

BIBLIOGRAPHY

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ABSTRACT

This study was conducted to determine the services rendered by the cooperative to people of the community in Buguias, Benguet; determine the impact of the different services to the members as to positive impact and negative impact; find out the level of satisfaction of members on the services of the cooperative; the contribution of the cooperative to the community development; and the perceptions of the members and community regarding their cooperative.

A survey questionnaire was used in the collection of the data and was personally administered by the researcher. Ninety five members were taken as respondents of the study.

The finding show that the cooperative had a positive impact on the economic and social status of the members. The major economic contribution of the cooperative to the members were in terms of providing the basic goods when needed, providing farm inputs on time and on credit basis; and enabling them to expand their business. The major social contributions were as follows: provide donations in times of emergency, their number of friends increased, and developed sense of cooperation within the community. As to the

negative impact, it was a negligible level because very few was affected and it may have been due to neglect of responsibility on the part of the members. The members perceived that the cooperative contributed much to community development. The members perceived also that the cooperative provide very good quality goods and services at affordable prices. Furthermore, the cooperative gives fair treatment to all the people in the community.



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INTRODUCTION

Rationale

The Benteo Timpuyog Credit Cooperative (BENTICCO) originally known as Benteo Timpuyog Farmers' Association is initiated by a Municipal Agriculture Officer of Atok. It is an Agric-based cooperative supported and financed by the Municipal Agriculture Office (MAO) and Municipal Agriculture and Fisheries Council (MAFC). Its main purpose is to provide loans to members for agricultural production purposes and socio-economic projects. It is a lone credit cooperative located at Poblacion, Atok, Benguet in complement with Atok National High School (ANHS)-Main Multi-purpose cooperative. There were fifteen pioneer members who started the cooperative. At present the total members increased covering less than twenty five (25%) of the total population of the Barangay. The membership is limited because of strict member selection and decision of the Board of Directors (BOD) not to open and expand its membership to the nearby Barangays.

The Farmer's Association was formed and organized in 1991 and the General Assembly decided to register as a cooperative on November 10, 1997. Though it started with minimal asset, it pursued its operation through availing funds from different funding agencies and continued campaigning for membership. Being a lone credit cooperative in the area, it had gained the trust of the people to join and invest in the cooperative. With the additional share capital and other assets, the cooperative was able to satisfy the needs of its members to the extent that its cash flow is liquid.

The cooperative had been growing substantially in terms of asset because of continuous capital build-up, loan repayment consciousness among members and strict



adherence to standing policies. With this, the cooperative was able to invest in other organization.

Statement of the Problem

This study sought to answer the following questions:

1. What are the programs, activities or projects of the cooperative that contributed to the social status of members and to the community?
2. What are the contributions of the cooperative in the socio-economic progress of the community?
3. What are the benefits derived by the members from the cooperative?
4. What are the problems encountered by the cooperative and its members in implementing social projects?

Objectives of the Study

This research study aimed to:

1. Identify the programs, activities or projects implemented by the cooperative to improve the social status of the members and the community,
2. Identify the contribution of the cooperative to the socio-economic progress of the community,
3. Identify benefits derived by members from the services of the cooperative, and
4. Identify problems encountered by the cooperative in the implementation of social projects.



Importance of the Study

Results of the assessment of the socio-economic impact of Benteo Timpuyog Credit Cooperative (BENTICCO) may provide relevant information to the members and to the community to make them realize that organizing cooperatives has a great help to the economic upliftment of the whole community. It could be a decision factor to the members and officers of the cooperative to expand its membership and could also be a decision factor to the community people to join and support it. The results could also be starting point of further improvement and expansion of the service of the cooperative to attract more members and supporters. Results could also be used as a reference for researchers who would be conducting research of the same line of interest.

Scope and Delimitation of the Study

The study focused on the assessment of the socio-economic impact of Benteo Timpuyog Credit Cooperative (BENTICCO) to its members and the community. It's contribution to the socio-economic progress and improvement of social status of each household in the community.



REVIEW OF LITERATURE

Cooperative Defined

As stated in Article 3, General Concepts of the Philippine Cooperative Code (2008), a cooperative is an autonomous and duly registered association of persons with a common bond of interest, who have voluntarily joined together to achieve their social, economic, and cultural needs and aspirations, making equitable contributions to the capital required, patronizing their products and services, and accepting a fair share of the risks and benefits of the undertaking in accordance with universally accepted cooperative principles.

Cooperative Principles

As amended in Article 4, Cooperative Principles in the New Philippine Cooperative Code RA 9520 (2008), that every cooperative shall conduct its affairs in accordance with Filipino culture, good values and experience and the universally accepted principles of cooperation which include, but are not limited to the following:

1. Voluntary and Open Membership – Cooperatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, cultural, political, or religious discrimination.

