

## **Sustainability of Cooperatives in One City in Negros Occidental**

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### **Abstract**

This study aims to determine Sustainability level of cooperatives in Cadiz City, in terms of its non-financial and financial components. This study is a quantitative and qualitative design of descriptive research. Instruments used were the Cooperative Performance Report Questionnaire and interview questions which were conducted through Focused Group Discussion (FGD) and/or face to face interview. Results revealed that Sustainability of cooperatives in terms of non-financial components when taken as a whole is great. Extent of cooperatives' sustainability in terms of financial components when taken as a whole is Moderate. No significant relationship between the cooperatives' non-financial sustainability and financial sustainability when they are taken as a whole and when grouped according to type. No significant difference on extent of cooperative sustainability when assessed in terms of their non-financial components and grouped according to different types of cooperative. No significant difference on extent of cooperatives' sustainability when assessed in terms of their financial components and grouped according to different types of cooperative. The researcher concluded that cooperatives' sustainability are much affected by its non-financial components in terms of Human Resource Management, Structure and Social Aspects. In terms of its financial aspects, Institutional Strengths and profitability performance of cooperatives hinder its sustainability.

**Keywords: Performance, Non-Financial Components and Financial Components,**

### **Introduction**

The Medium-term Philippine Development Plan for 2010-2016 is the Aquino Administration's Development framework for translating the President's development Agenda, as contained in his "Social Contract with the Filipino People" into strategies, policies, programs and activities for the period 2010-2016. The social contract envisions "a country with an organized and widely shared rapid expansion of economy through a government dedicated to honing and mobilizing its people's skills and energies as well as the responsible harnessing of natural resources".

Attainment of the vision entails changes among each and every Filipino towards doing the right things, giving value to excellence and integrity and rejecting mediocrity and dishonesty, and most of all giving priority to others. All sectors of society are expected to contribute towards the realization of these development objectives. The cooperative sector in the Philippines is one such sector that has based on past performance, proven to immensely contribute towards the realization of the national goals in general. Along with the government's efforts for the next six years, it has formulated, through a highly consultative and participative process, the sector's own complementary blueprint, that they have called "The Co-op Sector 10-Year Strategic Direction - An Integrated and Transformative Cooperative Sector". It is an attempt "to develop a national co-op sector strategy for development to enhance and complement individual cooperative programs and service and to facilitate cooperation among cooperatives".

The Philippine Cooperative Medium-Term Development Plan (PCMTDP) for the period 2011-2016 is anchored on the realization of the collective vision and mission of the cooperatives sector which is: "An integrated and transformative cooperative system with a mission to build integrated businesses imbued with cooperative values for the improvement of the quality of life". Cooperatives are self- help organizations that

are presently used by the government as the most effective tools for economic development generally operate according to the same core principles and values, adopted by the International Co-operative Alliance in 1995 which are (1) Voluntary and Open Membership (2) Democratic Member Control. (3) Members' Economic Participation (4) Autonomy and Independence (5) Education, Training and Information. (6) Cooperation among Cooperatives and (7) Concern for Community, cooperatives trace the roots of these principles to the first modern cooperative founded in Rochdale, England. Giles Simon (2014) cited that in a report on 'the business of sustainability', global management consultant McKinsey says: "The choice for companies today is not if, but how; they should manage their sustainability activities. Companies can choose to see this agenda as a necessary evil – a matter of compliance or a risk to be managed while they get on with the business of business – or they can think of it as a novel way to open up new business opportunities while creating value for society."

Day-to-day sustainability work must be pursued with undiminished enthusiasm, not just by the full-time sustainability staff, but by the thousands of Co-operative employees involved in different parts of the programme (Jonathan Porritt, 2014) . According to Osterberg and Nilsson (2009) there was significantly higher members' disloyalty, when members were dissatisfied with their cooperative's management. In this study, governance in a cooperative is simply defined as involving decision-making process and the capacity to implement decisions (Chibanda, Ortmann & Lyne, 2009), which should represent the interest of the group of people. Governance of member organizations, such as cooperatives, can be very challenging, but it is also very important for the continuity of cooperative.

