



**LEADERSHIP BEHAVIOR OF THE MANAGERS OF SELECTED
MULTI-PURPOSE COOPERATIVES IN THE PROVINCES OF
ORIENTAL AND OCCIDENTAL MINDORO, PHILIPPINES**

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ABSTRACT

The study assessed the leadership behavior of the managers of selected multi-purpose cooperatives in the provinces of Oriental and Occidental Mindoro, Philippines that explained their managerial philosophy, values and needs, also their strengths and preferences of their leadership style. It involved 218 personnel of multi-purpose cooperatives who were selected using stratified proportional random sampling out of 726 population of personnel from 30 multi-purpose cooperatives for fiscal year 2016. Data gathered from these cooperatives using survey questionnaire were analyzed using various tools such as frequency and percentage distribution and weighted mean. The study revealed that the personnel were young, female dominated, married, new in the service and college degree holder. The managers employed directive, supportive, achievement-oriented and participative leadership behavior. The study recommended additional trainings and seminars on democratic process, concept of authoritarian and delegative leadership style must be considered for managers of the multi-purpose cooperatives. It also recommended investigations of similar nature in other lines of businesses and in other forms of business organizations are highly encouraged in order to contribute to the total picture of extensive role leadership behavior to the success of any business organization including other similar studies with more emphasis on the leadership styles and performance of managers.

Key Words: profile, directive, supportive, achievement-oriented and participative leadership behavior.

INTRODUCTION

Impending economic crisis gripping the country today is caused by unemployment, rapid population growth and stiff competition in the labor market. In the onset of this scenario, people

come to the rescue of organization like cooperatives which proliferate in the countryside tasked to endlessly advance and promote the quality of life of the people.

In the Philippines, the government is particularly supportive of the people's efforts to form such voluntary associations. In fact, Article XII of the 1987 Constitution [1] provides that "Congress shall create the agency to promote the viability and growth of cooperatives as instrument of the social justice and economic development".

Cooperative Principles related to this study under Republic Act No. 6938 (Aquino, [2]) known as Cooperative Code of the Philippines relate that membership in a cooperative shall be voluntary and available to all individuals regardless of their social, political, racial or religious background or beliefs. In other words, a cooperative may not be formed on the basis of coercion or discrimination.

The principle of democratic control simply means that the cooperative is ruled by the majority of its membership, where the term majority is measured not by the amount of share in ownership but by the number of individual members. This is more practically expressed by the principle of one-member-one-vote, regardless of the amount of shares held by each member with certain variations. The practice of proxy-voting is also not allowed as it may encourage absenteeism.

The Act also lauded equitable distribution of net surplus which means that the net income arising out of operations of a cooperative belongs to its members and shall be equitably distributed for cooperative development, common services, indivisible reserve fund and for limited interest on capital and/or patronage refund. Thus, whatever income the cooperative may have is distributed to its members according to their share holdings and patronage after reserving such amounts as are required to be set aside for specific purposes such as the reserve for the Educational Development and Training Fund.

Meanwhile, Article 76 of the Cooperative Act cites provisions of limited interest on capital which means that the interest on share capital shall not exceed the normal rate of return of investment (ROI) as determined by the Cooperative Development Authority (CDA) and such interest shall be cumulative. The concept of limited interest on share capital has been taken to mean a rate of interest not more than the rate of return of investment prevailing in the money market.

The legal provisions of the country's landmark documents pertinent to cooperative movement like Article II of the 1987 Constitution, the Cooperative Development Act embodied in RA 6938 among others guarantee the democratic participation of people.

The study of Paas and Narca[3] entitled "A Case Study of Selected Multi-Purpose Cooperatives in Bohol: Their Implications to the Development and Expansion of the Cooperative"

Movement in the Province", revealed some salient findings: On financial viability of multi-purpose cooperatives (MPCs), they found out that a percentage increase in terms of capital investment shows that highest percentage of increase (26.09%) is between 100%-500%. The first three cooperatives where increase in capital investment registered as extremely high are Tagbilaran City Employees Credit Cooperative, Inc.; Bohol Catholic Schools Multi-Purpose Cooperative, Inc.