2. Democratic Member Control – Cooperatives are democratic organizations that are controlled by their members who actively participate in setting their policies and making decisions. Men and women serving as elected representatives, directors or officers are accountable to the membership. In primary cooperatives, members have



equal voting rights of one-member, one-vote. Cooperatives at other levels are organized in the same democratic manner.

3. Member Economic Participation – Members contribute to, and democratically control the capital of their cooperative. At least part of that capital is the common property of the cooperative. They shall receive limited compensation or limited interest, if any, on capital subscribed and paid as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing the cooperative by setting up reserves, part of which should at least be indivisible; benefiting members in proportion to their patronage of the cooperative's business, and supporting activities approved by the membership.

4. Autonomy and Independence – Cooperatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including government, or raise capital from external sources, they shall do so on terms that ensure democratic control of their members and maintain their cooperative autonomy.

5. Education, Training and Information – Cooperatives shall provide education and training for their members, elected and appointed representatives, managers, and employees, so that they can contribute effectively and efficiently to the development of their cooperatives.

6. Cooperation among Cooperatives – Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional, and international structures.



7. Concern for Community – Cooperatives work for the sustainable development of their communities through policies approved by their members.

According to Abasolo (2000), a cooperative shall provide maximum economic benefit to its members, teach them the efficient ways of doing things and new ideas in business and management and allow the lower income groups to increase their ownership in the wealth of the nation.

Importance of Credit System

As stated by Miranda (2001), the importance of money in the nation's economy has been clearly indicated and clearly stressed. However, inspite of its multi-varied functions, money is far from enough. In fact, if all economic activities were to rely on the use of money alone, production would tend to show down its pace and so with consumption. The consequent result will therefore be a lowering of standards of living.

Hence, the need for a system of credit for a reason that the extension of credit is quite simple. People buy things that they cannot afford to pay for at the moment, but probably can pay for in the long run. Certain merchandise is too expensive to pay for at once but it maybe a useful one for a period of ten or fifteen years, and people are willing to deny themselves for a little good many things in order to own the merchandise. In such cases, credit is not dangerous.

Nature and Characteristics of Credit

As further stated by Miranda (2001), by the very nature, credit which is defined as “the ability to obtain a thing of vale in exchange for a promise to pay with money or something equally satisfactpry to the seller or creditor at some future time” represents



both as a power and obligation on the part of the debtor. On the other hand, to the creditor, credit signifies the existence of a legal and moral right as well as an expectation of the fulfillment of the promise.

As a power, credit enables the individual to stretch his purchasing ability, that is, obtain goods and services which otherwise the individual would be without with the lack of account if not total absence of cash at that particular time. Evidently, credit in this sense expresses the ability of the debtor to obtain goods or services on the basis of the seller's or lender's belief that payment will be made by the debtor as promised in accordance with their agreement. Such equivalent which is promised to be paid in the future may consist of either goods or services. Generally speaking however, in common practice, credit obligations are discharged through an offer of a sum of money.

As an obligation on the part of the debtor, credit represents a legal and moral responsibility to honor his promise or commitment which has arisen out of a past transaction. As such, credit may be said as quantitative and, therefore, capable of some definite measurement, that is, the credit of an individual or firm must necessarily be equal, if not more than, the total amount of the indebtedness incurred.

Social Impact Assessment

From Wikipedia (2008), A Social Impact Assessment is a methodology to review the social effects including the processes of analyzing, monitoring and managing intended and unintended social consequences, both positive and negative, of planned interventions and any social change processes invoked by those interventions. Its primary purpose is to bring about a more sustainable and equitable biophysical and human environment.



Cooperative Movement as a Solution to World Problem

Excerpt from a speech of during the Asian Credit Union Forum. De Castro (2005), the cooperative movement in the country, particularly the savings and credit cooperative sector, is a growing movement and is making palpable contribution to the local economy. In fact, in many communities that remain un-served by formal financial institutions, savings and credit cooperatives are the main if not the only source of financing for a great majority of our population.

Cooperatives in the country are important part of our national development and that they are here to stay because they are part of a big movement that has taken root and continue to grow in Asia.

Significance of Cooperatives

Anonymous (2009), Cooperatives, as economic enterprises and as self-help organizations, play a meaningful role in uplifting the socio-economic conditions of their members and their local communities. Over the years, cooperative enterprises have successfully operated locally owned people-centered businesses while also serving as catalysts for social organization and cohesion. With their concern for their members and communities, they represent a model of economic enterprise that places high regard for democratic and human values and respect for the environment. As the world today faces unstable financial systems, increased insecurity of food supply, growing inequality worldwide, rapid climate change and increased environmental degradation, it is increasingly compelling to consider the model of economic enterprise that cooperatives offer. The cooperative sector, especially in developing countries, also presents itself as an



important element that can contribute to the realization of the Millennium Development Goals (MDG's) by 2015.

