

**A MANAGEMENT RESEARCH PAPER FOR XYZ
EMPLOYEES CREDIT COOPERATIVE (XECC)**

A Management Research Paper
Presented to
The Faculty of College of Business Administration and Accountancy
Graduate Studies in Business
De La Salle University-Dasmariñas
Dasmariñas, Cavite

In Partial Fulfillment of the Requirements for the
Degree of Master in Business Administration

GLADY B. RAMIREZ

Oct 2014

EXECUTIVE SUMMARY

This management research paper was done for the management of XYZ Employees Credit Cooperative (XECC). Information within this business plan should be treated with strict confidentiality.

XYZ Employees Credit Cooperative (XECC) is a credit cooperative organized with the purpose of engaging in credit and lending services. Its main objectives include: (1) helping out to improve the quality of life of its members; (2) increasing its income, savings, investments, productivity, and purchasing power; and (3) promoting among its members equitable distribution of net surplus to maximum utilization of economies of scale, cost-sharing, and risk sharing.

As of 31 October 2013, XECC stood as one of the largest employee credit cooperatives in the First Cavite Industrial Estate – Special Economic Zone in Cavite in terms of asset size. It comprises ten percent and eight percent of Total Assets and Total Paid-Up Capital, respectively, of the credit cooperatives established in said Special Economic Zone.

Considering that XECC has total assets of more than P13 million and a total equity of over P11.5 million, its return on total assets and return on capital which stood at 2.36 percent and 4.20 percent, respectively, may indicate that resources are not fully-utilized by the organization. In this regard, this study aims to establish measures that would aid XECC in improving its profitability.

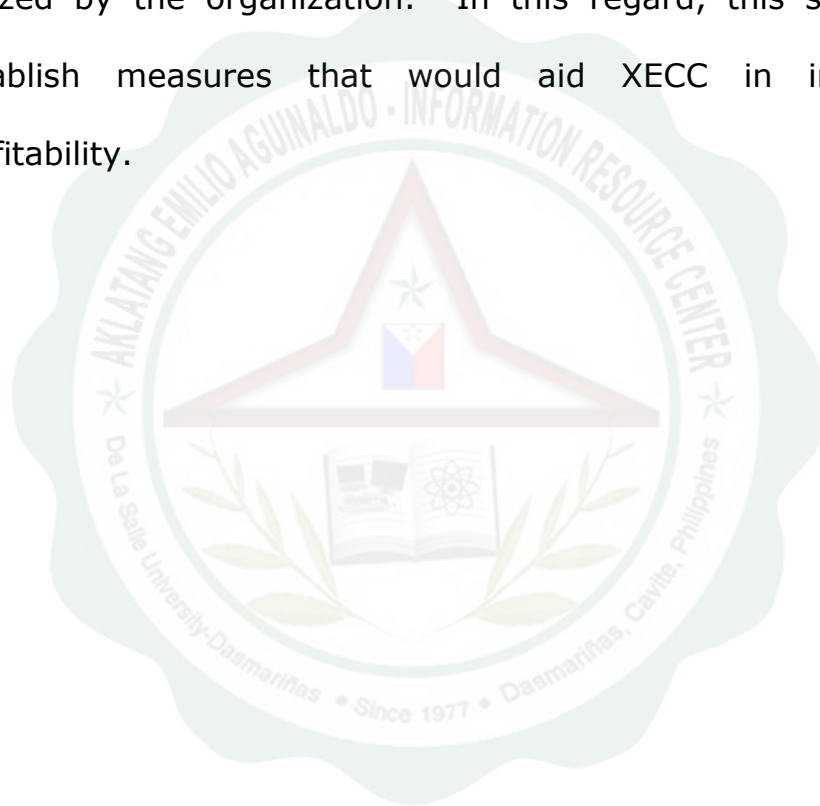


TABLE OF CONTENTS

	PAGE
TITLE PAGE	
DEED OF DECLARATION	1
APPROVAL SHEET	2
BIOGRAPHICAL SKETCH	3
ACKNOWLEDGEMENTS	4
EXECUTIVE SUMMARY	5
TABLE OF CONTENTS	7
LIST OF TABLES	9
LIST OF FIGURES	10
CHAPTER 1 INTRODUCTION	11
CHAPTER 2 RESEARCH DESIGN AND METHODOLOGY	14
CHAPTER 3 VISION AND MISSION	16
CHAPTER 4 ENVIRONMENTAL ANALYSIS	24
4.1. Economic Development	24
4.2. Socio-cultural, Demographic Trends, and Lifestyle Changes	26
4.3. Technological Developments	27
4.4. Political, Legal, and Government Aspects	29
4.5. Consumer Demand	30
4.6. Industry Analysis	31
Porter's Five Forces Framework	31
4.7. Opportunities and Threats	37
4.8. External Factor Evaluation	39
4.9. Key Success Factor	42
4.10. Competitor Analysis	43
4.11. Competitive Problem Matrix (CPM)	44
CHAPTER 5 COMPANY ANALYSIS	46
5.1. Strengths and Weaknesses	46
5.2. Internal Factors Evaluation (IFE Matrix)	48
CHAPTER 6 STRATEGIC AND LONG-TERM OBJECTIVES	52
CHAPTER 7 STRATEGY FORMULATION	53
7.1. Generation of Strategic Options	53
Threat-Opportunities-Strength- Weakness (TOWS) Matrix	53

	Strategic Position and Action Evaluation (SPACE) Matrix	55
	Internal-External (IE) Matrix	47
	7.2. Quantitative Strategic Planning Matrix (QSPM)	59
	7.3. Recommended Business Strategy	62
	7.4. Competitive Advantage	75
	7.5. Strategic Direction Method	76
	7.6. Recommended Organizational Structure	77
	7.7. Overall Evaluation of the Strategies	78
CHAPTER 8	ACTION PLANS AND EXPERIMENTAL PROGRAMS	84
CHAPTER 9	STRATEGY FORMULATION, MONITORING, AND CONTROL	87
REFERENCES		91

LIST OF TABLES

TABLE		PAGE
1	Nine Essential Components of a Mission Statement	20
2	Revised Nine Essential Components of a Mission Statement	22
3	Registered and Operating Cooperatives in Region IV	32
4	EFE Matrix	40
5	Competitive Profile Matrix	45
6	IFE Matrix	49
7	TOWS Matrix	54
8	Calculation Four Dimensions of SPACE Matrix	56
9	QSPM Matrix	61
10	Business Strategy Matrix	62
11	QSPM Matrix – Market Penetration	64
12	QSPM Matrix – Product Development	71
13	QSPM Matrix – Market Development and Unrelated Diversification	73
14	Projected Income Statement	80
15	Projected Cash Flows	82
16	Projected Balance Sheet	83
17	Action Plans	84
18	Key Performance Indicators	90

LIST OF FIGURES

FIGURE		PAGE
1	Cooperatives Composition	33
2	SPACE Matrix	57
3	IE Matrix	58
4	Recommended Organization Structure	67

