

An Assessment of the Best Practices and Adherence to the Cooperative Principles : The Case of Sta. Catalina Multi-Purpose Cooperative and Sta. Catalina Credit Cooperative

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Introduction

- Sta. Catalina Multi-Purpose Cooperative (SCMPC), along with Sta. Catalina Credit Cooperative is on towards its 29th year this November 2012.
- Its main branch is in President Roxas, North Cotabato and has nineteen (19) more branches as of November 2010.

Introduction

- Its main branch is the only one that is agriculture-based, all others are for credit and savings services only.
- The cooperatives do not only serve the felt and perceived needs of the members but also of the community where they belong.

Introduction

- Agricultural Cooperatives were formed due to the advent of the Agrarian Reform.
- This study helps in assessing the current operations and best practices of the cooperative.
- This provides inputs on how to better improve the services of the organization and to better provide the needs of its members and the community.
- This study basically assesses the organization as its implementation of the seven internationally-accepted cooperative principles.

Introduction

The seven cooperative principles include:

- (1) voluntary and open membership
- (2) democratic member control
- (3) member’s economic participation
- (4) autonomy and independence
- (5) education, training and information
- (6) cooperation among cooperatives
- (7) concern for community

Methodology

- Interview with key informants
- focus group discussions
- Only the main branch in Poblacion President Roxas, North Cotabato was considered in this study.

Findings

□ ENTERPRISE SEGMENTATION

- Splitting of Sta. Catalina Multi-Purpose Cooperative and Sta. Catalina Credit Cooperative
- Specialization
- Resulted to generation of more income

Findings

Service specialization

- Formation of additional branches (SCC)
- Financial institution
- Accountability to its clients (e.g. quality)

Findings

□ PRODUCT/SERVICE DIVERSIFICATION

- Caters not only the needs of the members but also the general community
- Agri-marketing (farm inputs, buy & sell, drying & milling, etc.)
- merchandising (grocery store, *carenderia* and gasoline station)

Findings

- Benefits or service received: dividends, patronage refunds, loans, incentives, hospitalization assistance, savings and credit services, group and individual insurance coverage, agri-products facilitation, rice milling and grain drying, merchandising operations and provision of construction materials.

Findings

- Promotion or enhancement of the formation of self-managed enterprises through the cooperative's lending program
- Trainings and seminars for farmers (DA, DAR)
- Sending of representatives/employees to conferences and trainings

Findings

- MASS-SPECC (secondary); NATCCO (tertiary)
- MASS-SPECC provides services on consultancy, financial assistance, training and education.
- Federation of People's Sustainable Development Cooperatives (FPSDC), FONUS Funeral Care, Land Bank of the Philippines (LBP), Peace and Equity Foundation (PEF), Foundation for Sustainable Societies, Inc. (FSSI), Model Cooperative Network and COOP-NATCCO Party-list.

Findings

- conduct activities (e.g. feeding program, medical and dental outreach, giving of schools supplies and Operation)
- aided by SIKAP Foundation
- funds used in these activities are from the 20% of the social development fund

Findings

- ❑ Joining a cooperative is beneficial for them and their families.
- ❑ They receive the appropriate benefits as promised by the cooperative.
- ❑ Services are efficient and effective in helping the community.

Findings

- ❑ Joining a cooperative is a good investment.
- ❑ The organizations are particularly essential in the growth and development of the community.
- ❑ The members and people in the community recognized the importance and contribution of the cooperative to the entire community.

Members' Suggestions:

- ❑ Add more services (e.g. livelihood programs)
- ❑ Lower the interest rate for loans (present rate is at 6-11%)
- ❑ Increase buying price of farm products
- ❑ Shift focus from being profit-oriented to service-oriented
- ❑ Encourage members to be more cooperative

Members' Suggestions

- ❑ Improve merchandising department operations and lower the prices (because prices are high compared to grocery stores with more complete items)
- ❑ Improve their general operations, such as updating and posting of changes in the policy and records of members, delinquency control and asset acquisition

Conclusion

- ❑ They abide to the seven internationally accepted cooperative principles.
- ❑ The members, through the FGD, were generally satisfied with the benefits and services provided by the cooperatives.
- ❑ They see the organizations as drivers of growth and development in the community, particularly in the municipality of President Roxas, North Cotabato.

Conclusion

- ❑ The cooperatives are both economically and socially viable.
- ❑ The cooperatives are partners of the government and the people towards economic and social development.
- ❑ They went beyond the principles and adapted strategic management decisions.

Recommendations

- ❑ Help improve the income and purchasing power of the members;
- ❑ Encourage the members to save more;
- ❑ Improve the agri-marketing services by adding modern machineries for more efficient operations;
- ❑ Purchase trucks or vehicle for transportation of agri-products of members;

Recommendations

- ❑ Create a team who will do research to advance the operations of the cooperatives (R & D);
- ❑ Initiate programs for preservation of the environment/ecology;
- ❑ Update their records and;
- ❑ Revisit and functionalize strategic plans for better cooperative management (SMART, review VMG, do SWOT analysis and Balanced Scorecard Framework)

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