative Education among the Department of Agrarian Reform-Assisted Cooperatives in Cagayan, Northern Philippines</i>
	2:30	Open forum
Vinta <i>The Teal Room</i>  A.G. Ellson	1:30	<b>Parallel Session D6</b> <i>Viability and Efficiency of Cooperatives as Socio-Economic Enterprises</i>
	1:30	ICOOP-31 V.L.L. Capiña <i>The Multipurpose Cooperatives in the Province of Marinduque, Philippines, as Engines of Economic Development</i>
	1:45	ICOOP-32 W.C. Bation <i>Sustainability of Oro Integrated Cooperative: A Case Study</i>
	2:00	ICOOP-33 A.R. Quicoy <i>The Viability of Cooperatives in Enterprise Development: The Case of NEMCO, Laguna, Philippines</i>
	2:15	Open forum
	2:30	ICOOP-34 R.D. Gevero <i>The Financial Performance of Selected Cooperatives in Cagayan de Oro City, Philippines</i>
	2:45	ICOOP-44 A.C. Manila <i>Agribusiness Enterprise Development: The Case of Labo Progressive Multi-Purpose Cooperative</i>
	3:00	Open forum
3:30 Coffee break		

**PROGRAM**

Friday, 16 October *continued*

Room & Session Chair	Time	
<b>Agila 3</b> <i>The Violet Room</i> J.A.B. Madamba	3:45	<b>Parallel Session E4</b> <i>Women and Youth in Cooperatives</i>
	3:45	ICOOP-37 M.M.G. Onod <i>An Experiment in Student Cooperative Organizing: The CD 132 Experience</i>
	4:00	ICOOP-38 T.R. Olviga <i>A Case Study of Alay Kapwa Rural Women Multi-Purpose Cooperative in Sariaya, Quezon, Philippines</i>
	4:15	ICOOP-39 V.M. de Padua <i>Filipino Women in Cooperative Management</i>
	4:30	Open forum
<b>Lawin</b> <i>The Orange Room</i> K.P. Quillooy	3:45	<b>Parallel Session E5</b> <i>Practicing Cooperative Social Responsibility</i>
	3:45	ICOOP-40 P.M. Luis <i>Democratic Governance and Participation: The Key to Success of San Dionisio Credit Cooperative Inc.</i>
	4:00	ICOOP-41 A.N. Morados <i>The Implementation of Corporate Social Responsibility: The Case of Mambajao Credit Cooperative</i>
	4:15	Open forum
<b>Agila 2&amp;3</b> <i>The Blue Room</i>	4:45	<b>Closing Program</b>
		<b>Closing Remarks</b> Dr. Larry N. Digal <i>Joint Conference Co-Chair</i>



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In Celebration of the Centennial Year  
of Philippine Cooperatives

## Development of Human Resource for the Cooperative Movement in Malaysia

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### Keywords

cooperative movement,  
human resource development,  
Malaysia

### Abstract

Human resources development (HRD) is an important component for the success of any organization. Human resource management plays a crucial role in the implementation of strategic management in cooperatives. It has, however, not been accorded the importance it deserves in the cooperative institutions. The cooperative is one of the sectors, which renders services to the poor people and uplifts the socio-economic status of its members. A cooperative organization is an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly-owned and democratically controlled enterprise. Since its inception of the movement, there is a need for creating awareness and acceptance of human resource development to achieve the organizational goals and objectives. Cooperatives need to ensure that members and employees are regarded as human resources important for the sound development of the cooperative. The part of human resource management that specifically deals with training and development of the employees is essential. Effective training is an investment in the human resource of an organization, with both immediate and long range returns. Building strong membership and human resources, not necessarily capital, is the basis for building cooperatives that are both economically strong and sustainable. Conscious and well specified HRD principles in crucial areas like recruitment, placement, training, career progression, managerial grooming, etc., are lacking in most cooperatives. Therefore, this paper aims to discuss issues and challenges of human resource development and ways to enhance the human resource development particularly in the context of the Malaysian cooperative movement.



## Mainstreaming Cooperatives in the Agribusiness Sector

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### Keywords

agribusiness, agricultural  
cooperatives, mainstreaming,  
Malaysia

### Abstract

Agriculture is an important sector in Malaysia. For many years, this sector has been the backbone of Malaysian economy by producing agricultural products for domestic consumption, as the earner of foreign exchange. Agriculture also contributes to the national gross domestic product (GDP). It provides major employment for the people, especially from the rural areas. In 2014, this sector contributed about 7% of Malaysia's GDP. In Malaysia, there are 2,547 cooperatives registered as agricultural cooperatives with a total membership of 744,406 members as of December 2014. However, only part of those cooperatives is actively involved in agricultural, agro-based industry, or plantation activities. Hence, to make cooperatives an effective contributor towards national development, they are encouraged to participate in high-value agriculture activities and operate on large-scale basis with the application of modern technology for increased results. They are also encouraged to develop this sector through mergers or strategic alliances and appoint successful cooperatives in this sector as mentors and also collaborating with technical agencies. Related government agencies such as Malaysia Cooperative Societies Commission, Cooperative College of Malaysia, and apex body for cooperative movement in Malaysia, ANGKASA play their roles to achieve the development of cooperatives involved in the agricultural sector in Malaysia based on the established strategic thrusts under the National Cooperative Policy 2011–2020. This paper aims to discuss on issues and challenges on agribusiness sector, direction and strategy to implement particularly in the context of agricultural cooperatives in Malaysia.

## Cooperatives and Environmental Sustainability: The Case of Migpange Multi-Purpose Cooperative (MIMUCO)

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### Keywords

community organizing,  
ecological awareness,  
new ecological paradigm,  
organizational sustainability

### Abstract

This study examines the role of cooperatives in environmental sustainability. Recent initiatives in natural resource management such as the Fishery Sector Program-Panguil Bay Coastal Resource Management Project (FSP-CRMP), among others, utilize cooperatives as a strategy for sustainable resource management through community participation and introduction of land-based alternative economic activities. Migpange Multi-Purpose Cooperative (MIMUCO) is one of the 24 cooperatives organized through the FSP-CRMP in Misamis Occidental before project phase-out in 1993. Eighteen years after, only 4 of the 24 organizations remain functional; two are on the brink of collapse. MIMUCO is the most stable among the remaining 4. The study is particularly interested in the role of the community organizing process in the organizational sustainability of MIMUCO, the level of ecological awareness of members, as well as their performance in the conservation initiatives introduced by the project until the present. Data were collected through a sample survey incorporating the New Ecological Paradigm Scale (NEP) of Dunlap and Van Liere, key informant interviews, focused group discussion and review of secondary data. Data were analyzed through content analysis and descriptive statistics. Empirical findings suggest that in the context of environmental sustainability, effectiveness of cooperatives is affected by the implementation of the community organizing activities. Similarly, capability building activities do not necessarily result to increased level of ecological awareness seen to be a critical motivation in sustaining pro-environmental behavior such as resource conservation practices. In this particular case, such behavior seems to be inhibited by economic motivations of organization members.



