

# Income Generating Projects of Bulacan Agricultural State College: An Assessment

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**Abstract:** *The study seeks to assess the income generating projects of Bulacan Agricultural State College from School Year 2018-2019. Descriptive research method and purposive sampling technique in the identification of respondents (faculty and project-in-charge or administrators) was used. The study sought to evaluate the level of attainment of goals and productivity of the IGPs as perceived by the faculty and the project-in-charge/administrators; extent of support provided by the administration on the IGP as perceived by the faculty and the project-in-charge/administrators; and the problems encountered in the operation of the Bulacan Agricultural State College (BASC IGP). Hence, the study concluded that, BASC IGP had been providing pecuniary support to the College. However, the financial outputs drawn from the IGPs are not substantial. Moreover, the continuous occurrence of the identified problems during IGP operation, if not properly addressed, would surely result to the declining on the productivity of the BASC's IGP particularly in providing pecuniary output, decrease in employment, and limitation of students scholarship grants, to name a few. Thus, the BASC would remain not self-reliant in terms of funds. Hence, the College's delivery of quality education would remain unchanged or affected due to the non-productivity of BASC's IGPs that has to be strengthened in order to supply the inadequate school budget being given by the national government every year.*

**Keywords:** Income Generating Project, IGP, Generating Project, School IGP, School Income

## 1. Introduction

The Philippine Higher Education is one of the key players in the integral formation of a professionally competent, service-oriented, principled and productive citizen (Long Term Higher Education Development Plan 2004-2010, 2005). It is the responsibility of the state, through state universities and colleges (SUCs), to educate its people. Of this, the 1987 Philippine Constitution under Section 1, article XIV that "The state shall protect and promote the right of all citizens to quality education at all levels and take appropriate steps to make education accessible to all." However, the deprivation of adequate funding for SUCs, including that of Capital Outlay, and Maintenance and Other Operating Expenditures budget, had been the primary cause for SUCs to venture into increasing tuition and other fees, and other income-generating measures. According to the Section 4, paragraph (r) of the Republic Act 8292 (Higher Education Modernization Act of 1997), a state college or university may: "Enter into joint ventures with business and industry for the profitable development and management of the economic assets of the college or institution, the proceeds from which to be used for the development and strengthening of the college or university." Similarly, the Commission on Higher Education (CHED) encourages SUCs to engage in "income generating projects (IGPs)" to augment their budget. In fact, some SUCs already have IGPs, and they are allowed to use this income for their own operation.

IGP is a significant source of income by SUCs. Adan & Keiyoro (2017) said that financing of education has been a shared partnership between the government and other development partners'. According to Omukoba, Simatwa, & Ayodo (2011), the idea of school-based Income Generating Projects becomes necessary for schools to cope with macro-economic dynamics, without necessarily passing down budgetary adjustments to parents. Also, Kogolla (2006)

mentioned that Income Development Projects are expected to help schools generate additional resources, cut down operational costs, and finance other projects at the school level. Battad (2000) stressed that the implementation of IGPs may be very important and relevant solution to the problems such that it may provide opportunities for interfacing research, instruction, and extension; it may create employment; and it may provide incentives to the people who are hardworking, committed, and creative; it may give scholarship slots to deserving students and financial support to non-degree trainings of faculty and staff; and it may supplement the budget of the school. Also, IGP is a vehicle for instruction Canonoy (1990). Evidently, IGP program of the Leyte Normal University (LNU) aided in earning additional income for the subsidy of unfunded projects, infrastructure funds, and some other activities that require a large amount of money (LNU Annual Report: 2010). Equally, Bermejo (2006) revealed in his research that the Central Luzon State University College Income Generating Projects as perceived by the respondents is beneficial to the college primarily in generating additional income, serving as instructional laboratory and giving service to the stakeholders even the potential for generating income for the university is not yet maximized. In addition, Tolentino (2000) said that the foremost contribution of the IGPs is the upliftment of the socio-economic conditions of the students' families. The students get their own share from the realized profit of the projects, thus helping their parents support their studies.

