

BIBLIOGRAPHY

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ABSTRACT

This study was conducted in Central, Kabayan, Benguet in January 2007 to determine the profile of the respondents, the attitudes of the members towards savings and to find out the problems encountered by the members with regards to savings.

The source of data in the study were 100 respondents who were chosen at random. The data were gathered through survey questionnaire. The questionnaire made use of attitude scales described as: Strongly Agree (SA); Agree (A); Uncertain (U); Strongly Disagree (SD); and Disagree (D). Each was given an equivalent numerical value: SA=5; A=4; U=3; SD=2; D=1.

The three highest mean ratings where the respondents agreed on with regards savings were: a) savings provides an emergency fund; b) savings provides money to meet budget by readily making available cash when needed; and c) savings can be used for specific future use.

Some of the members were undecided or uncertain whether their membership in the cooperative is for the purpose of saving only.

Accessibility of the cooperative is the primary reason that encouraged the respondents to save. Members maintained their savings in the cooperative by depositing monthly. With regards to the problems encountered, most of the members cannot withdraw because they forget their passbook with them and that the cooperative savings were not clear to them.

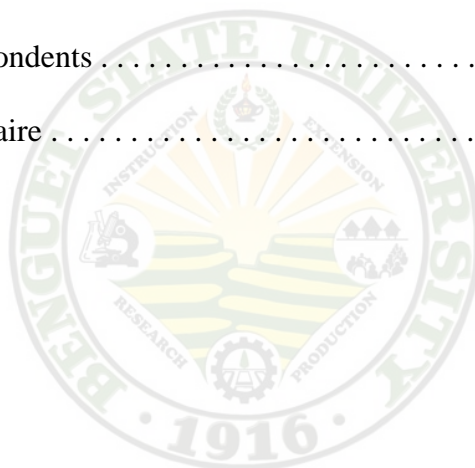
Most of the respondents' suggestion to improve savings in the cooperative was: higher interest rate and policies should be clear and understandable.

With the aforementioned results, the following recommendations are proposed: a) policies of the cooperative on savings should be explained well to the members, b) it is also important for the cooperative to instill to the member other values of saving aside being a source of "emergency fund", c) the staff or officers should orient and familiarize the members about savings or include this during pre-membership education seminar (PMES).

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INTRODUCTION

Rationale

Success is the product struggles and trails. Those who persevere will succeed. In the Philippines, cooperatives are considered institutions for economic growth and development.

Kabayan Multipurpose Cooperative (KMPC) is one of the most stable cooperative in the country, in spite of the various problems it has encountered through the years. It is also the oldest among the cooperatives in Kabayan. The organization started with the initiative of Mr. Florentino S. Merino, a resident from the area providing financial assistance to the farmers. With the help, encouragement and moral support of the parish priest Rev. Alfonso Coymans; the Kabayan Parish Catholic Farmers Association was formed or organized on July 16, 1966. Not to limit its membership only to Catholic farmers, the Kabayan Parish Catholic Farmers Association was converted to Kabayan Credit Cooperative Incorporated with registration No. 5373 with MLGCD/BCOD on November 28, 1972. Although it was registered as a multipurpose cooperative on April 02, 1994 with the Cooperative Development Authority (CDA), at the start KMPC had only sixty members, which composed of 40 males, and 20 females until it grew up to 1,090 members at present. It operates as a province wide membership to promote savings, extend loans and promote wise use of money among its members. Membership composition of the cooperative includes government employees, farmers and entrepreneurs. Miranda (2001) stated that savings bank is merely the culmination of attempts of thrifty people to provide for the proverbial “rainy day”. Workmen practically



in all parts of the world have organized societies among themselves with the primordial purpose of saving a part of their earnings in order to meet the contingencies of slack times, sickness, old age and death.

There are Filipinos who can afford to save a little of their income. Because the amount is not big, they are not inclined to deposit the money in banks for safety or invest it for interest. The organization of savings cooperative gives the small savers a convenient institution (Jayoma, 1978).

