



“Enhancing **Quality** and  
**Productivity** towards  
**Competitiveness**”



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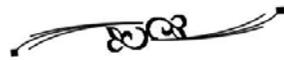
**2009 Productivity Olympics Winners**



**National Wages and Productivity Commission**  
Regional Tripartite Wages and Productivity Boards  
Department of Labor and Employment

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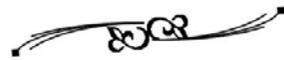
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## A Message

from the

## Executive Director

Since its launching in October 2008, the Productivity Olympics has already drawn into the public eye the country's best productivity improvement practices of micro, small and medium enterprises (MSMEs). The Productivity Olympics 2009 National Winners are noteworthy not only for their robust business performance through productivity initiatives but also, for their laudable efforts in people development by encouraging workforce participation and implementing gainsharing practices and schemes.



NWPC's Productivity Olympics gives the participating MSMEs the opportunity to showcase their best productivity improvement practices, to network with like-minded businesses, and to explore new markets.



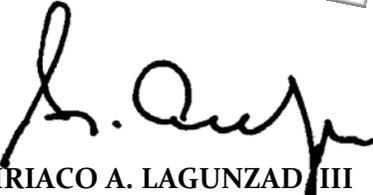
The featured stories in this compendium tell of the challenges of starting and managing a micro, small or medium enterprise and the innovative strategies the owners employed to turn every challenge to opportunity and, in the process, emerge as winners.

To the National Winners of the 2009 Productivity Olympics, we dedicate this compendium – a testimony to all Filipino entrepreneurs that one can start ‘small’ then grow up ‘big’ through hardwork, perseverance and taking the high road to productivity.



October 2011.

**NOTE :** The pictures were taken at the Bayview Hotel, Manila during the Awarding Ceremonies for the National Winners of the 2009 Productivity Olympics dated 29 October 2009.

  
**CIRIACO A. LAGUNZAD III**

Head, NWPC

5. For purposes of the Productivity Olympics, how are establishments classified as MSMEs?

MSMEs are classified according to the employment size as follows:

- ★ Micro = with less than 10 persons employed;
- ★ Small = with 10 to 99 persons employed; and,
- ★ Medium = with 100 to 199 persons employed

6. What are the award categories?

AGRIBUSINESS	SERVICE	INDUSTRY
Micro	Micro	Micro
Small	Small	Small
Medium	Medium	Medium

7. What prizes did the National Winners of the 2009 Productivity Olympics receive?

- ★ Productivity Olympics 2009 Trophy;
- ★ Cash award;
- ★ Use of the Productivity Olympics 2009 Award Logo for publicity purposes for 3 consecutive years (2009—2011); and,
- ★ Priority endorsement to other training programs and services by NWPC, RTWPBs, and other DOLE agencies.

**NOTE :** Excerpts taken from the Productivity Olympics 2009 Handbook on Detailed Mechanics.

Criteria	Description	Metrics	Points
2. Best in Business Excellence			<b>50</b>
2.1. Productivity impact on business performance	➤ Achievement of better business performance through management systems and processes	• Percent increase in revenue (2007-2008)	10
		• Percent increase in production per person-hour (2007-2008)	10
		• Establishment of Quality Management Systems (QMS) or compliance to similar widely accepted/recognized standards	5
		• Awards for business excellence given by a recognized productivity/quality body (not earlier than 2007)	5
2.2. Expansion and growth	➤ Product and market diversification	<ul style="list-style-type: none"> <li>• Increase in number of product lines</li> <li>• Increase in number of markets</li> <li>• Increase in number of branches</li> </ul>	10
2.3. Productivity impact on workers' welfare	➤ Extent of PIP impact on customer/community services	• Implementation of welfare programs for its workers, their families and the community	10
<b>TOTAL</b>			<b>100</b>

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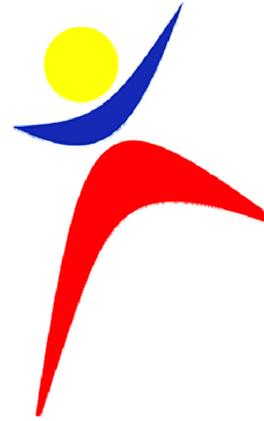


National Winners  
for **Agribusiness**

4. What criteria did the judges use to determine the winners of the 2009 Productivity Olympics?

Criteria	Description	Metrics	Points
1. Best in People Development			<b>50</b>
1.1. People participation in Productivity Improvement Program (PIP)	➤ Extent of participation of the workforce (owners, managers / supervisors, rank-&-file in the PIPs)	• Percent of total employed trained as part of PIP in 2008	15
		• Percent of total employed (including owners) involved in the design and implementation of productivity programs in 2008	15
1.2. Employment impact	➤ Employment generated	• Percent increase of number of employees (2007-2008)	5
		• Percent increase in share of regular employees to total employed (2007-2008)	5
1.3. Adoption of Gainsharing Scheme for the workforce	➤ Equitable gain-sharing of fruits of production	• Percent increase in number of rank-&-file and supervisors who benefitted from the Gainsharing Plan (2007-2008)	5
		• Percent increase in total amount of bonus distributed (2007-2008)	5

# A Primer on the Productivity Olympics



## 1. What is the Productivity Olympics?

It is a national competition of best productivity practices among micro, small and medium enterprises (MSMEs) nationwide.

## 2. What are its objectives?

- ★ Intensify national awareness and commitment to quality and productivity;
- ★ Enhance establishment's excellence and performance in quality and productivity; and,
- ★ Showcase best productivity improvement practices.

## 3. Who are eligible to join the Productivity Olympics?

All MSMEs in the private sector that are: (1) never been a National Winner of the Productivity Olympics; (2) duly registered with the appropriate government agency (e.g.: DTI, SEC, CDA, LGU); and, (2) with an existing productivity program existing for at least 2 years preferably under ISTIV beneficiary; and, (3) must be a micro, small and medium enterprise.

## Lao Integrated Farm

..... { Small Enterprise }

### A Farmer's Tale

Born a farmer's son, it is but natural for Benjamin Lao, owner of the Lao Integrated Farms, to be keen on farming. "My first love is farming", said Benjamin Lao, whose Lao Integrated Farms was adjudged one of the 10 winners in the 2009 Productivity Olympics.

As a child, Benjamin has always been fascinated with farm work although his parents always egged him to study hard as they wanted him to become a lawyer someday. But little Benjie had a plan of his own.

After finishing high school, Benjamin took up Political Science, a preparatory course for Law. Even while studying, his love for farm work did not diminish as he continued to assist his father in their farm.



**EMPOWERMENT** : Farm employees participate in capacity-building exercises to enhance their knowledge and skills in sustaining the workplace and enhancing productivity.

In 1985, Benjamin graduated from college and decided to work to support his family, but fate seemed to have predestined his true calling.

### Turning Point

When his father passed away in 1988, Benjamin inherited a 5-hectare farm with 325 nutritionally deficient coconut trees providing only 800 nuts every three months. Mulling over what to do with an unproductive land, he started reading agricultural magazines and other publications. He also attended trainings conducted by government agencies like Department of Agriculture, Philippine Coconut Authority, and Department of Science and Technology to learn the basics of farming.

## Getting Started

After a visit to the Mindanao Baptist Center where he saw how they were able to conserve the hillside with their Sloping Agricultural Land Technology (SALT), he adopted the same technique using nitrogen fixing plants and at the same time, planted the land with fruit crops that were purchased from his savings.

To optimize the use of his land, he raised 7 native goats and improved their breed with anglonubians and eventually added swine, which he found profitable.

## Product Diversification

He later ventured into food-processing to add more value to his farm products, like durian jam and candies from durian fruits, packed and frozen goat's milk, ice cream with goat's milk, coconut sugar, coconut honey and coconut sap drink. Benjie also developed and designed a charcoal kiln that produces high quality charcoal and kukum dryer for white copra. He later registered his agricultural products with the Department of Trade and Industry under the name Donna Belle Delicacies.

