



**Development of Performance Models
and Capacity Building Framework for
Micro and Small Multipurpose
Cooperatives in Ilocos Norte,
Philippines**

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Background of the Study

Importance of Cooperatives

- ❑ strong impact on socio-economic development (Embi, et. al., 2013)
- ❑ internationally recognized mechanism to foster financial and economic growth (Global Communities Partners for Good, n.d.)
- ❑ promoting equality, community development, and well-being of members (Figueiredo & Franco, 2018).

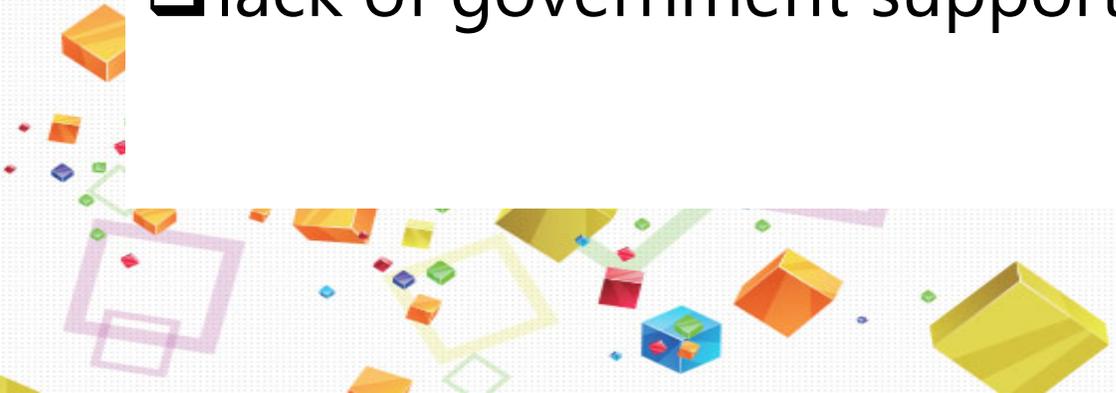


Background of the Study

Reasons of Failures

- lack of education, training
- lack of capital
- inadequate volume of business
- lack of loyal membership support
- vested interest, graft and corruption among cooperative leaders
- weak leadership and mismanagement
- lack of government support

(Sibal, 2011)



Background of the Study

Inspection Findings in Region I (September 2018)

- statutory funds are not fully funded
- non-issuance of share capital certificates
- no membership registry
- no share and transfer books
- books of accounts were not properly maintained and updated

(Bitonio, 2018)

