

PCC 2020

12th National Coop Summit

Waterfront Hotel, Cebu City

October 16-18, 2014

OUTLINE

- **Serious world-class strategic planning**
 - Process, people, framework
- **30 Years of Transformation**
 - VMV, Vivid Descriptions of BHAGS and Basecamps
- **PCC 2020**
 - Strategy Map, Objectives, Indicators, Targets

INTEGRATED STRATEGENTICS

TNS DECISION INTERVENTION FRAMEWORK INTEGRATES CURRENT GLOBAL BEST PRACTICE FRAMEWORKS



VISION RENEWAL

VISION EXECUTION

TNS CLIENTS WILL BE IN GOOD COMPANY WITH GREAT AND VISIONARY COMPANIES INCLUDING BALANCE SCORECARD HALL OF FAMERS WHO USE THE SAME DECISION FRAMEWORKS

FORTUNE 500

PALLADIUM BALANCE SCORECARD HALL OF FAME-ERS

GOOD TO GREAT BUILT TO LAST COMPANIES



THE FACILITATORS



Joff Escobal



Jeremy

● **IT HAS THE CAPACITY TO CUT THROUGH INSTITUTIONAL WEAKNESS AND ENVIRONMENTAL THREATS. BY FOCUSING ON DISCOVERING, DEVELOPING AND ALIGNING FUNDAMENTAL STRENGTHS, IT CAN TRANSFORM MEDIOCRE FIRMS INTO GREAT ENDURING INSTITUTIONS WORTHY OF LASTING BEYOND 100 YEARS** *(BEYOND ANY LEADER, IDEA, PRODUCT LIFE CYCLE OR CORPORATE STORM)* **DELIVERING SUPERIOR PERFORMANCE TO ITS CORE PURPOSE AND MAKING A DISTINCT IMPACT ON THE COMMUNITIES IT TOUCHES.**



2042

GOOD

2007

2012

D

M

A

T

I



Institution Building
From GOOD-to-GREAT to BUILT-to-LAST
 VISION TO LIFE
TRANSFORMATION PROCESS
 The Best Practice Approach to Discovering & Unleashing the Full Power of the Institution



PHILIPPINE COOPERATIVE CENTER

05-06 February 2013
 La Virginia Hotel, Batangas

**Feb 5-6,
 La Virginia,
 Batangas**

**CORE VALUES,
 MISSION, BHAGS
 and BASE CAMPS**

**April 29-30,
 NATCCO**

**VIVID DESCRIPTION
 OF THE
 ENVISIONED
 FUTURE**

**June 21-
 22,
 NATCCO**

**TRANSLATING BHAG TO CLEAR
 AND MEASURABLE GOALS**
 Drawing of the the BHAGs and
HOW we GET THERE
 Measurements: Vivid
 description of the BHAGs
 Strategy Formulation

**July 7-8,
 PCC**



INSTITUTION BUILDING
From GOOD-to-GREAT to BUILT-to-LAST
 VISION TO LIFE
TRANSFORMATION PROCESS
 The Best Practice Approach to Discovering & Unleashing the Full Power of the Institution
 for



**TRANSLATING BHAG TO CLEAR AND MEASURABLE GOALS
 PHASE TWO**

21-23 JUNE 2013
 NATCCO Head Office
 227 J.P. Rizal St., Project 4, QC



FEBRUARY 5-6, BATANGAS

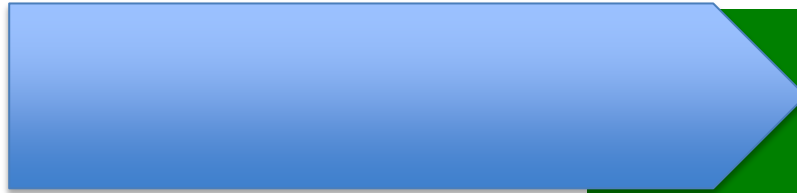
C
O
R
E

V
A
L
U
E
S

INTEGRITY	<ul style="list-style-type: none">❖ Unity❖ Accountability❖ Transparency
LEADERSHIP	<ul style="list-style-type: none">❖ Humility❖ Commitment❖ Communication
COMMUNITY	<ul style="list-style-type: none">❖ Service❖ Volunteerism❖ Love for Country

MISSION

FROM



TO

To build integrated businesses imbued with co-operative values for the improvement of the quality of life.

The UNIFYING and TRANSFORMING VOICE of the cooperative movement.