Taking the objectives of the KMPC into consideration, a study of the attitudes of members towards saving is necessary in order to introduce policies or interventions to promote savings in the cooperative among members.

Statement of the Problem

Considering the aforementioned situation, this study seeks to describe the attitudes of the KMPC members towards savings in answer to the following questions:

1. What is the profile of KMPC members?
2. What are the attitudes of members towards savings?
3. What are their problems with regards savings?

Objectives of the Study

The study aims to:

1. Determine the profile of KMPC members.
2. Determine the attitudes of the members towards savings.
3. Find out the problems with regards savings.



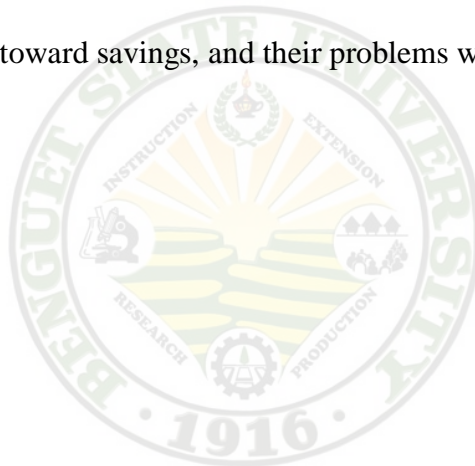
Importance of the Study

The findings of this study will serve as information for the members of KMPC and any other financial institutions on savings attitude of people.

Furthermore, the study will serve as a reference material for economics and agribusiness students, especially the cooperative management majors.

Scope and Limitation of the Study

This study concentrates on determining the profile of 100 KMPC members, the attitudes of the members toward savings, and their problems with regards savings.



REVIEW OF LITERATURE

Attitudes

Aldog and Stearns (1987), defined attitude as the beliefs, feelings and behavioral tendencies held by the person about an object, event, or person (called the attitude object).

Lauer and Handel (1983) as cited by Darcio (2001) recognize that the nature of attitudes; their interrelationship and their interrelationship and their relationships to behavior are complex. This complexity underlies the apparent disparity between attitudes and overt behavior as a number of researchers have shown. This can point out that attitudes may not reflect inadequacies in research rather than that lack of relationship between attitudes and behavior.

According to Ivancevich (1994), attitudes are determinants of behavior, because they are linked with perception, personality and motivation. An attitude is a mental state of readiness learned and organized through experience, exerting a specific influence on a person's response to people, object and which it is related. This definition of attitudes has certain implication for the managers. First, attitudes are learned. Second, an attitude defines one's predispositions toward given aspects of the world. Third, attitudes provide the emotional basis of one's interpersonal relations and identification with others. And fourth, attitudes are organized and are close to the core of personality. Some attitudes are persistent and enduring. Yet, like each of the psychological variables attitudes are subject to change.



An attitude is a positive or negative tendency in relation to an object. An attitude varies in degree from being extremely favorable to extremely unfavorable. One, which is neither for nor against something neutral. An attitude that includes both positive and negative tendencies is ambivalent.

Furthermore, attitudes are likes and dislikes, affinities for, and aversions to objects, person, groups, situations and any other identifiable aspects of the environment including abstract ideas and social policies. We often express our attitudes in opinion statement but even though they express our attitudes in opinion statement but even though they express feelings, attitudes are linked to cognition, specifically to beliefs about the attitude objects (Dequit, 2003).

Care about Attitudes

It might seem that managers should be concerned about employees' behavior, not their attitudes (Aldog and Stearns, 1987). In fact, there are a number of reasons why employee attitudes should be of concern to managers. First, attitudes maybe related to behavior. Second, work attitudes maybe related to things of direct concern to the employee such as stress levels, ability to sleep, and attitudes toward other aspects of life.

