

## **BIBLIOGRAPHY**

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## **ABSTRACT**

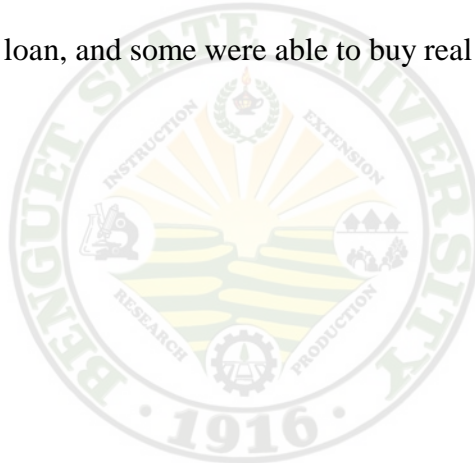
This study was conducted to find out the following: expectations of members in joining the cooperative and the level of fulfillment, the services that are frequently availed by members, and the benefits received by members from the services of the cooperative.

A survey questionnaire was used in the collection of the data and was personally administered by the researcher. Three hundred (300) members were taken as respondents.

Members joined the cooperative with the expectations that they could avail of loan, deposit their money in the cooperative and earn a higher interest, avail of patronage refund, avail of mortuary aid and at the same time help other through the same, contribute their knowledge and skills in the cooperative, participate in the management of the cooperative, meet other people during seminars, visit other others places during field trips, and acquire technical skill from seminars sponsored by the cooperative. The result showed that, except for the last two expectations, all their personal expectations were met by the cooperative. The last two were only partially met. In addition, their expectations about the contribution of the cooperative to community development was also partially met.

The services frequently availed by members were the following: savings and time deposits, productive and providential loan, and the educational assistance. It was found that the members were satisfied with the services of the cooperative, except for the educational assistance.

The benefits derived by members were classified into social benefit and economic benefit. Social benefit was concerned on the improvements in the personal traits of the members. It was found that members were able to acquire additional skills and broaden their knowledge about cooperative, and developed the value of thrift. For the economic benefit, members had an increase in their savings, had a stable source of income from the investment of productive loan, and some were able to buy real property from their loans.



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## **INTRODUCTION**

### Rationale of the Study

The Tubao Credit Cooperative, a well established and multi-awarded cooperative, is an example of cooperative to emulated. It has 41 years of successful existence. It was created based on a church mission. The Tubao Credit Cooperative (TCC) was organized by a Belgian missionary who was assigned in Tubao as parish priest. His name is Rev. Fr. Jaime Quatannens. He observed that people in his parish were financially hard up and were victims of unscrupulous moneylenders. He therefore established the cooperative in August 3, 1966 with 39 pioneer members. They started with a paid-up share capital of P314.00. It was formally registered with the Cooperative Administration Office (CAO) under RA 2023 and October 26,1966 under Registration NO. 001503. It survived under the principle of self-reliance and sacrifice through God's help. On its 10<sup>th</sup> year of operation in 1975, the cooperative reached its first million mark with a total asset of 1.2 million pesos. On its Silver Jubilee Year in 1991 its total asset reached 37.90 million pesos and by the end of December 2007 total assets surged to 483.93 million pesos and total members of about 24, 600 (TCC brochure).

As stated in their brochure, the cooperative was established with a mission to ensure survival and viability of cooperativism as a collective enterprise as well as a way of life such that the socio-economic status of its members is alleviated. Thus TCC is an economic vehicle, a mover, a shaker, and a shaper of financial stability of its members in particular and the communities it serves in general. Furthermore, it is also the mission of the cooperative to compete locally and globally with other cooperatives, in terms of deposits, income, assets and investments. To fulfill its mission, the cooperative has the



following goals: (1) to provide mainly quality service especially financial assistance to clienteles, not profit motivated, (2) to win the trust, confidence and unity of the members to prevent suspicion and fragmentatism through efficient and effective management, (3) to establish linkages with cooperatives and agencies to enrich/broaden knowledge and experience of members, and (4) to encourage savings and to forge strong partnership with the members.

The multi-awards and growth in total asset as well as in membership is an indication that Tubao Credit Cooperative is true to its mission and goals. This study was conducted to find out the benefits that members have been receiving from the services that the cooperative is giving to them.

### Statement of the Problem

The study tried to answer the following questions:

1. What are the expectations of members in joining the cooperative and are these expectations met ?
2. What are the services frequently availed by majority of the members and why?
3. What are the benefits received by members from the services of the cooperative?

### Objectives of the Study

The study aimed to find out the following:

1. expectations of members in joining the cooperative and the level of fulfillment;
2. the services that are frequently availed by members



3. the benefits received by members from the services of the cooperative classified into
  - a. social benefits
  - b. economic benefits

#### Importance of the Study

The study first of all served as a training ground for the researcher to be involved in research work. Secondly, it would provide information to other students who wish to conduct similar studies in the future and thirdly, this study would provide necessary information to the cooperative's management to further improve their services in order to be globally competitive.

#### Delimitation the Study

The study only focused on identifying the benefits received by members as they perceived it. Respondents of the study were limited to those who have been members of the cooperative for at least five years.



