

## **BIBLIOGRAPHY**

JESSICA P. OYANG. MARCH 2006. Benefits Derived by Members from the Services of Baguio Market Vendors Multipurpose Cooperative, Benguet State University, La Trinidad, Benguet.

Adviser: Andrew K. Del-ong, BS.

## **ABSTRACT**

This case study was conducted to determine the benefits derived by members from the services of Baguio Market Vendors Multipurpose Cooperative, to identify the reasons of members in joining the cooperative, to identify the expectations of members from the cooperative, and to find out if these expectations were fulfilled.

This study was conducted at Baguio Market Vendors Multipurpose Cooperative with 50 members as respondents. Majority of them were female, married, college graduate, and were sellers or vendors. Most of them became members during the early years of the cooperative for the following reasons: to avail of its services, gain or contribute knowledge on cooperativism, and to have access on the various services of the cooperative. These services were savings deposit with higher interest rate, loan with lower interest, hospitalization aid and mutual aid. Majority of the members derived economic and social benefits from these services. The expectations of the members from joining the cooperative were also met thus, they rated the services of the cooperative as satisfactory.

## TABLE OF CONTENTS

	Page
Bibliography . . . . .	i
Abstract . . . . .	i
Table of Contents . . . . .	ii
INTRODUCTION . . . . .	1
Rationale of the Study . . . . .	1
Statement of the Problem . . . . .	2
Objectives of the Study . . . . .	3
Importance of the Study . . . . .	3
Scope and Limitation of the Study . . . . .	4
REVIEW OF LITERATURE . . . . .	5
METHODOLOGY . . . . .	10
Locale and Time of the Study . . . . .	10
Respondents of the Study . . . . .	10
Data Collection . . . . .	10
Data to be Gathered . . . . .	10
Data Analysis . . . . .	11
Profile of the Respondents. . . . .	12
Year of Membership in the Cooperative. . . . .	14
Category as member in the Cooperative. . . . .	15
Respondents' Membership to Other Cooperative. . . . .	15

How the Respondents Joined BAMARVEMPCO. ....	16
Purpose in Joining the Cooperative. ....	17
Services Availed by the Respondents . . . . .	17
Benefits Derived by the Respondents. ....	19
Uses of Loans Availed from the Cooperative. ....	20
Respondents' Rating BAMARVEMPCO's Services. ....	21
Preferred Institutions for Saving and Borrowing and Reason for Choice . . . . .	23
Respondents' Expectations When joining BAMARVEMPCO. ....	25
<b>SUMMARY, CONCLUSIONS AND RECOMMENDATIONS. ....</b>	<b>28</b>
Summary. ....	28
Conclusions. ....	30
Recommendations. ....	31
<b>LITERATURE CITED . . . . .</b>	<b>33</b>
<b>SURVEY QUESTIONNAIRE . . . . .</b>	<b>34</b>

## **INTRODUCTION**

### Rationale of the Study

The Baguio Market Vendors Multipurpose Cooperative (BAMARVEMPCO) was conceived and organized because of the earnest desire of the small vendors to own and manage the public market. The cooperative was formed on January 1998 by businessmen in the city market for the bonafide vendors and peddlers with the end view of uplifting their economic well-being (BAMARVEMPCO Brochure).

The incorporators were composed of five individuals namely: 1) Leopoldo Dino, 2) Dr. Leonardo Ritos, 3) Angelita Gayados, 4) Peter Sagayo, and 5) Pablo Agulto. The cooperative was registered with the Cooperative Development Authority (CDA) on April 28, 2008 with CDA registration No. CEO-o852. The subscribed share capital then was P62,500 with 15 incorporators.

As of December 31, 2003, the paid-up share capital of 946 members amounted to P15,628,487.49. Savings deposits of 1,630 associate members and 610 regular members amounted to P8,193,305.96. The total asset of the cooperative amounted to P43,546,749.95. The cooperative employed 13 regular staff to man the operation. The services offered by the cooperative to its members are as follows: 1) savings and time deposits, 2) lending/credit, 3) mutual services in the form of “damayan” aid plan, 4) hospitalization aid plan, and 5) medical clinic for community service catering to all city populace of Baguio City and suburbs (medical, ophthalmology, EENT, OB-GYN, and dental services).



The cooperative is an affiliate of three secondary cooperatives namely: NORWESLU, CUBC , NORLUCEDDEC. It is also affiliated to the National Market Vendors Confederation of Cooperatives (NAMVESCO). The cooperative was lucky to be picked as one pilot cooperative of the NATCCO Social Economic Development for Cooperatives in the Philippines (SED COP) and the Financial Intermediation Project for Northern Luzon. The said project was a joint venture of NATCCO and CIDA of Canada which aimed to strengthen the organizational and financial capabilities of primary cooperatives by providing technical assistance and needed training for the officers and management staff of primary cooperatives. After the project had been terminated, the cooperative is now following the CDA set of financial performance standards for all savings and credit cooperatives in the Philippines.