OUR HEDGEHOG CIRCLES

We want to be known
as Catalaysts for TRUE
Cooperative Development
and the PARENT of the
Cooperative Movement

**RESOURCE
ENGINE**

Continuous
improvement
and the thrill
of new
discoveries of
the coop
movement

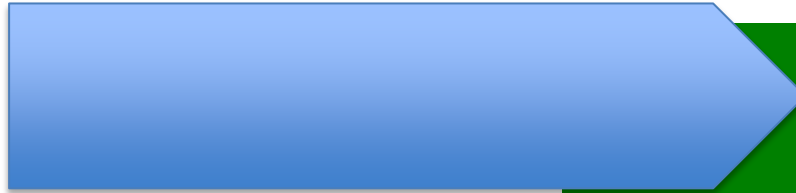
Strategic
Learning

PASSION

POTENTIAL

VISION

FROM



TO

An Integrated
and Transformative
Co-operative
System

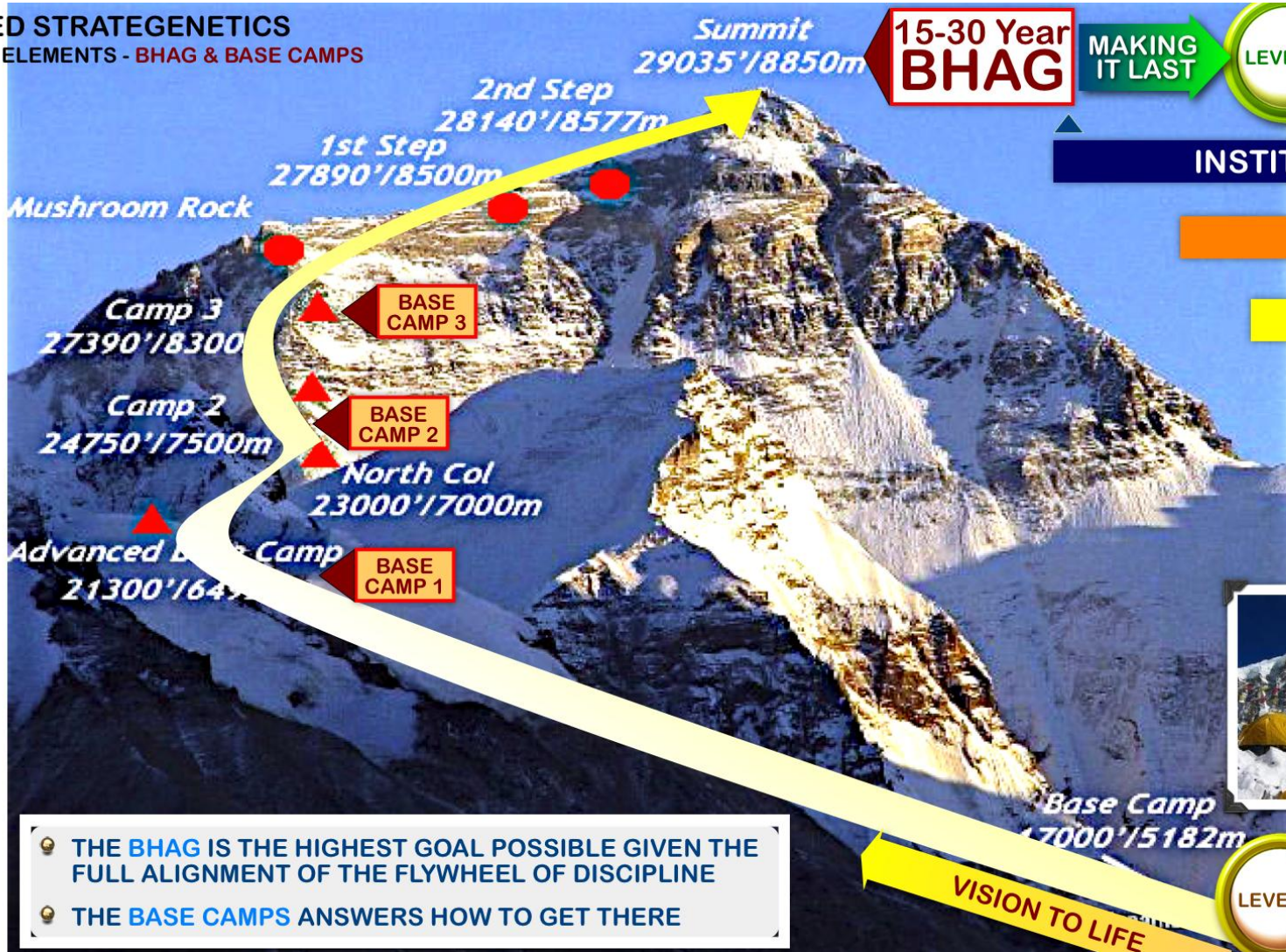
BHAGS
BASE CAMPS

THE **BHAG** IS THE HIGHEST GOAL POSSIBLE GIVEN THE FULL ALIGNMENT OF THE FLYWHEEL OF DISCIPLINE

THE **BASE CAMPS** ANSWERS HOW TO GET THERE

INTEGRATED STRATEGENETICS
VISION TO LIFE ELEMENTS - BHAG & BASE CAMPS

BIG HAIRY AUDACIOUS GOALS
M O U N T E V E R E S T



- THE BHAG IS THE HIGHEST GOAL POSSIBLE GIVEN THE FULL ALIGNMENT OF THE FLYWHEEL OF DISCIPLINE
- THE BASE CAMPS ANSWERS HOW TO GET THERE



CORE IDEOLOGY	
VALUES	INTEGRITY UNITY ACCOUNTABILITY TRANSPARENCY
	LEADERSHIP HUMILITY COMMITMENT COMMUNICATION
	COMMUNITY SERVICE VOLUNTEERISM LOVE FOR COUNTRY
CORE PURPOSE	THE UNIFYING AND TRANSFORMING VOICE OF THE COOP MOVEMENT

BHAG & BASE CAMPS		VIVID DESCRIPTION OF THE ENVISIONED FUTURE 2030
27 Year BHAG 2040	BY 2040, UNIVERSITY FOR COOPERATIVE EXCELLENCE AND LEADERSHIP - ASIA / WORLD	LINKAGES PEOPLE ORGANIZATION FINANCE OPERATIONS TECHNOLOGY/IT CUSTOMERS INFRASTRUCTURE
17 Year Base Camp 2030	BY 2030, CENTER FOR COOPERATIVE STANDARDS AND A LABORATORY FOR COOPS - BRICS	LINKAGES PEOPLE ORGANIZATION FINANCE OPERATIONS TECHNOLOGY/IT CUSTOMERS INFRASTRUCTURE

HEDGEHOG CIRCLES