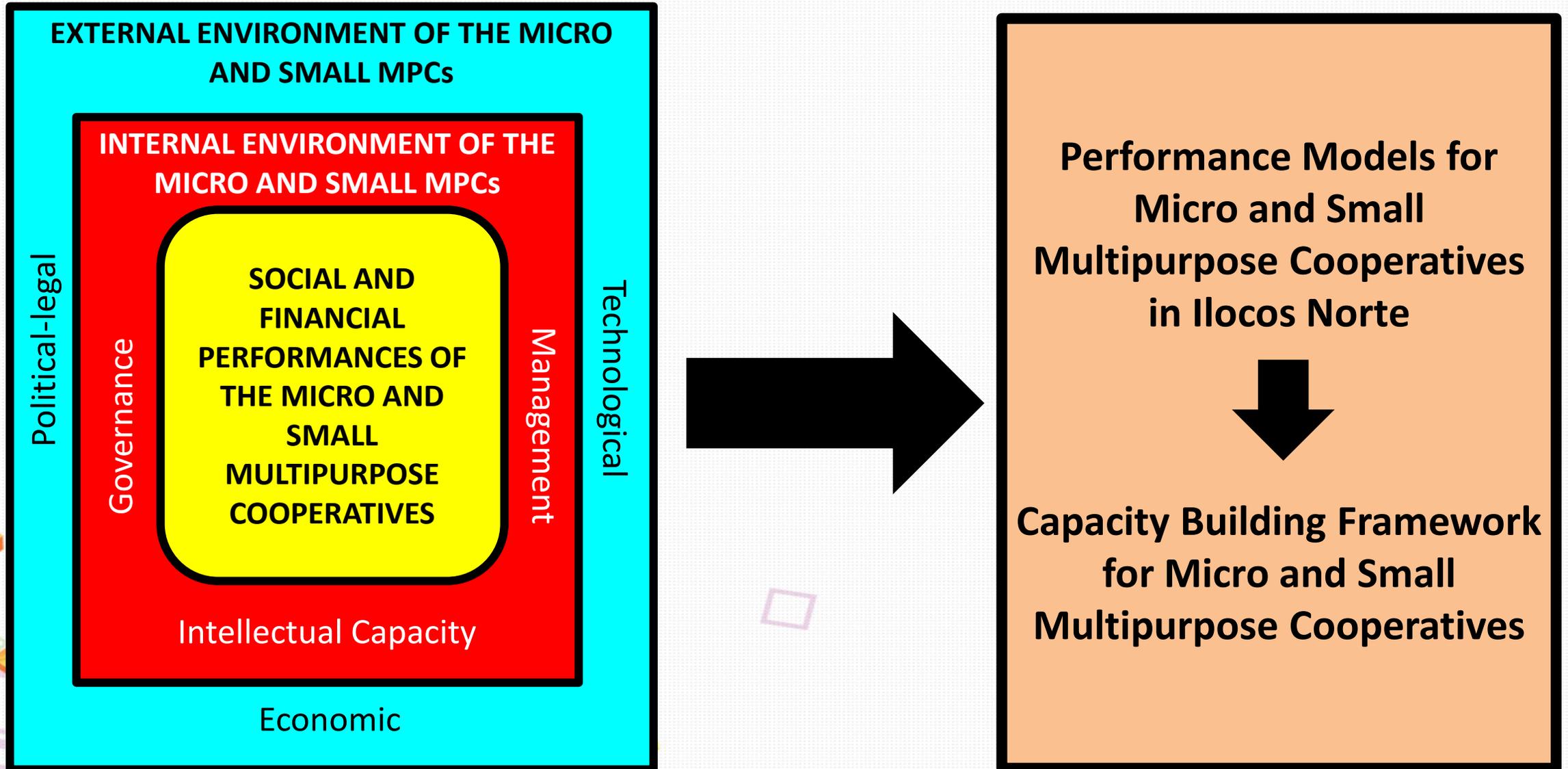


Statement of the Problem

The research study described the profile of the cooperative, assessed their internal environment (intellectual capacity, governance, and management), external environment (political-legal, economic, and technological) and their social and financial performances as bases in the development of performance models and capacity building framework for micro and small multipurpose cooperatives in the Province of Ilocos Norte, Philippines.



Conceptual Framework



Results and Discussions

Table 1. The Internal Environment of the Multipurpose Cooperatives in the Province of Ilocos Norte, Philippines

Internal Environment	Micro MPCs	Small MPCs
Intellectual Capacity	Highly Capacitated	Highly Capacitated
Governance	Very Satisfactorily Governed	Very Satisfactorily Governed
Management	Very Satisfactorily Managed	Very Satisfactorily Managed



Results and Discussions

Table 2. The External Environment of the Multipurpose Cooperatives in the Province of Ilocos Norte, Philippines

External Environment	Micro MPCs	Small MPCs
Political-legal	Very Influential	Very Influential
Economic	Somewhat Influential	Somewhat Influential
Technological	Very Influential	Very Influential



