

BIBLIOGRAPHY

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ABSTRACT

The study was conducted to determine the level of awareness on the cooperative services, and the level of patronage of these services by members residing in Itogon, Benguet. Furthermore, the study made some recommendation that would enhance the level of awareness and patronage of members on the cooperative services. This was conducted on November 2008 to January 2009 in Itogon, Benguet.

Results showed that on the level of awareness to the services the members moderately aware on the cooperative services. For the level of patronage to services, the members sometimes patronize the services offered by the cooperative.

The members' reasons for low patronage on the cooperative services was because they do not need the services particularly the allied services of the cooperative except for the regular loan which was the mostly being patronize by the members.

It is recommended that the cooperative should conduct information disseminations or send some notices to the members in their places especially to remote areas. They need to be informed on the new services, especially the members who are

already old and less mobile, for them to know the proper requirement in patronizing such services.



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INTRODUCTION

Economic problem diversify and become more complex, as population continually grows. The present economic crisis needs a continuous search for solutions. A key step towards solving economic woes is through cooperation among fellowmen.

A cooperative member plays an important role in the cooperative organization. Without their loyalty and continuous patronage to the cooperative, it cannot continue to operate and serve its members. This is the unique set-up of a cooperative, which makes it different from a profit-oriented business.

According to Rafael Steinberg as quoted by Abasolo and Ruiz (1996) pg.1 “Mankind survives today through organizations,” since the existence of society started. The “bayanihan” spirit is one of our Filipino cultures, which is an evidence of helping our neighbors. Thus, through out history our society was been formed to achieve a common end and it helps members acquire their basic needs and empower them toward achieving their aspirations through organization and cooperation.

Cooperative is derived from the French word “cooperari”, which means to work with. Cooperative therefore, is an organization of persons who have voluntarily joined together to achieve a lawful common social economic end, making equitable contributions to the capital required and accepting a fair share of the risks and benefits of the undertaking in accordance with universally accepted cooperative principles. It is marked together and motivated by individual selfish end. Hence, the underlying motive behind this organization is service for members, who are the owners of the business to provide and satisfy their felt needs and desires.



The Philippine government has developed program towards the support of cooperatives, when they realize the importance of the cooperatives as an instrument in economic growth and stability as well as social justice.

The underlying motive behind the cooperative movement is service. In the Cooperative, members bind themselves in order that they may serve each other's needs. By pooling their resources together, members are able to harness their efforts for their mutual benefits.

Basically, the Baguio-Benguet Community Credit Cooperative (BBCCC) is a credit cooperative and as such lending is its main line of service. However, it also offers allied services for the ultimate benefits of its members. BBCCC was founded by the late Atty. Alexander Brillantes on October 11, 1958 as Baguio Teachers Credit Union Inc.. It started by fifteen (15) teachers of then St. Louis College (now St. Louis University) Based on the manger's report during the 49th annual general assembly meeting held last March 16, 2008, BBCCC's membership has now ballooned to 19,497 regular and associate active members as of June 2008. It was also indicated in this report that BBCCC had a better performance in 2007 than in 2006, despite the decrease in loans from Php.744,740,164.10 to Php. 718,829,011.05. During the same period, membership increased from 17,612 to 19,384; assets from Php 815,818,189.00 to Php.902,925,785 ; savings deposits from Php.60,261,815.00 to Php. 74,641,993.00; time deposits from Php.38,455,509.00 to Php.49,615,657.00; membership equity from Php. 614,562,303.00 to Php. 664,439,123.00; income from Php.98,501,400.00; and rate of interest on share capital from 5.5% to 5.82%.



BBCCC has gone a long way, thus for added value, it pools and mobilizes savings, grants loans, builds capabilities, provides consumer educations, opens revenue opportunities, spread risk and maximizes the purchasing power of members loans through the continuous support and patronage of the members on such services, every year end, BBCCC members may receive net savings from the cooperative, through interest on capital and patronage refund.

Furthermore, BBCCC is greatly encouraging its member to save regularly. Dr. Amparo Rimas (BBCCC President and Chairman of the Board of Directors at present) stated that it might be the appropriate time to remind all about the three solid foundations of successful credit cooperatives together with services of cooperative such as ours: Save regularly, borrow wisely, and pay promptly.

Generally, this study intends to find out the awareness of members, residing in Itogon, Benguet, on the services offered by the cooperative and their level of patronage to the different services of the cooperative.

