

Leadership model in an agriculture cooperative: Challenges and best practices

Viduya, Alyssa Marie DF. ✉

Divine Word College of Calapan, Philippines (alysamariedelafuente@gmail.com)

Received: 2 November 2025

Available Online: 12 December 2025

Revised: 7 December 2025

DOI: 10.5861/ijrsm.2025.25107

Accepted: 10 December 2025

ISSN: 2243-7770

Online ISSN: 2243-7789

OPEN ACCESS



Abstract

Cooperative leadership is evident in how a particular social enterprise addresses the challenges in operations. Coop M in Pola, Oriental Mindoro recognizes the following challenges: low and inactive membership, lack of market and discoloration of fresh calamansi, lack of capacity for provision of all required monetary benefits for employees, and being dependent on external aid. Based on the Theory of Constraints, these are the most restricting aspect of the organization that prevent them from achieving their goals. To address these challenges, Coop M employs strategies such as productivity improvement, training and development for employees and members, partnership with academe, and plans for expansion. These strategies of Coop M demonstrate strategic leadership. This is also consistent with the Congruence model by Nadler and Tushman in the early 1980s, citing the importance of transformation process between inputs and outputs and how should these elements be integrated to improve the performance of the organization. Employees and members are generally satisfied from the benefits (mostly non-monetary) received from the cooperative which implies that they are being inspired by the management to reach common goals, elevate strategies for societal impact, and pass it on to the next generation. The study suggests that Coop M demonstrates Social Collective Leadership. The cooperative envisions to export their product to Europe once they have already secured appropriate license and permits consistent with the quality of their product. The study recognizes the importance of agriculture cooperatives' gearing more towards a combination of Social Collective and Strategic-Transformational Leadership Model as also evident in the current status and operations of Coop M. However, strict generalization is not applicable because of limited scope of the study. There is a need to review existing programs for agriculture cooperatives, particularly on market facilitation, minimizing barriers to trade, and enhancing potential for exports.

Keywords: agriculture cooperatives, social collective leadership, cooperative leadership, theory of constraints

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1. Introduction

Cooperatives in different forms promote the fullest participation of people for economic and social development (as cited by Roelants, n.d., p. 79) in the International Labour Organization's (ILO) publication of *The Promotion of Cooperatives* in June 2002. Cooperatives are considered as means to promote economic, social, and environmental sustainability by 2020 as it helps promote decent work (International Labour Organization, n.d.). One of the positive attributes of cooperatives is that they mostly deal with local issues such as their members' individual and communal concerns more than national and regional issues (International Labour Organization, n.d.). A cooperative is best explained to be a type of enterprise that reduces poverty and exclusion by creating economic opportunities for its members and translate individual risks into collective risks, reducing the cost for each member while maximizing the benefits that they can get (International Labour Organization, n.d.). For instance, an agricultural cooperative is helping its members to have access to raw materials used for production and help them process and market these produced.

Global sustainability can be achieved through promoting economic growth by creating local jobs and providing goods and services to improve the lives of the poor or reduce poverty rate (Kreiner, 2013). One of the main causes of poverty in the Philippines is the failure to develop the agriculture sector. The agriculture sector is considered a significant component of the Philippine economy as it provides employment to estimated thirty percent (30%) of labor force in the country despite its declining contribution to Gross Domestic Product (GDP) In 2008, the agriculture sector has 13.24% contribution to Gross Domestic Product (GDP), continuously declining to 9.28% in 2018 while the Services sector contributes the largest percentage in GDP (Philippine Statistics Authority, as cited by Plecher, 2020).

One of the high performing agricultural sub-sectors is Calamansi farming. Calamansi or Philippine lemon is considered as a major and high-value crop in the Philippines which has reached 66.76 thousand metric tons of production in July to September 2019 which was 24.6 percent higher than the 2018 same period having 53.56 thousand metric tons of production. (Philippine Statistics Authority, n.d.). MIMAROPA Region also had the largest share of area planted with Calamansi, equivalent to 33.2% in 2018 (Philippine Statistics Authority, 2019). Among the five provinces in MIMAROPA, Oriental Mindoro contributes 99% of the supply from 5,886-hectare land planted with Calamansi in 2016, thus, dubbed as the 'Calamansi King' of the country (Philippine Statistics Authority, n.d.). In Oriental Mindoro, a total of 2,802 farmers are engaged in Calamansi production distributed in the municipalities of Victoria, Naujan, Roxas, San Teodoro, and Pola, (Philippine Statistics Authority, n.d.).

Aside from Calamansi farming, the MIMAROPA region is also known for producing other types of agricultural crops. Agricultural cooperatives are encouraged to engage into agri-business or processing of raw materials in order to promote value-added local products and generate employment. The International Labour Organization (ILO) in its publication of *The Promotion of Cooperatives* in June 2002 recognizes that cooperatives or 'social enterprises' promote decent work and encourage people's participation for economic, social, and environmental sustainability (as cited by Roelants, n.d.). Various literatures' definition of a 'social enterprise' can be summarized into a concept: an organization producing specific products or services to obtain both social and financial returns.

