

# Agricultural Cooperatives' Impact on its Members' Socio-Economic Status: The Case of the *Binhian ng Timog Kutabato* Multi-Purpose Agricultural Cooperative

Mario Jr. C. Campo<sup>1,2</sup>, Vicente Salvador E. Montaño<sup>2</sup>

<sup>1</sup>South Asiatech College, Inc., Koronadal City, South Cotabato, Philippines

<sup>1</sup>Professional Schools, University of Mindanao, Davao City, Philippines

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## ABSTRACT

This study aims to evaluate the impact of membership to the Binhian ng Timog Kutabato Multi-Purpose Agricultural Cooperative to the socio-economic lives of its members. A descriptive-evaluative research design and data were gathered from N=80 cooperative members concerning their socio-economic profile, changes of family income and expenses of the households, changes of their conditions after the membership, participation in the cooperative's activities, and problems encountered. Results revealed that most members are males, aged 50 and above, married, college graduates, and own land located in the lowland which was acquired via inheritance. Membership to the cooperative has significance to the members in the form of increased mean income and reduced mean expenses. Most of the respondents have a much better acquisition of the new knowledge and skills, much better social status in the community and responsiveness to innovative schemes of development, and better access to marketing farm products. All attended the required pre-membership education seminar and majority attended seminars and trainings on values formation and technologies in farming. Lastly, among all the problems, members agree that they encountered poor management of the Cooperative, followed by poor knowledge in basic bookkeeping among members, among other problems which they see as low or negligible.

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## Corresponding Author:

Vicente Salvador E. Montaño, DBA  
Professional Schools  
University of Mindanao, Davao City, Philippines  
[vicente\\_montano@umindanao.edu.ph](mailto:vicente_montano@umindanao.edu.ph)

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## 1. INTRODUCTION

Cooperatives are well positioned to respond to the sustainable growth of economic, social, and environmental objectives, as well as the governance agenda (Wanyama, 2016). In furtherance of the policy, the appropriate national economic planning agency shall include the promotion of growth and expansion of cooperatives as a major and indispensable component of national development

plans. All departments, branches, subdivisions, and instrumentalities of the government shall promote the formation of cooperative under their respective programs by providing them with appropriate and suitable incentives (Republic Act No. 9520, 2009). Hence, because of their ability to mobilize savings and money that may be used as inputs in the creation of products and services for the less privileged sections of society, cooperatives can contribute to rapid economic growth when properly monitored and supported by the government.

The cooperative sector makes a significant economic and social contribution by means of providing sustainable development programs to different rural communities. In recognition of its importance, the Philippine government has developed a strategy to encourage the formation and expansion of cooperatives as a realistic vehicle for developing self-reliance and mobilizing people power for industrial prosperity (Deriada, 2005; Teves, 2002). The most important recent laws include the Cooperative Code (RA 6938) and the Cooperative Development Authority Charter (RA 6939) both of 1990, and RA 9520 in 2008.

It is the declared policy of the state to foster the creation and growth of cooperatives as a practical vehicle for promoting self-reliance and harnessing people power towards the attainment of economic development and social justice (Cooperative Code of the Philippines, 1990). In the perspective of economic development, the possibilities, and contributions of cooperatives as organizations in sustainable development can be greatly understood. In this scenario, sustainable organizations are described as economic entities which pursue both economic and social commitments to establish a sustainable society through economic activities which foster sustainability and expansion (Quillooy, 2015; Rondinelli & Berry, 2000). The role of Philippine cooperatives in fostering sustainable development has been validated, with findings that cooperatives engage with projects that promote sustainability for their members and communities.

Significantly, the policy of the state, as far as cooperative is concerned, is well-amplified in the Cooperative Code which states, "to foster the creation and growth of cooperatives as practical vehicle for promoting self-reliance and harnessing people power towards the attainment of economic development and social justice." To operationalize the policy, the government including all its branches, subdivisions, instrumentalities, and agencies are all called to "ensure the provision of technical guidance, financial assistance and other services to enable said cooperatives to develop into viable movement that is free from any conditions that may infringe upon the autonomy or organizational integrity of cooperatives" (Castillo & Castillo, 2017).

