

2-Day TIMETABLE

Day 2 – November 24, 2016, Thursday

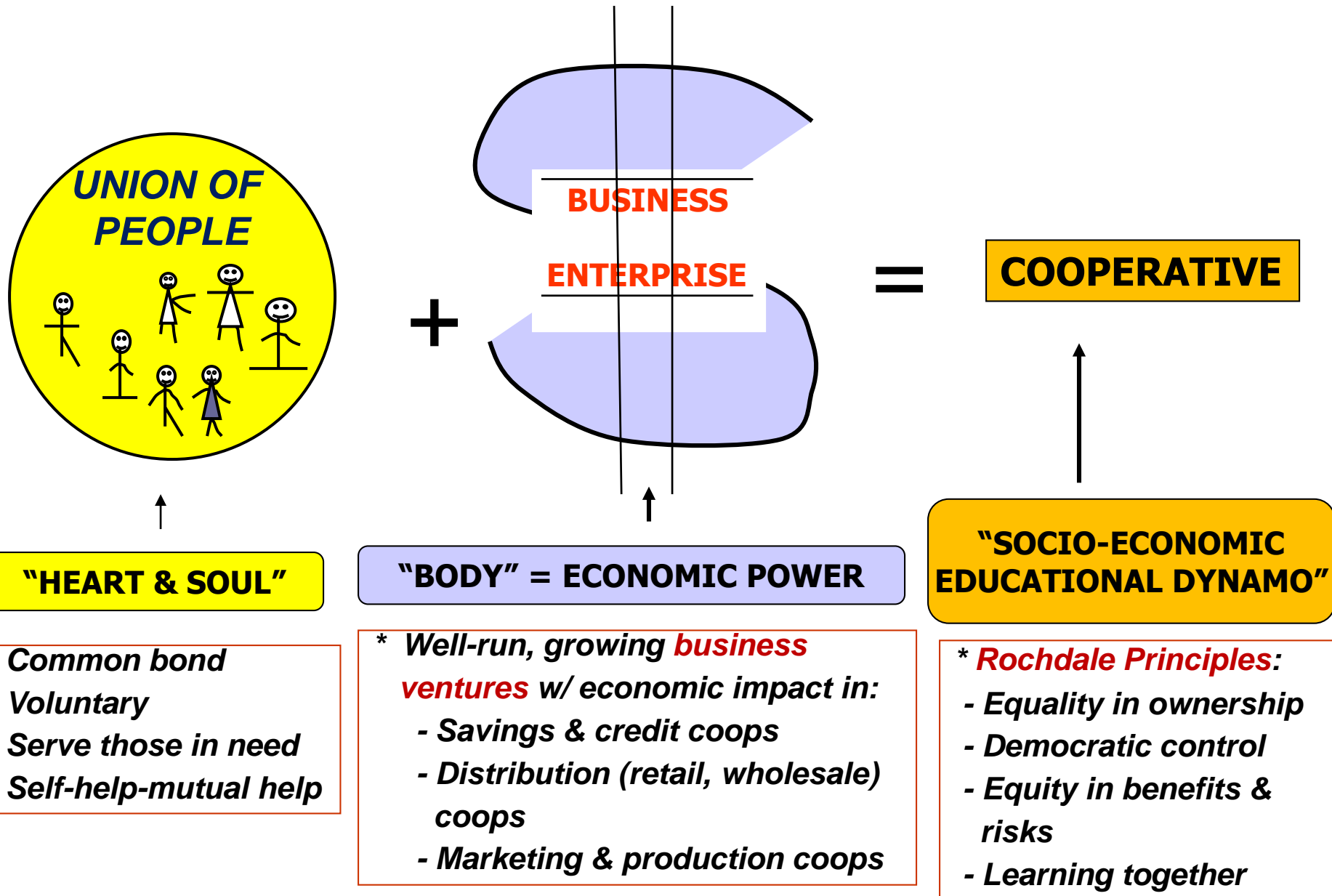
**1:30 – 3:00 pm – COOPERATIVE-ISM: A
MODEL FOR COMMUNITY DEVELOPMENT**

20-minute break

3:20 – 4:15 pm – Group Discussion

4:15 – 4:30 pm – Concluding Activity

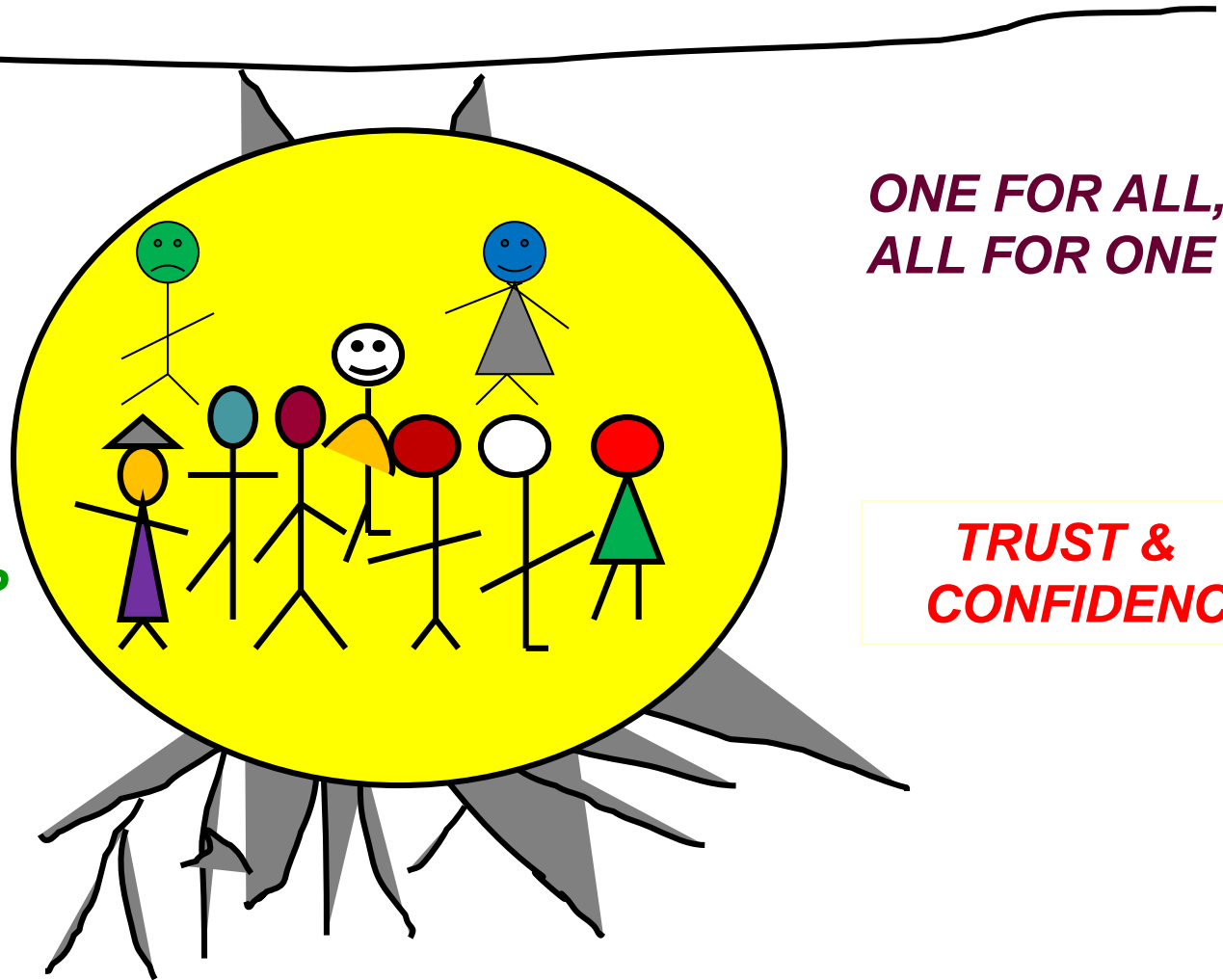
COOPERATIVE: BASIC FEATURES



1. UNION OF PEOPLE (SHMH) = The “TAP ROOT” (The Foundation)

SELF-HELP
(Personal
Development)