It was in this context that the researcher took interest to conduct an investigation on the sustainability of cooperatives in terms of two major components namely; the Non-Financial and the financial components. With such interest this research aimed to determine the profile of the cooperatives in terms of types, extent of the cooperatives' sustainability in terms of its Non-Financial Components when they are taken as a whole and when they are grouped according to type, the extent of cooperatives' sustainability in terms of financial Component when they are taken as a whole and when they are grouped according to type,

To know if there is significant relationship between the cooperatives' non-financial sustainability and financial sustainability when they are taken as a whole and when they are grouped according to type, if there a significant difference on the extent of cooperatives' sustainability when assessed in terms of their non-financial components and grouped according to different types of cooperative, if there a significant difference on the extent of cooperatives' sustainability when assessed in terms of their financial components and grouped according to different types of cooperative and last to determine factors contributing or hinder to the sustainability of cooperatives.

### **Theoretical Framework**

This study was anchored on different theories of cooperative performance since it deals with different aspects of the cooperatives' performance namely: Non-Financial Components and Financial Components. One theory from which this study was anchored was the Agency Theory. Agency theory is a useful framework for designing governance and controls in organizations, which helps management to evaluate the company's strengths and weaknesses, and it uses case study evidence to demonstrate how the theory has been applied in different industries and contexts. Measures and success factors are also provided (Leon Teeboom, 2018). Agency theory also explains how best to organize relationships in which one party, called the "principal," determines the work and in which another party, known as the "agent," performs or makes decisions on behalf of the principal (Roger G. Schroeder, M. Johnny Rungtusanatham and Susan Meyer Golstein, 2011).

Another theory from which this study was anchored in the Stakeholder Theory which has recently emerged argues that the better a firm manages its relationships with its stakeholders, the more successful it will be over time (Barnett, M. L., & Salomon, R. M., 2012). Although all stakeholders can potentially affect firm performance, the mechanisms differ. Stakeholder theory is an integrating theme for the business and society field. It offers an instrumental theory of stakeholder management based on a synthesis of the stakeholder

concept, economic theory, behavioral science, and ethics. The core theory that a subset of ethical principles (trust, trustworthiness, and cooperativeness) can result in significant competitive advantage.

### Methodology

Descriptive method of research was utilized in this study which used both the quantitative and the qualitative research designs. The subject-respondents of this study are fifteen cooperatives in Cadiz City categorized as multi-purpose cooperative, agricultural cooperatives and credit cooperatives. Cadiz City is situated at the northern tip of the Province of Negros Occidental, Region IV, 65 kilometres away from Bacolod City, the Provincial Capital (CPDO, 2014).

The main instrument used in this study was the Cooperative Performance Report Questionnaire, a standardized instrument that was no longer subjected to validity and reliability tests. This standardized instrument is used by the Cooperative Development Authority (CDA) in assessing the performance of the cooperative. The qualitative data were also obtained through face to face interview and even through focus group discussion. Focused sample of the key officers and members and staff of the cooperatives in Cadiz City. The interview questions were shown to experts for validation. The researcher presented the questionnaire to evaluators who are considered experts in the field of cooperatives, research, and statistics. They went over the research instrument item-by-item and judged the suitability and appropriateness of the questions.

Secondary data from the Performance Audit Report were gathered from cooperatives in the city and also in the conduct of the study sufficient copies of the qualitative questionnaires were reproduced and these questionnaires were used in the face to face interview and/or focused group discussions after securing necessary permission from proper authorities.

After the retrieval of the research instrument from the respondents, the data were computed using Window-based SPSS (Statistical Package for Social Sciences) with the aid of a qualified statistician. It was analysed in order to establish the extent to which the research questions had been addressed.

### Results and Discussion

**Table 1 : Profile of the respondents of the study in terms of types**

Types of Cooperative	<i>f</i>	%
Multipurpose Cooperative	8	53.3
Credit Cooperative	1	6.7
Agrarian Reform Cooperative	6	40.0
<b>Total</b>	<b>15</b>	<b>100</b>

Total Cooperatives in Cadiz City is 15. Eight or 53.3 percent are Multipurpose Cooperatives, 1 or 6.7 percent is a Credit Cooperative and 6 or 40 percent are Agrarian Cooperatives. These findings indicate that majority of cooperatives in Cadiz City are multipurpose cooperatives.