WE ARE PASSIONATE ABOUT Continuous improvement and the thrill of new discoveries for the Coop Movement
WE ARE TALENTED IN Strategic Learning
OUR RESOURCE ENGINE: We want to be known as: Catalysts for true Cooperative Development & the parent of the Cooperative Movement

7 Year Base Camp 2020	BY 2020, BREAKTHROUGH ENTREPRENEURIAL RESEARCH AND DISCOVERIES - VIP / ASEAN	LINKAGES PEOPLE ORGANIZATION FINANCE OPERATIONS TECHNOLOGY/IT CUSTOMERS INFRASTRUCTURE
2 Year Base Camp 2015	BY 2015, READY FOR THE ASEAN INTEGRATION - ASEAN	LINKAGES PEOPLE ORGANIZATION FINANCE OPERATIONS TECHNOLOGY/IT CUSTOMERS INFRASTRUCTURE

**2040, 27
year BHAGS**

**UNIVERSITY for cooperative
EXCELLENCE and LEADERSHIP**

Asia/world

**By 2030, CENTER for cooperative STANDARDS
and a LABORATORY FOR COOPS - BRICS**

2030, 17 year BASE CAMP3

**By 2020, BREAKTHROUGH ENTERPRENEURIAL
RESEARCH and DISCOVERIES- VIP/ASEAN**

2020, 7 year BASE CAMP2

By 2015, READY for the ASEAN INTEGRATION

2015, 2 year BASE CAMP1

2013





**VALUES,
MISSION,
VISION**
Feb 5-6,
Batangas



MAJOR DECISION OF PCC

- PCC as the APEX of the cooperatives in the Philippines
- Members will be the federations and unions
- Existing primary cooperatives retained

**A
P
E
X**

- Parent of all cooperatives in the country
- *Mother of all federations and unions*
- Unifying the movement-coagulating agent of the fragmented cooperatives in the country
- *Head and heart of the cooperative movement*
- *1 Coop Movement as a team*
- *Lead organization in advocating the cooperative development programs*
- PCC. Philippine Confederation of Cooperatives

