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The Editor's Perspective:

Event Impact Rapid Assessment Calculator (EIRAC): Disaster Damage Costing and Scaling

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ABSTRACT:

This study focused on the modification and application of Costing Model (CM) and it developed an Impact Rapid Assessment Calculator (EIRAC). To check the workability, the calculator was applied to an incident that happened at Cherry Hills Subdivision, Antipolo, Philippines. The application yielded the Total Damage Cost of the Event (TDCE) at US$ 5,244,483.00. The event was categorized as Major Disaster at Barangay level. Thus, provided decision makers and technical experts a platform to assimilate available resources from related agencies that could eventually lead to efficient, effective and economical Disaster Risk Management (DRM).

1. Introduction

Natural and man-made disasters cause unpredictable losses to human lives, houses, business and communities. The impact not only damages infrastructures,

livelihood and existing facilities but also causes suffering in terms of psychological disequilibrium even long after the disaster has occurred. These losses eventually affect the economy of the country. In order to understand and prepare for the response to and mitigate these risks better, it is important to improve knowledge about disaster impact and its costs. This action is needed to safeguard individuals and communities as a whole from devastating disasters through disaster management investment. Prior to the development of any emergency response
and application of Disaster Risk Reduction (DRR) measures, the kind and extent of economic damages (direct tangible, direct intangible, indirect tangible and indirect intangible) incurred and expected to be incurred by the impact need to be identified. It has been noted from experiences that the response and rescue activities
are disaster intensity specific. Thus, it is also necessary to know the intensity of the disaster in order to tap facilities of appropriate agencies and acquire related support. Lack of knowledge in hazard impact assessment could lead to costly and disastrous response endangering the environment, infrastructure and humans (Raza, 2002). Thus, there is a need for an operational definition of disaster, which can provide a clear basis to call hazard a disaster based on economic losses. For instance, in Australia, the Disaster Mitigation Research Working

Group (DMRWG) chaired by the Department of Transport and Regional Services (DTRS) provided threshold total cost amounting to Australian $ 10 million for an event to be called a disaster (DMRWG, 2001). Since there was no universally recognized common definition, the author provided a Costing Model (CM) in 2002 to estimate the Total Damage Cost (TDC) that would be incurred by hazard affected areas. Yet this study focused on modification and application of CM, comparing TDC with available economic resources to handle it at different geographic units namely: very immediate, Barangay /municipal/city, provincial/regional and national level in the Philippine context. These comparisons were used as bases in categorizing the intensity (i.e. minor, moderate, and major) of the disaster and consequently provided an operational definition of a disaster.

To perform this task the researcher incorporated costing, comparing and disaster intensity components in Microsoft Excel software and developed a so called Event Impact Rapid Assessment Calculator (EIRAC). This calculator allowed the user to fill in the pertinent data and get rapid estimation of Total Damage Cost of an Event (TDCE) and Expected Total Damage Cost of a Potential (ETDCP) event across each functional areas i.e., settlement, production, protection and infrastructure. Hence, using the same calculator, TDCE and ETDCP can be compared to the Per Capita Income (PCI) of the victims if the geographic extent is at the very immediate and barangay/municipal/city levels and Gross Domestic Product (GDP) if the geographic extent is at the provincial/regional and national levels.

In the Philippine context the threshold values considered in classifying the disaster are determined based on PCI saving of the victims to cope with the event and time period needs to have maximum recovery of GDP percent lost due to the event. Further, the geographical extent is primarily based on the political boundaries and secondarily on the number of affected population criteria set by National Disaster Coordinating Council (NDCC, 1998). To check the workability of EIRAC, it was applied to a particular past event that impacted Cherry Hills Subdivision at Antipolo City, Rizal, Philippines on August 3, 1999. The calculator yielded the following results: (1) filled up Rapid Assessment Form; (2) TDCE at US$ 5,244,483.00; (3) classified the event impact at Barangay level; and (4) categorized the event as Major Disaster at Barangay level. Based on EIRAC output, the policy makers and decision makers can respond to emergency situation rapidly. This also allows them to decide more accurately how much investment would be necessary for DRR activities.

2. Operational Framework

To collect pertinent data to estimate TDCE, the author designed a fill-in-blank called Hazard Assessment Form (HAF) and to estimate ETDCP, the author used the probabilistic approach developed by the Philippines National Economic Development Authority (NEDA, 2008). Furthermore, the researcher developed various formulas in calculating damage costs, comparing damage costs with economic indicators and determining disaster intensity. The following is the formula used to calculate TDCE or ETDCP:

$$ETDC_P \text{ or } TDC_E = \frac{Tt_n dd + Tt_n id + Ti_t dd + Ti_t id}{C}$$

(1)

Where:

ETDCP	Expected Total Damage Cost
TDCE	Total Damage Cost of an event
Ttndd	Total Tangible Direct Damage
Ttnid	Total Tangible Indirect Damage
Titdd	Total Intangible Direct Damage
Titid	Total Intangible Indirect Damage
C	US$ currency conversion rate to Ph. Pesos

In addition, figure 1 shows the operational framework that is incorporated in the Microsoft Excel software to determine the intensity of disaster and to differentiate hazard from disaster for the previous and expected events impacts.

In the Philippines the minimum requisite for creation of a Barangay is to have a population of 2000, and if the affected population due to the impact is less than 400 then the affected area will be classified as immediate level. In case of national level the affected population must be more than or equal to 20 percent of the total population of the country. The concept of 20 percent is adopted after one of the criteria for the declaration of state of emergency (NDCC, 1998).

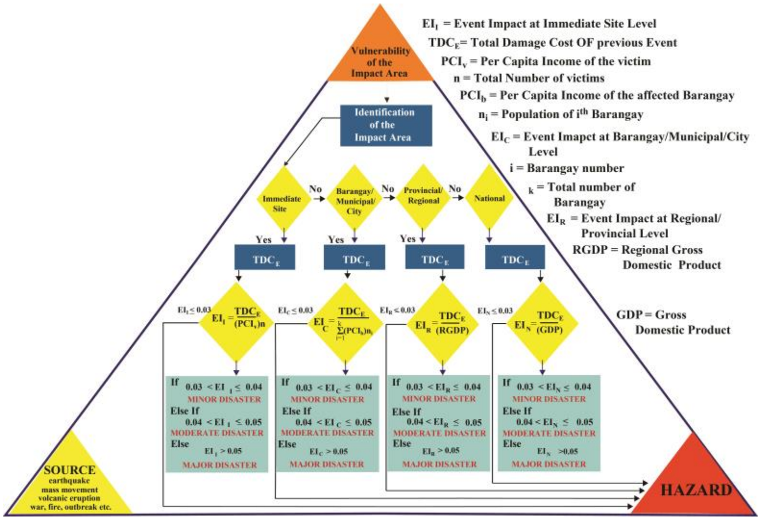

Figure 2.1 Operational framework incorporated in the calculator

3. Conclusion

With respect to economy of the impact area, a disaster refers to any incident, event, accident, or situation, whether man-made or natural, which causes quantifiable damages on an impact area, on a scale that renders economic growth unsustainable without external help.

The capacity to withstand impact varies from country to country and region to region due to different PCI and expenditure of that country or region and efficiency to recover falling GDP. Thus, the threshold values can be adjusted based on the area under study.

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Abstract No. 1

Title: The Impact of Hazard Analysis and Critical Control Points (HACCP) on Customer Satisfaction: A Basis for Improved Implementation in Selected Jollibee Stores in Metro Manila.

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1. Introduction

It is an acceptable fact that most organizations consider numerous factors when coming up with strategies. Corporate, business, functional, and operational level strategies are formulated using both internal and external factors (Wheelen T.L. & Hunger, 2010). The customers to be served and the capabilities to be developed are concepts that are oftentimes considered as part of the formulation of strategies (Hitt, Ireland, & Hoskisson, 2011). With this statement, the satisfaction of the customers is of prime interest. Good service and being sensitive to the protection of its customers, consumerism, for many fast food chains is considered a core competency, thus becoming their competitive advantage.

Furthermore, it is equally important that management consider the safety of their customers. The quality of the product oftentimes neglects the safety factor that customers also forget to consider. The Hazards Analysis and Critical Control Points (HACCP), a set of principles designed to make sure that food safety standards are put in place for members of the fast food industry as defined by the National Advisory Committee on Microbiological Criteria for Foods (NACMF), an organization chartered under the U.S. Department of Agriculture (USDA) that comprises participants from the Food Safety and Inspection Service, Department of Health and Human Services, the Centers for Disease Control and Prevention, the Department of Commerce, the Department of Defense, academia, industry and state employees (U.S. Food and Drug Administration, 2013). They also defined the HACCP principles and guidelines namely: (1) Conduct hazard analysis; (2) Determine critical points; (3) Establish critical limits; (4) Establish monitoring procedures; (5) Establish corrective actions; (6) Establish verification procedures; and (7) Establish record-keeping.

Making customer satisfaction the prime consideration of any service-oriented strategy of fast food restaurants automatically means the inclusion of both service quality and food safety. It is because of this that the researcher thought best to undertake the task of trying to explore whether the principles associated with the HACCP are deemed to be an influencing factor in the results projected by operations.

2. Conceptual Framework

The research paradigm of this study (Figure 2.1) was inspired by the Systems Approach. A systems approach assumes that a complex system is more than the sum of its component parts (Welsh & Ingram, 2012).

These inputs were collected using various forms of data collection such as surveys using different satisfaction and attitudinal scales. The data that were collected underwent analysis using different statistical tools. After having analyzed the data, the hypotheses that were constructed were tested. Apart from the testing of the hypotheses, the data were discussed and interpreted. The interpretations varied in terms of associations or disassociations between the variables that were presented and in terms of the differences in the responses of satisfaction and food safety functions between company-owned and franchise stores.

All these were taken into careful consideration and were confirmed using in-depth interviews and focus group discussions. The inputs and results were sent back to the respondents to check whether all the data that were included are true. The recommendations were given to JFC for their comment on the results of the study.

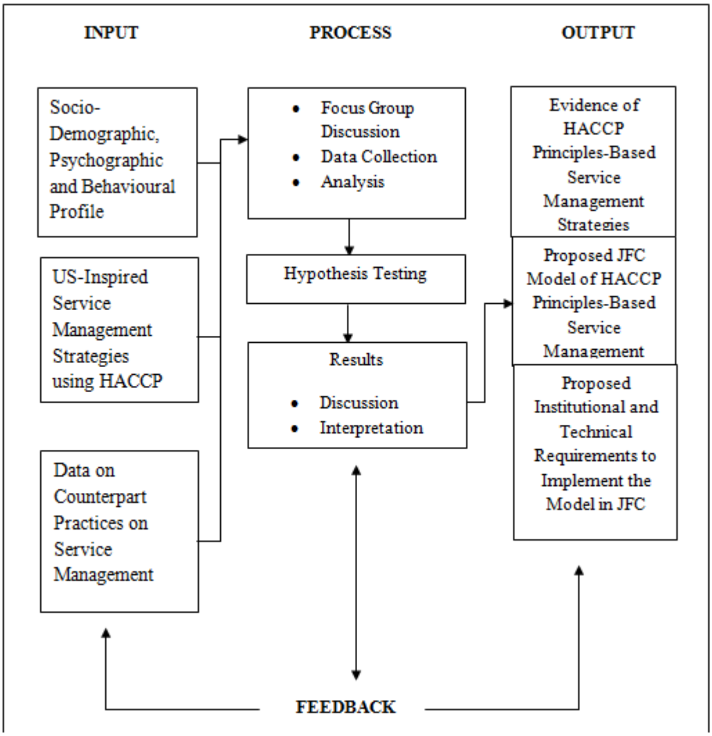

Figure 2.1 Conceptual Framework of the Study

3. Statement of the Problem

The purpose of this study was to investigate whether the formulation of service strategies using Hazards Analysis and Critical Control Points principles was related to customer satisfaction towards Jollibee Food Corporation restaurants in Metro Manila.

Specifically, the study answered the following:

3.1. What was the respondents' assessment of the level of effectiveness of the implementation of the Hazard Analysis and Critical Control Points in Jollibee Foods Corporation stores as perceived by:

3.1.1. Employees of company-owned stores; and

3.1.2. Employees of Jollibee franchises?

3.2. What problems were encountered by both customers and service crew during the implementation of the strategies?

3.3. What measures were taken to solve the problems that were encountered?

3.4. Was there any significant difference in the perception of customer satisfaction between customers and service staff and crew?

3.5. What action plan or program was recommended to make sure that the service strategies that were earlier formulated and implemented will be improved?

