ICAEM2015 ICOOP2015

The Joint International Conference on Agribusiness and Cooperatives

Theme: The Future of Agribusiness and Cooperative Enterprises: Examining Local and Global Contexts

CITATION

Gevero, Rustum D.* and Wilson C. Bation. 2015. "The Financial Performance of Selected Cooperatives in Cagayan de Oro City." Paper presented at the Joint International Conference on Agribusiness and Cooperatives, Davao City, Philippines, 14–16 October.

OPEN ACCESS POLICY

This material was presented during a conference organized by the Institute of Cooperatives and Bio-Enterprise Development (ICOPED), College of Economics and Management, University of the Philippines Los Baños, and the Office of Research of the University of the Philippines Mindanao. In support of the open access initiative, the organizers provide unrestricted access to these materials to foment wider dissemination and exchange of ideas. Authors are encouraged to practice self-archiving of their presentations for public use in a noncommercial repository. Copyright of this uploaded material remains with its author. For more downloadable materials, visit http://ojs.upmin.edu.ph/index.php/supplements

The Financial Performance of Selected Cooperatives in Cagayan de Oro City

Dr Rustum D Gevero
Dr Wilson C Bation
Xavier University

Outline

- Introduction
- Materials and methods
- Results and discussion
- Conclusions and recommendations

Outline

- **Introduction**
- Materials and methods
- Results and discussion
- Conclusions and recommendations

Introduction

- Objective
- Focus of the study
- Framework

Introduction

- Objective – financial performance
- Focus of the study – 5 cooperatives
- Framework – The type of cooperative will have an impact on the net surplus margin, return on assets, and revenue growth

Framework

Type of cooperative

Net profit margin

Return on assets

Revenue growth

Outline

- Introduction
- **Materials and methods**
- Results and discussion
- Conclusions and recommendations

Materials and Methods

- Setting and sampling
- Data gathering
- Definition of terms

Materials and Methods

- **Setting and sampling**

YEAR 2013 - 2014

1. Del Monte
2. First Community Cooperative
3. MSU Multipurpose Cooperative
4. Oro Integrated Cooperative
5. XU Community Credit Cooperative

Materials and Methods

- **Data gathering**

  Branch visits

  Annual reports

Materials and Methods

- **Definition of terms**

  Closed – institution/employee based

  Open – community/market based

Outline

- Introduction
- Materials and methods
- **Results and discussion**
- Conclusions and recommendations

Results and Discussion

- Basic profile
- Financial ratios
- Observations

Results and Discussion

- **Basic profile**

Cooperative	Membership
Del Monte	2,871
FICCO	222,160
MSU	4,200
OIC	137,726
XUCCCO	1,515

Results and Discussion

- **Basic profile**

Cooperative	Assets
Del Monte	Php 369 M
FICCO	8.5 B
MSU	1.3 B
OIC	2.2 B
XUCCCO	228 M

Results and Discussion

- **Financial Ratios**

COOPERATIVE	PROFIT MARGIN	RETURN ON ASSETS	REVENUE GROWTH
Del Monte (C)	87.46%	11.27%	7.98%
FICCO (O)	38.81%	5.40%	37.89%
MSU (O)	18.27%	1.74%	11.02%
OIC (O)	36.74%	6.22%	18.30%
XUCCCO (C)	74.87%	7.51%	5.63%

Legend: (C) closed-type, (O) open-type

Results and Discussion

- **Observations**

1. Average profit margin is 51%
2. Average revenue growth is 16%
3. Asset size and membership matter

Results and Discussion

- **Observations**

COOPERATIVE	PROFIT MARGIN	RETURN ON ASSETS	REVENUE GROWTH
Del Monte (C)	87.46%	11.27%	7.98%
FICCO (O)	38.81%	5.40%	37.89%
MSU (O)	18.27%	1.74%	11.02%
OIC (O)	36.74%	6.22%	18.30%
XUCCCO (C)	74.87%	7.51%	5.63%

Legend: (C) closed-type, (O) open-type

Outline

- Introduction
- Materials and methods
- Results and discussion
- **Conclusions and recommendations**

Conclusion

- Three conclusions
- Future research
- Proposed comparative studies

Conclusion

- **Three conclusions**

1. Closed type – high profit margins
2. Closed type – better asset efficiency
3. Revenue growth does not necessarily mean better profitability and higher efficiency

Conclusion

- **Future research**

  Individual cooperative studies for deeper appreciation and more specific suggestions

Conclusion

- **Proposed comparative studies**

1. Within the city comparisons
2. Inter-city studies: compare Cagayan de Oro with Bukidnon, Camiguin and the other cities of Region X

Thank you!

The Financial Performance of Selected Cooperatives in Cagayan de Oro City

Dr Rustum D Gevero

Dr Wilson C Bation

Xavier University

In a nutshell

- Financial performance of 5 co-ops
- Closed-type: institution based
- Open-type: community based
- Closed-type: did well in profitability and asset efficiency
- Open-type: had the better revenue growth rates
- Asset size and membership matter
- Next: Intra and inter-city studies