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ARGUS CREDIT CORPORATION
MAKATI CITY

FIELD STUDY

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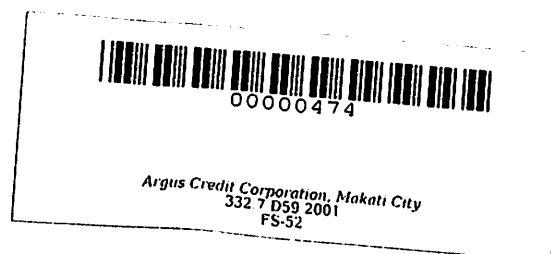
Indang, Cavite

April 2001

**ARGUS CREDIT CORPORATION
MAKATI CITY**

**A Field Study Report
Submitted to the Faculty of the
Cavite State University
Indang, Cavite**

**In partial fulfillment
of the requirements for the degree of
Bachelor of Science in Business Management
(Major in Economics)**



**Menchie L. Dimapilis
April 2001**

ABSTRACT

DIMAPILIS, MENCHIE L. "ARGUS CREDIT CORPORATION, MAKATI CITY" Undergraduate Field Study, Bachelor of Science in Business Management major in Economics, Cavite State University, April 2001. Adviser: Mr. Adonis N. Meñez.

A five-month field study (August 28 to January 2001) was conducted at Argus Credit Corporation. The study specifically aimed to describe the management operations of Argus Credit Corporation particularly in Documentation and Releases Department, determine the existing management practices being employed by the firm and identify common problems encountered by the firm and to recommend possible solutions to the problem. This field study report presented some information in the company history, organization and management, company policies, motivation and incentives, services offered by the company, marketing aspects and finance function.

Data and other information on the management practices and operations of the firm policies were gathered through observation, research and actual participation in the company. Other relevant data on operations were gathered from Tagaytay City Library, Credit Management Association of the Philippines, and Securities and Exchange Commission.

Argus Credit Corporation is a credit institution that grants credit to businesses in exchange for vehicle and real estate as collateral. It offers three types of loans - Chattel Mortgage Loan, Real Estate Mortgage Loan and Salary Loan. Each of which has a corresponding interest rate of 11% in terms of 102 days. Argus Credit has a total

workforce of fifty employees. It uses centralized type of organization because its decision belongs to only one person being implemented through formal authority channels.

Some of the common problems encountered by the company are unearned discount, fluctuating interest rates and delinquent payments from the customers. In order to overcome this problems, the company should put restriction in the avail of their service and processing procedure should be enhance so that client satisfaction is achieved.

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ARGUS CREDIT CORPORATION
MAKATI CITY ^{1/}

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INTRODUCTION

Credit refers to the faith that a creditor (lender) places in a debtor (borrower) by extending him a loan. In a modern market economy, the loan is usually in the form of money. When a loan is made, the lender extends credit to the borrower, while at the same time accepting the credit of the borrower. Credit facilitates the transfer of money, thereby increasing the productivity of capital by placing it where it will be most effectively and efficiently used. It economizes on the use of paper currency and coins (Grollier Incorporated, 1995).

Credit is extended to purchasers by sellers when payment for goods or services is deferred or postponed, with or without interest charges. A highly developed credit system is necessary for the widespread use of credit. The credit system facilitates the transfer of credit instruments and the extension of credit. Credit instruments take such forms as promissory notes, bonds and bills of exchange. Credit is the extension and the acceptance