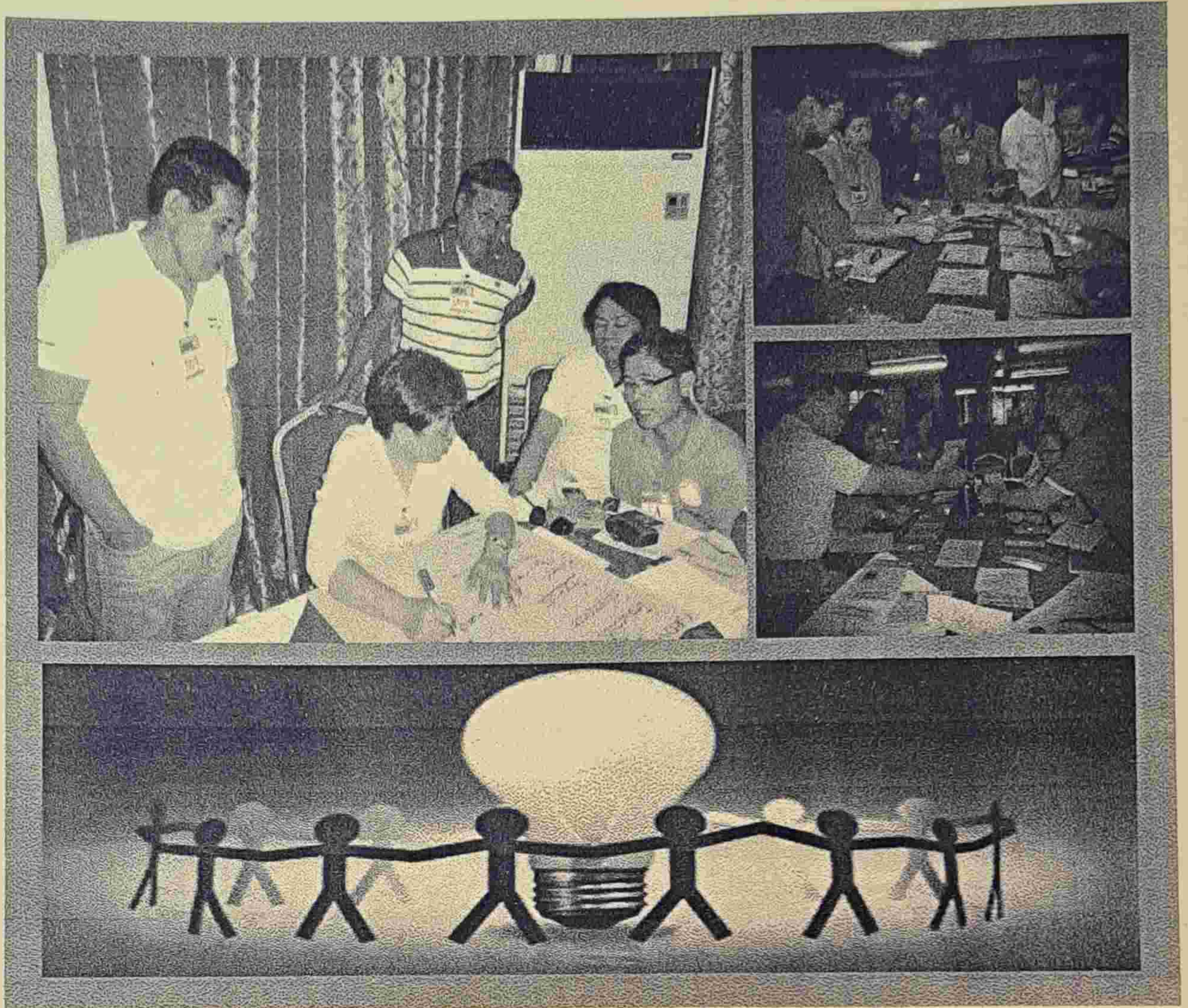


# PROFESSIONALIZATION PROGRAM



## **Management Tools for Organizational Development and Governance of Savings and Credit Cooperatives (Compliance Seminar on Cooperative Management and Governance)**

*conducted by:*





# POLICY MANUAL

## ABC Credit Cooperative

**Organizational and Governance Policies**  
**OGP – ABC Credit COOP**

<b>Subject: INTRODUCTION</b>	<b>Effective Date:</b>
<b>Issued By:</b>	<b>Revised Date:</b>
<b>Approved By:</b>	<b>Last Board Review Date:</b>

### 1. Vision

Our Vision is ... "We are the number one sustainable, viable and customer Friendly financial institution responsive to the needs of members."