## Effects of Climate Variability on a Livestock Value Chain: The Case of the Sorosoro Ibaba Development Cooperative Hog Business, Philippines

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### Keywords

adaptation strategy, climate  
variability, hog business, livestock,  
value chain

### Abstract

Sorosoro Ibaba Development Cooperative (SIDC) is one of the country's most successful multi-purpose cooperatives which operates diverse enterprises including a hog business. Like any other agriculture-based business, the hog value chain of SIDC is vulnerable to climate variability. The general objective of this study is to analyze the effects of climate variability on each link and identify the business risks across the whole hog value chain of SIDC. The study used the value chain approach to identify the effects as well as the climate change adaptation strategies at all points along the SIDC hog value chain. Primary data were gathered through key informant interviews with SIDC's general manager and other key personnel as well as the hog haulers SIDC deals with. The SIDC hog value chain consists of four major links – input, production, transport and distribution, and marketing. Each point on the value chain was assessed to be affected by climate variability. Feed ingredients such as yellow corn were not properly dried due to prolonged rains. There was an increase in disease incidence among the weanlings grown both by external and internal sources. Hog haulers claimed cases of mortality among the hogs being transported due to extreme heat during travel. Lastly, exposure to extreme heat of pork for retail resulted to meat weight loss. It was recommended, among others, that the cooperative provide a bigger storage area for raw materials at its feed mill, conduct more trainings and seminars related to climate variability adaptation and purchase an Automatic Weather Station (AWS).

## “When Out Is In”: Community Mobilization through Social Marketing in Nearshore Fisheries in Panabo City, Mindanao Island, Philippines

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### Keywords

barriers, behavior change,  
capacity, conservation,  
constituency, pride, threats

### Abstract

A pride campaign in Panabo City was implemented from 2012 to 2014 to inspire local fishers to change their behavior so that they will use only the allowed fishing gear, hook and line in buffer zone and fish only outside the no-take zone to reduce the threats and preserve coral cover and fish population in Cagangohan Fish Sanctuary. The Rare's Theory of Change (TOC), hypothesis and impact assessment framework were used in the study. The analysis involved evaluation of social marketing and barrier removal strategies using quantitative (KAP) and qualitative (Non-KAP) data during pre and post campaign. Thirty five social marketing and 30 barrier removal activities were conducted that were complemented with 30 social marketing materials. The results of the campaign are as follows: increased level of fishers' knowledge on fish sanctuary location, rules and regulations, and MPA benefits; increased level of fishers' belief that non-compliance of rules and regulations results in the decline of fish populations and on MPA benefits; increased level of fishers' interpersonal communication on fish sanctuary location, rules and regulations and MPA benefits; increased MPA management effectiveness from level 0 to level 2; behavior change and decreased intrusion into the no-take-zone, and use of non-allowed fishing gear in buffer zone; and the preservation of coral cover and fish biomass. The increase in desired behavior has reduced the threats to fish sanctuary but did not increase coral cover and fish population as the expected conservation result. However, a strong capacity and constituency was established during the campaign implementation that needs to be sustained in year 3 and beyond.



## Cooperative Business Failures in Batangas Province, Philippines: A Postmortem Analysis

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### Keywords

business failure, cooperatives,  
management, sustainability  
factors

### Abstract

Cooperatives all over the world are said to be imbued with inherent weaknesses and challenges, and therefore, steering these entities towards sustainability is seen as an uphill climb. This paper delves into the reasons why some cooperatives in the Philippines dissolve or stop operating. Specifically, the study aimed to review the literature on factors affecting cooperative business sustainability and failures, to present and analyze two cases of failed multipurpose cooperatives and offer recommendations on operating cooperatives for their continued sustainability. Data was gathered through key informant interviews and secondary sources, and analyzed using the case approach and descriptive analysis. Extant literature primarily pinpointed issues such as poor management, lack of capital, property rights, and portfolio problems as the culprits behind cooperative conversions, failures and restructurings. What made the two multipurpose cooperatives unsustainable were the insufficiency of funds needed to meet Cooperatives Development Authority (CDA) requirements, delinquency of members and their inactive participation in cooperative affairs, mismanagement of resources, absence of a viable marketing system and the lack of a capable financial manager. Cultivating managerial and leadership skills, improving governance, establishing private sector and government linkages and support, encouraging participatory membership, utilizing an effective marketing system, proper resource management and expanding financial knowhow are suggested to achieve cooperative sustainability.

## A Study on Governance System in Primary Agricultural Cooperative Credit Societies in Tamil Nadu, India

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### Keywords

cooperatives, democratic  
management, governance system,  
primary agricultural cooperative  
credit societies

### Abstract

Good governance is now accepted as a pre-condition for sustainable development. Ensuring better governance of corporations, financial institutions and markets is increasingly recognized in India. However, very little attention has been paid to the governance system of cooperatives, despite their country wide network. The importance of the cooperative sector as a whole remains poorly understood, and its specific governance challenges have yet to be addressed. The Short-term Cooperative Credit Structure is currently undergoing a reform process initiated by the Government of India. It consists of over one lakh primary agricultural cooperative credit societies (PACS). This study was undertaken to find answers to certain question viz., how does democratic governance work in PACS? Do PACS necessarily lose touch with their members over time as they grow, or are there practices that keep member engagement alive? Should democracy be practiced as a policy option, or as a tool that moves the PACS forward to protect the interest of primary stakeholders? Its specific objectives are to study the nature, the emerging issues, and to suggest suitable strategies to strengthen the governance system in sample PACS. Purposive sampling method was used in selecting three PACS surveyed for the study. Results show that there is no organic relationship between the management of PACS and their member users. The nexus between political system and PACS decides the style of functioning of PACS. PACS remain as the channel of the State to deliver its schemes and programmes to the public. The central challenge for governance in PACS remains, how to balance the principle of democratic control and retain the imperative of professional management to safeguard the interest of primary member users.



## Reinvigorating the Sta. Lucia Agrarian Reform Community Multipurpose Cooperative in Dolores, Quezon Province, Philippines: A Cornucopia of Options

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### Keywords

case study, external audit, internal audit, strategic options, sustainability

### Abstract

This paper picks up from the results of a previous study written in 2011 by the major author. It focuses on the status of the cooperative after the recommendations of the previous study were implemented and presents various strategic alternatives for the continued operational and financial sustainability of the Sta. Lucia Agrarian Reform Community Multipurpose Cooperative (SARC-MPC). Using the previous study as well as primary and secondary data from 2011 to 2014, this paper, which utilizes the case study approach in analyzing the overall management of SARC-MPC's current business ventures, aimed to conduct an external and internal audit of SARC-MPC, identify its major issues and present several courses of action for SARC – MPC to consider as it charts its future. Data was gathered through key informant interviews and secondary sources after which, data was analyzed descriptively using trend, financial ratio, SWOT and quantitative preference matrix analyses. An array of strategic options are offered for SARC-MPC management to decide on the cooperative's direction towards sustainability.