In the Philippines, a cooperative is being led by the elected officers during the General Assembly. Thus, a democratic approach is used in choosing the leaders. The effectiveness of specific leadership models among cooperatives in the Philippines has limited number of studies as of the present. Studies suggest that leadership development initiatives should be linked to development strategies. The foregoing discussions prompted the researcher to conduct a study related to the leadership model that is eminent in an agriculture cooperative. This

helps determine existing efforts that can be replicated by other similar cooperatives in order to overcome business disruptions and challenges.

Theoretical Framework - This research is anchored on the Theory of Constraint and Congruence Model to guide the analysis and understanding of all the significant variables in this study. The Theory of Constraints is an approach used to find the most significant restricting aspect that prevents an organization from meeting its goals and progressively improves this weakness until it no longer exists (Pacheco, et al. 2019). The study recognizes that micro and small cooperatives experience various challenges in their operations, given the business environment and other factors that may threaten the sustainability of their operations. Also, the study will use the Congruence model by Nadler and Tushman in the early 1980s (Ando, 2023) citing the importance of transformation process between inputs and outputs and how should these elements be integrated to improve the performance of the organization. Similarly, the present study will look on how the factors and challenges affect the cooperative and how they respond to it.

Research Questions - This study on aims to provide discussions and explanations to the following Research Questions:

- 1 What are the different challenges being experienced by Coop M in their operations?
- 2 What are the strategies/best practices of Coop M that help address these challenges?
- 3 What are the monetary and non-monetary benefits being given by the management of Coop M to its employees and members?
- 4 How do these monetary and non-monetary benefits from the cooperative effect employees' and members' satisfaction?
- 5 What is/are the leadership model/s evident in Coop M?
- 6 What are the recommendations for improvement of leadership and management of Coop M?

2. Methodology

The study employed a phenomenological type of inquiry by which the researcher will ask the participants to discuss their experiences, particularly the challenges and observed changes in the operations of Coop M. The researcher will facilitate purposive sampling through personal interviews with the management, employees, and members of Coop M. Coop M's production team is composed of seven (7) regular employees, five (5) members, and 1 General Manager. The study will employ a semi-structured interview with all the regular employees. Recommendations of the study shall be supported with facts from data collection, observations, and compliance with other statutory and regulatory requirements related to logistics and productivity.

The researcher employed a purposive sampling with the following criteria of choosing the participants, particularly the employees from Coop M: regular employees of the association, male or female, at least 25 years old, and have direct involvement in Calamansi processing. The General Manager will serve as management representative to answer questions related to the challenges and strategies of Coop M. Snowball sampling will be used for choosing the members who have been with the cooperative since the beginning of its establishment. The following are the participants of the study since they are directly involved in the operation of the cooperative: seven (7) regular employees, five (5) members, and 1 General Manager. Face-to-face interviews and Focus Group Discussion were facilitated to ensure that all relevant information will be collected. Also, secondary data such as the development plans of the cooperative and financial statements were also included in the analysis.

The researcher utilized semi-structured interviews with participants, particularly the employees, management, and members. For the Focus Group Discussion, a guided discussion on the existing challenges of agriculture cooperatives in the Philippines was utilized, including the common strategies and best practices, and finally, the recommendations for better policies and programs for agriculture cooperatives. The researcher engaged professionals / experts to ensure that research instruments to be used are sufficient and appropriate to answer all the research questions.

The study employed a descriptive analysis of the experiences of Coop M's employees, management, and

members, including their perception on the challenges and best practices to overcome various disruptions and limitations in their operations. The study also explored on the leadership model/s that is/are evident in the current status and operations of the cooperative.

All the data and information collected through interviews and Focus Group Discussion were coded using thematic analysis for key points and patterns, particularly perceptions and experiences of participants. The researcher formed themes that answer the research questions. Below is the five-phase process of data analysis that was developed by Bingham & Witkowsky in 2022 as cited by Bingham (2023) which will also be adopted by the present study. For ethical considerations of the study, the researcher ensured that participants are provided with all the important information, including the purpose, benefits and potential risks of the study. The researcher also informed the participants that they have the right to withdraw their participation if deemed necessary and provided them with opportunity to ask questions related to their participation to the study.

3. Results and discussion

3.1 Challenges and Strategies

One of the cited challenges of Coop M is on membership wherein only 50% (162) of the total number of members (324) are active. Another is non-standard employment and limited monetary benefits for employees, majority are contractual (15 employees) and only seven (7) are regular. There is lack of market and discoloration of fresh calamansi and lack of capacity for provision of all required monetary benefits for employees, and being dependent on external aid. The cooperative also lacks self-reliance as they expect to receive assistance to be provided by Non-Government Organizations, Local Government Unit (LGU) and other National Government Agencies (NGAs). To be able to address challenges on membership, non-standard employment, and limited monetary benefits for employees, Coop M invests on enhancement of skills and technical assistance for employees and members, particularly on productivity improvement, training and development for employees and members, partnership with academe, and plans for expansion. These strategies on addressing the challenges can create a shared value as stated by Schlosser and Volkova (2022), demonstrating Strategic Leadership Model. The continuous commitment of employees and members helps the cooperative to develop more strategies and plans for expansion. They also target to become less dependent on assistance from government and non-government organizations.

