

Organizational Maturity of DAR-Assisted Organizations in the Province of Eastern Samar

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Abstract – This study aimed to determine the organizational maturity of the Department of Agrarian Reform (DAR)-assisted organizations in the province of Eastern Samar as inputs to municipal and Agrarian Reform Community (ARC)-based strategic development plan.

A descriptive-survey design was employed involving leaders and members of 41 existing Agrarian Reform Beneficiary (ARB) organizations in Eastern Samar. Focused-group discussions were made to elicit data that described the level of organizational maturity. These were validated through key informants who constituted ten Municipal Agrarian Reform Officers (MARO), twenty-six Development Facilitators (DF), and representatives from community leaders.

Results of the study revealed the following: majority of the 41 organizations were Farmers' Association or Irrigators' Association (51.22%) and mostly (98.68%) registered by Cooperative Development Authority (CDA) (52.63%) or Department of Labor and Employment (DOLE) (31.58%) during the years 2000-2009.

They have written Vision, Mission Goals and Objectives (97.56%) with one to five members of the Board of Directors (BOD) (65.85%), eleven to fifteen committee members (48.78%) and one to five management staff (82.93%). However, a high percentage of managers (73.17%) and treasurers (63.41%) were not full-time. These organizations have less than fifty male members (87.80%) and female members (90.24%).

Most of ARB organizations have strategic plan (87.80%) and operational plan (80.49%) which were being implemented (70.73%), reviewed and updated (41.46%). They also have policy, systems and procedures which were being followed by a considerable number of officers and members.

However, only very few of its officers and members had attended basic and advanced trainings. In addition, a very limited Capital build-up (CBU) below Php50,000 was noted in 60.98% of the ARB organizations. Most of them (80.49%) have no savings generated from their undertakings.

As a whole, 65.85% of these ARB organizations evaluated obtained a very low maturity index below 57.33, which were classified Level I and interpreted "Low Level of Development".

Further, regardless of ARC classification and types of ARB organizations, a comparable level of organizational maturity was noted.

Keywords – DAR-Assisted Organizations, Organizational Maturity, Strategic Plan.

management leads to more effective business procedures, higher quality deliverables, lower project costs, higher project team morale, a better balance between cost, schedule, and scope, and ultimately added value for the entire organization [1].

Further, it was added that project management maturity assessment provides a model for staged continuous improvement in project management practices. The primary purpose of the assessment is to evaluate the maturity of project management practices within an organization and provide recommendations to improve overall project delivery capability. A properly performed assessment can also serve as fulcrum of positive project management changes in the organization.

In addition, the Project Management Institute [2] emphasized that a project management maturity assessment establishes an improvement map to use for assessing the effectiveness and efficiency of organizational project management practices. It provides organizations with a decision framework, a path to guide advancements on how to do projects and to achieve dramatic improvements leading to project success in their organization.

In the same vein, DAR also believed that the first step towards strong and viable organizations is the assessment of the current state of the organization, in aspects of organizational management, resource management, social enterprise operations, local governance and alliance building. The Organizational Maturity (OM) portion of the Agrarian Reform Community Level of Development Assessment (ALDA) provides critical inputs on the organizations' strength and weaknesses which serves as basis for key interventions [3].

Further, through this assessment, farmer beneficiaries are able to bond together, define their vision, mission, and goals; and be directly involved in programs and projects that would address their identified needs. ARB organizations are channels for ARB empowerment. Hence, they should strive for higher level of organizational maturity [3].

This assessment therefore would determine the levels of maturity among ARB organizations in the different ARCs of Eastern Samar as bases in formulating ARC-based strategic development plan.

I. INTRODUCTION

Every organization should strive to reach higher project management maturity because it is directly correlated to an improved organizational performance. Great project

II. METHODOLOGY

A descriptive-survey design was used in this study. This was conducted in the entire province of Eastern Samar to analyze the levels of organizational maturity of

41 functional ARB Organizations in the different Agrarian Reform Communities (ARCs) which included: Beri Special ARC, Jicontol Valley ARC, Can-avid ARC, Taft ARC, San Julian ARC, Malbog Settlement ARC, Borongan ARC, Maydolong ARC, Balangkayan ARC, Llorente ARC, Hernani ARC, Gen. MacArthur ARC, Salcedo ARC, Guiuan Islands ARC, Quinapondan ARC, Giporlos ARC, Balangiga ARC and Lawaan ARC. Of these existing ARCs 11 or 61.11% were categorized as low prime, while 7 or 38.89% were considered as medium prime. From these identified ARCs, 41 ARB organizations were existing and functional which were classified either as cooperatives (48.78%) or farmers' association/irrigators' association (51.22%).

Leaders and members of these organizations were involved in the focused-group discussions which centered on the different indicators set in the ARCs Level of Development Assessment (ALDA) instrument designed by the Department of Agrarian Reform [3]. Key informants which constituted ten MAROs, twenty-six DFs and representatives from community leaders validated the data obtained.