MUTUAL-HELP
(Brotherhood,
Mutual
Development)

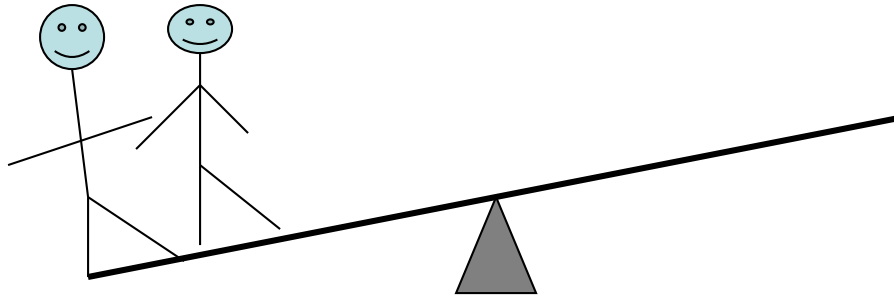


**ONE FOR ALL,
ALL FOR ONE**

**TRUST &
CONFIDENCE**

2. PEOPLE POWER FOR OWNERSHIP/CONTROL OF ECONOMIC RESOURCES

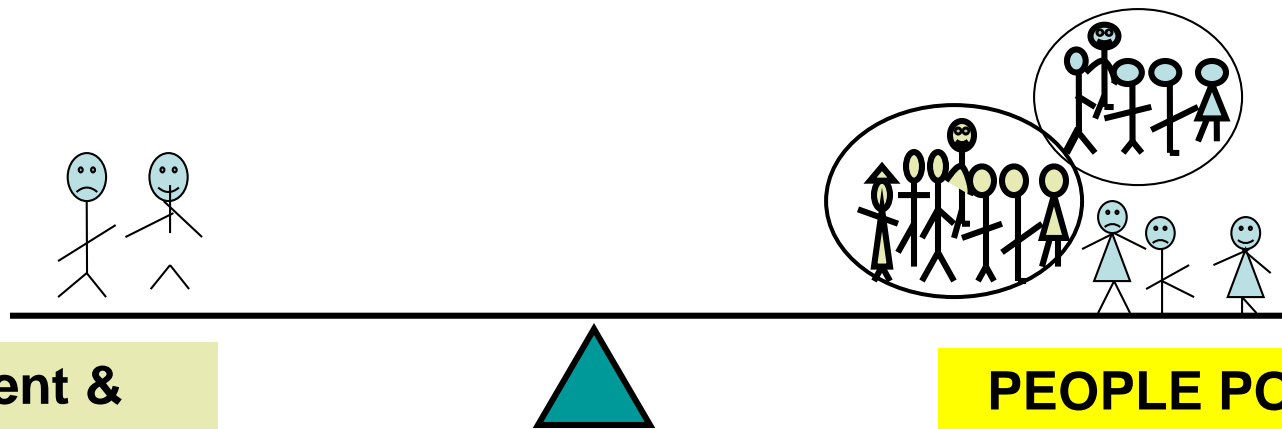
2 “giants” control decision-making & economy:



