

BIBLIOGRAPHY

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ABSTRACT

The study was conducted to determine the level of satisfaction of members on the services of DOERS MPC in Shilan, La Trinidad, Benguet. This was conducted on December 2009 to March 2010.

Most of the respondents were male and were high school graduates. Most of the members were drivers and majority of them were member of the cooperative for 2-4 years. The primary reasons why the respondents joined the cooperative are to be able to have easy access to credit/loan and to help built the cooperative. Majority of the respondents expected that the cooperative would provide patronage refund on fuel refilling and they expected that the interest rate of loan is lower compared to the bank.

In terms of financial benefit, many respondents perceived that the greatest benefit that they get from the cooperative is through loans and also the service of fuel refilling. Socially, members perceived that they have improved their relationship with other people especially with their co-members. Economically, they perceived that the benefits are low interest on loans and patronage refund.

Although some of the respondents did not meet any problem in the availment of the services, there are many who encountered some problems like: delinquent in paying loans and some members do not patronize services.

The following are the recommendations: Improve those supplies already existing. Improved services may mean expanding the range of services offered to members or improving the delivery of existing services. The steps that should be taken in order to maintain or expand the life of the cooperative should be found more covertly in the reasons why members want to join the cooperative; they must see to it that members should pay their loans on time. To avoid delinquency problem, the officers must strictly implement the loan policies of the cooperative; Encourage non-members to join through information campaign drive, this would encourage potential members to join and thereby increase membership and increase capital which is the lifeblood of the cooperative.

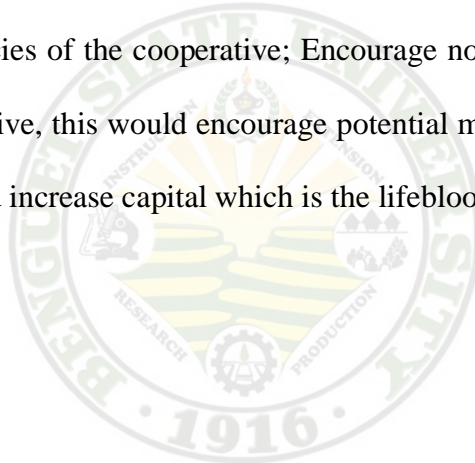


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INTRODUCTION

Rationale

The establishment of cooperative begins with people who wish to provide themselves with goods and services they need. As such, the cooperatives should grow in size, both in membership and economic resources, so that they will be able to provide the needs of the members.

Customer satisfaction is not only achievable; they are essential to creating the proper attitude within the company. Unless an organization is prepared to guarantee that its customers will be satisfied, that organization will not put the policies and procedures in place, will not empower the employees, will not reinforce the enabling behaviors needed to make its customer the number one priority as it should.

The Acop-Shilan Jeepney Operators and Drivers Association Multipurpose Cooperative (ASJODA MPC) was organized in the last quarter of 2001 with twenty five (25) initial members. Through the cooperation and unity of all the officers and members who are operators of the jeepney units plying the route of Baguio–Acop–Shilan and vice versa, the cooperative was registered with the Cooperative Development Authority under Certificate of Registration No. CEO 1098 on December 11, 2001.

Initially the cooperative is engaged in credit services and eventually expanded as time passed. At present, aside from its credit operation, the cooperative is accepting deposits; it is also into fuel refilling station and retailing of auto parts.

Sometime in 2005, the cooperative expanded its membership from operators and drivers to include other individuals from all walks of life who envisions attaining better living conditions.



On March 20, 2007, the name of the cooperative was changed to Drivers Operators Employees Residents and other Sector Multipurpose Cooperative (DOERS MPC) per Certificate of Registration of the amendment to the Articles of Cooperation and by - laws issued by the Cooperative Development Authority (CDA, 1996).

The cooperative envisions to be a progressive, strong and stable cooperative and in partnership with the community in providing adequate and quality services within the province of Benguet. Its continuous development is attributed to its mission to address the financial needs of the members assisting them in the upliftment of their socio-economic well being towards self-reliance and to provide essential services and business enterprise to the general public within its area of operation.

This study aimed to determine the level of satisfaction of members on the services extended by Drivers Operators Employees Residents and other Sector Multipurpose Cooperative.

Statement of the Problem

1. What are the reasons members join the cooperative?
2. What are the expectations of members from the cooperative services?
3. What are the benefits derived by members from the cooperative?
4. What are the members' levels of satisfaction on the cooperative services?
5. What are the problems encountered by the cooperative in relation to service delivery?
6. What are the solutions and recommendations employed to solve the problems?