Microfinance program is generally proliferating in Visayas and Mindanao benefitting more than 5000 cooperatives (Panares, et al., 2013). However, cooperatives generate very little interest because the microfinance program is more about financial assistance than generating profits. Moreover, access to loans was considered as the most highly valued economic benefit cited by cooperative members. Their improved access to financial loans also improve their risk-taking behaviors, adaptability with farm technologies, and their grasp to new set of skills and abilities (Solo & Manroth, 2006; Zikalala, 2016). This motivate actions that foster progressive economic growth, assisting cooperative members in coping with negative financial instability, and stabilizing their income or consumption patterns (Impas, Abellanos & Murcia, 2021). As a result, having access to financial services produce favorable consequences for the cooperative members that can obtain skills training and financial loans.

Credit assistance is crucial in the agricultural sector for the adoption of advanced technologies and as a capital alternative to increase productivity (Akmal et al., 2012; Das, Senapati & John, 2009; Sattar, 2012). Small-scale farmers' combined coordination through cooperatives or organization membership has proven crucial for increasing farm productivity and profitability. Several researchers have found that farmer associations have an important role in improving small farmers' access to input and output markets, as well as improving their profitability (Asian Development Bank, 2012; Markelova et al., 2009; Hellin, Lundy & Meijer, 2009). On the other hand, due to the poor margins associated with agriculture, credit assistance is in demand not only among small farmers, but also among medium and big farms (Rizwan at al., 2019).

Today, one can see how far these programs have gone in the lives of the common people. The development programs have given the beneficiaries the support services necessary to increase the production and income and improve their standard of living. This has provided farmers with the motivation and skills to organize themselves. Farmers' organizations are taking more active roles in the barangays. Barangay folks are more hopeful and more optimistic about their future. In SOCCSKSARGEN Region (Region XII), for example, there are barangay association's cooperatives that were instituted by the different government agencies. One of these is the *Binhian ng Timog Kutabato* Multi-purpose Agricultural Cooperative which at present is actively benefitting its members. Moreover, the farmers of Surallah, South Cotabato formed themselves into an association, The Farmers Association, with 263 members. However, the association failed in its activities because of vested interests of some members. On November 15, 2005, through the Farmers' Cooperative Development Exchange Program Reform (a DAR program), the *Binhian ng Timog Kutabato* Multi-purpose Agricultural Cooperative as an agrarian reform cooperative was conceived and born out of the farmer's sheer desperation to break the misery and isolation. This time, the cooperative is composed of Muslim and Christian agrarian reform beneficiaries of farmer's beneficiaries of the Comprehensive Agrarian Reform Program (CARP). The members were granted a cooperative's fund sourced from the Development Bank of the Philippines (DBP) through the DAR-DBP Window Loan Program for Agrarian Reform Beneficiaries Development.

The cooperative offers consumers, marketing and credit services. Initially, a consumer store was established to distribute commodities to members at a reasonable price. The cooperative's marketing department contracted the members' farm products and bought these at a higher price than those of local traders and sold the products to bigger corporation at a higher cost. The success of this cooperative became popular to other neighboring barangays, and this led them to request for affiliation with *Binhian ng Timog Kutabato* Multi-purpose Agricultural Cooperative. There were two barangays admitted as satellite cooperatives with Barangay Centrala as the mother. The two barangays are Dajay and Lamian. The joining of two barangays into the multi-purpose cooperative of Surallah has brought about peace and order of the community, brotherhood among Muslims and Christians, and closer relationships among barangays. Further, the *Binhian ng Timog Kutabato* Multi-purpose Agricultural Cooperative has continued to flourish.

The observed success of the cooperative led the researchers to evaluate the economic development of the barangay members. With this, this study aims to determine the effects of *Binhian ng Timog Kutabato* Multi-purpose Agricultural Cooperative on the socio-economic lives of the members in Centrala, Dajay and Lamian, all in South Cotabato. Specifically, the study seeks to answer the following questions: (1) to describe the demographic profile of members of *Binhian ng Timog Kutabato* Multi-purpose Agricultural Cooperative; (2) To determine the reasons that prompted the farmer-beneficiaries to become members of the cooperative and what benefits have they derived from joining; (3) To determine the socio-economic effects derived from membership in the cooperative in terms of income, expenses, living conditions, and participation to cooperative activities; and (4) To identify the problems encountered by the members in the attainment of the objectives of the cooperative. The null hypothesis (Ho) tested in this study at 0.05 level is socio-economic effect in terms of income and expenses of members of *Binhian ng Timog Kutabato* Multi-purpose Agricultural Cooperative before and after membership are not significantly different.