Furthermore, attitudes are important for their own sake, independent of their consequences. Employees spend half their waking lives at work. Caring managers may want to learn how to make the working hours of employees more pleasant.



Measuring Attitudes

Social psychologist typically measures attitudes by having subject's judge objects on scale that range from " good to bad" or "agree to disagree".

A number of methods have been devised to measure attitudes. These commonly consist of number of statements on some topic, on which people are divided, such as attitudes toward labor unions, church, political radicalism or conservatism, women's right and so on. The scales have proven useful in discovering the attitudes of various parts of the population on important issues and in studies of attitude change.

According to Gordon (1991), an attitude is a consistent predisposition to respond to various aspects of people, situation on objects. Since attitude is a hypothetical construct and cannot be observed, we only infer it from a person's behavior or verbal expression. We might, for example determine an individuals job for satisfaction by inferring it from his or her general demeanor on the job or by asking the person to describe his attitude. The strength of an attitude depends first on the type of experience, the stronger the attitude. Second, the attitude strength increases along with the number of times it has been expressed the more often a worker expresses dissatisfaction with his or her job, the stronger the attitude becomes. Determining attitudes should be part of the description phase of the diagnostic approach.

Moreover, attitudes are sometimes linked to actions we take with respect to the attitude objects. Accordingly, social psychologists have studied as one component of three-part-systems. Attitudes cannot be objectively judged to be right or wrong.



Saving

The Member-Saving Operations (MSO) is consistent with Article 5 of the Cooperative Code, which states that the first purpose in which a cooperative may be organized is to encourage thrift and savings mobilization among members (Cooperative Financial Intermediation Development Program Manual, 1997).

Miranda (2001) stated that the rules of governing deposits and withdrawals in savings are printed in the passbook. All deposits and withdrawals shall be made only with the proper presentation of passbook. In the case of withdrawals, it must be made by the depositor in person by filling out a withdrawal slip-receipt form furnished by the bank. However, in certain exceptional cases, the bank may permit a person other than the depositor himself to make withdrawals, with the written authority of the depositor given in such form and with such authentication, as the bank may seem necessary.

Savings require foregoing consumption today in order to be able to consume more tomorrow. Individual, businesses, government, and countries can save. An individual's saving is the difference between the person's disposable income and his/her consumption expenditures. Disposable income minus taxes paid to the government plus transfer payment, such as employment insurance benefits. Consumption expenditures cover a variety of expenses, such as groceries and house rent.

Most families do not question the importance of a family "nest egg". Savings in the form of bank accounts, savings bonds, money in credit unions, or in some other form, which can quickly and easily be converted into cash, are essential to sound financial management. In addition to the amount on deposit in savings accounts or with other



financial institutions, most families save for the future through deductions from their earnings for social security and private pension plans (Hobart et al., 1977).

Money used for some forms of life insurance, medical and hospitalization insurance and for payments on the principal of a mortgage is also considered as a form of savings. In addition to the life insurance provided for the production of dependents, half of one year's income should be available in ready cash. After such an emergency fund has been established, then the family may be ready to consider other desirable expenditures. These might include savings for home, a college education for the children, or for a long vacation (Hobart et al., 1977).

Saving is important to the economic progress of a country because of its relation to investments. If there is to be increase in productive wealth, some individuals must be willing to obtain from consuming their entire income. Progress is not dependent on saving alone; there must also be individuals willing to invest and thereby productive capacity (New Encyclopedia Britannica, 1997).

Objective of Savings Program

Savings mobilization aims to create awareness/consciousness and encourages members to participate in cooperative savings generation; develop self-reliance among cooperatives through generation of funds that will finance their own operations, and institutionalize the mechanism in usual enterprise or members livelihood project and expansion of cooperative projects. (CDA, 1998).

Higher income enhances an individual's ability to save, and higher interest rates also encourage saving.