## **REVIEW OF LITERATURE**

### Cooperative Defined

The word cooperative is derived from the French word “cooperari”, which means working together (Garcia and Guanzon, 2004). They also defined cooperative as a form of business that is useful and helpful to people regardless of where they live or how they earn their living. Besides, a cooperative seeks to realize the economic benefits for members from services, and develop best uses of members’ resources.

A cooperative is a private business organization that is owned and controlled by the people who used its products, supplies or services. Although cooperatives vary in type and membership size, all were found to meet the specific objectives of members, and are structured to adapt to members changing needs. A cooperative is formed by individuals who coordinate among themselves to achieve vertical integration in their business activities. Although people have been working together for mutual benefit throughout human history, cooperative as a form of business organization began during the industrial revolution. Cooperatives were useful for promoting the interest of the less powerful member of society i.e. farmers, producers, workers, and consumers because they would accomplish more collectively than they could individually ( Anonymous, 2008).

### Objective of Cooperatives

Aquino (1991), stated that the primary objective of every cooperative is to provide goods and services to its members and thus enable them to attain increased income and savings, investment, productivity and purchasing power and promote among





them equitable distribution of net surplus through maximum utilization of economic scale, cost sharing and risk sharing without however, conducting the affairs of cooperative for charitable purpose.

As stated by Aralar (2003), a cooperative provide maximum economic benefits to its members, teach them the efficient ways of doing things and propagate cooperative practices and new ideas in business and management and allows the low income groups to increase their ownership in wealth of nation.

Fajardo and Fabian as cited by Quintos (2008), mentioned that economic growth and development have been an elusive goal of the Philippines. The overall development goals is for improved quality of life of every Filipino through international competitiveness and people empowerment through cooperatives. A cooperative is a business and a social organization that exposes the spirit of self help and working together in pursuit of social and economic ends.

Community development through the cooperative is a way for people to work together in order to build better community and thereby improve the welfare of all. They organize themselves under their free will and work as a team to solve problems of their community. The cooperative teaches members to practice wise use of money to be self-reliant. It likewise teaches members how to save, encourages members to prosper through their own cooperative efforts and acquire incomes, thereby fairly distributing wealth among members. Farmers' negative attitudes and values can be change through continues training and education by the cooperative.



Oyang (2006), cited that cooperatives improve quality of life of people by developing attitudes and active participation in working together to solve economic and social problems. The cooperative serves these functions:

1. It will serve as means of building capital and savings.
2. It undertakes effective and continuous cooperative education among members where cooperative concepts and practices are inculcated in meaningful ways.
3. It serves as an exercise for self government to fortify leadership in the community and delegate positive relationship with the people.
4. It will also serve as a conduit for essential services provided to members channeled from government services to the people.

#### Members Benefits

Victor (2008) stated that members derive benefits from the cooperative in various ways such as:

- a. cooperative members develop the habit of thrift and savings,
- b. the cooperative serves as the training ground for members in simple business operation, democratic leadership and responsible citizenship, and
- c. the cooperative offers opportunities to its member to progress by means of the benefits it provides.



## **METHODOLOGY**

### Locale and Time of the Study

The study was conducted at Tubao, La Union December 2008 to January 2009.

### Respondents of the Study

The respondents of the study were the members of Tubao Credit Cooperative who had been members for at least five years at the time of the study. Three hundred respondents were taken at random.

### Data Collection

A survey questionnaire was used to collect the data. An interview with the manager was also conducted to validate the answers of the respondents.

### Data Analysis

The data collected was tabulated and analyzed using appropriate statistical tools. The data that gathered was presented using frequency and percentage. Financial analysis was also done to analyze the financial performance of the cooperative while relating it to the benefits received by the members.



## RESULTS AND DISCUSSION

### Profile of the Respondents

This section presents the background information about the respondents of the study. The information includes their gender, age, civil status, occupation and highest educational attainment. These are indicated in Table 1.

Gender. Out of three hundred (300) respondents one hundred forty three or 48% were female and one hundred nine or 36% were male. Forty eight or 16% of the respondents did not indicate their gender.

This finding signifies that the membership of Tubao Credit Cooperative were dominated by female.

Age. The oldest age of the respondent was eighty (80) years old while the youngest was twenty (20) years old. The age bracket 41-60 years old had the highest number of respondents ( 110 or 37%) followed by the 20 – 40 years old with 28%. Thirty two or 11% belonged to the 60 – 80 years old. Eighty three or 28% of them did not indicate their ages. This finding shows that the membership of Tubao Credit Cooperative is a mixture of young and old. The younger ones can learn from the wisdom of the older ones and become responsible leaders in the future.

Civil status. Majority, 160 or 53% of the respondents interviewed were married, 40 (13%) were single and 25 (8%) were widowed. There were 75 or 25% who did not respond regarding their civil status.

