

Sustainable Entrepreneurial Livelihood Program for a Local Community in the Philippines

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Abstract – *A community's essence, which is the combination of its identity, purpose, and culture, is dynamic. It is influenced or shaped in part by what the community is capable of. Extension, through its educational programs, plays a large part in leading the community to progress. The academe making a linkage with organizations builds community engagement which is a powerful vehicle for bringing out environmental and behavioral changes which contribute to the holistic development of a community and its members. These collaboration efforts help mobilize resources and influence systems, change relationships among partners. This study evaluated the grassroots community entrepreneurial livelihood undertakings and its needs. Respondents were randomly selected from the grassroots community of Pili, Camarines Sur, Philippines. Based on the data gathered, 40% of the respondents are store owners, 20% are into buy and sell business, 10% are into direct selling, 10% are pedicab drivers, 10% are educational plan agent and the remaining 10% are food vendors. But despite a steady income from their entrepreneurial projects they still applied and avail loans from a private lending institution. Moreover, it showed that the community lacks the knowledge about governance education and entrepreneurial development. With these findings, it is opportune to adopt the Expanded Grassroots Project to combat poverty in the country. However, this implicate strengthened partnership and linkage to sustain productive and decent work for all in the community.*

Keywords – grassroots governance, assessment, livelihood, community extension

INTRODUCTION

One of the issues addressed by community extension programs is poverty. Poverty is described much more than just statistics about economies, hunger, and homelessness. It is a state of life, affecting all humanity. It is most commonly defined by economic standards, based on income levels and access to basic human necessities, such as food, water, and shelter. Hunger affects children's physical and cognitive development prenatally, perinatally, during early years and some of the effects continue through adolescents and adulthood [1]. There are varied mechanisms in alleviating poverty in a society but mostly comes in strong governance then entrepreneurship. Microfinance is not a panacea to poverty but a holistic approach to development that emphasizes the provision of education, healthcare, basic infrastructure, ownership empowerment and participatory governance can enhance the effectiveness of microfinance. Extensive use of microfinancing has shown to reduce extreme poverty among the users of microcredit. Marketing resources and capabilities

are suggested as probable missing links between SME's and profitable exchange that lead to wealth creation, thus alleviating and eradicating poverty. Microlending lead entrepreneurs create businesses. [2] - [5].

The internationally agreed-upon measurement of extreme poverty currently lies at \$1.25 a day, with the next lowest measure of poverty standing at \$2 per day [6]. The geographic breakdown of regions with the highest levels of poverty ranging from worst to best include: Sub-Saharan Africa, South Asia, Pacific East Asia, Latin America and the Caribbean, North Africa and the Middle East, and Europe and Central Asia [7].

In the Philippines, its poverty incidence has dropped to 21% compared to 27.6% in the first half of 2015 [8]. The decline of the poverty incidence of the Philippines was because of the improvements in the quality of employment in the past three years since the last poverty survey in 2015, as well as the expansion in government social services which is concluded by the National Economic and Development Authority (NEDA) and (PSA) [9]. From the report of Bank (2018) poverty declined 26.6 percent in 2006 to 21.6 percent

in 2015 [10]. The contributing factors for this decline of poverty were the expansion of jobs outside agriculture, government transfers, in particular to qualified poor through the *Pantawid Pamilyang Pilipino* Program and remittances. However, there are still about 22 million poor Filipinos as of 2015. Pursuant to R.A. No. 9178 known as Barangay Micro Business Enterprises Act of 2012 was passed to help Micro, Small and Medium Enterprises (MSME) flourish in the country. MSME's helped reduced poverty by creating jobs for the country's growing labor force. This law provides for incentives to Barangay Micro Business Enterprise (BMBE) which includes tax exemption and easier access to certain loans [11]. PSA estimated around 99.6% of business establishments in the country are MSME's with 90.3% being micro enterprises and 9.3% being small enterprises.

Higher education institution is mandated to implement and facilitates community extensions [12]. These extensions teach people things that make their life better. It addresses the needs of the identified communities, share its knowledge and embedded values that community members use to build images, skills, and practices. These images, skills, and practices shape the way people live, work, and play together. Bicol State College of Applied Sciences & Technology (BISCAST), in its partnership with the Partnership for Transparency in Asia Foundation (PTFA) an international non-government organization Grassroots Entrepreneurial Livelihood assessment is conducted. The study determined the community's entrepreneurial livelihood project, financial assistance availed and knowledge on entrepreneurship. The results of the study will serve as the basis for the community extension program that will be established in Pili, Camarines Sur, Philippines.

Communities are highly sophisticated human systems. They are shaped by the actions of their members [13]. It is built through a collaborative effort of external and internal factors. External factors involve the academe and other non-government organizations that contributes to the holistic development of the community. Thus, community development is a collaboration of its stakeholders.