4. Significance of the Study

The study significantly benefitted the following after the results were elicited and were presented clearly in this paper:

No published study has been made by Jollibee Foods Corporation regarding its customer's experience now that it turned away from the previous strategies of just simply selling fast food products. This study gave a different view and perspective about how modern day customers reacted to the whole fast food dining experience and at the same time measure it. It has shown the customer's different dimensions. These dimensions can be used in JFCs effort to correctly make their products and their services attune not only to the needs of the customers but also to the personality of the customers.

5. Research Instrument

Two research instruments were used for this study. One research instrument was prepared for both the customers and the store owners, or service managers and crew, while the other was for the service staff and crew only. The Customer Satisfaction Survey Instrument was adopted from Fast Food Service Evaluation by Smith and Albaum (2013) of Qualtrics Labs Inc., marketing company in the United States that specializes in various survey researches. This instrument measures the customer satisfaction as perceived by both customers and service staff employees. This instrument is divided in two parts. The first part, composed of two categories (Food Quality and Restaurant) comprises 13 items that measure the customer's satisfaction towards the quality of the food that is served and the restaurant's facilities, ambience and employee service. The second part gathers the required demographic information of the respondents, particularly, the household income, age, and occupation of the respondents.

The second instrument was completed and it drew its inspiration from the research that was conducted by the Research and Evaluation Services (2001) in behalf of the

Food Safety Authority of Ireland, regarding HACCP and food safety systems. It was composed of four parts. The first part was intended to gather the general information from the service staff and crew-respondents. The second part was to explain in detail the respondent's awareness of HACCP and food safety practices/system. It also described the respondent's compliance of certain food safety practices. This part was composed of 70 items that used a range of agreement scales using a 5-Point Likert scale, multiple choices, ranking and dichotomous scales. The third part of the instrument tried to elicit responses from the respondents regarding their views on the problems that were encountered during the implementation of HACCP in their respective stores. It comprised 15 items that used both an agreement scale using a 5-Point Likert scale and multiple choices. The final part had items that were about the respondent's views regarding their organization's / store's training program for food safety and HACCP. It was made up of 12 items using both an agreement scale utilizing a 5-Point Likert scale and a dichotomous scale.

A separate research instrument was crafted for the Focus Group Discussion. The research instrument comprised open-ended questions for purposes of triangulation. In this way, qualitative data that were provided by the focus group discussion will explain further the results that were gathered from the quantitative data.

All research instruments have been structured using close-ended questions. Since the instrument has been developed earlier and has already been used by different business firms both in the United States and Europe, Content, Criterion and Reliability tests are no longer required. After all, these instruments are publicly available.

6. Statistical Treatment of Data

Data that have been collected need to be interpreted correctly. The most acceptable means of computing the data to reflect results that is acceptable by both the academic and professional community is the use of statistical tools. These tools are also responsible for aiding the researcher in giving interpretations that generalize the study.

The Measures of Central Tendency was used to summarize the data that were collected in answering Question Nos. 1 – 3 as posted in the Statement of the Problem. Specifically, the *mean*, *median*, and *mode* characterized the data that were summarized. This study frequently used the median since most of the data that were used were ordinal data. With nominal data, the mode is the only appropriate measure. It however provides the least precise information about central tendency. A combination of *histograms*, *scatterplots*, and *boxplots* were employed to elaborate the results that were likewise presented in tabular form. The Measures of Variability, particularly the *interquartile range* was used to measure how far away data are from each other. Standard Deviation is the most appropriate when one has normally distribute data. Although considered crudest, the range gives an indication of the spread in scores if they are ordered. Interquartile range is a very useful measure of variability for ordinal data.

The Mann-Whitney U test nonparametric test was used to present the results that were required to answer Question Nos. 4 and 5.Nonparametric tests are statistical tests applied to data that are ordered but grossly non-normal. The same test was also applied to test the first hypothesis that was postulated after the Statement of the Problem.

To test the second hypothesis, Logistic Regression was used. Binary (or binomial) logistic regression is a form of regression which is used when the dependent is a dichotomy and the independents are of any type. In this study, the outcome variables were recorded as dummy variables and were dichotomized. Multinomial logistic regression exists to handle the case of dependents with more classes than two, though it is sometimes used for binary dependents also since it generates somewhat different output described below. When multiple classes of a multinomial dependent variable can be ranked, then ordinal logistic regression is preferred to multinomial logistic regression. Continuous variables are not used as dependents in logistic regression. Unlike logistic regression, there can be only one dependent variable.

7. Conclusions

After a careful analysis of the results, this study has arrived at the following conclusions:

The level of effectiveness as measured by the employees' awareness of food safety and HACCP is satisfactory that most of the employees who answered the categories under the general awareness of HACCP principles, as well the other categories under HACCP and food safety issues were dominantly responded with TOTALLY AWARE or PARTIALLY AWARE. While in terms of their awareness of other HACCP and food safety trivialities, most of them responded positively. Then, it is also satisfactory that under the HACCP and food safety compliance had most number responded to TOTALLY COMPLIANT or PARTIALLY COMPLIANT. Subsequently, when employees were asked about having a HACCP Team (food safety team) in their respective store, majority of them answered YES. In addition to this, the level of effectiveness as measured by the employees' compliance of safety and HACCP are satisfactory as most of the employees answered the categories under the HACCP and food safety compliance domain responded positively when asked about the regular view and update of food safety in their respective stores.

In implementing HACCP principle, several complications arise that may affect the performance of Jollibee Foods Corporation. Most of these problems that were encountered during the implementation of HACCP and food safety systems were non-familiarity of the employees with the HACCP, the state of HACCP being too complicated to understand, the language problems in terms of comprehension and communication and the frequency of safety checks by authorities.

To address the problems encountered by the company during the implementation of HACCP and food safety, actions were formed and taken by the management, through trainings and building up commitment by both management and employees. The firm also adapts HACCP implementation, as a support from both the organization and the local government.

On the insight of the customers' and employees' mind, the customer satisfaction varies. It was concluded that there is a significant difference between customers and store employees in the perception of customers' satisfaction regardless of the type of chain. However there was enough evidence to suggest that in some categories under the customer satisfaction domain, the perception of customer satisfaction is not significantly different between company-owned and franchise stores.

Practical training in food safety and the number of employees who got on-the-job instructions were statistically significant, thus considered a predictor of customer satisfaction particularly on food quality satisfaction. On the other hand, the number of employees perceived formal instructions regarding food safety, and the organization's understanding of food safety as part of its legal obligations were statistically significant, hence, it is considered as a predictor for customer satisfaction, particularly, quality of service.

Practical training on food safety and the number of employees who got on-the-job instruction are both predictors of customers' satisfaction. Customer satisfaction is an overall affective reaction to all experiences with Jollibee, including its people, its process, and the products and services it provides, in addition to the store's recovery in response to problems. Customer maybe satisfied with some components of the store service delivery and not others; intermittent problems, however rare, if not, often, that are not addressed appropriately could decrease satisfaction.

Customer satisfaction is an overall affective reaction to all experiences with Jollibee, including with its people, its processes, and the products and services it provides, in addition to the stores' recovery in response to problems (Figure 7.1).

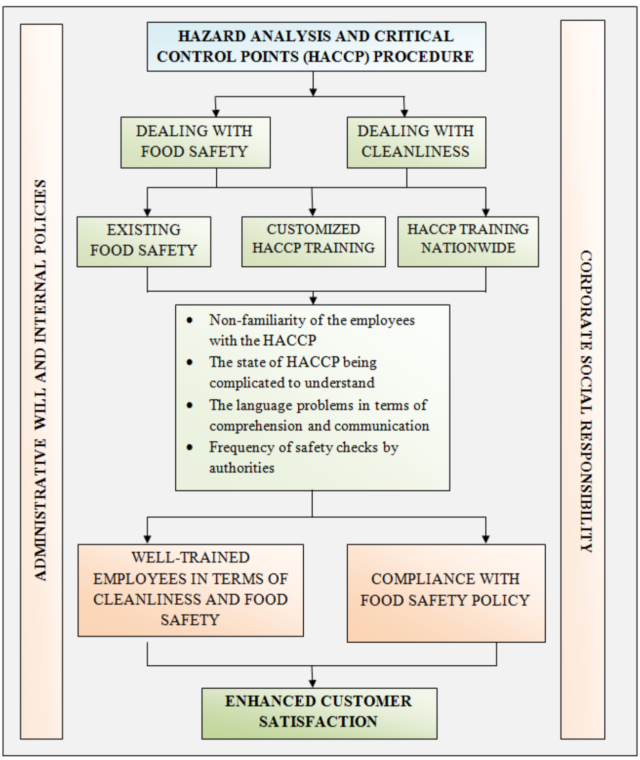

Figure 7.1 Customer Satisfaction Model proposed by the researcher

The study included all three facets in trying to explain its relationship with customer satisfaction. Evidently, one of the most important themes that came out was that of the inclusion of HACCP principles in all three aspects. HACCP training, whether formal or informal, was the underlying subject for the people, the process, and the product. To achieve total customer satisfaction, Jollibee needs to integrate the HACCP ideal, a timely realization since national legislation is moving towards the mandatory requirement of the HACCP accreditation in all quick service restaurant outlets by 2020.

8. Recommendations

Jollibee Foods Corporation mission statement is simple: *To serve great tasting food, bringing the joy of eating to everyone*. The firm centered its value proposition on offering customers a low cost, high quality product with consistent customer service. The value proposition required the corporation to work efficiently and implement smooth operational structure vital for providing consistency of product and service. The company regards its operational efficiency, reduction of waste, quality service, standardized products and high staff productivity as core success factors for its business.

However, with the advent of the global implementation of HACCP for food safety, much is needed to the changing corporate landscape. Jollibee Foods Corporation needs to ensure that HACCP is not only addressed as a manufacturing process but should also be considered a corporate function that needs to be prioritized from the highest down to the lowest level of the organization.

From the results that were gathered, an attempt was made to create an action plan based on the model that was proposed and recommended by the researcher as adopted from the U.S. Office of Personnel Management. The researcher thus states hypotheses that can be tested once the plan is put to action on food safety and the principles advocated by the Hazards Analysis and Critical Control Points to the entire corporate environment as this will add more value to the firms' guarantee of top quality products and customer service. This can be ensured by strengthening the established food safety system sponsorship and action team. Furthermore, to meet the above-mentioned expectations, the firm needs to prepare the food safety/HACCP action team by providing them HACCP trainings, policies, plans, and guidelines for individual JFC products.

8.1. Analysis and interpretation.

Collecting, reviewing and analyzing the data that individual stores submit are significantly relevant to the adoption of plans, policies and guidelines regarding food safety and the implementation of HACCP. The collection, review, and analysis of the pertinent data are significantly relevant to the seven principles being promoted by HACCP where key areas that involve understanding the definition and validation of the important food safety issues are all integrated.

8.2. Execution of action plan.

The framework that directs the firm to assess the changing environment has led to the hypothesis that the usual focus of food safety needs to be strengthened and upgraded to a more reliable and well-known standard to assure the delivery of the promised satisfaction to customers. Following the benchmarking guide that the model has set, it would just be logical to assume that after the implementation of the action plan there would be no differences in the level of compliance and of food safety standards and system, and HACCP. Ultimately, such actions would lead to a lasting solution of HACCP accreditation, a move that would further increase the customers' confidence on the firm and thus reach the satisfaction the firm has promised to its customers.

8.3. Advocacy awareness campaign.

Such actions need to be communicated to the corporate environment and involving HACCP awareness to those who are directly involved, be it on the commissary or store side. The above-mentioned plans in the business need to put into action to understand the impact it would make on the firm and on its stakeholders. Training and further commitment of the firm should always be checked. Therefore, in keeping with the HACCP principles, a system for monitoring and evaluating should be put into order in a more permanent manner. The final hypothesis, HACCP compliance and accreditation have further increased satisfaction not only to Jollibee customers but also to every corporate stakeholder.

Moreover, the researcher recommends that the institution of this action plan be undertaken within a period of two years. The hypotheses that were mentioned should therefore be used in studies that will be of similar nature anytime in the near future. A formal evaluation system such as indexes and key performance areas should be integrated in future studies.

Finally, it is highly recommended that the results of this study and future studies derived from this work be made public and readily available for future research studies concerning the food industry, be it in a franchise business model or traditional form.

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Abstract No. 2

Title: Mainstreaming Management Strategies of Selected Rural-Based Private Higher Education Institutions in Rizal Towards a Strategic Action Plan

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1. Introduction

Globally, Thomas Friedman (2005) in his "flat-world theory", acknowledges that there are some *three billion people* in *rural places of the world* served by rural-based higher education institutions (HEIs) like rural India, rural China, rural Africa and rural Asia, who still live in an "unflattened" world, struggling in the lower half of the *digital divide*. The ubiquity of the Internet has rendered geography meaningless; the raging global capital flows have eroded national economic sovereignty, transforming the world into a huge global marketplace that has vanquished competing ideologies and demolished trade barriers. Indirectly, this dissertation aims to present the challenging implications of these evolving global changes to the higher education sector, specifically, to all HEIs, big or small, rural- or urban- based. An evaluation of management strategies of Small rural-based HEIs in developing economies, like the Philippines, is therefore, an imperative, to say the least.