Productivity improvement - Previously, the cooperative had a problem with discoloration of Calamansi but now that they have Four (4) freezers, they can already store the Calamansi (one week at most) to prevent discoloration. Also, they are encouraging the members to sign an agreement for off-season fruiting to establish sustainability of supply of Calamansi for processing of Calamansi concentrate and Ready-to-drink Juice. In addition, another support from the Provincial Government is the requirement that caterers within Oriental Mindoro shall utilize Fifty percent (50%) mineral/purified drinking water and fifty percent (50%) juice or other beverages produced locally. COOP M is also currently exploring the possibility of adding preservatives to Ready-to-drink Juice to be able to compete with the market and lengthen its shelf-life

Training and development - Coop M has developed partnership with different organizations to enable provision of training and development for its members and employees. Coop M is also a member of Mindoro Sustainable Agricultural Federation (MESAFED) that focuses on empowering Calamansi farmers in Oriental Mindoro. Starting August 2016, through the Asian Partnership for the Development of Human Resources in Rural Areas (AsiaDHRRA), Coop M was able to develop strategies to increase membership through clustering. Before the intervention of AsiaDHRRA, only the farmers in Brgy. Matulatula had the opportunity to join the cooperative. When AsiaDHRRA introduced this strategy on clustering, membership in cooperative increased and eleven (11) clusters were formed consisting of different municipalities. Cluster 1 to 5 consist of members from Brgy. Matulatula, Cluster 6 is for members from Brgy. Casiligan, Cluster 7 for members from Brgy. Panikihan, Cluster

8-9 for members from Brgy. Pahilahan, Cluster 10 for members from Mabuhay Dos, Socorro, and Cluster 11 for members from Antonio, Victoria. With assistance from AsiaDHRRA, member-farmers were also trained on farm productivity as well as pruning and rejuvenating of Calamansi trees to encourage off-season fruiting. Employees also learned the basics of bookkeeping, and food safety requirements. Last 2018, selected member-farmers of the cooperative was able to join the Learning Exchange Tour for Citrus Processing in South Korea, sponsored by AsiaDHRRA. They were also able to attend the Seminar on Agricultural Processing for the Philippines on May 19-25, 2019 in Beijing, China, sponsored by Ministry of Agriculture and Rural Affairs, P.R. China, organized by Administration and Management Institute, MARA, P.R. China.

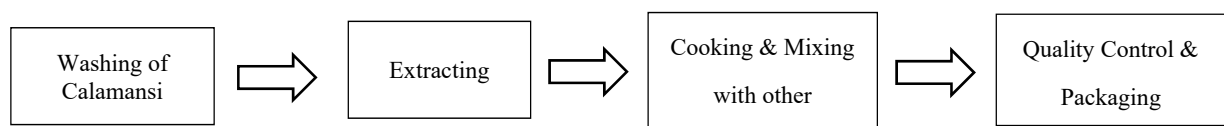
Partnership with academe - Prior to COVID-19 pandemic, the cooperative has contract agreement to deliver Calamansi Ready-to-drink juice in elementary schools within Matulatula, Pola, and Socorro. Due to implementation of Enhanced Community Quarantine (ECQ) wherein the schools also faced the “new normal” setting of conducting online or modular classes instead of the face-to-face traditional classes, the cooperative also has reduced market for Ready-to-drink juice. The cooperative is looking forward to the reopening of classes in schools. Initially, they are conducting sales promotion, selling 12 bottles of Rtd for PhP100.00 only which is 50% off from the Suggested Retail Price. There are also existing negotiations with Mindoro State College of Agriculture and Technology (MinsCAT) and University of the Philippines Los Baños through Southeast Asian Regional Center for Graduate Study and Research in Agriculture (SEARCA) for conduct of more research on Calamansi by-products and improvement of technology.

Plans for Expansion - It is priority of the cooperative to increase membership by 700 in the next two years. Also, at least 50% of these members shall be active in participation to general assembly, paying the subscribed capital as well as other financial obligation, and patronizing the products and services of the cooperative. Coop M also plans to assist its member-farmers in rehabilitation of their farm and identify other products that can be consolidated such as honey and banana. They shall continue to encourage the members to sign the contract for Off-season fruiting to ensure consistent supply of Calamansi even during lean season. It is also their priority to strictly implement their manual of operations. Currently, there is an increasing demand for Calamansi concentrate in the National Capital Region (NCR). Coop M has also secured the Food and Drug Administration (FDA)-License to Operate to be able to continuously market their product in Puregold and other supermarkets nationwide. The cooperative envisions to export their product to Europe once they have already secured appropriate license and permits consistent with the quality of their product.