Statement of the Problem

The study addressed the following questions:

1. What is the level of awareness of members on the services of BBCCC?
2. What is the level of patronage of members-borrower on the services offered by the cooperative?
3. What are the proposed policy recommendations in order to enhance members' awareness and patronage of the cooperative?



Objective of the Study

The following are the objectives of the study:

1. Assess the awareness level of members on the services of BBCCC.
2. Determine the level of patronage of members on the services offered by the cooperative.
3. Propose policy recommendations to enhance members' awareness and patronage of the cooperative services.

Importance of the Study

The result of this study would be used as a reference to future researchers, student, as well as readers who want to use the results of this study or further study the said cooperative. This information would be used by people in the cooperative to device strategies for improving the cooperative's services. In addition, result maybe a basis for members in enhancing their patronage and participation to the cooperative's activities.

Scope and Delimitation

This study mainly concentrated on the awareness of members on the services and determined their level of patronage.

Respondents included only those residing in the municipality of Itogon who had been members of Baguio-Benguet Credit Cooperative (BBCCC) for at least three years reckoning from the conduct of the study.

This study was conducted from December 2008- February 2009.



REVIEW OF LITERATURE

Services

Services as defined by the Webster's New World Dictionary is a system or method of providing people with the use of something, as electric power, water, transportation, mail delivery installation, maintenance, repairs etc.

A public service cooperative, as stated from the Cooperative code of the Philippines (R.A 6938) is one that is organize to render public service as authorized under a franchise or certificate of public convenience and necessity duly issued by the appropriate government agency. Furthermore, the cooperative code of the Philippines (RA 6938) states that a cooperative shall provide goods and services to its members and thus enable them to increase their income and savings, investment, productivity and purchasing power and promote among them equitable distribution of net surplus through maximum utilization of economic of scale, cost sharing and risk taking.

Calyaen (1996) as cited by Baglao (2002) stated that cooperatives are organized in accordance with economic needs of members. A cooperative must provide services, which are not available in the vicinity, improve those supplies already existing in other enterprises. Cooperative is an act of give and take by its members. It is an organization of people with common goal to attain the burden and privileges base from equal investment.

The Cooperative Development Authority (1996) emphasized that; to be successful a cooperative needs at least to maintain its volume of member's transaction, with increased competitive prices. Improved services may mean expanding the range of services offered to members or improving the delivery of existing services. It is true that the steps which have to be taken in order to expand or contract the life of a cooperative is



not to be found in the procedures or steps one takes in order to maintain its structure and organizational operations, but more covertly in the reasons why members would want to join.

The services of BBCCC cater mainly to the members but there are also services that non-members can avail. According to BBCCC they offers the following services to its members:

- a. Petty cash loan (PCL) - for small and immediate financial need.
- b. Regular loan (RL) - for productive or provident purposes.
- c. Special Contingency Loan (SCL) - for appliance financing, car repair, construction, furniture procurement.
- d. Special Service loan (SSL) - for any unforeseen event or any contingent financial liability.
- e. Grocery Purchase services (GPS) – for grocery goods and rice
- f. Hospitalization or Emergency Assistance Loan (HEAL) –for hospital confinement and medical emergency needs.
- g. Educational Loan (EL) - for tuition and school materials (books, etc.) and pertinent academic activities (researches, etc.)
- h. Pre-need Loan (PNL) - premium payment for insurance, health care, educational plan, memorial services, memorial lot, etc.

There are also some allied services, which members can also avail such as:

1. Lodging services. Members, including their relatives and friends, may avail of the cooperative's lodging facilities. They are requested to share in the cost for laundry, water and light and other costs.



2. Function Halls. There are available function halls that are rented at a reasonable cost.

3. Transportation services. Transport facilities are available for trips within or outside the city. Members use them on a cost-sharing scheme for the driver's salary and allowance, fuel cost, and other expenses.

Patronage

Patronage is derived from the Latin word "patronus", which means a regular customer or client who gives financial support to a commercial enterprise or in an organization.

The more members use the cooperative's service that is by selling through or buying from the cooperative, the more the patronage refund they will receive. It is therefore important for the cooperative to encourage members to patronize its services. (National Cooperative Business Association, 1996-2008).

Most cooperatives will have to rely on the member-generated funds to finance their operations. Member's financial stakes in the cooperative enforce greater accountability of the cooperative to members, build member participation in decision-making, and strengthen cooperative financial self-reliance and operational autonomy.