**Table 2 Extent of Cooperatives’ Sustainability in Terms of Non- Financial Components and when taken as a Whole**

Components	Non-Financial Components		
	Mean	SD	Interpretation
Leadership	16.2667	6.37480	Great Extent
Human Resource and Management	5.8000	4.45934	Moderate Extent

Members	7.5333	2.74816	Great Extent
Structure	2.7333	1.66762	Moderate Extent
System and Mechanism	13.2667	4.62086	Great Extent
Social Aspects	13.2667	1.59762	Moderate Extent
Economic Aspect	17.2000	5.34790	Great Extent
As a Whole	<b>65.3333</b>	<b>26.8163</b>	<b>Great Extent</b>

Table 2 shows the extent of cooperatives' sustainability in terms of non-financial components when taken as a whole is great which is supported by the mean percentage score of 65.33. However, when taken individually the extent of cooperatives sustainability in terms of Human Resource Management, Structure and Social Aspects is moderate as supported by mean percentage scores of 5.80, 2.73 and 2.53, respectively. While in terms of Leadership, Members, Systems and Mechanism and Economic Aspects, the extent of cooperatives' sustainability is great as supported by the mean percentage score of 16.27, 7.53, 13.27 and 17.20 respectively

**Table 3. Extent of Cooperatives' Sustainability in Terms of Non-Financial Components and when Grouped According to Different Types**

Types	Source of Variations	Std. Deviation	Mean	Verbal Descriptions
<b>Multipurpose Cooperatives</b>	Leadership	5.05505	18.1250	Great Extent
	Human Resource and Management	4.59619	6.3750	Moderate Extent
	Members	2.38672	8.3750	Great Extent
	Structure	1.60357	3.0000	Great Extent
	System and Mechanism	4.92805	14.5000	Great Extent
	Social Aspects	1.75255	2.7500	Moderate extent
	Economic Aspect	4.43807	18.3750	Very great extent
<b>Credit Cooperative</b>	Leadership		23.0000	Very great extent
	Human Resource and Management		13.0000	Very great extent
	Members		10.0000	Very great extent
	Structure		4.0000	Very great extent
	System and Mechanism		20.0000	Very great extent
	Social Aspects		4.0000	Very great extent
	Economic Aspect		20.0000	Very great extent
<b>Agricultural Cooperatives</b>	Leadership	6.91857	12.6667	Moderate extent
	Human Resource and Management	3.25064	3.8333	Negligible extent
	Members	2.82843	6.0000	Moderate extent
	Structure	1.83485	2.1667	Negligible extent
	System and Mechanism	2.25832	10.5000	Moderate extent
	Social Aspects	1.41421	2.0000	Negligible extent
	Economic Aspect	6.61564	15.1667	Great extent

Table 3 shows the extent of cooperative's sustainability, in terms of non-financial components, when grouped according to different types of cooperatives.

For Multi-purpose cooperatives' sustainability in terms of Leadership, Members, Structure, Systems and Mechanism is great as supported by the mean percentage score of 18.1250, 8.3750, 3.0000, and 14.5000

respectively. While Human Resource Management and Social Aspects is moderate as supported by mean percentage of score 6.375 and 2.7500, respectively. While in terms of economic aspect, sustainability is very great. This is supported by the mean score of 18.3750.

This implies that sustainability would be significantly diminished if the Co-operative would no longer be leading from the front with renewed purpose and inspiration. Agrarian cooperatives' non-financial component sustainability in terms Leadership, Members, System and Mechanism is moderate as supported by the means 12.6667, 6.0000 and 10.5000 respectively while in terms of Human Resource and Management, Structure, and Social Aspects' sustainability is Negligible. This is supported by the means 3.8333, 2.1667 and 2.0000 respectively. Sustainability of agrarian cooperatives in terms of economic aspect is great as supported by the mean 15.1667.