Objectives of the Study

This study aimed to assess the level of satisfaction of members from the services of the cooperative. Specifically, it seeks to:

1. Identify why members joined the cooperative.
2. Determine the expectations of members from the cooperative services.
3. Identify benefits derived by the members from the cooperative.
4. Determine and analyze the members' levels of satisfaction on the cooperative services.
5. Identify and analyze problems on service delivery by the cooperative.
6. Come up with solutions and recommendations to address the problems.

Importance of the Study

The researcher conducted this study primarily for the cooperative and its' members benefit.

The result of the study would provide the leaders and management staff and other officers the information that will guide them formulate and implement plans for the improvement of quality service delivery of the cooperative. Through this study, the researcher would gain deeper knowledge on management aspects of cooperative especially on quality service delivery which would be relevant for her in the future. This would also enable the researcher to build up her self-confidence on business management.

Finally, information gathered in the study would serve as a reference for future researchers.



Scope and Delimitations of the Study

This study focused on determining the level of clients' satisfaction on the services of Drivers Operators Employees Residents and other Sector Multipurpose Cooperative. The study looked into the problems encountered in the delivery of services and corresponding suggestion and recommendations to solve these problems. There are fifty member-respondents of the study. The respondents were located at the area of Shilan and Tublay and some also are from some other areas of Benguet. It was conducted from December 2009 to March 9, 2010.



REVIEW OF LITERATURE

Definition of Cooperative

A cooperative is an autonomous and duly registered associations 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 (RA 9520, 2008).

It is also a business enterprise formed by a voluntary association of men and women, for the purpose of meeting their common needs by mutual cooperative action, democratically controlled and operated by them and sharing economic benefits on the basis of participation called patronage. A cooperative must provide services which are commonly needed by members. One outstanding service of a cooperative is to help enterprising members to improve their businesses. The cooperative, inherent to its nature and principles and values provides the maximum benefits to the members.

The word cooperative is rooted from a French word “*coopérari*”. The word *co* is an English word, which means *to be with*. And the word *operari* is a Latin word, which means *to operate*. Thus, working together to attain a common vision is the underlying principle of cooperativism. The birth of cooperativism is a form of social response against extreme and widespread deprivation, hunger and oppression in the 18th and 19th centuries. It is an alternative to the decadent, profit-driven, acquisitive, and individualistic system that has favored the concentration of control of capital, farms, industries, and political power in the hands of the rich minority (Pobihushchy, 2002).



Cooperative as a Tool for Development

In organizing cooperative, the first consideration is whether or not there is a need for it. This has to be determined by the organizers. However, since many are poor, it is more likely there is always a felt need for cooperatives. Cooperatives have been known to have improved the social and economic conditions of the poor. In affluent communities, perhaps there is no need for cooperatives. People in such areas have adequate resource to meet their needs. Besides, it will be quite difficult to get the interest and cooperation of individuals who are not really concerned with the goals of cooperatives. That is why only few rich persons are members of cooperatives. They make more money from more lucrative investments.

The Cooperative Development Authority stated the important role of cooperatives in the development of the country. A cooperative creates employment on entrepreneurial opportunities for the country unemployed and marginally employed, affecting broader base ownership of the access to productive resources reducing wide income gap and guaranteeing equal and even development (RA 9520, 2008).

Objective of Cooperatives

Cooperatives are formed to address needs by the offer of products and services within the framework of cooperative development. Therefore, cooperative products and services must reach beyond the traditional price-to-quality equation. Strategically, the cooperative must offer products and services of competitive quality, at competitive rates, along with unique elements of cooperative. The cooperative's efforts; its entire legitimacy and survival as a business are condensed into the offer of a distinctive product.



The cooperative thus becomes important to its members on a business level and to the community on a developmental level. For members, over and above the direct use relation, the contribution of cooperatives improves their quality of life in general support at home, improved neighborhood services, etc.(Gutknecht, 2005).

An investor-owned enterprise exists to maximize the return on the capital invested in the business. Cooperatives are institutional aids in increasing the income and productivity of the people, generating employment and equitable distribution of wealth generated. But cooperative are not solely concerned with dividends and financial return. They are primarily concerned with betterment and advancement of the people.

The primary objective of the cooperative is to provide goods and services to the members and thus enable them to attain increased income and savings, investment, productivity and purchasing power and promote among them equitable distribution of net surplus through maximum utilization of economies of scale, costs sharing and risks sharing, without however conducting the affairs of the cooperative for charitable purposes (Abasolo *et al.*, 1996).