It was likewise revealed that the highest percentage increase in net income is at least at 100%- 500% level (47.83% of respondent population). Cooperatives with highest percentage increase in income include Tagbilaran City Employees Credit Cooperative, Inc. followed by Bohol Catholic Schools Multi-Purpose Cooperative, Inc. and the Alay saKawani Multi-Purpose Cooperative of the Department of Trade and Industry. In the same way, it was found out that more than 50% of the cooperatives studied increased their total assets between 100%-500%. Ranked according to increase in total assets are the following cooperatives: Bohol Catholic Schools Multi-Purpose Cooperative, Inc., Tagbilaran City Credit Cooperative, Inc., and Pilar Multi-Purpose Cooperative, Inc.

Considering Bohol Cooperative Center, Inc. (BOCCI) it registered the highest interest on capital at 31% of the net savings/income. More than 50% of the respondent cooperatives gave between 11%-12% interest on capital investment as suggested by the Cooperative Development Authority (CDA) guidelines.

Finally, it was indicated that about 90% of the cooperative adopted the system of retaining their capital investment plus additional capital build-up including the declared interest on capital and patronage refund. This mean to say that dividends were declared to each member because these dividends were declared are automatically added to the individual member's investment. The purpose of doing this is to increase the cooperative's capital build-up. This is commonly known as revolving capital.

Redublo[4] in his study entitled "The Influence of Tambuyog - NGO on the Development of Socio-Economic Status of Fishermen in the Selected Barangays of Calapan, Oriental Mindoro," stresses that proper organization and unity in one of the ingredients of development and progress of oneself and of an organization. He concluded that Tambuyog Development Center (TDC) had initiated the much needed development of the fishermen.

Basically, the relevance of Redublo's study is highlighted by the level of contribution Tambuyog in improving the quality of life of its fishermen-beneficiaries. The findings of Redublo relate that proper organization and management of development projects and the unity between the implementing agency and the beneficiaries could ensure successful project outputs. This magnifies the similarity of the two studies, particularly, the effect and impact of Tambuyog to the socio-economic development of its beneficiaries which is also the central focus of the current undertaking.

Ang[5] studied "The Evaluation of Projects by Mindoro Kabuhayan Foundation, Inc. (MKFI) in Calapan, Oriental Mindoro" had come up with the following findings, thus: The Micro Lending Project was found out as the most common type of project being undertaken in the area. Next was Hog Raising Project Cooperative Store, and TulongsaMagsasaka Projects as based on the number of group participants and budget utilization per project.

The extent of the benefits derived from the different projects implemented based on per project group-beneficiaries' feedback is as follows. Tulongsa Magsasaka - The project attained an overall mean of 4.65, described as "Very High Extent" by its beneficiaries. Its effectiveness was gauged by the result attained regarding the project's contribution to the increase in family income with a mean of 4.87. This brought about the availment of better food and nutrition for the family as shown by its mean of 4.88. Having a very high extent in income generation and the better availment of basic needs, the contribution to community growth was further realized as shown by its mean of 4.83.

Although the benefits derived from the Tulongsa Magsasaka Project was considered very high extent, the increase of employment opportunity, and promotion and advancement of technology did not experience as much, since their mean were only 4.48 and 4.28, respectively. These can be due to the fact that the extensive system of farming was still in practice which did not utilize as much employment as technical industries. It could also be because technology has not been fully utilized in agricultural production. Aquaculturists Cooperative - The overall mean of 4.84 indicated a very high extent of benefits derived by the members.