The cooperative enterprise is also relevant in addressing the problem of food security. The cooperative enterprise also presents an important model as many of the world's poorest and disadvantaged face social exclusion, lack of access to opportunities and growing economic inequality. As the uneven effects of globalization have led to a rise in the unregulated informal economy, workers in the informal sector have formed shared service cooperatives and associations to assist in their self-employment. In rural areas, savings and credit cooperatives provide access to banking services which are lacking in many communities. Credit cooperatives also play an important role in the formation of small and micro businesses. They can affect the kind of financial "deepening" that the World Bank envisages, as they consistently reach the poor in a sustainable way.

Cooperatives may not be the solution to the world's problems, but they are certainly part of the solution. An International Year of Cooperatives can firm up the international will to strengthen cooperatives and in so doing help achieve MDG's and alleviate world crises.

Socio-economic Impact Analysis

Anonymous (2007) Socio-economic impact analysis is designed to assist communities in making decisions that promote long term sustainability, including economic prosperity, a healthy community, and social well being. It is a proposed development that may increase employment in the community and create demand for more affordable settlement. Both effects are easily quantifiable. Also of importance,



however, are the perceptions of community members about whether the proposed development is consistent with a commitment to preserving the rural character of the community. Assessing community perceptions about development requires the use of methods capable of revealing often complex and unpredictable community values.

The socio-economic impacts of a proposed development on a community may actually begin the day the project is proposed. Changes in social structure and interactions among community members may occur once the new development is proposed to the community. In addition, real, measurable and often significant effects on human environment can begin to take place as soon as there are changes in social or economic conditions. From the time the earliest announcement of a pending policy change or development project, attitudes toward the project are formed, interest groups and other coalitions prepare strategies, speculations may lock up potentially important properties, and politicians can maneuver for position.

Socio-economic Contribution of Cooperatives

Lumiqued (1993) as stated by Toribio (2009), a cooperative teaches its members how to spend money wisely and save. It develops self-reliance, social awareness among its service people. It encourages people to prosper through their own cooperative efforts and legitimate income and wealth to be fairly distributed among its members. A cooperative does not exploit consumers and its employees but plays a vital role in the victory of socialism.

Towang (2002) as cited by Toribio (2009), cooperative also believes that social responsibility is included as one of its principles, the concern for community in which they operated. Cooperatives like other enterprises have seen their operation significantly



affected by external challenges in the political and economic environment. This includes the impact of structural adjustments and economic liberation.

Definition of Terms

Member – includes a person either natural or judicial who, adhering to the principle set forth in the cooperative code and in the articles of cooperation, has been admitted by the cooperative as member.

Board of Directors – body entrusted with the management of the affairs of the cooperative under its articles of cooperation and by-laws.

Credit Cooperative – one that promotes and undertakes savings and lending services among its members. It generates a common pool of funds to provide financial assistance and other related financial services to its members for productive and provident purposes.

Credit – means the borrowing of funds or money from one party to another, with a promise of the latter party to pay the borrowed funds at a specified future time.

Socio-economic – is the study of the relationship between economic activity and social life. It focuses on the social impact of some sort of economic change.



METHODOLOGY

Locale and Time of the Study

The study was conducted in the principal office of Benteo Timpuyog Credit Cooperative (BENTICCO) at Poblacion, Atok, Benguet. The study was conducted on November to December 2009.

Respondents of the Study

The respondents were composed of officers who were chosen through purposive random sampling and total enumeration of members of the cooperative. For the community people the barangay officials were also chosen for personal interviews in confirmation regarding the implemented projects of the cooperative.

Data Collection

A survey questionnaire and a data sheet was used to gather information. The researcher personally visited the area and obtained the respondents from the list of members and officers of the cooperative. The researcher supervised the answering of the questionnaires to ensure that all questions are answered.

For the community people, the researcher personally visited and interviewed them in their homes.

Data Collected

The data collected were the programs, activities or projects implemented by the cooperative to improve the socio-economic status of members. It's economic



contribution, the benefits derived by members and the problems encountered by the cooperative in implementing its socio-economic projects.

Data Analysis

The data gathered were classified and analyzed using simple statistical tools such as frequency counts, percentages and the results were interpreted in accordance with the objectives of the study.



RESULTS AND DISCUSSION

Respondents' Profile

The personal profile of the respondents was presented in Table 1. The profile included their age, sex, civil status, educational attainment, and household annual income and sources of income.