## Assessing the Employment Conditions and Patterns of Help-outs among Selected Agrarian Reform Cooperatives in the Banana Industry

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### Keywords

agrarian reform cooperatives,  
banana industry, employment,  
help-outs, linear regression,  
logit

### Abstract

Employment is one of the key concepts that support every country's economic activity. Its significance and contribution affect key players in all sectors, as it is vital in production, distribution, and consumption of commodities. Among all the industries, agriculture takes the largest share when it comes to labor force participation. The agricultural sector of the Philippines is composed of informally employed workers who face various issues in hiring, contracts, worker pay, workloads, and etc. These informally employed workers include "help-outs" who work in the Agrarian Reform Cooperatives (ARCs) managed by the Agrarian Reform Beneficiaries (ARBs). Due to the nature of work, these workers engage in different working arrangements which determine their farm setting. Thus, this is an exploratory study conducted to assess the working conditions and patterns of help-outs employed in the selected ARCs, namely SFARBEMCO, AMS-MARBEMCO, and AMS-KARBEMCO, in Davao del Norte. A total of 103 help-outs were interviewed. Linear and logit regression were both employed to test significance of relationships. The results show that most of the help-outs in the ARCs are well-off. Significant factors that affect their probability of being well-off include gender, rating of happiness, employment category, cooperative, and relationship to their ARB. However, issues identified in the employment patterns include ambiguous employer-employee relationship, payment of working slots, precarious contracts, unreasonable pay, and lack of social security.



## Incorporating Environmental Sustainability in Agriculture through Cooperative-Initiated Organic Farming in Agrarian Lands of Barangay Casile, Laguna, Philippines

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### Keywords

agrarian property, Casile,  
environmental resilience,  
organic market, sustainability

### Abstract

The upland area of Barangay Casile in Cabuyao, Laguna has endured and continues to endure a variety of land issues since the 1950's. With the provision of Certificates of Land Ownership Agreement (CLOA) in the 1980's, some Casileño families resorted to selling their awarded land in exchange for fast cash. Many beneficiaries however chose to stay and toil the land thereby securing property entitlement for themselves. The study investigated the socio-political, economic and environmental aspects of the land struggle. Across all these factors, the Casile-Guinting Cooperative has been instrumental in promoting environmentally-sound organic farming practices. In recognition of its efforts, Casile was granted the Organic Farming Award in 2012 by the Municipality of Cabuyao. Today, the Cooperative continues with its commitment to ecological sustainability and agricultural productivity in the face of commercialization.

# The Role of Cooperatives in Achieving Household Food Security in the Philippines

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## Keywords

agricultural cooperatives, food security, rural development

## Abstract

This paper aims to present the roles and contribution of the cooperative to its member's household food security. Cooperatives were created to protect the less powerful members of the society and provide for their needs by pooling their resources together. It helps improve the standard of living and quality of life of members and to take part of the wealth of the nation. It helps the community generate savings, income, investments, improves productivity, and increases purchasing power in order to achieve optimum social and economic benefits. The cooperatives' role in achieving the food security of the community continues to be significant. The agricultural cooperatives in the Philippine are engaged in activities such as input supply, production, post-harvest, processing, marketing, credit and financing. Through these activities the members maximizes the utilization of economies of scale, cost-and risk sharing. Assistance was also given to cooperatives to improve their productivity, management and access to credit. The Philippine cooperatives contribute to the economic growth and development. As of December 2014, the cooperatives directly employed 201,255 persons and generated PhP313.8 billion total volume of business. Cooperatives play an important role in agriculture, food security and rural development. In order for them to continue to develop, there should be continued support and guidance by providing an enabling environment and processes for the cooperative movement's progress.

## Agricultural Credit Cooperatives in Turkey

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### Keywords

agricultural credit cooperatives,  
agricultural financing, cooperative  
business, Turkey

### Abstract

Since ancient times, mankind has cooperated in jobs that they cannot perform individually, including agriculture, in order to lead a better life. In accordance with changing needs, cooperation between people and solidarity difference has evolved into a different dimension and has been directly influenced by social changes. Development of cooperative societies in the modern sense was born from this solidarity and developed further. Cooperatives are institutions that play important roles in social development based on mutual assistance and solidarity aiming at improving living conditions of individuals constituting the society. Agricultural cooperatives on the other hand, were established in order to meet financial needs of farmers and to support regional development under the umbrella of mutual assistance and solidarity. The purpose of this study is to examine the development stages of Agricultural Credit Cooperatives in Turkey, to analyze the organization of such cooperatives throughout Turkey, and provide solutions and suggestions by determining the problems these institutions face.

## Perpetual Help Community Cooperative: Building Success on the Value of Thrift and Saving

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### Keywords

credit cooperative, cooperative,  
finance, saving, thrift

### Abstract

This study demonstrates the approach and impact of a cooperative in uplifting the socio-economic status of households by promoting the value of thrift and saving among its members and their communities. It presents the case of Perpetual Help Community Cooperative (PHCCI), a primary credit cooperative based in Dumaguete City, Philippines. PHCCI is among the most successful cooperatives that has effectively prevented and dealt with indebtedness trap and has encouraged cooperative members to gain confidence through financial independence. With lending and savings mobilization program as its key services, PHCCI implements a combination of effective strategies and instills in its members and their families the value of thrift and saving to help them maintain a stable and sustainable source of income. Its goal is to serve as a key enabler of the full economic potential of its members by developing them into wise entrepreneurs, working people, and investors. While PHCCI has been generally successful in this mission, it continues to deal with the risk of delinquencies of borrowing members. As of 2012, its delinquency rate range from 25% to 35%. This major challenge, which limits the cooperative from optimizing its impact on improving the standards of living of its members, is being addressed through constant improvement of the values-based management system of PHCCI.





## Shariah-based Microfinance for Limited-Resource Farmers: The Practice of Baitul Maal Wal Tamwil-Tamzis in Wonosobo, Central Java, Indonesia

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### Keywords

Central Java, Islamic financing,  
limited-resource farmers,  
microfinance

### Abstract

Programs that provide financial services to alleviate poverty have been promoted in recent years. These have been evaluated and disseminated in various fora. However, there is only limited documentation on the success of Islamic microfinancing programs. Islamic financing is the provision of financial services on a basis that is compliant with the principles and rules of Islamic commercial jurisprudence. The limited-resource farmers (LRF) are those with low level of education, barely finishing elementary school, and are poor. They usually do not have access to loans. In Asia, China alone accounts for almost half the world's LRFs. Other leaders in the region include India, Indonesia, Bangladesh, and Vietnam. This study describes the practices of Baitul Maal Wal Tamwil-Tamzis (BMT-Tamzis) in providing capital to limited-resource farmers in Wonosobo, Central Java in Indonesia. The method includes office visits, interviews, and discussions with the officials and staff of BMT-Tamzis and with the farmer-beneficiaries. The lending scheme is Mudarabah, on which two parties are involved; the financier who provides money, and the farmer who uses his or her skill to invest in farming. Profits and risks are shared on pre-arranged terms. The BMT-Tamzis is a registered cooperative and has established its financing system for the farmer-members. It also caters non-Muslim clients. Its system is worth replicating in the Philippines. In Philippine communities where farmers are predominantly Muslims, such as in Maguindanao, Islamic microfinance is an alternative to local money lenders who can set interest rates as high as 30%.

