



AN ANALYSIS OF THE REPAYMENT STRUCTURE FOR MUNTINLUPA CITY'S JOINT RESOURCES FINANCING PROGRAM: DETERMINANT SUBSEQUENT FINANCIAL REPORTING

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ABSTRACT

The JRF Program is a micro-financing scheme, which provides low-income families additional capital and/or start-up capital at zero interest to facilitate their opportunity to become entrepreneurs and form as part of the City's economic growth. The program's missions are to help low income entrepreneurs grow in their business ventures by providing sustainable financial assistance at zero interest and by extending entrepreneurial training and education. One of key objectives is to encourage low earner entrepreneurs to be enterprising and to practice dynamism to enable growth of their business and judiciously manage their finances in order to help improve their lives and to develop closer family ties and cooperation in the management of their business venture.

This research would help the researcher determine what level of effectiveness in the holistic approach of improving the economic competitiveness of its beneficiaries if it is helping them to have a much better socio economic status in life as well as their families. Since the services of JRF program focuses on the reduction of poverty in Muntinlupa City, consideration of clients as business professionals rather than beneficiaries of financial assistance. This service is granting financial assistance/loan without interest. Its vision is to build self-sustainable and self-sufficient micro-businesses in the City of Muntinlupa by providing micro financing at zero interest, Character-Based Financial Assistance program, to reach out clients in the communities, believing that entrepreneurial education and trainings are important factors in the success of the clients' businesses, committed to provide trainings and seminars and to encourage and teach them to save and to make savings as their way of life.

Keyword: *beneficiaries, financial assistance, accountability, transparency, socio-economic status*

1. INTRODUCTION

A person with the title of "business administrator" essentially functions as the manager of the company and of its other managers. Such a person oversees those in managerial positions to ensure that they follow company policies and work toward the company's goals in the most efficient manner. There are a number of government assistance programs as well as charities that work together to offer grants that will assist many families to uplift their life by becoming business endeavor. There is also financial aid from community action agencies and non-profits that ensure the success of once business that they want to pursue. Organizations may offer free financial help for paying bills, household living expenses, and debts. Struggling business can find assistance from the government though the help of JRF program of Dagdag Puhunan,

Every now and then hard-working people may experience a financial hardship but through having a small business it could an individual to become more complete in the field of business. Sometimes they just need that little extra help from other sources. Any family or individual that is struggling should never hesitate to research their local state or county government to see what assistance programs they have. Contact a local agency to learn about what type of financial help they can provide for new entrepreneur proprietor. After all, it is what your tax dollars are paying for.



In this regard the City Government of Muntinlupa City launched the program of Joint Resources Financing (JRF) Program which deals in helping micro and small entrepreneurs in achieving their goals to have an affluent and comfortable life by being a productive citizen to surpass the paucity of the basic needs of a family by becoming a successful businessman. Moreover, the researcher wants to investigate the effectiveness JRF program to its beneficiaries to have a basis for another suitable program that could tie up with JRF, since the researcher itself is a member of an NGO group that helps our country in preserving mother nature. Main concept of this research is the effectiveness of The Joint Resources Financing (JRF) program as perceived by its beneficiaries: basis for suitable program.

The researcher conceptualized to answer the question unto to what extent of effectiveness the Joint Resources Financing (JRF) program as perceived by its beneficiaries is concerned?

2. MATERIALS AND METHODS

This study gathered insights of the respondents, identified, defined, interpreted and analyzed the gathered data in to determine the variables or conditions in an existing situation on the effectiveness of the JRF program as perceived by its beneficiaries as basis for the suitable program.

Descriptive survey method was employed by the researcher to determine the general perspective of the subject respondents in terms of their opinion and knowledge about a particular facts and experiences.

2.1. Sampling Technique

The researcher used the Slovin's formula to get the number of respondents and select the respondents randomly, from the different barangays of Muntinlupa City. The respondents participated actively by sharing their views and opinions through questionnaires used by the researcher. A total number of 400 respondents made up this study, obtained using the Slovin's Formula. And only JRF program recipients were the respondents of this study.