Cooperative Principle and Business Characteristics

Cooperative is user owned and controlled business in which benefits are distributed according to a member's use of it. Cooperatives exist not to generate profit for themselves or outside investors, as do other businesses, but rather to provide goods and services at competitive prices (Anonymous, 2001).

a. The user owner principle means the people who use the cooperative own and finance the business. Member's purchasing stocks and membership fees finance



cooperatives. In some cooperatives, members reinvest their earnings to capitalize the business.

b. User control principle means that costumers being members are also responsible for selecting the members of the Board of Directors. As representatives of the members, directors are responsible for setting policy and providing oversight on all the cooperatives business practices.

c. User-benefits principle provides that the cooperative's primary purpose is to distribute benefits to members. Distribution of these benefits is based on members' use of the cooperative, not on the amount of capital they have invested.

Members' Benefits

Patronage refund should be distributed to members in proportion to the services of the cooperative. The computation of patronage refund should be in accordance with the cooperative policies and by-laws under Republic Act 9520. Through patronage refund, members are actually saving while using the services of the cooperative (CDA, 1996).

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

According to Cooperative Development Authority (1996), other benefits derived from cooperatives are:



- a. Members develop the habit of thrift and saving.
- b. Cooperative serves as the training for its members in simple business operation, and democratic leadership.
- 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 and make every member a better individual and a better member of the society.

A cooperative can contribute to the economic, social, political, and spiritual growth of the people. Economically, cooperative can supply viable alternatives for economic prosperity of its members. Socially, a cooperative has an extremely important role to play. It provides a venue to bond people together and work for the promotion of a just and humane society. Politically, a cooperative must be active to any political involvement. By political involvement, we mean that members collectively raise their voice in a quest for peace and justice. Cooperatives must be leaders in this advocacy. Finally, a cooperative promotes spiritual growth to its members. Spiritual growth is achieved by a concrete manifestation of Christ's love among its members. Cooperative members must be living witnesses to work in fostering mutual respect and love among themselves so that love, justice, and solidarity would prosper (Pobihushchy, 2002).

Members' Satisfaction

The reason customer satisfaction is so important is because of its impact to the bottom line. As Goldman (2000) points out, it leads to repeat business and customers enjoying good quality and service enough to return time and time again. Their loyalty will result in additional spending, increased market-share through word-of-mouth



promotion, improved reputation, and increased profits. Since satisfied customers are more likely to pay their invoices on time, cash flow can be affected as well. Customer satisfaction guarantees are not only achievable; they are essential to creating the proper attitude within a company. Unless an organization is prepared to guarantee that its customers will be satisfied, that organization will not put the policies and procedures in place, will not empower the employees, will not reinforce the enabling behaviors needed to make its customer the number one priority as it should.

Problems Encountered

Wacay (2003) stated that the cooperative managers were responsible in managing the business of the cooperative but still there were some cooperatives that the Board of Directors and Chairman of the Board were allowed to manage the cooperative business. The primary problems in the cooperative are the lack of training and seminars for the members, officers and management staff which affect the performance on their duties and responsibilities.

As stated by Wacay (2003), one problem of the cooperative development is the lack of qualifications. This shortage of adequate trained staff is acute in the field of management emergency action as required in order for cooperative to apply their role as efficient instrument. Cooperative needs technically well trained managers and executives. They must have some ideas regarding the operation on the services of the cooperative. They must utilize their efforts and time to discover the best ways to serve members.

Usually a need for a cooperative arises if existing business organizations in the community are inefficient and abusive. Conditions such as high interest rates, poor



quality of goods and services, high prices, financial, production and marketing problems encourage the organization of cooperatives.

Likewise, Dennis (1997) pointed out in his research the following problems encountered by cooperatives as perceived by officers and members. Lack of proper and continuing education for members in the aspect of how a cooperative really operates, and the benefits gained are the prominent problem in cooperatives. Another problem is the poor attendance in trainings and seminars due to lack of time of members, or members receive the communication late and some members are uninterested. Being with good organization therefore, the cooperative must do something to avoid the recurrences.

Recommendations to Remedy Problems

Lumbag (2000) stated that cooperatives grow continuously when the education committee plan and carry all these plans for the cooperative especially in the recruitment of new members. The new members should really be required to undergo pre-membership seminars. With this continuing activity, members are kept informed and that they can involve themselves in all activities of the cooperatives.