MAKING SENSE OF THE STAKEHOLDERS

COOPERATIVE DEVELOPMENT AUTHORITY

COOP PARTY-LIST GROUPS

**Individual
Members**

**Primary
Cooperatives**

**Federations/
Unions**

**PHILIPPINE
COOPERATIVE
CENTER**

NAPC COOP SECTOR COUNCIL

**MUNICIPAL
CDC**

**PROVINCIAL
CDC**

**REGIONAL
CDC**

**NATIONAL
CDC**

**Coop Development Officers
IGII Department of Cooperatives**

LINE AGENCIES

CHALLENGES

FIs Concentration in Urban Areas

The uneven distribution of regional income and savings has led to the concentration of financial institutions and delivery of financial services in high-income and urbanized areas. Bank density, for instance, has remained at five banking offices per city or municipality for the last decade, leaving some 37 percent¹⁷ of the country's municipalities either unserved or underserved.

¹⁷ Exclusive of client reach of non-bank MFIs and NGO/CSO-oriented cooperatives.



Institution Building
From GOOD-to-GREAT to BUILT-to-LAST
 VISION TO LIFE
TRANSFORMATION PROCESS
 The Best Practice Approach to Discovering & Unleashing the Full Power of the Institution



PHILIPPINE COOPERATIVE CENTER

05-06 February 2013
 La Virginia Hotel, Batangas

**Feb 5-6,
 La Virginia,
 Batangas**

**CORE VALUES,
 MISSION, BHAGS
 and BASE CAMPS**

**April 29-30,
 NATCCO**

**VIVID DESCRIPTION
 OF THE
 ENVISIONED
 FUTURE**

**June 21-
 22,
 NATCCO**

**TRANSLATING BHAG TO CLEAR
 AND MEASURABLE GOALS**
**Drawing of the the BHAGs and
 HOW we GET THERE**
**Measurements: Vivid
 description of the BHAGs**
Strategy Formulation

**July 7-8,
 PCC**



INSTITUTION BUILDING
From GOOD-to-GREAT to BUILT-to-LAST
 VISION TO LIFE
TRANSFORMATION PROCESS
 The Best Practice Approach to Discovering & Unleashing the Full Power of the Institution
 for



**TRANSLATING BHAG TO CLEAR AND MEASURABLE GOALS
 PHASE TWO**

**21-23 JUNE 2013
 NATCCO Head Office
 227 J.P. Rizal St., Project 4, QC**

VIVID DESCRIPTION OF THE ENVISIONED FUTURE

CATEGORIES	2015	2020	2030	2040
LINKAGES				
PEOPLE				
ORGANIZATION				
FINANCE				
OPERATIONS				
TECHNOLOGIES				
CUSTOMER				
INFRASTRUCTURE				

CATEGORIES	2015	2020	2030	2040
IMAGE	<ul style="list-style-type: none"> ❶ Installation & recognition of PCC as the only Apex & parent in the Philippines ❷ Effective Brand Communication 	<ul style="list-style-type: none"> ❸ All federations will be members of PCC 		
PEOPLE / ORGANIZATION	<ul style="list-style-type: none"> ❶ Pool (mgt reserves) of level 5 leaders ❷ All medium & large federations or unions are affiliated with PCC ❸ Rationalize structure of coops for each category (agri, consumer, marketing, f&c.) 	<ul style="list-style-type: none"> ❹ 70% of all cooperatives are affiliated with a federation or union and all federations & unions are likewise affiliated with PCC 		

TNS BSC DEVELOPMENT PROCESS



Components to include in the illustration

PROCESSES TO PRODUCE BHAG 2020

- Knowledge generation utilizes both written and verbal
- **RESEARCH & PUBLICATION:**
 - Annual technical cooperative journal
 - Number of formal researches completed: 3 (2015) and 25 (2020) [per industry plus localized international best practices]
- **STANDARD:** Influence setting of standard to different industries and types
 - 2015: electric, transport and 1 more
 - 2020: all 21
- **DIALOGUES AND FORA:**
 - 2014: At least five (5) dialogues: electric, transport, housing, agri and agrarian reform beneficiaries, and fisher folks
- **ADVANCED MANAGEMENT COURSES:** Developed an advanced and specialized courses for cooperatives that will not compete with basic courses offered by federations and other PCC members. Topics can include:
 - Communication management
 - Value Chain management
 - AFTA
 - ADR
 - Strategic Management

TNS BSC DEVELOPMENT PROCESS

Nine (9) step-process



FRAME PERSPECTIVES

Revenue Oriented Companies

FINANCE

How will the strategy improve the organization's financial base?



