

HUMAN RESOURCE MANAGEMENT PRACTICES OF CONSUMERS COOPERATIVES IN SELECTED UNIVERSITIES IN METRO MANILA: BASIS OF A PROPOSED HUMAN RESOURCE MANAGEMENT MODEL

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ABSTRACT

RATIONALE/BACKGROUND OF THE STUDY

Human resources are undoubtedly the most critical and important element in all organizations. The accomplishment of the objectives of the organization depends upon the availability and proper utilization of human resources. The acquisition, utilization, and development of financial, material, technological and market resources which may be exhaustible are dependent on human resources. These explain the numerous researches and studies that address the human element.

With the globalization and economic crisis, the survival and the growth of the cooperatives depend on the effective management of its human resources.

This study delved into the human resources practices of consumers cooperatives in selected universities with the hope of creating a reliable and effective human resources management model that will streamline operations, improve performance and satisfy the clientele of university-based consumers cooperatives in Metro Manila, Philippines.

Keywords: Human Resource Management, Cooperatives, University-based Cooperatives

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STATEMENT OF THE PROBLEM

Main Problem

The main thrust of the study was to propose a human resource management model for university-based cooperatives by assessing the human resource management practices of selected private and public consumers cooperatives in Metro Manila, Philippines namely: Centro Escolar University, Far Eastern University, Polytechnic University of the Philippines and University of the Philippines.

Sub-Problems

1. What is the profile of respondents according to age; gender; civil status; highest educational attainment; employment classification; monthly income; number of years of experience in cooperative; and type of school?
2. What is the profile of consumers cooperative in terms of membership; assets; net income; and capital investment?
3. How are the policies/practices in human resource management of the consumers cooperatives assessed by the respondents when grouped according to:
 - 3.1 Employment Classification: 3.1.1 Recruitment/Selection; 3.1.2 Promotion; 3.1.3 Performance Appraisal; 3.1.4 Compensation; 3.1.5 Training and Development; and 3.1.6 other Benefits
 - 3.2 Type of School where the Consumers Cooperatives are Based: 3.2.1 Recruitment/Selection; 3.2.2 Promotion; 3.2.3 Performance Appraisal; 3.2.4 Compensation; 3.2.5 Training and Development; and 3.2.6 Other Benefits?
4. How do the assessment of respondents compare when grouped according to:
 - 4.1 Employment Classification; and
 - 4.2 Type of School where the Consumers Cooperatives are based?
5. What human resource management model may be proposed?

OBJECTIVES OF THE STUDY

The results of the study will be of utmost importance to the management of the consumers cooperatives. It will enable them to compare and contrast their own bases and methods in terms of recruitment, promotion, training and development and employees' benefits and privileges.

Further, the study aims to help the administrators and managers to have knowledge of the rate of growth of the cooperatives as to the number of membership, assets, income and capital investments. It would certainly help one identify which consumers cooperatives are progressing and which are not. The agencies concerned, then would know how to help the selected cooperatives which are not progressing or growing.

The findings on the problems encountered by the management and their suggestions would certainly help or enlighten other cooperatives in other universities on what to do or how to deal with similar problems they may encounter in managing their human resources in their respective cooperatives.

METHODS OF RESEARCH

The researcher used the descriptive method using quantitative and qualitative techniques. It is also a comparative research which means that it is undertaken to confirm if two or more variables reveal a similar or different patterns of characteristics when compared, using a set of variables as standard bases.

RESPONDENTS OF THE STUDY

The researcher utilized the convenience sampling technique with three types of respondents: managers, supervisors and rank-and-file employees.

The respondents of the study were 14 managers/supervisors and employees from Centro Escolar University Consumers Cooperative; 9 from Far Eastern University Consumers Cooperative; 12 from Polytechnic University of the Philippines Consumers Cooperative; and 22 from the University of the Philippines Consumers Cooperatives.

TREATMENT OF DATA

To facilitate understanding and proper interpretation of data, the following statistical treatments were used:

Frequency and percentage distribution were used for sub-problem # 1. It showed and compared the frequency of the respondent's response as compared with the response of other respondents.