Savings protect an individual from uncertainties regarding future income and expenses. In the event of an accident or job loss, the individual can use past savings. Unused savings can be willed to loved ones. Savings is a key to economic growth and development, because savings are used to finance investment in new capital. The importance of Savings are: 1) effective way to increase funds, which can be converted into cash if necessary; 2) the earlier savings begin, the greater the impact of compounding. The reasons for savings are: 1) provides money to meet budget by making available cash reserves; 2) provides an emergency fund in the event of financial hardship; 3) enables saver to put aside money for a specific future purpose.

Savings are also an excellent form of protection against want in case of sickness, during old age, or in the event of death of a person who has dependents (Grabhe et al., 1966). It is true that the federal government and many businesses provide pensions for retired workers. Also through insurance it is possible to decrease the risk of loss that is caused by the sickness or the death of a wage earner. But pension and insurance usually take care of one's minimum needs only. Savings provide the extras that are often so desirable.

Thus, the rationale for the cooperative savings mobilization program is to gather more funds for more productive endeavors that would increase the earnings of the members (CDA, 1994).

Constraints in Savings

Mobilizing savings is easier said than done especially for low-income earners unless teamed with patience and innovativeness, savings promoters find it difficult to



convince and motivate members to save due to low income. Also, because of low earnings, amounts accumulated are usually small to cover collection and other administrative cost and make savings mobilization cost (Savings Mobilization for Cooperative, 1994).

Furthermore, the problem faced by cooperative after saving operation launching is often how to sustain member's enthusiasm in patronizing the member savings facility (Cooperative Financial Intermediation Development Program, 1997).



METHODOLOGY

Locale and Time of the Study

The study was conducted in Central Kabayan, Benguet on January 2007. Figure 1 shows the location of the study.

Respondents of the Study

The respondents of the study were the member-savers of Kabayan Multi-purpose Cooperative (KMPC). There were 100 respondents chosen at random from 1,090 members. Substitution was done for the identified respondents who were not available.

Data Collection

The researcher to gather data used survey questionnaire. The researcher also interviewed some key informants to get details. The questionnaire made use of attitude scale with the following description: Strongly Agree (SA); Agree (A); Uncertain (U); Strongly disagree (SD); and Disagree (D). Each was given an equivalent numerical value: SA = 5; A = 4; U = 3; SD = 2; and D = 1.

Data Gathered

The data gathered include: a) profile of the KMPC members; b) attitudes of the members toward savings; and c) problems encountered by the members towards savings.



Data Analysis

The data gathered in this study were tabulated and analyzed with the use of frequency tables and percentages.



RESULTS AND DISCUSSION

Profile of the Respondents

Table 1 shows the general information of the respondent's according to age, sex, civil status, number of household members, number of years of membership in the cooperatives, monthly salary, kind of membership, educational attainment and occupation.

Age. Out of the 100 respondents, 29% are within the age bracket of 31 to 40 years old, 21% within 41 to 50, and 51 to 60 respectively. There were 11% within 61 to 70 years and 10% within 21-30, 5% within 71 to 80, 2% within 10 to 20 year and 1% within 81to 90 years. The mean age of the respondents is 46.19 years.

Sex. Majority (65%) of the respondents are female while 35% are male.

Civil status. Eighty-seven (87%) of the respondents were married, 12% were single and 1% widower.

Number of household members. Almost all (99%) of the respondents have 1 to 10 household members and only 1% have 11 to 20 members.

Number of years of membership. Majority (59%) of the respondents have been members for about 1 to 10 years, 22% have been members for 11 to 20 years, 12% have been members for 21 to 30 years and 4% have been members for 31 to 40 years. The average number of years of membership in the cooperative is 12.81 years.

Monthly salary. Thirty two years (32%) of the respondents have a monthly salary range within Php11,000 to Php20,000, while 25% are within Php1,000 to Php10,000 salary range.



Kind of membership. Ninety-two percent (92%) of the respondents are regular members, which means that they have capital subscription and paid the minimum paid – up capital while 8% are associate members.