CUSTOMER

How can we best serve the customers to realize our financial targets?



PROCESS

How do we align our processes to produce our competitive advantage?



LEARNING & GROWTH

How do we improve our organization that will run our critical processes?



Mission-Driven Organizations

STAKEHOLDERS

How do we best serve and create an impact to our stakeholders?



RESOURCES

How do we maximize our resources to serve our constituents?



PROCESS

How do we align our processes to create the desired impact we want?



LEARNING & GROWTH

How do we improve our organization that will run our critical processes?





PHILIPPINE COOPERATIVE CENTER 2020 STRATEGY

BHAG

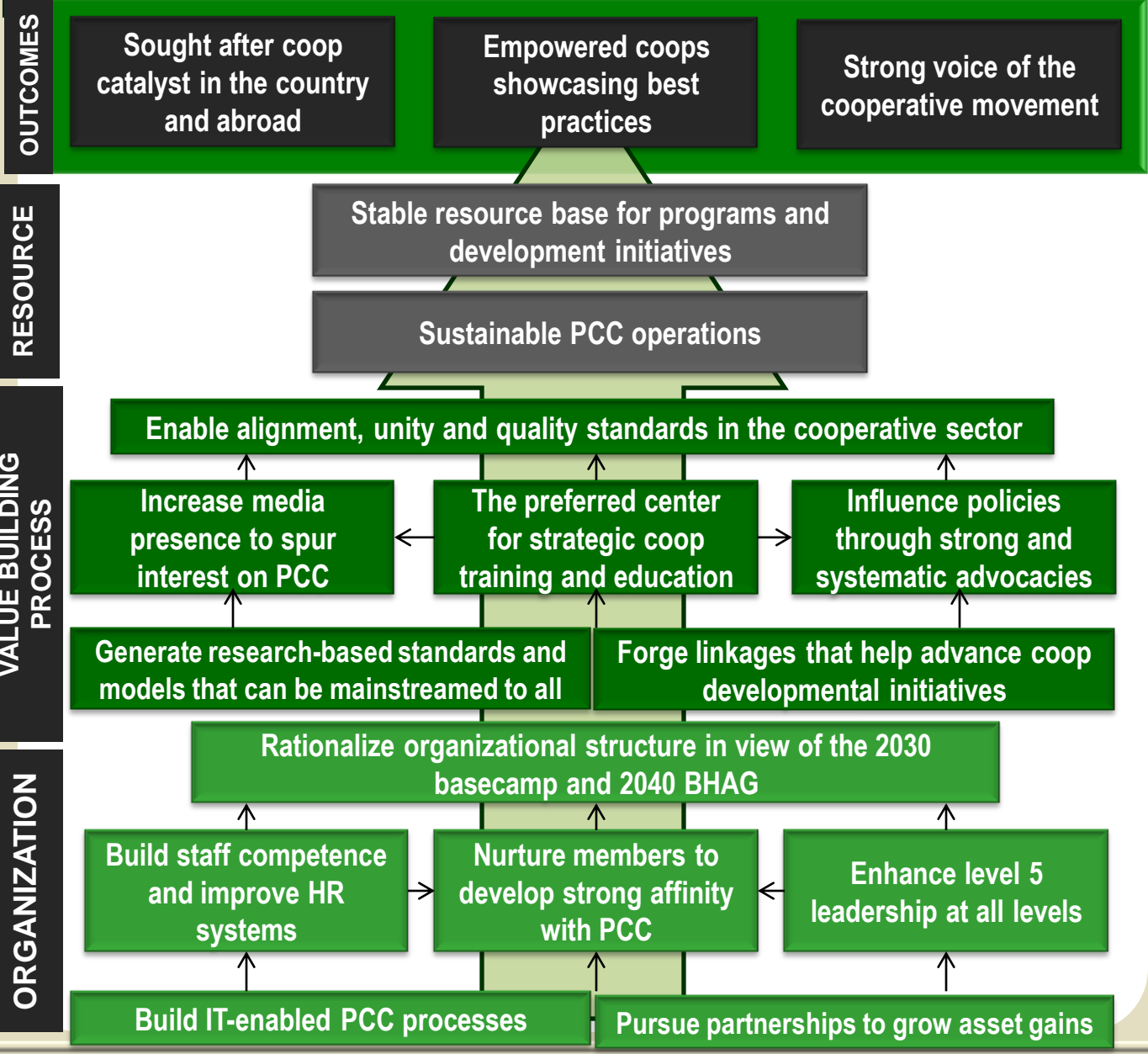
BY 2020, PCC SHALL BECOME A CENTER FOR BREAKTHROUGH ENTREPRENEURIAL RESEARCH AND DISCOVERIES