Since the cooperative is affiliated to various strong organizations and a recipient of some projects of NATCCO and CIDA, it is expected that the benefits derived by the cooperative from this assistance should spill over to its member beneficiaries.

This study therefore was conducted to look into the benefits derived by the members from the services of the cooperative.

### Statement of the Problem

The study was conducted to answer the following questions:

1. What are the types of benefits derived by the members from the cooperative?
2. What are the reasons of members in joining the cooperative?
3. What were the expectations of the members from the cooperative and are these expectations fulfilled?



### Objectives of the Study

The study aims to find out the following:

1. the types of benefits derived by the members from BAMARVEMPCO,
2. the reasons of members in joining the cooperative,
3. the expectations of members from the cooperative, and
4. if these expectations were fulfilled.

### Importance of the Study

Cooperative members play an important role in the cooperative organization. Without their loyalty to the cooperative, it cannot continue to operate and serve its members. This is the unique set up of a cooperative different from that of a profit-oriented business.

The findings of this study would provide inputs to the management staff and officers of BAMARVEMPCO in order for them to assess their performance and plan out activities that would further benefit the members.

Furthermore, this study would provide information to individuals, agencies and other organizations that are giving support to the cooperative movement to know what members expect from a cooperative and come up with better strategies to satisfy these expectations.



### Scope and Delimitations

This study focused mainly on identifying the types of benefits derived by members of BAMARVEMPCO from its services. It did not go into estimation of these benefits. It only included the benefits derived by members, regular and associate, and excluded second parties who may have been benefited out of the benefits obtained by a member.



## REVIEW OF LITERATURE

There is strength in group cooperation as demonstrated in many fields of human endeavor. There are tasks which can be more efficiently performed through group cooperation than by a single individual. A cooperative provides maximum economic benefits to its members, propagate effective practices and new ideas in business and management, and allow the lower income groups to increase their ownership in the wealth of the nation (Leung, 1993).

The cooperative code of the Philippine (R.A. 6938), states that a cooperative shall provide goods and services to its members and thus enable them to attain increase income and savings, investment, productivity and purchasing power and promote among them equitable distribution of net surplus through maximum utilization of economies of scale, cost sharing, and risk-sharing.

In a cooperative, members are treated with respect and dignity, as it is democratic in governance. This provides a fertile environment for members to pursue their own development and growth with in their capabilities and inclinations as everyone is encouraged to participate actively in all affairs of the organizations from planning to management, Botigan (1995).

For a cooperative to be of true service to its members, It must understand their basic needs of the basic needs. It demands patience in taking into accounts the cooperative goals and objectives, likewise the visions and long term goals, in the process of incorporating these as real part of the members lives. Cooperatives, being institutional





aid in increasing the income and productivity of their members, are primarily concerned with human betterment and advancement of people by improving life in the community. Cooperatives play crucial roles in community development particularly with the human resources aspect where man is considered the most important factor of development. Desirable values are infused to the members especially in the wise use of money to be self-reliant, likewise demonstrate the importance of group cooperation and social awareness. Concepts on the cooperative development program teaches members how to save, how to spend money wisely, how to work together for common goal, to help others and build a better community. It encourages members to prosper through their own cooperative efforts and acquire legitimate incomes, thereby fairly distributing wealth among its members. Negative attitudes and values are reversed through continuous cooperative education of members particularly on the policy of social commitment where the development of human resources and the community goes hand in hand, Fajardo and Fabian (1942)

According to Onagan ( 1973), cooperatives improves the quality of life of the people by developing positive attitudes and active participation in working together to solve economic and social problems. The cooperative serves these functions:

- A. It will serve as means of building capital and savings.
- B. It undertakes effective and continuous cooperative education among members where cooperative concepts and practices are inculcated in a meaningful way.
- C. It also serves as an exercise for self-government to fortify leadership in the community and delegate positive relationship with the people.



D. It will also serve as a conduit for essential services provided to members channeled from government service to the people.

Cooperatives that pay a little attention to serving their members are unlikely to survive against the competition. In order to improve services, the cooperative must first be sure what the members want, needs and priorities. Members are more likely to make use of a cooperative if it provides responsive services at competitive prices.

The Cooperative Development Authority (1996) emphasized that, to be successful, a cooperative needs at least to maintain its volume of member transactions. With increased competitive prices. Improved service 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.