Organizational maturity was assessed through the status of ARB organizations in the aspects of organizational management with thirteen indicators, resource management with three (3) indicators, social enterprise operations with eight (8) indicators, and alliance building with three (3) indicators. As a whole, organizational maturity was measured using twenty-seven indicators.

For organizational management, the following indicators include: 1) Legal personality, 2) Vision, mission, goals and objectives, 3) Strategic development plan, 4) Organizational policies, systems and procedures, 5) Total membership in absolute terms, 6) % of ARB members to total membership, 7) % of ARB members to total ARP population, 8) Functionality of the BOD and committees, 9) Officers' attendance in meetings and other organizational activities, 10) Members' attendance in meetings and other organizational activities, 11) % of officers and committees attending basic and advanced trainings, 12) Attendance of members in membership and other relevant trainings and 13) Attendance of management staff in basic and advanced training courses.

Resource management was evaluated using these indicators: 1) Capital build-up (CBU) generation, 2) Savings mobilization, and 3) Employment of core management team.

On the aspects of social enterprise operations, the following indicators were measured: 1) Installation of financial and operational policies, systems and procedures, 2) Agri-based enterprises and services provided to members, 3) Sustainable and productive use of resources, 4) External loan repayments, 5) Profitability-return on equity, 6) Profitability-return on capital, 7) Debt-equity ratio, and 8) Liquidity ratio (current ratio).

Lastly, alliance building was analyzed from the following parameters: 1) Sectoral representation in various local development councils, 2) Capability of the PO/cooperative to access technical and financial support and 3) alliance building.

The data were organized, tabulated and analyzed using appropriate statistical tests. Percentage was computed to determine the distributions of 41 ARB organizations with respect to the 27 indicators for organizational maturity. Mean was computed to determine the level of maturity of ARB organizations in the identified ARC. Lastly, t-test was computed to compare the level of maturity among ARB organizations when types of organizations and ARC classifications were considered.

III. RESULTS AND DISCUSSION

Status of ARB Organizations in Terms of Organizational Management

About 92.68% of the 41 ARB organizations were registered either at the Securities and Exchange Commission, Department of Labor and Employment and Cooperative Development Authority.

Most of the ARB organizations have written VMGO, have one to five members of Board of Directors, eleven to fifteen committee members, and one to five management staff. Majority of the organizations have less than fifty male or female members.

It was found out that 87.80% of the ARB organizations formulated strategic plans, 80.49% developed operational plans, however, only 70.73% implemented these plans, and 41.46% updated and reviewed the same.

These organizations had existing policy, system and procedures which were followed by majority of the officers and members.

Majority or 78.38% had conducted 1-5 meetings. However, most of the 41 ARB organizations did not send its officers, committee members and management staff for basic and advanced trainings.

On the other hand, 68.29% of the organizations had let its members attended PMES/Enhancement trainings.

Status of ARB Organizations in Terms of Resource Management

It was revealed that 60.98% of the ARB organizations had generated CBU of less than Php50,000, and it was recorded that 80.49% of these organizations have no savings kept from their endeavor.

Only 10.81% of the 41 ARB organizations granted honoraria or salary to BOD, 7.89% to committee members, and about 11.43% to management staff.

Status of ARB Organizations in Terms of Social Enterprise Operations

It is interesting to note that among the ARB organizations studied, 92.68% had installed or existing finance and operation policies, systems and procedures which were maintained, updated and audited regularly.

It was recorded that majority of the organizations had served one to fifty clients in each of the services given such as: production related, credit or micro financing, post-harvest/processing and microenterprise/cottage industries while on marketing or trading the highest percentage which comprised 37.35% served more than one hundred clients.

Most of the organizations (92.68%) had at least one to five projects initiated. 53.85% cited that one to five of these projects were environment-friendly.

It was noted that a very high percentage of the ARB organizations (85.36%) have no outstanding loans. Of the six (6) ARB organizations with outstanding loans, 16.67% has less than Php100,000 due for the year while the other 16.67% have Pph100,000 or more. The other four (66.66%) were not due for the year.

Evaluating their assets, 31.70% have current assets of Php100,000 or more. Few organizations (4.88%) have liabilities of less than Php100,000. Majority (58.54%) had earned a net income of less than Php100,000. The greatest percentage (63.41%) had no equity to the organization. Majority (56.12%) revealed that the organization needs Php100, 000 or more to meet their technical and financial needs.

Status of ARB Organizations in Terms of Local Governance and Alliance Building

It was found out that majority (51.22%) of the organizations are sectoral representative to BDC. However, a very high percentage was not a representative to MDC (80.49%) and PDC (92.68%). Similarly, most of the organizations failed to access any forms of support from external sources (63.41%).

