

L03 Plans, Programs and Policies of the Cooperative

Objectives:

At the end of the training, the participants shall be able to:

1. Internalized the cooperative's vision, mission and goals;
2. Understand the cooperative's long term plan and programs; and
3. Identify and elaborate the importance of policies of the cooperative

The Board of Directors shall be responsible for strategic planning, direction, setting and policy formulation (Art 37, RA 9520)



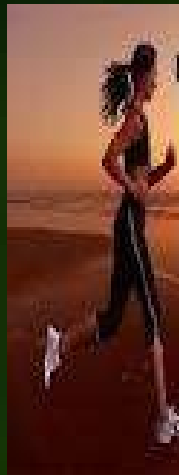


Strategic planning is more than
ensuring your COOPERATIVE
remain financially sound and
be able to maintain its
reserves

it's projecting where your cooperative expects
to be in five, ten, or fifteen years



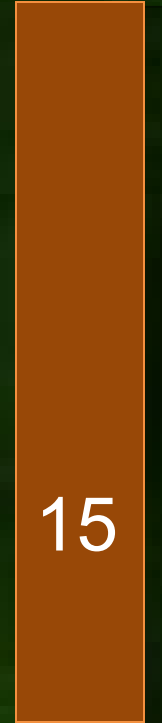
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Cooperative directors maintain a long-term perspective of where the cooperative is headed. They are concerned with how the cooperative can better serve members' needs and what general changes may be necessary in organizational and operating policies.



The manager is action and tactic oriented in running the day-to-day operations in response to the goals and objectives set by the board.

Planning involves selecting objectives or goals and the course of actions to achieve them:

- Provides the bridge to take us from where we are to where we want to go;
- Is a rational approach to achieving pre-selected objectives - based on innovation, knowledge and purpose;
- Decision making in **choosing the best** from alternative courses of action and is integral to planning;

Exercise # 1

why cooperatives
exist?

Purposes of Cooperatives (Article 6)

- Encourage thrift and savings mobilization;
- Generate funds and extend credit;
- Encourage systematic production and marketing;
- Provide goods and services and other requirements;
- Develop expertise and skills among members;
- Acquire land and provide housing benefits

Purposes of Cooperatives (Article 6)

- Insure against losses of members;
- Establish, own, lease or operate cooperative banks, wholesale and retail complexes, insurance and agricultural/ industrial processing enterprises and public markets;
- Coordinate and facilitate activities of cooperatives;
- Advocate for the cause of the cooperative movement

Purposes of Cooperatives (Article 6)

- Ensure viability of cooperatives through utilization of new technologies;
- Encourage and promote self-help or self-employment as an engine for economic growth and poverty alleviation; and
- Undertake any and all activities for the efficient and effective implementation of the provisions.

It is a **systematic planning process** involving a number of steps that identify the current status of the association, including its vision for the future, mission, operating values, needs (strengths, weaknesses, opportunities, and threats), goals, prioritized actions and strategies, action plans, and monitoring plans.