According to Leung (1993), in a competitive market, members will increasingly seek providers who serve them best. In order to maintain member's loyalty in the cooperative, it should offer prompt credit and low- interest loans to keep existing members to attract new ones. It should provide what members need at the time they need it. Cooperative members derive several benefits from the operation of their cooperatives. The main benefit is economic since the members get a share of the cooperative's net-surplus by patronizing its services. A certain percentage of the cooperative's net-surplus is annually returned to the members. It is called patronage refund. Economic benefits



may come in forms of higher interest on savings accounts and lower interest on loans, credit availability, hospitalization and mutual assistance, and dividends on share capital.

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 R.A. 6938. Through the patronage refund, members are actually saving while using the services of the cooperative.

According to the Cooperative Development Authority, other benefits derive from cooperatives are:

- A. Cooperative members develop the habit of thrift and saving.
- B. Cooperative serves as the training for its members in simple business operation, democratic leadership and responsible citizenship.
- C. It offers opportunities to its members benefits and progress. Purposes that may redound to their material benefits and progress.
- D. A cooperative teaches its members, which make every members a better individual and a better member of the society.

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

Mather and Preston (1978) cited, benefits of cooperatives are difficult to measure since some are tangible or direct as in the case of net margins in savings while others are



intangible or indirect such as the greater for some types of cooperatives in specific areas that most benefits are evaluated in economic terms as well as social.



## **METHODOLOGY**

### Locale and Time of the Study

This research was conducted at BAMARVEMPCO, Baguio City on January 2006.

### Respondents of the Study

The respondents of the study were the members of the cooperative. Fifty members were randomly taken as respondents. The researcher stood by at the cooperative and whoever come to transact business was given the questionnaire. The manager or chairman of the board of the cooperative was also interviewed.

### Data Collection

To collect the data needed in this study, a survey questionnaire was prepared and was distributed to the respondents as they go to the cooperative. Furthermore, secondary data was taken from the records of the cooperative on their policies, benefits given to members, and the services they offered.

### Data Gathered

The data gathered was based on the objectives of the study. In order to answer the objectives the following data was collected: the services offered by the cooperative, the cooperative's policies on members' benefits, members' perception of the benefits they



derived from the cooperative, reasons of members in joining the cooperative and the expectations of members from the cooperative.

### Data Analysis

The data was analyzed using descriptive statistics like frequency and percentage.



## RESULTS AND DISCUSSION

### Profile of the Respondents

Age. Out of the fifty respondents surveyed, the youngest respondent was 22 years old, while the oldest was 69 years old. Table 1 presents that majority of the respondents were between the ages 21-30 years old while the least number belonged to the age bracket 51-60 years old. This finding implies that majority of the members were still young.

Sex. There were more female respondents than male. The table shows that there were 76% female and only 24% were male. This implies that the members of BAMARVEMPCO were dominantly female.

Civil status. Majority of the respondents interviewed were married and around one third of the total respondents were single, and two were widowed.

Educational attainment. Table 1 also presents that majority of the respondents (68%) finished college education and 16% took a vocational course. Sixteen percent finished high school and two respondents were elementary graduates.

Occupation. Most (58%) of the respondents interviewed were sellers or vendors and few of them were private employees (28%) while five respondents were government employees. Only two respondents indicated that they were students.

Out of the twenty-nine (29) respondents who were vendors, 17 respondents sell their goods in a business stall located at the different sections of the Public Market, Hill top, Hangar and Abanao while 12 respondents peddle their goods along the side walks.



Eleven respondents among the 29 sellers vend dry goods while nine respondents sell vegetables. Five seller-respondents sell fish while three seller-respondents sell fruits and only one seller-respondent sell auto parts.

Table 1. Profile of the respondents

PARTICULARS	FREQUENCY	PERCENTAGE
a. Age		
21-30	17	34
31-40	15	30
41-50	15	30
51-60	1	2
61 and above	2	4
TOTAL	50	100
b. Gender		
Male	12	34
Female	38	76
TOTAL	50	100
c. Civil status		
Single	17	34
Married	32	64
Widowed	1	2
TOTAL	50	100





Table 1. Continued....

d. Educational Attainment	FREQUENCY	PERCENTAGE
Elementary	2	4
High school	8	16
College	34	68
Vocational	6	12
<b>TOTAL</b>	<b>50</b>	<b>100</b>
e. Occupation		
Seller	29	58
Private employee	14	28
Government employee	5	10
Students	2	4
<b>TOTAL</b>	<b>50</b>	<b>100</b>

#### Year of Membership in the Cooperative

Table 2 presents that most (38% ) of the respondents became members between 1998 and 2000, at the time the cooperative started its operation as savings and loan cooperative. Seventeen or 34% became members in 2001 – 2003 while 14 or 28% became members in 2004 – 2006. This implies that majority of the members in the cooperative were just new who became members between 2001 to 2006.