**GOVERNMENT &
BIG BUSINESS**

IMBALANCE

- * ***IMBALANCE IN DISTRIBUTION OF RESOURCES & WEALTH***
- * ***ABUSES & EXPLOITATION***



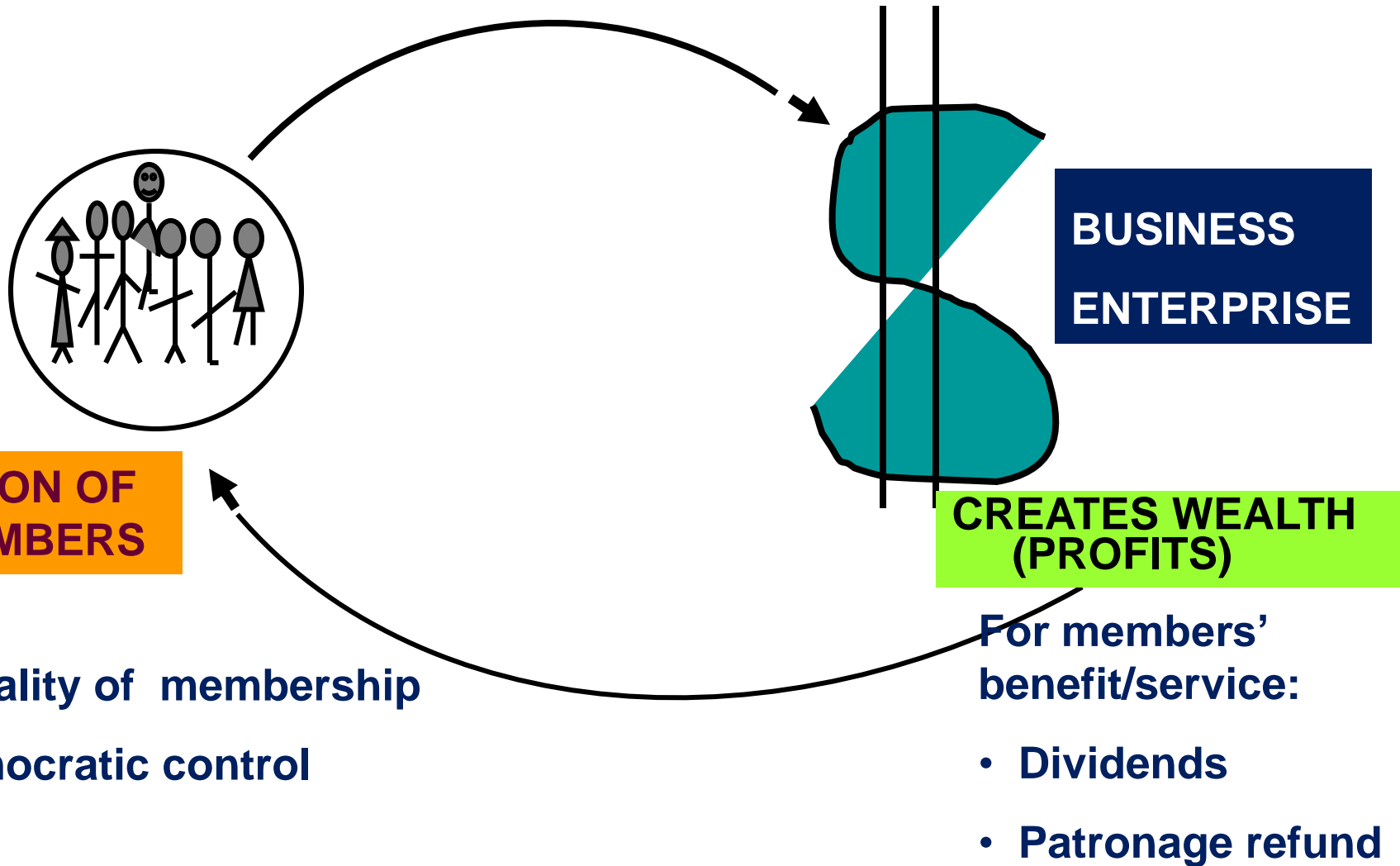
**Government &
Big Businesses**

PEOPLE POWER

A 3rd FORCE to counterbalance

- * To establish the “**Good Society**” = a proper mix of:
 - **Individual ownership** (homes, farms, etc.)
 - A large **Cooperative ownership**
 - **Government ownership** (public enterprises)
 - **Corporate ownership** (private enterprises)
- * To alleviate poverty
- * For more equitable distribution of wealth & resources

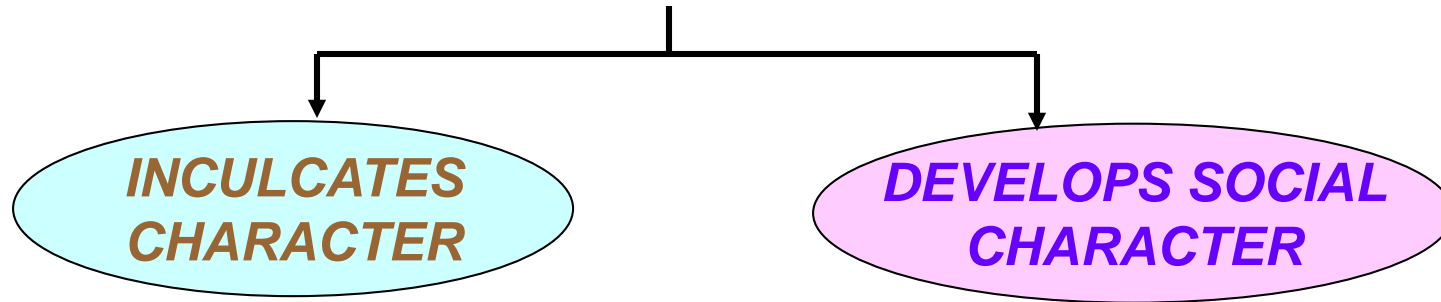
3. COOP TRANSCENDS PROFIT-MOTIVE to SERVICE



The Cooperative cycle of economic operation & service

4. EDUCATIONAL MOVEMENT FOR INDIVIDUAL & SOCIAL REFORM

CONTINUOUS LEARNING IN THE SCHOOL OF LIFE



* overcomes/liberates people from:

- “**the great default of the people**”
- “**3 kinds of bondage**” (external, internal, spiritual)

* strengthen values: honesty, integrity, standing on one’s own feet

How do coop members learn?

1. **Seminars** (e.g., Pre-membership Education - an “eye-opener”, education for officers & staff, continuous education to deepen knowledge & skills)
2. **Actual & experiential**
 - fulfill financial obligations (invest in & patronize coop regularly)
 - participate in coop affairs
 - know more & upgrade professional/leadership skills

COOPERATIVE ROCHDALE PRINCIPLES

1. Open & Voluntary

Open & voluntary to all who want to join

2. Democratic Control

- * One member, One vote
- * The General Assembly of members - final arbiter

3. Non-Discrimination

Neutrality to race, religion, partisan politics, economic status, etc.

4. Services to Members

Coop policies & operations designed to serve mainly the members

5. Coop Economic Returns to Members

- * A “non-profit” business organization
- * All surpluses (net of reserves) - returned to members -
 - * **Dividends** (Interest on Capital)
 - * **Patronage Refunds** (based on use of coop by members)

COOPERATIVE PRINCIPLES

(Adopted from Original Rochdale Coop Principles)

6. Financial Stability

- * Accurate and up-to-date records*
- * Internal control system in place*
- * Functioning Audit Committee*
- * Set-up reserves*

7. Continuing Education

- * Pre-membership education is key*
- * member should be kept informed of Coop trends & development within the coop*

8. Cooperation among Cooperatives

- * Established coops should help small & fledgling ones*
- * Coops should form a network*

9. Social Responsibility

- * Members in Good Standing (MIGs)*
 - Regular depositors*
 - Wise use of resources (e.g., loans)*
- * To remind fellow members of their responsibilities, duties, rights*
- * To Sell the coop idea to others*

COOPERATIVE PRINCIPLES (a summary)

EQUALITY

- ☛ MEMBERS AS CO-OWNERS (VOLUNTARY)
- ☛ DEMOCRATIC CONTROL (ONE MEMBER, ONE VOTE)
- ☛ EQUAL ACCESS TO SERVICES
- ☛ COMMON COMMITMENT & RESPONSIBILITY

EQUITY

**ECONOMIC BENEFITS
PROPORTIONATE TO:**

- ☛ CAPITAL CONTRIBUTION (DIVIDENDS)
- ☛ USE OR PATRONAGE (PATRONAGE REFUNDS)

CONTINUOUS EDUCATION

- ☛ UPGRADE QUALITY OF MEMBERS
- ☛ DEVELOP COMPETENCE OF LEADERS/STAFF
- ☛ PROMOTE COOP'S GOOD IMAGE & IMPACT ON SOCIETY

A “**COOPERATIVE**” is:

- a democratic business organization owned & controlled by member-consumers;
(who have shared rights & responsibilities, duties & obligations, benefits & risks);
- governed democratically by elected officers;
- professionally managed/operated by professional staff;
- a model to redistribute wealth & resources for the common good.
- The **COOPERATIVE'S** main aim:
EMPOWERMENT of MEMBERS
SOCIO-ECONOMICALLY

Advantages to the Members

A. SOCIAL BENEFITS:

A COOPERATIVE IS DEMOCRATICALLY OWNED & CONTROLLED by MEMBERS

Members have responsibility, right & power ...

- 1. To hear & be heard on issues/matters affecting them at the Members General Assembly.**
- 2. To demand for *transparency & accountability from management* regarding coop affairs & operations.**
- 2. To elect officers &/or representatives to govern & manage coop.**

B. ECONOMIC BENEFITS:

COOP - a NON-PROFIT BUSINESS ORGANIZATION.

“Profits”: 1) for operations costs; 2) to pay-off loans; 3) establish funds (e.g., Reserve Fund against losses, Education Fund, and other funds) for stability/security.

