# RESEARCH STUDY



Financial Performance of Selected Multi-Purpose Cooperatives in the City of Cabuyao, L:aguna: Its Level to Customer Satisfaction

## **Objectives**

To determine the financial performance of multi-purpose cooperatives and the level of customer satisfaction in terms of governance, profitability performance and customer service. If there is a significant relationship between financial performance and the level of the customer satisfaction of the selected multi-purpose cooperatives in the City of Cabuyao, Laguna. And also, if there is a significant difference in the customer satisfaction of multi-purpose cooperatives.

### **Highlights**

- 1. Financial Performance of Multi-Purpose Cooperatives The researchers conclude that the reasons behind the excellent performance in terms of profitability performance of PNC-MPC have big capital contribution and small number of members which leads them to larger investment and makes them easy to handle while in CAMAVEMCO in fairness to them they really excel in other financial aspects except profitability performance because they have focused on credit services which led them from having collection inefficiency and delinquent payers.
- 2. Profile of the members of multi-purpose cooperatives In terms of loan, there is uncollectible money that controls the accurate flow of the cooperative funds and financial problem arise that may cause of delaying payment of the members. In terms of performance, the members are not always attending to cooperative programs and activities due to different reasons and excuses like emergency needs and school necessities of their children. In terms of profit sharing, the status of life of the respondents reflects on how much they can invest in the cooperative since most of the respondents belong to the middle class. In terms of benefits, some of the members are lack of discipline that causes the members of the cooperative for not fulfilling their duties and responibilites

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- 4. Level of customer satisfaction of the members. The responses showed that three groups of respondents werew satisfied in the governance, profitability performance and customer service of the multi-purpose cooperatives. Having good governance inside the multi-purpose cooperative, may lead into a good relationship between the officers and regular members. Having good profitabilitu performance that multi-purpose means the cooperative earned profit. It may help each member to gain benefits and availed services by using the funds and contributions coming from the members. Respondents were also satisfied with customer service offered by the cooperative but in some cases, the mebers are somewhat satisfied in some services like new technology, which they need to improve it.

Significant relationship between the financial performance of selected multi-purpose cooperative and the customer satisfaction

There is a significant relationship between the financial performance and customer satisfaction, this means that the higher the financial performance, the higher the level of customer satisfaction.

#### Recommendation

- 1. The researchers recommended that CAMAVEMCO should have strict policies in terms of credit collection. To increase their income, the cooperative can invest in short term or long term investment and increase the collection of daily capital contribution of the members.
- 2. The satisfaction of members on the cooperative operation should always be ensured and perhaps be improved through conducting series of cooperative-education and training programs for them to internalize the cooperative way of life, disseminating copies of pronouncements and policies all members cooperative personnally, and finding ways to improve the cooperative profitability operation regarding governance, performance and customer services to gain a highly satisfied rating from members in the next round of assessment and evaluation.
- 3. Mult-Purpose cooperatives should closely monitor their financial performance to maintain or upgrade customer's satisfaction.
- 4. Financial performance should be properly evaluated to meet customer satisfaction. Customers might be satisfied:
- 1) by adopting technology to speed-up processing of loans,
- 2) entending more credit to members, and
- 3) by giving additional cash incentives annually.

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