A significant increase as obtained in family income, promotion of unity and solidarity among members and community in improvement of peace and order situation, increased contribution to community growth and better food and nutrition for the family. This was proven by their mean of 5.0 which each of the benefits derived. However, the project had not given sufficient attention to promotion and advancement of technology, further increase of employment opportunity, as perceived by the beneficiaries. Cooperative Store - As a whole this project provided a very high extent of benefits to the beneficiaries as indicated by the overall mean of 4.70. As anticipated, a significant increase in family income was noted with a mean of 4.00, interpreted as very high extent. Other benefits with significant extent brought about by the nature of the project were increase of employment opportunity (mean 4.95), improved capability/capacity for project implementation (mean at 4.85), encouragement of active involvement in project implementation (mean at 4.95), better food and nutrition for the family (mean at 5.0), and other benefits. However, the promotion and advancement of technology had a mean of only 3.78. Micro Lending - A very high extent of benefits was derived from this project since it got an overall mean of 4.54. Through this project the beneficiaries experienced a significant increase in family income (mean at 4.85) thus providing them better food and nutrition (mean at 4.95) and further increasing contribution to community growth (mean at 4.8).

Ang even credited the NGO's in Oriental Mindoro with uplifting the economic condition of their beneficiaries. NGO's have contributed to the improvement of the economic activities of their beneficiaries. Ang revealed that micro lending, benefits derived by the members and residents of Naujan, its effectiveness in delivering services, increase in income of members and the establishment of agricultural cooperative and the cooperative store have significantly improved the quality of life of its members. In particular, the ultimate and positive effects of MKFI to Naujenos' economic status glaringly provide the researcher with basis in objectively judging the crucial role being played by people's organizations (PO's) like the two cooperative involved in this study.

Thus, the study focuses on the leadership behavior of the managers of selected multi-purpose cooperatives in the provinces of Oriental and Occidental Mindoro, Philippines because multi-purpose cooperatives have also potential contribution to the attainment of social development goals, in particular the eradication of poverty, the generation of full and productive employment, and the enhancement of social integration in the said provinces.

OBJECTIVES OF THE STUDY

It was the purpose of the study to find out the leadership behavior of the managers of selected multi-purpose cooperatives in the provinces of Oriental and Occidental Mindoro, Philippines. The following specific objectives were answered; (1) to describe the profile of the personnel in terms of age, sex, civil status, length of service and educational attainment; and (2) to describe the assessment made on the leadership behavior of managers.

METHODS

The study utilizes the descriptive design of research. There are 730 personnel of 30 multi-purpose cooperatives in the provinces of Oriental and Occidental Mindoro, Philippines during the fiscal year 2016 who are involved in the study. The respondents are chosen using stratified proportional random sampling to ensure equal representation of this study. They are randomly selected from the list of personnel given by the multi-purpose cooperatives. Data are gathered from researcher-made questionnaire. The study utilized a survey questionnaire that composed of two parts asking about the profile of personnel and assessment made on the leadership behavior of managers. For content validation of the survey questionnaire, copies of the first draft were distributed to 10 personnel other than the respondents of the study. Their comments and suggestions were considered in the final form of the questionnaire. After the validation, the questionnaire was subject to reliability test. Frequency distribution, percentage equivalent and weighted mean are the descriptive statistics.

RESULTS AND DISCUSSION

Table 1. Profile of the personnel in terms of age

Age Bracket	Frequency	Percentage
56-60	4	1.83%
51-55	6	2.75%
46-50	8	3.67%
41-45	48	22.03%
36-40	36	16.51%
31-35	59	27.08%
26-30	38	17.43%
21-25	19	8.72%
Total	218	100%

Table 1 presents the profile of the personnel in terms of age. Of the 218 personnel majority belong to the age group of 31-35 years old equivalent to 27.08%. Nineteen or 8.72% of the respondents belongs to the age bracket of 21-25; 17.43% belongs to 26-30 age bracket; 16.51% to the 36-40 age group; 22.03% belongs in the age group of 41-45; 3.67% belongs to 46-50 age bracket; 2.75% belongs in the group ranging between 51-55 years old and 1.83% belongs to the 56-60 age bracket. The data mean that a large majority of managers and personnel are very productive. This further means that they are at the most energetic and productive stage in life. It is explained that age is very influential in determining the capacity level and quality of work of any person. Thus, it is tantamount to saying that the younger the employ managers and personnel, the better and effective the work will be job in this point.