Table 2. Distribution of respondents according to year of membership.

PARTICULARS	FREQUENCY	PERCENTAGE
1998-2000	19	38
2001-2003	17	34
2004-2006	14	28
TOTAL	50	100

#### Category as Member in the Cooperative

Majority (76%) of the respondents were regular members of the cooperative and only thirteen or 26% have joined as associate members (Table 3). This finding shows that the cooperative had been accepting associate members.

Table 3. Distribution of respondents according to membership category.

CATEGORY	FREQUENCY	PERCENTAGE
Regular	37	74
Associate	13	26
TOTAL	50	100

#### Respondents' Membership to Other Cooperative

Table 4 presents that among the fifty respondents, nine of them were members of other cooperatives prior to joining BAMARVEMPCO. These other cooperatives were



BBCCI, where most of them were members and BAMAPCO where only one was a member.

Table 4. Distribution of respondents according to membership to other cooperative.

MEMBERSHIP TO OTHER COOPERATIVE	FREQUENCY	PERCENTAGE
Yes	9	18
No	41	82
<b>TOTAL</b>	<b>50</b>	<b>100</b>

#### How the Respondents Joined BAMARVEMPCO

There were 52% who said they were influenced by others. From the good information herd from their friends, relatives, co-sellers, and neighbors, they became interested to join. Twenty three respondents voluntarily joined the cooperative because they need its services while one was recruited.

This findings shows that when people knows that an organization is good and of advantage to them, they tend to join in.

Table 5. Distribution of respondents as to how they join the cooperative

HOW THEY BECAME MEMBERS	FREQUENCY	PERCENTAGE
Recruited	1	2
Voluntary	23	46
Influenced by others	26	52
<b>TOTAL</b>	<b>50</b>	<b>100</b>



### Purpose in Joining the Cooperative

Table 6 presents that majority of the respondents (68%) joined BAMARVEMPCO because they knew that they can easily borrow from it. Sixty four percent said they can easily deposit and withdraw their money from the cooperative and 20% said they wanted to gain knowledge on cooperatives through seminars while 8% said they can contribute their knowledge and skill to the cooperative.

Table 6. Distribution of respondents according to their purpose of joining the cooperative

PURPOSE OF JOINING	FREQUENCY	PERCENTAGE
Easy access to credit	34	68
Easy access to savings deposit	32	64
Gain knowledge on cooperatives	10	20
Contribute knowledge and skill to the coop.	4	8

### Services Availed by the Respondents

Majority of the respondents had availed of the two major services offered by BAMARVEMPCO, these were savings and credit as shown in Table 7. There were 14 respondents who mentioned they availed of the hospitalization assistance while nine respondents availed of mutual aid.

One of the major services offered by the cooperative to their members was providing loans. Thirty nine of the respondents availed of the loan service with credit amount ranging from P10,000 to P300,000. From the fifty respondents, only 14 availed of the hospitalization assistance with amounts ranging from P1,000 to P10,000. There



were 9 respondents who said they availed of the mutual aid assistance with amounts ranging from P3,000 to P5,000. Table 5 presents the distribution of the number of times the respondents have availed of the cooperative's loan, hospitalization assistance, and mutual aid services.

Table 7. Distribution of respondents according to service availed and the number of times they have availed

PARTICULARS	FREQUENCY	PERCENTAGE
a. Services Availed		
Savings and time deposits	35	70
Credit loan	39	78
Mutual aid	9	18
Hospitalization assistance	14	28
No. of times of credit loan availed		
Once	4	8
Twice	8	16
Thrice	5	10
Four times	3	6
Five times	2	4
Six and above times	17	34
No. of times mutual aid availed		
Once	9	18
No. of times hospitalization assistance availed		
Once	10	20
Twice	3	6
Thrice	1	2



### Benefits Derived by the Respondents

The benefits derived by the members from the services of the cooperative were categorized into economic and social benefits.

Economic benefits. Table 8 presents the economic benefits that the respondents perceived to have derived from availing the cooperative services. Majority (83%) of the respondents mentioned that they got higher interest for their savings as compared to what the banks offer. They also said that interest on loan was lower than what informal lenders were charging. Besides, they also got patronage refund from the interest they paid. Twenty three or 46% of the respondents said they availed of financial aid in the form of mutual aid and hospitalization assistance. An almost equal number of respondents recognized that the dividend or interest on share capital was an additional income. Sixteen or 32% said that the cooperative was a regular source of operating capital. This was because they could always get loan from the cooperative when they needed capital.