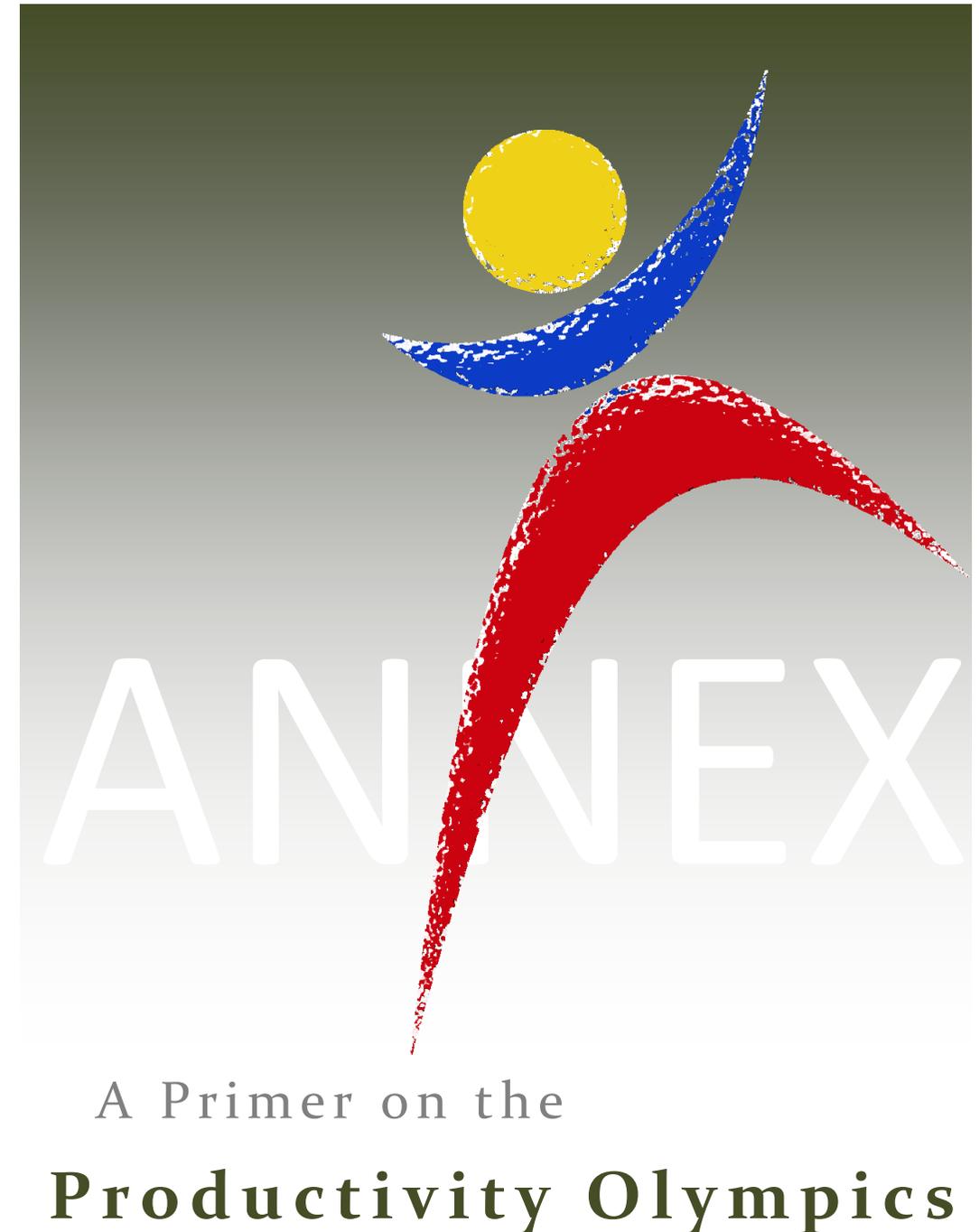


**VARIATION** : Product diversification is a proven strategy in increasing the farm's yield. It also sustains the agriculture-based firm for the whole year.

Not content with his accomplishments, Benjamin also developed an organic pesticide concocted from goat urine, sludge from swine, fermented goat manure, cawati leaves and panawan vines with hot chili, which remarkably spared his farm from mealy bug infestation while surrounding farms suffered. In 2005, his self-made pesticide earned him recognition as a Provincial *Gawad Saka* in Integrated Farming Category. Still, he knew that his farm has not yet reached its potential.

## Productivity Improvement Program (PIP): Cultivating “Manure-ism”

In 2007, Benjie partnered with the Regional Tripartite Wages and Productivity Board XI, for the conduct of productivity improvement training programs. Initially,



## Mentoring other MSMEs

To help other entrepreneurs, VjANDEP Bakeshop also mentored other companies like Seeking Pinyato (peanut seller) and Maestrado Tablea (cocoa manufacturer). The owners of these enterprises heeded Mr. Jose's advise on using a stainless table instead of the usual wooden counterpart for longer lifespan.

## Formula for Success

Mr. Jose credited the success of his company to an active husband-and-wife tandem between him and his spouse. While his wife is more of a motherly figure who provided 'angelic' motivation to the workers, he employed a more 'militaristic' approach. The harmonious combination of both perspectives, together with their zealous dedication to productivity improvement, was said to provide a balance of power in the workplace. ☺



**PROUD CHAMP** : Owner Col. Virgilio Jose [R] shares a smile with then DOLE Sec. Marianito Roque [L] during the Awarding Ceremonies.

the Board made a business diagnostics in which the following conditions were observed: a) farm income was limited to copra making and sale of various fruits, processed candies/jams; b) commercial fertilizers, insecticide/pesticides were costly and hazardous to environment; c) LPG for cooking and pasteurization of goat's milk were costly; d) small area for the production of coco-based products; e) 50% of sap/toddy gatherers were "tuba" (coconut wine) hard drinkers in the neighborhood before they were hired to supply said local beverage to the farm.

To address these problems, a productivity improvement program was developed which they dubbed "Vermicast/Organic Fertilizers, EMAN (*Epektibo, Mura At Natural*) Repellant, Bio-Gas Heater." Essentially, the program involves converting animal manure into fertilizers, insect repellant, and bio-gas (i.e. goat's manure were fed to earthworms for massive vermi-composting); goat's manure and urine were mixed with other herbs into insect repellant; and swine manure were converted into bio-gas for heat and its residues/waste into organic fertilizers.

Another productivity improvement program involved the production of coconut sugar/syrup (honey) as a value-adding income and the construction of a production building to conform with food-processing standards. The workers underwent training on coco sugar/honey processing and coconut fertilization, while coco toddy/sap gatherers within the community were hired and trained on toddy/sap gathering.

## Impressive Impact

In such a short time, the impact of the PIP was discernible: farm sales jumped by 50% after production increased in 2008, paving the way for setting up additional outlets within the town proper, Digos City, and Metro Manila. They also made a breakthrough in the Canada and US markets and as a result of product diversification, it generated employment among toddy/sap gatherers in the community.



**SANITATION** : Strict adherence to sanitation rules helped ensure that Lao's products are of best quality.

## Sharing the Fruits of Success

To share its fruits of success, the establishment developed a gainsharing scheme to its workers that include 10% of net sales per week given to 13 workers assigned to the production of vermicast/organic fertilizers; P3.00/kilo of net sales given to six (6) production workers assigned to the Coconut Sugar Production; P5.00/liter produced given to 9 production workers assigned to coconut syrup/honey production; and P100.00 per kilogram of cooked sugar for sap/toddy gatherer.

In addition, they were able to provide the following workers' welfare assistance program: livelihood cash assistance of P40,000.00 to the workers' cooperative, giving of female goats to workers for livelihood project, hiring of workers' spouses during seasonal activities to harvest fruits, and process them into candies, jam, etc. and training on livelihood projects through the Department of Social Welfare and Development.

## Giving Back to the Community

The community was also a recipient of the farm's welfare program, with the construction of *Tabing Ilog* Potable Water System benefiting 84 households and a school; tree planting/growing activity by giving or providing planting materials, hiring of sap gatherers within the community who are now earning an income averaging from P6,000.00 to P18,000.00 per month (50% formerly "tuba" hard drinkers but became responsible citizens after supplying their "tuba" to be converted into coco sugar/syrup); and giving free lectures on organic farming to interested farmers all over the Philippines.