### 2. Mission

Our Mission is ... "We improve the socio-economic well-being of our members through excellent financial and allied services."

### 3. Focus on Excellence in Products and Services

ABC CREDIT COOPERATIVE aims for excellence in products and services in the competitive marketplace. It believes that satisfying the members with quality products and services based on needs and demand would ensure the viability and sustainability of the credit union.

Excellence in products and services would consider the changing external environment, the varied needs and demand of members, the efficiency of operation and the involvement of Board and Management in pursuit of continued improvement in quality of services being provided to the members and its competitiveness in the market. ABC CREDIT COOPERATIVE is to ensure that product and services are of high quality, market driven, and competitively priced.

### 2. Objectives

To ensure excellence in the products and services to be offered by ABC CREDIT COOPERATIVE, the cooperative's objectives are based on the Balanced Scorecard adopted from industry standards.

<b>Financial Objective</b>	To achieve safety and stability based on financial standards.
<b>Member Objective</b>	To expand membership in all areas of operations and respond to the members' socio-economic and spiritual growth.



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<b>Internal Business Process Objective</b>	To provide quality products & services to members.
<b>Learning &amp; Growth Objective</b>	To adopt to new technologies and provide integral learnings and growth opportunities for officers and employees.
<b>Networking Objective</b>	To promote cooperativism with its active participation in existing linkages with federations, alliances, LGUs and other related institutions.

#### 4. Review and Update

A copy of this manual will be distributed to the Board of Directors, Sub-Committees and Management Staff. The Board will ensure that newly elected Board of Directors/Subcommittees are provided with this manual before formally assuming their respective duties. Likewise, new staff should be oriented on this policy manual during orientation.

The Board of Directors is to undertake a full review of the effectiveness and adequacy of these policies annually during the planning period. The Management should be involved in the review and assessment of this Manual in view of the legislative and/or market changes, which affect the operations of ABC CREDIT COOPERATIVE. Suggested input for revisions by the management should be documented and forwarded to the Board.

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# POLICY MANUAL

## ABC Credit Cooperative VALUES AND PRINCIPLES

Organizational and Governance  
Policies  
OGP – ABC CREDIT COOPERATIVE

Subject: VALUES AND PRINCIPLES	Effective Date:
Issued By:	Revised Date:
Approved By:	Last Board Review Date:

**Purpose:**

The purpose of this policy is to ensure that ABC CREDIT COOPERATIVE is maintaining its identity as a community-based financial institution practicing the values and principles for which it was founded. ABC CREDIT COOPERATIVE will ensure that those principles will be translated into business with high degree of professionalism and efficiency being of service to its members and the community as a whole.

**1. Basic Values**

ABC CREDIT COOPERATIVE continues to maintain and practice the following cooperative values and its corresponding measurement which the Board and Management should be accountable for and should adhere:

Our Values	How we will monitor and report?
<p>1.1 Equity: Consistency in delivery of products and services to members and the treatment of members based on their status. True awareness of and focus on members' needs.</p>	<ul style="list-style-type: none"> <li>a. Product pricing benefits reflects the product and service capacity to generate such benefits;</li> <li>b. Minimum of 15% per annum of members provide service and product feedback via surveys, web and other means;</li> <li>c. Detailed statistical member profile is monitored.</li> </ul>
<p>1.2 Integrity: Demonstrating care, commitment and honesty including informed reporting and disclosure to members and stakeholders;</p>	<ul style="list-style-type: none"> <li>a. Use of all available information and reporting methods;</li> <li>b. Stakeholders are aware of availability of reports;</li> <li>c. Range and presentation of information is useful to stakeholders;</li> <li>d. Member reporting includes measureable indicators of aggregated financial benefit distributed to members through product pricing.</li> </ul>
<p>1.3 Professionalism: Efficient, timely and effective service at all times through well-trained directors, management and staff supported by well-organized communication and operating systems.</p>	<ul style="list-style-type: none"> <li>a. Complaints due to staff knowledge procedures errors are less than 10 per annum.</li> <li>b. Service delivery standards are set by the Board and monitored by Management and</li> </ul>