Age. Most (37.10%) of the respondents were between the age of 41-50 years old followed by the age bracket 51-60 years old with 29.03%, 31- 40 years old with 17.74%, 21-30 years old with 11.29%, 71-80 years old with 3.23%, and 61 - 70 years old with 1.69%. The result shows that majority of the respondents were of middle age approaching the old age.

Sex. Majority (64.52%) of the respondents were female and only 35.48% were male. Results of personal interviews reveals that the male respondents has a lesser time of attending and participating in the cooperative's activities because they were pre-occupied with farm maintenance and other livelihood activities to sustain the daily needs of the family, thus they entrusted to their wives the membership to the cooperative.

Educational attainment. The finding shows that all of the respondents had undergone formal education. Half (50%) of them were able to reach the secondary level, 29.03% pursued to a college degree while 3.23% finished a vocational course. There were 17.74% who had reached only elementary level. According to them, they were not able to continue because of the lack of financial support from their parents.

Annual income. The respondent's earnings were based on the occupation they have and were measured yearly. Most (41.94%) of the respondents had an annual income of P51,000- P100,000 followed by P50,000 and below income bracket with 40.32%. Next



was the income bracket of P101,000- P150,000 with 9.68% followed by the income bracket of P 151,000- P 200,000 with 4.84%. There were only very few (3.22%) who received an income of P201,000 and above.

The finding shows that majority of the members had an annual income of P100.000 and below considering that most of them are farmers.

Sources of income. The sources of income of the respondents were as follows: agricultural production, specifically vegetable farming and animal raising, salaries as government employees, wages as skilled laborers, and from business.

Majority (58.07%) get their income directly from vegetable production followed by 19.35% of the respondents who receives a monthly salary from the government. There were 8.06% who get their income from being a skilled laborer and 4.84% get their income from business operation.

This finding implies that majority of the members of the cooperative were engaged in agricultural production.

Table 1. Profile of the respondents

PARTICULARS	FREQUENCY	PERCENTAGE
Age		
21 – 30	7	11.29
31 – 40	11	17.74
41 – 50	23	37.10
51 – 60	18	29.03
Above 60 years old	3	4.84
TOTAL	62	100.00



Table 1 continued ...

PARTICULARS	FREQUENCY	PERCENTAGE
Sex		
Male	22	35.48
Female	40	64.52
TOTAL	62	100.00
Civil Status		
Single	10	16.13
Married	52	83.87
TOTAL	62	100.00
Educational Attainment		
College graduate	18	29.03
Vocational graduate	2	3.23
Secondary level	31	50.00
Elementary level	11	17.74
TOTAL	62	100.00
Annual Income		
P50,000 and below	25	40.32
P51,000 – P100,000	26	41.94
P101,000 – P150,000	6	9.68
P151,000 – P200,000	3	4.84
P201,000 and above	2	3.22
TOTAL	62	100.00
Sources of Income		
Farming	42	67.75
Employment/work	12	19.35
Wages as skilled laborer	5	8.06
Business	3	4.84
TOTAL	62	100.00



Purpose in Joining the Cooperative

Table 2 shows the purposes of the respondents in joining the cooperative. Most (42.67%) of them indicated that their purpose in joining the cooperative is to avail loan and patronage refund. Twenty four or 38.67% mentioned that they joined the cooperative to benefit from the cooperative's services and programs, 13.33% said they joined the cooperative to have additional knowledge about cooperative and 5.33% joined to take part and learn from the activities of the cooperative. The finding implies that the main purpose of the members in joining the cooperative was to benefit from the service, activities, and programs of the cooperative rather than to take part in its activities and learn from it.

Number of Years in the Cooperative

Number of years as a member. Most of the respondents (48.65%) had been a member of the cooperative for 6-10 years, 37.84% for 1-5 years, and 13.51% for 11-15 years (Table 3). The result shows that majority of them were members of the cooperative for less than ten years. The cooperative had been operating for 12 years and there were very few members at the initial year.

Table 2. Purposes in joining the cooperative

PURPOSES	FREQUENCY	PERCENTAGE
To avail of loan and patronage refund	26	42.67
To benefit from the cooperative services	24	38.67
To have additional knowledge about cooperative	8	13.33
To take part and learn from the activities	3	5.33



Table 3. Number of years in the cooperative as member/officer

NUMBER OF YEARS	FREQUENCY	PERCENTAGE
As Member of the Cooperative		
1 – 5	14	37.84
6 – 10	18	48.65
11 – 15	5	13.51
TOTAL	37	100.00
As Officer of the Cooperative		
1	4	20.00
2	7	35.00
3	5	25.00
10	4	20.00
TOTAL	20	100.00

Number of years as an officer. Most (35%) of the officers sat in their position for at least 2 years while 25% were able to complete 3 years which is the maximum term of an officer. 20% of the officers has maintained their leadership for 10 years due to good standing and performance. 20% also are new sets of officers to rule in the cooperative (Table 3). The finding reveals that the officers can maintain in position in 1 year or more as long as they had the capability to do so.