It can be gleaned from the data that most of the ARB organizations have no established linkages with other primary, secondary or tertiary organizations (80.49%), neither a member of secondary/tertiary organizations (87.80%). About 95.12% have no representatives in BOD of secondary/tertiary organization (95.12%) and most of them failed to access services offered by secondary/tertiary organization (85.37%).

Levels of Organizational Maturity of ARB Organizations

Table 1 illustrates the level of organizational maturity of 41 ARB organizations in the Province of Eastern Samar. This was identified by the threshold level based on the performance of the ARB organizations vis-à-vis the 27 indicators of organizational maturity which were clustered into organizational management, resource management, social enterprise operation and alliance building. it was found out that 65.85% of the organizations obtained a maturity index of less than 57.33 described as low level of development, 9.76% got a maturity index of 57.33 to 62.96 which means lower medium level of development, 17.07% obtained a maturity index of 62.97 to 68.61 characterized as medium level of development and only 7.32% got 68.62 to 74.29 maturity index which means higher medium level of development. Hence, it can be said that majority of the 41 DAR-assisted ARB organizations have still low level of development when it comes to organizational maturity.

Table 1: Levels of Organizational Maturity of 41 ARB Organizations in the Province of Eastern Samar

Org Number	Rating	Level	Description
1	40.67	1	Low Level
2	45.84	1	Low Level
3	40.81	1	Low Level

4	54.04	1	Low Level
5	49.02	1	Low Level
6	40.67	1	Low Level
7	59.48	2	Lower Medium Level
8	44.61	1	Low Level
9	51.43	1	Low Level
10	62.44	2	Lower Medium Level
11	52.61	1	Low Level
12	45.07	1	Low Level
13	46.85	1	Low Level
14	52.32	1	Low Level
15	55.62	1	Low Level
16	56.39	1	Low Level
17	63.57	3	Medium Level
18	52.15	1	Low Level
19	65.30	3	Medium Level
20	56.57	1	Low Level
21	45.06	1	Low Level
22	50.66	1	Low Level
23	58.57	1	Low Level
24	55.42	1	Low Level
25	49.16	1	Low Level
26	53.74	1	Low Level
27	53.52	1	Low Level
28	68.47	3	Medium Level
29	63.53	3	Medium Level
30	66.41	3	Medium Level
31	67.53	3	Medium Level
32	54.86	1	Low Level
33	55.77	1	Low Level
34	69.06	4	Higher Medium Level
35	53.46	1	Low Level
36	65.75	3	Medium Level
37	72.94	4	Higher Medium Level
38	62.29	2	Lower Medium Level
39	35.52	1	Low Level
40	57.92	2	Lower Medium Level
41	69.58	4	Higher Medium Level

Comparison of Level of Organizational Maturity of ARB According to Types of Organizations

Results of the analysis generated a computed t-value of 0.549 with a p-value of 0.598 indicating a not significant difference which can be implied that both types of organizations be it cooperatives or farmers' association/irrigators' association have comparable level of organizational maturity.

Table 2: Comparison of the Level of Organizational Maturity of ARB Organizations According to Type of Organizations

Groups Compared	Mean	T	p-value	Description
FA/IA	56.04	0.549	0.589	Not Significant
Cooperative	54.47			

Comparison of Level of Organizational Maturity of ARB Organizations According to ARC Classification

Level of organizational maturity of ARB organizations was compared due to ARC classification. A computed t-value of 0.325 with a p-value of 0.075 was determined indicating a not significant difference. It can be deduced that regardless of ARC classification, the level of organizational maturity is statistically comparable.

Table 2: Comparison of the Level of Organizational Maturity of ARB Organizations According to ARC Classification

Groups Compared	Mean	T	p-value	Description
Low Prime	56.04	0.549	0.589	Not Significant
Medium Prime	54.47			

IV. CONCLUSION

Based from the results of the study, the following conclusions were drawn.

Majority of the 41 ARB organizations in the province of Eastern Samar have low levels of organizational maturity which is indicative of a poor performance in areas of organizational management, resource management, social enterprise operation as well as linkages and alliance building. These are the main clusters of variables by which indicators of organizational maturity were gauge.

These results can be attributed to poor organizational management, very limited access to technical and financial assistance, less empowered leaders of the organizations, and less receptive members to organizational plans and activities.

RECOMMENDATIONS

From the results of the study, the following recommendations are formulated.

A comprehensive development plan for the entire province of Eastern Samar which is intended to improve the status of organizational maturity of ARB organizations should be formulated.

Continuous and effective monitoring on the sustainability of ARB organizations should be undertaken.

Technical and financial assistance should be planned and adequately provided to empower officers and members of the ARB organizations.

An in-depth study on the causes of poor organizational maturity should be carefully analyzed and planned by DAR and its line agencies to raise the level of organizational maturity among DAR-assisted organizations in the province of Eastern Samar.

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AUTHORS' PROFILE



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