In the Philippines, Private HEIs play a significant role in the delivery of college education, considering that majority of the student-population are served by these private institutions. Higher education institutions (HEIs) are, strategically, at the apex of every country's educational system. The human capital needed for development comes from HEIs. The work-force requirement to move the economy comes from the academe, as well as studies and researches for new products and services, to improve the production of industries, or reengineer the present systems for better quality output and overall excellence. It is, therefore, imperative to evaluate the management strategies of HEIs as basis of strategic action plan for our education stakeholders.

The main objective of the study is to mainstream the management strategies of rural-based HEIs concerning the following:

Administration; The study delved on the marketing aggressiveness and enrollment efficiency of rural-based private HEIs.

Course Offerings; The research focused on the responsiveness of the program and its costs or affordability

Faculty; The study centered on the teaching approaches of the teaching personnel in private rural-based HEIs.

Physical Facilities; The study focused on the two aspects of physical facilities which are deemed directly related to the teaching learning process: whether the classroom is traditional or IT-based and whether the campus facilities, in general are low tech or high tech.

2. Conceptual Framework

The developed framework begins with the concern of students and administrators that are verified by primary data collection. The data were collected through strategic planning workshop, focus group discussions and survey questionnaires conducted with administrators, students and selected parents. The collected data were analyzed using managerial planning qualitative tools *i.e.,* strength, weaknesses, opportunities and threats, (SWOT) and appropriate statistical compendiums. The output of the analysis was used to determine what solutions would be applied in rural HEIs to enhance administrative functions, improve course offerings, enhance faculty performance, improve physical plant facilities and provide an action plan in resolving crosscutting administrative and student issues. Further, the framework leads towards developing a strategic planning template for rural HEIs; thus, eventually developing a strategic action plan for rural HEIs. See figure 2.1 for understanding.

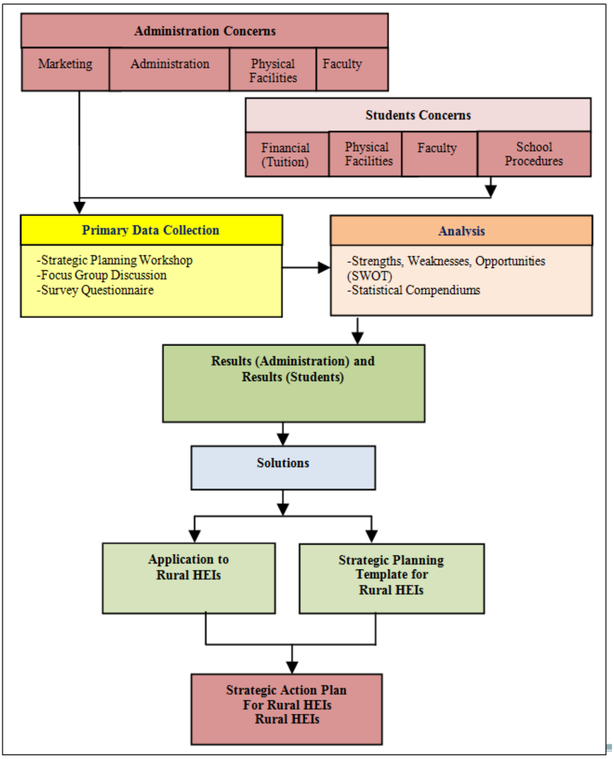

Figure 2.1 Conceptual Framework of the Study

3. Hypothesis

The following null hypotheses were explored:

3.1 There is no significant difference between the input factors of the present and the next 5 years.

3.2 There is no significant difference, investment-wise, between the input factors of the present and the next 5 years.

4. Statement of the Problem

Basically, the problem that this dissertation shall attempt to answer is to find out the suitable management strategies of selected rural-based private HEIs in Rizal, that may serve as a basis for mainstreaming strategic action in private HEIs management. We are zeroing in on management strategy, per se, because it is both present- and future-focused. Likewise, it deals both with certainties and possibilities, as well as, implicit and explicit assumptions.

Descriptive and integrative, this paper will dwell on the following management strategies of rural-based HEIs, with respect to: Administration, Course Offerings, Faculty, and Physical Facilities (including Library and IT facilities).

The study shall try to answer the following questions:

4.1 What is the assessment of the management strategies of the subject rural-based HEIs, on the following areas?:
--Administration
--Courses (Degree-programs) Offerings
--Faculty
--Physical Facilities (Library and IT)

The parameters, such as indicators and measures, for each of the above, shall adopt the indicators and measures, found in a typical PACUCOA instrument for Accreditation. The importance of the above-mentioned factors (e.g., administration, courses offered, etc.) shall be explored qualitatively (through an FGD session) and quantitatively (through a field survey).

4.2 What are the problems encountered by these HEIs? As this is a relatively new area of inquiry, survey of literature on the problems of rural-based HEIs is practically nil. Hence, problems met by the officers of the subject HEIs shall be explored and discussed. This is important because in any scientific inquiry, like a dissertation, problem-definition is the basal reference point.

4.3 What measures are needed to improve the system along the line of Edward Deming's *Continuous Improvement process?*

4.4 Is there any significant difference among the various input factors enumerated in item 1 above?

4.5 What strategic action plan can be recommended pursuant to the output of the analysis done on the collected data, and existing mission and vision of institutions covered by this research?

4.6 What strategic model should be recommended aligned with the strategic template for Rural HEIs?

Specifically, through a field survey, the study shall also try to research on the following:

a. Which among the input factors enumerated in the research paradigm has the greatest influence on the present management strategy of the school?

b. If they (respondents) have their way, how would they rank those input factors, with respect to importance?
c. Among the input factors, which is given the highest emphasis by the school, investment-wise?
d. If you (respondent) have your way, which among the input factors should be given the highest emphasis, investment-wise?
e. Among the input factors, which do you think need to be improved by the school management over the next 5 years?
f. What are your recommendations to improve the present management strategies of the school?

5. Significance of the Study

In general, this dissertation aspires to serve as basis for strategic planning of private HEIs in the Philippines. The output of this dissertation could help fill the knowledge-gap that may serve as critical information in the strategic planning of decision-makers in colleges and universities. The output may also serve as a compass for educational policy-makers as they chart the destiny of the institution. Likewise, the significance of the study can be viewed relative to our collective efforts to take up the new challenges of mankind in the 21st century, which requires the strategic participation of the education sector and all stakeholders. This proposition is based on the premise that education is integral to social development; and that the benefits of higher education must reach the marginalized, improve the quality of life, promote social equity, and diminish the gap between the rich and the poor. And the evolving global changes (e.g. increasing competitiveness of college graduates in the global marketplace, changing competency requirements, etc.) affecting the higher education landscape, whether urban-based or rural-based HEIs, are crucial to the economy of all countries, big or small, developed or developing; higher education being at the apex of every country's educational system. The impact of such changes is even more crucial to small rural-based colleges in developing economies, like the poor countries of Asia, which are in the lower half of the digital divide.

Tangentially, the significance of this dissertation can be appreciated in relation to the following developments; The increasing internationalization of academic offerings/curricula to meet the manpower requirements for knowledge workers in the global market, driven by advances in ICT, the greatest "collapser" of time and space; Increasing techno-based teaching-learning methods in both traditional and non-traditional classrooms, e.g., internet-based, e-learning, computer-aided-instructions; changing demographic profile of students and faculty brought about by increasing academic linkages among universities; impact on the higher education market of regional economic alliances; growing concern on competitiveness and people empowerment among developing economies of Asia; and impact of the Millennium Development Goals and the compelling necessity of poverty alleviation.

6. Research Design

The research design is exploratory and descriptive, to answer the statement of the problem, as well as the hypotheses. Said design is deemed appropriate to the objectives of the study. Qualitatively, the issues covered by the dissertation were explored via three focus group discussions (FGD) employing an impartial facilitator, all conducted in separate dates and neutral venue. The three FDG panels were for school administrators, students, and parents. Each FGD panel, consisted of eight to ten respondents, representing the six subject schools. Quantitatively, using validated self-crafted survey questionnaires, one for administrators and another for students/parents, the input factors mentioned in Chapter I were assessed to elicit relevant descriptive and inferential statistics, where respondents from subject institutions (at least, 30 to 100) were polled. In sampling statistics, 30 is considered as big sample already, in which reliable statistical inferences or measures can be drawn already. SWS is known to employ a sample size of only 1200 respondents, even less than 5% of the Philippine population in its typical research studies. Said outfit could already elicit a high 95% confidence level and only 3% acceptable error, at the said sample size level. This is because in sampling statistics, higher than 30 sample respondents is classified as big sample already, from where we can draw valid and reliable values at either 95% or 99% confidence level. For another, what is paramount in statistical sampling is the quality and/or representativeness of the sample respondents.

The composite design, i.e., involving both qualitative (FGD) and quantitative (field survey) was deemed suitable and appropriate relative to the focus of the dissertation. The FGD sessions aimed to elicit only the relevant issues/topics to be covered and/ or validated by the field survey. The said design, more or less ensures, that the conclusions of this dissertation can hold, on a *ceteris paribus*, presumption.

7. Statistical Treatment

SPSS Version 16.0 was used in the statistical treatment of the data gathered. Descriptive statistics used were Measures of Central Tendency, such as Mean; Measures of Variability, such as Standard Deviation; on the other hand, standard inferential statistics were employed like Pearson and Spearman’s *rho*. Measures of central tendency show the unifying characteristics of the sample, while the measures of variability explain the variances of the sample respondents. The inferential statistics explain the relationships of the sample statistics and the values of the population parameters – as can be demonstrated by the parameter estimation, hypothesis testing, and the determination of significant differences.

8. Conclusions

The result-and-output of the study was very categorical on the following strategic aspects:

8.1. Marketing is a crucial function that the administration of private rural-based HEIs must focus on. As shown in table, with regard to administration, in terms of marketing, the computed F-value of 3.76 was obtained with a probability value of .006.This rejects the null hypothesis which states that there is no significant difference on the administration aspect of the HEIs in terms of marketing. Thus, marketing strategy of selected HEIs differ significantly. On the other hand, in terms of enrolment, management strategies of the selected schools did not differ significantly. Philip Kotler, the world-renown marketing guru has enunciated in his books that today is the marketing century, which means that all entities, on the surface of this planet, whether "for profit" or "non-profit" organizations must do marketing.

8.2. Course Offerings do not differ significantly, but tuition fee does. With regard to courses offered, in terms of degree programs, the null hypothesis is accepted since the computed F-value of .69 obtained a probability value of .630. This means that management strategies among the selected HEIs did not differ significantly. On the contrary, in terms of tuition fee, the computed F- value of 2.77 obtained a probability value of .028. This means that management strategies in terms of tuition fees among the HEIs differ significantly.

8.3. On Faculty. With regard to faculty, in terms of teaching approach and specialization, management strategies among the HEIs did not differ significantly since the computed F-values of .84 and .16 obtained probability values of .527 and .873 , thus this fail to reject the null hypothesis. This may be due to the fact that Faculty is one of the key factors in today's Accreditation of HEIs.

8.4. On Physical facilities. On the other hand, with regard to physical facilities, in terms of classrooms and campus facilities, the null hypothesis is rejected since the computed F-values of 4.01 and 2.84obtained p-values of .001 and .0025. This means that management strategies among the HEIs differ significantly in terms of classrooms and campus facilities. Likewise, physical facilities are looked into as crucial in a typical Accreditation process, whether under PACUCOA, PAASCU or AACUP.

9. Recommendations

The following are the recommendations to align the suggested Model (Figure 9.1) with the Strategic Planning Template for Rural HEIs.

9.1. Strategic action plan of private rural-based HEIs must give emphasis on marketing the institution. Sustained and cohesive efforts to create institutional brand awareness and interest in the school must be the center piece of the school's strategic action plan. Collective and orchestrated efforts of all stakeholders to market the school must be pursued. Gone are the days when educational institutions, like monasteries, stay away from the tools and practices of commercialism, according to Philip Kotler and other marketing gurus of the 20th and 21st centuries. We are now in the Age of Marketing and that is a compelling reality of our milieu.

9.2. With respect to the Administration, besides marketing, the top 3 recommendations, include, "increase staff salary," "computerization of all school transactions," and "online registration and enrolment system." There is a need to plan and to fund continuing professional development of both faculty and staff; ensure competitive compensation package for faculty and staff, supported by the proper implementation of in-place performance measures.