## 2. RESEARCH METHOD

### 2.1 Research Design

The study used descriptive method to determine the status of the *Binhian ng Timog Kutabato* Multi-Purpose Agricultural Cooperative, and its effects on the socio-economic lives of the members. Specifically, this study utilized quantitative, non-experimental research design utilizing correlational technique. This study is quantitative in nature because it works with numerical data and treats data using descriptive and inferential statistical to establish association or ascertain prediction between variables (Edmonds & Kennedy, 2016). Also, a descriptive type of research was used in the study to

assess the present status of the phenomenon, which can be represented as variables (Creswell, 2012). This research design is concerned with how, what is, or what exists is related to some preceding event that has influence or affected a present condition or event (Kothari, 2004).

## 2.2 Research Respondents

This study is limited on to the 80 member's officers and members of the *Binhian ng Timog Kutabato* Multi-Purpose Agricultural Cooperative in the Barangays Centrala, Dajay and Lamian of Surallah South Cotabato as of June 30, 2017. Identification of the minimum or appropriate sample size is largely dependent on the careful and detailed planning of research (Delice, 2010). The purpose of this is to produce a result that can detect the smallest magnitude of the influence and the extent to which the study is relevant (Faber & Fonseca, 2014). The demographic profile of the respondents, cooperative membership, benefits derived from the cooperative, socio-economic effects in terms of family income, work values, farm and cooperative management skills, and the problems they encountered in the attainment of the objectives of the cooperative, constitute the focus of the study.

Inclusion criteria in aiming to produce reliable and valid results include qualified respondents described in this research, must be a member of *Binhian ng Timog Kutabato* Multi-Purpose Agricultural Cooperative, male or female of legal age and cooperative or corporation's physical location must be within the Barangays Centrala, Dajay and Lamian of Surallah, South Cotabato. In contrast, exclusion criteria to guard against exploitation of vulnerable persons include a disqualified respondent described in this research are as follows; a minor who cannot give consent, an alien, and those not residing in the research locale and is not a member of the cooperative. Respondents may decide to discontinue or withdraw his/her participation on the research as he/she deems necessary for whatever reasons and may or may not provide these reasons to the researcher for evaluation and reporting processes.

Presented in Figure 1 is the map of the Philippines and Surallah, the research locale. The study chose Surallah, South Cotabato for the study to be conducted since the researchers firmly believe that the value of doing research is to create social impact, particularly direct impact to the community. Thus, Surallah, South Cotabato became the place of interest where the study should be conducted since the researcher work and live in the locale.

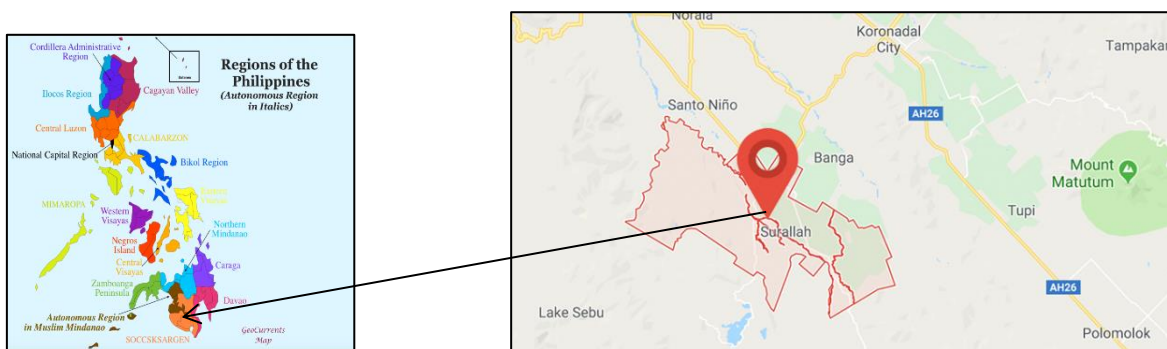


Figure 1. Map showing the locale of the study

## 2.3 Research Instruments

The researchers made use of a questionnaire based on the objectives of the study. To ensure appropriateness of the questionnaire for the study, suggestions or comments from FCDEP implementers were elicited. The questionnaire has three parts. Part I elicited information on the demographic profile of the respondents. Part II inquired of the benefits and advantages derived by the respondents from the cooperative. Part III asked responses on the problems encountered by the respondents in the attainment of the objectives of the cooperative. For the respondents to assess the socio-economic effects on them, the following 4-point scale assessment is used: 4, for Much Better; 3, for Better; 2, for Same; and 1 for worse. The same scheme is used by respondents to assess the

extent of some identified problems that were encountered: 4, almost always; 3, Sometimes; 2, Rarely; and 1, almost Never.