Members must be given notice in advance in order to attend the trainings and seminars. Attendance to education and information activities must be one of the qualifications in attaining the services of the cooperatives. Regular meetings to update members especially on the policies and guidelines should be conducted.

The cooperative must utilize their time and efforts to discover the best ways to serve their members by studying the needs and problems and thereby to research and provide effective solutions. The Board of Directors and management staffs must



understand the idea of cooperation that they would adopt in an unselfish attitude against the members.

A cooperative has to be dynamic in order to be able to meet effectively the changing needs and problems of its members and the community. It has to expand and diversify its business operations. A business organization which can easily serve the needs of the people for a brief and limited period is not desirable.



METHODOLOGY

Locale and Time of Study

This study was conducted with the Drivers Operators Employees Residents and other Sector Multipurpose Cooperative (DOERS MPC), which is located in Km. 12, Tili, Shilan, La Trinidad, Benguet. This study was conducted on December 2009 to March 9, 2010.

Respondents of the Study

The respondents of the study were the members and officers of the Drivers Operators Employees Residents and other Sector Multipurpose Cooperative. From the members of the cooperative, the researcher selected fifty respondents by using simple random sampling based on their membership listing. From the list of the names of the members, the researcher picked her respondents through raffle.

Research Instrument

A guide questionnaire was prepared and used to gather necessary information. The questionnaires were pre-tested first before it was used as a guide during the interview. The researcher had personally interviewed the respondents to validate their answers to questionnaires and deepen understanding on their responses.

Data Gathered

In order to answer the objectives of the study the following data were collected: demographic profile of the respondents, reasons of the respondents in joining the cooperative, their expectations from the cooperative, the level of fulfillment of their



expectations, the features of the financial services that are liked most by the respondents, and the level of satisfaction of the respondents from the different services of the cooperative.

Data Analysis

Statistical tools were used in the analysis of the data. For the first three specific problems involving the reasons; expectations; and features of the services of DOERS MPC, Results were subjected to computations such as frequency counts, percentage, weighted means and ranking. Frequency tables were constructed and percentages were arrived at using the formula:

$$P (\%) = \frac{f}{n} \times 100\%$$

Where f = frequency in each category or cell

n = total number of respondents

For the last specific problem which is on the perceived level of satisfaction of the members of DOERS MPC, the weighted means were computed.

To compute for the weighted means (WM), the following formula was utilized:

$$WM = \frac{\sum(W_1f_1+W_2f_2+W_3f_3+W_4f_4+W_5f_5)}{n}$$

where W_1 , W_2 , W_3 , and W_4 are the respective weights (rating); f_1 , f_2 , f_3 , and f_4 are the respective frequencies per question/ indicator; n is the total number of respondents.

The following norm of interpretation was used to quantify the responses of the members on their perceived level of satisfaction with respect to the services offered by the cooperative:



<u>Scale</u>	<u>Description</u>	<u>Statistical Limit</u>
1	Not Satisfied	1.00 - 1.74
2	Slightly Satisfied	1.75 - 2.49
3	Moderately Satisfied	2.50 - 3.24
4	Very Much Satisfied	3.25 - 4.0



RESULTS AND DISCUSSION

This section presents the data and information that have been gathered by the researcher related to the study. Also presented are the analyses and interpretations of the collected data. This study aimed to determine the level of satisfaction of the members from the services offered by the Drivers Operators Employees Residents and other Sector Multipurpose Cooperative (DOERS MPC) in Shilan, La Trinidad, Benguet.

Demographic Profile of Respondents

Table 1 present the demographic profile of respondents. This consisted of their sex, educational attainment, occupation, and number of years of membership.

Sex. The finding shows that the respondents were largely male. Thirty (60%) were male while 20 (40%) were female.

Educational attainment. Many 19 (38%) of the respondent had finished secondary. 14 (28%) had finished college degree, 9 (18%) finished vocational course and 8 (16%) finished elementary school.

Occupation. The different occupation of the respondents were self-employed, government/cooperative employee, farming, driving, and business man/woman. 17 (34%) of the respondents reported that they were drivers, 15 (30%) were farmers, 7 (14%) were self-employed, 6 (12%) were government/coop employee, and 5 (10%) were business man/woman.

Number of years of membership. 26 (52%) of the respondents being member within 2-4 years followed by 16 (32%) being members for more than 4 years and 8 (16%) being members for less than two years.