Educational attainment. A great majority (63%) of the respondents have gone to college, 21% have gone to secondary school, 14% have gone to elementary and 2% acquired a vocational course. This should be an advantage for the cooperative in terms of sharing their knowledge for the common good and to have a better understanding of the roles of the organization.

Occupation. More than half (52%) of the respondents were government employees composed of teachers, clerks, bookkeeper, laborer and municipal officials. This is followed by farmers (32%), housekeepers (11%), retirees (3%) and private employees (2%).

Table 1. Profile of the respondents

CHARACTERISTICS	FREQUENCY	PERCENTAGE (%)
Age (years)		
11 – 20	2	2
21 – 30	10	10
31 – 40	29	29
41 – 50	21	21
51 – 60	21	21
61 – 70	11	11



Table 1. continued ..

CHARACTERISTICS	FREQUENCY	PERCENTAGE (%)
71 – 80	5	5
81 – 90	1	1
Mean Age	46.19	
Sex		
Male	35	35
Female	65	65
TOTAL	100	100
Civil Status		
Married	87	87
Single	12	12
Widower	1	1
TOTAL		
No. of Household Members		
1 – 10		
11 – 20		
TOTAL		
Number of Years of Membership		
1 - 10	59	59
11 – 20	22	22
21 –30	12	12
31-40	7	7



Table 1. continued ...

CHARACTERISTICS	FREQUENCY	PERCENTAGE (%)
Mean	12.81	
Monthly Salary (pesos)		
1,000.00 – 10,000.00	27	27
11,000.00 – 20,000.00	32	32
Kind of Membership		
Regular	92	92
Associate	8	8
TOTAL	100	100
Educational Attainment		
Elementary	14	14
Secondary	21	21
College	63	63
Vocational	2	2
TOTAL	100	100
Occupation		
Farmers	32	32
Government employees	52	52
Housekeepers	11	11
Retirees	3	3
Private employees	2	2
TOTAL	100	100



Attitudes Towards Savings

Table 2 presents the attitudes of members towards savings, which would contribute to cooperative success. The weighted mean was derived to get the ratings of the respondents towards a particular attitude.

The three highest mean ratings where the members agreed on with regards savings were; a) savings provides an emergency fund (4.55); b) provides money to meet budget by readily making available cash when needed (4.40) and, c) savings can be used for specific future use (4.31).

Savings attitude statements with a mean rating of 4 (-4.16), where respondents also agreed that savings can protect an individual from uncertainties regarding future income and expenses; savings can be used in the event of an accident or job loss; savings can be used to finance investments on new capital; and savings in the cooperative makes the saver happy. These findings supports the reason why individuals saved as contained in the Encyclopedia Americana (2002) that individuals save for several reasons, including the desire for unexpected contingencies, such as, illness or loss of a job; the desire to provide for some expected future needs, such as illness or loss of a job; the desire to provide for some expected future needs, such as college expenses of children or retirement; the desire to acquire certain goods or services, such as a car or vacations; and the opportunity to gain financial rewards. Some of these motives resulted from the fact that families do not receive income at the same time they wish to spend it. This maybe related to the age of the family members, leading to save when the family is young (to accumulates assets for retirement) and to dissaving at retirement or when illness strikes. This explanation has been called the “life cycle” theory of saving. Economist have



emphasized that families adjust consumption spending to the level of income that they expect on a permanent basis, leading them to save much of windfall income (such as lottery winnings) and to maintain spending in case of a temporary reduction of income (job loss). This explanation of the course of saving has been called the “permanent income” hypothesis.

Many of the member agreed that saving is an effective way to increase cooperative funds which can be converted into cash if necessary and that it can be used to finance investment.

Some of the members agreed that savings is an excellent form of protection in the event of death of a person (3.99 weighted mean). Also some of the members were undecided or uncertain whether their membership in the cooperative is for the purpose of saving only.

