

## Measuring Social Capital: The case of DOST-funded Cooperatives in Davao City

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## Outline

- Introduction
- Methodology
- Results and Discussion
- Conclusion
- Recommendation

## Introduction

- **Social relations**, networks, norms, and values - functioning and development of society.
- Social capital - **glue** of communities
- Cooperative - **special, social capital-based** organization

## Introduction

- **Agricultural cooperatives** create social capital at a **higher rate**.
- It influences **networks** among members, thus, affecting the **cooperative activities**.

## Introduction

- DOST plays a vital role in **social development**.
- Rapid assessment focuses in **physical and human capital**.
- Two cases of DOST-funded coop.
  - Association of Differently-Abled Persons Multi-Purpose Cooperative (**ADAP MPC**)
  - Davao Agricultural Ventures Corporation Employee's Cooperative (**DAVECO**)

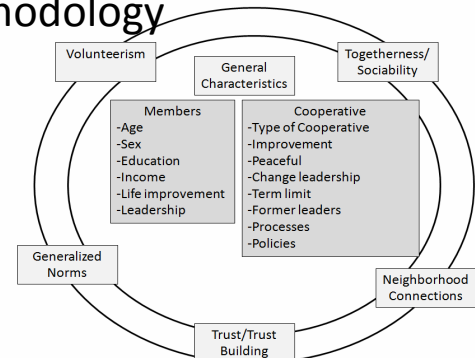
## Introduction

- Objectives
  - Determine the level of social capital of members.
  - Identify the factors that motivate social capital formation.

## Introduction

- ❑ Limitation
  - Initial Finding only
  - Limited cases
  - Considers only active members
  - Considers only successful coops

## Methodology



## Methodology

- ❑ 21 valid questions relating to social capital
- ❑ Nominal (yes-no) or Ordinal (rank data from 1 to 4)
- ❑ Principal Component Analysis
- ❑ Statistical Analysis
  - Chi-square test of independence
  - Mann-Whitney U test
  - Kruskal-Wallis H test
- ❑ 40 respondents
  - 22 - DAVECO
  - 18 - ADAP MPC

## ADAP MPC

- ❑ Economic arm ADAP Inc.
- ❑ Seven clusters in Davao City
- ❑ Member of NCFPWD
- ❑ Founded on April 1997
- ❑ 137 members; 20 workers
- ❑ ADAP Village with 40 houses and work center
- ❑ Manufactures chairs and desks
- ❑ Training, equipment and deployment of consultant related furniture making

## DAVECO

- ❑ Employees of DAVECO
- ❑ CARP beneficiaries
- ❑ 34-hectare land
- ❑ Founded on Nov 1995
- ❑ Money-lending, land lease-back and food processing
- ❑ Annual Income PhP 4M
- ❑ Training, equipment and deployment of consultant related to pineapple jam, vinegar, and wine

## Principal Component Analysis

Component	Question
Togetherness & Sociability	1. Are you friends with your cooperative members?
	2. Did you visit any member of your cooperative this week?
	3. Did you attend in a local meeting for the last six (6) months?
Generalized Norms	4. Can you get help from coop members when you need it?
	5. Do the leaders represent a wide circle among the cooperative?
	6. Do you volunteer to help in a local group in your community?
Volunteerism	7. Did you offer your help in your friend, neighbor or to a stranger for the last week?
	8. Do people in this cooperative contribute time and money toward common development goals?

OTHERS	
40°	15°

\*Significant at 5%.

- ❑ Community-based coop consider themselves friends compared to employee-based.
- ❑ When members see the need to change leadership and to establish policy, it compels them to visit each other more often.
- ❑ Absence of policy also requires the members to conduct meetings.

- ❑ The lack of progress at the individual and organizational level compels them to seek help from others including government agencies.
- ❑ Economic benefits will lead to volunteerism, thus, attaining social benefits.
- ❑ Conflicting cooperative forces the members to help the community become more developed and peaceful.

- ❑ Government other development agencies should provide enabling environment to improve the cooperative's social capital.
- ❑ Help them organize themselves and provide opportunity for economic activities.
- ❑ Leadership aspect of the cooperative should be improved. Leadership term should be fixed and smooth transfer of power should be maintained.

- ❑ Increase the number of cases including “failed” cooperatives.
- ❑ Improve the analysis using discriminant analysis or logit/probit analysis identifying the factors affecting the success and failure of the cooperative.
- ❑ Links of the social and economic gains should be further investigated.



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