Weighted mean and standard deviation were used for sub-problems # 1 and # 3. It is an important measure of heterogeneity or unevenness within set-off observations. Its purpose was to obtain the variation of the opinion of the respondents.

T-test was used for sub-problem # 4. It is a commonly-used method to evaluate the differences in means between two groups.

DATA GATHERING INSTRUMENTS

The study utilized survey questionnaire as the main data-gathering tool developed by the researcher based on the concepts taken from various references and studies. The two parts of the questionnaire were as follows: Part One included the personal characteristics of the respondents and Part Two included items describing the human resources practices which the respondents were asked to rate using a five-point Likert scale.

Aside from questionnaire, unstructured interviews of some employees, supervisors and managers were conducted for further validation of the respondents' initial responses. The results of the interview served as the qualitative data gathered in this research. This qualitative technique served as the source of additional information in the case of incomplete or irrelevant answers.

Documentary analysis was also utilized as regards membership, assets, net income and capital investments of the cooperatives.

FINDINGS

The findings of the study were presented according to the problems stated in the Statement of the Problem:

1. Profile of Respondents

Majority of the respondents were 50-59 years old. Around 52.6 percent were male. Most of them were married and high school graduates closely followed by bachelor's degree holders and a few respondents who have a master's degree. The highest percentage of 80.7 percent of the respondents consisted of rank and file and the remaining percentage consisted of supervisors/managers. Majority of the respondents who were composed of older employees, have rendered services to the cooperative for more than 16 years. A large number of respondents earned a monthly income of Php8,001.00-10,000.00 many of whom were from consumers cooperatives in public schools.

2. Profile of the Consumers Cooperative

The permanent employees were mostly qualified to become members of the consumers cooperative of CEU, FEU and PUP. But for the UP Consumers Cooperative, qualified members were not limited to employees; they also included the people living within the community, which was why it was also considered as a community-based cooperative.

The assets of the selected consumers cooperatives were increasing, except for the UP Consumers Cooperative which it was directly affected by the decline of their net income. The decrease was attributed to factors such as enrolment attrition, freeze hiring of employees and increase in the price of commodities. The investments of the consumers cooperatives were almost constant and were the concern of the officers.

3. Assessment of the Respondents on the Policies and

Practices of Human Resource Management of

Consumers Cooperative

3.1 When grouped according to employment classification

- 3.1.1 Recruitment/Selection. The cooperatives management implemented strict procedures during the recruitment and selection process.
- 3.1.2 Promotion. The cooperatives set standard criteria as basis for promotion. There is a thorough and complete investigation being done on the effectiveness of the candidate's work performance.
- 3.1.3 Performance Appraisal. Performance appraisal was properly implemented, fairly practiced by the management of cooperatives, and was with results which have been communicated on time to employees. The respondents were not enthusiastic on the feedback of the performance appraisal from management.
- 3.1.4 Training and development. The cooperatives management did not give employees opportunities to develop their careers through appropriate training and management was not really concerned with the enhancement of the expertise level within the organization.
- 3.1.5 Compensation review. The cooperatives offered a good benefits package compared with other organizations. But generally, the cooperatives only complied with the minimum wage stated in the Labor Code of the Philippines.
- 3.1.6 Other Benefits. The employees received year-end benefits, enjoyed vacation and sick leave benefits, and were provided health and medical benefits. The respondents were not well informed about the retirement benefits they will receive. The cooperatives had no provision for the recreational and social well-being of their employees. Loyalty award was not given to deserving employees.