CORE PURPOSE

THE UNIFYING AND TRANSFORMING VOICE OF THE COOP MOVEMENT

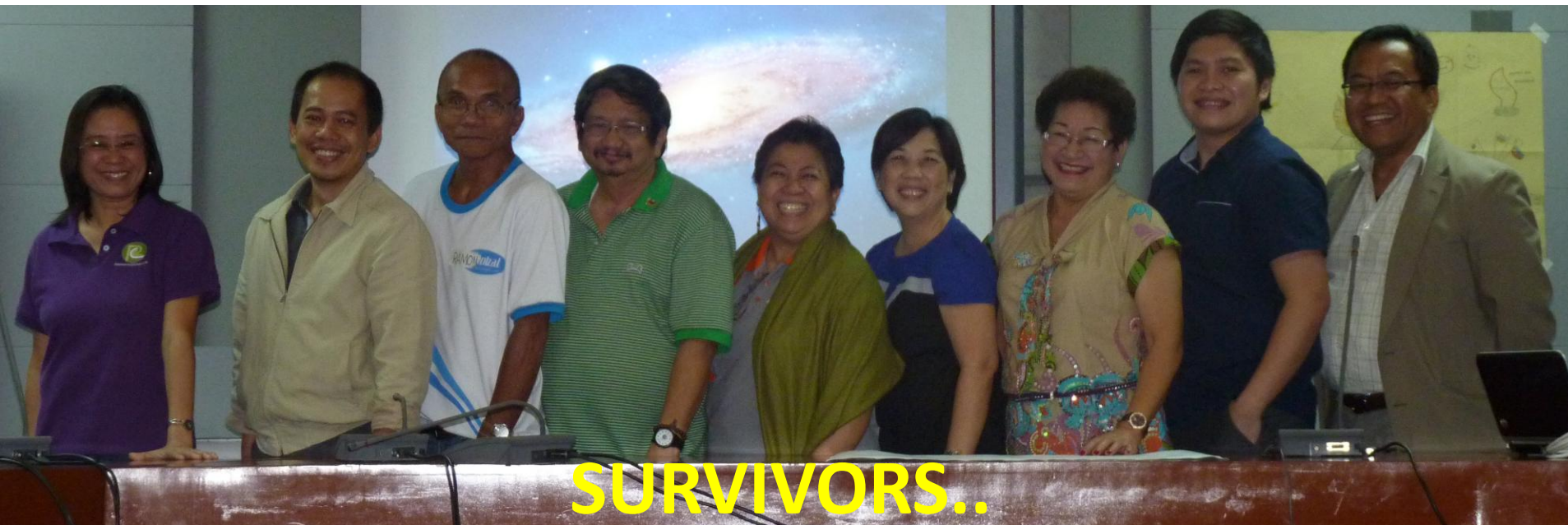
VALUES

INTEGRITY
LEADERSHIP
COMMUNITY





**TRANSLATING BHAG TO CLEAR AND MEASURABLE GOALS (PHASE 2)
NATCCO, April 29-30**



SURVIVORS..

TNS BSC DEVELOPMENT PROCESS

Scorecard Anatomy

In setting targets, organizations begin with the end in mind, working their way back from a **VISION YEAR** that marks the attainment of the vision.

A **PERSPECTIVE** is a point of view from which performance can be gauged. Building the strategy on the perspectives of constituency, process, learning and growth, and finance creates balance.

A **MEASURE** is a precise indicator of success under a certain objective. For example, an increase or decrease in the no. of investments from SMEs gives an idea of whether or not Masbate's business environment is becoming more dynamic.

BASELINE data is usually gathered from the year the scorecard was crafted. These figures provide a basis for **TARGET** setting.