Table 2. Profile of the personnel in terms of sex

Sex	Frequency	Percentage
Male	64	29.35%
Female	154	70.64
Total	218	100%

Table 2 presents the profile of the personnel in terms of sex. Majority of the personnel are females. Only 64 out of 218 personnel are males. The greater number of women personnel could be justified by the nature of the job that belongs to the multi-purpose cooperatives, which should be dominated by women. Men, on the other hand only serve as supplementary force that helps women.

Table 3. Profile of the personnel in terms of civil status

Civil Status	Frequency	Percentage
Single	49	22.48%
Married	167	76.60%
Widow	1	0.46%
Widower	1	0.46%
Total	218	100%

Table 3 presents the profile of the personnel in terms of civil status. Majority of the personnel are married. Forty-nine or 22.48% of the personnel are single. One (1) widow personnel and another one (1) widower are among the personnel. The data is not enough to draw conclusion about relationship between civil status and managers and personnel productivity. But marriage increases responsibilities that make job more valuable and important.

Table 4. Profile of the personnel in terms of length of service

Length of Service Bracket	Frequency	Percentage
36-40	13	5.96%
31-35	13	5.96%
26-30	9	4.13%
21-25	11	5.05%
16-20	17	7.80%
11-15	15	6.88%
6-10	27	12.39%
1-5	113	51.83%
Total	218	100%

Table 4 presents the profile of the personnel in terms of length of service. Out of the 218 personnel the highest percentage of 51.83% belongs to 1-5 bracket. Findings imply that majority of the respondents are new in the service.

Table 5. Profile of the personnel in terms of educational attainment

Educational Attainment	Frequency	Percentage
Bachelor's Degree	153	70.18%
Undergraduate	58	26.61%
High School Graduate	7	3.21%

Total	218	100%
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Table 5 presents the profile of the personnel in terms of length of service. Majority of the personnel have bachelor's degree indicated by 70.18%; 58 or 26.61% have not finished the BS course and 7 or 3.21% of the respondents are high school graduates. The above data mean that majority of the managers and personnel are educated and responsible enough for contribution materially affects the capacity of the multi-purpose cooperatives to perform and obtain desirable result particularly in their operation.

Table 6. Assessment made on leadership behavior in terms of directive

Items	Mean	Description
1. Keeps the personnel informed of the organizational goals and targets.	4.24	High Extent
2. Assigns personnel to do specific tasks.	4.27	High Extent
3. Provides the necessary information and instructions on tasks to be performed.	4.23	High Extent
4. Asks employees to follow standard rules and regulations.	4.39	High Extent
5. Keeps the personnel working together as a team.	4.25	High Extent
Composite Mean	4.28	High Extent

Table 6 presents the assessment made on leadership behavior in terms of directive with composite mean of 4.28. Such results indicate that the managers are boss centered leaders. They initiate the task structure of the subordinate's work and guide them to achieve their goals.

Table 7. Assessment made on leadership behavior in terms of supportive

Items	Mean	Description
1. Informs personnel of all changes in the organizational policy that might affect them	4.20	High Extent
2. Looks for the personal welfare of individual personnel.	4.25	High Extent
3. Encourages the personnel to keep grievances to the manager.	4.24	High Extent
4. Shows appreciation and recognition to the personnel good performance.	4.24	High Extent
5. Shows friendliness and being approachable.	4.23	High Extent
Composite Mean	4.23	High Extent

Table 7 presents the assessment made on leadership behavior in terms of supportive with composite mean of 4.23. This means that managers are employee centered leaders characterized by friendly, approachable and considerate leadership behavior. This leadership style has a positive impact on personnel satisfaction because it satisfies socialization needs of personnel and improves cooperation between managers and subordinates.