3.2 Employees' and Members' Satisfaction from Monetary and Non-Monetary Benefits from the Cooperative

Nature of Work - There are four (4) employees assigned in the production. However, during observation, the secretary, treasurer, and driver also assist in packaging, particularly when there are bulk of orders from Metro Manila. Below is the process flow of production:

Figure 1. Process Flow for Calamansi Processing



Most of the employees are required to come to work for more than eight (8) hours, usually those who are assigned in the cooking process, quality control, and packaging. Three hundred (300) to five-hundred (500) bottles of Calamansi concentrate are being produced per day. Most of them said that there is no definite schedule of rest day (it can be any weekday) because they are only required to report for production upon availability of raw materials for processing and the desired volume of production. Some of them are only required to report to work twice a week so they have plenty of time for their family and other endeavors.

In terms of knowledge on tasks, majority are aware of their responsibilities and are confident in handling it.

One employee is still willing to perform other tasks. However, an employee assigned in finance has some concerns because of very high responsibility incorporated in the tasks assigned.

When asked regarding their perception of Coop M's objectives as an organization, most of them said that Coop M is significantly contributing to the community and knowing this helps them to willingly perform their tasks. However, the employee assigned in Quality control said that she's experiencing some difficulty in manually checking each bottle of concentrate if it is already free from Ginger residue and grains of sugar. As she stated, "*Mahirap din po ang trabaho ko kasi mainit hawakan iyong bote tsaka mahirap titigan kung may latak o may buong asukal o luya. Iyong mga di nakapasa sa Quality Control, ginagawa nalang naming Ready-to-drink juice. Maganda naman ang ginawa ng Coop M na nakipag-partner sa Global Organic Wellness Corporation (GlowCorp) kasi sila ang bumibili ng produkto namin at dinadala sa PureGold at All Days SuperMart*" (I find some difficulty with my job because the bottle is still hot but I have to constantly check if there are some residues of Sugar or Ginger. The Calamansi concentrate that did not pass the required quality can still be processed as Ready-to-drink Juice. Still, Coop M is doing a good job through its partnership with the *Global Organic Wellness Corporation (GlowCorp)* because it serves as distributor of our product to PureGold and All Days SuperMart). With what was stated by this employee, the cooperative needs capacitation on standard procedures for Quality control of Citrus by-products. Nevertheless, despite having some difficulty on Quality control, this employee is still committed with her job, knowing that the products that did not pass the Quality control can still be processed as Ready-to-drink Juice and they have good market for Calamansi concentrate through the cooperative's partnership with the private sector.

Salary or pay only ranked seventh (7th) on importance for employees. Meaning, intrinsic characteristics of the job can be more important for employees. Employees of Coop M that were interviewed declared that they like their job and they are doing it because they believe that the growth of the organization also entails additional income for them. As the Production Head said, "*Okay lang sa amin kahit anong work dito sa coop kasi sa amin naman ito. Di naman kasi sya trabaho kasi additional income naman sya para sa Coop M.*" (We accept whatever role is given to us because we are also owners in this cooperative. We do not treat it as work but additional income for Coop M). The flexibility of work schedule also allows them to have more time for their family and find other sources of income such as rice and vegetable production, poultry and livestock raising, and construction.

Monetary Benefits - Coop M has Seven (7) regular employees and they are being paid in piece rate/paid by results or paid based on the amount of work done. These employees are exempted from the provisions of Book III, Conditions of Employment, as stated in Article 82 of the Labor Code of the Philippines, and amended by the Wage Rationalization Act (the generally applicable minimum wage rates). In the provision of this Act, exemption is given to employees in Barangay Micro Business Enterprises (BMBE) and retail/service establishments regularly employing not more than Ten (10) workers upon application with and as determined by the appropriate Board in accordance with applicable guidelines to be issued by the Commission. Aside from the fact that coop M has only seven (7) regular employees, they must also secure a BMBE registration that provides exemption from payment of minimum wage to employees.

As per the National Wages and Productivity Commission (n.d.), the minimum wage in MIMAROPA region during the time of study is PhP294 per day for establishment with less than 10 workers under all sectors upon effectivity of Wage Order No. RB-MIMAROPA-09. Employees shall be receiving at least PhP6,468.00/month. Considering the current amount being given to employees of Coop M, only the driver is receiving an amount that is above the minimum wage while majority are receiving less than the minimum wage. Each employee receives PhP1.50 per bottle of Calamansi Concentrate & PhP0.50 centavo per bottle of Calamansi Ready-to-drink juice. According to the employees, their monthly wage/salary increases during peak season (July-December). Despite the amount of salary/wage they receive, majority of them said that this amount is enough to support their everyday life compared to the amount they receive when they were just involved in harvesting. They also value their close ties among other members of the cooperative than the amount of salary they receive. As one employee said, "*Kasya naman po kaysa kapag namimitas lang kami maliit lang talaga. Masaya pa din naman kasi parang magkakapatid*"