Occupation. The table presents that 68 or 23% of the respondent were employees in either private or government non-business institutions, 20% were farmers, 10% were



Table 1. Personal background of the respondents

CHARACTERISTICS	FREQUENCY (F)	PERCENTAGE (%)
<b>Gender</b>		
Male	109	36
Female	143	48
No responds	48	16
<b>TOTAL</b>	<b>300</b>	<b>100</b>
<b>Age</b>		
20 – 40	75	25
41 – 60	110	37
61 – 80	32	11
No responds	83	28
<b>TOTAL</b>	<b>300</b>	<b>100</b>
<b>Civil Status</b>		
Single	40	13
Married	160	54
Widowed	25	8
No responds	75	25
<b>TOTAL</b>	<b>300</b>	<b>100</b>
<b>Occupation</b>		
Farmer	60	20
Employee (government or private)	69	23
Working in businesses	30	10
Self-employed	46	16
Housewife	31	10
No responds	64	21
<b>TOTAL</b>	<b>300</b>	<b>100</b>
<b>Educational Attainment</b>		
Elementary graduate	17	6
Highschool graduate	87	29
College graduate	106	35
College undergraduate/vocational	7	2
No responds	83	28
<b>TOTAL</b>	<b>300</b>	<b>100</b>



working in businesses, 16% were self-employed involved in operating/ managing their own line of business, and 10% were plain housewives.

This finding shows that members of Tubao Credit Cooperative had different occupations. It further implies that the cooperative opens its membership to any person, employed or not employed, as long as they are residing within the area of its operation.

Educational attainment. The finding shows that most of the respondents, 35%, were college graduate. Eighty seven or 29% were high school graduate, 6% were elementary graduate, and 2% were either college under graduate or finished vocational.

This finding signifies that most of the members are literate, able to read and write thus, it is not difficult to educate them on the cooperative principles and philosophies.

#### Reasons for Joining the Cooperative

Table 2 shows the reasons of members for joining the cooperative. Majority (78%) of the respondents said they joined the cooperative because they believe that it can help them in their financial needs. Forty five percent (45%) believed that the cooperative is a better institution to invest money. This is because they perceived that the cooperative is offering a higher interest rate on savings deposit than the banks. From their share capital, members also earn an interest every year and if the cooperative has high net surplus the interest on share capital is also high. There were 47% who mentioned that they wanted to support the cooperative in its endeavor by contributing their knowledge and skills thus they join. This shows that there are people who wanted to give or do something for the cooperative instead of just looking at the cooperative as a provider.



Table 2. Reasons of respondents in joining the cooperative

REASONS	FREQUENCY* (F)	PERCENTAGE (%)
The cooperative can help in my financial needs	234	78
The cooperative is a better institution to invest money	136	45
Want to support the cooperative in its endeavors	141	47

\* Multiple response

### Members' Expectations from the Cooperative

Table 3 presents the different expectations of the members from the cooperative and the level of attainment of these expectations. Earlier findings showed that members joined the cooperative because they want to avail of loan when they are in need of finances. Members expected that the cooperative would loan all the amounts they want to borrow however, in some instances it was not the case. Out of 300 respondents, 19 mentioned their expectation to borrow the amount they needed was not met while 33 said their expectation was only partially met. These were members who were not able to meet the loan requirements. On the other hand, majority said their expectation to avail of loan was all met and some more than met. The weighted average shows a score of 3.01 which means that on the average, the expectation of members to avail of loan from the cooperative was all met.

The second expectation was that members can invest their money in the cooperative and earn a higher interest. There were 15 and 53 respondents whose expectations were not met and partially met, respectively. Majority had their expectation



Table 3. Level of fulfillment of expectations from the cooperative

EXPECTATIONS	LEVEL OF FULFILLMENT						
	1 F	2 F	3 F	4 F	WF	WA	D
Avail of loans	19	33	161	74	854	3.01	Am
Invest money and earn higher interest	15	53	141	70	824	2.95	Am
Avail of patronage refund from my loan	17	32	148	77	833	3.04	Am
Avail of mortuary aid	25	60	111	62	726	2.81	Am
Help others through mortuary aid	15	45	133	56	728	2.92	Am
Contribute my knowledge and skills in the cooperative	28	62	107	30	593	2.61	Am
Participate in the management of the Cooperative	38	55	98	25	542	2.51	Am
Meet other people during the seminars	30	67	91	37	585	2.60	Am
See other places during field trips	142	35	27	12	341	1.58	Pm
Acquire technical skill in seminars sponsored by the cooperative	53	52	71	37	518	2.43	Pm
Other Expectation							
Coop should help /contribute during town fiestas	46	67	82	28	538	2.41	Pm
Coop should help in community development	21	71	110	55	513	2.48	Pm
Coop should give aid to poor families in the community	23	69	108	38	637	2.68	Am

Legend: F = Frequency count, WF = Weighted frequency, WA = Weighted average

D = Qualitative description

Scale used: 1 – 1.74 = not met (Nm)  
 1.75 – 2.49 = partially met (Pm)  
 2.50 – 3.24 = all met (Am)  
 3.25 – 4.00 = more than met (Mtm)





fully met and some more than met. The weighted average score was 2.95 which means that on the average, this expectations of members were all met.

The third expectation was to avail of patronage refund from the interest on loan they paid to the cooperative. There were 17 respondents whose expectation was not met and 32 whose expectation was only partially met. These were the members who did not patronize the credit service and the members who scarcely patronized the credit service, respectively. However, majority said their expectation to avail of patronage refund was all met as shown by the weighted average score of 2.95.

