KABUHAYAN SA GANAP NA KASARINLAN
CREDIT AND SAVINGS COOPERATIVE

KASAGANA - KA COOPERATIVE 2016
"Naglilingkod para sa mas Maginhawang Buhay"

NEW WAYS OF INSTILLING
CREDIT DISCIPLINE

JUNE 10-11, 2025 @ SHERATON MANILA BAY

KABUHAYAN SA GANAP NA KASARINLAN CREDIT AND SAVINGS COOPERATIVE

KASAGANA-KA COOP/K-COOP, is a cooperative duly registered under the Cooperative Development Authority on February 5, 2016. Aims to help improve the quality of life of members in urban and peri-urban communities.

Through authentic economic and social empowerment using microfinance as a strategy for its members.

KASAGANA-KA SYNERGIZING ORGANIZATIONS

KASAGANA-KA Credit and Savings Cooperative (K-Coop)
(Financial Product and Services)

KASAGANA-KA Employer-Employee Provident Fund (KPF)
(Mutual Aid for Employees)

KASAGANA-KA Mutual Benefit Association (KMBA)
(Social Protection)

KASAGANA-KA Development Center, Inc. (KDCI)
(Social Services)

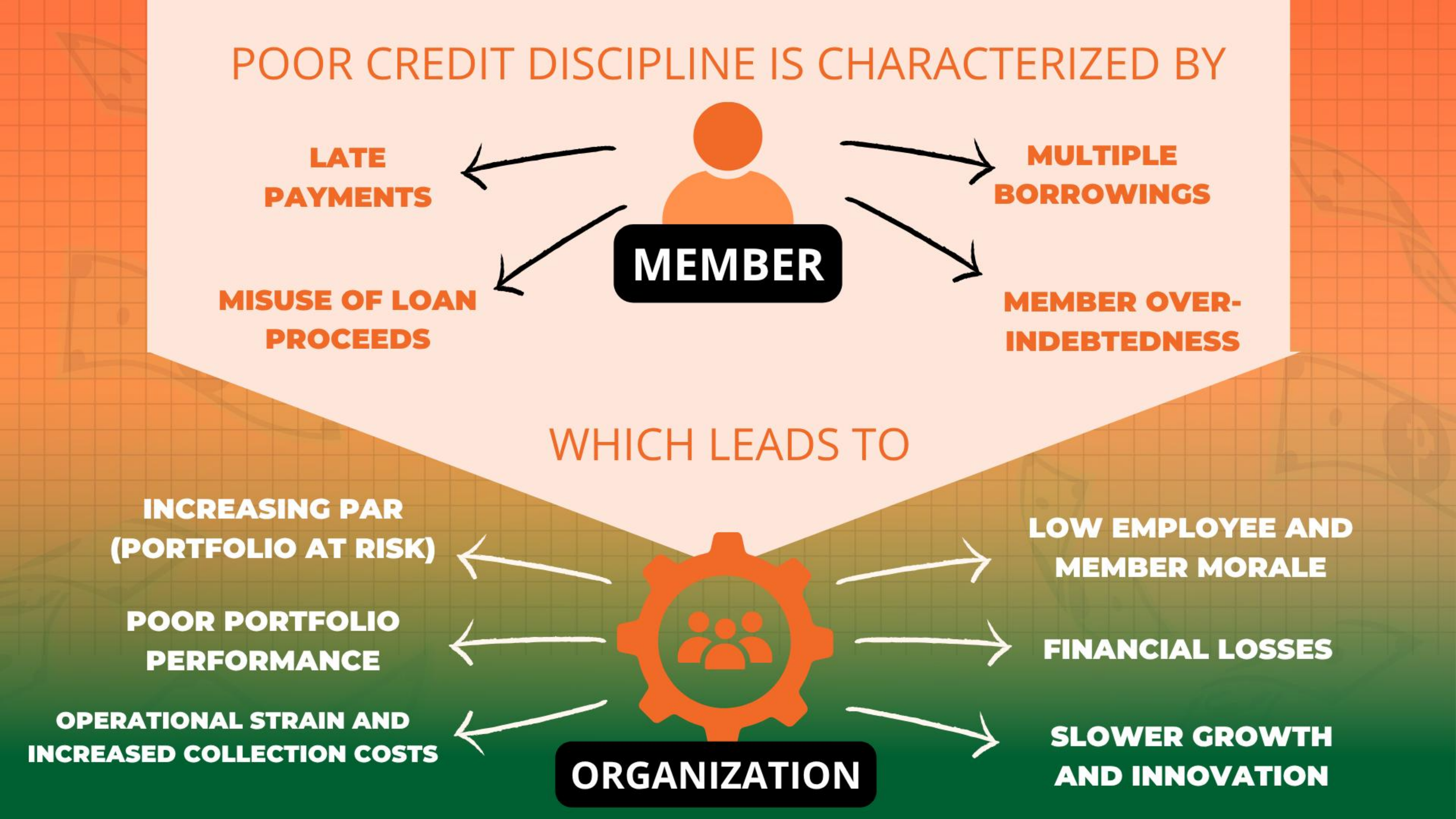
AS OF DECEMBER 2024

46,568 MEMBERS

₱381M LOAN PORTFOLIO

34 SATELLITE OFFICES

NCR, BULACAN, RIZAL, CAVITE & LAGUNA
(5 Provinces in Luzon, Philippines.


POOR CREDIT DISCIPLINE IS CHARACTERIZED BY
MEMBER
LATE PAYMENTS
MULTIPLE BORROWINGS
MISUSE OF LOAN PROCEEDS
MEMBER OVER-INDEBTEDNESS
WHICH LEADS TO
ORGANIZATION
INCREASING PAR (PORTFOLIO AT RISK)
LOW EMPLOYEE AND MEMBER MORALE
POOR PORTFOLIO PERFORMANCE
FINANCIAL LOSSES
OPERATIONAL STRAIN AND INCREASED COLLECTION COSTS
SLOWER GROWTH AND INNOVATION

TO ADDRESS THIS, WE HAVE IMPLEMENTED

PROGRAMS AND POLICIES

- Loan limits
- Maintaining balance on all loans
- Conduct of Financial literacy sessions to members

TRANSPARENT FINANCIAL PRACTICES

- Access to loans and savings data thru My K-KOINS mobile app
- SMS text blast notifications for:
  - Status of online loan application
  - Loan payments and savings withdrawals

RISK MANAGEMENT MEASURES

- Clear loan evaluation criteria based on 6Ps:
  Pag-huhulog
  Pagdalo sa Center Meeting
  Pag-iimpok
  Paglago ng Negosyo
  Pagsagot sa Co-Maker
  Pag-uugali
- Loan Increment approval based on Credit Score/Members Categorization
  ORANGE 90% -100%
  GREEN 80%-89%
  RED 79% below
- Validation of businesses thru on-site inspection of current/existing business operations to validate loan and repayment capacity

AND WE EXPERIENCED...

	CHALLENGES DURING IMPLEMENTATION	INITIAL BENEFITS FROM THE NEW METHODS IMPLEMENTED
MEMBER	• Member acceptance of the newly implemented policies; There are those who are resistant to change	• Reduced Over-Indebtedness • Increase in savings • Increase trust and transparency
ORGANIZATION	• Review of existing policies, and forms • Decrease in loan portfolio (due to loan limits) • Allocating time to explain the new policies to the employees and members • Increase in dropout of members	• On time repayment of loans; lowers risk of default • Lower PAR and Loan defaults • Improved Loan Portfolio Quality

AND WE LEARNED THAT,

1. **Prevention Is More Effective Than Cure**
2. **Credit Discipline Requires Member Engagement**
3. **Transparency Builds Trust and Accountability**
4. **Rewarding Good Behavior Encourages Compliance**
5. **Proper Loan Evaluation Will Strengthen Portfolio Quality**
6. **Institutional Learning and Adaptability Matter**
7. **Change Management is crucial; Buy-in from all levels of the organization is important**

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IT IS IMPORTANT TO REMEMBER THAT,

"IF WE LOSE CREDIT DISCIPLINE, WE RISK LOSING EVERYTHING WE'VE WORKED HARD FOR."

MARAMING SALAMAT PO!