Table 8. Assessment made on leadership behavior in terms of achievement-oriented

Items	Mean	Description
1. Shows degree of confidence in personnel ability to assume performance responsibility.	4.16	High Extent
2. Maintains definite standard of performance.	4.19	High Extent
3. Emphasizes setting challenging goals.	4.27	High Extent
4. Emphasizes excellence in all places of work.	4.24	High Extent
5. Expects personnel to perform at their fullest ability.	4.27	High Extent
Composite Mean	4.22	High Extent

Table 8 presents the assessment made on leadership behavior in terms of achievement-oriented with composite mean of 4.22. Findings imply high level of productivity from subordinates and exhibit the confidence that subordinate can achieve these high levels of productivity.

Table 9. Assessment made on leadership behavior in terms of participative

Items	Mean	Description
1. Allows personnel to set their own targets/goals.	4.17	High Extent
2. Encourages personnel to discuss office problems during meeting.	4.15	High Extent
3. Encourages suggestion and allows subordinates to participate to some extent in planning.	4.27	High Extent
4. Expects personnel to innovate and present new ideas.	4.33	High Extent
5. Allows personnel do their work the way they think best.	4.26	High Extent
Composite Mean	4.24	High Extent

Table 9 presents the assessment made on leadership behavior in terms of participative with composite mean of 4.24. Results imply group management or team management leaders because they share responsibility of performing the tasks and maintenance functions of group members. They share information and power with subordinates in decision-making and implementation processes.

The managers assessed themselves to be exercising a very high directive leadership behavior. Furthermore, they assessed themselves to be exercising a high supportive, achievement-oriented and participative leadership behavior. Such findings indicate that the managers are a mixture of the four types of leadership behavior as assessed by themselves. The personnel perceived their managers as highly directive, supportive, achievement-oriented and participative leaders. Results are supported by Contingency Theory which further states that if

tasks are unstructured, group members and managers expect less directive leadership and more conciliatory behavior.

These findings are supported by the discussions of Fajardo and Abella[6] which mention that a manager is one who gives others the vision and ability to perform. They also add that a manager must impart right knowledge, skills, attitudes and values to his men and must possess, above all, honesty and integrity. They further state that management in a cooperative is basically the management of the people in a most democratic manner. They also mention the following: competent management, to attain efficient operation of the organization, the members and directors should not interfere in the day to day operation; participation synonymously stands as one effective way to get the best possible results. This could be further done by inducing the participation of those who work for the implementation and those who will be affected by the plans of the organization.

The positive effects of participation include the following: it motivates members to contribute their ideas and experiences that are within their competence; it enhances the resourcefulness and creativity of members and employees; and it also encourages members and employees to be involved with interest in the affairs of the cooperative. Participation further leads to better teamwork and understanding that brings the real feeling of being an important part of the organization rendering itself to build and develop human values that provides unlimited opportunities for the people to achieve their aspiration.

CONCLUSION AND RECOMMENDATION

The managers and personnel in the selected multi-purpose cooperatives in the provinces of Oriental and Occidental Mindoro, Philippines are relative young. There are more female managers and personnel than male. Majority of the managers and personnel are performing dual roles of home making and cooperative works. The managers and personnel have gained sufficient experience in their jobs. Majority of respondents are educationally qualified in the positions they hold. The managers and personnel in the selected multi-purpose cooperatives in the provinces of Oriental and Occidental Mindoro, Philippines employ a mixture of all four (4) types of leadership behavior namely: directive, supportive, achievement-oriented and participative leadership behavior.

The managers should be encouraged to strive to further their studies to make them qualified for higher managerial positions. In the present new qualifications standard, the positions they are holding required that of MBA or MPA graduates. The managers should still strive to improve their performance to make them better leaders. Their capabilities as managers can be improve through attendance in training seminars. After the seminar they are expected to develop their capability to anticipate problems and challenges in managing the multi-purpose cooperative and learn various ways to overcome them. The managers should be encouraged to give more weight on the participative leadership behavior where the subordinates are allowed to

share in planning and implementing development programs and are given greater participation in decision-making. This will motivate subordinates to perform their job better with greater satisfaction and with lesser supervision from the manager.

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