P	STRATEGIC OBJECTIVES		STRATEGIC MEASURES		LD	LG	BASELINE 2009	2010	2011	2012	VISION YEAR 2013
CONSTITUENCY	C	DYNAMIC BUSINESS ENVIRONMENT	6	NO. OF INVESTMENTS FROM MICRO, SMALL AND MEDIUM ECONOMIC ENTERPRISES (SME)			1340	1312	1450	1574	1731
			7	TOTAL CAPITALIZATION OF MARINE-RELATED INDUSTRIES (PHP)			120M	121.8M	122M	125M	127M

An **OBJECTIVE** is a statement of what the strategy must achieve. Objectives answer the why's of transformation.

LEAD measures are indicators of intermediate processes, activities, or behavior.

LAG measures are indicators of performance results.

P	STRATEGIC OBJECTIVES	PERFORMANCE INDICATOR	LEAD	BASE	TARGET			
OUTCOMES	Empowered coops showcasing best practices	No. of developed coop models (AFTA-ready) replicated	LLR	0	0	1	2	8
		No. of coops vying for the PCC Coop Award	MA	0	0	20	50	100
	Strong voice of the coop movement	Percentage of coop federations and unions that are members of PCC	CRP	~10%	25%	50%	75%	100%
	Sought after coop catalyst in the country and abroad	No. of foreign coops availing of PCC services	DCC	0	0	0	1	6
		No. of local entitites availing of PCC's consultancy services and specialized training	DCC		2	5	10	20
			DCC		2	5	5	10
		No. of cluster strategic plans facilitated by PCC	SOP MA	0	1	2	2	10

TNS BSC DEVELOPMENT PROCESS

Financial outcomes



BY 2020, PCC SHALL BECOME A CENTER FOR BREAKTHROUGH ENTREPRENEURIAL RESEARCH AND DISCOVERIES

HOW DOES PCC'S FINANCIAL POSITION LOOK LIKE IN 2020 (quantify vision)?

- Shareholder value
- Revenue Growth
- Productivity
- Sustainability

OBJECTIVE	INDICATOR			2014	2015	2020
Sustainable PCC operations	Operations net surplus (loss)			500K	1M	2M
Stable resource base for programs and development initiatives	Amount of PCC's Program Fund (separate) -summit, grants, contributions, interest from endowment fund			1M	1.75M	3M
	Percentage of PCC members sharing their CETF			50%	90%	100%

P	STRATEGIC OBJECTIVES	PERFORMANCE INDICATOR	LEAD	BASE	TARGET			
	RESOURCE	Stable resource base for programs and developmental initiatives	Amount of PCC's Program Fund (separate) -summit, grants, contributions, interest from endowment fund	DRA HR		500K	1M	1.75M
Percentage of PCC members sharing their CETF			DCC	0%	10%	50%	90%	100%
Sustainable PCC operations		Operations net surplus (loss)	OIC		400K	500K	1M	2M

TNS BSC DEVELOPMENT PROCESS



PCC Value Chain →

Primary Customer/s	Federations, unions and cooperatives
Value Proposition/s	CUSTOMER INTIMACY Customizable services

VALUE-BUILDING PROCESS & DELIVERABLES



<ul style="list-style-type: none"> -Coop Database -Market / member study -Development of standards -Integration and model building 	<ul style="list-style-type: none"> -Marketing to possible funders and donors -Forum -Securing allies and resource mobilization 	<ul style="list-style-type: none"> -Needs analysis -Course material development -Advanced management courses -Library -Customized and tailor-fitted interventions 	<ul style="list-style-type: none"> -Legislative agenda -Publication -Position papers -Fora and conferences -Lobbying -Communication -Info dissemination -Collaterals 	<ul style="list-style-type: none"> -Assessment of cooperatives based on standards -Periodic reviews -Guidance and recognition -Council mechanisms and direction setting -Legacy building
--	---	--	--	---