9.3. With respect to Course Offerings, the top 3 recommendations include, “revision of curriculum,” “offer additional courses in the undergraduate and graduate programs”, and “offer other relevant courses.” The offering of short courses to ride current industry requirements must be looked into by the school administration. The eventual offering of other degree-programs must be given due consideration, relative to market positioning and the crucial requirements of the 2015 ASEAN Integration. The strategic action plan must also include the school’s degree-programs Accreditation and tie-ups with companies from relevant industries.

9.4. On Faculty. The top 3 recommendations are all about “additional compensation for teachers” and continuing faculty development, like “trainings and seminars” and “encourage faculty to pursue graduate education.” According to the late Dr. Armand V. Fabella, the faculty members are the pillars of educational institutions.

9.5. On Physical Facilities. The top 3 recommendations cover upgrading of computer facilities and overall classroom environment. Again, without over emphasizing the obvious, the physical facilities have crucial effects on the teaching-learning environment.

9.6. It is hoped that the results provided by this present study can guide policy-makers in crafting their school's strategic plans. Looking at the larger picture, the above-mentioned recommendations in this study must be sustained with sincerity and integrity by private rural-based HEIs, devoid of corporate greed, but focused on the delivery of quality graduates.

9.7. Education is a vital function of government, as evidenced by its dominant share of the national budget. As a *recommendation*, this dissertation is imploring the government (through DepEd, CHED, and TESDA) to revisit its policies concerning the private HEIs in view of their herculean load in the delivery of education.

9.8. Since marketing surfaced as the key area for improvement, a three-step strategic planning innovation is hereby proposed:

9.8.1. Conduct a situation analysis. Suggested tools for this are the standard SWOT Analysis, the 5-Factor Analysis of Michael Porter, and the Balanced Scorecard of Robert Kaplan and David Norton. The mechanics of these tools are readily available in contemporary literature. Specifically, for the SWOT Analysis, a cross-tabulation of the strengths and weaknesses (on the y-axis) and opportunities and threats (on the x-axis) is recommended to identify the strengths to be maximized relative to the opportunities and threats in the environment; and vice-versa, the weaknesses to be minimized. The Balanced Scorecard has been hailed by *Harvard Business Review* as one of the 75 most influential ideas of the twentieth century (Niven, 2003). Since its conceptualization and introduction in 1990 by Robert Kaplan, an accounting professor at Harvard University, and David Norton, a consultant from the Boston area, the Balanced Scorecard has been embraced by organizations around the world.

9.8.2. Revisit the institution's mission/vision and values. This hopes to answer the question of what the school wants to be. Theoretically these are influenced by, and very sensitive to the obtaining environmental PEST, i.e., the political, economic, social, and technological environment. A review every five years is hereby recommended.

9.8.3. Outline your action- program for the next 3 to 5 years. This hopes to answer the question of "How do we get there?" Basically, this pertains to the mainstreaming of management strategies covered by this dissertation, relative to administration, faculty, course offerings, and physical facilities. An action-program would require a corresponding budget and manpower support, among others.

9.9. In order to comply with the last problem question of the research, the following Figure 5.1 is the suggested strategic planning model to be aligned with the strategic planning template for rural HEIs.

A 5-year planning cycle is deemed appropriate for strategic planning in schools; that would be time enough for major changes to set in and incubate that must be addressed by the management of the school.

The planning shall commence from environmental scanning to be initiated by the school management. Standard tools for this like SWOT, 5-Forces and Balanced Scorecard may be used for this phase. The product of environmental scanning shall be used to refine the school's mission/vision. The mission/vision shall be the lynch-pin for the strategic planning concerning the factors covered in this dissertation, such as, administration, faculty, courses offered, and physical facilities. The strategies shall then be reviewed after the 5-year period and every 5 years thereafter.

A Pro-forma Strategic Plan Model. Parts of a strategic plan model for higher education institutions (HEIs), is hereby proposed. Basically, a strategic plan answers three questions: Where are we now? "Where do we want to go ?" and "How do we get there?" Items I and II below, answer the first question; Item III answers the second question, while item IV address the last question.

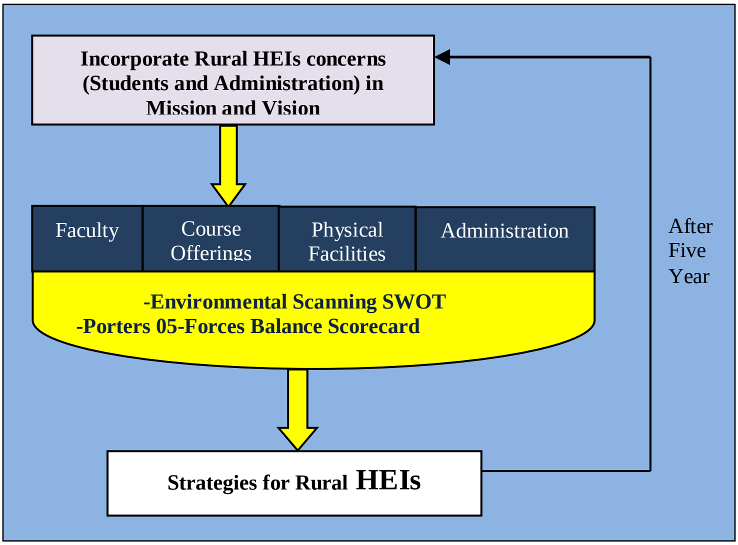

Figure 9.1 Strategic Planning Model

I. The Higher Education Market. This part should describe the size of the market in terms of enrolment potential, as well as its average growth. In Eastern Rizal, for example, the potential market is estimated at no less than 10% of the population (youth, of collegiate age, 15-25 yrs. old), growing at an average rate of 2.5% per annum.

II. Competition. This part should enumerate the various competitors (HEIs) in the market, the degree programs they are offering, their campus facilities, tuition fee rates, remuneration of faculties, etc. In Eastern Rizal, for example, the higher education market is composed of no less than 10 private institutions and 1 government HEI.

III. Strategic Objectives. This part should be able to enumerate the objectives, as jointly defined by the school's board of directors, the president of the institution, together with the academic officers, for the following:

III.1. Enrolment target, in percent (%); relative share of the market
III.2. New degree-programs/courses
III.3. Projected increase in tuition fee

IV. Strategies. These are outlined in the following strategic plan matrix, covering the areas treated in this dissertation, such as administration, faculty, courses offered, and physical facilities. The matrix is for a 5-year period, which is deemed, time enough for some major changes to set in or incubate. But the cycle can be reduced to 3 years, depending upon the urgency of the change or development that has to be addressed.

V. Budget. For HEI, the budget is enrolment-based because revenue is likewise, enrolment-based. Hence, the forecast for enrolment is crucial. The key elements of the budget that have direct effect on enrolment forecast are marketing expenses, course–offerings and rates of tuition-fee. In a top-down budgeting, the budget is recommended by the President to the Board of Trustees, which has the approval prerogative. Specifically, the marketing budget is pegged to the enrolment forecast. Hence, the succeeding year's marketing budget largely depends on whether the preceding enrolment forecast is achieved or not.

VI. Profit and Loss. The Profit/Loss statement is the basic control document of the President and the Board of Trustees. It is the monitoring device along the way, either to support or reduce the budget, depending upon the effectiveness of the planned activities. Especially for private HEIs, this document is important because the Board is answerable to the investors.

10. References

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Abstract No. 3

Title: An Evaluation of Organic Rice Industry in the Province of Nueva Vizcaya : Enhance Productivity Model

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1. Introduction

This study will strengthen the organic rice industry of Nueva Vizcaya through enhanced productivity model proposed by the researcher. This can also be used by other provinces in addressing their concerns on organic rice farming. The objectives of this study are to assess the level of organic rice industry in the Province of Nueva Vizcaya as perceived by its stakeholders in terms of productivity on production, quality and cost; to evaluate the importance of the actors in the supply chain; to determine the problems encountered by suppliers, farmers, processors, traders, institutional buyers, and end-consumers, government institutions, non-government organizations, and accrediting agency as to the productivity; to evaluate the stakeholders' proposed measures to improve the productivity of the industry; and to calculate the significant relationships between farmers' needs and government institutions and non-government organizations' program on organic rice. Determining the assessment level, importance of the actors in the supply chain, problems encountered, proposed measures, and programs of government institutions and non-government organizations, as well as buyers' requirements and traders' marketing strategies completely evaluate the organic rice industry of the province. Needs of farmers must be responded to produce more yield with better rice quality at lower cost of production.

Productivity is considered a key source of economic growth and competitiveness. Organic rice farming is a choice and a way of life. It does not only protect the environment but also protects the health of the farmers as well as stakeholders. It was reported that agriculture is the major contributor to emissions of methane, nitrous oxide, and carbon dioxide, on a global scale. Agricultural land use in the 1990s had been responsible for approximately 15% of all greenhouse gas emissions (Kotschi&Samann, 2004). Heavy use of pesticides in industrial agriculture can cause cancer, endocrine disruption and reproductive dysfunction for workers and consumers (Horrigan, Lawrence and Walker, 2002).

The Philippine government is promoting, propagating, developing and implementing the practice of organic agriculture through Organic Agriculture Act of 2010, RA 10068. This law is one way of addressing the concern of Kyoto Protocol, an international agreement linked to the United Nations Framework Convention on Climate Change, which commits its Parties by setting internationally binding emission reduction targets (P. Balao, personal communication, July 15, 2014). The vision of Organic Agriculture is that at least 5% of Philippine agricultural farm areas practice organic farming.

Rice is a staple food for over half of the world's population including Philippines. A Filipino meal is not complete without rice being served on the table. Organic rice cannot supply the world's food demand because it takes longer to harvest compared to the commercial white rice. If the world will wait for its food to grow at a pace of organic rice, half will be hungry which would cause riots and wars (Gamboa, 2013). There is a diminutive conflict on the mandate of the Department of Agriculture (DA) which is to increase production. This institution encourages farmers to do organic rice farming. As observed during the transition period from conventional to organic farming it is very costly, high labour intensive and the yield is very low. Usually the conversion period takes one (1) to three (3) years. During transformation period, yield will definitely decrease, thus a little skirmish on the mandate of the institution. Moreover, this study will give the guidelines on increasing the yield, improving the quality of organic rice, and decreasing the cost of production which will encourage more farmers to be an advocate and practitioner of organic rice farming.

2. Conceptual Framework

The industry will be assessed on production, quality, and cost by the different stakeholders. Figure 3 shows the specific variables related to enhance productivity. The following are under production: current yield per cropping, farming practices, and factors affecting production. For the quality: farming practices, processors milling procedure and organic certification are the factors to be assessed. Acquiring an organic certification from the accrediting agency will make the product more valuable. Lastly, cost will be assessed based on production cost and price of organic rice.

The supply chain begins with the suppliers where farmers buy their raw materials such as seeds, fertilizers, and pesticides. After post-harvest, farmers have the options to choose whom to sell their produce. The first option is to sell the organic rice directly to institutional buyers and/or end-consumers. Second, the choice to sell to traders where the farmers can deliver the crop to traders or the trader will be the one to get the crop from the farmers' place then sell it to end-consumers. The product involved can be *palay* or rice depending on the negotiation of the two parties. The last option is to sell to processors, and then these processors will sell it to traders before reaching the final consumer or simply the processors will sell directly to end-consumers. Knowing the importance of actors in the supply chain will determine the critical areas that will help improve the facilitation of the distribution of the products.

Problems encountered on productivity by the stakeholders will be determined; thus, proposed measures that must be formulated to solve the problems. Programs administered by the various government institutions as well as NGOs make farmers more knowledgeable about the industry. Proper and decisive timing on the implementation of the program is very important because farmers have scheduled cropping. However, because of climate change sometimes their schedule varies. Furthermore, the programs must be suitable to the needs of farmers.

What are the marketing strategies of traders when it comes to packaging, labeling, pricing, distribution and promotion? It is important to know the strategies of the traders to improve the quality of organic rice that they sell. Some traders buy the produce as *palay* then they process and package the rice. The better packaging, labeling, pricing, distribution and promotion make the organic rice enter national as well as international market. The more markets to serve, the more organic rice will be produced. But what are the requirements of industrial buyers and end-consumers when it comes to quality, quantity, packaging, labeling and price? Knowing the needs of the buyers is a great help to enhance the productivity of the organic rice.

3. Statement of the Problem

This study evaluates the organic rice industry in the Province of Nueva Vizcaya for the researcher to develop a model for enhanced productivity towards increased production, better quality, and lesser cost. Specifically, it intends to answer the following questions:

1. What is the assessment level of the organic rice industry of Nueva Vizcaya as perceived by its stakeholders in terms of productivity on production, quality and cost?
2. How important are the actors in the supply chain?
3. What are the problems encountered by suppliers, farmers, processors, traders, institutional buyers and

end-consumers, government institutions, non-government organizations, and accrediting agency as to the productivity of the industry?
4. What are the stakeholders' proposed measures to improve the productivity of the industry?
5. Are there significant relationships between farmers' needs and government institutions' and non-government organizations' program on organic rice?