The fourth expectation was to avail of mortuary aid. Twenty five (25) of the respondents mentioned that their expectation was not met. This is because the mortuary aid is only given to the beneficiaries of the member when that member dies. Sixty (60) said their expectation was partially met, while majority believed their expectation was more than met. These were members who became beneficiaries before when their parents or spouses, who were members of the cooperative, died. The respondents who availed of this benefit revealed they received P27,000 from the mortuary fund. The weighted average score was 2.82 which means that the expectations of the members was all met.

The fifth expectation was that they could help others by contributing in the mortuary aid. Fifteen (15) and 45 respondents, respectively said this expectation was not met and partially met. Most of the respondents supposed that this expectation was all met while some said it was more than met. The respondents said that contributing in the mortuary aid is an obligation of the members and not voluntary so everybody expects that they have to contribute to this fund.



The sixth expectation was that members could contribute their knowledge and skills in the cooperative. Twenty eight (28) said this expectation was not met because they were not able to participate in any activity. These were members who are residing outside Tubao and so they only go to the cooperative when they have to borrow or to pay their loans. Sixty two (62) said this expectation was partially met, thirty (30) had this expectation more than met while majority (107) had this all met. The partially met were members who also reside far from the cooperative, most of them are busy in their works thus they seldom participate in the activities of the cooperative. The all met and more than met were those who actively participated in all the activities conducted by the cooperative. Some became officers in the cooperative.

The seventh was that members expected to participate in the management of the cooperative. Thirty eight (38) and 55, respectively had this expectation not met and partially met. They said they lack the management skills and have not been elected as officer of the cooperative. Ninety eight (98) said this expectation was met and 25 more than met because they actively participated in the management of the cooperative through giving some suggestions during meetings. The weighted average score was 2.51 which mean that on the average, this members' expectation was met.

The eighth expectation was that they would meet other people during attendance to seminars. There were 30 and 69, respectively whose expectation was not met and partially met. Their reason was that they have not been attending seminars. Most of the respondents mentioned that their expectation was all met and some had it more than met. The general perception was that it was all met, as presented by the weighted average score of 2.60.



The ninth expectation was that members could see or visit other places during field trip. Majority responded that this expectation was not met and partially met because they did not join any field trip. Twenty seven (27) had this expectation was met and 12 more than met. This finding implies that many members did not join any field trip conducted or sponsored by the cooperative or perhaps the cooperative did not conduct any field trip for the members.

The tenth expectation was to acquire technical skills in seminars sponsored by the cooperative. The weighted average score was 2.43 which means that members' expectation about acquiring technical skills was partially met. Very few of the respondents mentioned this expectation was more than met and 71 said their expectation was met but 53 and 52, respectively had not met and partially met.

Aside from the members personal expectation, there were other expectation that the cooperative should meet in relation to the community. Member expects the cooperative to contribute to their town fiesta celebrations, the cooperative to help in the community development projects, and the cooperative to give aid to the poor families in the community. It was found that the first and the second expectations were only partially met. While the cooperative had been contributing to the community of Tubao every town fiesta and in some community development projects, some members expected that it should also do the same for other towns in La Union where the other respondents came from. The third expectation had an all met rating which shows that the cooperative had been helping families poor families in the town of Tubao and even in nearby municipalities of La Union.



### Members Participation to General Assembly Meetings of the Cooperative

Table 4 presents that majority (55%) of the responds said they sometimes attended the general assembly meeting but sometimes they did not. The two common reason for not attending the general assembly meeting were: the places of the members are far from the cooperative and the time or schedule of the general assembly meeting was in conflict with their work time. Not all the members are from Tubao because the cooperative membership covered the whole province of La Union so that many are far from the cooperative. Apart from being far from the cooperative, most of the members are employees and some are busy with their business. There were 42% who always attended the cooperative's general assembly meeting while 8 or 3% did not respond.

This finding implies that most of the members attended the general assembly meetings of the cooperative.

The reasons for attending the general assembly meeting were as follows: to be updated on the programs or activities of the cooperative as mentioned by 78%. Forty seven percent attended the general assembly inorder to participate in the election and business meeting while 45% attended the general assembly meeting because the cooperative is giving incentives to members who participate like, meal and transportation allowances of P150 per member. Some members suggested that instead of cash incentive the cooperative should provide the food so that the members would time for bonding or socializing while having their meals.

This finding implies that members have different motivations in attending the general assembly meeting of the cooperative.



Table 4. Attendance of members to the general assembly meeting and their reasons for Attending

PARTICULARS	FREQUENCY	PERCENTAGE
Frequency of Attending General Assembly Meeting		
Always	126	42
Sometimes	166	55
No Respond	8	3
<b>TOTAL</b>	<b>300</b>	<b>100</b>
Reasons for Attending General Assembly Meeting		
To be updated on the programs/activities	234	78
To avail of the incentives	136	45
To participate in election/business meeting	141	47

#### Level of Satisfaction from the Services of the Cooperative

The services offered by the cooperative and availed by the members are: savings and time deposit, productive and providential loan, and educational assistance. Table 5 presents that for savings deposit and time deposit 15 were not satisfied, 44 were partially satisfied, 87 were satisfied, and 61 were very much satisfied on the interest rate offered by the cooperative. The weighted average of 2.72 shows that members were satisfied on the interest rate offered by the cooperative. Members were also satisfied, shown by the weighted average of 2.85, that no tax is withhold from the interest earned on savings and time deposit unlike the banks. In the same manner, members were also satisfied that through their deposits they contribute to the funds of the cooperative. They are also