## Awards Received

Mr. Lao is a recipient of several awards that prove his competence and ingenuity. Some of these awards were: Provincial Awardee for Outstanding Farmer (Excellent Farm Practices) in 2007, Regional Winner *Gawad Saka* (Excellent Farm Practices) in 2008, National *Gawad Saka* Awardee (Outstanding Coconut Farmer) in 2008, *Paran-*

Besides producing nutritional/healthy organic food from coconut by-products, Lao Integrated Farm was also able to generate employment among todody/sap gatherers in the community.

manual production mixer with a spiral mixer, use of an automatic push button technology replacing the old yema blistering cooking style and the replacement of the "mano-mano" kneader with an Italian made dough divider.

## Encouraging Effects

After a year of implementing a productivity improvement program, the impact was already visible: production output increased by 15% from 2000 dozens/day registered in 2007 to 2300/day in 2008, as production per person per hour improved from 720,000 dozens of pastel buns in 2007 to 828,000 in 2008 or an improvement by 15%. Likewise, its revenue improved by 5% from P41.81 million in 2007 to P43.94 in 2009.

With their new-found success, the company shared their blessings to their workers and community through granting of medical benefits/hospitalization assistance to employees and their families up to P10,000, free board and lodging including three (3) meals and snacks (both eat-all-you can), Christmas gifts and incentives, giving of packed foods to street kids and less advantaged, among others.

## Citations Received

The notable contributions of VjANDEP Bakeshop did not go unnoticed as the company reaped a number of awards. These include the *Gawad* Entrepreneur, Most Outstanding SME (National Finalist), 5-Nation Category Success Story by the Asia Pacific Economic Conference, Outstanding Business Entrepreneur Award and Job Generation Award by the *Ang Galing Pinoy* Movement.

In 2009, the company was declared a National Winner during the Awarding Ceremonies of NWPC's Productivity Olympics for the Best in Business Excellence, Medium Enterprise category.

Encouraged by the workers' enthusiasm in getting involved with productivity, the owners of VjANDEP challenged their employees through work assignments that solicit innovation and prevention of wastage at the production lines through adoption and the productivity concepts 'Muri', 'Mura', and 'Muda'.

ing of workers; b) unclear vision, mission statement, goals and objectives and lack of a more defined recruitment system; c) increasing production cost; and d) increasing incidence of tardiness among personnel.

To address the above problems, the RTWPB X recommended the following measures: a) adoption of a continuous process improvement of product development, upgrading of equipment, elimination of delivery delays, installation of coolers at workplace; b) improved marketing strategy in its branches and active participation in trade fairs; c) continuing HR development and leadership training program; d) Bio-gas Operation for Cooking/Cleaner Production; e) recycling of solid waste; and, (f) sustaining 5S of Good Housekeeping.

### Taking Up the Productivity Challenge

In carrying out the productivity improvement program designed for the company, VjANDEP's workers underwent several hours of training and orientation on ISTIV values, 5S of Good Housekeeping, Good Manufacturing Practices, Solid Waste Recycling Program and company policies.

Encouraged by the workers' enthusiasm in getting involved with productivity, the owners of VjANDEP challenged their employees through work assignments that solicit innovation and prevention of wastage at the production lines through adoption and the productivity concepts 'Muri', 'Mura', and 'Muda'. Another technique used was managing staff performance through employee classification i.e, workers were classified as slow, good and best performers. The best performers were obliged to mentor the slow ones, motivating the good ones to do better, and acknowledging the best performance.

Equipments were also upgraded by replacing the



**BLISSFUL MOMENT** : VjANDEP's employees in a brief moment of silence prior to a company-sponsored feast after a hard day's work

gal ng Pangulo (Natatanging Magsasaka ng Niyog) in 2008, Presidential Award (Outstanding Micro-enterprise in the Philippines) in July 2009, and Regional Winner One-Town One-Product in September 2009.

In 2009, Mr. Lao was adjudged winner in the Productivity Olympics for Best in Productivity Improvement Program in the Agribusiness Sector. Today, his farm serves as model among other farmers, in the locality and neighboring places, especially in the areas of value-adding of perishable products and farm diversification.

### Secret of Success

"The training helped our workers a lot especially in enhancing working relationships among workers and between workers and management," Benjamin explained. He added that through the NWPC's ISTIV productivity improvement program, the workers were motivated and inspired especially when the land was transferred to them and became their own. "Ninety-seven percent (97%) of the products of the farm is for the income of individual members while only 7% was retained for management or administrative maintenance," Benjamin enthused. "In the last three years, we have been able to increase our sales because we have established good image and goodwill with everybody." Truly, his decision to live a farmer's life proved to be a worthy and noble undertaking. ☺



**SHARING SUCCESS** : Owner Mr. Benjamin Lao [L] discusses with NWPC Ms. Au Daag [R] how he succeeded in his entrepreneurial venture.

# Sultan Kudarat Muscovado Farmers Millers Corporation

..... { Small Enterprise }

## Golden Sugar

Once dubbed a poor man's sugar, muscovado is now commonly used in gourmet coffee shops like Starbucks and Figaro and in manufacturers of candies, chocolates and other sweetened products. It is becoming popular among consumers given its nutritional and medicinal value.

Mr. Cornelio Castañeda, President/Manager of Sultan Kudarat Farmers Millers Corporation (SKFMC), one of the country's leading muscovado sugar producers located in the town of President Quirino, Sultan Kudarat province, attributes the success of their business not only to the health fad nowadays but also to the NWPC's productivity training program.



## Early Beginnings



COMPANY LOGO : "PQ" stands for President Quirino in Sultan Kudarat.

Since the 1960s, the town of President Quirino in Sultan Kudarat province has been producing muscovado sugar with processing technology brought in by Ilocano settlers in the province. They are mostly composed of small scale muscovado farmers with just over a hectare of average landholding.

With the advent of large sugar plantations producing refined white sugar, muscovado production in the country experienced a decline. In particular, this is due to access of Philippine refined sugar in the US market which constitute 96% of our sugar exports.

ity, she bought three (3) boxes and reconfigured her own recipe of yema-filled pastel. To give her pastel a distinctive taste, she reformulated her original recipe using custard flavor. Eureka! Eleanor's pastel was immediately a hit among her customers, so much so that she had to hire a worker to accommodate the number of increasing orders.

As her hobby turned into a successful business endeavor, she concocted a pastel variety, this time with fillings of different flavors, which also became a sensation among her patrons.

## Branching Out

Inspired by their success, Eleanor and Virgilio, who already retired from the military service, decided to put up their own plant in Camiguin. Eventually, they ventured to a restaurant by putting up their *Kan-anan sa Parola* ("Kainan sa Parola").



CRUNCH TIME : The firm's owner regularly train his staff to develop their core competencies and ensure service quality.

VjANDEP Bakeshop expanded to four (4) branches in Cagayan de Oro City, two (2) big commissaries are being built in the city and are expected to be operational soon, and it opened outlets in SM Nagtahan and SM Marikina. Its manpower has also increased to 185.

Despite their success, Eleanor knew that there is still a vast room for improvement in terms of the company's production.

## First Encounter with Productivity Improvement

In 2007, the Joses, through the Regional Tripartite Wages and Productivity Board of Northern Mindanao (RTWPB X) decided to avail one of its flagship programs - IS-TIV, a values-driven human resource technology based on the five (5) ideal attributes of a productive individual.

After conducting a business diagnostics, RTWPB X made the following observations on the company's conditions: a) low production attributed to lack of skills train-

# VjANDEP Bakeshop

..... (Medium Enterprise)

## Savoring Sweet Success



**BIRTHPLACE** : The bakeshop originated in Mambajao, Camiguin and is now considered as VjANDEP's main business center.

The island of Camiguin is popularly known for its many volcanoes, hot springs and annual lanzones festival. However, during the early 90's, tourists flocked the island not only to experience its God given wonders but also to partake its famous local pastry - pastel-filled soft dough coffee buns produced by VjANDEP Bakeshop.