4. Hypothesis of the Study

There are no significant relationships between farmers' needs and government institutions and non-government organizations' program on organic rice.

5. Significance of the Study

This study deals with the development of a model to enhance the productivity of organic rice in the province. The results of this research paper will benefit a number of sectors such as the province of Nueva Vizcaya, actors in the supply chain, different government agencies, and non-government organizations, as well as the environment and the stakeholders.

Through this study the province's organic rice industry will be strengthened. More organic rice will be produced; thus, more markets will be served domestically including international market. Hence, the province will be of great help in boosting the Philippine economy. Through the output of this study which is enhanced productivity, more farmers will be encouraged to convert from conventional to organic thus a better chance to meet the objective of National Organic Agricultural Program which is to achieve the goal that at least 5% of the total agricultural area must be devoted to organic farming. Furthermore, this study will help the province be ready for the ASEAN Integration where it may adopt the model developed by the researcher to produce internationally competitive organic rice.

Through this study, more farmers will be benefited because their needs and problems will be determined. Also, it will uplift their lives because the model developed by the researcher will help enhance their productivity towards increase production, better quality and lesser cost. Also, food security of organic rice in the province will not be far-fetched.

The importance of the actors in the supply chain will be determined. Determining critical areas in the supply chain will further improve the operational efficiency of the industry thus lesser cost in distribution. Farmers and consumers will be benefited by this study as their issues and concerns will be addressed.

This paper will provide government institutions, non-government organizations, as well as accrediting agencies, insights on the industry. Moreover, they can use this study as their basis for developing future programs to respond to farmers' needs.

Studies show the use of chemical fertilizers and pesticides can cause harm to the health and environment, thus the more farmers who do organic rice farming the better health for the farmers and better environment for us. Moreover, this research will provide recommendations on how to increase the productivity, advocating organic rice through disseminating the importance of organic rice farming to the teachers and children, and future research topics that researchers will conduct to develop the organic rice industry of the province. Lastly, the result of this study can be used by other researchers to address their issues on organic rice industry.

6. Research Instruments

A structured questionnaire was used in gathering the data. There were seven (7) questionnaires for 1) suppliers, 2) farmers, 3) processors, 4) traders, 5) institutional buyers and end-consumers, 6) government institutions and non-government organizations, and 7) Nueva Vizcaya Participatory Guarantee System (NVPGS). Every questionnaire for the respondents was divided into two parts. The first part was survey questionnaire focusing on quantitative approach and the second part was personal interview with structured questions focusing on qualitative approach. However, for the questionnaire for farmers it was purely personal interview because of the technical words that need to be explained.

7. Statistical Treatment

1. The assessment level of the organic rice industry of Nueva Vizcaya as perceived by its stakeholders in terms of productivity was determined through descriptive statistics; the mean, median, and standard deviation were computed.

Descriptive statistics particularly the mean or the median summarizes a group of data to a single value that represents the dataset. It was applied to the datasets of every stakeholders' group to determine the groups' assessment of the organic rice industry of NV in terms of level of productivity, quality and cost.

2. The importance of the actors in the supply chain was computed through; mean, median, and standard deviation were computed.

Also, to determine the importance of every actor in the supply chain, every group's assessment of each other was computed using mean and medians. The medians were used instead of the mean on datasets with significantly non-normal distribution. This is usually detected when there is disagreement between the meanings of the computed means and medians in a dataset. The importance of a stakeholder is then determined from the collated means/medians of the other stakeholders.

The respondents were asked through open-ended questions and rate each actor according to the degree of significance: very significant (4); significant (3); not so significant (2); and not significant (1). An open-ended question was conducted through personal interview to know the real importance of each actor.

3. The problems encountered by suppliers, farmers, processors, traders, institutional buyers and end-consumers, government institutions, non-government organizations, and accrediting agencies as to the

productivity of the industry were determined through descriptive statistics; the mean, median, and standard deviation were computed.

The determination of the problems encountered by every stakeholder utilized the datasets obtained from survey questionnaire with open-ended questions and later followed up by a focus group discussion. The survey questionnaires asked the respondents to state their particular problems and rate how it affects them using a Likert Scale from 1 to 4 (1 – slightly affect to 4 –extremely affect).

4. The stakeholders' proposed measures to improve the productivity of the industry were determined through descriptive statistics; the mean, median, and standard deviation were computed.

Also, the questionnaire asked the respondents for measures with a rating of how important is the proposed measures to solve the problems. The stated problems together with the suggested measures to solve them were then classified by themes and their extent determined from the computed means/medians.

The procedure for answering the survey questionnaire was dependent upon the literacy of a respondent. i.e. for farmers who have difficulty in comprehending the questionnaire, the researcher wrote the responses for them. In this case, the open-ended questions were asked as in a face-to-face interview. In this procedure, all questions were answered, validated, and made complete.

The focus group discussion was utilized as a follow-up to the questionnaires. In the FGD, the researcher tried to obtain validations of the identified problems and possible measures to solve them.

5. The significant relationship between farmers' needs and government institutions and non-government organizations' program Kruskal Wallis Test and Pair-wise Comparison were used.

The Kruskal-Wallis test is a non-parametric statistical procedure that is used to test for significant differences among several independent groups. It is an alternative to One-way ANOVA when the dataset violates at least one of the assumptions for a parametric data namely: normality, homogeneity of variance. It was used to determine if there is a significant difference in the ratings on needs among the farmers, NGOs and GIs. When Kruskal-Wallis test yield significant (p-value < ,05), the pair-wise comparison was used to determine pairs that are significantly different.

8. Conclusions

Based on the findings of this study, the following conclusions are forwarded: the overall assessment of organic rice industry in the province of Nueva Vizcaya by the stakeholders (suppliers, farmers, processors, traders, institutional buyers and end-consumers, organic focal persons from government institutions and non-government organizations, and the second-party accrediting agency) in terms of productivity is fair. They lack knowledge on proper farming and most of their problems and needs don't fit into the programs provided by the government institutions and non-government organizations. Organic rice supply is less adequate because most farmers plant mainly for family consumption that is why traders and buyers feel the insufficient supply in the market. The crop is mostly certified by first party and long-time consumers of organic rice and some are second-party-certified which make the product more valuable, however the price in the market is much expensive but the production cost is minimal.

Farmers and buyers are the most significant actors in the supply chain. As they say, farmers are the backbone of the nation while business exists because of buyers. Although suppliers and traders can be eliminated in the chain because farmers produce their own inputs and they can sell directly to buyers, there are some farmers who like to buy ready inputs and there are some buyers who prefer to purchase from traders due to proximity. In the case of processors, though suppliers and traders are not concerned with them, still farmers and buyers are essential to them so that the *palay* will become rice.

The seven sets of respondents identified problems regarding production, quality, and cost which most of them extremely affect them. The problems identified were almost common to all actors in the supply chain. Problems with regard to production are inadequate supply, percentage of organic rice sold, number of cropping per year, pests, and diseases. For quality, frail grains and poorly dried palay were raised as the problems encountered. For cost, insufficient budget and high price of organic rice dominantly got the highest rating.

Though they identified problems, they also suggested solutions on how to respond to those issues. For production, increase of supply of organic rice by motivating more farmers to plant, and coordinated planting must be executed. For quality, proper management, and establish post-harvest facilities are the recommendations. For cost, proper management, and increase of the supply of organic rice are the proposed measures. Furthermore, the common denominator of the proposed measures is to ask support from the government.

Regarding the needs of farmers for the programs provided by government institutions (GI)and non-government organizations (NGO), there is significant difference in the ratings. The farmers' ratings are significantly higher than the GIs in all the needs.

9. Recommendations

The following are the recommendations of the researcher to achieve the higher yield of harvest, the better quality of the produce, and the lesser cost of production thus a model for enhanced productivity was developed (Figure 9.1).

To engage in organic rice farming, farmers must be ready in heart and in mind. Once the farmer enters this kind of farming, he must be prepared for whatever consequences that might happen especially during the conversion period. The conversion period is one (1) to three (3) years depending on the acidity of the soil. This requires more labor and organic inputs but as years pass by the lesser the amount of fertilizer is applied. Unlike in conventional farming, the longer a farmer applies chemical fertilizer the more amounts of fertilizers are applied therefore resulting in higher expenses and lower net income. Most farmers don't know this because they are just conscious of the yield of their crop and not aware of their total expenses.

Studies show the use of chemical fertilizers and pesticides cause health risk, water contamination, and degradation of our environment.

The actors in the supply chain like suppliers, farmers, millers, traders, and end-consumers have thier own problems but no one binds them together. The Nueva Vizcaya Organic Farmers and Advocates Association, Inc. (NVOFAA) will serve as a link to incorporate and resolve their problems; hence the Board of Trustees may come from the actors in the supply chain and they must be committed in the vision, mission, and objectives of the association, and must be well represented by the different actors in the supply chain. This may give them strong and fair voice in the organic rice industry in the province of Nueva Vizcaya. The association must be registered as soon as possible and be part of Provincial Development Council. Its vision, mission, and objectives must be properly executed.

Seminar/trainings must be conducted to properly implement the increase of organic rice industry in the province.

By planting different varieties, the farmers should identify the suitable varieties for their rice field. This is best suited while the farmers are under conversion period and at the same time having a trial farm. The suggested non-seasonal varieties are: Pinili, PBB 401, Malagaya, Double Diamond, 218, Jasmin, San Vicente, and Sakbay. However, the best practice is for farmers to continue discovering the varieties that fit their rice field since the soil and the climate also have an effect on the yield. If the farmers already discovered the appropriate varieties, it is advised to plant two or three varieties which are resistant to any fortuitous events like typhoon, El Niño, La Niña, and the like so that the farmer will still harvest more yield. While waiting for another season to plant rice, it is suggested to practice green manure to improve the soil fertility and improve soil structure. This could be done by broadcasting leguminous crops a day before harvest, when it is already grown; it is intentionally ploughed with the soil. Continuous planting of organic rice is a must to sustain the demand of the consumers; moreover, continuous application of organic inputs is required because if the farmer will alternately apply chemicals, the soil will be ruined resulting in lower yield to harvest.

The number of farmers must be increased. Organic rice farmers must convince their neighboring rice field farmers to convert into organic farming. With this, the more yield with better quality will be produced There was an instance when farmers were discouraged of the effect of organic rice farming because they don’t know the proper procedure.

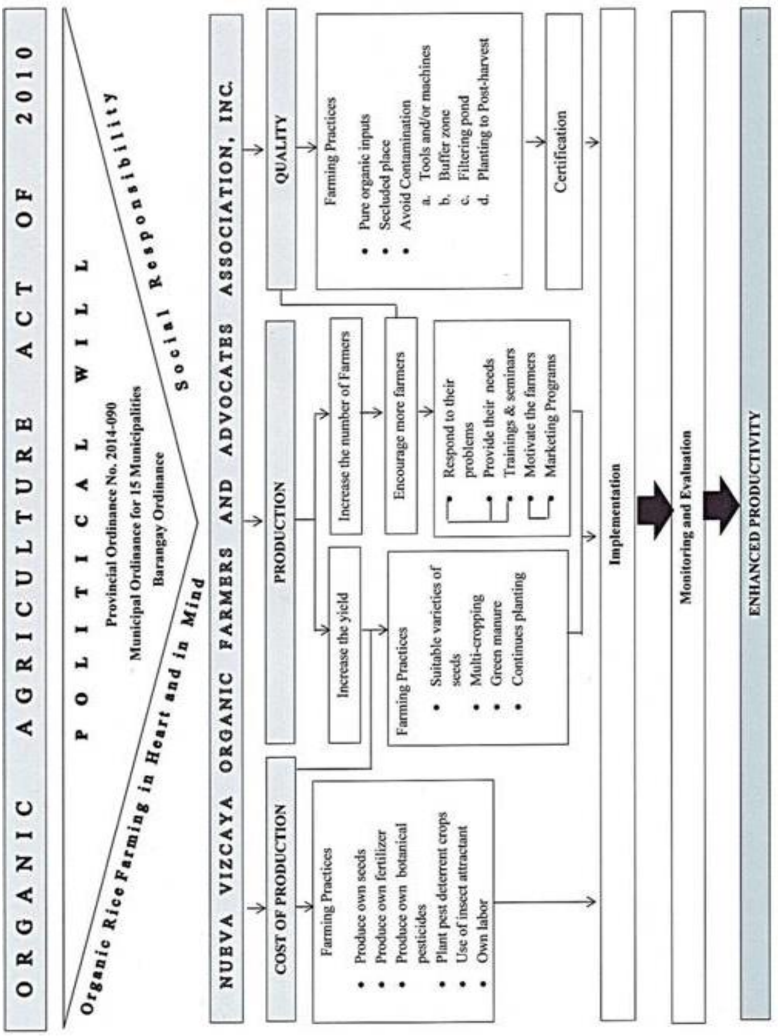

Figure 9.1 A model for enhanced productivity

During their conversion period, they applied one hundred percent (100%) organic fertilizer which resulted in lower yield of harvest. Applying 100% organic fertilizer during 1st cropping of conversion period is not advisable because the soil needs to be conditioned first.