Micro business ideas in the country are varied in terms of trading, merchandising and retail, food

business, agriculture and aquatics, online or web-based, graphic and design, arts and crafts, travel and transportation, travel agency, pets care, education, green business, and other business. Government has taken steps to encourage the proliferation of MSME's in the country by supporting their growth through notable legislations such as R.A. 6977 as amended or the Magna Carta for MSME's [14]. It was enacted to develop the Filipino entrepreneurial spirit by providing a business environment conducive for MSME's. There are government agencies that support and assist small scale and medium business till it booms on its own. These support services are Technological Education and Skills Development Authority (TESDA), Department of Trade and Industry (DTI), and other institutions such as Department of Science and Technology (DOST) and State Colleges and Universities (SUC's). Somehow this government initiative contributed much in the poverty incidence dropped out as such SUC's intensification of social services through knowledge and skills transfer per CMO no. 52, series 2016. Through BISCAST initiatives in poverty alleviation of the country it hauls out grassroots community in the field of microbusiness as indicated in the RA 10644 which is about the Go Negosyo Act with an objective to empower micro small and medium enterprises with an initial steps to establish business that will help sustain their everyday needs [15]. Developing interdependency for the common good is of value of emulation reflecting professional growth, development and ethics on each professional's context.

OBJECTIVES OF THE STUDY

The study aimed to assess the grassroots community entrepreneurial livelihood in the area of Pili, Camarines Sur, Philippines. Specifically, it sought to determine the entrepreneurial project profile; financial assistance availed; knowledge on entrepreneurship.

METHODS

This study utilized the descriptive research design. Descriptive method was used to determine the community entrepreneurial project profile, financial assistance applied/availed and the knowledge of the respondents on entrepreneurship. It randomly selected 224 respondents from the grassroots community of Pili, Camarines Sur with varied micro-small medium enterprise (SMEs).

Prior to the conduct of the data gathering, permission of the Local Government of Pili thru its Municipal Mayor Tomas P. Bongalonta, Jr is secured. Assembly of this grassroots community was coordinated through the help and assistance of the Life Bank Foundation, Inc. area managers and officers. This community has 1,000 members but respondents were randomly selected and came up to 224 respondents. Data is gathered through the utilization of survey questionnaires and validated through informal interviews and focus group discussion among the key respondents. Resource mapping is facilitated to determine the area needs and resources. Ocular visits and direct observation were also facilitated to gather secondary data regarding their livelihood projects. This study considered the willingness of the respondents upon inclusion in the processes conducted thereby committed themselves from the first phase down to the proposed program implementation.

Data were analyzed through frequency count of their entrepreneurial project profile and ranges of amount availed loan from the private lending institution. Besides, it utilized the Likert scale to determine the level of knowledge in entrepreneur. Likert scale of the knowledge level are the following: 1 - 1.99: Some Information; 2 – 2.99: Know; 3 – 3.99: Know well; 4 – 4.99: Know very well; 5.00: Full knowledge

RESULTS AND DISCUSSION

Community extension programs were implemented to help build a progressive and sustainable community. Pre-assessment is being conducted before facilitating and implementing a program to determine the appropriate program or intervention to be implemented in the community. Determination of the profile of the community may contribute to the success of the program to be implemented [16].

Based on the assessment of the grassroots community in Pili, Camarines Sur the following data were gathered:

Entrepreneurial Project Profile

The assessment of the entrepreneurial project is found out that 40% of the respondents own a *sari-sari* store, 20% are into buy and sell, 10% are an agent of an educational plans, 10% are pedicab drivers, 10% are food vendors and the remaining 10% are direct sellers of various products.