Table 1. Profile of respondents

PARTICULARS	FREQUENCY	PERCENTAGE
Sex		
Male	30	60
Female	20	40
TOTAL	50	100
Educational Attainment		
Elementary	8	16
Secondary	19	38
University/College	14	28
Vocational	9	18
TOTAL	50	100
Occupation		
Government/Cooperative Employee	6	12
Farmer	15	30
Driver	17	34
Self-employed	7	14
Business man/woman	5	10
TOTAL	50	100
No. of Years as Member of the Cooperative		
Less than 2 years	8	16
2-4 years	26	52
More than 4 years	16	32
TOTAL	50	100



Reasons for Joining

Table 2 shows the reasons of the members in joining the DOERS MPC. Based on the data collected, the three leading reasons are as follows: a) to have easy access to credit/loan. Having been interviewed some members, they believe it is easier to borrow from a cooperative than a bank or any other financial institution since a member is a part-owner of the cooperative. b) To help build the cooperative. The respondents said that they want their cooperative to grow up and be successful. Through joining and patronizing the services of the cooperative, the members are helping the cooperative; and c) to have easy access to savings/time deposit. The members feel a greater sense of ownership, so they feel more comfortable with the cooperative and have easier access to savings and time deposits.

Moreover, some of the members joined the cooperative in order to be able to gain knowledge and skills through trainings/seminars on financial management. Through these trainings/seminars, the members would gain knowledge on how to manage their income, how to budget wisely, how to borrow and use finances wisely. The other reason for joining is to contribute knowledge to the cooperative. Sense of leadership is enhanced and there is an opportunity to share one's knowledge and skill in the cooperative; and the other reason is some also were just encouraged by friends/ relatives to join.



Table 2. Reasons for joining

REASONS	FREQUENCY	PERCENTAGE
To have easy access to credit/loan	44	88
To have easy access to savings/ time deposit	32	64
To contribute knowledge to the cooperative	17	34
Encouragement by friends/relatives	8	16
To gain knowledge and skills through trainings/seminars	26	52
To help built the cooperative	43	86

*Multiple responses

Expectation of Members in all The Cooperative Services

Table 3 shows the expectations of the members. From the cooperative most of the members joined because they expected that the cooperative will give patronage refund on fuel refilling; that the interest rate of loans is lower compared to the banks; and that they can avail of the fuel and goods at affordable prices.

Furthermore, some members expect that the cooperative would be a source of money during emergency and to purchase some commodities when needed and that it helps improve household living. The cooperative extends loans and patronage refund that can be used to start a small- scale business, thus it is expected that the household living of the member will improve provided that the business is wisely managed.

It is common that a cooperative extends loans and credit needs to the members so they expect that they will be able to avail of this benefit when they become members of the cooperative.



Table 3. Expectation of members in all the cooperative services

EXPECTATIONS	FREQUENCY	PERCENTAGE
Provides patronage refund on fuel refilling	27	54
Affordable price	17	34
Source of money during emergency	14	28
Helps improve household living	6	12
Interest rate of loan is lower	18	36
Source of money to purchase basic commodities	7	14
High quality of products	3	6

*Multiple responses

Perceived Benefits from the Services and How services helped them

Table 4 and 5 shows the benefits derived from the cooperative. Based on the survey, the members perceive that the greatest benefit they get from the cooperative is acquiring loans. Also a big help to the members are the fuel refilling station, the savings/time deposit and the auto supplies.

With regard to economic benefits, the members perceive that the greatest benefits are low interest rates on loans, and patronage refund. The computation of patronage refund should be in accordance with the cooperative policies and by-laws.



Table 4. Perceived benefits derived from the services

A. GENERAL BENEFIT	FREQUENCY	PERCENTAGE
Savings/time deposit	35	70
Credit/loan	45	90
Fuel refilling station	42	84
Mutual/aid assistance	3	6
Auto supply	33	66
B. SOCIAL BENEFITS	FREQUENCY	PERCENTAGE
Development of leadership qualities	12	24
Improvement on social dealing	37	74
No response	9	18
C. ECONOMIC BENEFITS	FREQUENCY	PERCENTAGE
High interest on savings/time deposit	14	28
Low interest on loan/credit	45	90
Patronage refund	44	88
Source of capital for livelihood	8	16
Source of money for children education	6	12
Mutual aid/assistance	3	6
Restructuring of loan	13	26
Interest on share capital	35	70
Source of money for emergency	33	66

*Multiple responses



Table 5. How services helped them

PARTICULARS	FREQUENCY	PERCENTAGE
Was able to expand/increase businesses	15	30
Was able to send children to school	8	16
Was able to improve house	14	28
Was able to buy appliances	20	40
Was able to buy house and/or lot	0	0
Was able to buy car	0	0
Was able to purchase commodities	42	84

*Multiple responses

Through patronage refund, members are actually saving while using the services of the cooperative. Following these benefits (according to rank) is interest on share capital. The cooperative has also been a source of cash during emergency needs; high interest on savings/time deposit; loans can also be restructured to help the borrower alleviate payment schedule. The cooperative is also a source of money to purchase basic commodities; it helped them to expand business or increase their business; some also said that the services of the cooperative helped them improve their house.