Effective technology must be taught to the farmers to produce more improved yield with better quality. If there are latest technologies regarding organic rice production it is a must to disseminate it immediately. Training the farmers in making organic fertilizers and botanical pesticides is highly proposed so that they can lower their expenses or this can be a breakthrough for them to be suppliers of these products.

On the part of government institutions, local government units, political will is a must in supporting the suggested programs. Organic rice farmers must be one of their top priorities in order to strengthen the organic rice industry of the province.

Awards to be given would be: the farmer who garnered the highest production of organic rice either in Barangay, Municipal or Province level; the farmers whose organic rice field is either second-or-third-party certified; the farmer who has the best financial record in terms of organic rice production. A cash incentive may also be given so that the farmer can have additional capital to use in farming. They can be awarded during the provincial/municipal/or barangay fiesta.

Trading posts must be accessible to consumers along the national highway in the town of Solano, Bayombong, or Bambang. Products offered in the trading posts must be organic rice as well as other organic inputs like fertilizers and pesticides because there are some farmers who like to buy ready inputs. It must be located in the town so that it is not only accessible to the Novo Vizcayano consumers but also accessible to the tourists who pass by the province

To meet the best quality of organic rice, all inputs used must be pure organic from seeds, fertilizers, and pesticides. It is recommended that organic rice fields be in a secluded area to avoid contamination. However, if the organic farmer has neighbouring conventional farm, encourage the farmer to convert to organic farming. If it is not yet possible, there should be a buffer zone of at least six (6) meters to the whole area of the rice field according to P. Balao (personal communication, July 15, 2014). A farmer may plant vegetables on the buffer zone option 1 (refer to Figure 6) which will serve as his food for his family or he can sell it for additional income provided that he will not claim it as organic vegetable. If the farmer likes higher yield of harvest, he may plant rice in his entire field but he must request his conventional neighbour not to spray six (6) meters near the organic *palay* (refer to Figure 6, buffer zone option 2). Both parties will agree to what is the return if the conventional farmer is asked in exchange for the favour. The organic farmer may do these strategies in the meantime while proving to the conventional farmers the benefits of organic rice farming until he will convince his neighbour to convert therefore developing a sustainable area for organic rice and reducing the possibility of contamination.

Contamination is everywhere that is why it is advisable that organic rice farming must be secluded from other farms. Furthermore, an organic farmer must use separate tools and/or machine that is exclusive for organic farming only. A filtering pond with water lilies must be available to those rice fields where water source is irrigation. However, to those rain fed, no need to put filtering pond. From planting, harvesting, to post-harvesting, strict avoidance of contamination is required. During drying of organic *palay* it must be parted from other ordinary *palay*. Before the *palay* is placed on the ground, the pavement must be thoroughly cleaned and there must be a clean net underneath. The same protocol is practiced even in the post-harvest; a separate miller must be used. In storing the organic rice, mixing with non-organic crops or products is not advisable: Table 60under Section 18, 18.2 and 18.4 justifies this statement.

Since the farmer already followed all the stiff requirements to meet the best quality of organic rice, it is time for him to claim that his produce is organic. He may now label it with first party certification, or apply for the second party or third party certification. Table 63 Section 26 (c) shows the penalty for those who mislabel the products. It is suggested that a third party will certify the produce in preparation for the ASEAN Integration where the organic rice of Novo Vizcayanos is a world-class product and can compete with other countries. Though the certification fee is quite expensive which most farmers cannot afford until year 2016, the government will provide the subsidy for third-party certification. The Nueva Vizcaya Organic Farmers and Advocates Association, Inc. will also assist farmers to acquire for third-party certification. It is easier to apply for a third party certification especially if there is already a sustainable area exclusive for organic rice.

Another objective of this study is to minimize the cost of production of organic rice thus Table 64 reveals the action plan. The P 20,000.00 indicative cost varies depending on the type of paper and print-out and the number of pages of the leaflets. Moreover, tips on increasing the yield and improving the quality of organic rice may also be included in the leaflets. The leaflets must be well-understood by the farmers therefore it must be translated in their vernacular language.

Production cost is very minimal in organic rice farming as most farmers said that organic rice farming is not susceptible to pests. However, based on this study, the major problem of farmers are pests like birds and rats, and rice tungro, a disease. However, to augment more cost reductions, it is suggested that all inputs will be produced by farmers like seeds, organic fertilizer, and botanical pesticides. Furthermore, all recommended strategies and action plans must not cause harm to the quality and organic practice of the farmers.

For the seeds, it is not a problem because they will just separate seeds from harvest to be planted for next cropping. For organic fertilizers, green manure is highly recommended (refer to Table 58). Production of own fertilizers through composting dried leaves and the like, bringing back the rice straw in the rice field, making of vermin cast. The government can conduct seminar on making organic pesticides. Another way to lessen the cost is to own labor from land-preparation to harvest or even to post-harvest.

To minimize pests and rice tungro disease, plant another variety on next cropping which are tungro resistant particularly if the *palay* was devastated by tungro on previous harvest. It is strongly advised not to plant that variety on next cropping. Even if you like to plant the variety that you like but it is susceptible to tungro it is useless (refer to Table 58). Coordinated planting is a must thus farmers must have the same schedule in planting so that if pest exists in the area it will not concentrate on a single rice field thus lessening the damage of the field. Additionally, if all *palay* are already tall, green leafhoppers, carriers of tungro, have no place to transfer to younger *palay*. Plant pest deterrent crops near your rice field like lemon grass, madre cacao, marigold, wild sunflower and the like. Farmers can produce their own botanical pesticides by combining the ingredients: ½ cup hot peppers and ½ cup garlic gloves or onions mix with 2 cups of warm water. Blend all the ingredients, mix it with water, then drain it. Another way to reduce cost is to use insect attractant by hanging dead animals like frogs or rats to attract rice bugs.

After all suggestions are properly implemented, it is necessary to do monitoring and evaluation to enhance the productivity of organic rice industry in the Province of Nueva Vizcaya. By responding to the recommendations of the researcher, it is possible that the province of Nueva Vizcaya be an organic rice capital of Region 02 and maybe the organic rice capital of the Philippines. Nueva Vizcaya will now be ready for the ASEAN Integration which the province will meet if the demand for organic rice increases and will compete with other world class organic rice products. With the all-out support of the government of organic farming, these goals are not far-fetched.

Debt is one of the key problems for personal finance management. Creditors can charge very high interest rates. There is a multitude of companies that will offer the public debt programs all the time with easier payment terms. The problem is that financial companies can vary these terms and get the person in all sorts of problems that will be very difficult to overcome. The management of personal finance is one of those areas that need concentration and discipline, otherwise, the alternative is a debt burden that is unsustainable. Some people say that the problems of personal finance can never be resolved and that is better to simply enjoy life and hope for the best. Therefore, proper debt management is necessary.

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BUSINESS PLAN 1

Proponents:
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2nd Semester AY 2014 - 2015

EXECUTITVE SUMMARY

Name of the Project: The Golden – Age Leisure Club, Inc.

1. Objective of the Project

The proponents believe that recreation, fun and innovation are elements of living a purposeful life regardless of age. Seniors then will take the chance of fulfilling those extended parts of life, which is impossible while working full time. The Golden-Age Leisure Club is here to respond to the demand for a senior focused recreational, wellness, and social activities. What is unique with The Golden-Age Leisure Club is that it creates lifelong memories. To keep the seniors active, to make them feel young and happy are among our business objectives.

We will provide youthful experiences that seniors are also capable of. Our company will serve as a one-stop shop for the elderly, retired, and senior individuals who crave for leisure or exhilarating activities. Such programs include:

- Wellness and health assistance
- Travel and entertainment
- Outdoor facilities for recreation
- Center for gatherings and reunion
- Other senior-assisted services

2. Location of the Project

Our business will commence its operation in Sampaloc V Emilio Aguinaldo Highway Dasmarinas, Cavite 4114. A two-floor building will be constructed with a total floor area of 1,011 sq. meter and 70-units parking lot capacity. The building will serve as a one-stop area with facilities for fitness, arts and craft, clinic, workshop, training, facial and restaurant. With our 2,000 sq. meter business lot area, we have adequate space for swimming pool, small farm, and park for recreational activities.

3. Legal Structure

Members of the team opted to start out the business as a corporation because of substantial capital requirement. The company will be in its venture to search for investors from both private/public companies and individuals who want to utilize resources into the service of the senior industry. With this in mind, we expect greater opportunity for expanding our quality service to the senior community.

4. Brief Description of the Project

4.1. History and Position to Date

As a requirement for the course, Project Research and Development and as partial fulfilment for the completion of requirements in the Masters Degree in Business Administration, each member of the group recommended several ideas, opportunities and problems that can be put together into a business concept. After some disposition, the group had thought of a project to deal with the demand for a senior-focused advocacy. Feasibility that measures the potential of this proposal had been executed. This business plan is initiated to present the viability of delivering services that are envisioned to provide fun, fun, and fun for seniors.

4.2. Mission

To play a key leadership role in promoting positivism to the senior community - sustaining power wellness to make them feel young, look young, and act young.

To participate in providing utmost care services helping the older adults find a place of maximum soundness living, vibrant engagement to society and achieved self-worth. To contribute to the enhancement of the senior service industry, consecutively uplifting the value of elderly life and active citizenship.

4.3. **Vision**

We are envisioned to create the finest community in which to grow older is empowering because we uphold value and respect for people.

4.4. **Logo**

Our brand is represented by the organization's symbol that serves as direction to carry out our value proposition. The letter G symbolizes our organization, The Golden-Age Leisure Club, Inc., which is committed to fulfil its undertakings. The old woman in our logo represents our target market who will be given the fullest care and supportive personal attention to satisfy their needs. The yellow background stands for our purpose that is to deliver happiness in order to sustain a cheerful and pleasant appearance of our target market. The blue man represents our compassion to establish the trust and loyalty of our customers. It is characterized by integrity to fulfil our mission. The green strand means that our organization is dedicated to contribute to the welfare of the society. As aligned with our endeavour to serve our customers, we will promote green advocacy as well.

Figure 4.1a Logo of the Company

4.5. **Product Capacity or Project Size Scale**

4.5.1. Business Prospects

Based on Philippine census, Cavite was found to be the most populous province in the country. The population rate of the province is growing due to rising in-migration - the relocation of workers from Metro Manila looking for cost efficient and accessible dwellings. The in-migration is also caused by a number of industry workers who choose to settle in the province coming from the different areas of the country.

Since the growth in Cavite's population signifies continuous industrialization trend, we consider establishing our company in the City of Dasmarinas, District IV of Cavite Province, which is nearby subdivision areas. We believe that our target market-- the retired, elderly and senior individuals-- has predominantly opted to settle in the province. Moreover, Cavite is considered a domain of mixed urban and rural dwellers, an ideal business location with a serene environment that is relaxing and accessible.

Our decision for this location, furthermore, considers proximity for our customers coming from nearby cities of Metro Manila. Therefore, our business prospects comprise the senior community of both Cavite and near Metro Manila cities.

4.5.2. Product and Services

The Golden-Age Leisure Club provides relaxation and enjoyment whether physical or psychological necessities for middle age and elderly adults who are looking for a venue where they can spend their retirement lives productively and enriching. Health and financial wellness, arts, travel and leisure, and lifelong learning are among the value propositions that the organization can offer.

Initial membership fee will cost P20,000.00 per member per year that is good for a 12-month period from the time you become a member. Membership annual dues of P6,500.00 will be collected for the succeeding year and thereafter. All fees are subject to 20% discount for qualified senior members.

4.5.3. Value

Personal well-being is important at no age requirement, but an extra necessity especially to older adults, who require a new and healthier chapter of senior life. With the involvement of a health professional trainer, customized fitness programs will be delivered taking into consideration specific senior's needs and wants, and current physical condition.

4.6. **Product**

The Golden-Age fitness facilities offer a comfortable experience for the elderly with the following features:

- Specialized equipment
- Personal coaching and group lessons
- Creative movements (use of chairs, props, elastic resistance bands)
- Massage, yoga, aerobics, dance lessons
- Water aerobics or aquafit
- Fitness specialist on staff

We will also offer wellness seminars toward awareness of a healthy lifestyle. A few benefits to look forward to are:

- Balanced improvement
- Increased muscle and bone strength
- Controlled blood pressure
- Enhanced immune system function
- Improved endurance and stamina

Later on the elderly market will be delighted to find a new hobby or rediscover a pleasurable craft, which is innate in their selves. There are a lot of arts suitable not only for the young but a dare that seniors are capable of doing too. It is finding a craft to pursue, it's finding the fun, comfort and joy of doing it. In response to this opportunity, The Golden-Age is crafted to provide scheduled seminars and training for arts and crafts endless ideas. From making cards to simple board art, we will knock the shell and bring out the impressive artistic skills of the seniors. Activities include such, but not limited to card making, one-stroke painting, mosaic, photography, and flower arrangement.