Most strategies for cooperative development require increased funds. The strategy for developing the cooperative so that it maintains or expands its market position should focus on operational efficiency and on patronage, on how the cooperative can maintain existing business and attract more business and new members. However, it also requires more working capital for the operation of the business of the cooperative. Aside from



working capital, it is also necessary that the cooperative should invest in fixed assets such as building and equipment in order to improve its operation.

Patronage Refund

Patronage refund shall be distributed to the members in proportion to their patronage to the services of the cooperative. The computation of patronage refund shall be in accordance with the cooperative policies and by-laws, the RA 6938.

The sum allocated for patronage refund and the patronage refund to be given to the individual patron is usually in accordance with the Cooperative Code of the Philippines or RA 6938, provided, that:

(a) In the case of a member patron with paid up share capital contribution, his proportionate amount of patronage refund shall be paid to him unless he agrees to credit the amount to his account as additional share capital contribution;

(b) In the case of a member patron with unpaid share contribution, his proportionate amount to his account as additional share capital contribution;

(c) In the case of non-member patron, his proportionate amount of patron age refund shall be set aside in a general fund for such patrons and shall be allocated to individual non-member patrons only upon request and presentation of evidence of the amount of his patronage. The amount such allocation shall be credited to such patron, toward payment of the minimum capital contribution for membership. When a sum equal to this amount has accumulated at any time within a period specified in the by-laws, such patron shall be deemed and become a member of the cooperative if he agrees or request and complies with the provisions of the by-laws for admission to membership.



(d) If within any period of time specified in the by-laws, any subscribed who has not fully paid his subscribed share capital or any non-member patron who has accumulated the sum necessary for membership but who does not request no agree to become a member or fails to comply with the provisions of the by0- laws for admission to membership, the amount so accumulated or credited to their account together with any part of the general fund or to the education and training fund of the cooperative, at the option of the cooperative

Through the patronage refund, members are actually saving while using the services of the cooperatives.

According to the CDA, other benefits derived from cooperatives are:

- a. Cooperative members develop the habit of thrift and savings
- b. Cooperative serves as the training ground for its members in simple business operation, democratic leadership and responsible citizenship.
- c. It offers opportunities to its member's benefit and progress.
Purposes, which may redound to their material benefits and progress.
- d. A cooperative teaches its members a better individual and better member of the society.

The cooperative members receive economic benefit by way of patronizing its services. Members who do not patronize the services of the cooperative are not entitled for patronage refund but only entitled to interest on their share capital investment in the cooperative.



Distribution of patronage refunds as cited by National Cooperative Business Association (NCBA, 1996-2008). If declared by the Board of directors, distributions were made nine months after the close of the fiscal year in which the declaration is made.



METHODOLOGY

Locale and Time of the Study

This study was conducted with the members of Baguio-Benguet Community Credit Cooperative (BBCCC) residing in the municipality of Itogon, Benguet from December 2008 to February 2009.

Respondents of the Study

The respondents of the study were the cooperative members. There were fifty respondents selected at random from the members of the cooperative residing in Itogon Benguet.

Data Collection

The data were collected using a questionnaire; however, the researcher guided the respondents in answering the questions and conducted a focus group discussion to ensure that instructions were fully understood.

Respondents answered questions using a likert scale with the following descriptions: 1- Fully Aware (FA)

2- Moderately Aware (MA)

3- Not Aware (NA)



- 1- Fully Patronize (FP)
- 2- Often Patronize (OP)
- 3- Sometimes (S)
- 4- Not Patronizing (NP)

Data Analysis

The data gathered were summarized and analyzed based on the objectives of the study. Appropriate descriptive statistical tools, such as percentages, averages weighted mean, and ranking were used in the analysis.

For each question, the weighted mean was computed as: $wm = \frac{WF}{N}$

The weighted mean correspond to a verbal description where:

<u>Arbitrary Value</u>	<u>Limit</u>	<u>Description Equivalent</u>
1	1- 1.66	Fully Aware
2	1.67-2.33	Moderately Aware
3	2.34-3.00	Not Aware

<u>Arbitrary Value</u>	<u>Limit</u>	<u>Description Equivalent</u>
1	1-1.74	Fully Patronize
2	1.75-2.49	Often Patronize
3	2.50-3.24	Sometimes
4	3.25-4.00	Not Patronizing



RESULTS AND DISCUSSION

Socio-economic Profile of Respondents

The respondents of the study consist of fifty members of BBCCC residing at Itogon, Benguet. The presented profile included their age, sex, civil status, highest educational attainment, Occupation, Religion, Household income, number of years being a member of the cooperative and membership to other cooperative.