Results and Discussions

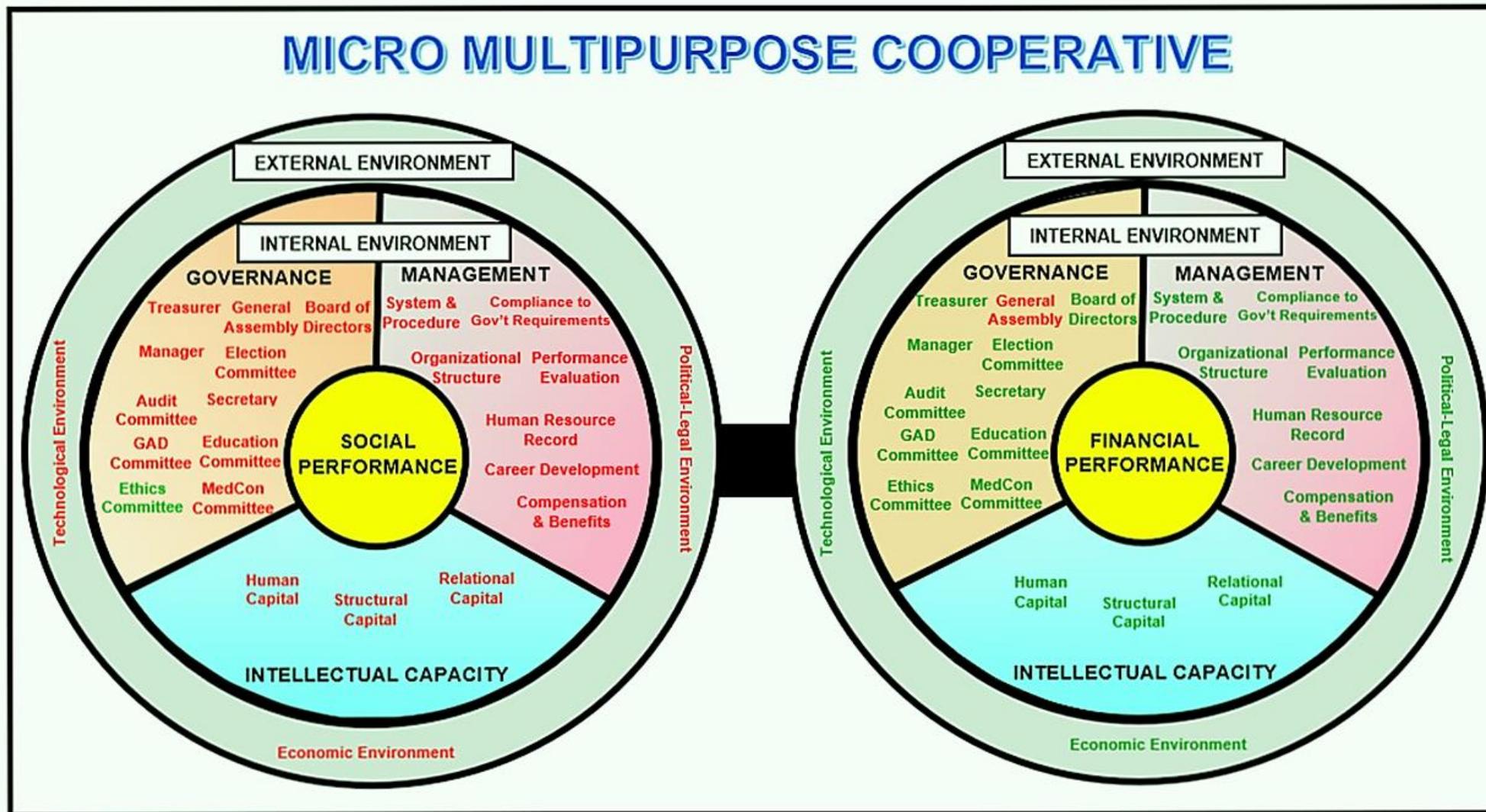
Table 3. The Performance of the Multipurpose Cooperatives in the Province of Ilocos Norte, Philippines