After two decades of existence, VjANDEP's flavoured pastel now stands as an icon of attraction not only to the Island of Camiguin but to the

whole region of Mindanao. Its rise to success is attributed to the sheer hardwork, unwavering determination and strong faith in God of the husband and wife team of Col. Virgilio Jose and Mrs. Eleonor P. Jose who started the business with a meager capital of P120.00.

At present, the company's current asset is worth more than P5 million with several branches and outlets in big malls and supermarkets nationwide.

## Starting Small

In 1990, Eleanor P. Jose, wife of Col. Virgilio Jose who at the time was still in active military service, was mulling on what to do on what was left of her husband's Christmas bonus of P120.00. She thought of trying something that she enjoyed doing and at the same, help augment their income.

At that moment, the idea of baking suddenly rings a bell. She mused, after all, that she already knew the rudiments of pastel-baking, having taken short term summer lessons on cake or pastel-baking. With only P120.00 on hand, and a lot of ingenu-

## Myriad of Problems

Inevitably, the muscovado industry faced a myriad of problems, foremost of which was the quality of sugar, which affected consumer demand and farm prices. Also, there was marketing problem as most muscovado sugar were sold in markets by middlemen and local traders who control farm gate prices, depriving the farmers some of their hard-earned earnings.

Mrs. Jeaneth Castañeda, Operations Officer of SKMMFC, recalled that many farmers then were really discouraged by the meager earnings due to low demand for their muscovado sugar. Other problems affecting their business include lack of standard operating procedure, inadequate skills of workers', low-level of technology, and obsolete machines and equipment.

## Birth of SKMFC

With mounting problems, a group of farmers and millers decided to organize a farmers association, which they subsequently incorporated with the Securities and Exchange Commission in 2006 under the corporate name Sultan Kudarat Millers and Farmers Corporation (SKMFC).

At that time, consumer interest in organic and healthy products was beginning to take a dramatic rise, giving small mills like the SKMFC a much-needed boost. From its domestic market sales of only two (2) tons during the late 80s, muscovado sugar sales in local markets reached 1,160 tons in 2005.

Still, Mrs. Castañeda admitted that their targets were far from being attained as SKMFC continue to be hobbled with perennial problems of low quality and low production of sugar. In 2007, the SKMFC decided to join hands with the Regional tripartite Wages and Productivity Board for SOCCSKSARGEN (RTWPB XII) in addressing its problems.



**TRADE FAIR** : Regular attendance to trade exhibits helped SKMFC gain popularity to its consumers.

## The Productivity Improvement Program

After conducting a business diagnostics, the RTWPB XII made the following recommendations to improve sugar quality to meet global standards: capability building thru skills upgrading, rehabilitation of plant, machineries and equipments; science and technology transfer on good manufacturing practices; installation of internal quality control system; installation of hazard analysis and critical control points; benchmarking; adoption of gain-sharing schemes; and marketing/product exposure in trade, fairs and exhibits, among others.

Both supervisors and workers underwent several hours of productivity improvement training in 2007 and 2008, including monitoring of the program's implementation.

## Impact

In 2008, the impact of the productivity trainings were immediately noticeable: SKMFC's total sales revenue jumped from P2.3 million in 2007 to P8.3 million in 2008, or equivalent to 365.79% increase; total volume of production leaped from 62 tons to 230 tons in 2008, or equivalent to 365.97% increase. Production per person-hour increased from 0.9 tons in 2007 to 0.24 tons in 2008, an increase of 175%.

Likewise, earnings of farmers, mill owners and laborers went up in 2008 with the increase in farm gate prices from P25.00/kilo in 2007 to P30.00/kilo in 2008. With the adoption of gainsharing schemes beginning in 2007, total workers' share was registered at P848,412.78 (equivalent to 37.5% of gains) where millers share P262,434.35 or 25% thereof. In addition, the company was able to acquire additional land area for production, i.e. the 530 hectares being used for production in 2007 was augmented with the acquisition of 1,200 hectares in 2008 and 1,700 hectares in 2009.

More importantly, SKMFC was able to generate a 130.98% increase in employment (non-regular employees) from 710 employees in 2007 to 930 employees in 2008.

Today, the SKMFC is recognized a benchmark in the muscovado industry after it helped revived a once-considered dying industry.

workforce is partly composed of physically-challenged workers. To-date, Wellmade employs five (5) physically-challenged workers representing five (5) percent of its total workforce.

Since its operation, Wellmade garnered more than 12 awards and recognition for its drive to improve the quality of its management system and human resource.

## An Award-winning Firm

In 2002, Wellmade was the first machine shop to be certified ISO-9001:2008 on Global Certification of Quality Management System. In 2005, it received numerous awards and citations. These include the Presidential Citation as the Most Outstanding SME in Productivity and Quality, Finalist for the Employer of the Year: SME Category, Philippine Marketing Excellence Awardee as the Most Outstanding Machine Shop, and National Consumers' Award as the number 1 machine shop.

In 2008, it was a Presidential Awardee for Science and Innovation and as a Corporate Social Responsibility Entrepreneur of the Year by Cebu Chamber of Commerce. In 2009, it was adjudged as one of the National Winners of the DOLE-NWPC Productivity Olympics and Metalworker Man of the Year by the Metals Industry Research and Development Center.

## A Pioneer in Franchising

Last year, Wellmade successfully franchised its business in Davao and Malaysia with ongoing negotiations in Bohol and General Santos. Wellmade is probably the first company in the world to engage in franchising machine shop business both at the local and international markets.

Mr. Tan attributes his drive to improve the plight of his company's workforce and their families to fulfill his father's dream of paying back the Filipino people for the opportunities given to their family when they migrated to the Philippines all the way from China five (5) decades ago. ☺



**FIRM VICTOR** : CEO Mr. Philip N. Tan [R] shook the hands of then DOLE Sec. Marianito Roque [L] before claiming the trophy last 29 October 2009.

An ISTIV Productivity Improvement Program was put in place. In 1999, management noticed that tardiness in the workplace was getting out of hand. Instead of resorting to punitive disciplinary action to rectify the situation, it launched the ISTIV program espousing a culture of discipline and honesty. This approach provided an atmosphere of cooperation between labor and management. This led to the removal of bundy clocks, security guards, and body frisking before the employees leave the company premises. This cooperative effort bore positive results as tardiness dropped by 95%.



**AFFILIATES** : Well-made's sturdy reputation helped establish affiliate companies such as Duratech Heavy Industries Inc.

### Solving Machine Breakdown

While adapting continuous improvements, the company was experiencing increasing occurrence of machine breakdowns which resulted into delayed deliveries; high incidence of non-conformance to quality standards; idle machineries and equipment which are costing the company billions of pesos; potential losses on revenues, and wastages in materials supplied.

To address these problems, the management immediately formed a committee composed of machine operators, supervisors and maintenance group and implemented the program entitled "This Machine is Mine". The objective of the program was to instill a sense of ownership among workers to ensure the proper use and maintenance of machines and equipment. The campaign on "This Machine is Mine" alongside with other affirmative actions produced positive outcomes.

### Gainsharing

The gains from successfully implementing the program were shared among all employees including the managers and supervisors. The employees received a monthly bonus ranging from a minimum of 20 percent to as high as 500 percent of their monthly salary.

### Unique Workforce

The company also practiced non-discriminatory hiring practices. Wellmade's

### Awards Received

Today, the SKMFC is recognized a benchmark in the muscovado industry after it helped revived a once-considered dying industry. It expanded its market to US and Japan and its local markets include Starbucks and Figaro. Tucked under its belt are numerous recognitions and awards for its accomplishments notably 2008 Outstanding MSME Award for Region XII and Outstanding OTOB Entrepreneur (Provincial Level), as conferred by the Department of Trade and Industry, and 2009 Productivity Olympics Winner under the category Agri-Business Sector-Small Enterprise Sector given by NWPC.