Social Activities of the Cooperative Participated by the Respondents

The social activities and programs of the cooperative participated by the respondents were as follows: general assembly meetings, trainings and seminars, clean-up drive, and tree planting. All the respondents participated in the general assembly meetings and trainings and seminars. Only 12.94% and 5.88%, respectively, participated in the tree planting and clean-up drive (Table 4). This finding shows that very few members of the cooperative participate to cooperative activities for the community.

Social Impact of the Cooperative to the Members

Table 5 presents the social impact of these social activities to the personal; development of the members. Most (35.38%) of the respondents had developed their self-confidence and self-reliance followed by 33.33% of them whose knowledge about cooperative improved, 17.69% had improved their skills in livelihood activities while 8.16% had improved their managerial capabilities and 5.44% had more acquaintances and friends. This shows that greater percentage of the respondents were able to improve their personalities through the activities conducted by the cooperative.

Table 4. Social activities of the cooperative participated by the respondents

SOCIAL ACTIVITIES	FREQUENCY*	PERCENTAGE
General assembly meeting	62	100.00
Trainings and seminars	62	100.00
Clean-up drive	4	6.15
Tree Planting	8	12.90

*Multiple response



Table 5. Social impact of the cooperative to the respondents

SOCIAL IMPACT	FREQUENCY*	PERCENTAGE
Developed self-confidence and self-reliance	52	35.38
Improved skills in livelihood activities	26	17.69
Improved managerial capabilities	12	8.16
Improved knowledge about cooperative	49	33.33
More acquaintances and friends	8	5.44

*Multiple response

This finding implies that the cooperative was able to influence the social life of the members through its social activities.

Extent of Patronizing the Credit Service and Availment of Patronage Refund

Table 6 shows the extent of patronage of the credit service by the respondents and the factors that the respondents considered in availing of the credit service as well as the extent of availing patronage refund by the respondents.

Patronage of the credit service. Majority (68.42%) of the members pointed out that the credit service was fully patronized while 31.58% indicated that the service was moderately patronized. This implies that majority of the members availed of the credit service of the cooperative.

Factors affecting loan availment. The factors which the members consider as important in availing of the credit service of the cooperative were as follows: low interest considered by 80.65%, loan is based on fixed deposit and credit standing of the member by 56.45%, fast release of loan by 25.81%, long term payment of loan by 12.90%, and



4.84% each for less requirement and high patronage refund and interest on capital. This finding implies that members consider interest rate, the amount to be granted which is based on the fixed deposit, the time of processing and release of the loan, and the term of the loan when they avail of the credit service.

Availment of patronage refund. A great majority of the respondents (91.23%) indicated fully availed the patronage refund while 8.77% stated that they have moderately availed. This proves the earlier finding that they fully patronized the loan service. This finding implies that members who are availing of the loan service are given patronage refund at the end of the year. This is a form of savings by the members. They use the credit for their capital or personal consumption and out of the interest they pay for the use of money, they get a refund for contributing to the net surplus of the cooperative. This is the main feature of the cooperative that makes it different from other businesses.

Table 6. Extent of patronizing the credit service and availing patronage refund, and the factors considered in availing the credit service by the respondents

PARTICULARS	FREQUENCY	PERCENTAGE
Extent of Patronizing the Credit Service		
Fully patronizing	39	68.42
Moderately patronizing	18	31.58
TOTAL	57	100.00
Extent of Availing Patronage Refund		
Fully patronizing	52	91.23
Moderately patronizing	5	8.77
TOTAL	57	100.00

*Multiple response



Table 6 continued ...

PARTICULARS	FREQUENCY*	PERCENTAGE
Factors considered in Patronizing the Credit Service		
Low interest rate	50	80.65
Loan is based on fixed deposit	35	56.45
Fast release of loan	17	27.42
No collateral on loan	16	25.81
Long term payment of loan	8	12.90
High patronage refund	3	4.84
Less requirement	3	4.84

* Multiple response

Uses of Loan by the Respondents

Table 7 shows the uses of the loan availed by the respondents. Majority respondents indicated agricultural production as the primary use of the loan they availed. Eighty six percent used it for vegetable production and 15.79% used it for animal production. About 51% used their loan for hospitalization. This shows that the cooperative played a very important role in providing funds for paying hospital bills and buying medicines. Furthermore, some members (8.77%) used their loan for buying basic commodities. Some of them (38.60%) and 17.54% used their loan as business capital and for paying tuition fees of their children. The result shows that the members used their loans for provident and productive purposes.