## Assessment of the Capability of Hog Raisers' Cooperatives as Conduits of Agricultural Loans in Laguna, Philippines

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### Keywords

agricultural loan, cooperatives,  
hog raisers, standard  
performance rating approach

### Abstract

In view of the importance of credit to agriculture and rural development, it is the objective of this paper to provide an assessment of the capability of hog raisers' cooperatives as conduits of agricultural loans in Laguna. To attain this objective, the analytical methods namely, (1) Standard Performance Rating Approach, and (2) Pearson and Spearman correlation were employed. The primary data was generated from nine hog raisers' cooperatives from Laguna. Data from secondary sources was also obtained to further assess the capability of the subject cooperatives from the Cooperative Development Authority Regional Office and hog raisers' cooperatives. The results of the analyses showed that one out nine cooperatives had a rating of Very Satisfactory, while three and four of them had attained Satisfactory and Fair performance rating, respectively. Only one cooperative had an adjectival rating of Needs Improvement. It is established that the capability of the cooperative as conduit of credit is dependent on its member-borrowers. The result of the correlation analysis revealed that the cooperative's financial capability indicators namely, assets, profitability, operational strength, solvency, and net institutional capital were correlated with the capability of its member-borrowers to make timely payments. Only net institutional capital had negative association with the member-borrowers' capability in making timely payments. Thus, the cooperatives are still viable conduits of credit as long as the capability of the member-borrowers is enhanced. This, in effect, led to higher profitability and financial sustainability among hog raisers' cooperative in Laguna. With this, the study recommended that government should devise and implement a sound credit and technical assistance program that will benefit the hog raisers' cooperatives. If possible, they should provide training and assistance to enhance cooperatives' loan absorptive capacity as conduit of credit.

## Credit Access of Rice Farmer-Borrowers and Financial Performance of Banca Banca Primary Multipurpose Cooperative under the Laguna Credit Surety Fund Program in Victoria and Pila, Laguna, Philippines: 2010–2014

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### Keywords

credit, cooperative, Laguna, surety fund

### Abstract

The province of Laguna and BSP launched the LCSF to help the mSMEs and most especially the cooperatives in increasing their worthiness to formal institutions. LCSF is a trust fund designed to enhance the credit worthiness and mitigate the risk of banks in extending credit to mSMEs. This program was pursued by the local government to facilitate credit access among small farmers and other small scale borrowers. BBPMPC was one of the 15 member-cooperatives of LCSF which contributed Php100,000 to the program. The cooperative also availed loan through DBP's credit line that was secured by LCSF, which was used to provide cash and inputs to its rice farmer-borrowers on credit. This study analyzed credit access of rice farmer-borrowers and the financial performance of Banca Banca Primary Multi-Purpose Cooperative under the Laguna Credit Surety Fund Program in Laguna covering the period 2010 to 2014. Thirty five rice farmer-borrowers of BBPMPC in the municipalities of Victoria and Pila in Laguna were interviewed during the conduct of the study. The result of the study showed that the rice farmer-borrowers reduced their borrowing from other sources after the cooperative availed LCSF. It was due to increased amount of loan granted to the rice farmer-borrowers. As for the loan utilization and repayment performance of the rice farmer-borrowers, most of them utilized funds only for farm operations and had fully paid their loans from the cooperative. The rice farmer-borrowers were also very satisfied with the lending operation of the cooperative. In general, it was found out that: LCSF was seen to be beneficial to BBPMPC because it provided the rice farmer-borrowers easier access to credit and LCSF helped improve the financial standing of BBPMPC. Therefore, LCSF should improve information dissemination to encourage more cooperatives into their program. This would further extend credit to farmers and provide technical assistance to its members.

## Entrepreneurial Competencies of Primary Agricultural Cooperative Credit Societies: A Study in Tamil Nadu, India

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### Keywords

business diversification,  
entrepreneurship,  
primary agricultural  
cooperative credit societies

### Abstract

This study analyzed the entrepreneurial competencies of select primary agricultural cooperative credit societies (PACS) in Tamil Nadu, India and how they diversify their business to cater to the needs of members and other consumers. The objectives of the study are to evaluate the performance of sample PACS in Tamil Nadu; to identify the emerging lessons from the business diversification strategies of PACS; and to offer suitable suggestions for policy dialogue. The study found that sample PACS have experienced success in their business diversification from the point of view of increasing the customer base through coverage of women from the small and marginal farming community; mobilizing the small savings; increased loan consumption capacity of Women Self Help Groups; and recovery of loan in time. Apart from the direct business generated, the good-will being created through these enhanced services of PACS in the villages gets translated into other indirect benefits. Members of Women Self Help Groups were induced to come to PACS not merely for getting loan but for easy access to an institution and its services in their neighborhood. Both the stakeholders enjoyed benefits and this new line of strategy increased the access to institutional credit of rural resource poor, especially the women, and thereby increased the Ground Level Credit flow. There was an increase in the interest income to the sample PACS, while reducing the interest burden and tapped the entrepreneurial culture and improved the livelihood of the members. This trend established that those PACS which exhibited their entrepreneurial competencies would be able to sustain their business through location specific functions and serve as change agents at village level.

## Organizational Capacities of Selected Cooperatives in the Upland Areas of Nueva Vizcaya, Philippines

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### Keywords

agri-enterprise, financial  
capability, organizational capacity,  
organizational maturity

### Abstract

Cooperatives carry a special purpose in helping disadvantaged groups in a society to obtain greater influence in market transactions by improving the purchasing power of the members and by providing cost advantage through elimination of unnecessary middlemen. Organizational and Enterprise Needs and Design Assessment Tool was used as an assessment framework to determine the capacity of selected cooperatives in the upland municipalities of Nueva Vizcaya to develop and establish agri-enterprises. The study reveals that the selected coops are diverse and wide ranging in terms of membership, financial capability, experiences in cooperative governance and in starting and managing agri-based enterprises. St. Patrick Parish Multi-Purpose Cooperative and Kasibu Farmers Development Cooperative are found to be more organizationally mature and financially able to manage vegetable processing and organic fertilizer production respectively, compared to Marigold Savings and Credit Cooperative. Conwap Valley Cooperative, Giyan Credit Cooperative, and St. Joseph Parish Belance Cooperative in Dupax del Norte identified trading post operation, farm input trading, and vegetable processing, respectively. St. Joseph Parish Belance Cooperative is also found to be more organizationally mature and had more business experience in managing agri-enterprises. In Kayapa, the Pingkian Community Development Cooperative and St. Joseph Parish-Kayapa Multi-Purpose Cooperative chose to operate as a vegetable trading post. Both cooperatives are capable of operating the trading post. Since these are new businesses, the cooperatives are recommended to further establish the feasibility of operating these agri-enterprises, especially in terms of human and physical capital.

## Assessment of the Potential of an Organizational Enterprise for Coco Coir Production and Marketing in Misamis Oriental, Northern Mindanao, Philippines

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### Keywords

agri-enterprise, coco coir  
production, Misamis Oriental,  
SARBEMCO

### Abstract

An assessment identifying the needs on technology and facilities of Sugbongcogon Agrarian Reform Beneficiaries Multipurpose Cooperative (SARBEMCO) in Sugbongcogon, Misamis Oriental to implement an enterprise on Coco Coir Production and Marketing was conducted in order to strategize and recommend feasible plan for capacity development efforts and empower members of the identified organization. Through a purposive sampling technique, a total of 58 members answered the TNA questionnaires and results were validated through FGD and site reconnaissance. Findings were then categorized according to the existing condition of the organization, environmental scan and SWOT analysis of the organization and financial capacities. The study revealed that Coco Coir Production and Marketing for SARBEMCO as an organization, is a very promising enterprise due to abundant supply of raw materials, labor and presence of market. Implementation of the said enterprise in the area would address the needs of its members and other farmers since farming in the locality is coco-based. Conducting an in-depth training for coco coir production and marketing, and the provision of village level machineries to complete the cycle of production from fiber to coco net products is one potential enterprise that could contribute to the increase of household incomes of its members, as well as job generation within the community. With constant monitoring of these Agrarian Reform Communities by DAR, the strong organizational structure of SARBEMCO plus the positive support from the Local Government Unit of Sugbongcogon who is willing to assist the project by providing an initial funding assistance will contribute favorably to the sustainability of the project.