When asked during the Olympics awarding ceremony on their plans for the future, Mrs. Castañeda replied pointblank that "they ought to conduct more productivity improvement trainings". After all, muscovado sugar, with its huge export potential, is indeed no longer a poor man's sugar. ☺



**WINNER** : Operation Manager Mrs. Jeaneth P. Castañeda [Center] flanked by then DOLE Sec. Mariano Roque [L] and NWPC Comm. Francisco Floro [R] during the Awarding Ceremonies dated 29 October 2010.

# AMS Employees Fresh Fruits Producers Cooperative

..... (Medium Enterprise)

## Defying The Odds

Davao del Norte is known for its landed estates owned by wealthy scions, and home to banana plantations that produce exportable Cavendish bananas. AMS Employees Fresh Fruits Producers Cooperative, composed mainly of farmers in Sampao, Davao del Norte, defied the odds by proving that even a small cooperative can make it big in a highly competitive banana export industry through sheer hardwork, ingenuity, and the adoption of a productivity improvement program.

### The Beginning

In 1969, the newly organized AMS Farming Corporation devoted a vast track of its agricultural land in Sampao, Davao del Norte for the cultivation of Cavendish bananas. As the land is suitable to banana cropping, the company was able to produce an annual average of 3.5 million cavendish bananas which were shipped to Asian countries, the Middle East and New Zealand.



**FOUNDERS** : The cooperative started in 15 July 2002 as an association of Agrarian Reform Beneficiaries (ARB) composed of 97 former employees of AMS Farming Corporation.

### Birth of a Cooperative

With the implementation of the Comprehensive Agrarian Reform Program (CARP) in 2002, several workers of the company became CARP beneficiaries with the granting of 406 hectares of agricultural land. Some of the awardees opted to till individually the land which were fully planted with Cavendish

bananas, while some 97 beneficiaries, decided to pool the lands awarded to them by forming an association known as the Sampao Fresh Fruits Producers Association Inc.

# Wellmade Motors and Development Corporation

..... (Small Enterprise)

## Well Made, Well Done!



**C O M P A N Y**  
**LOGO** : Regional affiliations below the name represent the first 3 plants Wellmade has opened in Cebu

Wellmade Motors and Development Corporation is a socially responsible organization of people that helps the minorities and the less privileged members of society through human development. All company policies, directives and regulations are anchored on its corporate philosophy: “Profit is just one of our means in attaining our aims in life”.

### Wellmade’s Roots

Mr. Philip N. Tan founded the Wellmade Group of Companies in 1988. With his training, education and experiences, Mr. Tan became an entrepreneur establishing the Wellmade Motor Parts and Industrial Sales located in Barangay Tipolo, Mandaue, Cebu. In 1995, Mr. Tan refocused his business from trading to engineering. He renamed the company Wellmade Motors and Development Corporation. The shift was highlighted with the launching of the first innovative precision engineering workshop to the public.

With only 12 qualified staff, it has grown to become one of the biggest and modern workshop in the Philippines. The company’s outputs are at par with the world’s best precision machine manufacturers from the United States, Italy, Switzerland and Japan. Since then, its business operation expanded ten times from its regional size.

### Introduction to Productivity Improvement

In 1996, Wellmade availed of the 5S of Good Housekeeping and Work Improvement in Small Enterprise or WISE Program of the Department of Labor and Employment. Afterwards, the company also joined the ISTIV Program of the Regional Tripartite Wages and Productivity Board for Region 7.



**AMONGST MEN** : Mrs. Marietta E. Peñaflor [mid-R] was well received by NWPC ED Ciriaco Lagunzad III [ext-L], then DOLE Sec. Marianito Roque [mid-L], and DOLE RO Dir. Ricardo Martinez [ext-R] during the Awarding Ceremonies dated 29 October 2009.

During the 2009 Productivity Olympics Awarding Ceremony, Maruth was adjudged one of the winners for a Micro Sized Establishment (Industry Sector). When asked about the secret of her success, Mrs. Peñaflor unabashedly attributed it to sheer hard work, dedication and assistance of RTWPB IV-A through its productivity improvement trainings. 🐾



**PLENTIFUL BOUNTY** : Quality control measures conducted during harvest time.

The association was eventually registered as a cooperative.

### **Auspicious Start**

The cooperative began its business operation with an auspicious start by inking a 10-year marketing sales agreement with AMS Corporation for the production of quality exportable bananas. During the first three (3) years of the operation, the banana plantation was managed collectively by the cooperative, with the beneficiary-members manning the production process from plant/fruit care to packing.

In 2005 or three (3) years after the cooperative's operation, each beneficiary-member was equally provided with 0.73 landholding under its so-called Individual Farming Management Scheme which he/she shall manage and finance directly. By way of assistance to them, a packing processing plant and hauling trucks were provided.

About 500,000 kilos/month of quality exportable bananas were directly marketed to AMS Farming Corporation and the Middle East, Japan, China and New Zealand. The cooperative retains a share of \$0.15 per box representing technical fee and for cooperative operations.

Although the cooperative was earning relatively well at the time, there was a felt need to increase the farmers' income and the output per hectare of the plantation.

### **Expansion Program**

In 2007, the cooperative was introduced to the Productivity Improvement Program (PIP) of the NWPC, through its Regional Tripartite Wages and Productivity Board in Region XI. After assessing the conditions in the cooperative, the following recommendations were made and eventually implemented: a) banana expansion pro-

gram to cover undeveloped lands of farmers in the vicinity; and b) banana flour production whereby banana rejects (Class C) were used for producing banana flour.

### Impact

The PIP was successful in its implementation as farmers-growers' output per hectare increased from 405,733 boxes in 2007 to 452,838 boxes in 2008 or an improvement of 10%, yielding additional income for farmers. Banana flour production output likewise improved from 106,633.71 kilos in 2007 to 229,344 kilos in 2008 or a jump by 115%. As a result, total revenues from banana production increased from P47.876 million in 2007 to P53.435 million in 2008 while banana flour production soared from P853,000 in 2007 to P1.834 million in 2008 or an increase of 115%.

Being a cooperative, 70% of its net surplus were distributed as dividends to its members, the remaining 30% were equally allotted for education/training, land/building optional fund and general reserve fund.

With regard to the banana flour production program, it also provided additional income to the cooperative but more importantly, it generated employment among indigenous people and women spouses in the community.

### Support from Government Agencies

Aside from the productivity training, its success was also attributed to various government support projects notably the P1 million assistance fund by the DOLE under its Poverty Free Zone Program, which was used to purchase machineries such as hammer mill, hauling trailers and drying facilities.

Likewise, the cooperative received support from the Department of Agriculture with the grant of solar and mechanical drier, the Department of Science and Technology which extended support for product analysis and upgrading, and the Department



ALTERNATE : Class C or bananas rejected for exportation are developed into more marketable banana flour.

them to monitor business condition and arrive at better decision. Work premises became clean, safe and conducive for work. A quality control personnel was designated to inspect, count and seal the boxes for delivery resulting in fewer theft cases and higher savings. Output rejects decreased from 180 pairs in 2007 to 100 pairs in 2008, or a decline of 80%.

As a result, job orders went up from 8,488 pairs in 2007 to 11,480 pairs in 2008, or an increase of 38%.

More importantly, workers' efficiency has improved so that a worker who can produce only 2.5 pairs per hour in 2007 was able to increase his production to 5 pairs per hour in 2008. Maruth's volume of production improved from 8,488 pairs in 2007 to 11,480 pairs in 2008, upped by 77%.

### Sharing the Gains

Consequently, Maruth's revenue rose from P230,200.00 in 2007 to P380,200.00 in 2008, registering a net increase of 65%. Elated by their performance, Maruth granted gain-sharing benefits to its workers consisting of loyalty bonus, birthday allowances and bonuses for good performance.

As a way of sharing its success to the community, Mrs. Peñaflor sponsored seminars on footwear quality improvement for the members of the Liliw Footwear Association. She also advocated that hiring preference be given to residents of Liliw, as well as helped in facilitating the grant of seed capital for families who want to put up their own business. In 2009, Maruth was one of the sponsors of the *Mutya ng Pilipinas* beauty pageant.