2.2. Research Instrumentation

The primary tool employed by the researcher in collecting necessary data and information was the Survey Questionnaire, which reproduced using the universal language and developed in accordance with the problems and needs of the study. The first part of the questionnaire was about Business in terms of the following: barangay, nearest place, kind of business, starting capital, number of years in business, other source of financing, net Profit per month, and reasons in starting a business and Personal Profile of the respondents are as follows: age, gender, civil status, educational attainment, family sources of income, type of business trade and the second part was about indicators to gauge the effectiveness of the JRF program in terms of the following: business venture, business competition, and business opportunities.

2.3. Validation of Instruments

Three (3) days before the actual start of distributing the survey form, was the pilot testing with five (5) beneficiaries of the JRF program who are successful in their business, two (2) personnel of the JRF office and experts in the field of research were included to validate the reliability of the survey questionnaire.

2.4. Statistical Treatment

The statistical treatment used were the frequency, percentage, weighted mean, and Pearson r. Frequency and Percentage. This was used to present the business demographic profile of the recipient of the JRF program.



3. RESULTS AND DISCUSSION

The following findings were obtained:

3.1. To Going back to the Demographic profile of the respondents:

According to Age. 51 and above got the highest frequency of 142 or 35.50%.

According to Gender, Most of the respondents are female with the frequency of 363 or 90.75%.

According to Civil Status. Most of the respondents were married with 258 respondents or 64.50%.

According to Highest Educational Attainment. Most of the respondents were High school Graduate with 135 or 33.75%.

3.2. Business Profile of the respondents:

According to Type of Business Trade. Retail type of business got the highest frequency of 207 or 51.75%

According to Barangay Location. Barangay Poblacion got the highest frequency of 114 or 28.50%.

According to Proximal Location. Dense residential area got the highest frequency of 136 or 34.00%.

According to Start-up Capital. 1,000 - 5,000 got the highest frequency of 100 or 25.00%.

According to Other Source of Financing. Business got the highest frequency of 318 or 79.50%.

According to Number of years in Business. 3 years but not more than 5 years got the highest frequency of 120 or 30.00%

According to Other Source of Loan Family & friends got the highest frequency of 168 or 42.00%.

According to Number of Days Release. 15 days and less got the highest frequency of 124 or 31.00%.

According to Loan Amount. 1,000 - 5,000 got the highest frequency of 100 or 25.00%

According to Monthly Interest. 0% - 1% got the highest frequency of 240 or 60.00%

According to JRF Loan Amount. 1,000 - 5,000 got the highest frequency of 120 or 30.00%

According to JRF Days Of Loan Release. 16 to 30 days and 31 to 60 days (2 months) got the highest frequency of 128 or 32.00%

Based on experience of respondents in terms of effectiveness of the performance of the JRF program according to Revenue were 10,001 to 20,000 got the highest frequency of 137 or 34.25%. while according to Net Income. 5,000 and below got the highest frequency of 137 or 26.00%. Based on experience of respondents in terms of challenges in JRF Implementation or Business Ventures

The experience of respondents in terms of challenges in JRF Implementation. Among the item both number 2 Cannot pay my dues on time ($M=1.68$) and 5. Padrino System within the JRF itself ($M=1.72$) had acquired means which both interpreted strongly agree this means that the respondents stalwartly assent that one of their challenges experience as business venture were to pay in time and the occurrences Padrino system in JRF itself.

Based on the experience of respondents in terms of business related challenges or Business Competitions Item number 4. My product/service has a poor marketability got the highest mean of 1.87 and interpreted Agree.