Findings imply that Agricultural cooperatives need to enhance the following non-financial components specifically leadership, human resource and management, structure and social aspects. The findings on the agrarian cooperatives' sustainability in terms of Human Resource and Management, Structure, and Social Aspects' sustainability is Negligible.

It can be gleaned from these results that the organizational and operational structures of agrarian cooperatives may be revisited so as to make sure these structures are in accordance with the provision of the laws, rules and regulations and bylaws, further, whether the functions, duties and responsibilities of the officers are clearly defined in the organizational chart. The above findings are supported by the statements of Eric Grauvillardell, (2013) that cooperatives rely heavily on their members, needing strong engagement in order to understand community needs, know how to address them, and make informed decisions [8]

**Table 4. Extent of the Cooperatives' Sustainability in terms of Financial Components when taken altogether and individually**

Source of Variations	Std. Deviation	Mean	Verbal Descriptions
Profitability Performance	7.43416	14.1333	Great extent
Institutional Strength	5.43533	6.4000	Negligible extent
Structure of Assets	4.67211	15.4000	Great Extent
Operation Strengths	20.37318	21.7333	Great extent
<b>When Taken Altogether</b>	<b>37.91478</b>	<b>57.6666</b>	<b>Moderate Extent</b>

Table 4 shows the cooperatives extent of sustainability in terms of the financial components, taken as a whole is Moderate as supported by the mean percentage score of 57.67. However, when taken individually the extent of cooperatives sustainability in terms of Profitability Performance, Structure of assets and operations' strengths is great as supported by means of 14.13, 15.400 and 21.73333 respectively. While in terms Institutional Strengths, the extent of the cooperatives' sustainability is 6.4000 interpreted as negligible extent. Institutional strength refers to the net institutional capital, adequacy of provisioning for more than 1 year and adequacy of provisioning for 31 days to 1 year. These findings mean that in these indicators the Cadiz City Cooperatives' sustainability needs to be strengthened.

**Table 5. Extent of the Cooperatives' Sustainability in terms of Financial Components when Grouped According to Different Types of Cooperatives**

Types	Source of Variations	Std. Deviation	Mean	Interpre-tation
<b>Multipurpose</b>	Profitability Performance	2.39046	17.5000	Great extent



<b>Cooperatives</b>	Institutional Strength	4.86973	8.0000	Moderate extent
	Structure of Assets	5.00714	16.7500	Great extent
	Operational Strengths	8.08879	18.5000	Great extent
<b>Credit Cooperatives</b>	Profitability Performance		1.0000	Very negligible extent
	Institutional Strength		3.0000	Very negligible extent
	Structure of Assets		16.0000	Great extent
	Operational Strengths		21.0000	Great extent
<b>Agricultural Cooperatives</b>	Profitability Performance	9.36839	11.8333	Moderate extent
	Institutional Strength	6.33772	4.8333	Negligible extent
	Structure of Assets	4.32435	13.5000	Moderate extent
	Operational Strengths	32.09621	26.1667	Very great extent

Table 5 shows extent of the Cooperatives' Sustainability in terms of its Financial Components and when Grouped According to Different Types of Cooperatives. Multi-purpose cooperatives' sustainability in terms of Profitability Performance, Structure of Assets and Operational Strengths is great while in terms of institutional strength, the sustainability level of multipurpose cooperatives is moderate. This is supported by the means 17.5000, 16.7500, and 18.5000 respectively.

Credit cooperatives' sustainability level in terms of Structure of Assets and Operational Strengths is great on the other hand this type of cooperative's sustainability in terms of Profitability Performance and Institutional Strength is very negligible as reflected in their financial statements. These are supported by the means 16.000, and 21,000, 1.000 and 3.000, respectively. Sustainability level of agricultural cooperatives in terms of operational strength is Very great while in terms of Structure of Assets and Profitability Performance is moderate and very negligible for Institutional Strength. These are represented by the means, 26.1667, 13.000, 11.8333 and 4.8333 respectively.