Table 8. Perceived economic benefits received from the services availed

PARTICULARS	FREQUENCY	PERCENTAGE
Higher interest for savings	43	86
Dividends for share capital	22	44
Patronage refund	44	88
Credit at low interest	39	78
Financial aid	23	46
Regular source of operating capital	16	32



Social benefits. Majority of the respondents (86%) mentioned that they benefited socially in the form of improvement in their camaraderie or social dealings with other people. Sixteen percent of the respondents indicated that their leadership qualities were developed or improved. They learned how to help others and with the knowledge they gained from seminars attended they are now capable of handling meetings or organize group activities. Three respondents said that they were able to visit places like Banaue, Batangas, Boracay, Davao, Laguna, Palawan, and Vigan during cooperative field trips, and attendance to seminars. Only one respondent indicated that he acquired skills on credit management (Table 9).

Table 9. Distribution of respondents according to social benefits received from services availed

PARTICULARS	FREQUENCY	PERCENTAGE
Improvement in social dealing	43	86
Acquired skills	1	2
Acquired knowledge	7	14
Able to visit places during coop field trip seminars	3	6
Developed or improved leadership qualities	8	16

#### Uses of Loans Availed from the Cooperative

Table 10 shows that among the 39 members who availed of the loan service, thirty one respondents used their loan as capital for business expansion in order to earn more income. Some of the respondents were able to purchase land or house and lot while



some were able to construct or at least renovate a portion of their house. There were respondents who mentioned that they were able to purchase appliances. There were also respondents who mentioned that they were able to provide for the education of their children while one respondent said she was able to send her niece to school and another respondent was able to help with the tuition fee of her siblings. Thirty six percent said their loans from the cooperative enabled them to send their children to school and 12% were able to buy their own vehicle from the loans they got from the cooperative.

This finding implies that the loans provided by the cooperative was able to help its members uplift their economic as well as social conditions.

Table 10. Distribution of respondents according to uses of loan availed

LOAN USES	FREQUENCY	PERCENTAGE
Capital to expand business	31	62
Send own children to school	18	36
Improve own house	12	24
Purchase appliances	30	60
Purchase house or lot	4	8
Purchase vehicle	6	12
Tuition fee of siblings and niece	2	4

#### Respondents' Rating of BAMARVEMPCO's Services

Table 11 presents the rating of the respondents on the different services of the cooperative. These were on savings deposit, time deposit, mutual aid, hospitalization





assistance. Majority had evaluated the cooperative's performance as good to very good and no respondent rated the cooperative's performance as fair or poor. There were a few who rated the services of the cooperative as excellent.

Evaluation on savings. Fifty-six percent of the respondents rated the savings deposit service of BAMARVEMPCO as very good and 26% evaluated it as good. Eight respondents gave their ratings as excellent while one respondent did not give her evaluation for the savings deposit service.

Evaluation on time deposit. Forty six percent of the respondents rated the cooperative's time deposit service as very good and twenty-four percent gave their evaluation as good. Nine respondents rated it as excellent while there were six respondents who did not give a rating for the time deposit service.

Evaluation on mutual aid. Forty percent of the respondents gave a rating of good on the mutual aid service of the cooperative while 8% rated it as very good. Four respondents gave their rating as excellent while there were eight respondents who did not give their rating for the mutual aid service.

Evaluation on hospitalization assistance. Twenty 23 or 42% of the respondents rated the cooperative's hospitalization assistance service as good and thirty-eight percent gave a rating of very good. Five respondents gave their evaluation rating as excellent while another five respondents did not rate the hospitalization service.



Table 11. Distribution of the respondents according to how they rate the cooperative services

PARTICULARS	FREQUENCY	PERCENTAGE
a. Rate on saving		
Excellent	8	16
Very good	28	56
Good	13	26
b. Rate on time deposit		
Excellent	9	18
Very good	23	46
Good	12	24
c. Rate on mutual aid		
Excellent	4	8
Very good	18	36
Good	20	40
d. Rate on hospitalization assistance		
Excellent	5	10
Very good	19	38
Good	21	42

Preferred Institution for Saving and Borrowing and Reasons for Choice

Table 12 presents that all the respondents preferred to save their money in their cooperative. They also preferred to borrow from the cooperative instead of borrowing from the bank. Their reasons for preferring to save and borrow money from BAMARVEMPCO rather than in the bank are also presented in Table 12.



Choice for deposit. Majority of the respondents mentioned that they prefer to deposit money in the BAMARVEMPCO because the cooperative is exempted from tax, gives higher interest for their savings, compared to the bank, and they can withdraw cash anytime because the cooperative is near their business location. Respondents perceived that bank deposits are safer than in the cooperative yet they still prefer BARVEMPCO because of its proximity to their work place.