Reasons in Patronizing the Cooperative

Table 8 presents the reasons of the respondents in patronizing their cooperative. There were 45.95% who said they are patronizing the service of the cooperative because they want to maintain their membership in the cooperative. The other reasons mentioned were: to have patronage refund by 35.09% and to help build the cooperative by another 35.09%. This members have different reasons in patronizing their cooperative.

Table 7. Uses of loan from the cooperative

PARTICULARS	FREQUENCY*	PERCENTAGE
Vegetable Production	49	86.00
Animal Raising	9	15.79
Hospitalization	29	50.88
Purchase Basic Commodities	5	8.77
Business Capital	22	38.60
Tuition fee of Children	10	17.54

* Multiple response

Table 8. Reasons of the respondents in patronizing the cooperative service

PARTICULARS	FREQUENCY*	PERCENTAGE
To maintain membership	34	59.65
To have patronage refund	20	35.09
To help build the fund of the cooperative	20	35.09

* Multiple response



Economic Impact of the Cooperative to the Members and the Community

Economic impact to members. Aside from the social impact of the cooperative to the members, the more important one is its economic impact. Table 9 reveals the indicators of improvement among the respondents since they became a member in the cooperative. The indicators are as follows: improved house, increased assets, increased income from business, children were sent to school and loans and interests were paid on time. Majority (77.19%) of the respondents indicated that their assets increased because they were able to purchase appliances and farm implements. There were 22.12% who pointed out that their income from business increased, 28.07% were able to send their children to school, 26.32% were able to pay their loans and its interest on time, and 10.53% were able to improve their house. The finding implies that the cooperative was able to improve the economic status of the members through its services.

Contributions to the community. The main contribution of the cooperative to the community was that they had a clean and green environment because of their clean-up drive and tree planting activities. This was stated by 87.10% of the respondents. The other two important contributions of the cooperative were the cemented pathway indicated by 12.90 % and the road improvement mentioned by 20.97%. People in the community were happy because even though they are not members of the cooperative they are benefited from these projects. The barangay officials mentioned that they are very thankful to the members and officers of the cooperative for helping them to improve their community.



Table 9. Economic contributions of the cooperative to the members and to the community

PARTICULARS	FREQUENCY*	PERCENTAGE
Economic Contributions to the Members		
Increased assets	44	77.19
Increased income in business	23	40.35
Children are sent to school	16	28.07
Loans and interest are paid on time	15	26.32
Improved house	6	10.53
Contribution to the Community		
Clean and green community	54	87.10
Road improvement	13	20.97
Cemented pathways	8	12.90

* Multiple response

Problems Encountered in Implementing the Socio-Economic Activities

Table 10 shows the problems encountered by the cooperative in the implementation of their activities, programs, and projects. The problems indicated were as follows: lack of cooperation among the members of the cooperative given by 32.26%. Second is the lack of financial capital pointed out by 19.35%. According to the respondents, the cooperative could conduct more social activities that would benefit the members and the community as a whole if they have more funds to finance the activities. Furthermore, the cooperative could not expand its services to the members because of limited capital. It observed that the operation is somewhat stagnant due of the small



Table 10. Problems encountered by the cooperative in implementing socio-economic activities

PROBLEMS	FREQUENCY*	PERCENTAGE
Lack of cooperation	20	32.26
Lack of financial capital	12	19.35
Lack of equipment	8	12.9
Difficulty in making linkages	5	8.10

* Multiple response

financial asset of the cooperative. This was because of the limited membership and some are afraid to apply for a loan and some were not conscious on the time of repaying their loans which caused the stagnant operation due to the slow cash flow. Another was the lack of equipment mentioned by 17.78%. The BOD chairman said they don't have enough equipment and manpower with the managerial capability to supervise the operation of the cooperative. Some respondents also mentioned difficulty in making linkages with other organizations or institutions. Interviews with some members and officers revealed that these problems were encountered mainly because every member and officer of the cooperative cannot swallow their pride; everyone wants to be appreciated and be recognized with every work they do. This maybe affected by the level of education every member had, the one's who had a college degree wants to be superior over the others.



Recommendations of the Respondents for the Improvement of the Cooperative

Table 11 shows the recommendations of the respondents for the further improvement of the service of the cooperative. Majority of the respondents recommended an improvement of capital build-up strategy in order to increase their capital and solve the problem of lack of capital. Expansion of the membership to other barangays was suggested by 64.52%. Loan uses should be properly monitored to check if the loan was used to what it was intended for by 48.39% and 32.26% recommended that loan delinquency control should be strictly imposed and also remind borrowers of their loan so that they would not be overdue.