**Table 6. Correlation on Non-Financial and Financial Components of Cooperatives Sustainability**

<b>Variables</b>	<b>R</b>	<b>P</b>	<b>Interpretation</b>
<b>Non-Financial and Financial Sustainability</b>	.098	.728	Not Significant

Relationship between financial and non-financial components of cooperatives' sustainability is presented in Table 6 which shows that there is no significant relationship between non-financial components and financial components of the cooperative as supported by the r value of 0.98at the probability value of 0.73. Rikken also said that the expansion of successful cooperatives allows them to build up internal capital (Rikken, 1994). This means, the money to be used by the cooperative as they acquire assets should come from within. Members should learn to deposit money with their cooperative. The hypothesis that states that there is no significant relationship between non-financial and financial is therefore accepted

**Table 7. Comparison on Extent of Cooperatives' Sustainability when assessed in terms of their Non-Financial Components**

Source of Variation	Sum of Squares	DF	Mean Square	F	P	Interpretation
Between Groups	80.324	6	13.387	9.002	.000	Highly significant
Within Groups	145.733	98	1.487			
Total	226.057	104				

Table 7 shows comparison on extent of cooperatives' sustainability when assessed in terms of their Non-Financial Components. Significant differences exist in the extent of cooperatives' sustainability when assessed in terms of the non-financial components as supported by the f-ratio 9.002 at the probability value of 0.00. The hypothesis that states that there is no significant difference on extent of cooperatives' sustainability when assessed in terms of their Non-Financial Components is therefore rejected

**Table 8. Multiple Comparisons of Cooperatives' Sustainability when Assessed in terms of its Non-Financial Components**

Variables		Mean Difference	P	Interpretation
LEADERSHIP	Human Resource Management	.46667	.297	Not Significant
	Members	-.26667	.551	Not Significant
	Structure	.13333	.765	Not Significant
	System and Mechanism	.00000	1.000	Not Significant
	Social Aspects	2.26667*	.000	Highly significant
	Economic Aspects	-.66667	.138	Not Significant
Human Resource and Management	Members	-.73333	.103	Not Significant
	Structure	-.33333	.456	Not Significant
	System and Mechanism	-.46667	.297	Not Significant
	Social Aspects	1.80000*	.000	Highly significant
	Economic Aspects	-1.13333*	.012	Significant
Members	Structure	.40000	.371	Not Significant
	System and Mechanism	.26667	.551	Not Significant
	Social Aspects	2.53333*	.000	Highly significant
	Economic Aspects	-.40000	.371	Significant
Structure	System and Mechanism	-.13333	.765	Not Significant
	Social Aspects	2.13333*	.000	Highly significant
	Economic Aspects	-.80000	.075	Significant
System and Mechanism	Social Aspects	2.26667*	.000	Highly significant
	Economic Aspects	-.66667	.138	Significant
Social Aspects	Economic Aspects	-2.93333*	.000	Highly significant

Table 8 presents multiple comparisons of Cooperatives' Sustainability when Assessed in terms of its Non-Financial Components which presents the multiple comparisons of Cooperatives' Sustainability when assessed in terms of its Non-Financial Components. It can be gleaned from the table that leadership sustainability is highly significant with social aspects. This can be attributed to the responsiveness of the leaders which plays a vital role in crafting and implementing the achievable and doable development plans.

Human resource and management refers to well- defined functions and duties and responsibilities of management, segregated and duly approved and implemented, holding of regular meetings which are consistently attended by all. It also refers to personnel policy, and staff development and career-pathing and compliant to compensation and benefits provided to employees.

If Human resource and management and economic aspects of cooperatives i.e. adequacy of internal control, are in place, then all programs, projects and activities indicated in the plans are implemented within the budget set forth by the board of directors would more likely be achieved.

Other nonfinancial components which are highly significant and/or significant with each other are members and social aspects and economic aspects, structures and system mechanisms. This implies that sustainability of one component is interrelated with other component's sustainability; hence, they should be paid attention to by the cooperatives.