Age. Table 1 shows the distribution of the respondents according to their age. The youngest was 22 years old while the oldest was 62 years old. The result shows that most (32%) of the respondents were 31 – 40 years old. Fifteen or 30 % each belonged to the age brackets of 41-50 years old. 18% to 20-30 years old, 16% to 51 – 60 years old. There were two or 4% who were 61-70 years old.

Sex. Majority of the respondents (62%) were female and only (38%) were male. This implies that there were more female members of BBCCC in Itogon than male.

Civil status. Majority (80%) of the respondents were married, (18%) were single and 1or 2% was widowed.

Educational attainment. Twenty-nine or 58% were college graduate while 20% were secondary graduate. Six or (12%) had obtained Vocational Technical course and five (10%) had postgraduate of degrees. None of the respondents had elementary level. This shows that most of the members have acquired a higher level of formal education.

Occupation. As shown in the Table 1, most of the members 13(26%) were self-employed, 11 (22%) were government employees, 10(20%) were businessperson. There



were 7 (14%) respondents who are farmers and 7 (14%) were students, housewife and tutors. The rest (4%) were employed in private firms.

Religion. Most of the respondents, (84%) were Roman Catholic, three or 6% were Baptist, while 4 (8%) belonged to the sect of Evangelical and Born Again Christian.

Household income per annum. Twenty-five (50%) of the respondents earned P100, 000 to P150, 000 per year. There were sixteen (32%) who earned below P100, 000 a year. While six (12%) earned of P151, 000 to P200, 000 and three (6%) earned above P200, 000 a year.

Years of membership in the cooperative. The result shows that most (42%) of the respondent has been members of the cooperative for about three years while the other thirteen (26%) for four years. Nine (18%) were members for almost six years. One of them had been a member for nine years. This result shows that most of the respondents had been a member of the cooperative for a short time during this study.

Table 1. Profile of the respondents

PARTICULARS	FREQUENCY	PERCENTAGE
	F	(%)
Age		
20-30	9	18
31-40	16	32
41-50	15	30
51-60	8	16
61-70	2	4
TOTAL	50	100



Table 1 Continued...

PARTICULARS	FREQUENCY	PERCENTAGE
	F	P
Gender		
Females	19	38
Males	31	62
TOTAL	50	100
Civil Status		
Single	9	18
Married	40	80
Widow	1	2
TOTAL	50	100
Educational Attainment		
Elementary	0	0
Secondary	10	20
Vocational/Technical	6	12
College	29	58
Post College	5	10
TOTAL	50	100
Occupation		
Farmer	7	14
Businessman/woman	10	20
Employed in private firm	2	4
Self Employed	13	26
Government Employee	11	22
Others	7	14
TOTAL	50	100



PARTICULARS	FREQUENCY	PERCENTAGE
	F	P
Religion		
Roman Catholic	42	84
Evangelical	2	4
Full Gospel Christian	1	2
Born Again Christian	2	4
Baptist	3	6
TOTAL	50	100
Household Income		
Below P100,000	16	32
P100,000 to P150,000	25	50
P151,000 to P200,000	6	12
Above 200,000	3	6
TOTAL	50	100
Years of membership in the cooperative		
3 years	21	42
4 years	13	26
5 years	9	18
6 years	6	12
9 years	1	2
TOTAL	50	100

Membership to Other Cooperatives

Table 2 presents that aside from being a member of Baguio-Benguet Community Credit Cooperative, some of the respondents were members of other cooperatives. Four



(8%) were members of other cooperative such as, the BARP, Itogon Employees Cooperative, Ucab Cooperative while (92%) were not members of other cooperative.

Table 2. Membership to other cooperative

RESPONSE	FREQUENCY F	PERCENTAGE (%)
Yes	4	8
No	46	92
TOTAL	50	100
Name of the cooperative		
1.BARP	1	2
2.Itogon Employees Cooperative	2	4
3.Ucab Cooperative	1	2
TOTAL	4	8

Level of Awareness on the Services of the Cooperative

The result of the study shows that majority of the members were aware on the services of the cooperative. With a scale of 1 to 3 with 1 as fully aware and 3 as not aware, the general weighted average was 1.73 which means that members are moderately aware of all the services of the cooperative. Table 3 presents that the members are fully aware of the following services: petty cash loan (1.72), regular loan (1.20), special contingency loan (1.36), special service loan (1.42), grocery purchase service (1.42), on the other hand they are moderately aware of the following services: hospitalization and emergency assistant loan (1.68), educational plan (1.72), pre-need loan (2.06), lodging services (2.14), function halls (2.08), and transportation services (2.22).