na kami dito kahit maliit lang ang kita". (I think the salary we receive is just enough to supply our daily needs, compared to the income we receive before, when we were just harvesting Calamansi. Also, we treat one another in the organization as siblings and it is important for us even if we only receive not as much of income.) Two (2) employees said that their salary is not enough. According to one employee, Ana (not her real name), her salary is not enough because they have two (2) children who currently have increasing demands with their studies while her husband is only working part-time as a construction worker. As she stated, "*Kulang ang sahod ko kasi dalawa and anak namin na nag aaral (Grade 7 at Grade 3) tapos sa construction lang naman nagtatrabaho ang asawa ko.*" (My salary is not enough because we have two children who are currently studying in Grade 7 & Grade 3 and my husband is only doing construction work.). However, given the fact that they are also members of the cooperative, she is hoping that when the cooperative is already earning more income, they will also benefit from it. As she stated, "*Masaya naman kasi napamahal na din sa akin ang coop. Tsaka member din naman kami ng COOP. Kapag yumaman ito, yayaman din kami.*" (I am still happy because I came to love what we do in the cooperative as we are also members. If the cooperative gets to earn higher income, we will also get our fair share of income). Another employee, Mira (not her real name), also said that the salary she currently receives is not enough. She emphasized that finding other sources of income is important.

In terms of social security benefits, according to the employees, they were assisted by the cooperative in recent registration to social security coverage (SSS & Philhealth) for the year 2020 but the processing and payment of their contribution was delayed due to implementation of Enhanced Community Quarantine (ECQ). Some employees also have Philhealth since they are 4Ps beneficiaries at the same time. They are newly enrolled in SSS through the assistance from Coop M. However, like the other employees, the processing and payment was delayed due to implementation of ECQ last 2020. One employee is voluntarily paying his/her contribution to SSS and Philhealth through other organizations such as CARD Bank, Inc./programs of the government such as 4Ps.

The General Manager, Ms. Marasigan admits that the cooperative is not yet able to pay the employees as much as they want to. As Ms. Marasigan stated, "*Alam naman ng mga employees ang sitwasyon kasi palagi naman silang kasali sa mga meeting namin o kaya sa planning. Members din sila kaya alam nila ang dahilan bakit ganon lang ang kayang ipasweldo ng coop sa kanila sa ngayon.*" (Employees know the situation because we always include them in meeting or planning. They are also members so they know the reason why they only receive such amount of salary at present). Whenever Coop M sees an opportunity to generate more income, employees are given other benefits such as Christmas groceries, etc.

Job security - All employees said that they will render services to the cooperative as long as they have the strength to carry on the tasks assigned to them. Most employees are certain that their services will not be terminated by the cooperative because their work is necessary to the operations of the organization. As one employee stated, "*Hindi naman siguro kasi di din sila makagawa nang wala ako*". (I think my services will not be terminated because they cannot operate without the expertise that I offer.) Another employee said, "*Di ko masabi pero tingin ko magsstay pa ako ng 20-30 years hanggang kaya.*" (I cannot tell but I think I can stay for twenty to thirty years more, as long as my services are needed.) Some of them are certain that their services will not be terminated because they do not engage in things that are against the policies of the cooperative, "*Malabo naman po na matanggal ako sa serbisyo basta wag lang gagawa ng di maganda*". (There is a very little chance that my services will be terminated by the cooperative as long as I am not doing anything that may harm the operations of organization.).

Previous study of Daud (2017) established that there is a significant relationship between job security and well-being of the employees that can be manifested into feelings of love, health, hospitality, and happiness. The employees of Coop M are satisfied with their job because they feel that they will be working permanently with the organization as they are vital part of the whole process, serving the functions of employees and members at the same time. From the study conducted by Artz & Kaya (2015), it was concluded that job security has a positive effect on job satisfaction, particularly for those with lower educational attainment since they perceive a longer period of job search in case of job loss and it is more important for them to be secured in their job. When they feel

secured with their job, they will also report job satisfaction. Promoting job security that leads to job satisfaction is important in order to reduce quits and absenteeism. This will then lead to increase in productivity of the organization. Majority of employees of Coop M have never reached tertiary level of education thus they may perceive longer period of job search in case of job loss. The feeling that they have permanent job in the cooperative is an important factor leading to job satisfaction. Also, given the current restrictions due to pandemic, employees would tend to give importance to their job since there will only be limited opportunities outside the community.

Relationship with Co-workers - Job satisfaction can be understood through areas such as satisfaction with the work itself, supervisor, relationship with co-workers, career growth, and security. Thus, the present study determined whether the employees maintain harmonious relationship with their co-workers by having no conflict or easily settling conflict among themselves even without intervention from the management. Only one among the employees declared having experienced conflict with their colleague and conflict resolution was immediately facilitated by the management. Majority of employees are also aware about conflict management procedure by the management. One employee said he/she chooses to settle the conflict among themselves. Some employees did not give comment on conflict resolution process of the cooperative.