#### **2.4 Data Collection Procedure**

The rigor of this study is essentially manifested through the data collection. After endorsed by the research advisory committee, a formal permission to conduct the study was requested from the Dean of the Professional Schools. Separate letters were also prepared and forwarded to the cooperative secretaries and/or Board members of the identified cooperatives in the research locale. Upon the consent of the targeted study participants, the researchers administered the survey instruments. Before the actual administration of the questionnaires, the researcher explained the research tool and its purpose. The researcher properly oriented the respondents about the appropriate manner of accomplishing the questionnaires so to ensure valid and reliable results.

After retrieving all responses, the data were encoded in spreadsheet format and were thoroughly checked before data analysis. The results were analyzed using appropriate statistical tools and were interpreted.

#### **2.5 Data Analysis**

The data on demographic profile of the respondents as well as cooperative membership and benefits derived by the respondents from the cooperative were analyzed using the frequency and percentage to describe conditions relative to the characteristics of the members of *Binhian ng Timog Kutabato* Multi-Purpose Agricultural Cooperative.

Moreover, the figures on annual income brackets of the respondents before and after joining the cooperative were presented through mean and standard deviation. To test the significance in the change of respondents' income as a result of their membership in the cooperative, the t-test for paired samples was employed.

On the other hand, the data on socio-economic effects were derived from membership in the cooperative in terms of family income, work values, farm and cooperative management skills including data on problems encountered by the members in the attainment of the objectives of the cooperative which was presented through mean and standard deviation.

#### **2.6 Ethical Considerations**

To ensure the ethical soundness of this paper, the researchers observed full ethical standards in conducting the study, following the study protocol assessments and standardized criteria, particularly in managing the population and data contingent to UM Ethics Review Committee approval no. UMERC-2019-212.

### **3. RESULTS AND DISCUSSIONS**

#### **3.1. Profile of the Agricultural Cooperative Members**

As seen in Table 1, most of the multi-purpose cooperatives respondents are male represented by 69 respondents, or 86.2%. In contrary, there are 11 female respondents, or 13.8%. As to marital status, most of the respondents are married comprising 92.4% of the total respondents or represented by 74 individuals. Meanwhile, single and widow/er have the same number of respondents, represented by 3 respondents each criterion (3.8%). In terms of educational attainment, most of the respondents graduated in college, comprising 55 respondents or 68.8%. They are followed by respondents who are college undergraduate, representing 13.8% of the respondents (n=11); high school graduates representing 11.3% of the respondents (n=9); and high school level, who represent 6.3% of the respondents (n=5).

In the same manner, when respondents are grouped according to location of their farms, there are 77 respondents who are classified as lowland farmers (n=77) respondents, or equivalent to 96.2% of the total respondents, while there are 3 upland farmers, representing 3.8% of the sample. More so, 75 of the respondents (93.8%) are multi-purpose cooperative respondents who are owners of the land they farm, two respondents (2.4%) are renters and three of the total respondents are tenants (3.8%). The same table revealed that respondent farmers are predominantly from 50 to 59 years old

(n=25, 31.3%), followed by farmers whose age fall within 60 to 69 years old (n=23, 28.8%) and farmers aging 70 to 79 years old (n=22, 27.5%). There are nine farmers who age 40 to 49 years old (11.3%) while a lone respondent ages 30 to 39 years old (1.3%). When asked as to how they obtained the land, 63.8% (n=51) of the cooperative respondents said that they obtained the land through inheritance, 20 respondents (25%) bought their land, and 9 (11.3%) said that the land that they are cultivating is a public land.

