

**PROFITABILITY PERFORMANCE, INSTITUTIONAL STRENGTH,
STRUCTURE OF ASSETS AND OPERATIONAL STRENGTH
(P.I.S.O) STANDARD RATIO OF COOPERATIVES
IN CAVITE**

THESIS

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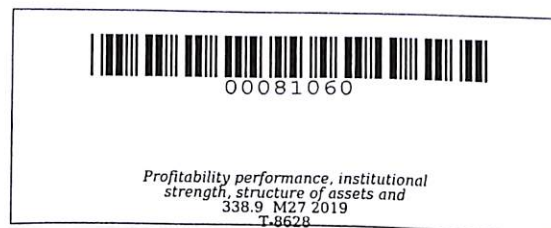
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OF ASSETS AND OPERATIONAL STRENGTH (P.I.S.O) STANDARD
RATIO OF COOPERATIVES IN CAVITE**

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ABSTRACT

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The study was conducted to determine the profitability performance, institutional strength, structure of assets and operational strength (P.I.S.O) standard ratio of cooperatives in Cavite. It aimed to determine the business profile of cooperatives in Cavite; determine the developments of business activities of cooperatives; determine the annual financial performance of cooperatives in terms of profitability performance, institutional strength, structure of assets and operational strength; identify the categories of cooperatives if these are developing, consistent and declining and; identify the opportunities of cooperatives.

The study was conducted in the province of Cavite from October to December 2017. Ninety-nine cooperatives in Cavite were identified and served as participants of the study. These ninety-nine cooperatives were using the P.I.S.O standard rating system mandated by the Cooperative Development Authority (CDA).

Predominantly, cooperatives in Cavite were classified as medium cooperatives. Most of the cooperatives has a membership size of 500 and below, offering up a multi-purpose type of service and, were operating for 3 to 9 years.

The financial performance of cooperatives in Cavite was measured through the use of P.I.S.O standards.

The profitability performance of cooperatives in Cavite had an average overall points of 15 for the years 2014 to 2016 against the standard of 25 points. The institutional

strength of cooperatives in Cavite had an average overall points of 8 for year 2014, 9 for years 2015 and 2016 against the standard of 20 points. The structure of assets of cooperatives in Cavite had an average overall points of 16 for year 2014, 17 for years 2015 and 2016 against the standard of 25 points. The operational strength of cooperatives in Cavite had an average overall points of 20 for year 2014, 21 for years 2015 and 2016 against the standard of 30 points.

The annual financial performance of the cooperatives served as the basis in categorizing the cooperatives. The cooperatives were categorized into developing, consistent and declining. Forty percent of cooperatives were categorized as developing, thirty-four of cooperatives were categorized as consistent and twenty-six of cooperatives were categorized as declining.

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INTRODUCTION

The cooperative sector in Cavite has proven its role as a strong economic entity in the province by providing capital and major source of livelihood among its constituents. Many governments have long recognized that cooperatives, in their various forms, have become a major factor in development. Experiences in many developing and developed nations have proven that one of the most effective strategies to attain economic growth and equitable distribution of income and wealth is through cooperatives.

Considered by many as the only alternative to the capitalistic profit system is the cooperative system. In fact, the Philippine Constitution has officially adopted as a matter of national policy the promotion of cooperatives as an instrument of social justice and economic development. This mandate has resulted into the enactment of two landmark