P	STRATEGIC OBJECTIVES	PERFORMANCE INDICATOR	LEAD	BASE	TARGET				
VALUE BUILDING PROCESS	Enable alignment, unity and quality standards in the coop sector	Percentage of PCC members that are MIGS	MDL	56%	56%	70%	80%	95%	
		Number of successful and happy unification (consolidation) within the cluster	SOP MA	0	0	0	1	2	
		Number of members with aligned strategic plans	SOP MA	0	0	5	10	20	
	Increase media presence to spur interest in PCC	No. of tri-media exposures (radio, print and TV)	HR		6	24	24	24	
		No. of website hits	OIC		1,296	12,000	60,000	192,000	
	Influence policies through strong and systematic advocacies	Percentage of recommended policies adopted by the gov't.	HR		100%	100%	100%	100%	
		No. of coop voice in circulation (per issue)	OIC		1,000	2,000	3,000	10,000	
	The preferred center for strategic coop training and education	No. of strategic mgt. and leadership certification courses conducted	CDC		1	4	4	5	
		No. of standard training modules developed and used by its members	CDC		1	2	3	8	
	Forge linkages that help advance coop development initiatives								
		No. of PCC officers occupying leadership roles in int'l coop organizations	SOP DCC		0	0	1	2	5
		No. of new MOAs and MOUs with clear projects	HR DRA		5	5	5	5	
	Generate resource-based standards and models that can be mainstreamed to all	No. of coops whose data are consolidated in the PCC Info Mgt. System / Database	OIC		0	0	200	500	2,000
		No. of coop models for integration/specialization developed	LLR CRC CDC DCC SOP MA RC		0	0	1	3	21
		No. of research studies	RCV		0	1	2	3	25

P ORGANIZATION	STRATEGIC OBJECTIVES	PERFORMANCE INDICATOR	LEAD	BASE	TARGET			
	Rationalize organizational structure in view of 2030 basecamps and 2040 BHAGs	Percentage of PCC targets met	OIC SOP	N/A	100%	100%	100%	100%
	Nurture members to develop strong affinity with PCC	Percentage of CGS members	CRP	0%	0%	100%	100%	100%
		Percentage of members availing of PCC services	OIC		100%	100%	100%	100%
	Enhance level 5 leadership at all levels	Percentage of PCC leaders who are level 5	SOP					
	Build staff competence and improve HR systems	Percentage of staff fill-up with matched competencies based on rationalized organizational structure	CRP	N/A	N/A	100%	100%	100%
		No. of in-placed HR systems	CRP		1	4	N/A	N/A
	Build IT-enabled PCC processes	Number of IT-enabled PCC processes	RS		1	1	1	1
	Pursue PPP to grow assets	Amount of ave. monthly revenues generated from the building	RF RMC		360K	360K	0	TBD



TNS BSC DEVELOPMENT PROCESS

Menu of Strategic Initiatives



PRIORITY INITIATIVES FOR THE YEAR

- Code of Ethics and Governance
- **Finance Cluster Strategic Plan**
- Cooperative Database and Informative Management System
- PCC Cooperative Awards
- PCC Corporate Image (Branding)
 - PCC Communication Materials
 - Brand Book - manuals
 - PCC Story and Biography
- PCC Interactive Website (eCOOP World)
- PCC Strategic Management and Leadership Curriculum
 - Menu of certification courses
 - Menu of consultancy services
- **Rationalization of organizational structure and HR manuals**
- Masteral Course for Cooperative Middle Managers
- **PCC Building**
 - Secure titles
 - Feasibility Study

OTHER INITIATIVES

- Sharing scheme for CETF and resources
- Model: to be like ICA in the Philippines
- Resource Mobilization Initiatives
- 2016 International Summit for Cooperatives
- PCC Research Center
- Cooperative University Feasibility Study
- **Indicator set for federations and unions (MIGS)**

CONTENT OF REPORT TO BE SUBMITTED:

1. Description
2. Rationale and objectives
3. Per month activities
4. Proposed budget

DEADLINE: July 8, 2013

TNS BSC DEVELOPMENT PROCESS

Menu of Strategic Initiatives →



NO.	PROJECT / INITIATIVE	IN-CHARGE
1	Code of Ethics and Governance	Ethics Committee
2	Finance Cluster Strategic Plan	SOP, MA
3	Cooperative Database and Informative Management System	OIC
4	PCC Cooperative Awards	MA
5	PCC Corporate Image (Branding)	HR
6	PCC Interactive Website (eCOOP World)	OIC
7	PCC Strategic Management and Leadership Curriculum	CDC
8	Rationalization of organizational structure and HR manuals	CRP
9	Masteral Course for Cooperative Middle Managers	DCC
10	PCC Building	RF, RMC and DRA

A REVIEW

- Serious planning, serious work
- 2030 BHAGS and 3 basecamps based on VMV
 - PCC as the Apex
- PCC 2020, BaseCamp 2
- Reading materials
 - Strengths Based Leadership
 - Good to Great
 - Built to Last

SOME REFERENCES FOR CONTINUOUS EDUCATION

- Good to Great
- Built to Last
- Strengths Based Leadership