Regression Result - Based On Revenue

Since all the coefficient's p-values are lower than 5%, we say that each of the variables are significant in the model. This is further backed up by computed t-statistic values which are all greater than t-critical value of 1.96. Referring to the calculated coefficients, the variables can be ranked in this manner:



GOVT	0.69	1
OTHERS	0.62	2
CRECOOP	0.53	3
JRF	0.46	4
FIVESIX	0.43	5
FAMFR	0.35	6
LENDING	0.34	7
BANK	0.27	8

From these, it can be said that for the given set of data plotted in this study, with 400 JRF respondent-beneficiaries as sample, the loans they acquired from government institutions (multi-purpose, personal or business loans from SSS, PAGIBIG, GSIS) has the highest impact to their business revenues; this is closely followed by "others" - which refers to loans they acquire from their membership on networking. JRF, Muntinlupa City LGU's flagship business assistance program, only placed fourth despite that it charges no interest rate unlike majority of the enumerated sources of funds in this study. The least of course is bank financing which, because of interest charging and terms of payment, is not very "friendly" to the micro businesses that JRF caters.

Another interesting figure here is the "Adjusted R², this figure measures the explanatory power of the model that we have used; which is anchored upon its significance - measured by the calculated F and the p-value for it. The results are good with F-value of 572 far exceeding any critical value and the p-values at 0, meaning that the computed Adj R² is reliable at any level of significance - be it 10%, 5% or 1%. With these, we can confidently say that 92% of the variations in business revenues of JRF beneficiaries are explained by the variables chosen representing sources of funds.

In terms of "relationship", which leads to the Correlation statistics that measures the degree of linear association between the two variables compared, we use the Pearson's r.

Regression Result - Based On Net Income

Since all the coefficient's p-values are lower than 5%, we say that each of the variables are significant in the model. This is further backed up by computed t-statistic values which are all greater than t-critical value of 1.96. Referring to the calculated coefficients, the variables can be ranked in this manner:

From these, it can be said that for the given set of data plotted in this study, with 400 JRF respondent-beneficiaries as sample, the loans they acquired from government institutions (multi-purpose, personal or business loans from SSS, PAG-IBIG, GSIS) has the highest impact to their business revenues; this is closely followed by "others" - which refers to loans they acquire from their membership on networking. JRF, Muntinlupa City LGU's flagship business assistance program, only placed fourth despite that it charges no interest rate unlike majority of the enumerated sources of funds in this study. The least of course is bank financing which, because of interest charging and terms of payment, is not very "friendly" to the micro businesses that JRF caters.

Another interesting figure here is the "Adjusted R², this figure measures the explanatory power of the model that we have used; which is anchored upon its significance - measured by the calculated F and the p-value for it. The results are good with F-value of 583 far exceeding any critical value and the p-values at 0, meaning that the computed Adj R² is reliable at any level of significance - be it 10%, 5% or 1%. With these, we can confidently say that 92% of the variations in business revenues of JRF beneficiaries are explained by the variables chosen representing sources of funds.



In terms of "relationship", which leads to the Correlation statistics that measures the degree of linear association between the two variables compared, we use the Pearson's r.

4. CONCLUSION

Based on the findings, the following conclusions and recommendations were drawn:

Majority of the respondents were female, we should encourage male to join to this kind of program like JRF by giving trainings and seminars exclusive just for an aspirant male entrepreneur and for those who are single we should also encourage to become resourceful and business minded.

Since the respondents stalwartly assent that the revenue of ranging from 10,001 up to 20,000. The researcher recommends a per barangay satellite of the JRF program to broaden the area so that much more citizens of Muntinlupa will be reach by this program to increase the entrepreneur of the city.

Subsequently the respondents assessed that item 5. Padrino System within the JRF itself under the category "challenges in JRF Implementation or Business Ventures" which acquired a (M=1.72) and interpreted strongly agree. The researcher highly recommended to have a strict compliance on the first come first serve policy remove or to change the way it is, since based on the implementation of Republic Act No. 9485 or the Anti-Red Tape Act (ARTA) of 2007 the occurrences Padrino system in JRF itself is not complying this R.A. No.9485. In addition the reseacher also recommend a feedback slip for every guest, clients, beneficiaries, etc of JRF program to eradicate that padrino system.

JRF program may conduct a quarterly survey on their beneficiary to monitor the rate improvement of the said program for further development and enhancement of the JRF program.

Recognitions and rewards for those successful beneficiaries of the program should be given as a strategy on boosting their eagerness to become a successful entrepreneur.

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