Table 1. Profile of the members of Binhian ng Timog Kutabato Multi-purpose Agricultural Cooperative

Profile	f	%
<b>Sex</b>	<b>80</b>	<b>100.00</b>
male	69	86.2
female	11	13.8
<b>Marital Status</b>	<b>80</b>	<b>100.00</b>
married	74	92.4
single	3	3.8
widow/er	3	3.8
<b>Educational Attainment</b>	<b>80</b>	<b>100.00</b>
high school level	5	6.3
high school graduate	9	11.3
college level	11	13.8
college graduate	55	68.8
<b>Location</b>	<b>80</b>	<b>100.00</b>
lowland	77	96.2
upland	3	3.8
<b>Tenure</b>	<b>80</b>	<b>100.00</b>
owner	75	93.8
renter	2	2.4
tenant	3	3.8
<b>Age Bracket</b>	<b>80</b>	<b>100.00</b>
30-39	1	1.3
40-49	9	11.3
50-59	25	31.3
60-69	23	28.8
70-79	22	27.5
<b>Ways of Obtaining the Land</b>	<b>80</b>	<b>100.00</b>
Bought	20	25.0
Inheritance	51	63.8
Public Land	9	11.3

### 3.2. Socio-Economic Effects Derived in Membership to Agricultural Cooperative

To determine whether income and expenses have significantly changed after membership with Binhian ng Timog Kutabato Multi-purpose Agricultural Cooperative, t-test for paired samples were used to analyze the mean differences. The mean for two periods (before and after) were also checked for consistency via Pearson product moment correlation (or Pearson's r coefficient).

In Table 2, both overall income and expenses were compared before and after membership with the Cooperative. In terms of overall income, on the average, farmer members have income higher after their membership to the cooperative ( $\bar{x}=100,812.50$ ,  $SD=49,260.83$ ) compared to their income before membership ( $\bar{x}=50,050.00$ ,  $SD=23,511.8593$ ). This mean increase of income, Php 50,762.50, 95% C.I. (43,595.16, 57,929.84), was statistically significant,  $t(80)=14.097$ ,  $p<0.05$ . Mean income before and after was also found to be significantly correlated,  $r=0.838$ ,  $p<0.05$ . This is consistent with several studies such as Bolton (2019) revealed that income differences in agricultural cooperatives, although modest, show incomes increase and economic benefits are felt since joining an agricultural cooperative in the context of maize production. Similarly, Zheng, Wang, and Song

(2011) averred that when joining institutions like cooperatives, agriculture and rural income growth for farmers usually increase significantly.

Table 2. Paired sample t-test showing the significance of the mean increases of cooperative members' income and expenses before and after joining the cooperative

Variables		$\bar{x}$	N	SD	Correlation	t
Income	before	50,050.00	80	23511.59	0.838**	14.097**
	after	100,812.50	80	49260.83		
Expenses	before	13,744.81	80	2555.97	0.686**	4.179**
	after	14,687.13	80	2531.24		

\*\* p<0.01

In terms of overall expenses, farmer members have slightly higher expenses after their membership with the cooperative ( $\bar{x}$ =14,687.13,  $SD$ =2,531.24) compared to their expenses before membership ( $\bar{x}$ =13,744.81,  $SD$ =2,555.97). This mean increase of expenses, Php 942.31, 95% C.I. (493.47, 1,391.15), was statistically significant,  $t(80)$ =4.179,  $p$ <.05. Mean overall expenses before and after was also found to be significantly correlated,  $r$ =0.686,  $p$ <0.05. Specific expenses were also compared before and after. As seen in Table 3, most expenses have slightly increased, indicated as negative mean values, except for expenses related to education, which decreased after membership with the cooperative.

Table 3. Paired sample t-test showing the significance of the mean increases/decreases of cooperative members' specific expenses before and after joining the cooperative

Specific Expenses	Paired Differences					t	df	p
	Mean (I-J)*	SD	S.E. Mean	95% C.I. of the Difference				
				Lower	Upper			
food expenses	-956.25	763.87	85.40	-1126.24	-786.26	-11.197	79	<.000
education	812.50	1705.79	190.71	432.90	1192.10	4.260	79	<.000
water	-104.75	69.28	7.75	-120.17	-89.33	-13.523	79	<.000
electricity	-273.25	186.74	20.88	-314.81	-231.69	-13.088	79	<.000
health	-69.50	153.08	17.11	-103.57	-35.43	-4.061	79	<.000
transportation	-100.38	111.49	12.46	-125.18	-75.57	-8.053	79	<.000
clothing	-135.88	154.79	17.31	-170.32	-101.43	-7.851	79	<.000
phone	-54.44	84.13	9.41	-73.16	-35.72	-5.788	79	<.000
leisure	-60.38	91.56	10.24	-80.75	-40.00	-5.898	79	<.000

Note: Mean differences are computed by deducting expenses after (J) from expenses before (I).