In order to maintain members' loyalty in the cooperative, it should provide what members need at the time they need it. It should offer prompt credit at low interest loans to keep existing members to attract new ones.

As to social benefits, the members perceive that they have improved in their relationship with other people especially with other members of the community.

Furthermore, they feel that they can develop their leadership qualities as they go with the other members of the cooperative.



Socially, a cooperative has an extremely important role to play. It provides a venue to bond people together and work for the promotion of a just and humane society. It teaches its members and makes every member a better individual and a better member of the society.

Level of Satisfaction on the Services of DOERS MPC

Table 6 shows the perceived level of satisfaction of the members on the services of the DOERS MPC. Based on the gathered data and information, the members are very much satisfied with the credit and loan facility of the cooperative. The members consider great help that they have the cooperative to run to when they need cash; the interest rates are reasonable and the loan facility is perceived by the members to be prompt and always available when needed. The members who were interviewed asserted that acquiring a loan/credit from the cooperative is faster and has a lower interest rate than lending institutions. They are also very much satisfied with the cost, quality and availability of fuel and as well as on the services of auto supply. During the interview, the respondents mentioned that the price of fuel and auto supply is affordable as compared to other fuel refilling stations, always available and has a high quality.

The members are moderately satisfied with the interest rate, promptness and availability of savings/time deposits.

This implies that most of the members have already availed of these services and benefits and thus, they expressed their satisfaction regarding these services and benefits.



Since satisfied customers are more likely to pay their invoices on time, cash flow can be affected as well. Customer satisfaction guarantees are not only achievable; they are essential to creating the proper attitude within a company.

Table 6. Level of Satisfaction on the Services

SERVICES	MEAN	DESCRIPTION
Savings/time deposit		
Interest rate	2.78	MS
Promptness	2.92	MS
Availability	3.02	MS
Average	2.91	MS
Credit/loan		
Interest rate	3.76	VMS
Promptness	3.72	VMS
Availability	3.78	VMS
Average	3.75	VMS
Fuel refilling station		
Cost	3.86	VMS
Quality	3.86	VMS
Availability	3.92	VMS
Average	3.88	VMS
Auto supply		
Cost	3.44	VMS
Quality	3.28	VMS
Availability	3.25	VMS
Average	3.32	VMS

Legend: 1.00-1.74- not satisfied 2.50-3.24- moderately satisfied
 1.75-2.49- slightly satisfied 3.25-4.0 - very much satisfied

When asked to rate and rank the various services of the cooperative, the members ranked fuel as the leading service of the cooperative, followed by the credit/ loan facility; and the auto supply.



Table 7. More Preferred Services

SERVICES	MEAN	RANK
Fuel refilling	1.22	1
Credit/loan	1.32	2
Auto supply	1.82	3
Savings/time deposit	2.20	4

Problems Encountered by Members of DOERS MPC

Like in any organization, the members of the DOERS MPC also experience some problems. Table 8 shows the problems in the cooperative. The greatest problems are delinquency in loan repayment and non-patronage of the cooperative's services. Some members fail to pay their amortizations in time and thus accumulate and acquire penalties/surcharges.

The cooperative also has limited capital to acquire additional goods and services required by the members. It is also observed by members that some products are of low quality which is the reason why members rather purchase somewhere else than in their cooperative.

Usually, a need for a cooperative arises if existing business organizations in the community are inefficient and abusive. Conditions such as high interest rates, poor quality of goods and services, high prices, financial, and production problems encourage the organization of cooperatives. Being with the organization therefore, the cooperative must do something to avoid the recurrences. Officers and as well as members should work hand in hand, they should see to it that they are doing their responsibilities for the improvement of the service delivery of the cooperative.