Table 3

Employees' concept/sources of satisfaction from the job

Cooperative Themes

Ability to contribute to the achievement of cooperative's goals
Additional income for the family
Permanent work
Good relationship with colleagues & management

The first source of satisfaction for employees is **the ability to contribute to the achievement of cooperative's goals or its mission and vision**. All of the employees interviewed are aware that the organization aims to help its member-farmers to receive more income from processing and this enterprise helps prevent wastage/rotting of Calamansi when there is excess supply during peak season. Even the administrative staff said, *"Mahalaga ang ginagampanang tungkulin ng Coop M bilang kooperatiba kasi marami talagang Calamansi dito. Ako bilang driver alam ko yun."* (Coop M plays an important role as a cooperative since Pola has abundant sources and supply of Calamansi. Even me as a driver is aware of that). The cooperative also buys one (1) ton of Calamansi from each of eleven (11) clusters in the municipality of Pola, Victoria, and Socorro with competitive price of PhP10.00 per kilo. According to one employee, *"Malaki ang naitutulong ng coop kasi kahit peak season ay PhP10.00 per kilo pa din ang bili nila sa Calamansi. Samantalang sa iba ay bumababa ng PhP5.00 ang bili sa Calamansi pag peak season."* (The cooperative has its way of helping the farmers earn enough income because they buy Calamansi for PhP10.00 per kilo even during peak season, even if other traders buy them for only PhP5.00 per kilo during peak season.

Based on interview with management, she highlighted that this agricultural cooperative aims to continuously collaborate with other sectors in the society that promote community development and improve the livelihood of its members and the community. Coop M also aims to foster good relationships among the members and the management, as well as their relationship with the Creator and the community as a whole. The abovementioned goals of the cooperative is being achieved with its very nature. The cooperative helps prevent wastage/spoilage of Calamansi when there is excess supply during peak season. The processing of Calamansi also helps provide additional livelihood and income to its member-farmers, contributing to poverty reduction in rural areas.

Another theme that arises from the responses of employees is **additional income for the family**. When asked about their satisfaction with the salary that they receive, majority of the employees said that their salary is just enough to sustain their daily needs. In fact, being employed in the cooperative gives them additional income for their family compared with the previous amount that they receive when they were just selling their harvest of Calamansi to traders or by doing part-time construction work. An employee assigned in Quality control stated, *"Kasya naman po kaysa kapag namimitas lang kami maliit lang talaga. Masaya pa din naman kasi parang*

magkakapatid na kami dito kahit maliit lang ang kita.” (My salary is just enough and I think it is better compared to our income when we were just harvesting and selling Calamansi. We also treat one another like siblings and it is more important even if we receive a relatively low income).

Both the administrative staff and another production worker said that their salary serves as additional income for them since both of them also own an agricultural area for rice production. Compared to their income with rice production alone, being employee of the cooperative provides them additional income for their family. On the other hand, some employees allot a portion of their salary for capital share. As the Production Head stated, *“Para sa akin ay sapat lang kasi pag sumasahod ako, binabawas ko na agad iyong pangbigay ko as capital share dito sa coop.”* (For me, my salary is just enough because I automatically set a portion for my payment of capital share in the cooperative). Their satisfaction with the salary that they receive is in line with their understanding of being co-owner of the cooperative. When the cooperative becomes more prosperous in the coming years, these member-employees are aware that they too will benefit from it. At present, they are contented with what they receive and continuously perform the functions that they were tasked with.

Another theme that arises corresponds to the concept of job satisfaction that comes from employees’ perception of having **permanent work** in the cooperative or as long as they are willing to perform the tasks given to them. Interview with employees show that they are certain their services will not be terminated by the cooperative because their work is necessary to the operations of the organization. As one employee stated, *“Hindi naman siguro kasi di din sila makagawa nang wala ako”*. (I think my services will not be terminated because they cannot operate without the expertise that I offer.) Another employee said, *“Di ko masabi pero tingin ko magsstay pa ako ng 20-30 years hanggang kaya.”* (I cannot tell but I think I can stay for twenty to thirty years more, as long as my services are needed.) Some of them are certain that their services will not be terminated because they do not engage in things that are against the policies of the cooperative, *“Malabo naman po na matanggal ako sa serbisyo basta wag lang gagawa ng di maganda”*. (There is a very little chance that my services will be terminated by the cooperative as long as I am not doing anything that may harm the operations of organization.). In addition, the permanent work of employees also comes from being members of the cooperative, giving them the voting rights and opportunity for participation in decision making.

Good relationship with colleagues and management also serves as a source of satisfaction for employees. Majority of employees have not yet experienced conflict with their colleagues. In case of conflict, a conflict resolution strategy will be immediately facilitated by the management. According to a production worker, *“Wala namang away. Nagkakabiruan pa at nagkakatuwaan.”* (We did not experience a serious conflict. We mostly even tell jokes among us). Another employee said, *“Pag trabaho, trabaho. Pinupuna din sila pag sa trabaho. Para na rin kaming pamilya dito.”* (We only work professionally. We just honestly talk to one another in case of concerns about work. We treat one another as family). When it comes to employees’ relationship with the management, the researcher observed that all the employees respect the strict implementation of policies as they consider it important to ensure compliance with quality and principles providing direction to the operations of the cooperative. Employees also know the importance of being responsible to the tasks assigned to them. As stated by a production worker, *“Mahalaga kasi tinutulungan ka maging responsible tsaka dapat iyong mga tungkulin mo ay nagagawa mo din.”* (Policies are important because it instill in us the need to be responsible to perform our functions). Members were also interviewed to determine how satisfied they are in terms of the services availed from the cooperative and catch some unique success stories of members who stayed in the cooperative for a longer period of time, being able to observe and withstand all sorts of challenges, together with other members of the cooperative.