*** A registered COOP is tax-exempt**

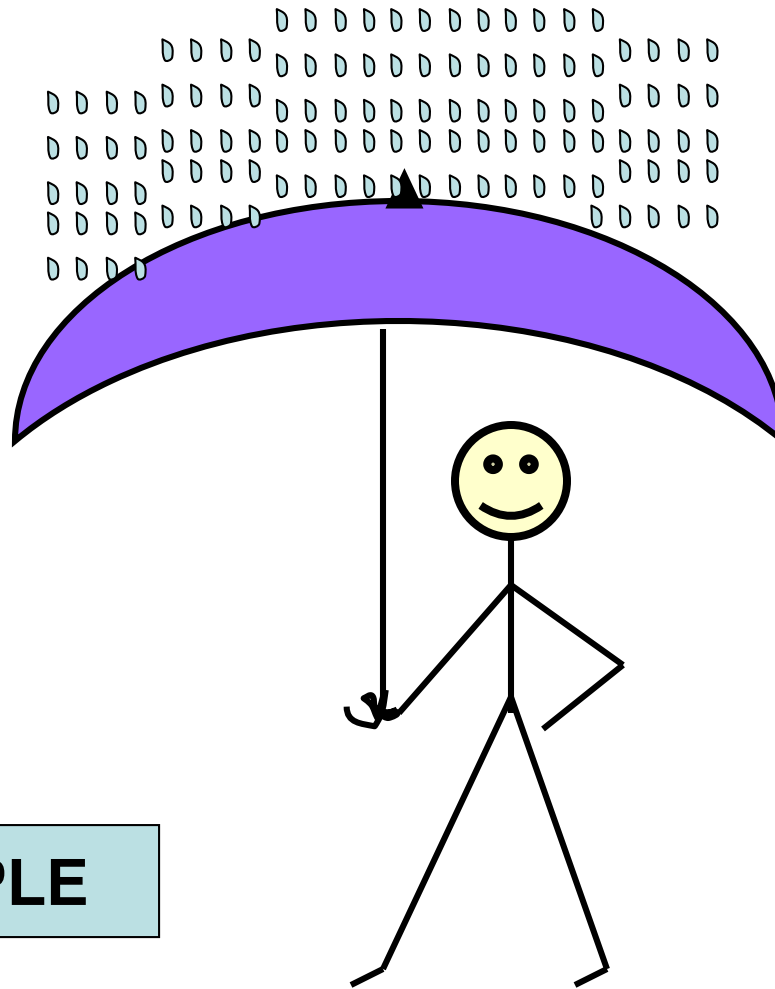
“NET SURPLUS” (Earnings) given back to members as:

- 1. DIVIDENDS** for capital shares or investments of members
- 2. PATRONAGE REFUNDS** based on patronage or use of consumer-members of coop
- 3. Coop may directly lower costs of goods** (besides the patronage refunds) if business performance is good.

ADVANTAGES TO THE COMMUNITY

- 1. Devolution of power from a Government-Owned- or Corporate-owned business to a Consumer-Owned-Controlled-Cooperative for the common good.**
- 2. Primary motive of coop - to *serve the community* (not for profit) to provide goods & services efficiently & effectively.**
- 3. Communities will learn from experience of working together & addressing community issues & concerns by mobilizing their own resources -- a very positive approach.**