Table 5. Level of satisfaction received by members from the services of the cooperative

PARTICULARS	LEVEL OF SATISFACTION						
	1	2	3	4	WF	WA	D
	F	F	F	F			
<b>1. Savings and Time Deposit</b>							
Higher interest rate than the bank	15	44	87	61	564	2.72	S
No withholding tax deducted	6	45	78	72	573	2.85	S
A certain level of self satisfaction being able to contribute to the funds of the cooperative	5	39	101	56	571	2.84	S
A peaceful feeling that money is secured if invested in the cooperative	11	29	110	57	598	2.89	S
<b>2. Productive and Providential Loan</b>							
Interest rate and other charges are lower than the other lending institutions	9	37	117	61	641	2.86	S
Loan requirements and terms are less strict than the bank	9	40	119	60	646	2.83	S
Can easily avail of loan in times of need	10	40	74	67	540	2.83	S
Can borrow higher amount from the coop than from the bank	10	44	80	59	530	2.75	S
<b>3. Educational Assistance</b>							
Child was able to go to school	27	17	33	28	255	2.43	PS

satisfied that their money deposited in the cooperative is secured because they believe and trust the people managing the cooperative.

For the productive and providential loan, the interest rate and other charges had a weighted average rating score of 2.86 which means that members are satisfied. Loan requirements and terms of loan and the ease of acquiring a loan from the cooperative



received the same score of 2.83 which means that the members are satisfied. The amount that can be borrowed by the members had a score of 2.75 which also means that members are satisfied.

Educational assistance, as one service of the cooperative, received a score of 2.43 which means that members were partially satisfied with this service. There were 27 respondents not satisfied, 17 were partially satisfied, 33 were satisfied, and 28 were very much satisfied. According to the respondents, they borrowed money from the cooperative for the education of their children because they cannot all avail of the educational assistance provided by the cooperative.

#### Benefits Received from the Cooperative

Table 6 presents the benefits derived by members for being member of Tubao Credit Cooperative, Inc. Forty seven (16%) responded that they have derived benefit on attendance to training sponsored by the cooperative. Majority, 166 or(55%) said they improved their knowledge and skills through attendance to trainings and seminars. Besides, their self esteem was also improved. They stated that at first they were to shy to actively participate but continuous exposure to seminars and training improved their participated. They are now able to expressed their ideas and aspirations. One hundred fourteen (38%) said their negative perception about cooperative was changed when they constantly attended seminars, meetings, workshops and other activities of the cooperative. Very few, 19 (16%) stated that they have visit other places when they attended training and seminars outside the cooperative. Eighty nine (29%) claimed they met new friend, 92 (31%) widened their experience, 144 (48%) developed the value of



Table 6. Benefits derived from the services of the cooperative

BENEFITS DERIVED	FREQUENCY (F)	PERCENTAGE (%)
<b>Attendance to Trainings/Seminars/Workshops and Educational Tours</b>		
Improved knowledge and skills	166	55
Improved self esteem	19	6
Broadened view about cooperatives	114	38
Able to visit other places	19	6
Able to meet friend	89	29
Widened experience	92	31
Developed the value of thrift	144	48
<b>Economic benefits</b>		
Increased savings through patronage refund and interest on capital	160	53
Stable source of income from investment of productive loan	92	31
Increase family income	85	28
Able to purchase real property	50	17

thrift because they could deposit even small amount anytime, 160 (53%) had an increase in their asset through the patronage refund and interest on share capital.

On the economic benefits received, 50 (17%) recognized that they have been receiving economic benefits from the use of productive loans. Ninety two or 31% mentioned, they are gaining income from their investment, 85 (28%) related that the productive loan increased their family income because the loan was used by the member in purchasing an income generating asset like passenger jeep, farm machineries and a piece of land.





This finding was similar to that of Victor (2008) who said that members derived benefits from the cooperative in various ways such as: develop habit of thrift and savings, the cooperative served as training ground for members in simple business operation, democratic leadership and responsible citizens, and the cooperative offers opportunities to its members to progress by means of the benefits provided.

#### Percent Increase in Members Income

From the services provided by the cooperative, the members had an increase in their family income. Some of the sources were interest on savings and time deposit, patronage refund and dividend, and income from investment of productive loan acquired from the cooperative. Table 7 shows the estimated increase in the income of the respondents in 2008. One hundred five (35%) related that their income increased by 10% - 15% compared to 2007. Eighty three (28%) had an increase of less than 10% , 40 or (13%) had 16% - 20%, 15 or (5%) had 21% -25%, while 6 or (2%) had 26% - 30% , and 7 (2%) had an increase above 30%. Forty four of the total respondents did not give their respond regarding this matter.

This finding shows that the cooperative contributed in uplifting the economic status of the members.



Table 7. Percent increase in the income of the members in 2008 compared to 2007

PARTICULARS	FREQUENCY	PERCENTAGE
Less than 10%	83	27.70
10% - 15%	105	35.00
16% - 20%	40	13.30
21% -25%	15	5.00
26% - 30%	6	2.00
Above 30%	7	2.33
No Answer	44	14.70
<b>TOTAL</b>	<b>300</b>	<b>100.00</b>

#### Estimated Increase in Total Asset of Members

Some of the respondents mentioned their total asset increased as an effect of the economic benefits they received from being a member of the cooperative. Table 8 presents the percent increase in their total asset based on their estimate. One hundred sixty one (54%) of the total respondents said their total asset increased by less than 100%, 71 or 24% had doubled their total asset and 61(20%) had more than 100% increase. They mentioned that they borrowed high amount from the cooperative and invested in an income generating asset or otherwise deposited high amount and gained interest.