### Future Plans

Among Maruth's clients are Natasha, Progressive Footwear and UZZO Footwear. In 2010, it inked a contract with big-retailers like Manel's, Janilyn and Unitop.

For its future plans, Maruth intends to annex bigger markets with better designs and better quality products through continuous process improvement of its work processes.

major decision: they agreed to put up their own footwear enterprise with a starting capital of only P15,000.00, which they called Maruth Footwear.

Like any backyard business, job orders from customers were sluggish at the start. But when a big retail outlet store took notice of their world-class products and original native designs, word soon spread out about their quality goods and unique designs. From being a supplier of only one retail store, Maruth's customers multiplied. Job orders reached nearly 8,500 pairs a month in 2007, and additional workers were hired to keep up with the increasing demand. Revenue reached P230,200.00 in 2007.

Booming business means more business transactions to process and continuous product development to cope with changing customers' tastes and preferences. Unfortunately, the Peñaflors could not keep up with the heavy workload: records of daily transactions were disorganized, work premises were disorderly, and marketing strategies and product designs were fast becoming outdated. Evident also was the lack of quality control in their goods. Workers' productivity was on the mend.

### **Instilling Productivity at the Workplace**

In 2007, Maruth became a beneficiary of productivity-improvement trainings of Regional Tripartite Wages and Productivity Board IV-A. After undergoing a business diagnostics, Maruth's workers undertook several hours of exhaustive training on IS-TIV Bayanihan Program, 5S of Good Housekeeping Practices including a crash course on marketing, financial planning, quality improvement and records keeping, among others.

### **Outstanding Results**

In a relatively short span of time, the impact of RTWPB's productivity trainings was evident. Maruth's records of daily transactions were kept up to date enabling



**NATIVE** : The bulk of Maruth's production output consists of sandals and shoes made from indigenous materials also called 'banso'.

of Trade and Industry (DTI) which showcased their products in various One-Town One-Product exhibits, including promoting the use of their flour in bakeries proven to be 100% flour substitute for cakes and cookies.

### **Gainsharing Scheme**

A separate gainsharing scheme was installed for the banana flour production, whereby 50% of net surplus were distributed as dividends to members, 30% reserved for mandatory cooperative funds while the remaining 20% for the Barangay LGU fund as provided in the Poverty Free Zone Memorandum of Agreement.

### **Continuing the PIP**

In 2008, the cooperative continued its productivity improvement program with the implementation of Vermi-Composting and Bio-Organic Fertilizer Production Program where banana peels and stalks which were already thrown in the garbage were converted into fertilizers.

Like its two enrolled productivity programs, the environmentally-inspired programs provided additional income to the cooperative and improved the soil fertility of their banana plantations areas.

### **HR Capacity Building**

As part of its human resource capability building, the cooperative facilitated the trainings of its members on quality product development, packaging, technology and management skills trainings, marketing and promotion and institutional development. The cooperative is adopting the buyer's ISO product standards for fresh banana exports processing.

### **Awards Received**

Because of its excellent business performance and high quality products, the cooperative has received many awards such as the "Highest Cooperative Education Training Fund (CETF) Remittance" granted in 2006 by the Provincial Cooperative Union-Davao; "Outstanding MSMEs," provincial and regional levels in 2008 and

2009, respectively, granted by DTI. In 2009, it was declared one of the winners during the awarding ceremony of the NWPC's 2009 National Productivity Olympics.

### Future Plans

The cooperative has many plans for the future. These include drawing up the design for a segmented agricultural-industrial development plan for a one-hectare livelihood and research center for the transfer of its banana flour production facilities, purchase of new and modern equipment to increase banana flour production capacity and upgrading of product quality; product branding; Bureau of Food and Drugs and Fertilizer and Pesticides Authority product registration and construction of progressive-type one-stop training and livelihood building to serve as the farmers' function hall, production center and product exhibit area. ☺



**RECIPIENT** : Project Manager Ms. Rizalie B. Calma [Center] poses with then DOLE Sec. Marianito Roque [L] and DOLE RO Dir. Jalilo Dela Torre [R] during the Awarding Ceremonies dated 29 October 2010.

## Maruth Footwear

..... { Micro Enterprise }

### It's Shoe-time!

Nestled at the foot of Mt. Banahaw in Laguna, Region IV-A, is the small town of Liliw, Laguna renowned for its quality-made footwear from the enduring 'tsinelas' to fashionable sandals and shoes. Maruth Footwear, one of the town's leading establishments, is a shining example of how hard work, determination, and the use of productivity-improvement techniques, can turn a small backyard business into a successful establishment in a flourishing footwear industry.

### Lowly Start

In 1978, Marietta Peñaflor, then only 18 years old, started to work as a store helper and part-time sewer in a local footwear establishment to help her parents, where she was paid P25.00 a week.

Being born to a poor family, Marietta was happy with the meager pay she earns as a store helper as it was a big help for their everyday needs.

When she got married to a co-worker a few years later, Marietta and her husband decided to quit their work and concentrate instead in distributing Liliw-made shoes to various stores in Metro Manila.

At first, they were satisfied with the income they earned from buying and selling shoes as they were able to sustain the family's needs, including their children's education. However, as the toil of traveling daily from Laguna to Metro Manila, and vice-versa took its toll on them, the Penaflors mulled over for plan B.

### Birth of Maruth

In 1996, Marietta and her husband went to make a



**QUALITY CONTROL** : Shoe details are personally finalized by Maruth's workers to ensure product quality.

marketing strategy, their products found its way to as far as Eagle Rock Ridge, California, USA.

Moreover, the volume of production increased by 47%, from P457,793 (2007) to P670,856 (2008). Finally, labor productivity (i.e. output/direct labor cost) increased by 11% during the same period.

To top it all, Carlos' bamboo craft business reaped several awards and recognitions, the latest of which was being adjudged as one of the winners in the 2009 NWPC Productivity Olympics under the category of Industry (Micro Enterprise).

### Secret of Success

Asked what was his most unforgettable moment in his business, he vividly remembered that day: "When I was just starting in this business, I had an accident which caused a deep cut at the side of my body. I thought it was the end for me". Instead of throwing away all his dreams because of his near-fatal accident, the more it inspired him to work even harder. Hardwork, perseverance, and productivity improvement techniques indeed pay. ☺



**PERSONAL TRIUMPH** : Mr. Carlo Balneg [R] receives the trophy from then DOLE Sec. Marianito Roque [Center] and cash prize from NWPC ED Ciriaco Lagunzad III [L].

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## De Vera's Medical Center



## National Winners for **Service**

# New Prestoza Machine Works

..... { Micro Enterprise }

**A Good House Worth Keeping**

## Mau's Ascent

In 1975, Mauro Prestoza started to work as a helper in a machine shop in San Fernando, La Union. Bereft of college education, Mang Mauro made up for it through dedication and hard work in his job. His employer noticed his perseverance so that a year later, Mang Mauro was rewarded with a promotion as foreman.

Inspired by his new position, Mauro doubled his efforts even more, which again blessed him with another promotion, this time as branch manager.

Call it luck or destiny, in 1988, a dealer of machine shop equipments, Ms. Baby Planas Maceda, approached Mauro and offered to sell on installment basis her equipment which he could use should he decide to put up his own machine shop. The terms of the offer was even more tempting: All Mauro has to do is open a bank account for P2,000 as collateral for the purchase of said equipment worth P1.6 million, while the monthly amortizations are to be paid in affordable amounts for a period of 10 years.



**SPIC & SPAN** : The 5S of good housekeeping instilled a culture of cleanliness inside the workstation of New Prestoza.

The thought of a big opportunity crossed Mang Mauro's mind. After some listless nights, a life-altering decision was made: He quit his job and put up his own machine shop.

## A Machine Shop of His Own

In April 1988, Prestoza Machine Shop began operation, with only one machine in use and two (2) workers who were formerly co-workers of Mang Mauro.

embarked on a holistic productivity improvement program, dubbed as "Quality Improvement and Market Search" that contains three (3) components.