This finding implies that the members are fully aware of the most common services offered by cooperatives and less aware on the services that are not usually offered by cooperatives.

Table 3.Members level of awareness on the services

COOPERATIVE SERVICES	LEVEL OF AWARENESS		
	Weighted Frequency	Weighted Mean	Description
1.Petty Cash Loan (PCL)	73	1.72	Moderately Aware
2.Regular Loan (RL)	60	1.20	Fully Aware
3.Special Contingency Loan (SCL)	68	1.36	Fully Aware
4.Special Service Loan (SSL)	71	1.42	Fully Aware
5.Grocery Purchase Loan (GPL)	71	1.42	Fully Aware
6.Hospitalization and Emergency Assistant Loan (HEAL)	84	1.68	Moderately Aware
7.Educational Loan (ED)	86	1.72	Moderately Aware
8.Pre-need Loan (PL)	103	2.06	Moderately Aware
9.Lodging Services (LS)	107	2.14	Moderately Aware
10.Function Halls (FH)	104	2.08	Moderately Aware
11.Transportation Services (TS)	111	2.22	Moderately Aware
AVERAGE WEIGHTED MEAN		1.73	Moderately Aware

FA- Fully Aware MA- Moderately Aware NA- Not Aware



Reasons of not Being Aware on the Services

Table 4 shows that 19 (38%) of the respondent were not aware because they have not been attending the general meeting which the cooperative conducts annually, (34%) said there was lack of information drive since, their places are miles away from the cooperative. The reason for not attending the meeting was time conflict with their work and Sunday services.

This finding shows that some members are not aware of the services of the cooperative because their residence is very far from the cooperative.

Level of Patronage of Members on the Cooperative

Table 5 presents the level of patronage of members on all the cooperative services With a scale of 1 to 4, with 1 as fully patronize and 4 as not patronize, the general weighted mean was 2.88 which is interpreted as sometimes patronize. The table presents that the members were often patronizing the following services: petty cash loan (1.98),and regular loan (2.16). The following services are sometimes patronize : special contingency loan (2.78), special service loan (2.94), grocery purchase loan (2.34)

Table 4. Members reasons of not being aware on the services.

REASONS	FREQUENCY	PERCENTAGE (%)
Not attending the general assembly meeting	19	38
Lack of information drive	17	34
TOTAL	36	72



Table 5. Members level of patronage on the cooperative services

SERVICES OF THE COOPERATIVE	LEVEL OF PATRONAGE		
	Weighted Frequency	Weighted Mean	Description
Petty Cash Loan (PCL)	99	1.98	Often Patronize
Regular Loan (RL)	108	2.16	Often Patronize
Special Contingency Loan (SCL)	139	1.78	Sometimes
Special Service Loan (SSL)	147	2.94	Sometimes
Grocery Purchase Loan (GPL)	117	2.34	Sometimes
Hospitalization and Emergency Assistant Loan (HEAL)	146	2.92	Sometimes
Educational Loan (ED)	142	2.84	Sometimes
Pre-need Loan (PL)	166	3.32	Not Patronizing
Lodging Services (LS)	170	3.40	Not Patronizing
Function Halls (FH)	177	3.54	Not Patronizing
Transportation Services (TS)	171	3.42	Not Patronizing
AVERAGE WEIGHTED MEAN		2.88	Sometimes

FP- Fully Patronize OP- Often Patronize S- Sometimes NP- Not Patronizing

hospitalization and emergency assistant loan (2.92), educational loan (2.84), while the following services are not being patronize by the members: pre-need loan (3.32), lodging services (3.40) function halls (3.54),and transportation services (3.42).



This findings implies that members of BBCCC residing in Itogon, Benguet often patronize the petty cash loan and regular loans, and less patronize the other services. This could be due to their moderate awareness on the other services as found earlier.

Reasons for Low Patronage on the Cooperative Services

Table 6 presents three reasons why the members less or not patronize the cooperative services. These were: the members do not need the services of the cooperative, members cannot meet the requirement and difficult to avail the services.

Reasons for low patronage on petty cash loan. There were about fifteen or 30% of the respondents who do not need the service. Two (4%) of the respondents mentioned that they cannot meet the requirement and one (2%) said it is difficult to avail of the service due to far location of the cooperative.

Reasons for low patronage on regular loan. Only 20% of the respondent mentioned that they do not need the regular loan, but there were four (8%) who said that they could not meet the requirement. None of the respondents mentioned that they are hard up in availing the service since regular loan are mostly needed and patronized by the members.