Table 8. Problems encountered by members

PROBLEMS	FREQUENCY	PERCENTAGE
Delinquent in paying loans	33	66
Some members do not patronage services	31	62
Lack of funds to meet loan requirements	1	2
Limited capital to meet goods required by members	12	24
Low quality of products	4	8
High interest on credit/loan services	0	0

*Multiple responses

Proposed Solutions

Based on identified problems, the respondents proposed the following solutions:

1) borrowers should pay their dues on time, members should pay their amortizations in time to avoid penalties or surcharges; paying dues on time is a good indicator of well managed resources and good budgeting skill. Paying on time also provides liquid cash to other borrowers. To avoid this delinquency problem, officers must see to it that they should strictly implement its loan policies. 2) Members should participate more often in the activities of the cooperative from planning to management; this will foster camaraderie and cooperation among them. 3) It is also suggested that the BODs and the leaders strictly implement its loan policies.

Other solutions suggested by the respondents are: the cooperative should further improve/ strengthen services, it has to expand and diversify its operations, it must have a good feasible plans for expansions; regular seminar/meetings should be conducted to



update members especially on the policies and guidelines; and encourage non-members to join through information campaign drive, this would encourage potential members to join and thereby increase membership and increase capital which is the lifeblood of the cooperative.

The cooperative must utilize their time and efforts to discover the best ways to serve their members by studying the needs and problems and thereby to research and provide effective solutions. A cooperative has to be dynamic in order to be able to meet effectively the changing needs and problems of its members and the community.

Table 9. Proposed Solutions

SOLUTIONS	FREQUENCY	PERCENTAGE
Members should pay loans on time	25	50
Cooperative should further improve services	10	20
Strictly implement its loan policies	21	42
Encourage members to join	4	8
Officers/staff serve as model to members	3	6
Regular seminars/meeting should be conducted	7	14
Members should participate in all activities of the cooperative	22	44

*Multiple responses



SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

Summary

This study was conducted mainly to determine the level of satisfaction of members extended by DOERS MPC, the study aimed to determine the reasons why members joined the cooperative; determine the expectations of members from the cooperative services in terms of cost, quality and rates of interest. Determine benefits derived by members, and to identify problems encountered by the cooperative and solutions or recommendations to solve the problems.

There were 50 respondents that the researcher had interviewed. A survey questionnaire was used as a guide questionnaire to gather relevant data and information. The data gathered was tabulated, summarized, analyzed and presented using descriptive analysis like frequency counts, percentage and weighted mean.

Most of the respondents were male and were high school graduates. Most of the members were drivers and majority of them were member of the cooperative for 2-4 years.

The primary reasons why the respondents joined the cooperative are to be able to have easy access to credit/loan. Second reason is to help built the cooperative. The third reason is to have easy access to savings/time deposits. Fourth is to gain knowledge and skills on cooperative through seminars and trainings. Through these, members gain knowledge on how to manage their income, and use borrowed finances wisely. The other reasons for joining are to contribute knowledge to the cooperative and others were just encouraged by their friends or relatives.



Majority of the respondents expected that the cooperative would provide patronage refund on fuel refilling. Second, the respondents expected that the interest rate of loan is lower compared to the bank. Third, they expected that the cooperative provide services that are affordable in price. Other expected that the cooperative would be a source of cash during emergency.

As to financial benefit, many respondents perceived that the greatest benefit that they get from the cooperative is through loans and the service of fuel refilling. Socially, members perceived that they have improved their relationship with other people especially with their co-members. Economically, they perceived that the benefits are low interest on loans and patronage refund.

On the services availed by the respondents, they perceived that they were very much satisfied with the services offered by the cooperative. The members are very much satisfied with the credit/loan. It is faster and has a lower interest rate than the lending institutions. Members also expressed very much satisfaction in fuel refilling and the auto supply. They were also much satisfied in savings/time deposit thus; they expressed their satisfaction regarding these services and benefits.

It is shown that the respondents like most the service of the fuel refilling. This is because the cooperative gives patronage refund depending on the amount of fuel that they consumed at the end of the year. The second most desired service is the credit/loan.

Although some of the respondents did not meet any problem in the availment of the services, there are many who encountered some problems like: delinquent in paying loans and some members do not patronize services.



Conclusions

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

1. Few males are member respondents of the cooperative.
2. Majority of the respondents joined the cooperative mainly to have easy access to credit/loan services and to help built the cooperative.
4. Most of the respondents perceived that they were very much satisfied on the services of the cooperative.
5. Many respondents reported that the greatest problem is the delinquency in loan repayment.

Recommendations

1. Improve those supplies already existing. Improved services may mean expanding the range of services offered to members or improving the delivery of existing services. The steps that should be taken in order to maintain or expand the life of the cooperative should be found more covertly in the reasons why members want to join the cooperative.
2. They must see to it that members should pay their loans on time. To avoid delinquency problem, the officers must strictly implement the loan policies of the cooperative.
3. Encourage non-members to join through information campaign drive, this would encourage potential members to join and thereby increase membership and increase capital which is the lifeblood of the cooperative.