RAIN



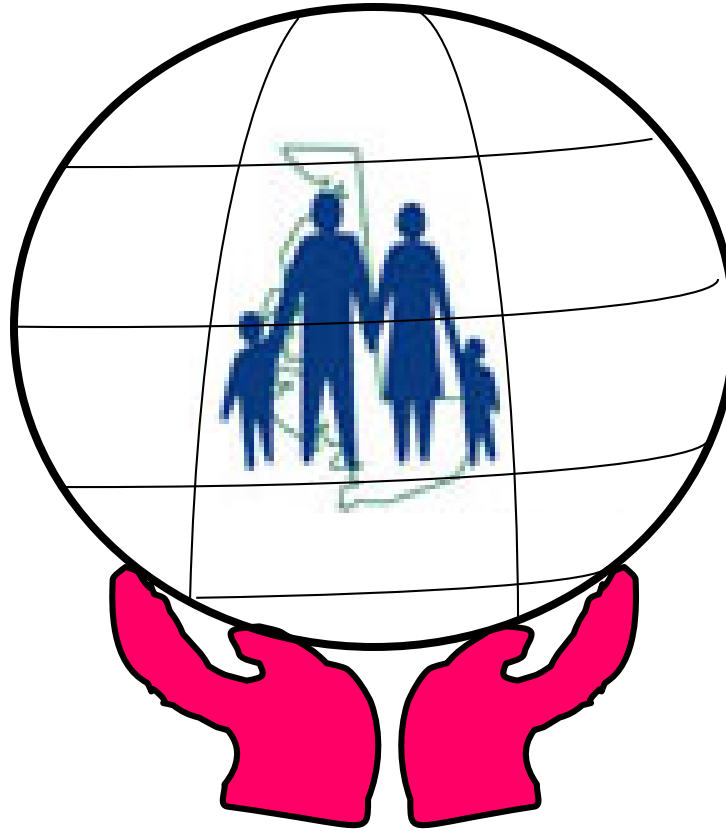
UMBRELLA

PEOPLE

A COOPERATIVE SYMBOL

COOPERATIVE MOVEMENT'S IMPACT

THE FAMILY

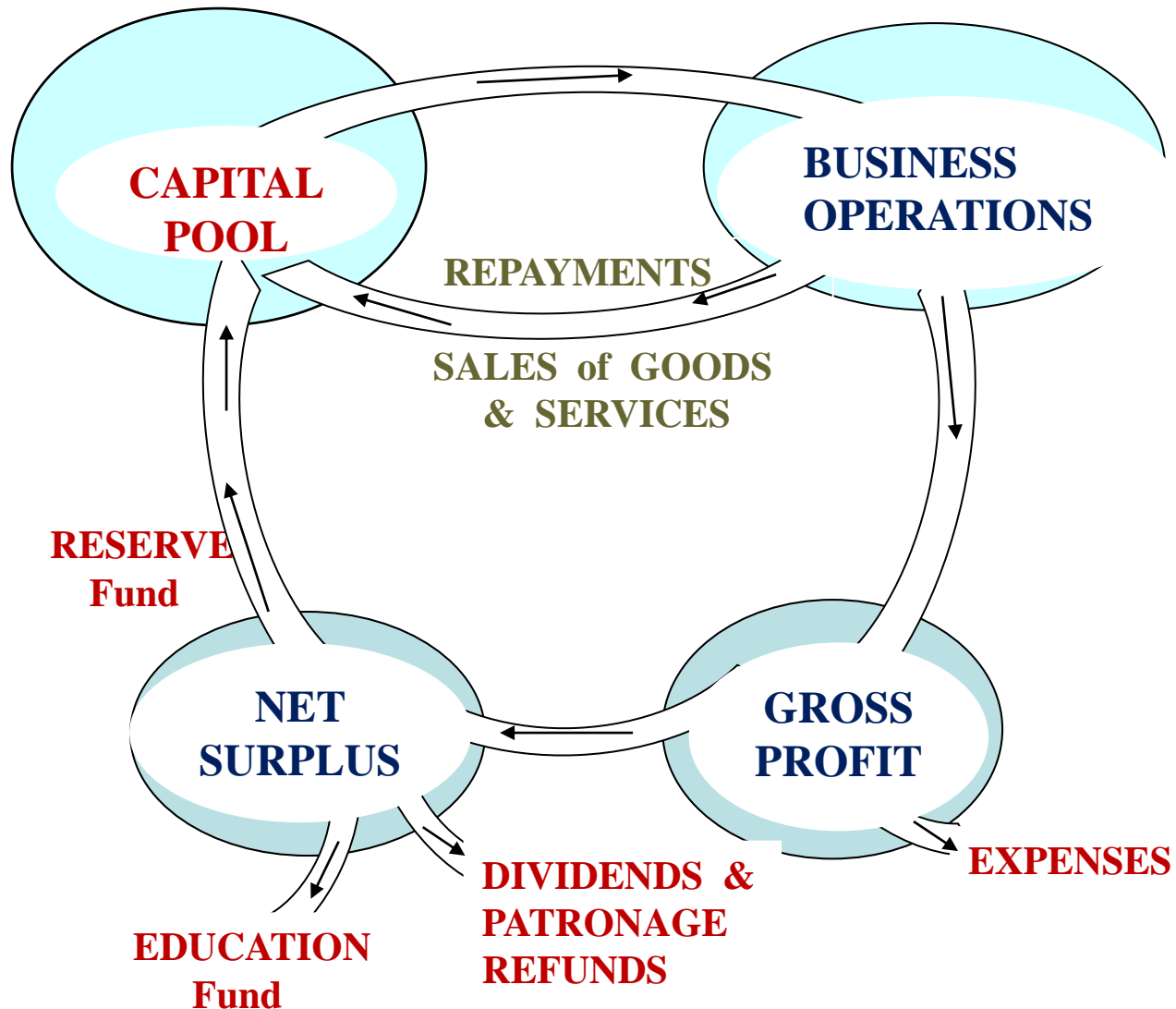


***THE
COMMUNITY***

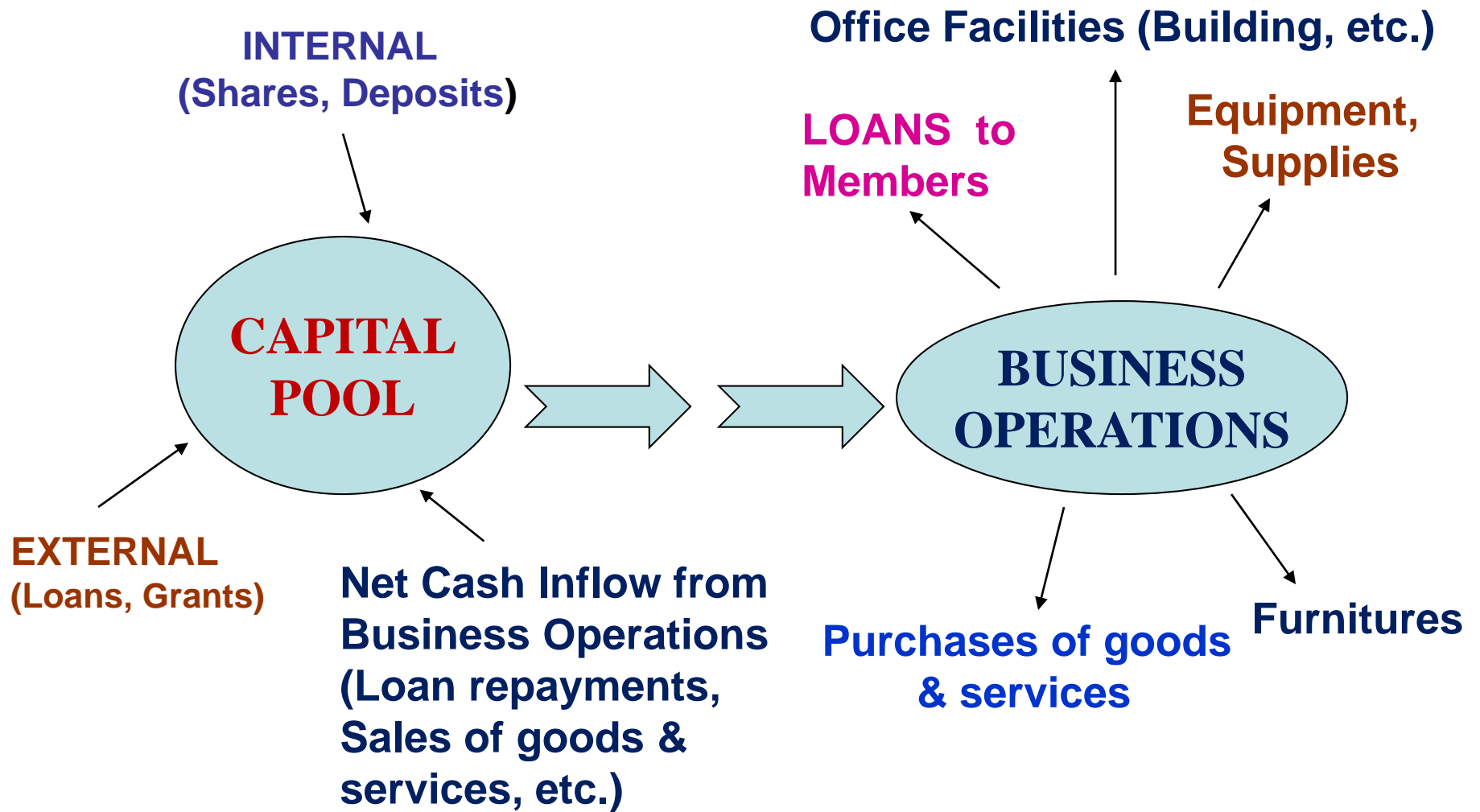
PEOPLE POWER



BUSINESS OPERATIONS OF A COOPERATIVE

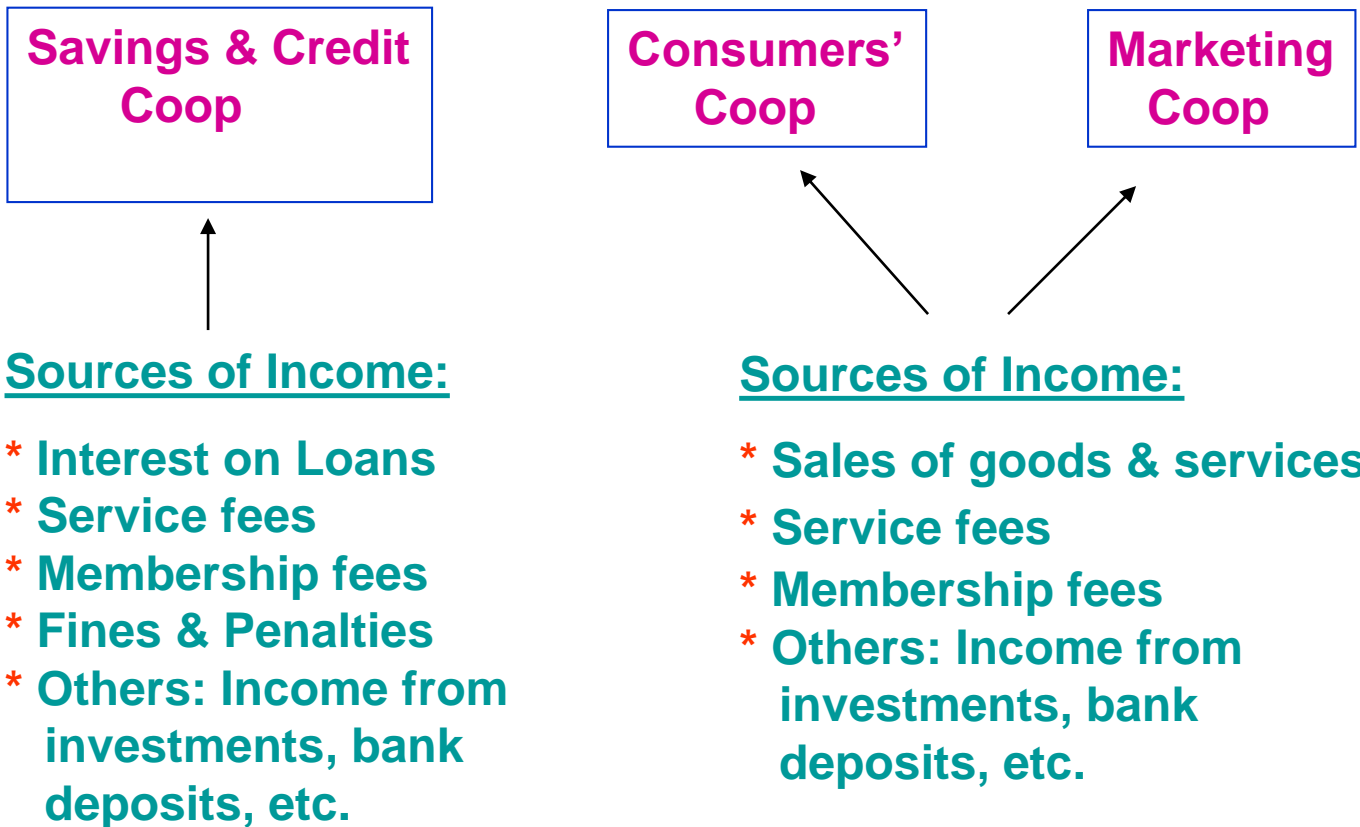