On the average, farmer members have higher food expenses after their membership to the cooperative ( $\bar{x}$ =9,918.75,  $SD$ =1,712.66) compared to their food expenditures before membership ( $\bar{x}$ =8,962.50,  $SD$ =1966.13). This mean increase of food expenses, Php 956.25, 95% C.I. (786.26, 1126.24), was statistically significant,  $t(79)$ =-11.197,  $p$ <0.05. Farmer members also have higher expenses for water after their membership to the cooperative ( $\bar{x}$ =9,918.75,  $SD$ =1,712.66) compared to their food expenditures before membership ( $\bar{x}$ =484.25,  $SD$ =138.95). This mean increase of expenses for water, Php 104.75, 95% C.I. (89.33, 120.17), was statistically significant,  $t(79)$ =-13.523,  $p$ <0.05. Farmer members also have higher expenses for electricity after their membership to the cooperative ( $\bar{x}$ =1,109.25,  $SD$ =1533.20) compared to their electricity expenditures before membership ( $\bar{x}$ =836.00,  $SD$ =454.13). This mean increase of expenses for electricity, Php 273.25, 95% C.I. (231.69, 314.81), was statistically significant,  $t(79)$ =-13.088,  $p$ <0.05. Same was noted with expenses for transportation [ $\bar{x}$ =100.38,  $SD$ =114.49,  $t(79)$ =-8.053,  $p$ <0.05] and clothing [ $\bar{x}$ =135.88,  $SD$ =154.79,  $t(79)$ =-7.851,  $p$ <0.05] and slight increases in expenses for health [ $\bar{x}$ =69.50,  $SD$ =153.08,  $t(79)$ =-4.061,

$p < 0.05$ ], phone [ $\bar{x} = 54.44$ ,  $SD = 84.13$ ,  $t(79) = -5.788$ ,  $p < 0.05$ ], and leisure [ $\bar{x} = 60.38$ ,  $SD = 91.56$ ,  $t(79) = -5.898$ ,  $p < 0.05$ ]. However, on the average, farmer members were seen to have lesser expenses in education after their membership to the cooperative ( $\bar{x} = 1,500.00$ ,  $SD = 1,636.22$ ) compared to their education expenditures before membership ( $\bar{x} = 2,312.50$ ,  $SD = 1,117.00$ ). This mean decrease of education expenses, Php 812.50, 95% C.I. (432.90, 1192.10), was statistically significant,  $t(79) = 4.260$ ,  $p < 0.05$ .

At the aggregate, the study finds a significantly higher total expenses among farmers after joining the cooperative. In the case of coffee farmers in Nicaragua, Valkila and Nygren (2010) noted higher expenses after joining cooperatives and applying for Fair Trade certifications and accreditation, which could be attributed to higher revenues and economic benefits they gained. In this study, all but educational expenses increased significantly, which could mean that during membership, expenses to education could have drastically decreased due to children of farmers being either accepted as scholars of the cooperative, being subsidized by the government in the form of tuition assistance, or that they already graduated when their parents join the cooperative.

### 3.3. Conditions of Living Before and After Joining the Cooperative

Table 4 shows the summary of conditions of living before and after joining *Binhian ng Timog Kutabato* Multi-purpose Agricultural Cooperative. It can be observed that most of the respondents have a much better acquisition of the new knowledge and skills, which was represented by 63 respondents, or 78.8% of the total representative. Also, 16 respondents (20%) also shared that they have better acquisition of the new knowledge and skills; and a lone respondent (1.2%) said that the knowledge and skills remained the same. This is corollary to the Schugurensky, Mündel and Duguid's (2006) pronouncement, highlighting that members acquired more than skills and knowledge through acquisition of technologies or utilization of specific skills and competencies when they became members of the cooperative.