Choice for loans. Majority of the respondents mentioned that they prefer to borrow money from the cooperative because they get patronage refund, cooperative loans have lower interest as compared to rates of informal lenders, examples are; “five-six”, Indian traders. The respondents did not give comments on how fast their loan application would be approved by BAMARVEMPCO indicating that they can easily have the money they need when they borrow from informal lenders.

Table 12. Preferred place for saving and borrowing money and reasons in choosing

PARTICULARS	FREQUENCY	PERCENTAGE
<b>a. Preference for saving money</b>		
Cooperative	50	100
Bank	0	0
<b>Reason for choosing the Cooperative</b>		
Can withdraw deposit anytime	43	86
Higher interest rate	43	86
Tax free	45	90
<b>b. Reason for choice of loan</b>		
	FREQUENCY	PERCENTAGE
Lower interest	43	86
Patronage refund	44	88
Others	2	4



### Respondents' expectations when joining BAMARVEMPCO

Table 13 presents the expectations of respondents when they joined the cooperative and whether BAMARVEMPCO was able to satisfy these expectations.

Credit needs for business capital. There were 39 or 78% of the respondents who said they expected to avail of loan from the cooperative to finance their business was achieved. There were 11 however, who mentioned that their credit need was not met by the cooperative.

Higher interest rate on savings deposit. Forty four or 88% of the respondents mentioned that their expectation to receive a higher interest on their savings deposit was achieved but their were 12% whose expectation was not achieve. However, they did not mention their reason for saying their expectation of getting a higher interest rate was not achieved.

Visit to other places. Only 16 percent respondents mentioned that their expectation of being able to visit other places through the cooperative is met because only 3 fellow respondents were able to visit places like Banaue, Batangas, Boracay, Davao, Laguna, Palawan, and Vigan during cooperative field trips and seminars. majority were not able to join in any of these seminars or field trips.

Sixteen or thirty two percent of the respondents said that their expectations to visit other places through attendance to trainings and seminars was achieved. On the other hand, majority (68%) mentioned that their expectation to see other places was not achieved because they were not able to join seminars conducted in other places. This implies that only a few of the members were able to to attend seminars in other places.



Meet more friends through cooperative seminars. As found above, only few of the respondents were able to attend seminars in other places, however, majority (86%) said they were able to meet more friends through cooperative seminars. This shows that even if they did not attend seminars in other places they were able to attend seminars conducted by their cooperative or seminars held in Baguio City or nearby places.

Financial assistance. Majority of the respondents availed of financial assistance in the form of hospitalization and mutual aid assistances thus, they said their expectation of availing financial assistance was achieved.

Borrow money for house improvement. Thirty-five respondents said that their expectations of being able to borrow money for house improvement is satisfied because of the twelve fellow respondents who availed of loan from BAMARVEMPCO and used it to renovate their house and 33 respondents

Borrow money for lot purchase. Fifty percent of the respondents said that their expectation of being able to borrow money for house and lot purchase was satisfied because four fellow respondents availed of loan from BAMARVEMPCO and used it to buy a house and/ or lot.

The respondents who mentioned that these expectations were not achieved did not state the possible reasons.



Table 11. Distribution of respondents according to whether their expectations in joining the cooperative were achieved

RESPONSE	FREQUENCY	PERCENTAGE
<b>a. Credit needs for business capital</b>		
Achieved	39	78
Not achieved	11	22
<b>TOTAL</b>	<b>50</b>	<b>100</b>
<b>b. Could save money at higher interest rate</b>		
Achieved	44	88
Not achieved	6	12
<b>TOTAL</b>	<b>50</b>	<b>100</b>
<b>c. Could visit other places through the coop.</b>		
Achieved	16	32
Not achieved	34	68
<b>TOTAL</b>	<b>50</b>	<b>100</b>
<b>d. Could avail financial assistance</b>		
Achieved	33	66
Not achieved	17	34
<b>TOTAL</b>	<b>50</b>	<b>100</b>
<b>e. To meet more friends through coop seminars</b>		
Achieved	43	86
Not Achieved	7	14
<b>TOTAL</b>	<b>50</b>	<b>100</b>
<b>f. To borrow money for house improvement</b>		
Achieved	35	70
Not Achieved	15	30
<b>TOTAL</b>	<b>50</b>	<b>100</b>
<b>g. To borrow money for lot purchase</b>		
Achieved	25	50
Not Achieved	25	50
<b>TOTAL</b>	<b>50</b>	<b>100</b>



## **SUMMARY, CONCLUSION AND RECOMMENDATION**

### Summary

This study was conducted at the Baguio Market Vendors Multipurpose Cooperative, BAMARVA Building, City Market, Baguio City in order to identify the types of benefits derived by the members from cooperative services availed, to find out the reasons of members in joining the cooperative, to identify the expectations of members from the cooperative and find out if these expectations were fulfilled.