COOP: BUSINESS OPERATIONS

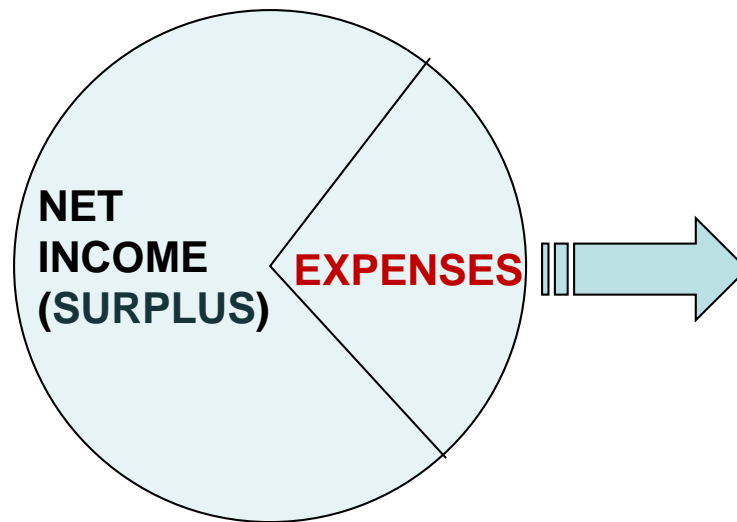


COOPS: WHAT THEY DO WITH PROFITS

GROSS INCOME

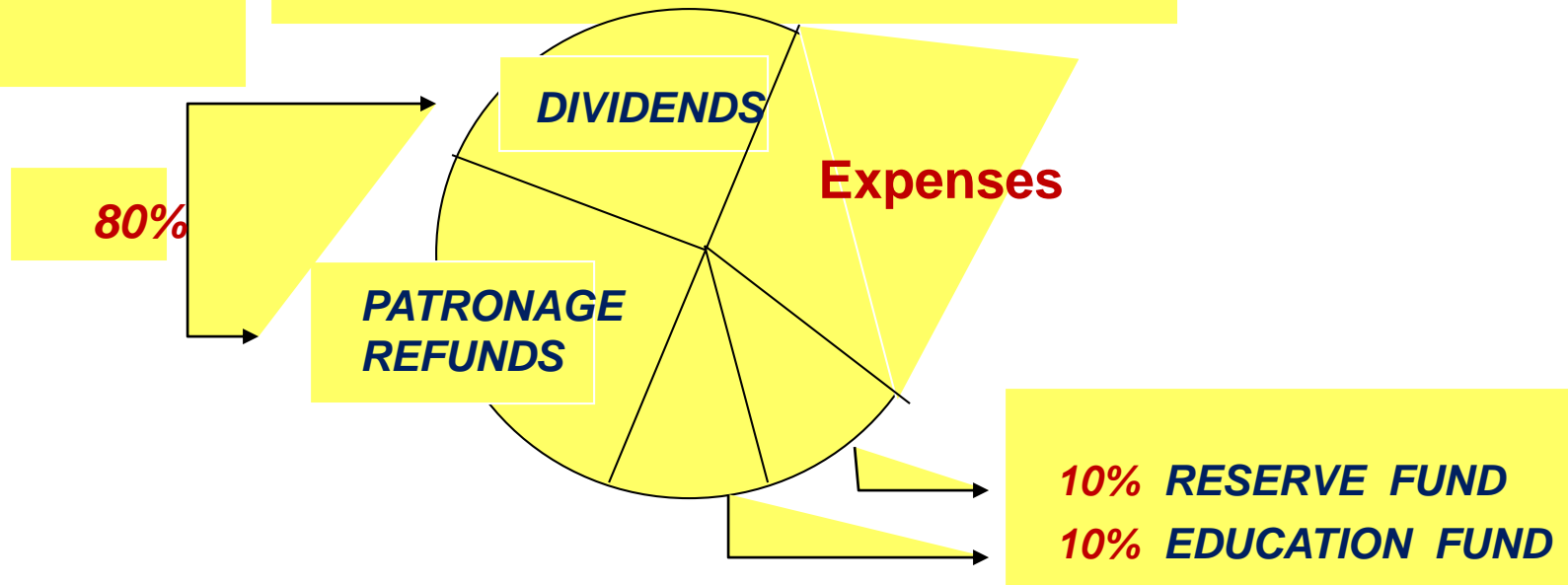


GROSS INCOME



- * *SALARIES & WAGES*
- * *RENTS*
- * *ELECTRIC & WATER COSTS*
- * *TRANSPORTATION*
- * *MAINTENANCE*
- * *DEPRECIATION*
- * *INTEREST ON DEPOSITS*
- * *ETC*