Table 11. Recommendations for the improvement of the cooperative

RECOMMENDATIONS	FREQUENCY*	PERCENTAGE
Improve capital-build-up	40	64.56
Expand membership	40	64.56
Monitoring of loan purposes and uses	30	48.39
Improve loan delinquency control and repayment consciousness	20	32.26

* Multiple response



SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

Summary

This study was conducted to assess the socio-economic impact of Benteo Timpuyog Credit Cooperative, determine the programs, activities, or projects implemented by the cooperative, find out its contribution to the socio-economic progress of its members and the community, and determine the problems encountered by the cooperative in implementing its project. This study was conducted from December 2009 to January 2010 with 57 registered members of Benteo Timpuyog Credit Cooperative and five (5) members of the community as respondents. It was found out that majority of the members were female, mostly married, with ages between 41-60 years old, and had an income range of P100,000 and below annually. Most of them had finished post secondary education, so, majority of them were engaged in vegetable farming and some were salaried employees in the government. Most of them were members in the cooperative ten (10) years and below, most of the officers also had two (20 years being an officers and the community respondents had resided in the area for almost 40 years.

The programs, activities or projects implemented by the cooperative were general assembly meeting, which was mostly attended by the members followed by the trainings and seminars. These activities contributed a lot to the improvement of the social status of the members such that most of them develop their self-confidence and self-reliance and had improved their knowledge about cooperative. Other projects are road improvement, cemented pathways and clean-up drive which contributed to the economic progress of the community.



The members mentioned several benefits derived from the service of the cooperative. With the loans they availed, they had a capital for their agricultural production and their business, they were able to send their children to school and buy the things they needed. With the emergency loan, the respondents were able to pay their hospital bills and buy their medicines. Most especially that most cases of illness are unexpected. They were able to repay their loans and interest on time and able to purchase their basic needs in times of emergencies. Which they would not have done without the service. However, they mentioned some problems that they encountered in the implementation of their socio-economic activities and regarding their service. Majority pointed out that the main problem that they met was lack of cooperation among the members and officers due to lack of knowledge regarding the operation of the cooperative. They also stated that they lack financial aspect, meaning more fund to satisfy more member-borrowers. Most of the officers said that they lack implements/ tools to manage well the cooperative and lastly was that they had a difficulty in linking tie-ups.

Conclusions

Based on the finding of the study, the following conclusions were derived:

1. Majority of the respondents are females, mostly married with age ranging 41-60 years old, finished secondary level of education, some pursued a college degree, engaged in agricultural production and with an annual income of P100, 000 and below.
2. Majority of the respondents were able to improve their socio-economic status with the activities, programs and projects implemented/ conducted by the cooperative. With its service, the respondents were able to send their children to school, improve their



house, buy some additional appliances and also they were able to repay their loans and its interest on time. For the community, the cooperative was able to contribute to the road improvement and to the clean and green environment. In the social aspect, most of the members were able to develop their self-confidence and self-reliance and were able to learn more about cooperative.

3. The officers and members of the cooperative encountered a problem in implementing their service and the socio-economic activities because of the lack of cooperation of each and every member and lack of funds to finance these activities.

Recommendations

1. The education committee should be properly taught and learned enough to in order for them to conduct Pre-membership education seminar (PMES) effectively and efficiently such that the incoming members had already derived knowledge regarding the operation of the cooperative.

2. “Cooperation is the key to success”, this should be the main goal of each member and officer in order for the cooperative to optimize its growth and improvement if it was well managed with joined hands. Selfishness should be minimized; everybody should share their knowledge but should never boast it.

3. Membership should be at least open to municipal wide because additional members are additional assets not just financially, it also adds to the manpower that could contribute to the further growth and improvement of the cooperative.



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APPENDIX A

Survey Questionnaire
(For the Members)

Respondent No.: _____

Date: _____

I. Profile of Respondents

Name of Respondent: _____ Age: _____

Gender: _____ Male _____ Female Civil Status: _____

Educational Attainment: (please check)

_____ Elementary _____ High School

_____ Vocational _____ College

Number of years in Cooperative Membership: (please check)

_____ 1 – 5 years _____ 6 – 10 years

_____ 11 – 15 years _____ 16 – 20 years

Position in Cooperative: (if officer)

_____ Board of Directors _____ Committee Member

_____ General Manager _____ Secretary

_____ Treasurer _____ Bookkeeper

_____ Sales Clerk _____ Posting Clerk

_____ Others, specify: _____

Number of years as an officer / staff in the Cooperative: (please check)

_____ 1 year _____ 2 years

_____ 3 years _____ 6 years

_____ 8 years _____ 10 years

Purpose in joining the Cooperative: (please check)



- _____ To avail loan and patronage refund.
- _____ To have additional knowledge about cooperatives.
- _____ To take part and learn in the Cooperative activities.
- _____ To benefit from the Cooperative's services.
- _____ Others, specify: _____