**Table 9. Comparison on Extent of Cooperatives' Sustainability when Assessed in terms of their Non-Financial Components when Grouped According to Types of Cooperatives**

Source of Variations	Sum of Squares	DF	Mean Square	F	P	Interpretation
Between Groups	124.272	2	62.136	1.381	.277	Not Significant
Within Groups	810.001	18	45.000			
Total	934.273	20				

Table 9 shows no significant difference exists on cooperatives sustainability in terms of non-financial component when grouped according to type of cooperatives as supported by the f-ratio of 1.38 at the probability value of 0.277. The hypothesis that states that there is no significant difference in the cooperatives sustainability between and among the non-financial is therefore accepted. Findings imply that regardless of the types of cooperatives, no significant difference exists.

**Table 10. Multiple Comparisons of Cooperatives' Sustainability Assessed in terms of their Non-Financial Components and Grouped According to Types of Cooperative**

Variables		Mean Difference	P	Interpretation
Multipurpose Cooperative	Credit	-3.21429	.382	Not Significant
	Agricultural	2.73809	.455	Not Significant
Credit Cooperative	Agricultural	5.95237	.114	Not Significant

Table 10 presents multiple comparisons of cooperatives' sustainability when assessed in terms of their Non-Financial Components when grouped according to types of cooperatives.

**Table 11. Comparison on Extent of Cooperatives' Sustainability when Assessed in terms of their Financial Components**

Source of Variations	Sum of Squares	DF	Mean Square	F	P	Interpretation
Between Groups	36.450	3	12.150	6.822	.001	Highly Significant
Within Groups	99.733	56	1.781			



<b>Total</b>	136.183	59				
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Table 11 presents comparison on extent of cooperatives' sustainability when assessed in terms of their financial components. This implies that performance of the cooperative in terms of its non-financial components and Grouped According to Types of Cooperative is non-significant also the table shows that no significant difference exists on cooperatives sustainability in terms of financial component as supported by the f-ratio of 6.822 at the probability value of 0.001. The hypothesis that states that there is no significant difference in the cooperatives sustainability between and among the financial components is therefore rejected.

**Table 12. Multiple Comparisons of Cooperatives Sustainability when Assessed in terms of their Financial Components**

Variables		Mean Difference	P	Interpretation
<b>Profitability Performance</b>	Institutional Strength	.00000	1.000	Not Significant
	Structure of Aspects	-1.86667*	.000	Highly significant
	Operational Strength	-1.00000*	.045	Significant
<b>Institutional Strength Structure of Aspects</b>	Structure of Aspects	-1.86667*	.000	Highly significant
	Operational Strength	-1.00000*	.045	Significant
	Operational Strength	.86667	.081	Not significant

Table 12 below shows multiple comparisons of cooperatives sustainability when assessed in terms of their financial components which shows that profitability performance of the cooperatives is highly significant with structure aspects and significant with operational strength; institutional strength is highly significant with structure aspects and significant with operational strength. This implies that performance of the cooperative in terms of its profitability is dependent on the cooperative's structure i.e. its non-earning asset over its total asset, members' equity to total asset, deposit liabilities to total assets.

**Table 13. Comparison on Extent of Cooperatives' Sustainability when Assessed in terms of their Financial Components and when Grouped According to Types of Cooperative**

Source of Variations	Sum of Squares	DF	Mean Square	F	P	Interpretation
Between Groups	53.723	2	26.862	.407	.677	Not Significant
Within Groups	594.146	9	66.016			
Total	647.869	11				

Comparison on extent of cooperatives' sustainability when assessed in terms of their financial components when grouped according to types of cooperatives is presented in Table 13. Table 13 shows that comparison on extent of cooperatives' sustainability when assessed in terms of their financial components and when grouped according to type of cooperative is not significant supported by the F-ratio of 0.41 at the probability value of 0.68, respectively. The null hypothesis stating that there is no significant relationship on the extent of cooperatives' sustainability when assessed in terms of their financial component and when grouped according to type of cooperatives is therefore accepted.