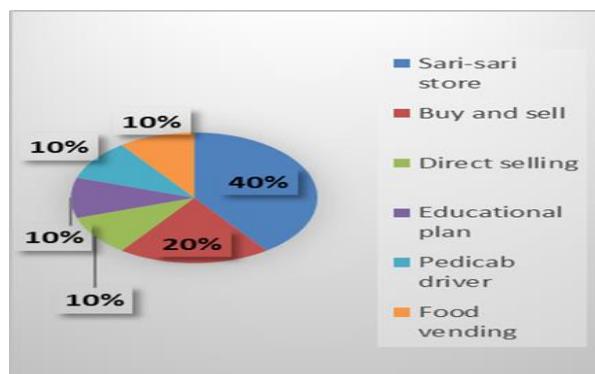


Figure 1. Entrepreneurial Project Profile

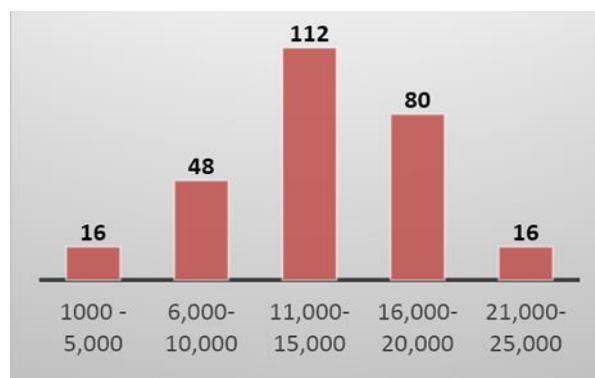


Figure 2. Financial Assistance Applied or Availed

Financial Assistance Applied or Availed

As presented in the above table 112 of the respondents have applied a loan of 11,000 – 15,000 from a private lending institution just to support and sustain the small business they have. Looking back at the data, these 16 applied for a loan amounting to Php 1,000- 5,000; 48 respondents' loan for an amount of 6,000-10,000; 80 respondents applied for a loan amounting to 16,000- 20,000 and the remaining 16 respondents avail a loan for 21,000 – 25,000. Based on the results, members of the grassroots community still avail a loan despite of the business they have. These loans were used in different matters some were to finance their daily needs; educational needs of their children and others.

Shown on Table 1 is the assessment of the knowledge of the respondents on entrepreneurship. Based on the findings, the respondents are knowledgeable in legal process of starting a business (2.52), innovating on a right environment (2.19), communication strategies (3.01) and sales and promotion (2.94). While they only know some information on business strategies (1.98) and adapting and dealing with change (1.91).

Table 1. Knowledge assessment on Entrepreneurship

Indicators	Mean	Verbal Description
Legal Process of starting up a business	2.52	Know
Business Strategies	1.98	Some Information
Communication Strategies	3.01	Know
Adapts and deal with Change	1.91	Some Information
Innovate on a right environment	2.19	Know
Sales and Promotion	2.94	Know

Knowledge is vital in building a successful entrepreneur [17]. It clearly shows that the grassroots community members are not knowledgeable enough to sustain their entrepreneurial projects. This is the factor affecting their ability to sustain their SMEs which lead the respondents to apply and avail the loan offered by different lending institutions present in the community.

The Proposed Program in Community-level Entrepreneurship

1. Title: Expanded Grassroots Governance Project
2. Rationale

Sustainable community development is the ultimate goal of any community extension programs implemented. The academe as a development driver creates linkages and partnership to provide opportunities for community building through capability trainings and livelihood programs.

Expanded Grassroots Governance Project is a two-track capacity building, consist of Governance Education and Entrepreneurial Development. Through this, existing entrepreneurial projects of the community can be geared into success. Moreover, with the partnership of Transparency Foundation in Asia (PTFA) financials assistance can be provided to the beneficiaries for them to start a business of their own. In this way, the grassroots community of Pili, Camarines Sur will be given opportunities to have a sustainable livelihood and income.

3. Objectives

Provide opportunities to the communities to be equipped with necessary skills to grassroots governance literacy and community-level entrepreneurship. Specifically, it will be able to:

- a. Acquire basic knowledge on grassroots governance and entrepreneurship
- b. Empower grassroots workers for sustainable entrepreneurship
- c. Create community-level entrepreneurs

4. Implementation Strategies

Strategy 1. Institutional Resource Mapping

Resource mapping will be conducted to identify the resources available in the community and the stakeholders of the projects. The institution identifies the faculty members that is competent and willing to participate in this project.

Strategy 2. Training-of-Trainers (ToT)

Identified faculty members of BICAST will undergo training-of-trainers (ToT), where they will be capacitated to train community members in grassroots governance and entrepreneurship. PTFA conducted the training and also provided the necessary materials needed in the project.

Strategy 3. Delivery of Training Session

Training sessions in grassroots governance and entrepreneurship development will be carried out based on the project implementation plan. Competent faculty members will conduct the training as specified in the resource mapping conducted.

CONCLUSION AND RECOMMENDATION

The study revealed that grassroots community members are engaged in different entrepreneurial livelihood projects and most of it are a *sari-sari* store.

But despite these livelihood projects they still apply and avail loans from lending institutions. It is also concluded that the community members open up a business even though they don't have enough knowledge on entrepreneurship.

Based on the findings it could be inferred that: implementation strategies of the Sustainable Livelihood Program of Department of Social Welfare and Development and of the local government units of Pili, Camarines Sur should be revisited to strengthen its impact and sustainability; Livelihood programs should be established based on the needs of the community; capacity building on entrepreneurship should be established; the adoption of the proposed school community and PTFA partnership program enabling the grassroots community in sustaining their livelihood/ entrepreneurial projects. Developing interdependency among professionals/stakeholders contributed much in the alleviation of poverty in the community, monitoring of programs sustainability and

its impact among the lives of the community could reached out the global aims for zero hunger.

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