## Assessing the Capacities of Cooperatives to Manage a Business: The Case of St. Marcos Multi-Purpose Cooperative

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### Keywords

agrarian reform, business  
development, cooperatives,  
multipurpose cooperatives

### Abstract

Cooperatives play a significant role in the Comprehensive Agrarian Reform Program. Besides serving as conduits of support services to farmers, they are also expected to implement agri-based projects that will help increase income and productivity of its members and other community members. The St. Marcos Multi-Purpose Cooperative (SMMPC), which operates in Barangay Gapasan in the Municipality of Magsaysay, Occidental Mindoro submitted a proposal to the Department of Agrarian Reform (DAR) for funding. The proposed project intends to increase farm productivity and income and entails renting out of common service facilities (CSFs) such as a 35-HP four-wheel tractor and combined harvester-thresher by SMMPC. The CSFs will be provided for free by the DAR, but the cooperative is required to have an equity. Given the current, weak financial status and management capabilities of cooperatives in the Philippines, the question of whether SMMPC can operate its proposed project and sustain its operation arose. This paper assessed the capacity of the cooperative to manage and sustain the operation of the project. Furthermore, the relevance, acceptability, and estimated returns of the proposed project were also examined. Data was gathered through focus group discussions with the cooperative members and *barangay* residents who are not affiliated with the organization. Key informant interviews with the DAR personnel and gathering of secondary data were also conducted. Results indicated that the SMMPC has a stable financial base and its officers are capable of running the proposed project. Moreover, the high demand for the CSFs assures that SMMPC will be profitable.



## Grand Strategy of Cooperative Development in Indonesia

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### Keywords

cooperative development,  
Indonesia, strategy

### Abstract

The cooperative is one of the oldest socio-economic movement and has spread to many countries around the globe. In Indonesia, the beginning of the cooperative movement can be traced back to the 1800s. In July 1947, a congress in cooperatives was held at the national level and it was considered as a milestone of cooperative movement. The development of cooperatives, unfortunately, was not satisfied. Up to this writing, there is a lack of successful cooperative presence in the national level. This study aims to portray the development of cooperatives in Indonesia and to develop national level cooperative development strategies. This study was conducted from June 2013 until February 2014. Data was collected through several approaches, including desk study, in-depth interview and focus group discussion (FGD) involving the cooperative leaders and policy makers at both the local and national level. Collected data then was analyzed using content analysis, fishbone and mind mapping, and SWOT (strengths, weakness, opportunity, and threats) analysis, followed by architecture strategic. This study found that in macro level the development of cooperative grows as much as 3% per year, however 30% of it was not active. At the micro level, the economic performance of cooperatives were less profitable, and organizationally, was biased from the cooperative's identity. In order to enhance the development of cooperatives, we formulated 13 strategies which were divided into two phases: the consolidation stage and expansion stage. The 13 strategies, however, will not be successful unless it is fully supported by the government, both at the local and national level.



## Support of State Universities and Colleges (SUCs) and Performance of Cooperatives in the Bicol Region, Philippines

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### Keywords

cooperative, cooperative  
performance, OSE-PISO,  
state universities and colleges

### Abstract

The study determined the support of State Universities and Colleges and assessed the performance of the cooperatives in the Bicol Region. The descriptive-qualitative and correlational methods were used in determining the profile of the SUC-based cooperatives and the support services of SUCs extended to the cooperatives in line with rights and privileges, education, trainings and seminars, curriculum, business opportunities, research and extension, and linkages and networking, and the performance of the cooperatives based on the OSE-PISO indicators. Documentary analysis was employed to analyze the profile of the cooperatives. Questionnaires were used to gather data on SUC support for cooperatives. Interviews and observations were likewise done to validate the data gathered. Based from the findings, the following conclusions were derived. First, the SUC-based cooperatives are registered and evaluated annually by the Cooperative Development Authority. They are classified as credit and multi-purpose and categorized as micro, small, and medium. Dividend and patronage refund were given to the members as benefits and incentives. Second, the most common support that SUCs extended to cooperatives was in line with rights and privileges, while the least support was on business opportunities, linkages and networking. Third, the PSU Credit Cooperative was rated very satisfactory performance. Fourth, the profile of the cooperatives was not significantly related to their performance. Lastly, the support of SUCs in line with business opportunities, and linkages and networking negatively affected the financial performance of the cooperatives, which means that SUCs lack support along these areas, while most of the support given was in line with rights and privileges, which are non-monetary in nature.

## Assessment on the Complementing Support Services for Cassava on Selected Agrarian Reform Beneficiary Organizations of District 1, Pangasinan, Philippines

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### Keywords

agrarian reform beneficiaries,  
ARCESS, cassava, cooperatives,  
Pangasinan

### Abstract

The Complementing Support Services for Cassava Production of the Department of Agrarian Reform-Pangasinan was formulated through the Agrarian Reform Community Connectivity and Economic Support Services (ARCESS) which intends to reduce the incidence of poverty by providing livelihood programs to selected Agrarian Reform Beneficiaries (ARBs) in District 1 of Pangasinan by producing and processing dried cassava chips which will be marketed through partnership between the Agrarian Reform Beneficiaries Organization (ARBOs) and Private Agribusiness Firm. The assessment, which was based on Organizational and Enterprise Needs Assessment and Design Assessment (OE-NADA), aims to ensure that ARBs would benefit from the project and ARBOs have the capacity to manage the enterprise, and to determine the project's feasibility and the suitability of identified intervention under the ARCESS program. Systems Approach was used to assess the ARBO's organizational, production, marketing and financial capabilities which were then used in determining the project feasibility. Result shows that selected ARBOs are Cooperatives from the municipalities of Mabini, Dasol and Bani. They needed to improve their capabilities according to organizational maturity; marketing strategy; financial assistance; and cultural management practices for cassava production. The assessment shows profitability at 79% Rate of Return on Expenses and 44% Net Profit Margin. However, risks include uncoordinated production, perishability of cassava, susceptibility to natural calamities, and lengthy payback period. The identified intervention requirements of the enterprise can support poverty reduction in ARBs by enhancing the cassava industry in Western Pangasinan, showing potential in mobilizing community participation and obtaining government support since it corresponds to livelihood opportunity creation, gender equality, and promote good agricultural practices.

## Best Practices and Policy Gaps in the Partnership between Cooperatives and Local Government Units in Negros Oriental, Philippines

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### Keywords

cooperatives, cooperative  
practices, local government units,  
partnership

### Abstract

This study determined the best practices and policy gaps in the partnerships between the cooperatives and the local government units in Negros Oriental. Relative to this, It determined the profile of the cooperatives with noteworthy characteristics and achievements, the extent of assistance extended by local government units to cooperatives in terms of financial, trainings, and other support. The partnership primarily centered on the provision of financial, training and other support services. The best practices were examined in five areas. These were: (a) technology improvement; (b) enhancement in the performance of functions of officers and members; (c) expansion in membership; (d) enhancement of systems and procedures, and (e) increased in logistics. The findings revealed that the policy gaps were influenced by some limitations, as: (a) no common interpretation of the guidelines issued by the Commission on Audit regarding financial assistance to cooperatives; (b) delayed implementation of approved projects that led the cooperatives to allocate additional budget; (c) most policy makers were not grounded on the privileges granted by law to cooperatives; (d) some LGU officials used cooperatives in their political activities; and (e) difficulty in complying with the requirements for financial assistance. In view of the results, it is concluded that public- private partnership between cooperatives and the local government units played a supplemental role in the improvement of the quality of life of the people. Thus, this study recommends strengthening the partnerships between the cooperatives and the local government units and broadening their base of cooperation.