3.2 When Grouped According to Type of School

Where Consumers Cooperatives are Based

- 3.2.1 Recruitment/selection. The assessment of private schools in all policies/practices was “Agree” while that of public schools was “Minimally Agree”. It was an indication that private schools performed better in formulating and implementing guidelines in recruitment/selection compared to public schools.
- 3.2.2 Promotion. All employees were given equal chance to be promoted as long as they are qualified for the positions. The private schools agreed on the rest of the policies and practices as regards promotion while public schools minimally agreed.
- 3.2.3 Performance appraisal. The public schools often considered the minimum wage law and seniority in providing benefits and did not give benefits merely based on the performance evaluation of the employees.
- 3.2.4 Training and development. Both respondents from private and public schools believed that management was not concerned with the enhancement of the expertise level within the organization.
- 3.2.5 Compensation review. Both private and public consumers cooperatives were strictly supervised by the Cooperative Development Authority (CDA) on the salaries and wages given to employees.
- 3.2.6 Other benefits. Both private and public schools strongly disagreed that the employees’ families receive benefits. The cooperatives did not have policies and funds as regards to giving loyalty award to their employees.

4. Comparison of Respondents’ Assessment of Human Resource

Management Policies/Practices of Consumers Cooperative

4.1 When Grouped According to Employment Classification

There was no significant difference between the assessment of the supervisors/managers and that of the employees on recruitment/selection, promotion, performance appraisal, compensation, and other benefits. The policies/practices of human resource management were explicitly stated, properly implemented and strictly monitored in the consumers cooperatives.

4.2 When Grouped According to Type of School

Where Consumers Cooperative is Based

There was a significant difference in recruitment/selection. The consumers cooperatives in private schools recruited employees externally while the public schools relied on internal sources of employees. The rest of the policies/practices were found to have no significant difference. All consumers cooperatives were supervised by the Cooperative Development Authority and guided by the laws stated in Republic Act No. 9520, also known as “Philippine Cooperative Code of 2008.”

5. The Proposed Model for Human Resource Management

of Consumers Cooperatives for Academic Institutions

The proposed program includes: (1) key result areas of human resource practices, (2) specific objectives for each area, (3) strategies used for reaching these objectives (4) time frame, (5) activities, (6) persons involved in the program, (7) budgetary requirement, and (8) evaluate measures.

Management of consumers cooperatives have a need to keep employees. The cost of looking, recruiting, orienting, and training a new employee far outweighs the cost of keeping an employee who is satisfied and productive in the organization. As such, a prudent employer would find it more cost-effective to keep employees properly managed than find new ones. To achieve this objective, the management needs to be guided by some kind of program model like the one proposed in this study.

The purpose of the proposed model for human resource management is to ensure that cooperatives' employees would be qualified and motivated individuals who are willing to work to the cooperative by staying longer and becoming productive in the organization.

More specifically, the proposed program would: use the mission, vision, and cooperativism as a framework, guide to induce and select qualified applicants, make the cooperative one of the well-paid organizations in the Philippines, increase employees' effective performance and productivity, help the management of cooperatives provide a more concrete action on the employees; gauge performance level based on the results of the performance appraisal, make cooperatives' employees either more effective on his present job or better qualified for another job, and develop a strong relationship between supervisors/managers and cooperative's employees.

CONCLUSIONS

The following conclusions were derived from the findings of the study:

1. The workforce of consumers cooperatives is generally composed of matured and experienced employees who are eager for personal and professional development, and wish to be paid well.
2. The compensation package given to cooperative employees does not appear to be competitive because it was only minimum wage compliant with the Certificate of Good Standing given by the Cooperative Development Authority.
3. Other benefits to motivate and reward loyal service were not provided.
4. Training and development efforts were geared towards improving expertise of officers and managers rather than strengthening employee knowledge, skills and performance.
5. Recreational and social welfare were not given much attention and were not extended to the employees nor to their families because of scarce resources.
6. There is a need for a proposed human resource management model for consumers cooperatives in academic institutions to equip management with the instrument needed to properly manage the workforce.

RECOMMENDATIONS

Based on the findings of the study and conclusions drawn from the findings, the following recommendations are hereby given:

1. Adopt the Proposed Human Resource Management Model for consumers cooperatives in academic institutions.
2. Validate the model and institute possible corrective and improvement measures when necessary.
3. Conduct further studies to assess the human resource management practices and policies in other types of cooperatives.

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