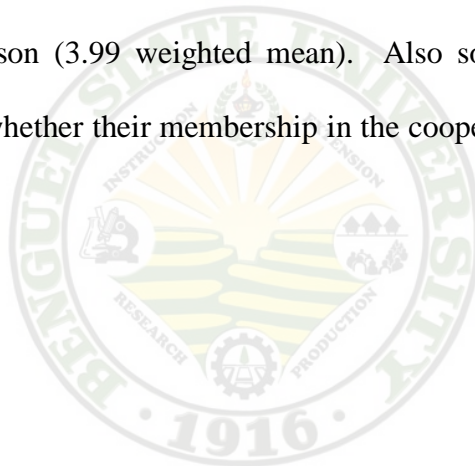


Table 2. Attitude of members towards saving in the cooperative

ATTITUDES	ATTITUDE SCALE												WEIGHTED MEAN
	Strongly agree		Agree		Uncertain		Strongly disagree		Disagree		Total		
	F	%	F	%	F	%	F	%	F	%	F	%	
Savings is an effective way to increase cooperative funds which can be converted into cash if necessary	35	35	45	45	19	19	-	-	1	1	100	100	4.13
Savings protect an individual from uncertainties	38	38	46	46	10	10	3	3	3	3	100	100	4.13
Savings can be used for specific future use	48	48	41	41	7	7	1	1	3	3	100	100	4.31
Savings provide money to meet budget by readily making available cash when needed	51	51	40	40	8	8	-	-	1	1	100	100	4.40
Savings provides funds for emergency purposes	61	61	36	36	1	1	1	1	1	1	100	100	4.55
Savings can be used in the event of an accident or job	42	42	38	38	13	13	3	3	4	4	100	100	4.11
Savings can be used to finance investment in new capital	26	26	58	58	13	13	1	1	2	2	100	100	4.05
Savings is important to buy things wanted/needed	25	25	51	51	19	19	-	-	5	5	100	100	3.91



Table 2. continued ...

ATTITUDES	ATTITUDE SCALE												WEIGHTED MEAN
	Strongly agree		Agree		Uncertain		Strongly disagree		Disagree		Total		
	F	%	F	%	F	%	F	%	F	%	F	%	
Savings is a protection in the event of the death of a person who has dependents	25	25	54	54	18	18	1	1	2	2	100	100	3.99
Savings is the purpose for membership in the cooperative	23	23	46	46	20	20	3	3	8	8	100	100	3.73
Saving in the cooperative makes one happy	38	38	50	50	6	6	2	2	4	4	100	100	4.16



Reasons for Saving in Cooperative

Table 3 shows that 66% out of 100 respondents ranked accessibility of the cooperative as one (1) followed by 34% of the respondents who also gave a rank of 1 to “can withdraw money anytime”. The result confirms the finding of Darcio (2001) that the highest encouraging factors for members to patronize saving is the location of the cooperative, and saving must be withdrawable anytime. Twenty eight (28%) of the respondents likewise gave “higher interest” rank 1, while 24% ranked 1 to “low minimum amount required to earn interest” as “1”.

Table 3. Reasons for savings

REASONS	RANK							
	1		2		3		4	
	F	%	F	%	F	%	F	%
1. Accessibility of the cooperative	66	66	20	20	9	9	5	5
2. Can withdraw money anytime	34	34	44	44	14	14	8	8
3. Higher interest rate	28	28	21	21	26	26	25	25
4. Low minimum amount required to earn interest	24	24	28	28	28	28	20	20

Frequency of Depositing in the Cooperative

There were 52% who patronize or maintain their savings in a cooperative by regularly depositing every month. This finding is in support to the study of Darcio (2001)



that most of the members patronized the saving through regularly depositing. Eleven percent (11%) deposit weekly, 8% deposit annually, 5% deposit semi-annually while 23% are irregular in depositing money. This means that they deposit only if they have an extra money (Table 4).