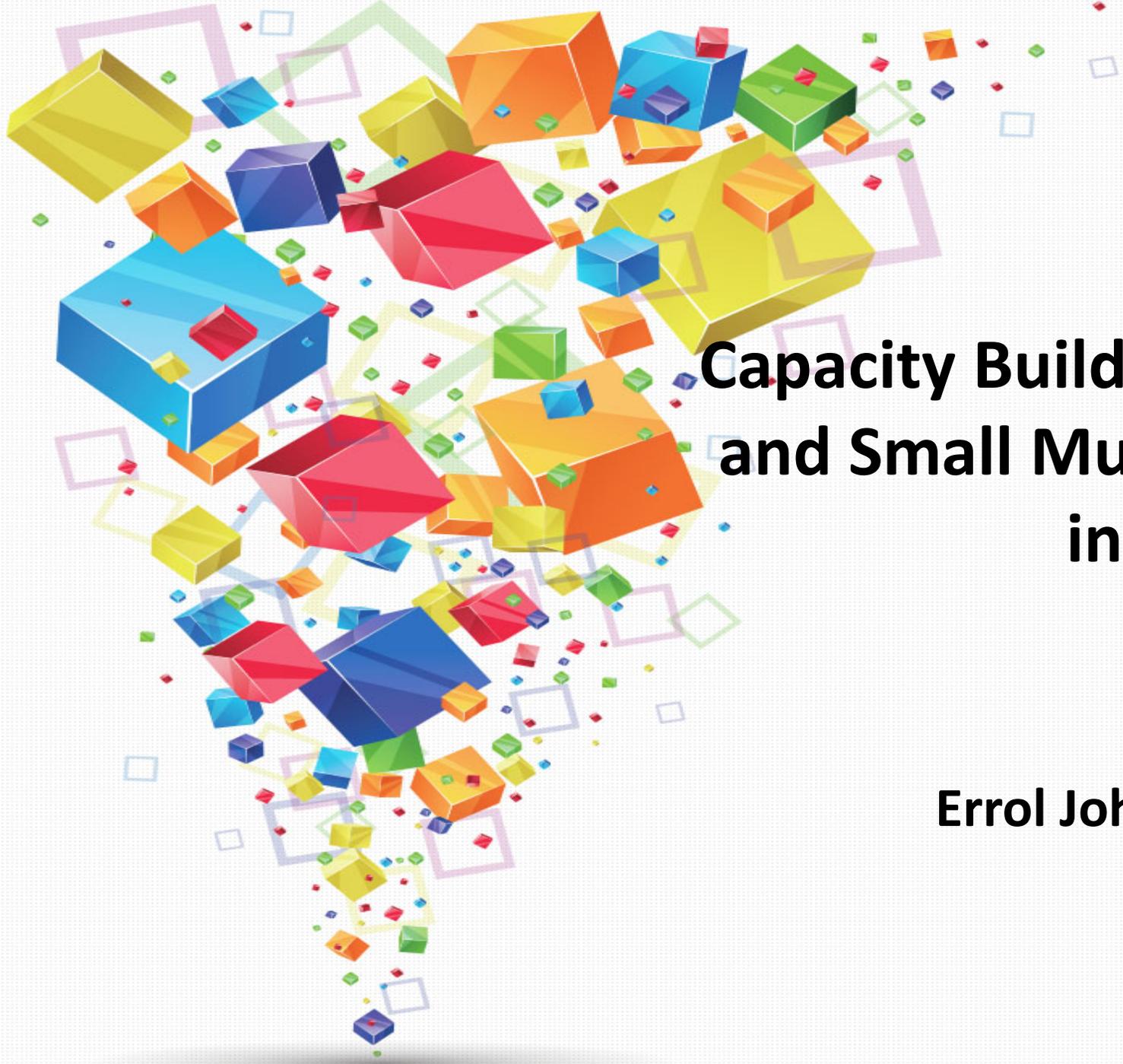
Performance	Micro MPCs	Small MPCs
Social	Very Good Performance	Very Good Performance
Financial	Very Satisfactory Performance	Satisfactory Performance



Results and Discussions

Figure 1. Performance Model for Micro Multipurpose Cooperatives in Ilocos Norte, Philippines





Capacity Building Framework for Micro and Small Multipurpose Cooperatives in Ilocos Norte

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Results and Discussions

Figure 2. Sample Training Plan of the Capacity Building Framework

TRAINING PLAN	
Major Component 1: Internal Environment of the Cooperative	
Component 1: Intellectual Capacity	
Sub-component 1: Human Capital	
<p>Background:</p> <p>This training will enhance the human capital of the multipurpose cooperatives. This is to provide the cooperative personnel the necessary training and education to become efficient in providing the products and services to the members, customers and other entities having transactions with them.</p>	
<p>Objective:</p> <p>To improve the skills and abilities of the employees of the cooperatives to become efficient in providing services to the members, customers and other entities having transactions with the cooperatives.</p>	
<p>Scope of Participation: Provincial-wide</p>	
<p>Participants: Board of directors, secretaries, treasurers, committee chairpersons (election, audit, education, gender and development, mediation and conciliation, and ethics), and manager</p>	
<p>Topics:</p> <ul style="list-style-type: none"> • Importance of human capital to cooperative operation • Organizational, group and individual behavior • Motivation • Personality development • Values reorientation • Safety and work environment 	
<p>Methodology:</p> <p>The participants are required to fill-up a KWL chart. Before the training, they will enumerate what they know about the topics (K) and what they want to learn (W). After the training, they are required to enumerate what they learned (L). The participants are encouraged to actively participate in the lectures and discussions of the topics. Group discussions, simulation and role playing and group activities can be done to assess what they learned.</p>	