This signifies that most of the respondent is receiving economic benefit from the cooperative



Table 8. Estimated increase in total asset of members due to economic benefits from the cooperative

PARTICULARS	FREQUENCY (F)	PERCENTAGE (%)
Less than 100%	161	54
Double or 100%	71	24
More than double or > 100%	7	2
No Response	61	20
Total	300	100

#### Perceptions About the Mortuary Fund

Table 9 Contains the perceptions of members on mortuary fund. Most 219 (73%) of the respondents said the mortuary fund is beneficial for all members are assured of financial aid in case of death. Some members who were beneficiary were happy relating that the amount they received was sufficient for the interment of their loved ones. Not all the members were happy about the mortuary fund. Sixty (20%) said it is a burden since they have to contribute every time a member dies. It was a burden because they are older and are contributing higher amount than the younger members. Twenty nine percent suggested an increase in the benefit since the purchasing power of the peso is decreasing, 65 (22%) said that the amount of contribution should be decreased.

This finding shows that new members find this contribution a burden but those who availed of this benefit said that it is beneficial. Some wanted to increase the amount of mortuary fund but others wanted to decrease the amount of contribution which is the source of the fund.



Table 9. Perceptions of respondents about the mortuary fund

PARTICULARS	FREQUENCY* (F)	PERCENTAGE (%)
Beneficial because family members are assured of financial aid in case of death of the member	219	73
A burden because members have to pay contribution every time a member dies	60	20
Amount of benefit should be increased	87	29
Contribution should be decreased	65	22
Multiple Response *		

#### General Impression on the Services of the Cooperative

Table 10 shows the rating of the respondents on the services of the cooperative as a whole. One hundred seven or 35% of the respondents rate the cooperatives services, as very satisfactory since their expectations as member were met, ninety or 30% gave a rating of satisfactory, 81 or 27% rated excellent since their expectations were more than met by the cooperative, and only 2 or 1% rated as unsatisfactory since they received less benefit because they did not actively patronize the cooperative services while 20 or 7% did not give comment on the services of the cooperative.

Some said that the cooperative is prompt in providing their services. Others mentioned they appreciate the cooperative employees, headed by their humane manger, because they are friendly.



Table 10. Ratings of the respondents on the services of the cooperative

RATING	FREQUENCY (F)	PERCENTAGE (%)
Excellent	81	27
Very satisfactory	107	35
Satisfactory	90	30
Unsatisfactory	2	1
No Response	20	7
Total	300	100



## **SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

### Summary

This study was conducted at Tubao credit Cooperative, Poblacion La Union. It aimed to identify the different expectations of members in joining the cooperative and the level of their fulfillment, to find out the services that are frequently availed by the members, and to identify the different benefits received by members from the services of the cooperative. This was classified into two: social and economic benefits.

A survey questionnaire was used to gather the information from the cooperative members. The researcher explained the questions that were not understood by the respondents. The data collected was tabulated and analyzed using frequency and percentage.

It was found out that most of the respondents belong to the age bracket 41-60 years old. Majority were female, married, college graduate, and were employed, in the government and private institutions .

The respondents mentioned they joined the cooperative because they believe that the cooperative can help in their financial needs, believe that the cooperative is a better institution to invest money, and the cooperative is offering a higher interest on savings deposit than the banks. From their share capital, members also earn dividends or interest if the cooperative had surplus or profit and lastly they join the cooperative because they want to support the cooperative to its endeavor by contributing their knowledge and skills.

It was found that members' expectations from the cooperative are the following: members are able to avail of loans, invest money and earn higher interest , avail of



mortuary aid , members could help others through mortuary aid, they could contribute their knowledge and skills in the cooperative, participate in the management of the cooperative , they could meet other people during seminars , and the cooperative should give aid to poor families in the community. The Likert scale was used to measure the level of fulfillment of their expectations. The finding shows that majority of the members expectations were fulfilled. There were some expectation that were not met or partially met either because the cooperative was not able to meet this expectation like bring the members to other places on a field trip, or the members were not able to participate thus not meeting their expectation. The expectations of members that the cooperative would participate in community undertakings were rated as partially met by the respondents.

This study found out that all of the cooperative services were frequently availed by the members except the educational assistance because this is limited and only a few qualified could avail.

From the services availed, the members derived benefits. This maybe in the form of social benefits like increase in knowledge and skills, improved personality through constant attendance to trainings and seminars conducted or sponsored by the cooperative, or improved savings habits because they could continuously save in the cooperative even in small amounts which they say it shameful to bring it to the bank. Another type of benefit derived by members is the economic benefit which could be in the form of increased savings through patronage refund and interest on share capital, stable source of income from investments of their loan proceeds from the cooperative and they were able



to purchase real property or fixed assets like passenger jeep, farm machineries, and a piece of land.