Steps in Planning

a step by-
step
determination
of where you
are

where
you
want to
go

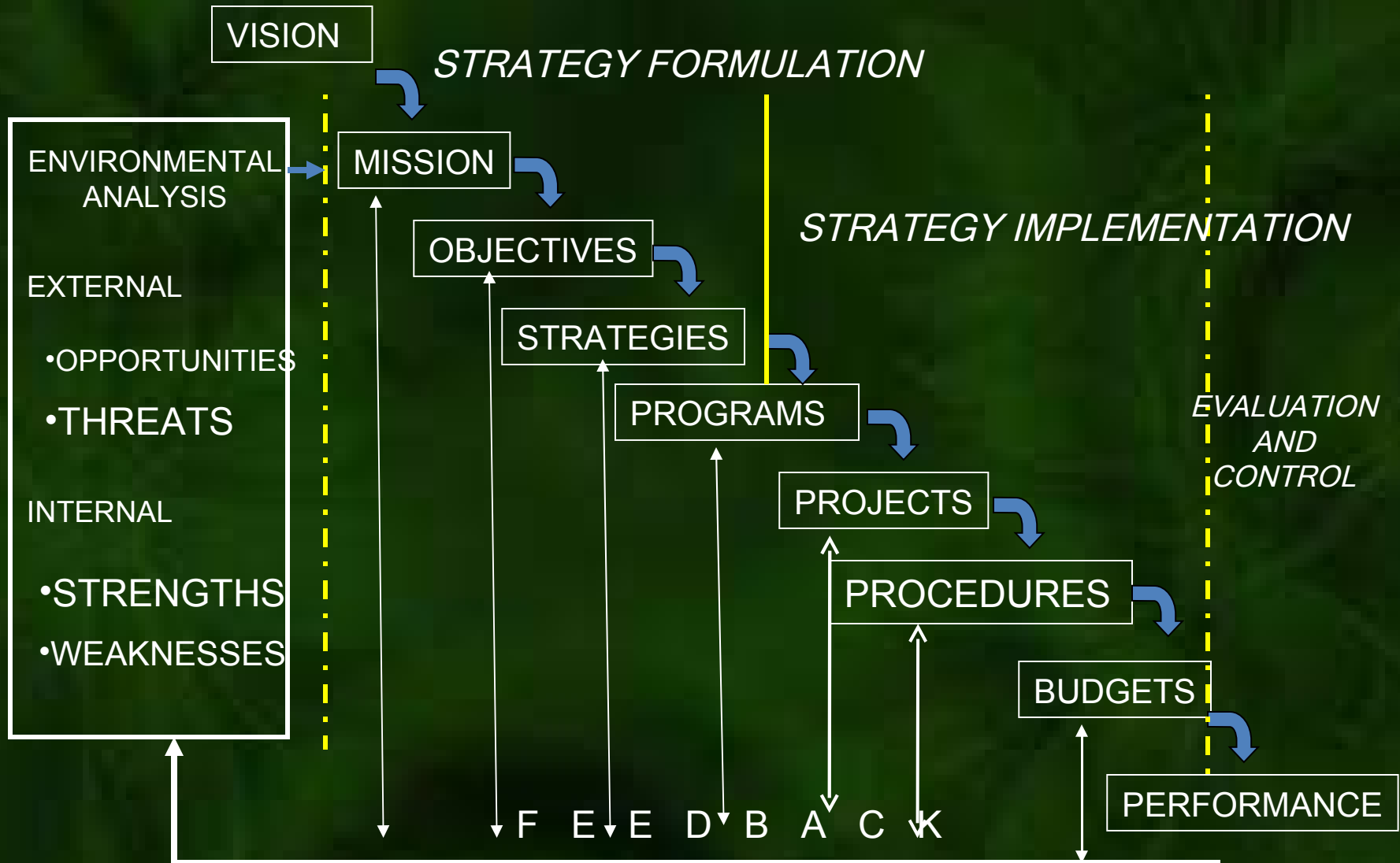
how you
wish to
get
there

when
you
want to
arrive

who
will do
the
work

how
much
you are
willing
to pay

STRATEGIC MANAGEMENT MODEL



Characteristics of a Useful Strategic Plan

(from Professional Practices in Association Management, John B. Cox, CAE, Editor, American Society of Association Executives, 1997)

A useful strategic plan exhibits many characteristics. Specifically, it should be:

- **A set of priorities.** Setting priorities allows for the plan to be adjusted according to changing needs or resources.
- **Achievable, time sensitive and measurable (ATM).** Remember, it's better to do a few things well than many things poorly. The plan should contain goals that are measurable and have deadlines.

characteristics of a useful strategic plan

- **Flexible and responsive** to changing conditions. The plan is a road map that may contain unforeseen detours such as unexpected crises, new opportunities, or changes in Resources
4. **Short and simple.** Plans that are more like a book will sit on a shelf. Keep it focused on the most important things to accomplish.

characteristics of a useful strategic plan

5. **A unit, not a menu.** A useful plan is not a wish book. Everything in the plan needs to be accomplished.
6. The **means to an end, not an end in itself.** The plan is the process by which it reaches its destination;
7. Based on a three- to five-year period. The strategic plan should be a **living document** that has a one-year drop off and a new year added so that it always covers the same

Visioning

Most well-managed and long-lived organizations display the trait of visioning. For strategic planning, a vision is a picture of the cooperative's desired future. This **“picture”** should set the stage for where the organization wants to go in terms of its performance criteria, standards, and basic organizational values. Key factors will appeal to common values and positive outcomes.

Vision Statement



Narra MPC is likened to a narra tree, a symbol of strength and prosperity.

“ we envision ourselves to be the best, efficient and productive cooperative, dedicated and committed in bringing prosperity and positive transformation to its members and the community”.

Mission Statement

The mission statement briefly, in a sentence or two, identifies the basic purpose and desire of the cooperative. It makes a concise statement that can be used to make decisions about the cooperative's future. It answers four fundamental questions:

1. What does the cooperative do?
2. Who are its clients?
- 3 . Who are the members of the cooperative?
4. How does the cooperative conduct itself?