Results and Discussions

Figure 3. Sample Action Plan for Micro Multipurpose Cooperatives of the Capacity Building Framework

ACTION PLAN FOR MICRO MULTIPURPOSE COOPERATIVES																							
Major Component 1: INTERNAL ENVIRONMENT OF THE COOPERATIVE																							
Component 1: INTELLECTUAL CAPACITY																							
Sub-component 1: HUMAN CAPITAL																							
Objective	Strategies and Actions	Expected Outcomes	Persons Involved	Time Frame	Budgetary Requirements																		
To improve the skills and abilities of the employees of the cooperatives to become efficient in providing services to the members and customers.	Identifying training needs.	85% of the participants are equipped with knowledge on the importance of human capital.	5 Board of directors, 1 secretary, 1 treasurer, 6 committee chairpersons, and 1 manager	<table border="1"> <tr> <th colspan="6">Year: 1 - 2019</th> </tr> <tr> <td>J</td> <td>F</td> <td>M</td> <td>A</td> <td>M</td> <td>J</td> </tr> <tr> <td>J</td> <td>A</td> <td>S</td> <td>O</td> <td>N</td> <td>D</td> </tr> </table>	Year: 1 - 2019						J	F	M	A	M	J	J	A	S	O	N	D	<p>Php 20,070.00 (on a per batch basis)</p> <p>Training kits and materials: Php 2,610.00 (87 participants x Php 30.00)</p> <p>Meals and snacks of participants: Php 6,960.00 (87 participants X Php 80.00)</p> <p>Honorarium of the resource speakers: Php 6,000.00 (3 resource speakers x Php 2,000.00)</p> <p>Training Venue: Php 3,000.00</p> <p>Incidental expenses: Php 1,500.00</p> <p>Source of Fund:</p> <ul style="list-style-type: none"> Registration fee: Php 150.00 per participant. To defray other expenses in the conduct of the training, large and medium-size cooperatives could sponsor the training using their Cooperative Education and Training Fund (CETF).
	Year: 1 - 2019																						
J	F	M	A	M	J																		
J	A	S	O	N	D																		
Preparation of training plans.	Preparation of communications and invitations.	85% of the participating cooperatives are very much capacitated in their intellectual capacity in terms of their human capital.	Chairperson and members of the Education Committee of the cooperative initiating the conduct of the training.	<p>Batch 1: 1st week of Jul</p> <p>Batch 2: 2nd week of Jul</p> <p>Batch 3: 3rd week of Jul</p> <p>Batch 4: 1st week of Aug</p> <p>Batch 5: 2nd week of Aug</p> <p>Batch 6: 3rd week of Aug</p> <p>Training per batch will be conducted for 1 day.</p>																			
	Identification and preparation of training venue.	85% of the participating cooperatives have outstanding social and financial performances.	Resource speakers who are knowledgeable on the topics needed in the training																				
	Preparation of training materials and modules.		Cooperative initiating the conduct of the training, Cooperative Development Authority-Region 1, Provincial Cooperative Council, Federation of Cooperatives, sponsoring large and medium-size cooperatives, and local government unit.																				
	Conduct of the training and seminar.																						
	Evaluate the participants through the use of the KWL Chart.																						
	The training will be conducted on a provincial-wide and on a per batch basis.																						
	The training will be a collaboration between the cooperative initiating the conduct of the training, Cooperative Development Authority-Region1, the Provincial Cooperative Council, the Federation of Cooperatives in the province, large and medium-size cooperatives and the local government unit.		<p>Target Participants*: 518</p> <p>Batch 1: 87 Batch 2: 87 Batch 3: 87 Batch 4: 87 Batch 5: 87 Batch 6: 83</p>																				

* The target participants were estimated based from the 37 compliant micro multipurpose cooperatives in the Province of Ilocos Norte as of December 31, 2017.

Recommendations

- ❑ to adopt the performance models and implement the capacity building framework
- ❑ to conduct evaluation on the relevance of the performance models and capacity building framework after adoption and implementation
- ❑ identify updates that are needed by the cooperatives
- ❑ to conduct similar study in other parts of the country



Keywords

Development
Performance Models
Capacity Building Framework
Micro and Small Multipurpose Cooperatives
Ilocos Norte



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Thank you very much