Table 4. Frequency of depositing in the cooperative

FREQUENCY OF DEPOSITING	FREQUENCY	PERCENTAGE
Daily	1	1
Weekly	11	11
Monthly	52	52
Semi-annually	5	5
Annually	8	8
Irregular	23	23
TOTAL	100	100

Problems Encountered by the Members Related to Saving in the Cooperative

Table 5 shows the problems encountered by respondents related to saving in the cooperative. Thirty-two (32%) of the respondents mentioned that they cannot withdraw because they forgot their passbook and 31% do not understand the cooperative policies on savings. Policies made sometimes flexible depending on who is the person making transactions. According to Darcio (2001), saving policy is the most important aspect of savings that must be improved in order to motivate or encourage people to save. Twenty-



five (25%) indicated other problems such as; salary is not enough for family expenses, thus they cannot save regularly in the cooperative; the cooperative is closed on Saturdays and Sundays; difficulty in budgeting an amount for savings; and negligence in setting aside money for savings. Thirteen percent (13%) mentioned difficulty in making authorization letter in case the saver cannot personally withdraw. Only 4% said that they do not have the time to go to the cooperative to deposit.

Table 5. Problems encountered by the members in saving in the cooperative

PROBLEMS ENCOUNTERED	FREQUENCY	PERCENTAGE
Cannot understand cooperative policies on savings	31	31
Do not have time to go to the cooperative to deposit	4	4
Cannot withdraw because they forget passbook	32	32
Difficulty in writing authorization letter in cases that the depositor cannot withdraw	13	13
Income is not enough for family expenses, thus nothing to save	25	25
TOTAL	100	100

Members' Suggestion for the Improvement of Savings

Table 6 shows that 42% indicates that interest rate for savings in the cooperative should be higher, 25% commented on the policies which they cannot understand. Policy as mentioned by Darcio (2001), is the most important aspect of savings that must be improved. For percent commented on the transparency of financial records, 3%



mentioned on the seminars and orientation to new members, 2% mentioned that cooperative should include savings campaign during PMES. One percent (1%) that the improvement on the mode of collecting savings, like giving incentives to savers, and the staff and officer to attend more seminars to improve customer services.

Table 6. Members' suggestion for the improvement of saving in the cooperative

SUGGESTIONS	FREQUENCY	PERCENTAGE
Policies should be cleared, understandable	25	25
Interest rate should be higher	42	42
Transparency of financial records	4	4
Includes saving campaign during PMES	2	2
Improve mode of collecting savings	1	1
Giving incentives to savers	1	1
Staff and officers to attend more seminars to improve customer service	1	1
Seminars, orientation to new members	3	3



SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

Summary

This research was conducted to determine the attitudes of the members of the KMPC towards savings and to find out their problems encountered with regards to savings.

The mean age of the respondents is 46.19 which implies that as people get older they tend to save more for their families. Majority of the respondents were females, married and with family size ranging from one to ten. Majority of the respondents were regular members for about one to ten years in the cooperative. In addition, most of them have gone to college and majority of the respondents were government employees composed of teachers, clerks and others, then followed by the farmers.

As attitude of the respondents towards savings, most of them agreed on the following points, a) saving provides an emergency fund, b) savings provides money to meet budget by making available cash reserves; c) savings can be used for specific future use. Most of the members also agreed that savings can protect an individual from uncertainties regarding future income and expenses, also to the statement that savings can be used in the event of an accident or job loss, and savings can be used to finance investments on new capital.

Some of the members were undecided or uncertain whether their membership in the cooperative is for the purpose of saving only.

Accessibility of the cooperative is the primary reason that encouraged members to save. Members maintained their savings in the cooperative by depositing monthly. With



regards to the problems they encountered, most of them cannot withdraw because they forget their passbook and that the policies were not clear to them.

Most of the respondents' suggestions to improve savings in the cooperative were: higher interest rate and policies should be clear and understandable.