The first component of the program concerns the continuous quality improvement of his products and expanding its market base. This requires enhancing the durability and appearance of the products and attending trade fairs/exhibits. Second, implementing a gainsharing scheme through provision of productivity bonus once a certain sales quota was reached and additional bonus on top of the 13th month pay in case there is an increase in sales revenue.

The third component is capability building where workers undergo hands-on application of bamboo products processing. After implementing its PIP, the impact was visible: complaints on the quality of products stopped; access to market increased resulting in more job orders and; increased in sales revenue.

## Enhanced PIP

In 2008, new components were added in the PIP. These include aggressive marketing strategies through the use of brochures, linking with DTI and other organizations for exposure/advertisement, and product diversification (i.e. convert bamboo trimmings into other products such as serving trays and miniatures). The enhanced PIP also features trainings on brand management, packaging, skills upgrading on bamboo craft making and ISTIV-PIP for supervisors.

## Visible Impact of PIP

Consequently, the establishment's total revenue of P812,135 registered in 2007 jumped to P1,255,766.00 in 2008, or an increase of 55%. As a result of its aggressive



**RELENTLESS EXHIBITOR** : Mr. Carlo Balneg's attendance to trade fairs helped expand his market.

use.

Carlo was earning good income in his new-found odd job that he was able to save and support the studies of his children. More importantly, it also laid the groundwork for a bigger things ahead.

### Living up his Dream

In 2004, Carlo embarked on his own business paving for the establishment of Carlo's Bamboo Craft and Furnishing with a starting capital of only P50,000.00. His products included folded chairs, folded tables, serving trays, placemats, hot pads, coasters and stools. Initially, his products were sold only to local markets in the region and adjacent areas, but after joining numerous trade fairs, his market eventually expanded to buyers in Manila.

Recalling how he started in business, "It was quite difficult at first, especially where to get the (bamboo) materials". Fortunately for him, most of his competitors experienced the same problem. To ensure the continuous supply of raw materials, he encouraged his suppliers to replenish their bamboo plantations every time they are cut and sold. Having established institutional buyers from Manila, he later became one of the major consolidators in Abra, a far cry from his humble beginnings. In return for his success in business, Carlo provides employment to out-of-school youth in his barangay. Likewise, he lends his skills as a regular trainer of Department of Trade and Industry (DTI) and Technical Education and Skills Development Authority on bamboo craft.

### Encounter with RTWPB's Productivity Improvement Program (PIP)

Having established institutional buyers from Manila, he later became one of the major consolidators in Abra, a far cry from his humble beginnings.

In 2007, Carlo heard about the productivity improvement program of the RTWPB-CAR which provide assistance to micro business establishments. He tapped this opportunity to team up with RTWPB to find better ways of improving the quality of his products. After undergoing a business diagnostics by the RTWPB, Carlo's business



**TRUE ADVOCATE** : Mr. Prestoza's 'Pledge of Commitment' attests his dedication to share the lessons and benefits related to productivity improvement with other MSMEs.

Running his own machine shop was a dream come true for Mang Mauro who, in order to enhance his knowledge, joined government-sponsored training programs on business management and steel work. Customers patronized his shop for its high standard of service, especially in engineering work, engine rebuilding, axle spine gear fabrication and calibration.

### A Good Start

Mauro's experience as a worker, foreman and branch manager proved very useful as his workers imbibed the same dedication to work. In no time, his business began to grow. Total capital investment reached P4.5 million, while the number of workers multiplied from two (2) to 21. Also, he was able to put up a branch in Candon, Ilocos Sur and pay in full the loan for the equipment he bought on installment basis.

In 2007, Prestoza Machine Shop was the beneficiary of the productivity improvement training program of the Regional Tripartite Wages and Productivity Board – Region 1.

### Instituting Good Housekeeping

In particular, the program was designed to institutionalize 5S of Good Housekeeping at the workplace. Also, the program was aimed at motivating the workers to work harder and actively participate in productivity improvement practices i.e. scrap materials are collected and stored in designated areas, and eventually to be sold at the end of the year and the proceeds to be distributed to workers and management.



**CAMARADERIE** : Free shared meals with the employees transformed New Prestoza into a unified and dedicated workforce.

## Achievements

In 2008, the impact of the PIP on Prestoza's business performance was quite remarkable. The total revenues of P67,362.54 earned in 2007 doubled to P137,140.55 in 2008 or an increase of 204%.

Workers' morale was greatly enhanced with the introduction of a gain-sharing scheme, where  $\frac{3}{4}$  of the total proceeds from sale of scrap materials grossed P17,400 which netted P4,350 per worker.

An expanded PIP was implemented in 2008 that included a gainsharing scheme from service charges for overtime work as workers were given free board and lodging, including daily ration of meals and snacks. The enhanced PIP allows  $\frac{3}{4}$  of total amount of service fees collected during overtime work to be granted to workers, which totaled P23,000 or additional P4,600 per worker.

## Awards Received

In 1997, Mang Mauro was chosen no less by then President Fidel V. Ramos as one of the 52 Chief Executive Officers in the country to spearhead the implementation of the National Action Agenda on Productivity. Between 1998 and 1999, Mr. Prestoza was invited in many productivity gatherings as resource speaker on 5S.

Truly, Mang Mauro's accomplishment is a testament that dedication, perseverance and improving productivity are recipes for success. 🍷



**WORTHY INTRODUCTION** : NWPC ED Giriaco Lagunzad III [Center] introduces Mr. Mauro Prestoza [R] to then DOLE Sec. Marianito Roque [L].

# Carlo's Bamboocraft and Furnishing

..... { Micro Enterprise }

## As Pliant As A Bamboo

### Starting Early

Like any other young kid from a poor family, Carlo Balneg was acquainted early to the rigors of hardwork. At age 14, he was his father's helper in their micro bamboo craft business. His tasks consisted of cutting and scraping bamboo materials which his father would later weave into folding tables and bamboo trays, and eventually sold to retailers in Abra province.

Farming was essentially the family's main occupation. Carlo's father, after attending a seminar on the production of bamboo furnishings, then becoming a flourishing industry in the province, decided to add bamboo craft making as a source of living after realizing its potentials. Things however didn't turn out good as expected. Their farm's yield and the little extra income earned from the family's bamboo craft business were not enough to support the family's needs. Carlo, already 17 years old then, had to stop his college studies.



**HANDICRAFT** : A showcase of handmade products include ash trays, desktop organizers, and cell-phone holders.

### A New-Found Opportunity

To augment the family income and with his father's blessing, he later joined one of the province's biggest bamboocraft producer, the In-Hand Abra Foundation Inc., where he toiled for 10 years. It was during his stint at In-Hand Abra Foundation where Carlo honed his skills and techniques in bamboo craft making. During his spare time, he designs new products which he sold to local producers. With extra income, he started buying power tools for his

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## VjANDEP Bakeshop



# National Winners for Industry

## Gubat St. Anthony Cooperative

..... { Small Enterprise }

### Cooperative Empowerment and Expansion

The year 2009 is a memorable year for Ms. Leonisia L. Ferreras, General Manager of the Gubat St. Anthony Cooperative. Together with board member, Reverend Fr. Melchor Espedida, Ms. Ferreras gladly received the trophy and cash prize as one of the National Winners of the 2009 Productivity Olympics held at the Bayview Hotel, Manila City, 29 October 2009.

### Gubat's Origin

The cooperative was organized in April 8, 1964 by 30 member-farmers with a mere capital of P222.00. Gubat's marketing arm which opened on August 1988 offered the traditional deposit and loaning services that catered to the needs of its growing membership base.

By July 1989, it expanded to agri-development services which include microfinancing for entrepreneurs, rice milling and trading, and solar/mechanical drying among others. Subsequently, innovations were made to Gubat's loaning facilities with the incorporation of credit programs for tricycle and motorcycle parts, grocery and farm inputs, and sale of general merchandise.



HEALTH SERVICES : Gubat's Diagnostic Center offers a variety of preventive health care services including blood chemistry

### Comprehensive Healthcare

Gubat eventually ventured into medical diagnostics through its laboratory facilities. Preventive health care services such as blood chemistry, clinical microscopy, ECG tests, and hematology among others became accessible to the farmers and their immediate relatives.