Reasons for low patronage on special contingency loan. Most of the respondents (40%) do not need the special contingency loan. Four (8%) mentioned that they cannot meet the requirement and 8% said that it is hard to avail the service.

Reasons for low patronage on special service loan. Twenty-nine (58%) of the respondent do not need the service and six (12%) cannot meet the requirement .None mentioned that they are hard up in availing the service.



Reasons for low patronage on grocery purchase loan. Eighteen(36%) of the respondent do not need the services since, their houses are near to grocery or stores where they purchase their good. According to them they are only after of the loan services. Two (4%) cannot meet the requirement and none of the respondent are hard up in availing the service.

Reasons for low patronage on hospitalization and emergency assistant loan. Most of the respondents (58%) do not need the service since they have health insurance program. Two percent each cannot meet the requirement and hard up in availing the service.

Reasons for low patronage on educational loan. Most of the respondents (58%) do not need the services. One (2%) of the respondent cannot meet the requirement and 2% said that it is hard to avail the educational Loan.

Reasons for low patronage on pre-need loan. Seventy-two percent of the respondents do not need the service while four (8%) cannot meet the requirement. Six of the respondents were hard up in availing the pre-need loan.

Reasons for low patronage on lodging services. Thirty-seven (74%) do not need the service while four (8%) cannot meet the requirement .Three (6%) were hard in availing the service because their place is very far so even if they sometimes need the service, they could not avail.

Reasons for low patronage on function hall services. Majority (80%) of the respondent do not need the function hall for rent while two (4%) respondent mentioned that they could not meet the requirement. Three (6%) were hard up in availing the services.



Reasons for low patronage on the transportation services. Majority (84%) of the respondent do not need the transportation service while two (4%) respondent mentioned that they could not meet the requirement. Three (6%) were hard up in availing this services.

Table 6. Members reason for low patronage on the cooperative services

REASONS	DO NOT NEED THE SERVICES		CANNOT MEET REQUIREMENT		HARD TO AVAIL SERVICES	
	F	%	F	%	F	%
PCL	15	30	2	4	1	2
RL	10	20	4	8	0	0
SCL	20	40	4	8	4	8
SSL	24	58	6	12	0	0
GPL	18	36	2	4	0	0
HEAL	29	58	1	2	1	2
ED	29	58	1	2	1	2
PL	36	72	4	8	2	4
LS	37	74	4	8	3	6
FH	40	80	2	4	3	6
TS	42	84	2	4	3	6

Benefits Derived by Members from the Cooperative

Table 7 shows the distribution of respondents according to the benefits derived from patronizing the cooperative service. There were about 86% who claimed that it is because of the patronage refund that they patronize the cooperative. Thirty-five (70%) respondents said that in cooperatives, they got gift, rebates and bonuses on special occasion especially on Christmas. Easier credit terms on their purchases compared to



what other lenders offer as indicated by 22(44%) respondents. Twenty-one (42%) of the respondent said that they are granted for higher purchase on credit. Eight (16%) said that they were granted discount on prices for grocery and charges on credit every time they avail on the service of the cooperative.

This findings shows that members derived different benefits from the cooperative.

Table 7. Benefits derived by members from the cooperative

BENEFITS	FREQUENCY	PERCENTAGE
	F	(%)
Gift, rebates and bonuses	35	70
Granted for higher credit or services	21	42
Granted discounts on grocery prices and charges on credit	8	16
Patronage refund	22	44
Others	43	86



Problems Met during the Availment on the Services

Table 8 presents that during their availment on the services of the cooperative, majority (84%) of the respondent said that they did not meet any problem while eight (16%) of the respondent mentioned some problems regarding on the availment of the services. One mentioned that staff sometimes mismanage the records of their members. Although the other services are very helpful, like the grocery purchase, members cannot easily avail because they are far away thus, it is hard for them to travel to the cooperative to purchase grocery. In loan availment, some members cannot meet the requirement especially if it needs to have collateral.

Table 8. Member's responses on problems meet during the availment on the cooperative services

RESPONSE	FREQUENCY F	PERCENTAGE (%)
Did you have any problem?		
Yes	8	16
No	42	84
TOTAL	50	100
Problems mentioned		
Staff mismanagement on members records	1	2
Member's are far from the cooperative	3	6
Collaterals	2	4
Cannot meet some requirement	2	4
TOTAL	8	16



SUMMARY, CONCLUSION AND RECOMMENDATION

Summary

The respondents of the study were 50 members of Baguio-Benguet Community Credit Cooperative, who were residing in Itogon, Benguet. The study determined the level of awareness and patronage of the member-respondents towards the services of the cooperative.