Mission Statement

The mission statement of the San Joaquin MPC are :

- 3.Utilize all resources efficiently and effectively and bring about more better services to members, and in turn, more extensive utilization of the cooperative's services by the members for better economic and social benefits;
- 4.Promote better social relationship between and among officers, staff, and members
- 5.Bring its services closer to the members for a stronger mutual trust that should expand membership and touch the lives of more people;
- 6.Motivate and encourage the development of technical and management capabilities of officers and employees through continuing education;
7. increase resources through continuous capital build up and savings mobilization;
- 8.Strengthen existing cooperative businesses and activities; and
- 9.Provide affordable and quality services to the members' satisfaction

Goals

Every cooperative has goals. But, without formal planning, these goals may not be written and consequently become vague or incorrectly perceived by directors, the manager, the employees, or, worse yet, the members. This results in a lack of clearly defined focus.

Planners are responsible for carefully written statements of goals, objectives, and activities. Goals need to be consistent with the identified needs of the strategic choices. The appropriateness of goal statements is a top priority in strategic planning.

A goal is a **long-term vision** of what the cooperative is striving to become. It is a target for medium- to long-range accomplishment.

Goals should describe what the cooperative wants to achieve, They should be bold and exciting and have a clear finish line.

Goals should challenge the organization but be attainable.

Finally goals must be ranked by priority.

Goals should be developed with the following criteria in mind:

3)future oriented,

4)broad,

5)measurable,

6)action oriented (the goal statement must have a verb in it) and

7)the outcome must be specified. Goals should be well advertised to the membership and the cooperative's customers.

Goals

S
M
A
R
T

SMART

MEASUREABLE

ATTAINABLE

REALISTIC

TIME BOUND



The most helpful objectives have the following characteristics:

S- Stretching

M –Measurable

A – Achievable

R – Related to members

T – Time targeted



challenge the Manager/staff

quantifiable

realistic

improve service

to have an end date

Guided by our vision and true to our mission, we aim to attain:



1. A well-informed and loyal membership conscious of and performing its duties and responsibilities, and actively involve in the affairs of the cooperatives;
2. A strong and properly functioning Pook-Tulungan system that would enhance the active and democratic participation of the members in the activities of their cooperative and their community;
3. An enlightened and dedicated leadership willing and able to share its knowledge, time and effort for the welfare of the members, the cooperative and the community as a whole

4. A professional staff hired, compensated and rewarded on the basis of competence and performance, who will run the business and non-business activities of the cooperative with the full support and participation of the duly elected and appointed management bodies of the cooperative;

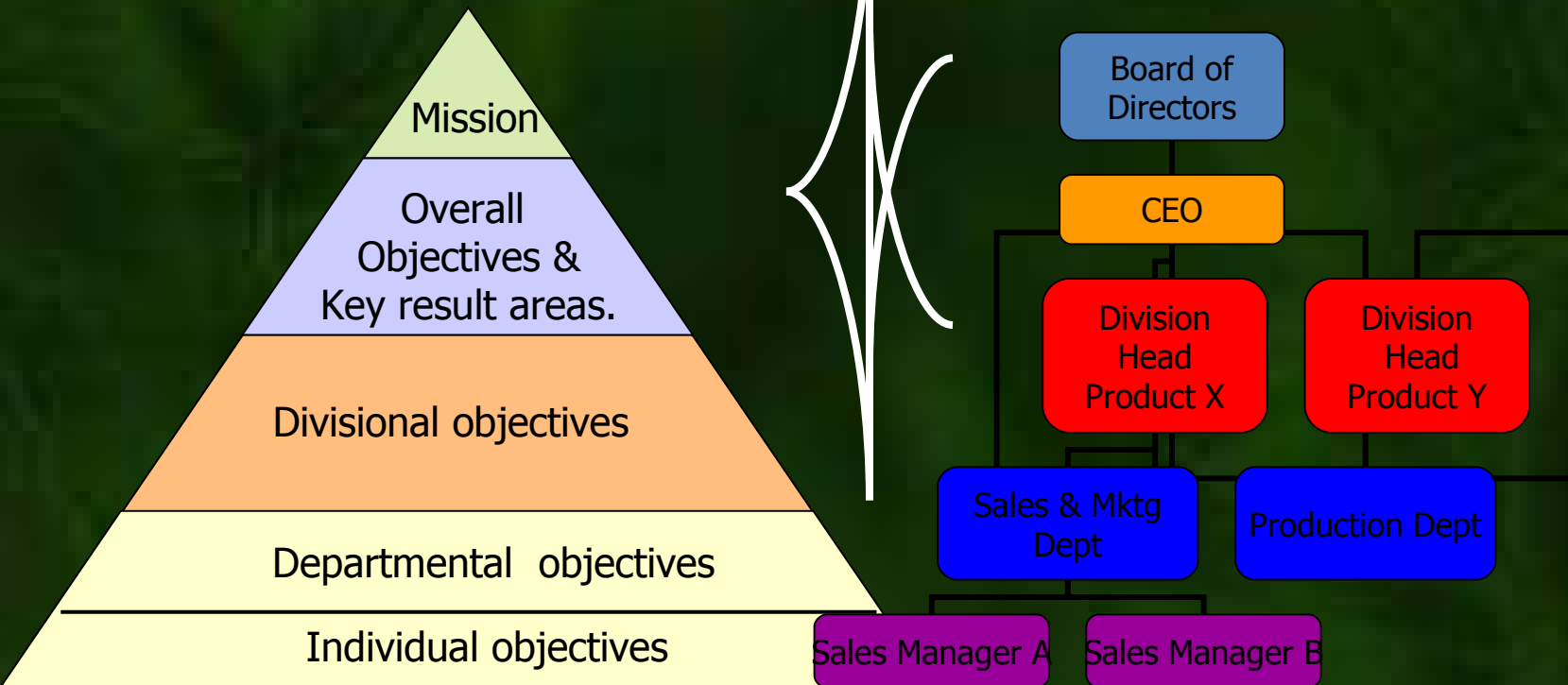
5. An efficient and effective management that would continuously strengthen the financing status of the cooperative through an effective savings and capital build-up program, efficient processing and collection of loans, improved systems and procedures and strong internal control mechanism; and