Table 4
Members’ concept/sources of satisfaction

Cooperative Themes
Raising Farmers’ Voice
Additional savings
Technical Knowledge on Improving Production

The first theme formed from the results of interview with members was **raising farmers' voice**. Most of these members who were interviewed have joined the cooperative because they are beneficiaries of the Comprehensive Agrarian Reform Program (CARP) and they wanted to have better coordination with other farmers as well as access to farm supplies and technology. Previous literature confirms that people's voices are better heard when they are in groups such as in cooperatives (Zeuli & Cropp, 2004). In order to validate this information, the researcher asked the members during interview whether their voices are heard better after joining the cooperative. Citing a member's answer, "*Oo naman kasi parang nakikipag-dialogue kami sa mga ahensya ng gobyerno gaya ng DA, DOLE, DTI, DAR, etc. Mas may boses kaming magsasaka. Hindi na ako nahihiya, di gaya noon. Mas kaya ko nang sabihin kung ano ang mga kailangan namin. Dahil din sa Coop M kaya ako nasanay na makikipag-dialogue sa iba lalo na sa matataas na tao. Noon ay wala kaming crop insurance. Ngayon sa tulong Coop M at DAR, nailapit namin sa PCIC. Noong nakaraang taon, naka-claim na din kami ng insurance Nasa Php5,000 to Php15,000 din ang claim depende sa porsyento ng nasira.*" (Yes, of course, because we engage in dialogue with government agencies such as Department of Agriculture (DA), Department of Labor and Employment (DOLE), Department of Trade and Industry (DTI), Department of Agrarian Reform (DAR), etc. We have raised our voices as farmers. I am not ashamed to speak in public, unlike before. It is also because of Coop M that I am able to engage in dialogue with other people, particularly those in authority. Before, we do not have access to crop insurance but now through the help of Coop M and Department of Agrarian Reform (DAR), we were able to avail from Philippine Crop Insurance Corporation (PCIC). Last year, we were able to claim insurance provision of Php5,000.00 to Php15,000.00 as percentage amount of typhoon damage to crops. Another member said, "*Oo. Merong Calamansi Congress gaya noong 2017. Imbitado ang NGOs. Nagsasabi kami ng hinaing doon. Simula noon, mas nabibigyan na kami ng tools at pananim. Madali kasing makarequest ng assistance kapag coop. Tsaka kapag may General Assembly (halimbawa sa December), nasasabi din namin ang concerns.*" (Yes, like in 2017 during Calamansi Congress. Non Government Organizations (NGOs) are invited. We were able to state our concerns. Because of that, we had better access to tools and seedlings. It is easier to access support if you are in a cooperative. Also, during General Assembly in December, we are able to voice out our concerns). In addition, a member-farmer also said, "*Oo kasi na-train din ako sa pagraraton para mas mapabata ang farm. Nabigyan ako ng kaalaman at yun din ang tinuturo ko sa iba pang members ng coop para sa off-season fruiting. Pag ganitong buwan, dapat may pruning na. May partner din kami na kinukuhaan ng magandang quality ng fertilizer para sa organic farms.. Kaya lang iyong ibang members ayaw mag-rejuvenate ng puno ngayon kasi nanghihinayang sila dahil namumunga na. Kapag niraton kasi, nasa 1 year and 3 months pa bago ulit ang harvest.*" (Yes, because I was trained on pruning and rejuvenating to maintain good quality of Calamansi trees. I learned additional knowledge and technology that I also teach to other member-farmers for off-season fruiting. During this season, there shall already be pruning. We also have partner organization for good quality of fertilizer.

The second theme on source of members' satisfaction is having **additional savings**. According to a member-farmer, "*Ay napakalaking tulong ng ibinibigay ng Coop M kasi di ko na bibilhin iyong gulok, sprayer, at seeds. Iyong nasasave dun pambaon nalang ng mga anak namin na nag aaral.*" (Coop M helps us a lot because we are able to save the amount of money that we supposed to spend for tools and seeds. The amount saved can serve as allowance of our children who go to school). Another member-farmer said, "*Oo naman malaking tipid din. Pero obligasyon din namin na umattend sa cluster meeting. Php50.00 ang binibigay kada meeting (capital share), tapos may savings ang cluster (for emergency), bukod pa sa savings sa Coop M na pwede ding withdrawin. Per cluster ay meron ding mga poultry at livestock na paalaga.*" (Yes we save a lot from being member but we also have responsibility to attend to cluster meetings. Every meeting, we are required to contribute Php50.00 as capital share. We also have separate savings in our cluster group aside from the savings that we can withdraw from Coop M. We also have poultry and livestock raising in our cluster group). In addition to these statements, another member-farmer also recognizes the important role of the cooperative in helping them save money that would rather be allocated for daily expenses and children's education. A member-farmer recognizes that being with the cooperative helps them with their livelihood, "*Malaking tulong din kasi halos iyong buong income naming mag-asawa ay galing sa Coop M. Napapag-aral din namin ng Engineering iyong isa naming anak na nasa college. Iyong isa naman ay Agriculture ang kukuning course.*" (It is a big help to us because majority of income of my wife (as

employee and member) and I (as member) comes from the cooperative. We are also able to send our son to college, currently studying Engineering. My other son will get an Agriculture course in college).