A survey questionnaire was used to gather information from member of the cooperative. The researcher explained questions that were not understood by the respondents. The manager was also interviewed to validate some information from the respondents. The collected data was tabulated and analyzed using frequency and percentage.

It was found out that the member-respondents were generally adults of which, majority were females, married, degree holder and were sellers or vendors at Baguio City market area. Most of the respondents joined the cooperative between 1998 and 2000. Some of the respondents were also members to other cooperatives like BBCCI and BAMAPCO. The respondents became members of the cooperative through the influence of other people such as friends, co-sellers, neighbors and relatives, and by voluntarily filing their membership. According to them, they joined BAMARVEMPCO because most of them wanted to avail its easily accessible services, to gain knowledge about cooperative, and to contribute their knowledge and skills to the cooperative.



Most of the respondents availed of the major services offered by the cooperative like credit loans, savings and time deposits, while some had availed of mutual aid and hospitalization assistance. The respondents did not only derive economic benefits from the services availed but also benefits for their social life.

The economic benefits derived by the members were in the form of higher interest on saving and time deposits as compared to the banks' rates. In addition, they could withdraw cash anytime with easy access because their place of business is near the cooperative. Besides that, interest on their savings is exempted from tax. Thus, most of the respondents were satisfied with the cooperative saving service.

Loans with lower interest rates was another benefit derived by the respondents. It was also identified that with the loans from the cooperative the members were able to expand their business and earned more income, purchase land or house and lot, vehicle and appliances, construct or renovate a portion of their house, and provide educational needs for their children, siblings, and relatives. Most of the respondents were satisfied with the cooperative's loan service.

This study also found out that almost all respondents acquire the social benefit of improvement in camaraderie or social dealing. Some of the respondents were able to acquire knowledge on cooperative development, credit management and unity as a group, their leadership qualities were developed or improved, and were able to visit places during cooperative field trip seminars.

It was found that majority of the respondents evaluated the cooperative's performance as good to very good and no respondent rated the cooperative's performance as fair or poor.





Expectations of member-respondents when they joined the cooperative are saving money at a higher interest rate, credit needs for business capital, they could avail of financial assistance, they could visit other places through the cooperative, they could borrow money for house improvement or lot purchase, and they could meet more friends through cooperative seminars. It was found out that most of the respondents were satisfied with the cooperative's performance in relation to their expectations and the respondents are satisfied with the cooperative's performance in relation to their expectations and the respondents who mentioned that these expectations were not achieved did not state the possible reasons.

### Conclusions

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

1. Majority of the respondents was female, adults, married, degree holders, and were sellers or vendors.
2. Majority of the respondents became members during the early years of the cooperative.
3. Some of the respondents were members of other cooperatives aside from BAMARVEMPCO.
4. Majority of the respondents became member of the cooperative through the influence of other people and through voluntary filing of membership.
5. Majority of the respondents joined the cooperative to avail of the easily accessible major services like credit, savings and time deposit as well as to gain or contribute knowledge on cooperative.



6. Majority of the respondents not only availed of the credit and savings deposit services but mutual aid and hospitalization assistance as well.
7. Majority of the respondents perceived that they derived economic as well as social benefits from the cooperative services they availed.
8. Majority of the respondents were able to expand their business and earn more income. Some member respondents were able to purchase house and lot, appliances, vehicle, construct or renovate on of their house, and provide the educational needs of their children, siblings, and relatives.
9. The expectations of majority of the respondents in joining the cooperative was achieved.
11. Majority of the respondents were satisfied with the cooperative's performance in relation to their expectations.

### Recommendations

From the conclusions it is recommended that:

1. Since the cooperative has been satisfactorily providing various services to members as well as non-members in the form of savings and time deposits, lending/credit, mutual services of "Damayan" aid , hospitalization aid, and were rated as very good, then the cooperative should maintain its excellent services to the members.
2. Encouragement of inactive members to participate in the activities of the cooperative and encourage other non-members to join the cooperative in order for them to be benefited also.



3. There should be a regular seminar that the cooperative will conduct to remind members of the policies and rules of the cooperative and cooperative field trip seminars.
4. The BAMARVEMPCO should continue its operation, services and expand more projects for the benefit of their members and their immediate community.