In addition to the annual medical exam, each mem-

ber is also given monthly medical allowance amounting to P500.00. They can also avail of interest-free medical loans when the need arises.

### Productivity Improvement

In 2007, Gubat implemented a Productivity Improvement Program (PIP) aimed at increasing the cooperative's credit collection scheme. The PIP paved for the establishment of its own Management Information System (MIS) that led to real-time data generation for financing services. Organized reports and timely decision making by the firm's Board of Directors necessitated the institutionalization of the MIS.

A Membership Development Office (MDO) was also created to address critical concerns and specific needs of the member-farmers. Some of the benefits derived from the creation of the MDO included an enhanced spirit of 'cooperativism', stronger camaraderie among the farmers, and well-informed members.



**BUY & SELL** : Gubat has opened its doors to marketing services by allowing its members to purchase general merchandise items from its mini-grocery.



**AGRICULTURAL SERVICES** : The cooperative has a milling station where rice harvested by its members can be processed for trade and sale purposes.

### Impact

Gubat's PIP resulted in its achieving a 99.60% credit collection rating. Because of this milestone, the firm landed a spot in the Cooperative Development Authority's prestigious list of "100 Cooperative Top Grossers" in 2007.

The following year, Gubat's membership base grew to 3,880 with a total of 86 employees manning various offices within the Bicol Region. On the same year, the firm's total assets reached P163 Million, a big difference compared to its P222.00 initial investment.

Productivity Olympics where it was declared as one of the ten (10) National Winners under the category of medium enterprises for the Service Sector.

### Personalized Health Service

For its future plans, Dr. De Vera cited a more personalized nursing care system where off-duty nurses still make the rounds to check on their patients that their healthcare and medical needs are immediately attended. Under their medical assistance program, their staff network with other companies on the services they can provide at a discount with free membership card.

### Prerequisites to Success

Dr. De Vera shared that in order to be successful, one has to be passionate in work and God-fearing. As part of their community welfare program, the hospital holds an Outreach Program in the prison cell of Santiago City where they donate basic necessities to the inmates. ☺



**STANDING PROUD** : Dr. Bonaeth M. De Vera [R] receives the trophy and cash prize from then DOLE Sec. Mariano Roque [L] during the Awarding Ceremonies.

avail of the ISTIV Program.

The training covered all four (4) services composed of Administration, Confinement (Nursing Care Section), Discharge and Records (Reimbursement of Phil Health Section), culminating in the development of a productivity improvement program dubbed as “Sa DVMC, VIP (Very Important Patient) Ka”.

### Milestones

Through the implementation of this program, the hospital achieved eighty (80) percent improvement in the nursing services performance from 2007 to 2008 based on the results of customer satisfaction survey where DVMC got 90-98% excellent ratings. The average discharge time for patients was also reduced from six (6) hours to three (3) hours.

### Simultaneous Implementation of 2 PIPs

In 2008, the DVMC implemented two PIPs: Continuous Quality Improvement (CQI) and the Quality and Productivity Program “Sa DVMC, VIP Ka”. The objectives of the former are to pursue self-reviewed activities for quality and to continuously raise the bar of its service quality while the latter program aims to realize the firm’s commitment to best care services to its patients – the DVMC’s ‘raison d etre’.

Towards the end of the first quarter of ISTIV implementation, all concerned staff and physicians actively participated in the monitoring and documentation of the program improvements. Owing to its positive results, the DVMC doubled the number of participating and contributing officers and staff constituting half of the hospital’s workforce.

In 2009, the DVMC joined the 2009



**HEFTY INCENTIVE :** In 2008, DVMC sponsored a trip to Thailand for its deserving employees as a result of their exemplary service and unwavering dedication.

**G**ubat also trains the wives of member farmers in marketable sidelines such as food vending and handicraft.

### Gainsharing

Due to Gubat’s accomplishment, the Board of Directors decided to implement an equitable distribution of the firm’s earnings to the member farmers including the employees. P450,000.00 was allocated for distribution to all farmers in good standing while P182,000.00 was distributed to the

employees on top of their annual P5,000.00 cash gift.

### Women Empowerment

Ms. Ferreras and Fr. Espedida credited the success of their venture to the cooperative’s thrust on women empowerment through entrepreneurship. Gubat has recently opened its arms to micro-financing for women with entrepreneurial skills.

This new service lends women loan applicants a certain amount of capital enabling them to start a small business venture of their preference. Gubat also trains the wives of member farmers in marketable sidelines such as food vending and handicraft.

### Welfare Services

Throughout the firm’s successful endeavors, Gubat remained grounded on its foundations. It gave back to the community the blessings it received over the past years through various initiatives.

One of these is holding an annual medical and dental mission in the province of Sorsogon. Its farmers and employees also conduct mangrove rehabilitation and back-to-school programs. Since the Bicol Region is prone to natural calamities, Gubat has expanded its financial services to include calamity aid. ☺



**GLEE :** General Manager Ms. Leonisia L. Ferreras shows off the Productivity Olympics 2009 trophy during the Awarding Ceremonies dated 29 October 2010.

# De Vera's Medical Center

..... { Medium Enterprise }

## Valuing Patients from Admission to Discharge

### Initial Service Offering

In 1991, Dr. Bonaeth M. De Vera founded the De Vera's Pediatric Clinic and Hospital (DVPCH) as a 10-bed primary health care facility, providing services mostly to low-income patients. Initially, Dr. De Vera encountered difficulties in maintaining the hospital due to lack of capital as they opted to go independent of external grant or government assistance.

Given its quality health care services, the hospital gained good reputation among residents in Region 2 resulting in increased patient admission. It soon embarked on its first expansion program in 1993 with the opening of the Rehabilitation Center, the first in the region. De Vera's Pediatric Clinic and Hospital soon became De Vera General Hospital & Rehabilitation Center (DVGHRC), which has become a 20-bed capacity facility.



**IN-HOUSE** : DVMC sponsors in-housed training to develop further the technical and 'people' skills of the hospital staff and medical personnel.

### Leveling Up

In 1995, its bed capacity increased by another 10 as DVGHRC became a Secondary General Hospital, with the inclusion of new specialized health and medical services and facilities: IM pulmonologist, general surgeon, orthopedic surgeon, additional operating room and upgrading of laboratory and pharmacy facilities.

In 1998, the hospital got even bigger as a 40-bed capacity Secondary General Hospital, with additional medical services and health facilities, namely: CT scan & mam-

mography center, heart & lung center, derm center, gastroscopy unit, general surgery, ENT specialist, medical oncologist and cardiologist.

### Continuous Expansion

In its tenth year (2000), the hospital expanded its operation with the establishment of new facilities (intensive care unit, hemodialysis, and neurophysiolaboratory) and acquisition of new medical equipment (EEG, visual perimetry and hearing aid). In the next five years (2001-2005), it added new facilities as follows: a) electrodiagnostic laboratory; b) Our Lady of La Salette School for Special Children and Rehabilitation; c) a chapel, canteen and the Musngi Hall; d) the construction of a more spacious Operating Room Complex; e) thyroid and diabetes center, cancer and pain management center; and f) computerization of hospital medical files.

Other major developments ensued meriting its present tertiary level of health care status with a 50-bed Secondary Care Provider under a new name, the De Vera Medical Center. These include the establishment of a new ultrasound unit, Spiral CT Scan, Carotid Duplex Scan, Cataract and Laser Center. With its expansion, DVMC management boasts that all of these were accomplished without external grants, funding or assistance from any government or non-government institutions.



**OUTREACH** : As part of its corporate social responsibility, DVMC conducts welfare programs for the community such as a housing project in 2009.

The DVMC continued to expand in 2007 and 2008. The management targetted in the short term, to fully develop its human resource through the provision of more trainings to its administrative and medical staff as part of its incentive program.

### Invitation to ISTIV

In August 2008, the Regional Tripartite Wages and Productivity Board for Cagayan Valley Region (RTWPB II) invited the staff of DVMC to attend the ISTIV Executive Orientation conducted in Tuguegarao. Afterwards, the DVMC signed up to