The specific objectives of the study were the following: (1) to assess the awareness level of members on the services of BBCCC (2) determine the level of patronage of members on the services offered by the cooperative (3) propose policy recommendation to enhance members' awareness and patronage of the cooperative services.

The data was collected with the use of survey questionnaire and interview. The interview was done by the researcher at the municipality of Itogon. The data were analyzed using descriptive statistical tools such as frequency, percentages and mean.

The study found that most of the members belonged to age bracket of 31-41 years old, female, married, college graduate and were members of the cooperative for at least 3 years. Most of them were self-employed and government employees. Likewise, most of the respondent had an income ranging from P100, 000 to P150, 000 per annum.

It was determined that on the average, members were moderately aware on the services offered by the cooperative.

Most reasons of members for not fully aware on the cooperative services of BBCCC was because of not attending the meeting and lack of information drive by the cooperative.



Out of the 11 services offered by the cooperative, 1 was fully patronize, 2 were often patronize, 3 were sometimes patronize, while 4 were not patronized by the members in Itogon.

There were members who do not patronize some of the services because they were hard up in availing or sometimes cannot meet the requirement. Others do not patronize because they do not need the services. However, majority of the members patronize the various services of the cooperative because they could get patronage refund every time they patronize the services.

Although majority of the members did not meet any problem in the availment of these services, there were a few who encountered some problems like: staff mismanagement on members records, member's are far from the cooperative, collaterals, cannot meet some requirement.

Conclusions

Based on the forgoing findings, the following conclusions were drawn:

1. members of BBCCC residing in Itogon, Benguet were moderately aware of its services due to far location and lack of information drive.
2. Some of the services of the cooperative were not patronized by the members in Itogon because of the far location and some of the services, like transportation and function hall were not needed by them



Recommendations

1. The cooperative should conduct information disseminations or send some notices to the members in their places especially on remote areas. They need to be informed on the new services, especially to the members who are already old and less mobile, for them to know the proper requirement in patronizing such services.

2. Grocery items are the basic need of the members but they cannot often go to the cooperative to buy their needs because they are far. So that these members could be served by the cooperative maybe the cooperative could establish a branch in Itoyon so that it would be accessible to the members there. In this way they would increase their patronage to the cooperative. The members would also be informed about new developments in the cooperative through the branch store. It is therefore recommended that the board of directors and other leaders concerned to study the possibility/feasibility of branching out the grocery store to different places where there are many members.



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APPENDIX A

Communication Letter

DEPARTMENT OF AGRICULTURAL ECONOMICS
AND AGRIBUSINESS MANAGEMENT (DAEAM)
Benguet State University
La Trinidad, Benguet

August 2008

Veronica Cardona
Manager
Baguio _ Benguet Community Credit Cooperative
#56 Cooperative Street, Corner Assumption Road Baguio City

Madam:

Warm greetings!

In connection with my research on Awareness and Patronage of Members of BBCCC on the Cooperative Services 2008-2009 of Benguet State University. I have the honor to request permission to conduct study and float my questionnaires to your member-borrowers and prospect members.

Additionally may I also request from your good office the list of names and address of your members especially those residing at the municipality of Itogon?

Thank you very much for your favorable action regarding this request. Your favorable action will be highly appreciated.

Sincerely Yours,

MARY ANN A PATRICIO.
(Researcher)

Noted:

EVANGELINE B. CUNGIHAN
Adviser



APPENDIX B

LETTER TO THE RESPONDENTS

College of Agriculture
 DEPARTMENT OF AGRICULTURAL ECONOMICS
 AND AGRIBUSINESS MANAGEMENT
 Benguet State University
 La Trinidad, Benguet

SIR/MADAM

The undersigned is a student of this institution taking up Bachelor of Science in Agribusiness major in Cooperative Management. As part of our requirement to finish, the course is to conduct research. I am presently conducting data gathering for my research titled **“AWARENESS AND PATRONAGE OF MEMBERS OF BBCCC RESIDING AT ITOGON BENGUET ON THE COOPERATIVE SERVICES”** this research aim to find out the level of awareness of members on the services of BBCCC; determine the level of patronage of members on the services offered by the cooperative; and propose policy recommendations to enhance members’ awareness and patronage of the cooperative services.