NET INCOME ALLOCATION TO MEMBERS





MANAGEMENT OF COOPERATIVES

BOARD OF DIRECTORS

** Overall leadership
(vision, directions
internal/external
linkages)*

**TEAM
EFFORT**

** Overall management
(policy-making, &
problemsolving)*

MANAGER

*• Day-to-day management
(business operations,
growth, services,
accounting)*

** Executive functions:
(implements policies on
personnel & management)*

COMMITTEES

** Credit Com, Audit Com,
Education Committee,
Election Com, etc.*

** With specific functions*

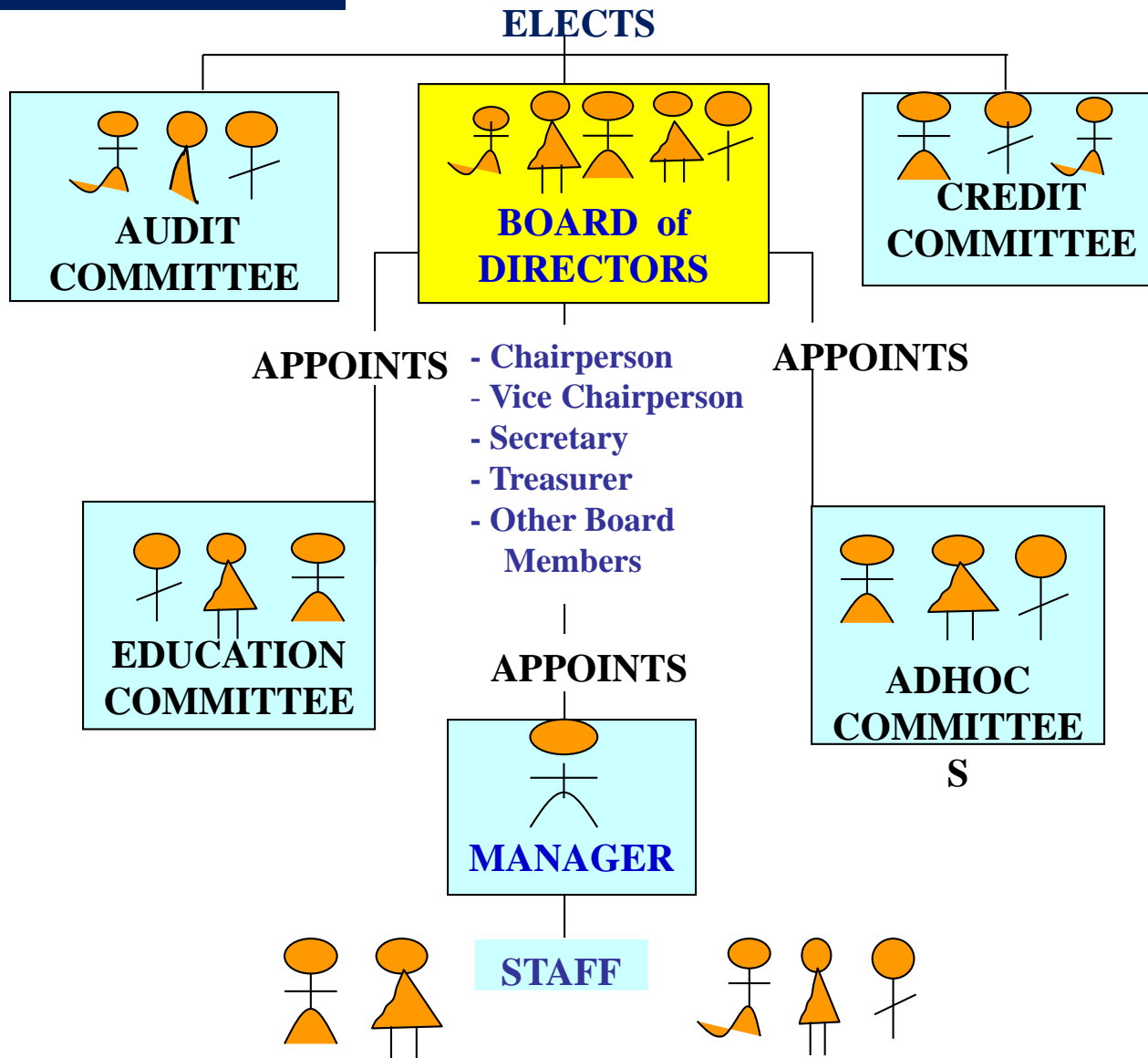
Compensation:

1) "Tangible" (e.g., salaries, wages, honoraria, allowances, etc.)

2) "Intangible" (e.g., honor, prestige, status symbol, opportunity to serve, skills developed, experiences gained , etc.)

ORGANIZATIONAL STRUCTURE of a COOPERATIVE

GENERAL ASSEMBLY of MEMBER-OWNERS



GENERAL ASSEMBLY of a COOPERATIVE

Roles & Powers

1. HIGHEST DECISION-MAKING BODY

- * *final authority, final arbiter*
- * *can amend bylaws, pass resolutions*

2. REPRESENTS OWNER-MEMBERS

- * *legitimate assembly (with quorum)*
- * *democratic decisions & collectively accountable*

3. SOURCE OF LEADERS

- * *identifies /elects leaders w/ 3 "C's" - credible, capable, committed*
- * *removes "undesirables"*

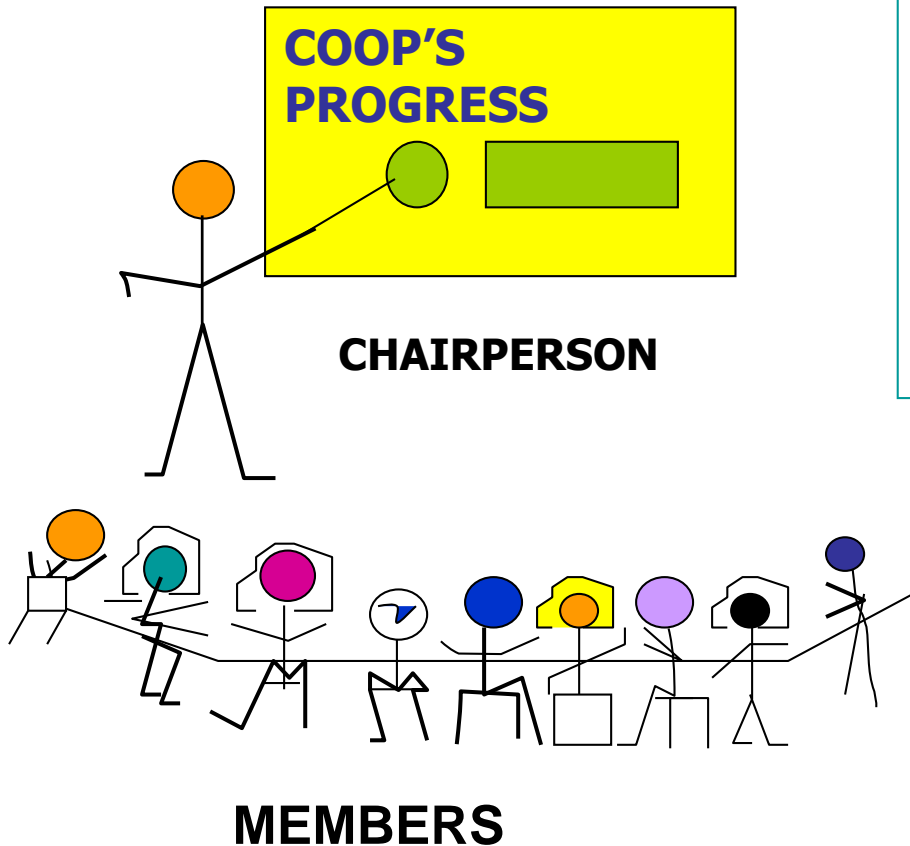
4. EDUCATIONAL FORUM

- * *learns group decision-making (democracy in action)*
- * *increases understanding of coop operations*