A giant cooperative



6. A continuous and effective educational and training program for the officers, committee members, pook-tulungan leaders, employees, and the general membership, responsive to the growing needs of the cooperative and the community.

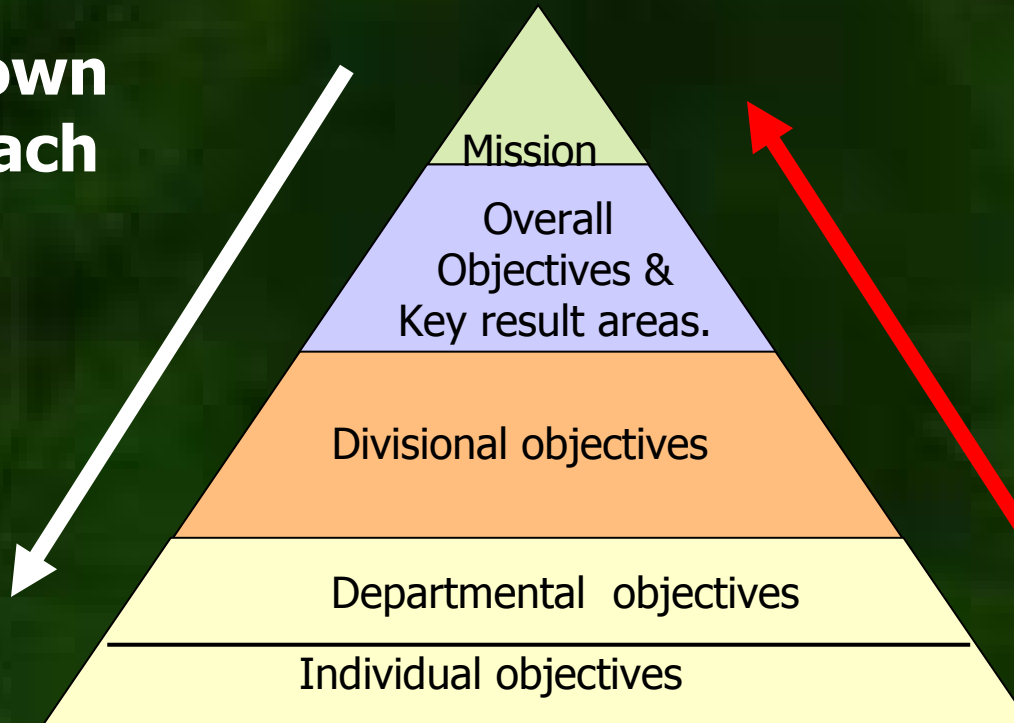
Hierarchy of Objectives & Org. Levels



Objectives set end results – they need to be supported by a hierarchy of sub-objectives, duly networked through the organization to avoid discord and wasted effort. Everyone needs to work to ensure that goals are met

Hierarchy of Objectives & Org. Levels ...ctd.

**Top-down
Approach**



**Bottom-up
Response:
The result**

While setting Objectives, ideally, Top Management should get information / 'buy-in' from lower levels to set realistic goals for a good result.

Determine operating **values**.

Must address good coop
behavior such as

- **fairness**
- **honesty**
- **concern for others**
- **commitment**
- **desire for**
- **excellence**

Determine operating **values**.

The cooperative principles cumulatively are the lifeblood of the movement. Derived from the values: democracy, equality and equity, self-help and self responsibility and solidarity have been infused the movement from its beginnings, they shape the structures and determine the attitudes that provide the movement's distinctive perspectives.



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