Hoping that this humble effort can help surface problem areas to which strategies in the management of cooperatives, may I please request you to spare me a little of your time to become part of this study by answering the attached survey questionnaire. I understood that you are busy but I am convinced that no one else but you, as member of the cooperative can supply insights on the topic. Your contribution to this work will be greatly appreciated.

Please be assured that confidentiality of your responses will be strictly observed and information will be treated in aggregate form.

Thank you very much for the time and effort you have invested in this study.

Sincerely Yours,

MARY ANN A. PATRICIO
 Researcher

NOTED:

EVANGELINE B. CUNGIHAN
 Adviser



SURVEY QUESTIONNAIRE

Direction: Please fill-up the blanks with the needed information and check the parenthesis, which fits your answers.

I. GENERAL INFORMATION

1. Name of respondents (optional) _____ 2. Age _____

3. Sex _____ 4. Civil Status _____

5. Highest Educational Attainment

- () Elementary () College
 () Secondary () Post college
 () Vocational / Technical
 () Others, Specify _____

6. Occupation

- () Farmer
 () Businessman
 () Employed in Private Firm
 () Government Employee
 () Others, Please specify _____

7. Religion: _____

8. Household Income per annum:

- () Below P100,000
 () P100,000 to P150,000
 () P151,000 to P200,000
 () Above 200,000



9. Number of years being as member of the cooperative. _____

10. Are you a member of another cooperative? _____ Yes _____ No

11. If yes, please specify the name of the cooperative _____

II. AWARENESS ON THE SERVICES OF THE COOPERATIVE

Please indicate your perceived level of awareness on the following cooperative services of BBCCC by checking the appropriate column. Each column corresponds to a specific awareness level as follows:

Legend: FA = Fully Aware

MA= Moderately Aware

NA= Not Aware

COOPERATIVE SERVICES	FA	MA	NA
1. Petty Cash Loan (PCL)			
2. Regular Loan (RL)			
3. Special Contingency Loan (SCL)			
4. Special Service Loan (SSL)			
5. Grocery Purchase Service (GPS)			
6. Hospitalization and Emergency assistant Loan (HEAL)			
7. Educational Loan (EL)			
8. Pre-need Loan (PL)			
9. Lodging Services (SL)			
10. Function Halls (FHS)			
11. Transportation Services (TS)			



Reasons of not being aware on the services

() Not attending the meeting

() Lack of information drive

III. LEVEL OF PATRONAGE ON SERVICES

Legend:

OP = Often patronize - at least patronized the service 5 times for the past three years

FP = Fully patronize - the loan is renewed every time it is paid or half paid.

S = Sometimes - at least 3 times for the past three years

N = Not at all- never patronized for the past three years

COOPERATIVE SERVICES	OP	S	FP	N
1. Petty Cash Loan (PCL)				
2. Regular Loan (RL)				
3. Special Contingency Loan (SCL)				
4. Special Service Loan (SSL)				
5. Grocery Purchase Service (GPS)				
6. Hospitalization and Emergency assistant Loan (HEAL)				
7. Educational Loan (EL)				
8. Pre-need Loan				
9. Lodging Services (SL)				
10. Function Halls (FHS)				
11. Transportation Services (TS)				



Reasons for low patronage or not patronizing:

Legend:

- 1- Do not need the services
- 2- Cannot met the requirement
- 3- Hard to avail the services

COOPERATIVE SERVICES	1	2	3
1. Petty Cash Loan (PCL)			
2.Regular Loan (RL)			
3.Special Contingency Loan (SCL)			
4. Special Service Loan (SSL)			
5.. Grocery Purchase Service (GPS)			
6. Hospitalization and Emergency assistant Loan (HEAL)			
7. Educational Loan (EL)			
8. Pre-need Loan (PL)			
9. Lodging Services (SL)			
10.Function Halls (FHS)			
11. Transportation Services (TS)			

3. What benefits do you acquire/ get when you patronize your cooperative?

- Gift, rebates and bonuses
- I am granted for higher credit / services
- I am granted discount on price for grocery and charges on credit.



- () Easier credit terms compared to others lenders
- () Patronage Refund
- () Others, please specify_____.

4. Have you met any problem on the availment of services of the cooperative?

_____yes _____no

If yes, please mention the problems_____

_____.

IV. What are the policy you would recommend to enhance members' awareness and patronage on the cooperative services?

Policy recommendations on awareness of the services

- a. _____
- b. _____

Policy recommendations on patronage of the services

- a. _____
- b. _____