The third theme that serves as source of members' satisfaction is **technical knowledge on improving production**. This is a non-material source of satisfaction of members. As one member-farmer said, "*Sobra. Unang-una sa mga seminars at trainings mula sa coop gaya ng GAD (Gender and Development), Trainers' Training, Training on Production, etc. Meron ding mga di inaasahang benepisyo gaya ng para sa abono at ibang items. Ngayon Brgy. Kagawad na ako kaya kailangan na magresign sa pagiging Chairperson ng coop.*" (I am thankful. First, with the seminars and trainings from the cooperative such as Gender and Development, Trainers' Training, Training on Production, etc. There are also unexpected benefits such as fertilizer, tools, and other items. Now, I am already a Brgy. Councilor thus I have to resign from responsibility as Coop Chairman. Another member-farmer said, "*Oo kasi na-train din ako sa pagraron para mas mapabata ang farm. Nabigyan ako ng kaalaman at yun din ang tinuturo ko sa iba pang members ng coop para sa off-season fruiting. Pag ganitong buwan, dapat may pruning na. May partner din kami na kinukuhaan ng magandang quality ng fertilizer para sa organic farms.*" *Kaya lang iyong ibang members ayaw mag-rejuvenate ng puno ngayon kasi nanghihinayang sila dahil namumunga na. Kapag niraton kasi, nasa 1 year and 3 months pa bago ulit ang harvest.*" (Yes, because I was trained on pruning and rejuvenating of trees that I also teach to other member-farmers for off-season fruiting. During this season, there shall already be pruning.

3.3 Leadership Model/s Applicable for the Current Status and Operations of Coop M

Coop M explains to its employees the current status of operations, resources, and income of the cooperative while engaging and encouraging them to continue as active members of the cooperative by consistently attending monthly meeting and giving their capital share to the cooperative. It is consistent with the findings of the study of Prasetyo et. al (2016) that a complex organization such as cooperative can well communicate the mission and vision to each employee, involving them to share and contribute to the common goals, evident in social collective leadership model. Given that employees are also active members of the organization, they are able to participate in decision-making and strategic planning. Employees consider management policies as important to ensure compliance with quality and principles of food safety, providing direction to the operations of the cooperative. Employees consider Management policies as important to the overall operation of the cooperative and serve as guide in performing their tasks. All employees verbally declared that they willingly follow the policies set by the cooperative and the General Manager showed strict implementation of the policies of the cooperative. As one employee stated, "*Oo kasi accomplishment na iyong matapos ang mga trabaho at masunod and mga policy sa processing*". (Yes, because it is already an accomplishment to accomplish the work and follow the policy in processing.) One example of the implementation of cooperative's by laws and policies was during the construction of water tank to maintain water supply for off-season fruiting. It is required that the cooperative shall contract the services of members first to do the construction work, not to source out services of others outside the cooperative.

4. Conclusion and recommendation

Coop M recognizes the following challenges: low and inactive membership, lack of market and discoloration of fresh calamansi, lack of capacity for provision of all required monetary benefits for employees, and being dependent on external aid. Based on the Theory of Constraints, these are the most restricting aspect of the organization that prevent them from achieving their goals. To address these challenges, Coop M employs strategies such as productivity improvement, training and development for employees and members, partnership with academe, and plans for expansion. These strategies of Coop M demonstrate strategic leadership, similar with the result of the study by Schlosser and Volkova (2022). This is also consistent with the Congruence model by Nadler and Tushman in the early 1980s citing the importance of transformation process between inputs and outputs and how should these elements be integrated to improve the performance of the organization (Sabir, 2018). Training and development is also an important way of passing on the standard processing and operations of the cooperative to the next generation of farmers/processors through the approved Manual of Operations that serves as guidelines

and standard operating procedures for members and employees.

Employees and members are generally satisfied from the benefits (mostly non-monetary) received from the cooperative which implies that they are being inspired by the management to reach common goals, elevate strategies for societal impact, and pass it on to the next generation. The study suggests that Coop M demonstrates Social Collective Leadership, similar with the study by Prasetyo et al. (2016). Since Coop M has also secured the Food and Drug Administration (FDA)-License to Operate to be able to continuously market their product in Puregold and other supermarkets nationwide. The cooperative envisions to export their product to Europe once they have already secured appropriate license and permits consistent with the quality of their product. The study recognizes the importance of agriculture cooperatives' gearing more towards a combination of Social Collective and Strategic-Transformational Leadership Model. However, strict generalization is not applicable because of limited scope of the study. The study was also conducted during the pandemic, thus entailing limited movement and period of observations. There is a need to review existing programs for agriculture cooperatives, particularly on market facilitation, minimizing barriers to trade, and enhancing potential for exports.

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