It was also found that most members find the mortuary fund beneficial. Beneficiaries were happy that they received amount for the interment of their loved ones. Only few found it as a burden, specially the new members who are paying a higher contribution than the old members. Some suggested that the amount of benefit from mortuary should be increased but on the other hand, other suggested that the contribution for mortuary should be decreased

It was also found that majority of the respondents evaluated the cooperative performance as very satisfactory for the cooperative are prompt in providing their services and they also mention that they appreciate the cooperative employee headed by their humane manager.

### Conclusions

Based from the finding of the study the following conclusions were made:

1. The members joined the cooperative because they perceived the cooperative can help them in their financial needs. Most of the members see the cooperative as a better place to save their money because it gives them higher interest rate and accepts deposits even in small amounts which banks cannot do. Some members joined the cooperative because they want to give support to the cooperative in its endeavors.
2. The members have two kinds of expectation when they joined the cooperative: one is for their personal benefit and the other is related to community





development. Members perceived that their personal expectations were amply met by the cooperative while that for the community was partially met.

3. Majority of the members availed almost all the services of the cooperative except for the educational assistance. This maybe because it is offered to only a few who could meet the qualifications set by the cooperative. Majority are satisfied with the services offered by the cooperative except for the educational assistance and the mortuary fund. Some members perceived the mortuary fund as a burden because of the contribution. The new members observed the contribution as unfair because they pay a higher amount than the old members.

4. There are two kinds of benefits derived by the members from the cooperative. These are the social benefits in the form of improved social personality and the economic benefit in terms of increased income and increased savings. Majority of the members acquired skills through trainings and had improved their camaraderie after some years of being a member of the cooperative. Members also had an increase in their savings and their income.

5. The very satisfactory and excellent ratings of majority of the respondents on the services of the cooperative is indicative of an excellent performance of the management staff headed by the manager.



### Recommendations

Based on the conclusions the following were given as recommendations:

1. the cooperative should keep up with its very satisfactory services so that it could sustain meeting all the members' expectations. Improve on some services that did not meet the expectations of members like bringing the members, specially farmers, housewives and the self employed who had less changes of traveling to visit other places by sending them to seminars or conducting field trips to other successful cooperatives even within the regions. This would further boost up their morale and maybe motivated to increase their patronage in the cooperative.

2. the cooperative could branch out to other municipalities of La Union so that members from these far municipalities would not be hard up in going to the cooperative when they want to avail of its service. This would also encourage more people to join the cooperative and be educated on the advantages of the cooperative over the capitalistic business. This would also increase the number of people benefited by the cooperative. This would also meet the expectation of some members regarding involvement in community development. As of present the assistance of the cooperative is focused within Tubao. If the cooperative will branch out to other places then the same assistance would also be given to the other communities where the members reside.

3. So that the new members will not see the mortuary fund contribution as a burden, the amount of contribution should be equal for all members. This contribution is a form of assistance and it should come from the heart of the giver. The giving of the contribution should be explained to all the members that when they give they will also be



blessed. When the givers have joy in giving then recipient will have a peace of mind when it receives it.



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APPENDIX

A. Letter to the Manager

Republic of the Philippines  
Benguet State University  
COLLEGE OF AGRICULTURE  
La Trinidad, Benguet

DEPARTMENT OF AGRICULTURAL ECONOMICS  
AND AGRIBUSINESS MANAGEMENT

December 17, 2008

ROMULUS LAYUG  
Manager  
Tubao Credit Cooperative  
Poblacion, Tubao, La Union

Sir:

Greetings!

I am Jerrigo S. Angligen a fourth year student of Benguet State University taking up Bachelor of Science in Agribusiness major in Cooperative Management. One of the requirement for us to graduate is to conduct an undergraduate thesis. In regard to this, I've planned to pursue my study with your prestigious cooperative as the subject. My defended proposal is entitled "Members' Perceived Benefits from the Services of Tubao Credit Cooperative."

May I request for your favorable approval to conduct this study and your assistance with data gathering. May I request a copy of your cooperative's policy and your assistance in the distribution and collection of the survey questionnaires.

Thank you very much. May God Bless us all.

Respectfully yours,

JERRIGO S. ANGLIGEN

Noted by:

LUKE E. CUANGUEY  
Department Chairperson

EVANGELINE B. CUNGIHAN  
Thesis Adviser



**B. Letter to the Respondents**

Republic of the Philippines  
Benguet State University  
COLLEGE OF AGRICULTURE  
La Trinidad, Benguet

DEPARTMENT OF AGRICULTURAL ECONOMICS  
AND AGRIBUSINESS MANAGEMENT

December 17, 2008

Dear Respondents,

Warm Greetings!

I am Jerrigo S. Angligen a fourth year student of Benguet State University taking up Bachelor of Science in Agribusiness major in Cooperative Management. I am presently conducting my undergraduate thesis entitled "Members' Perceived Benefits from the Services of Tubao Credit Cooperative" as a partial requirement for graduation.

May I request your cooperation in honestly answering this attached questionnaire. Rest assure that your answers will be treated confidentially by the researcher.

Thank you verymuch. May God bless us all.