Table 4. Descriptive statistics on the perception of conditions of living conditions before and after joining the cooperative

Values	f	%
<b>Acquired new knowledge and skills</b>	<b>80</b>	<b>100.00</b>
better	16	20.0
much better	63	78.8
same	1	1.2
<b>Improved my social status in the community</b>	<b>80</b>	<b>100.00</b>
better	19	23.8
much better	60	75.0
same	1	1.2
<b>Being responsive to innovative scheme of development introduced in the community</b>	<b>80</b>	<b>100.00</b>
better	21	26.3
much better	56	70.0
same	3	3.7
<b>Accessibility of marketing farm product</b>	<b>80</b>	<b>100.00</b>
better	18	22.5
much better	61	76.3
same	1	1.2

Also, 70% or 60 cooperative members agreed that their social status in the community have improved much better. Consequently, 19 respondents, or 23.8%, responded that their social status in the community have improved well. Lastly, a lone respondent (1.2%) said that his/her social status in the community remains the same. Jones, Jussila and Kalmi (2016) noted that one of the common reasons to join in cooperatives is the intrinsic reward of having an enhanced social status and influence, especially if the community where the cooperative lies is a larger community.



In terms of responsiveness to innovative scheme of development, which was illustrated in Table 4, 56 respondents (70%) concluded that their responsiveness to innovative scheme is much better than before, 21 respondents (26.3%) observed better responsiveness to innovative scheme, and 3 respondents (3.7%) assumed that their responsiveness to innovative scheme of development has not improved a bit or has remained the same. This is similar to the findings of Tefera (2008), who found out that cooperative membership enhances innovations in the dairy sector which include technological, institutional and organizational innovations after farmers joined the cooperative, resulting to higher income and better quality of milk products.

For the assessment on accessibility of marketing farm roads, 61 respondents (76.3%) said that there is much better access of marketing farm products, 22.5% (N=18) said that access of marketing farm product is better but not best, while a lone respondent (1.2%) insinuated that access of marketing farm products remain the same. Moreover, in terms of respondents' involvement in marketing of their farm products, 45 respondents, or 56.3% have participated in marketing of farm product activities. In contrast, 35 participants (44.7%) have not participated in marketing of farm product activities. In terms of participation to outlet of farm products activities, it is apparent that 73 (91.3%) multi-purpose cooperative have concluded that the cooperative itself is their outlet of their farm products. Meanwhile, 6.3%, or 5 respondents have considered private traders while only 2 (2.5%) respondents opted for other traders in the municipality/city as outlet for their farm products. This collective finding is consistent with the findings of Tadesse and Bahiigwa (2015), who noted that membership to cooperative means joining a collective voice to request or demand appropriate institutions to increase access and benefitting from farm-to-market roads, which increase mobilization of resources and transportation of goods to the market.

### 3.4. Participation of Members on Cooperative Activities

As shown in Table 5, 100% (n=80) of the participants from multi-purpose cooperatives responded that they have attended the pre-membership education seminar. Also, 57 of the total multi-purpose cooperative respondents, or 71.3%, represented those who have participated in the values formation. Meanwhile, 26 respondents, or equivalent to 32.5%, declared that they have not participated in the values formation. In terms of participation in basic bookkeeping and recording activities, 45 respondents, or 56.3% have attended. There are 35 participants (44.7%), however, have not participated in basic bookkeeping and recording activities.

Table 5. *Descriptive statistics on the participation of members on cooperative activities*

Activities	f	%
<b>Pre-membership education seminar</b>	<b>80</b>	<b>100.00</b>
participated	80	100.0
<b>Values formation among the members</b>	<b>80</b>	<b>100.00</b>
participated	57	71.3
not participated	23	28.7
<b>Technologies in farming</b>	<b>80</b>	<b>100.00</b>
participated	54	67.5
not participated	26	32.5
<b>Basic bookkeeping and recording</b>	<b>80</b>	<b>100.00</b>
participated	45	56.3
not participated	35	44.7
<b>Marketing of the farm products</b>	<b>80</b>	<b>100.00</b>
participated	45	56.3
not participated	35	44.7
<b>Outlet of farm products</b>	<b>80</b>	<b>100.00</b>
Cooperative itself	73	91.3
private traders	5	6.3
other traders in the municipality/city	2	2.5

While not all these activities are mandatory or required unlike the pre-membership seminar, the activities organized for the farmers intends to develop their values, encourage productivity, foster cooperation, become transparent, and imbue farming standards. Moon and Lee (2020) see the essence of activities to improve outcomes of agricultural cooperatives, even seeing better relationships between members and officers. In addition, Fischer and Qaim (2012) noted that marginal farmers benefit from participating in the activities organized by the cooperative organization, which seems to motivate them to become better in productivity. Such participation could also be coming from incentives for these farmers in some of the activities, like general assemblies.