## Needs and Design Assessment for Corn Production Enterprise in Selected Agrarian Reform Communities of Cagayan de Oro City and Lanao del Norte, Southern Philippines

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### Keywords

agrarian reform communities,  
economic growth and  
development, needs and  
design assessment

### Abstract

The needs and design assessment was conducted in the Agrarian Reform Communities of Cagayan de Oro City and Lanao del Norte. It aimed to identify performance requirements, knowledge, skills, and abilities of the Agrarian Reform Beneficiaries Organizations (ARBO), as well as the technology and facility needs for a corn production enterprise. Among the ARBOs assessed were: Pagalungan and Tagpangi Tribal and Settlers Association of Women Agrarian Reform Beneficiaries Cooperative, Taglimao Farmers Multi-purpose Cooperative, Indahag Agrarian Reform Community Multipurpose Cooperative, Taguanao Agrarian Reform Community Multipurpose Cooperative and Palambu Cooperative. The needs assessment revealed that the ARBOs still need technologies, as well as facilities and machineries for corn production and marketing. The ARCs offer biophysical condition suitable for corn production. They have natural assets that would favor corn production as the main economic activity. Corn is an appropriate commodity for the ARCESS project in the ARCs mentioned. The farmers in the ARCs have extensive experience and training related to corn production. The ARBOs have other needs, such as capability development, common service facility on pre- and post-harvest facilities, project monitoring and enterprise development, and financial management and assistance. With the provision of the aforementioned recommended activities and facilities, this should result in increased production, improved quality of products, increased income and realized more profits; thereby improving their standard of living. This will eventually lead to economic growth and development of the community and to the economy as a whole.

## Fast-tracking the Development of the Mandarin Industry of Nueva Vizcaya, Philippines: The Case of the Malabing Valley Multipurpose Cooperative

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### Keywords

cooperatives, mandarin,  
multipurpose cooperative,  
value chain analysis

### Abstract

Nueva Vizcaya is one of the most prolific mandarin-producing provinces in the Philippines. However, it hasn't developed to international standards, hence the need for government intervention. The Aquino administration came up with the Philippines Rural Development Project (PRDP), a project to fast-track the development of certain industries and commodities, and mandarin was selected for Nueva Vizcaya. To identify priority areas that need intervention, the value chain analysis (VCA) for mandarin in Nueva Vizcaya was conducted. It was found that along the value chain for mandarin, one cooperative stood out, the Malabing Valley Multipurpose Cooperative (MVMPC). The cooperative was purposely organized to support the mandarin industry. VCA found that MVMPC played a major role from input provision such as seedlings, chemical inputs, fertilizers, to marketing of mandarin. One of the recommendations of the VCA was the formation of clusters to produce uniform quality fruits acceptable by consumers and another was the identification of an organization that will carry out the recommendations. MVMPC was selected based on certain criteria. Hence, MVMPC became the proponent group for two enterprises that the provincial government of Nueva Vizcaya envisioned to have. The enterprises are mandarin seedling production and mandarin marketing enterprise. The mandarin seedling production will provide quality planting material while the marketing enterprise will market fresh mandarins bought from production clusters. This proposal amounts to PhP19,487,869 which was submitted to the World Bank for funding.

## Assessment of Cooperative Officers' Leadership Competencies in Oroquieta City, Philippines

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### Keywords

cooperative, leadership, cooperative leaders

### Abstract

This study was the assessment of cooperative officers' leadership competencies in Oroquieta City. The objectives were to find out the cooperative officers' leadership competencies: directing change, leading people and becoming results-oriented, determine the significant relationship of their demographic and socio-economic characteristics and their leadership competencies. The results were determined using 100 respondents from 13 cooperatives in the area through complete enumeration using questionnaire. The officers were mostly assessed in the above average level indicated in each over – all mean rating per aspect being examined. In the directing change aspect, they have strength in the continual learning and have weaknesses in external awareness. In leading people, officers displayed the highest competencies in integrity/honesty followed by teamwork building ability but the lowest competency rating was in managing conflict in their organization. They have above average competency rating in desired goal attainment. On the overall mean ratings of various aspects of leadership competencies, leading people got the highest mean rating, result driven competency has the lowest mean rating while directing change was found at the middle. Therefore, interventions will focus more in goal attainment and in making leaders become more proactive in their perspectives in leading. Officers were found to have potentially adequate competency in leading people in the aspects of integrity/honesty and in building teamwork. Both are qualities all leaders should possess.

## Organizational Capacity Assessment of Cooperatives in the University of Rizal System, Philippines

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### Keywords

cooperatives, human resources,  
organizational capacity

### Abstract

This study assessed the organizational capacity of cooperatives in the University of Rizal System in the areas of governance, management, financial resources, service delivery, external relations, and organizational and program sustainability that enable officers and members to ascertain specific strengths and weaknesses as inputs for future plans and actions. Surveys and on-site observation were utilized in the gathering of the necessary data. Results show that the majority of respondents attended relevant basic, advance, and specialized cooperative trainings/seminars, however; not all of them participated in the required Pre-membership Cooperative Seminars (PMES). Generally, service delivery and organizational program sustainability, and financial resources were found to be their weaknesses that need the utmost attention, while external relations, management, and governance were found to be low priority weaknesses. The cooperative's profile and data express the need for mediations that would help raise the quality of their operations. Communication and feedback mechanisms among members are inadequate; members are not involved in the preparation and review of the annual operation plan; relevant technical expertise exists within the cooperative, though known to the community, is not fully utilized; and systems and procedures for savings generation schemes are not implemented. Thus, the possibility of implementing and monitoring the organizational action plan based on the identified priority weaknesses is consequently high. Furthermore, capability building and continuous education may be considered to boost the cooperative's efforts, along with improving business operations.



## Workplace Competency among Cooperative Management Graduates in the Philippines

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### Keywords

cooperatives, management students, workplace competency

### Abstract

Nowadays, handling a cooperative is more complex and unpredictable than it was years back. The exchange of world views, products and ideas has increased the complexity of business' environment and their operations. As such, business and management schools should provide the industry with graduates who have the skills to respond professionally and effectively to global, national and local business pressures. To ascertain that cooperative management graduates have acquired the necessary skills for them to contribute to the development and growth of cooperatives in the country, this study was conducted in a state-funded university in the Philippines AY 2011–2012. The study involved 43 graduating students taking up Bachelor in Cooperatives Management. A four-part 135-point examination was used to determine the business competencies. Results showed that the majority of the students were proficient in terms of understanding the operations of a cooperative business, customer service and teamwork. Less than half are advanced in terms of customer service. They also had basic proficiency in terms of interpersonal communication, leadership and results focus. Notably, a very small percentage were considered novices in the areas of teamwork, leadership, personal effectiveness, and result focus. Results reveal that cooperative management students, who will soon join the cooperative movement and the business sector, are equipped with the competencies needed by their future employers.