Respectfully yours,

JERRIGO S. ANGLIGEN

Noted by:

EVANGELINE B. CUNGIHAN  
Thesis Adviser

ROMULUS LAYUG  
Manager  
Tubao Credit Cooperative  
Poblacion, Tubao, La Union



## C. Survey Questionnaire

### I. PERSONAL INFORMATION

Name (Optional) \_\_\_\_\_ Sex  Male  Female  
 Age \_\_\_\_\_ Civil Status  Single  Married  Widowed  
 Occupation:  farmer  employee  businessman/woman  self-employed  
 Plain housewife (no occupation)  
 Educational Attainment:  Elementary  highschool  college graduate

### II. EXPECTATIONS FROM THE COOPERATIVE

1. What were your expectations when you joined the cooperative? Please rate the level of fulfillment of your expectations using the scale below:

1 = not met      2 = partially met      3 = all met      4 = more than met

Personal Expectations	1	2	3	4
<input type="checkbox"/> to avail of loans				
<input type="checkbox"/> to invest my money and gain higher interest				
<input type="checkbox"/> to avail of patronage refund from my loans				
<input type="checkbox"/> to avail of mortuary aid				
<input type="checkbox"/> to help others through the mortuary fund				
<input type="checkbox"/> to contribute my knowledge and skills in the cooperative				
<input type="checkbox"/> to participate in the management of the coop business				
<input type="checkbox"/> to meet other people during seminars				
<input type="checkbox"/> to see other places during field trips				
<input type="checkbox"/> to acquire technical skill in seminars sponsored by the cooperative				
<input type="checkbox"/> others ( pls specify)				

2. Other expectations from the cooperative

<input type="checkbox"/> coop should help/contribute during town fiestas				
<input type="checkbox"/> coop should help in community development				
<input type="checkbox"/> coop should give aid to poor families in the community				
<input type="checkbox"/> others (pls. specify)				

### II. COOPERATIVE INVOLVEMENT

1. Are you attending the regular general assembly of the cooperative?

always       sometimes

2. Why do you attend the general assembly?

to be updated on the programs/activities of the cooperative

to avail of the incentives for attendance

to participate in the election/business meeting

others ( please specify) \_\_\_\_\_



3. What are your reasons in joining the cooperative?  
 because I believe that the cooperative can help me in my financial needs  
 because I believe the cooperative is a better institution to invest my money in.  
 because I believe in the principles and philosophy of the cooperative  
 because I want to support the cooperative in its endeavors through my knowledge and skills.  
 others (please specify) \_\_\_\_\_
4. What are the services of the cooperative that you availed for the last five years? What are the benefits you derived from the services? Please check those applicable to you and rate the level of satisfaction using the scale below:  
 Scale: (1) dissatisfied      (2) Partially Satisfied      (3) Satisfied  
       (4) very much satisfied

Services availed	Benefits derived	Level of Satisfaction			
		1	2	3	4
Savings and time deposit	<input type="checkbox"/> higher interest rate than the bank <input type="checkbox"/> no with holding tax deducted from interest <input type="checkbox"/> I feel satisfied when I contribute to the funds of the cooperative <input type="checkbox"/> I feel at peace that my money is safe in the cooperative				
Productive and providential loan	<input type="checkbox"/> interest rate and other charges is lower than other lending institutions <input type="checkbox"/> loan requirements and terms are less strict than the bank <input type="checkbox"/> I can easily avail of loan in times of need <input type="checkbox"/> can borrow higher amount from the coop than from the bank <input type="checkbox"/> Others (specify) _____				
Educational Assistance	<input type="checkbox"/> My child was able to go to college <input type="checkbox"/> Other (specify) _____				
Jewelry pledge loan	<input type="checkbox"/> charges are lower than the pawnshops <input type="checkbox"/> term of payment is longer than the pawnshop <input type="checkbox"/> my jewelries are more secured in the cooperative (minimal risk for robbery) <input type="checkbox"/> insurance for my jewelry is higher <input type="checkbox"/> higher monetary value than the pawnshop				

5. What other benefits did you derive from being a members of Tubao Credit Cooperative?  
 Attendance to trainings/seminar/workshops and educational tour





- improved my knowledge and skills
- improved my self esteem
- broadened my view about cooperative
- able to visit other places
- able to meet new friends
- widened my experience
- I developed the value of thrift
- increased in savings through the patronage refund and interest on capital
- other (please specify) \_\_\_\_\_
- Economic benefits from the use of productive loans
  - Stable source of income from my investment
  - Increase family income
  - able to purchase real property

6. By how much did your income increase last year due to the economic benefit you derived from the cooperative?

- less than 10%
- 10% - 15%
- 16% - 20%
- 21% - 25%
- 26% - 30%
- above 30%

7. By how much did your total asset increase last year due to the economic benefit you derived from the cooperative?

- less than double
- doubled
- more than doubled

8. How much have you contributed to mortuary fund for the last five years?

\_\_\_\_\_

9. What is your perception about the mortuary fund?

- it is beneficial because all members are assured of financial help in case of death
- it is a burden because members have to contribute every time a member dies
- the amount of the benefit should be increased
- the amount of contribution should be decreased
- others (pls specify) \_\_\_\_\_

9. What can you say about the services of your cooperative?

- excellent ( your expectations are more than met)
- very satisfactory ( all your expectations are met)
- satisfactory (most of your expectations are met)
- unsatisfactory ( less of your expectations are met)