Sources of Income: (please check)

- _____ Vegetable Farming
- _____ Animal Raising
- _____ Employment / Work
- _____ Wages as skilled workers / laborers
- _____ Business
- _____ Others, specify: _____

Annual Income:

- Total Farm Income:
 - Vegetable Production: _____
 - Animal Raising: _____
- Non-farm Income: _____
- Other sources of Income, specify: _____

II. Cooperative Services Availled by Members

1. What are the Cooperative Services / Programs that you availed?

- _____ Savings and Time Deposits
- _____ Credit Services
- _____ Consumers Services
- _____ Others, specify: _____

2. What are your purposes in availing loan services?

- _____ Vegetable Production



- Animal Raising
- For business Capital
- To build house
- To purchase lot
- Tuition fee of children
- House Improvement
- Hospitalization
- Placement fee of OFW Applicants
- Used to purchase basic commodities
- Others, specify: _____

2. What are your reasons in patronizing the Cooperative?

- To maintain membership
- To have patronage refund
- To help build the cooperative
- Others, specify: _____

3. Did the services you availed improve your socio-economic condition?

- Yes No

4. If yes, how did it improve your socio-economic condition?

- Improved House
- Increased Assets
- Increased Income from business
- Children are sent to school
- Loans and interests are paid on time
- Others, specify: _____

5. If not, why?



- Loan is not enough for capital
- Loan was not used for intended purpose
- Unexpected emergency circumstances
- Natural Calamities
- Others, specify: _____

III. Extent of Implementation of Cooperative Service

1. In your assessment, what is the extent of implementation of the credit service of the Cooperative? (please check)

- Fully Implemented
- Moderately Implemented
- Fairly Implemented
- Poorly Implemented

2. In your assessment, what are the extent of patronage / availment of the service of the cooperative?

- Fully Availd
- Moderately Availd
- Fairly Availd
- Poorly Availd

3. What are the facilitating factors to the moderate or full implementation, patronage / availment of the Cooperative service?

- Low Interest
- No collateral on loans
- Fast release of loan
- Loans is according to fix deposits and credit standing
- High patronage refund / interest on capital
- Long term payment of loan
- Less Requirement
- Others, specify: _____



4. In your opinion, what are the factors for the fair or poor implementation, availment and patronage of the cooperative service?

High interest on loan
 Short term payment of loan
 Low patronage refund
 Slow release / processing of loan
 Too much requirement
 Others, specify: _____

5. What are your recommendations to improve the services of the cooperative?

Improve capital build-up of members
 Improve loan delinquency control, repayment consciousness
 Help expand membership
 Monitoring of loan purposes
 Others, specify: _____

IV. Socio-economic impact of Cooperatives

A. Social

1. What are the social activities / programs of the Cooperative that you had been participating? (please check)

General Assembly Meeting
 Trainings and Seminars
 Clean-up Drive
 Tree Planting
 Others, specify: _____

2. Do you consider these activities contributory in improving your social attitude?

Yes No



3. If yes, what activities / programs contributed to your personal development? (please check)

General Assembly
 Training and Seminar
 Clean-up Drive
 Tree Planting
 Others, specify: _____

4. How did it improve your social attitude? (please rank from 1-most improved to 5-least improved)

Develop self-confidence and self-reliance
 Improved skills in livelihood activities
 Improved managerial capabilities
 Improved knowledge about cooperative
 More acquaintance / camaraderie / belongingness
 Healthy environment
 Others, specify: _____

B. Economic

1. What is the economic assistance you gained from being a member of the cooperative? (please check)

Financial Assistance
 Interest on share capital and savings
 Patronage refund
 Others, specify: _____

2. What are the indicators of progress through the help of Cooperative in your present condition? (please check)

House Improvement
 Purchased Appliances
 Purchased House and Lot
 Purchased Farm Implements



- _____ Purchased Agricultural Land
- _____ Children / household members sent to school
- _____ Household members sent overseas (OFW)
- _____ Others, specify: _____

3. What are the contributions of Cooperative to the community? (please check)

- _____ Road Improvement
- _____ Cemented Pathways
- _____ Construction of bridges
- _____ Clean and Green Environment
- _____ Others, specify: _____

V. How can you rate the before and after effect of the organization of the cooperative?

VARIABLES	BEFORE	AFTER
1. Social		
Participation to cooperative activities		
Participation to community activities		
Others, specify		
2. Economic		
Increase in income		
Expand business		
Able to bring children to school		
Improve house		
Bought appliances		
Others, specify		

- Scale: 1- low participation / improvement
 2- moderate participation / improvement
 3- high participation / improvement

THANK YOU VERY MUCH and GOD BLESS!