## Cooperative Education among the Department of Agrarian Reform–Assisted Cooperatives in Cagayan, Northern Philippines

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### Keywords

agrarian reform beneficiaries,  
cooperative principle, education,  
training curricula

### Abstract

The study was conducted to determine the status of cooperative education among the Department of Agrarian Reform (DAR)–assisted cooperatives in Cagayan, Northern Philippines. The respondents were officers from the cooperatives assisted by DAR Provincial Office. Using the descriptive-qualitative research design, primary data was obtained from the respondents through personal interviews and focal group discussions and secondary data from records of DAR. The study revealed that most of the cooperatives are multi-purpose cooperatives. Majority of the respondents are the Agrarian Reform beneficiaries with a mean age of 44. Forty percent are college graduates and only a few have reached elementary level. The cooperative officers' participation to the mandated training curricula comprised 33% of the board of directors and the least participant comes from the education committee. All target groups for each trainings were represented but attendance was not 100%. The respondents finished the mandatory trainings with an average daily cost of PhP1,200 per participant. The most pressing problem encountered in the conduct of the training was the language used in the delivery of lectures. Other problems encountered were financial difficulty among participants, the venue not being conducive to learning, accessibility of training venue, and the participants unwillingness.

## The Multipurpose Cooperatives in the Province of Marinduque, Philippines, as Engines of Economic Development

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### Keywords

cooperative enterprise,  
economic agent,  
economic development,  
economic intervention

### Abstract

Cooperatives are formed to play significant roles in the socio-economic development of their corresponding communities. In the Province of Marinduque, the Cooperative Development Authority reported in 2012 that from 333 cooperatives registered in 1990 to 2012, only 64 cooperatives stayed with active registration; from the 64, 20 were non-operational. In this context, the study investigated the performance of multipurpose cooperatives (MPCs) in the province as engines of local economic development. The profile of both the cooperatives as economic entities and the key players was established then the economic contributions of the MPCs and the entrepreneurial competencies of the key players were assessed. The problems confronting them were also determined. The study utilized descriptive method with key players from the management and members of 19 MPCs, and barangay captains from corresponding localities as participants. The questionnaire instrument was used coupled with interviews, actual observation, and documentary analysis. The cooperatives' contribution to local development was fair in employment and revenue generation, and community involvement, and high in capital formation of members. The key players demonstrated fair competence in leadership and communication skills, strategic awareness, task orientation, and members' focus hence need improvement. Moreover, the study found that challenges include poor financial management, limited market due to stiff competition, restricted sources of capital due to limited number and quality of members, and inadequate strategies to sustain daily business undertakings. Results of the study signify the need for more intensive interventions for the MPCs which will enhance their performance as engines of economic development.

## Sustainability of Oro Integrated Cooperative: A Case Study

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### Keywords

credit cooperative, management,  
sustainability

### Abstract

Rural and urban areas in Cagayan de Oro City are largely disconnected. Oro Integrated Cooperative is one of the credit cooperatives in the city connected the areas and people through loans and other services. The aim of this study was investigate the sustainability of Oro Integrated Cooperative. Descriptive research design was used to determine its sustainability and survival. There were 25 respondents and most of them noted that the cooperative was sustainable and strong. Leadership, commitment, and dedication were among the values noted by most of the respondents as an important contribution to cooperative sustainability. There was a continuous increase in membership since 2009, growing to 17,822 members by 2012, despite beginning with only 24 members and PhP88 in capital. Management maintained a system of accounting and reporting and the growth in assets derived from the increase in Deposit Liabilities, Share Capital and General Reserved Fund. At the end of 2012, it grew by 38%, from PhP963 million in 2011 to PhP1.329 billion. Loan Releases in 2012 surpassed their target by 18%. For the first half of the year, it had a deficit in loan releases target but it was recovered in the third quarter. The bulk of loan releases were commercial, financing, salary, and agricultural. Recommendations were to maintain adequate accounting records of all transactions, members must protect their interest, and implement computerization.

## The Viability of Cooperatives in Enterprise Development: The Case of NEMCO, Laguna, Philippines

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### Keywords

cooperatives, enterprise  
development, success factors

### Abstract

The NIA-Region IV Employees Multipurpose Cooperative, Inc. (NEMCO) is one of the only three cooperatives based in Pila, Laguna and one of the 349 active cooperatives in Laguna. NEMCO has been successful for 24 years and nearing its Silver Anniversary in 2016. Its success is evident in its increase in assets, membership, and receiving several awards over the years, including the prestigious Gawad Pitak Award given by the Land Bank of the Philippines. From the original 34 members when the cooperative was founded, NEMCO has expanded its membership to more than 5,000 as of this date. Originally, NEMCO membership was exclusive to National Irrigation Administration (NIA) employees. In 2002, NEMCO was re-launched opening its membership to all NIA and non-NIA employees in Region 4. The authorized capital increased to PhP50 M in 2010. As of 2013, 66.2% of the authorized amount was subscribed. It was the need for a credit source for NIA employees that ushered NEMCO into being. Presently, the credit services has expanded to 17 types of loans, complemented by other services by venturing into the following: (1) rice production program; (2) special livelihood project; (3) agri-store; (4) dairy cattle production; (5) travels and tours ticketing services; (6) photocopying services; (7) food catering, and other business ventures and services that could cater to its members and other clients. For its achievements and service to its members and to the community, this study aimed to assess how it came into its present stature and the secrets of its success. By documenting this, NEMCO can become a model for other coops to emulate.

## The Financial Performance of Selected Cooperatives in Cagayan de Oro City, Philippines

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### Keywords

Cagayan de Oro City,  
credit cooperative,  
financial performance,  
financial ratios, Philippines

### Abstract

This study determined the financial performance of five selected credit cooperatives in Cagayan de Oro City. Financial statement analysis can be beneficial in this respect because it highlights a firm's strengths and weaknesses. Also, weak financial management could negatively affect the social enterprise. The annual reports were used as bases for the financial data. Healthy profitability rates and return on assets were observed in the five cooperatives. Del Monte Philippines Incorporated – ECCC (Del Monte) and Xavier University Community Credit Cooperative (XUCCCO), both closed type cooperatives, did very well in the profitability area as they posted net profit margins of more than 70%. First Community Cooperative (FICCO) and Oro Integrated Cooperative (OIC) registered the highest revenue growth rates. In the return on assets ratio, all five cooperatives except Mindanao State University – Iligan Institute of Technology National Multipurpose Cooperative (MSU), got more than 5%. The following conclusions were drawn from the study: First, closed-type cooperatives obtain higher net profit margins and have better asset efficiency performances. And second, greater revenue growth does not necessarily mean better profitability and higher efficiency. It is recommended that future research be done with other cooperatives in Cagayan de Oro City to confirm or refute the existing findings of this study. After which, cooperatives in the other cities of Region X can also be studied and compared with those in Cagayan de Oro.