### 3.5. Problems Encountered by Agricultural Cooperative Members

Farmers were also asked on the extent of problems that they usually encountered in the Cooperative. Descriptive statistics results are presented in Table 6. As shown, there was a high extent of manifestation of poor management of the Cooperative ( $\bar{x}=3.85$ ,  $SD=0.533$ ), which further insinuates that majority (if not all), have seen this to be a pressing problem. Other problems were found to be either low or negligible based on descriptive statistics results in Table 6. There is low extent of manifestation of farmers observing that topics for seminars or trainings conducted are wrong choice/s ( $\bar{x}=1.96$ ,  $SD=0.912$ ) and inadequacy of farm materials ( $\bar{x}=1.85$ ,  $SD=0.622$ ). On the other hand, the rest of the problems have negligible impacts to formers, as they manifest them rarely: lack of cooperation among members ( $\bar{x}=1.33$ ,  $SD=0.711$ ), members needing further training ( $\bar{x}=1.38$ ,  $SD=0.685$ ), lack of financial support ( $\bar{x}=1.62$ ,  $SD=0.991$ ), and no market outlet for farm products ( $\bar{x}=1.67$ ,  $SD=0.930$ ).

This study seen a high extent of manifestation of poor management of the Cooperative, which further insinuates that majority (if not all), have seen this to be a pressing problem. While low or negligible, problems like low extent of manifestation of farmers observing that topics for seminars or trainings conducted are wrong choice/s, inadequacy of farm materials, lack of cooperation among members, members needing further training, lack of financial support, and no market outlet for farm products, among others, should not be disregarded (Baloyi, 2010).

Table 6. Extent of problems manifested by members in the Cooperative

Problems	$\bar{x}$	SD	Level
Wrong choice of topics for seminars or trainings conducted	1.96	0.912	low
Poor management of the cooperative	3.85	0.533	high
No market outlet for farm product	1.67	0.930	negligible
Lack of cooperation among members	1.33	0.711	negligible
Lack of financial support	1.62	0.991	negligible
Poor knowledge in basic bookkeeping	3.00	-	moderate
Inadequate farms materials	1.85	0.622	low
Members needs further trainings	1.38	0.685	negligible

1.00 - 1.74 negligible

1.75 - 2.49 low

2.50 - 3.24 moderate

3.25 - 4.00 high

## 4. CONCLUSION

Results revealed that most members are males, aged 50 and above, married, college graduates, and own land located in the lowland which was acquired via inheritance. Membership to the cooperative has significance to the members in the form of increased mean income and reduced mean expenses. Most of the respondents have a much better acquisition of the new knowledge and skills, much better social status in the community and responsiveness to innovative schemes of development, and better access to marketing farm products. Finally, all attended the required pre-membership education seminar and majority attended seminars and trainings on values formation and technologies in farming. Among all the problems, members agree that they encountered poor

management of the Cooperative, followed by poor knowledge in basic bookkeeping among members, among other problems which they see as low or negligible.

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## BIOGRAPHIES OF AUTHORS

	<p><b>Mario Jr. C. Campo (MS Econ)</b> is currently a skills development trainer and a faculty member of South Asiatech College, Inc., an accredited learning site for agriculture and technical and vocational programs in Sultan Kudarat. He recently finished his Master of Science in Economics from the Professional Schools of University of Mindanao. His interest in agricultural economics, impact assessment and program evaluation led him to study the socioeconomic situation of agricultural cooperative members in the SOCCSKSARGEN Region.</p>
	<p><b>Vicente Salvador E. Montaña (DBA)</b> is currently the Dean of the College of Business Administration Education of the University of Mindanao, Davao City, Philippines. He also chaired the graduate programs in business, management, and marketing in the Professional Schools of the same university and taught graduate courses in the University of the Immaculate Conception. He finished his Doctor of Business Administration from the Ateneo de Davao University. His expertise is on business economics, applied econometrics, machine learning applications, and quantitative modelling.</p>