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APPENDIX A

Survey Questionnaire (For members)

A. PROFILE OF RESPONDENTS

1. Name (optional): _____ Sex: ____
1. Educational attainment: (please check) Age: ____
- ___ elementary ___ college
- ___ high school ___ vocational course
2. Occupation: _____
3. Main source of income: _____
4. Number of years being a member of the cooperative: _____

B. REASONS

1. Why did you join the cooperative?
- ___ to have easy access to credit/ loans
- ___ to have easy access to savings/time deposit
- ___ to contribute knowledge and skills in the cooperative
- ___ Encouragement by friends/relatives
- ___ to gain knowledge and skills through trainings and seminars
- ___ to help build the cooperative
- ___ Others (specify) _____

C. BENEFITS DERIVED

1. What are the services of the cooperative that you have availed?
- ___ savings/time deposit
- ___ credit/loan
- ___ fuel refilling station
- ___ mutual aid/assistance
- ___ auto supply
- ___ others (specify) _____
2. What are the benefits you derived from the cooperative?
- a.) As to social benefits
- ___ development of leadership qualities
- ___ improvement on social dealing (overcome shyness)
- ___ others (specify) _____
- b.) As to economic benefits
- ___ high interest on savings/time deposit
- ___ low interest on loan/credit services compared to the bank
- ___ patronage refund
- ___ source of capital for livelihood
- ___ source of money for children education
- ___ mutual aid program/assistance
- ___ restructuring of loan



___ interest on share capital
 ___ source of money for emergency
 ___ others (specify) _____

3. How did the services of the cooperative help you?

___ was able to increase or expand your business
 ___ was able to send your children to school
 ___ was able to improve your house
 ___ was able to buy appliances
 ___ was able to buy house and/or lot
 ___ was able to buy a car
 ___ was able to purchase basic commodities
 ___ others (specify) _____

4. Are you satisfied with the services of the cooperative?

___ yes ___ no

If no, what should you suggest to improve for the better services of the cooperative?

If yes, how do you rate your level of satisfaction on the services of the Cooperative?

FINANCIAL SERVICES	Not satisfied	Slightly satisfied	Much satisfied	Very much satisfied
Savings/time deposit				
§ Interest rate				
§ Promptness				
§ Availability				
Credit/loan				
§ Interest rate				
§ Promptness				
§ Availability				
Fuel refilling station				
§ Cost				
§ Quality				
§ Availability				
Auto supply				
§ Cost				
§ Quality				
§ Availability				

5. What services do you like most? (Please rank from 1-5)

- Rank 1: Mostly Like Rank2: Moderately Like
- Rank 3: Neutral Rank 4: Dislike



SERVICES	
Savings/time deposit	
Credit/loan	
Fuel refilling station	
Auto supply	

a. Why you like most that service? _____

b. Why you dislike that service? _____

6. Problems encountered by the cooperative in relation to service delivery.

___ delinquent in paying loans

___ some members do not patronize services of the cooperative

___ lack of funds to meet the loan requirement of members

___ limited capital to meet the goods required by members

___ low quality of products

___ high interest on credit/loan services

___ others (specify) _____

7. What solutions or recommendations should you suggest to solve the problems of the cooperative?

a. _____

b. _____

c. _____

d. _____

e. _____

THANK YOU VERY MUCH!!!!!!!!!!!!



APPENDIX B

Letter to the respondents

Republic of the Philippines
Benguet State University
La Trinidad, Benguet
Department of Agriculture Economics and
Agribusiness Department

January 10, 2010

Dear Sir/Madam:

Greetings!

I am Jonah Liza E. Bentican, a fourth year student of Benguet State University, taking up Bachelor of Science in Agribusiness major in Cooperative Management. Presently, I am conducting my undergraduate thesis entitled: "Satisfaction of members on the services of the Drivers Operators Employees Residents and other Sector Multipurpose Cooperative" as partial requirement for graduation.

In this connection, may I request a part of your time to answer the attached questionnaire. Your kind assistance will enable me to complete all the requirements in due time. Please give your honest answer for the success of this research. Rest assured that all the information you provide will be treated with utmost confidentiality.

Thank you very much for your cooperation and God Bless!!!!

Respectfully yours,

JONAH LIZA E. BENTICAN
Researcher

Noted By:

DAVID JOSEPH BOGNADON
Adviser