# Agribusiness Enterprise Development: The Case of Labo Progressive Multi-Purpose Cooperative

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## Keywords

agribusiness enterprise,  
multipurpose cooperative,  
pineapple

## Abstract

The paper demonstrates the development of agri-business enterprise of the Labo Progressive Multi-Purpose Cooperative in the province of Camarines Norte, Philippines. Camarines Norte in the Bicol Region is the 4th largest producer in the country and has gained prominence for its Formosa or Queen Pineapple, the sweetest pineapple in the world. As of year 2006 the total area planted to pineapple is 2, 400 hectares in its 12 municipalities. The potential area available for pineapple plantation is way above the present area being utilized thru availability of raw materials is assured. With the biggest land area in Camarines Norte, Labo serves as a headquarters of an organization continuously working hard to provide employment opportunities to the community and coming up with innovative ideas that would add value to the crop. Known as the Labo Progressive Multi-Purpose Cooperative (LPMPC), it owns most of the plantations in the town and leads the promotion of various pineapple-related livelihood projects and activities benefitting more than 1,000 families and individuals in the area. The agribusiness activities of LPMPC started as early as 2002. It engaged in cassava production and processing, seed corn production, and coconut seedling production. These were all undertaken to help the coop farmer-members. Since 2006 up to the present, the cooperative focused on the pineapple production and marketing, pineapple processing, fiber decortication project, handloom weaving project and organic fertilizer production using the pineapple waste materials. The businesses not only gave additional income to the members but to the community residents as well.

## An Experiment in Student Cooperative Organizing: The CD 132 Experience

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### Keywords

laboratory cooperatives,  
student cooperatives,  
sustainability

### Abstract

This paper asserts that to sustain the gains of cooperatives and fulfill its role in the attainment of sustainable development goals, the incoming generation should be trained not only to develop the habit of saving through cooperatives, but also the in mechanics of cooperative organizing and management. By doing so, they will be won over to the cause of cooperatives and promote it as a viable agent of empowerment, inclusiveness, and sustainability. This is the rationale for laboratory cooperatives, particularly student cooperatives. Such is the vision when the CD 132 (Cooperatives Development and Management Class) of the Department of Community Development at MSU, Marawi City first launched the experiment on a cooperative enterprise in 2006. Almost a decade on, Community Development students look forward to the CD 132 experience. This paper traces this journey particularly noting the challenges which have both positive and negative impacts to what it is today. Key informant interviews among past and present student officers and volunteers, and the faculty organizer/adviser was the main data collection tool. Financial records, minutes of meetings, and similar documents were also examined. Among the key factors to its sustainability are cooperative education and transparency in financial operations. However, being students, they only have a short exposure with the cooperative enterprise which is among its biggest challenges. Findings suggest that the youth could be trained not only the value of savings and thrift, but also to finance, operate, and manage their own economic enterprises.

## A Case Study of Alay Kapwa Rural Women Multi-Purpose Cooperative in Sariaya, Quezon, Philippines

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### Keywords

cooperatives, financial  
performance, productivity,  
strategic alliance

### Abstract

Cooperatives are perceived to be a major instrument in the achievement of a community's developmental objectives by being an effective tool in eliminating poverty and underdevelopment through the generation of jobs, most especially in rural areas. Alay Kapwa Rural Women Multi-Purpose Cooperative is a cooperative engaged in the production of agricultural products such as malunggay tea, coco jam, and coconut coir. Most of the cooperative's profit is dedicated to scholarships and sponsorships. Aside from the livelihood and scholarship programs, Alay Kapwa also conducts organic farming seminars, bible readings and sharing, and medical missions. The cooperative aims to address issues related to poverty, inequality, and education, as they strengthen the advocacy of Sariyahins to local products. This case study was conducted mainly to present and assess the overall performance of Alay Kapwa Rural Women Multi-Purpose Cooperative. Descriptive research design was used in this study. Data were gathered through personal interviews with key informants such as the cooperative members and officers, and from secondary sources. The elements of the business environment that greatly influence the cooperative as well as its performance in the four major business functions were evaluated. Results revealed that the major problem of the cooperative was the low productivity of its members. This in turn, resulted in financial problems for the cooperative. This study recommends a strategic alliance between the cooperative and the farmers in the area, as well as strengthening of relationship between members and other stakeholders to enhance the productivity and profitability of the cooperative.



## Filipino Women in Cooperative Management

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### Keywords

cooperatives, managerial  
competencies, women

### Abstract

In response to the twin policies aligned towards cooperative development and the empowerment of women, this study was conducted to assess the competency of women in cooperative management. The data was drawn from 24 registered cooperatives in La Union Province, Philippines, using complete enumeration and analyzed using frequency counts, percentages, and weighted mean. Results revealed that more women than men were involved in cooperative management. The women were perceived to be better than men in managerial, interpersonal, and intellectual competencies. Men on the other hand, were perceived to be better than women in organization and leadership. The women were extremely competent along interpersonal and managerial competencies, and highly competent along leadership, entrepreneurial, intellectual and organizational aspects. With the management competencies, the women therefore are to be accorded with privileges and opportunities to assume positions along managerial and entrepreneurial positions in cooperative, government and nongovernment organizations.

## Democratic Governance and Participation: The Key to Success of San Dionisio Credit Cooperative Inc.

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### Keywords

community-oriented,  
cooperative, cooperative  
principles, democratic  
governance, member-oriented

### Abstract

One of the unique characteristics of cooperatives is that they are organized, owned and democratically controlled by their members. The management and operations system of cooperatives is typically characterized by having democratic governance and strong member participation. The San Dionisio Credit Cooperative (SDCC) is one of the most successful cooperatives in the Philippines that clearly exemplifies a strong adherence to the principles of cooperative enterprises—(1) the user-owner principle; (2) the user-control principle; and (3) the user-benefit principle. These principles define the significant position and role of cooperative members in their organization. It implies that cooperatives are associations of persons rather than an impersonal organization of capital. The case of SDCC demonstrates how this kind of system works in the cooperative and how it contributes to its success and to the improvement of lives of its members. The important role of the members in the cooperative is emphasized in this case study. SDCC is a highly member- and community-oriented cooperative that primarily works for total human development of its members. How SDCC provides an enabling environment for its members to fully participate in decision-making processes and to practice democracy in governing the cooperative through its programs and service is explained in detail in the case.

## The Implementation of Corporate Social Responsibility: The Case of Mambajao Credit Cooperative

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### Keywords

community development,  
credit cooperative, cooperative,  
corporate social responsibility

### Abstract

This paper sought to ascertain the implementation of corporate social responsibility of Mambajao Credit Cooperative in Camiguin through key informant interview, focus group discussion and observation. Specifically, it sought to identify the CSRs that are being implemented, the manner they are implemented, the benefits of these CSRs, and the policies that can be derived based on the analyses of the findings. The results showed that the cooperative has been implementing several projects to address the different concerns of the communities where the cooperative is situated. They give priority to environmental sustainability like tree planting and growing, solid wastes management, clean and green and beautification. They sponsor the Department of Education's annual academic and literary skills contests like essay writing, slogan making, and poster making. They also sponsor grants to students who are financially challenged but intellectually gifted. Community development activities are likewise being conducted such as free medical missions, nutrition enhancement for day-care children, health and wellness, no to smoking campaign and gift giving to the less fortunate families during Christmas. Most of these projects are in collaboration with the private sectors, local government units (LGUs), nongovernment organizations (NGOs) and the academe. The cooperative is documenting the implementation of these CSRs in their annual reports and newsletter. The participants admit that there is a need to measure the socio-economic impacts of the projects. Hence, one of the recommendations of the study is for the cooperative to link with the academe to conduct impact assessment of CSRs.