**Table 14. Multiple Comparisons of Cooperatives Sustainability when Assessed in terms of their Financial Components and when Grouped According to Types of Cooperative**

Variables		Mean Difference	P	Interpretation
Multipurpose Cooperative	Credit Cooperative	4.93750	.412	Not Significant
	Agricultural Cooperative	1.10418	.852	Not Significant
Credit Cooperative	Agricultural Cooperative	-3.83332	.521	Not Significant

Multiple comparisons of cooperatives sustainability when assessed in terms of Financial Components when grouped according to types of cooperative is presented in Table 14. This implies that performance of the cooperative in terms of its financial components and when Grouped According to Types of Cooperative is non-significant.

This is supported by agricultural multipurpose coops became the biggest type at 2,189 or 48 percent of the total number of confirmed coops, credit at 24 percent, non-agrarian coop at 7 %, consumers at 6%, service at 4 % and producers at 3.6 percent. Data show that coops' businesses shifted from credit to more value added multipurpose coops.

**Syntheses to the Qualitative Questions**

A line by line analysis was used to surface the emerging themes in the answers. Synthesis of the answers to the qualitative questions which are intended to provide information regarding the respondents' honest opinion about the factors that contributed /hindered the sustainability of their cooperatives are presented below.

**Facilitating Factors:**

(1) Well-defined officers' functions, duties and responsibilities. (2) Officers make plans such as succession plan strategic planning and annual plan and budget, set standards, give feedback and implement what they have learned from seminars. (3) Manual of operations is formulated and policies on recruitment, selection, hiring, promotions, disciplinary action, termination and retirement are included here. (4) Employees are empowered to do their jobs because the cooperatives enable the staff to follow a staff developmental plan. And most cooperatives follow the labour law and the minimum salary wage and most employees are given incentives and benefit packages. (5) Cooperatives capital build up programs are implemented and most capital build up is implemented through payroll deductions. (6) Most of the cooperatives implement the ethical standards that is set by the officers and approved by the general assembly. (7) Complaints, problems are acted upon objectively the structures of the cooperatives are compliant to the organizational structure to the provisions of the laws, rules and regulations and bylaws. (8) Cooperatives are following all government requirements and documents that would assail the responsiveness of the business activity most cooperatives implement the developmental plan and the community developmental plan. (9) Accounting system is very well defined that the records and of transactions are updated with the help of the segregation and separation of the duties and responsibilities of officers and employees. There are different controls that are used and one person is to be verified by a second person to ensure that transaction is properly authorized, recorded and settled. (10) Most respondents answered that their financial status is good, because in the end of the fiscal year their Members receive dividends and patronage refunds. (11) Most respondents are very satisfied of their Cooperative because in case of emergency they can gain easy access to the services that their cooperatives offer.

**Hindering Factors:**

(1) Officers are performing their duties and Responsibilities, however, some are not attending Meetings regularly, in-fact some of the scheduled meetings are postponed because of non-quorum of officers. (2) Though trainings on parliamentary procedures are already attended by officers still proper procedures are not followed which can cause the technicality of the approval of an agendum. (3) Some coop officers do not execute the approved plans such as developmental plans of the cooperatives. (4) Innovative programs and projects that can improve its profitability performance, institutional strength, Structure of its assets and its operational strengths are not evident.

## Conclusion

The profile of Cooperatives in terms of types discloses that there are more Multipurpose Cooperative than Agrarian Cooperatives and Credit Cooperative. Cooperatives' sustainability are very much affected by its non-financial components in terms of Human Resource Management, Structure and Social Aspects. No significant relationship between the cooperatives' non-financial sustainability and financial sustainability when they are taken as a whole and when they are grouped according to type. This means that the nonfinancial and financial components sustainability is not significantly related.

No significant difference on extent of cooperative sustainability when assessed in terms of their non-financial components and grouped according to different types of cooperative. There is no significant difference on extent of cooperatives' sustainability when assessed in terms of their financial components and grouped according to different types of cooperative. This means that the significant differences exist between and within groups of financial components.

Among the non-financial components of the cooperatives, Human Resource Management, Structure and Social Aspects need to be paid attention to by the concerned officials so as to improve the sustainability of the cooperatives. In terms of financial components Institutional Strengths and profitability performance of the cooperatives may be looked into by the cooperatives in order to sustain their operation.

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