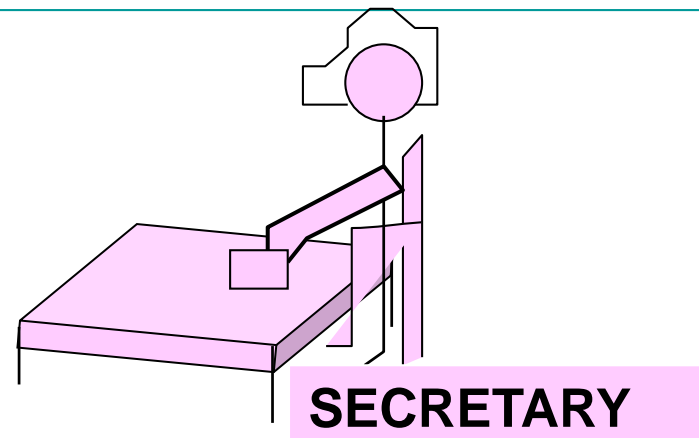
COOP MEMBERS' GENERAL ASSEMBLY

HOW IT WORKS

USE BASIC SIMPLIFIED PARLIAMENTARY PROCEDURE



1. **CALL TO ORDER**
2. **DECLARATION OF QUORUM**
3. **PREVIOUS MINUTES**
(TO BE READ, CORRECTED, APPROVED)
4. **REPORTS**
(TO BE READ, DISCUSSED, APPROVED)
5. **OTHER MATTERS:**
 - OLD BUSINESS
 - NEW BUSINESS
(TO BE PRESENTED, DISCUSSED, DECIDED)
6. **ELECTIONS**
7. **ADJOURNMENT**



WHO CAN PARTICIPATE in the General Assembly?

* *MEMBERS in GOOD STANDING (**MIGs**), in ATTENDANCE, NO PROXY*

*The **MIGs** are...*

**ECONOMICALLY
SUPPORTIVE**

- **SAVE
REGULARLY**
- **BORROW WISELY**
- **REPAY
PROMPTLY**

**ORGANIZATIONALLY
INVOLVED & PARTICIPATIVE**

- *in COOP AFFAIRS*
- **USE VOTING
POWER**

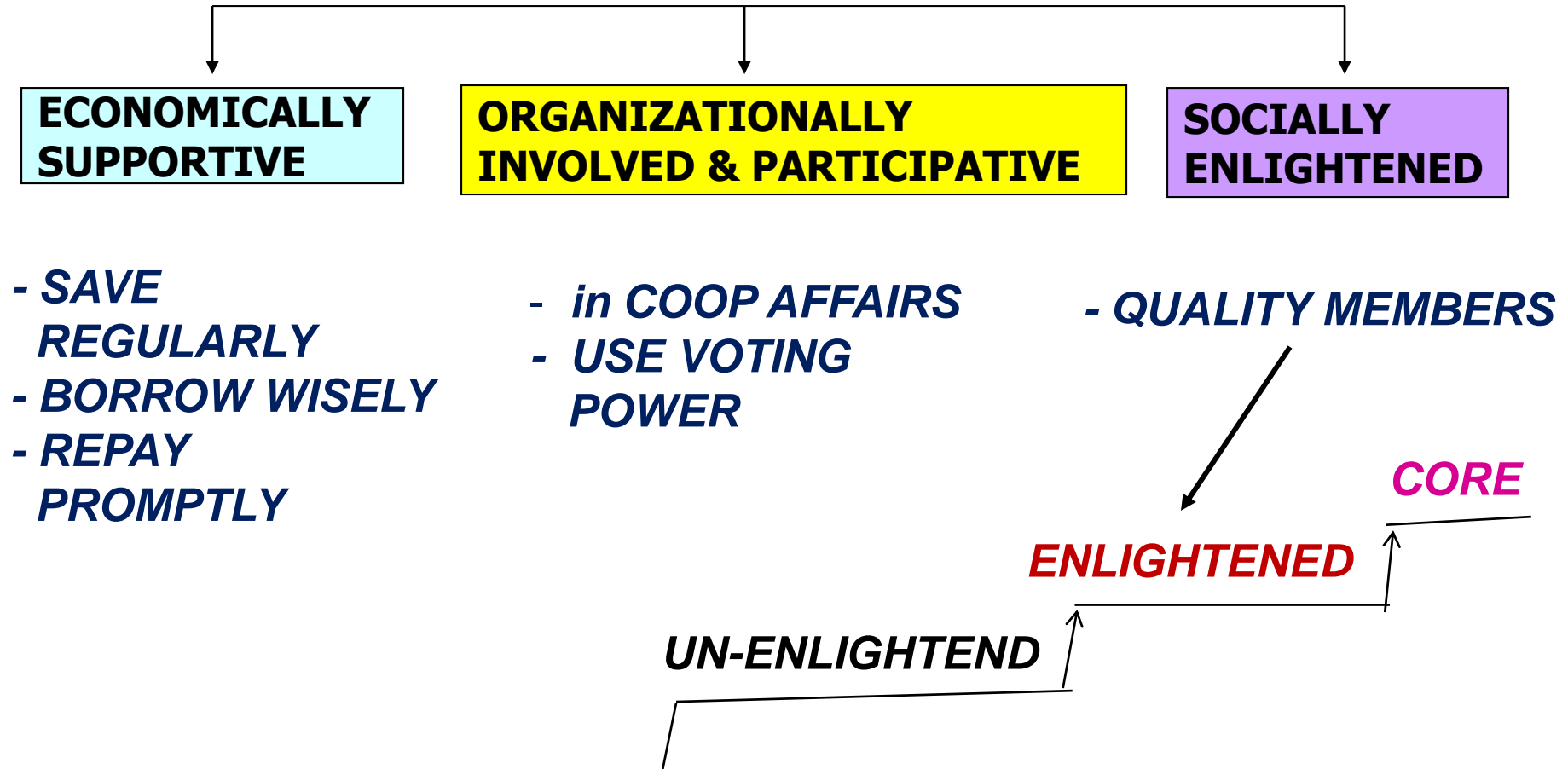
**SOCIALLY
ENLIGHTENED**

- **QUALITY MEMBERS**

UN-ENLIGHTEND

ENLIGHTENED

CORE





RELATIONSHIP of TYPES OF COOPERATIVES

(A Vision)

PEOPLE - MEMBERS

*Organize, Own & Control
Economic Institutions*

**CREDIT UNIONS
(Coop Banks)**

Respond to:

- * *Depository for savings*
- * *Credit*
- * *Teach people to operate coop*
- * *Develop leadership/management skills*

**PRODUCERS' &
MARKETING COOPS
(village & district levels)**

**CONSUMERS' COOPS
(retail & wholesale levels)**

Respond to producers' need:

- * *Production to increase income*
- * *Production inputs (farm needs)*
- * *Marketing of products*

Respond to consumers' need:

- * *Household basic consumption goods with quality & at reasonable prices*

Coop Interrelationship responds to needs & situation in an agriculture economy to enhance food production for food security, to alleviate poverty & empower the people.