After retirement, seniors have the fullest time to enjoy what they have not fulfilled during their working lives. Recreation, travel and social activities are among the wonderful activities that keep seniors stay active and connected with the society. Through Golden-Age travel and entertainment programs, we will deliver a lifelong notable experience to our dear seniors.

Travel-related services involve vacation organization such as booking of tickets, booking of hotel accommodations and other tour planning activities whether abroad or domestic. The company is also driven to deliver assistance and schedule group trips for nearby or local attractions, parks or nature centers, casinos, theatres, mall shopping and the like. Included in our entertainment program is a facility for internet browsing, movie viewing, sing-along, group discussion, and mental stimulation games such as bingo, trivia games, crossword puzzles.

The Golden-Age club is designed as a center with access to green space like small farms, gardens and parks which are important elements for senior lifestyle. We will provide a location that is conducive for seniors' gardening activities such as:

- Space for vertical garden
- An outdoor or covered courtyard
- A community garden
- Park with area of tree planting

The Golden-Age team is delighted to extend personal adult-focused advocacy to build up independency among the life of the elderly. Such services include:

- Eliminating chores with grocery delivery
- Providing nearby transportation requirement for comfort and convenience
- Planning and arranging social activities
- Making medical organization tasks like appointment with doctors
- Giving assistance in the search for some professional advisory services like insurance requirements, financial and estate management, wellness and beauty maintenance

Since healthy living, proper grooming, wellness and beauty are among the business opportunities for the older adults, we will offer rentable spaces exclusively to businesses such as:

- Beauty center and parlor
- Facial center and spa
- Healthy restaurants
- Pharmacy and medical suppliers

4.7. **Market Feasibility**

4.7.1. Markets and Competitors

Target Markets:

Since our business mission is to serve predominantly the elderly, our primary target market focuses on older adults whose age group fall from sixty five (65) years and above, and whose interests are health and wellness (such as spa, gym, aerobics, dancing lessons, and the like), travels locally and internationally, attending social gatherings, recreation and sports. Those elderly who are young at heart and longing for a place where they can get all attention and be in priority line to enjoy, relax, have fun and good times.

Our secondary target market is the group of individuals who are fifty (50) to sixty four (64) years of age and are willing to spend their free, spare and leisure time in healthful living.

Market Segmentation

Demographic

- Age: 50 years and above
- Average Household Income: P356,000 for Metro Manila; P249,000 for Cavite
- Gender: Metro Manila - average of 60% female and 40% male Cavite - average of 59% female and 41% male

Psychographic

- Interest to join the Club (based on Survey conducted): Primary Market: 65 to 79 years - 77%; 80 and above - 60% Secondary Market: 50 to 64 years - 50%

Competitors:

i. Mountain Crest Residential Care

Established in 2009, Mountain Crest Residential Care facility is a privately owned and operated, assisted living and nursing care facility especially designed for the senior population. Nestled in the mountains of Tagaytay, Cavite, Philippines, the housing complexes share a quiet, serene, and picturesque environment conveniently located an hour and a half from Metro Manila and minutes from neighbouring communities like Laguna and Batangas.

ii. Angel’s Home Care for the Elderly

Angel’s Home was opened in 1987 and has been specializing in Alzheimer’s care since 2001. Angels is a combination of four separate Specialty Care Assisted Living facilities, which are located on the same beautiful campus. Each home represents and houses a specific level of Memory Care. Angels provides 24 hour assistance with 2 RN’s on duty Monday through Friday and LPN’s seven days a week. All medications are managed and administered by licensed nurses. Angels provides residents with the opportunity for a weekly visit from our Facility Medical Director and, additionally, a visit from our Doctor’s Nurse Practitioner, once a week.

iii. St. Benedict Nursing and Care Home

St. Benedict's Nursing Home consists of two units and is registered for 60 people. The vicarage provides general nursing care for 30 people living with dementia. The home is within walking distance of shops and local amenities. The home is located in Binambangan Street, Indang Village, and 4114 Cavite City. Company's values include (a) treating people with respect and involving them in their care (b) Providing care, treatment and support that meets people's needs (c) Caring for people safely and protecting them from harm (d) Staffing (e) Quality and suitability of management

4.8. **Market Analysis**

Our market analysis scheme considers the following data based on survey conducted among 100 respondents' age, civil status, monthly household income, and interest.

4.8.1. Financial Feasibility

The Golden-Age Leisure Club, Inc. will be established in the form of a corporation that the source of fund is mainly through issuance of stocks to the shareholders. During the incorporation, 400,000 shares will be issued at P100 par thus, raising a capital of 40 Million pesos. An additional source of fund is through bank loan with an amount of 20 Million pesos for a term of 5 years (Table 4.1).

Such fund will be utilized in the incorporation and business operation. Since, sort of financing is in the form of long term debt, great efforts will be established in order to build mutual trust from our building contractor, equipment and furniture suppliers, service providers and stakeholders for a win-win position that we can obtain an agreement of long-term from them.

Long-term bank and debt financing will allow the company to maximize its current available funds and income generated from the utilization of current assets into improving business operation and sales generation. Throughout business operation for the next five years, the following are the sources of fund:

- Issuance of shares of stocks
- Bank loan financing
- Longer term agreement with the supplier and other providers
- Maximization of working capital from generated sales

	2015	2016	2017	2018	2019
Sales	45,044,449.01	49,828,484.69	56,107,662.87	66,230,661.55	77,063,023.42
Allowance for 20% Senior Citizen Discount	9,008,889.80	9,965,696.94	11,221,532.57	13,246,132.31	15,412,604.68
Net Sales	36,035,559.21	39,862,787.75	44,886,130.30	52,984,529.24	61,650,418.74
Cost of Services	14,882,100.01	18,227,444.98	20,882,765.86	24,407,694.62	28,181,117.51
Gross Profit	21,153,459.20	21,635,342.77	24,003,364.44	28,576,834.62	33,469,301.23
Operating Expenses:					
Salaries and Wages	3,900,000.00	3,909,750.00	3,919,524.38	3,929,323.19	3,939,146.49
Other Employees Benefits	298,869.60	299,616.77	300,365.82	301,116.73	281,344.75
Seminars and Training	100,000.00	100,000.00	0.00	75,000.00	0.00
Sub Contracted Fees	456,000.00	457,140.00	458,282.85	459,428.56	460,577.13
Transportation and Gasoline	48,000.00	48,120.00	48,240.30	48,360.90	48,481.80
Depreciation Expense	2,615,534.13	2,615,534.13	2,615,534.13	2,615,534.13	2,615,534.13
Utilities Expense	3,024,000.00	3,031,560.00	3,277,928.39	3,525,509.66	3,654,315.90
Marketing Cost	6,465,185.72	2,665,528.17	685,786.61	864,903.56	673,103.94
Business Development Cost	250,000.00	260,000.00	180,000.00	225,000.00	780,000.00
Supplies Expense	22,522.22	24,914.24	28,053.83	33,115.33	38,531.51
Miscellaneous Expense	22,522.22	19,931.39	22,443.07	26,492.26	30,825.21
Repairs and Maintenance	31,531.11	34,879.94	39,275.36	46,361.46	53,944.12
Interest Expense	620,000.00	620,000.00	620,000.00	620,000.00	620,000.00
Insurance Expense	4,490,400.00	4,206,720.00	3,923,040.00	3,639,360.00	3,355,680.00
Taxes and Licenses	6,845,200.00	6,829,814.24	6,820,153.83	6,812,415.33	6,805,031.51
Organizational Cost	400,000.00	0.00	0.00	0.00	0.00
Total Operating Expense	29,589,765.01	25,123,508.89	22,938,628.56	23,221,921.12	23,356,516.50
Net Operating Income	(8,436,305.81)	(3,488,166.12)	1,064,735.88	5,354,913.50	10,112,784.73
Other Income	1,800,000.00	1,890,000.00	1,984,500.00	2,083,725.00	2,187,911.25
Net Income before tax	(6,636,305.81)	(1,598,166.12)	3,049,235.88	7,438,638.50	12,300,695.98
Income Tax	0.00	0.00	914,770.76	2,231,591.55	3,690,208.79
Net Income After tax	(6,636,305.81)	(1,598,166.12)	2,134,465.12	5,207,046.95	8,610,487.18

Table 4.1 Financial feasibility of the business plan

4.9. **Social Acceptability**

The Golden-Age Leisure Club, Inc is established to provide superior quality services that will enhance the healthy and happy lives of all our stakeholders simultaneously protecting the environment.

As a company and individuals, we are committed to operate by the rule of law and to have a positive impact to the community where we conduct our business. We are devoted to protect our stakeholders by providing safe and clean place of work, give training and seminars for their advancement and welfare, maintain healthy life style and work life balance.

For the environment, we are committed to support clean and green environment by planting more trees and using recyclable materials such as waste for fertilization, water and energy conservation.

BUSINESS PLAN 2

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2nd Semester AY 2014 - 2015

EXECUTIVE SUMMARY

Name of Project: Green Culinary Academy

1. **Objective of the Project**

GCA is a Culinary School which focuses on how to impart discipline on cuisines from Spain, France, England, Turkey and the Philippines. The cuisines from these places are the fields of expertise of our very own partner, Chef Boy Logro. His proficiency in culinary arts, combined with the eco-friendly approach, methods and techniques on the way of handling, preparing and serving meals will surely attract customers.

GCA also features environmental sustainability, the farm- to-academe supply chain production, which decreases tariffs, helps the nearby industries (agriculture, poultry and fishery), lessens the carbon foot prints and promotes healthier and safer food preparation. It also aims to develop the hyper-local sourcing or putting-up its own aeroponics and/or hydroponics garden as a source of some culinary ingredients and spices.

2. Location of the Project

Green Culinary Academy will be strategically located at Barangay Bulihan, Silang, Cavite.

3. Legal Structure

GCA is non-sectarian private school registered under the Securities and Exchange Commission (SEC).

The business will start as a general partnership composed of five individuals. Partnership is the business model chosen by the group including Chef Pablo Logro. Partnership is more flexible, manageable and easy to establish and start-up costs are low. The combined share of members would be equivalent to 100%. 80% will be the starting capital and the remaining 20% will serve as buffer. A President will be elected to act as a mediator in our partnership and the rest of the members will manage a certain department of the business. As the operation prospers, the partnership will consider to be registered as a corporation as it expands and cater to larger market in the future.

4. Brief Description of the Project

4.1 **History and Position to date**

With the increasing campaign in healthy living, controlling the emission of our carbon foot print and endless ideas in helping to save our environment, the researchers came up with the idea of putting up a Culinary School with an Eco-Friendly concept, therefore Green Culinary Academy (GCA) was established.

4.2 **Mission**

The Green Culinary Academy aspires to be the topmost culinary school that will produce not just excellent future chefs but an environment for social responsible citizens. Our mission will be accomplished through a culinary program that embraces:

- A balance between academic and experiential learning
- A commitment to personal and professional ethics and success
- The development of human relations and interpersonal communication skills
- A strong relationship with the national industry and local community through research and outreach.

4.3 **Vision**

GCA as the preferred and leading educational institution offering culinary-empowered courses engage in eco-friendly environment that produces globally competitive individuals who can be innovators in the accommodation and food service industry.

4.4 **Logo**

The official logo of Green Culinary Academy consists of the following;

Toque - the chef hat that symbolizes authority and knowledge in culinary world.

Vegetables - represents excellent taste without jeopardizing the good nutritional value of every food that the GCA serves to its customers.

The text GREEN Culinary Academy – emphasizes that the GCA prioritizes the welfare of environment and its biodiversity by promoting eco-friendly techniques using both modernized and conventional-traditional technology and equipment in the culinary industry.

Figure 4.1b Logo of the Company

4.5 **Product Capacity or Project Size/Scale**

4.5.1 Business Prospects

The Academe's sources of clients are: (1) Graduate high school students; (2) Senior High School Students of K12, (3) Employed individuals in accommodation and food services that want to enhance their craft in culinary; and (4) Culinary Enthusiasts (which includes ALS completers, house parents, senior citizen and others).

4.5.2 Products and Services

The GCA Academy offers culinary expertise on five (5) international dishes mainly Spanish, French, English, Turkish and Filipino, divided into two programs; the (1) Basic course is a diploma program that will run for a period of six months; and the (2) Advance culinary, an associate degree on Culinary Arts with a period of two years.