## LITERATURE CITED

- BOTIGAN, J. 1995. Needs and problems of existing cooperatives in Baguio. BS Thesis, Benguet State University, La Trinidad, Benguet. Pp. 6-7.
- CDA. 1996. Cooperative Development Authority. <http://www.cda.gov.ph/coops.asp>
- FAJARDO, F.R. and A. P. FABIAN. 1992. Cooperatives 4<sup>th</sup> Ed. Manila: Rex Publishing and Bookstore. Pp. 275 – 277.
- LEUNG, C. 1993. Development Diary: Return to Cooperatives. Baguio Midland Courier. Baguio City. Pp. 5, 24.
- MATHER , J.W. and H.J. PRESTON. 1978. Cooperative Management and Development. <http://www.rurdev.usda.gov>.
- ONAGAN, L.D. 1973. Cooperatives: Principles and Practices. Manila: McCollough Printing. Pp 98-200.
- REPUBLIC ACT 6938. 1996. Cooperative Code of the Philippines. Manila: PUP Printing House. PUP Consumers Cooperative. P. 20.



## APPENDIX

### Appendix A. Survey Questionnaire

#### I. PERSONAL INFORMATION

Name (optional): \_\_\_\_\_ Age \_\_\_\_\_

Sex: ( ) M ( ) F Civil status: ( ) Married ( ) Single ( ) Widowed

Highest Educational Attainment:

( ) Elementary ( ) secondary ( ) post secondary ( ) college graduate

What is your main occupation? ( ) vendor ( ) gov't. employee ( ) private employee  
( ) other (specify) \_\_\_\_\_

If you are a vendor, do you own the stall where you sell? ( ) yes ( ) no

If no, where do you sell? ( ) leased store ( ) side walk ( ) ambient vendor ( ) others  
(please specify) \_\_\_\_\_

What type of goods do you sell? ( ) fruits ( ) vegetables ( ) others specify \_\_\_\_\_

What type of vendor are you? ( ) retailer ( ) wholesaler ( ) wholesaler-retailer

#### II. COOPERATIVE MEMBERSHIP

1. Number of years as member \_\_\_\_\_ Category as member: ( ) regular ( ) associate

2. Are you a member of other cooperatives aside from BAMARVEMPCO? ( ) yes ( ) no

3. If yes, what cooperative? \_\_\_\_\_

4. How did you become a member of BAMARVEMPCO?

( ) recruited by whom? \_\_\_\_\_

( ) voluntarily join the cooperative

( ) influenced by others (please check who influenced you)

\_\_\_\_ friends \_\_\_\_ neighbors \_\_\_\_ family/relatives



## 5. Why did you join the cooperative?

- to have easy access to credit
- to have easy access to savings deposit
- to have knowledge about cooperatives through seminars and training
- to contribute my knowledge and skills in the cooperative
- to be able to visit other places
- others (specify) \_\_\_\_\_

## III. BENEFITS DERIVED

## 1. What are the services of the cooperative that you have availed? (please check)

- a. Savings and Time deposits services
- b. credit
- c. Mutual aid/assistance, How much? \_\_\_\_\_
- d. hospitalization assistance, How much? \_\_\_\_\_
- e. others (please specify) \_\_\_\_\_

## 2. What benefits did you derive from the cooperative?

## a. Financial/economic benefits:

- higher interest for my savings
- higher earnings for my investment (share capital) in the form of interest or dividend
- patronage refund
- credit at low interest rate



\_\_\_ financial aid

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

b. Social benefits

\_\_\_ improvement in my social dealing/ camaraderie (overcome shyness)

\_\_\_ acquired skills on (please mention) \_\_\_\_\_

\_\_\_ acquired knowledge on (please mention) \_\_\_\_\_

\_\_\_ was able to visit other places because of coop field trips or seminars (please mention some places you visited) \_\_\_\_\_

\_\_\_ my leadership qualities was developed or improved

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

4. How do you rate the services of your cooperative as compared to other coops. (Please rate each service as (E) excellent (VG) very good (G) good (F) fair or (P) poor

\_\_\_ savings deposit

\_\_\_ time deposit

\_\_\_ mutual assistance

\_\_\_ hospitalization assistance

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

5. How did the credit/loan from the cooperative help you?

\_\_\_ was able to increase/expand my business



\_\_\_ was able to send my children to school

\_\_\_ was able to improve my house

\_\_\_ was able to buy appliances

\_\_\_ was able to buy house and/ or lot

\_\_\_ was able to buy a car

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

6. Please mention some problems you met regarding the services of the cooperative.

---



---



---

#### IV. EXPECTATIONS

1. What were your expectations from the cooperative when you join?

\_\_\_ It could provide all my credit needs for my business

\_\_\_ I could save my money at a higher interest rate.

\_\_\_ I could visit other place through the cooperative

\_\_\_ I will be able to learn some skill

\_\_\_ The cooperative will provide consumer goods that I need

\_\_\_ I will be able to meet more friends through coop seminars and trainings

\_\_\_ I will be able to borrow for house improvement/construction

\_\_\_ I will be able to borrow for lot purchase

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