Conclusions

Based on the findings of the study, the following conclusion were drawn:

1. The study shows that the mean age of the respondents is 46.19, which implies as people get older they tend to save more for their families.
2. Most of the respondents agreed that savings provides an emergency fund in the event of financial hardship.
3. Most of the respondents were encouraged to save because of the location or accessibility of the cooperative.

Recommendations

Based from the findings and results, the following recommendations were drawn:

1. The policies of the cooperative on savings should be explained well to the members. It is also important for the cooperative to instill to the members other values of saving aside being a source of "emergency fund". Some concepts of saving that can be introduced include:
 - a) A habit of saving instill discipline among members
 - b) Savings builds a culture of self –reliance



- c) Depositing the cooperative enables members to participate in the business of the cooperative.
2. The staff or officers of the cooperative should orient and familiarize the members about savings or include it during pre-membership education seminar (PMES).
 3. The members should not even forget their passbook whenever they will deposit or make withdrawal so they wont be returning for the next day.



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APPENDICES

Appendix A. Letter to the Respondents

January, 2007

Sir/Madam;

Greetings!!

I am a fourth year Agribusiness student major in Cooperative Management of Benguet State University presently conducting a research entitled: “ATTITUDES OF MEMBERS TOWARDS SAVINGS IN THE KABAYAN MULTI-PUPOSE COOPERATIVE (KMPC) IN CENTRAL KABAYAN” as a partial requirement for graduation.

In this connection, may I request a portion of your most precious time to answer the attached questionnaire and please give your honest answer/opinion. Rest assured that all information you provide will be treated with utmost confidentiality.

Thank you very much for sharing me a part of your time. God Bless!

Sincerely yours,

JAE ANN S. DEBAN



Appendix B. Survey Questionnaire for Member-Saver

1. Profile of Members

*General information

Name _____ Age ____ Sex ____ Civil Status _____

Number of household members ____ Occupation _____

Number of years in membership ____ Monthly Salary _____

Kinds of membership in the cooperative ____ Regular ____ Associate

*Educational Attainment

____ Elementary ____ Secondary ____ college ____ Vocational

II. Attitude towards savings

Instructions: *please indicate your degree of agreement with the statement below by checking the corresponding blank provided for.*

SA=strongly agree A=Agree U= Uncertain SD=strongly disagree D= Disagree

ASPECTS OF SAVINGS	SA	A	U	SD	D
1. Savings provides money to meet budget by making available cash reserves.					
2. Savings provides an emergency fund in the event of financial hardship					
3. Savings enables the saver to put aside money for a specific future purpose					
4. Savings is an effective way to increase cooperative funds, which can be converted into cash if necessary					
5. Savings can protect an individual from uncertainties regarding future income and expenses					
6. In the event of an accident or job loss, the individual can use past savings					
7. Savings are used to finance investment in new capital					



8. Savings regularly and carefully is important in order to be able to buy the things that we want					
9. Saving is an excellent form of protection in the event of the death of a person who has dependents					
10. Membership in the cooperative is for the purpose of saving					
11. You are satisfied or happy in saving your money in the cooperative					

III. Questions

Instruction: *Please rank no.1 as the highest.*

1. What encourages you to save in your cooperative?

_____ High interest

_____ Accessibility of the cooperative

_____ Can withdraw money anytime

_____ Low minimum amount required earning an interest

_____ Others (please specify) _____

2. How do you maintain or patronize your savings in a cooperative?

_____ Through depositing; if yes how often _____ Daily _____ Weekly _____ Monthly

_____ others (specify) _____

3. What problems have you encountered with regards savings?

_____ Cooperative savings policies are unclear to me

_____ Do not have time to go to the cooperative to deposit

_____ Cannot withdraw because I forget passbook

_____ Difficulty in writing authorization in cases that the depositor cannot withdraw

_____ others (specify) _____

4. In your opinion, what part of the Cooperative Savings needs to be improved?