Students who completed the basic course are encouraged to proceed to advanced culinary not just to further enhance their skills and knowledge on their specific field of interest (cuisine) but also to achieve the associate degree in less than two years' time through GCA ladderized program.

4.5.2.1 Basic Course (Diploma Program)

Course Description

This course is structured to teach the fundamental skills of the food service industry. Students will learn through the combination of classroom and hands-on experiences. Course examines baking and the preparation of meats, soups, fruits and vegetables. Here students will gain experience in cooking the cuisine of their choice and an overview about the basics of the other four international cuisines.

Course Objective

The main objective of the course is to provide students with knowledge and experience in the culinary world. Students learn about many aspects of the food service industry, including food sanitation, baking, sauces and classical cooking. Programs also cover many business aspects of serving food, such as menu planning, food purchasing, nutrition, environment-friendly approach in cooking and human resources. This course will give students hands-on food preparation experience as part of the required course curriculum.

Course Outline/Curriculum (of the prepared course)

The course outline for Diploma program is a blend of classroom instruction with practical experience in diverse food preparation areas. Students learn to cook and prepare cuisine of their choice. Topics below will be covered:

1. Introduction to International Cuisine
2. Food supply management
3. Healthy options and Nutritional value
4. Spanish/French/English/Turkish/Filipino cooking
5. Baking techniques
6. Cold food preparation
7. Environment-friendly approach in cooking

Course Duration

This is a finishing course of 600 hours for a period of 6 months (5 hours a day, 5 days a week, 4 weeks a month)

4.5.2.2 Advanced Culinary (Associate Degree)

Course description

This course covers topics in food preparation, restaurant management and food science; practical, hands-on training is another key element to this type of degree. This also includes instruction in biology, business, nutrition and hospitality management in addition to courses on food preparation.

Course Objective

The main objective of the course is to enhance student's knowledge, experience and expertise necessary to become chefs. This Associate degree will make the students realize that being a chef entails far more than just preparing, seasoning and cooking wide multiplicity of foods from snacks, soups and salads to side dishes, entrees and desserts. Chefs must also be well-known with managing a staff, planning menus and purchasing food, along with safety and sanitation rules in a kitchen.

Course outline/ Curriculum (of the prepared course)

First Semester

1. Introduction to International Cuisine
2. Food supply management
3. Healthy options and Nutritional value
4. Spanish/French/English/Turkish/Filipino cooking
5. Baking techniques

6. Cold food preparation
7. Environmental friendly approach in cooking

Second Semester

1. Cultural impact of food
2. High Volume Production Cookery
3. Baking and Pastry Skill Development
4. Introduction to Catering : Hospitality and Service Management
5. Application and Development of Skills in Culinary
6. Food preservation and storage
7. Food, Wine, Wine Studies

Third Semester

1. Advance cooking (preferred cuisine)
2. Menu Development
3. Costing examination
4. Literature and Composition
5. Nutrition
6. Food Microbiology

Fourth Semester

1. Culinary Entrepreneurship
2. Contemporary Restaurant Cooking
3. Contemporary Hospitality and Service Management
3. Culinary Practical Examination 1,2
4. Formal Restaurant Cooking
5. Formal Hospitality and Service Management
6. Overseas Immersion Program

This involves all facets of Cooking. Preparation, Cooking Style, Plating etc

Course Duration

The entire course will run approximately for 2 years which will be divided into 2 semesters per school year. Each semester will have 396 hours (3 lecture days/week) for lectures and 264 hours (2 demonstration days/week) for demonstration in a period of almost 5 months. At the end of every month, each student will present his or her own dish which will be subjected to the grading system.

Table 4.1 below are the International cuisine courses under the diploma program and associate degree with corresponding code and duration.

4.5.3 Features

1. Different international cuisine courses (Filipino, Spanish, French, English, and Turkish);
2. Non-traditional-modern culinary equipment and traditional-conventional kitchenware and utensils;
3. Eco-friendly facilities, approaches and practices;
4. Different cuisine modification techniques;
5. Chef Boy Logro as one of the Mentors;
6. Nearby farm (agriculture, fishery, poultry) and has mini-organic agricultural area;
7. Updated quality education curriculum on accommodation and food services industry;
8. Affordable diploma program and associate degree;
9. Affiliation with local and international accommodation and food services firms.

10. Wide range in cooking skills that cover the proper use of non-sophisticated and sophisticated equipment

Course Code	Course Name	Course Duration
BFD	Basic Filipino Dishes	6 months
BSD	Basic Spanish Dishes	6 months
BTD	Basic Turkish Dishes	6 months
BFD	Basic French Dishes	6 months
BAD	Basic English Dishes	6 months
AFD	Advanced Filipino Dishes	22 months
ASD	Advanced Spanish Dishes	22 months
ATD	Advanced Turkish Dishes	22 months
AFD	Advanced French Dishes	22 months
AAD	Advanced English Dishes	22 months

Table 4.1 International cuisine courses under the diploma program and associate degree with corresponding code and duration.

4.5.4 Benefits

1. Choices
2. Environment- friendly
3. Flexibility
4. Confidence
5. Healthy dietary options
6. Quality education
7. Economy
8. Equal opportunity in economic activities.

4.5.5 Amenities

The academy is strategically located in nearby farm and market areas in Silang, Cavite. This enables us to freshly pick ingredients. With our farm- to- academe proposition, it will be easy and cost-effective for us to regulate our cooking ingredients/supplies.

4.6 **Market Feasibility**

4.6.1 Market and Competitors

Target Markets

The target market of the said business is the high school graduates, K12 senior high school students, employees of establishments belonging to accommodation and food services and other culinary enthusiasts of Silang, Cavite.

Competitor

Main Competitors

Green Culinary Academy has plenty of competitors but since we are strategically located in Silang, Cavite, we are expecting that competition is not that high because aside from almost all competitors are located in Metro Manila area, GCA can also tap target markets across its adjacent cities and municipalities from CALABARZON and even in NCR. Another strong point is our target markets are those average families and individuals who can't afford to study in expensive schools that are mostly located far from their residential places.

Major players of the industry and its profile

There are already lots of culinary schools recognized in the Philippines. Most of them are well–known such as Center for Culinary Arts, Global Culinary and Hospitality Academy, Magsaysay Institute of Hospitality and Culinary arts and others.

Here is the list of competitors and their profiles:

i. Center for Culinary Arts, Manila (CCA)

CCA Manila is currently located in Katipunan Avenue, Quezon City, Philippines. CCA offers diploma and certificate programs accredited by the accrediting commission of the American Culinary Federation. The school also offers basic courses for beginners and professionals as well as international degree succession and certification. CCA, Manila finds its roots with the opening of the Cravings Bakeshop on October 16, 1988. This gave birth to the Cravings Group of Companies. CCA was established on August 26, 1996, followed by the launch of the country's first formal culinary education program, the Diploma in Culinary Arts and Technology Management (DCAM) in 1997.

ii. Asian Institute of Culinary Arts (AICA)

Founded in 2004, the Academy for International Culinary Arts prides itself in providing world-class education. The AICA faculty is composed of top professionals that are renowned in each of their respective fields of culinary arts.

iii. American Hospitality Academy (AHA) Philippines

It is the first American culinary school to open in the Philippines. Established in May 2006 and named after its twenty-one (21) year-old mother company based in Hilton Head Island, South Carolina. It was formally inaugurated on October 22, 2007 by Her Excellency, U.S. Ambassador to the Philippines, Kristie Kennedy.

AHA Philippines is guided by the shared vision of its founders, Chef Gene Cordova, now president of AHA Philippines, Cindi Reiman, president of AHA USA and Dr. Corazon Gatchalian, academic director. It aims to provide quality culinary education and training and to lead in further professionalizing culinary education in the Philippines and the Asia Pacific region.

Believing in the potential of Filipinos to excel in the field of culinary arts, AHA Philippines strives to be a medium whereby Filipinos inclined towards culinary arts can be honed and developed to become professional chefs. This can be achieved through its TESDA (Technical Skills Development Authority) certified culinary programs, successful completion of which will provide a strong foundation, and pave the way for its graduates to pursue further hands-on culinary internship training in the United States. This is under the supervision of seasoned chefs and master chefs of top hotels under the SERVLEAD internship program of its mother company, AHA USA. Developed by a pool of highly respected academics throughout the world, SERVLEAD is the only internship program accredited by the Educational Institute-American Hotel and Lodging Association (EI-AHLA), the largest and most prestigious hospitality organization in the United States.

iv. The International School for Culinary Arts and Hotel Management (ISCAHM)

ISCAHM is a world class training center where dedication and close ties to the hospitality industry are the hallmarks of teaching and learning. It is owned, developed and managed by men and women who are top international hotel professionals. Together, they bring to the classroom the expertise and business savvy that will provide students with comprehensive theoretical knowledge and practical hands-on experience.

ISCAHM was put up as a realization of a dream by founders, Hansjorg Schulenburg and Norbert Gandler. Stemming back from its roots as the Institute of Hotel and Restaurant Studies (IHRS) in 2002 opened by Chef Schallenberg. The same year, Mr. Schallenberg and Mr. Gandler joined efforts to realize their dream of putting up a bigger school that not only offers short courses but also full courses in the hospitality industry.

In December 2003, the International School for Culinary Arts and Hotel Management (ISCAHM) opened its doors in Katipunan Avenue, Loyola Heights, Quezon City. Since its inception in 2003, and with the additional branch in the prime city of Cebu, ISCAHM holds an unparalleled record of producing graduates who have excelled in the dynamic and exciting industries in the field of culinary arts/pastry arts and hotel management both in the country and abroad. In 2014 ISCAHM Pampanga was added as the third school to provide the young generation of Angeles City and surroundings the opportunity to start a career in the hospitality industry.

v. International Culinary Arts Academy Cebu (ICAAC)

ICAAC is one of the most notable culinary schools in the Philippines. Located in the Queen City of the South, Cebu, the ICAAC provides world-class education and training to students aspiring to become successful in the field of food or beverage. The ICAAC is located at the south end of P. Del Rosario Extension Streets, Cebu City, Philippines.

The International Culinary Arts Academy in Cebu was founded by Jeremy Young in 2002. Armed with sufficient credentials--a Diploma in Hotel Management from Les Roches, Switzerland and a Diploma in Culinary Arts from the famous Le Cordon Bleu of Paris along with his cooking experiences at Walt Disney World's Grand Floridian Beach Resort & Spa in Orlando, United States of America, Jeremy Young went back to his home in Cebu to establish a professional culinary institution.

The school is managed by professionally and internationally trained teachers. Today, the ICAAC is the only culinary institution that offers internationally-known IVG or the International Vocational Qualifications from the International City & Guilds of London Institute in the United Kingdom.

4.7 **Financial Feasibility**

The capital requirement for GCA will be composed of shareholders. Each shareholder has 20% share amounting to 2,341,880.15 including the additional 25% from the original expected operational expenses amount for first year (Table 4.2). The additional 25% will serve as buffer. The partners are expected to withdraw the 20% - 50% of their share in the net income, starting on the fifth year of operation.

<table>
<tr><th colspan="2">Investment</th><th>Share of A</th><th>Share of B</th><th>Share of C</th><th>Share of D</th><th>Share of E</th></tr>
<tr><td>OPEX (1st year)</td><td>9,367,520.60</td><td>20%</td><td>20%</td><td>20%</td><td>20%</td><td>20%</td></tr>
<tr><td>Add’l 25%</td><td>2,341,880.15</td><td rowspan="2">2,341,880.15</td><td rowspan="2">2,341,880.15</td><td rowspan="2">2,341,880.15</td><td rowspan="2">2,341,880.15</td><td rowspan="2">2,341,880.15</td></tr>
<tr><td>Total Investment</td><td>11,709400.75</td></tr>
</table>

Table 4.2 Shareholder equal share including the additional 25% from the original expected operational expenses amount for first year

4.8 **Social Acceptability**

Being a culinary school is already a social responsibility in itself. Thus, GCA, by its very own mandate is obligated to plough back to the students in whatever way possible, through benefits, donations or community outreach.

At present, the School is required to dole out in terms of its Corporate Social Responsibility (CSR) a maximum of 1% of its net income for the year. Since the net income varies from year to year, then the amount also varies. However, since the mandate of the present management is to give more to the government of Silang Cavite, the management is thinking of giving P100 thousand as donation once the School reaches P10 million mark in terms of the total assets.

The donation will focus more on scholarships grants, health, and medical benefits to the people of Silang Cavite.

Philippine School of Business Administration

826 R. Papa Street, Sampaloc, Manila, Philippines

COURSE OFFERINGS

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- Undergraduate Programs:

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    - ❖ Bachelor of Science in Business Administration (BSBA)

      Major in:
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        - Financial Management
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- Senior High School Programs:

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    - ❖ Grade 12

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