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	Board using a range of survey and feedback techniques.
1.4. Responsibility: prudent management and sound capital backing.	a. All key financial indicators are readily met and reflect industry standards. (Cooperative Operating Standards)
1.5. Cooperation: Community and multi-stakeholder input and involvement providing benefits to individual members and their local community through collective endeavor. Creatively using the aggregated buying power of members.	a. Number of community organizations using the cooperative services; b. Number of value added or price benefits introduced annually
1.6. Celebration: We seek a healthy organization, with high quality of life for employees, where enthusiasm and celebration are essential. We recognize the strengths, talents and potential of the people in our organization and those we deal with. We want to encourage confidence and competence. We also recognize human frailty, allow for mistakes and failures.	Using an agreed list of desired indicators, we will monitor and report against these using the following methods: a. Staff and officers surveys re: recognition received; b. Volume of events that celebrate individual and organizational milestones; c. Recognition for outstanding members
1.7. Respect. Our work with the disadvantaged and marginalized in the community is characterized by mutual assistance and empowerment, and not by paternalism. Everyone must be treated with respect and dignity.	a. Ongoing members feedback will be sought and documented; b. Complaints/comments/suggestions (verbal and written) c. Community and stakeholders survey
1.8 Accountability: In our dealings with partners in the community, government and business, we are accountable for the quality of our work and seek to exceed their expectations. We want transparency in our organization, which reflects trust and awareness of joint responsibilities.	Transparency will be achieved by documenting and reporting to all stakeholders: <ul style="list-style-type: none"> <li>• Our agreed targets and our outcomes</li> <li>• The feedback we receive from staff, clients and partners</li> </ul> Using an agreed list of desired employee attitude and characteristics we will monitor and report against these using the following methods: <ul style="list-style-type: none"> <li>• Staff surveys</li> <li>• Employee exit interviews and feedback</li> <li>• Complaints received from staff and members</li> </ul>



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	<ul style="list-style-type: none"> <li>• The level of delegated decision making</li> </ul>
<p>1.9 Integration: Work is an important part of our lives. We want it to be integrated with all other areas of life. We work with people holistically, respecting diversity and beliefs.</p>	<ul style="list-style-type: none"> <li>• Sample surveys staff and clients perceptions;</li> <li>• Measure officers/volunteers in terms of diversity of culture, beliefs, etc.</li> <li>• Use stakeholders imposed and other agreed equity targets.</li> </ul>
<p>1.10. Innovation: We recognize that there are many ways to meet a need or undertake a task. We actively seek to introduce new programs and procedures to improve the effectiveness and efficiency of our current activities through ongoing changes in both process and systems.</p>	<p>Record and disclose (report) new program ideas and process ideas in terms of:</p> <p>Received (including source analysis) Evaluated Developed Implemented Outcomes</p>

## 2. Principles

The following cooperative operating principles which ABC CREDIT COOPERATIVE puts into practice are:

### 2.1. Democratic Structure

2.1.1. **Open and voluntary membership.** Any person within the accepted common bond of ABC CREDIT COOPERATIVE is able to join and make use of its services and corresponding responsibilities.

2.1.2. **Democratic Control.** All members enjoy equal rights to vote (one member, one vote) and join in making decisions for the ABC CREDIT COOPERATIVE. ABC CREDIT COOPERATIVE members elect committees who control the running of the cooperative, according to its laws and regulations, on behalf of the members. These committees are: the Board of Directors, Credit Committee and the Supervisory Committee.

2.1.3. **Non-Discrimination.** Members are treated equally. There is no discrimination because someone's race, nationality, sex, religion or politics.

2.1.4. **Service to Members.** All services provided by the ABC CREDIT COOPERATIVE are directed to improve the financial (economic) and social well-being of all members.

2.1.5. **Distribution of Services to Members.** A fair rate of interest is paid on savings and deposits to encourage wise use of money through savings. ABC CREDIT COOPERATIVE is then able to provide loans and other services to its members. Any surplus made by the ABC CREDIT COOPERATIVE belongs to and must benefit all members with no member or groups of members benefiting alone. The surplus shall be distributed among members in relation to their shares in the ABC



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CREDIT COOPERATIVE, or may be directed to improve or add services required by the members.

- 2.1.6. **Building Financial Stability.** The most important aim of ABC CREDIT COOPERATIVE is to build its financial strength including a strong reserve fund and internal controls that will ensure continued services to the membership.

### 2.2. Social Goals

- 2.2.1. **On-going Education:** ABC CREDIT COOPERATIVE actively promotes education for its members, officials, employees and the general public in their financial (economic), social democratic and mutual self-help principles. It also encourages wise use of money, savings as well as teaching members of their rights and responsibilities.
- 2.2.2. **Cooperation among Cooperatives.** In keeping with their ideas and practice of working together, ABC CREDIT COOPERATIVE actively works with other cooperatives and their associations at local, national, international levels to serve the interest of their members and community.
- 2.2.3. **Social responsibilities.** ABC CREDIT COOPERATIVE seeks to bring about human and social development. Social freedom extends both to individual members and to the larger community in which they work and live. ABC CREDIT COOPERATIVE aims to extend services to all who need and can use them. Every person is either a member or a potential member.