Recognizing the significance of IGPs to SUCs, IGPs, therefore, should be expertly and appropriately managed. The study of Rondina (2002) revealed that human, financial and physical factors and marketing assurance affect the development of IGP productivity. He recommended that project in charge should be equipped with the needed personality traits like commitment, honesty and proper work values; administrators should motivate people to work in their respective projects. Also, Orgaya (2007) postulated that

for an IGP to be productive, leaders and members of SUCs involve must be creative, committed and well dedicated.

In view of the aforesaid literatures, it cemented that IGP is really important in SUCs and serves as one of the legitimate keys for SUCs to become self-reliant. Hence, the researcher views that IGPs if done continuously and managed competently could contribute significantly to SUCs with limited funding allocation from the national government. The researcher, therefore, sought to appraise the current status of the Bulacan Agricultural State College's (BASC) Income Generating Projects School Year 2018-2019 in order to assess its productivity and provide acceptable solutions to its problems and constraints. Hence, the researcher offers the following problems:

- 1) What is the level of attainment of goals and productivity of the IGPs as perceived by the faculty and the project-in-charge/administrators?
- 2) What is the extent of support provided by the administration on the IGP as perceived by the faculty and the project-in-charge/administrators?
- 3) What are the problems encountered in the operation of the BASC IGP?

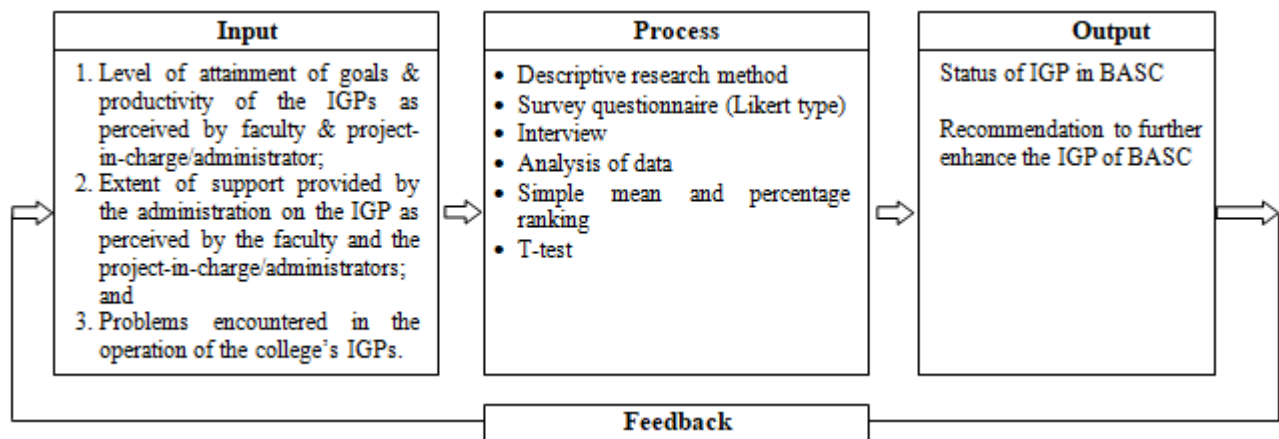


Figure 1: Research Paradigm

### 3. Methods of Research

This study utilized the descriptive method of research. This method involves the collection of data in order to test hypotheses or answer questions. According to Kumar (2014), as cited by Pagandian and Eduardo (2019), this method can systematically describe a situation, problem, phenomenon, service or programs, or provide information or describe the attitude towards an issue. Also, according to Adan & Keiyoro (2017) as mentioned by Borg and Gall (2000), the purpose of the descriptive survey was to describe existing conditions, identify the standards against which existing conditions can be compared, and investigate the relationships that may exist between events. The survey design enabled the researcher to collect data without manipulating the variables.

The main data were extracted through self-prepared reliable survey instrument validated by an expert supported by an interview and observation. Pertinent records of existing IGPs financial statement were reviewed, analyzed and evaluated. Respondents were 36 faculty and 19 project-in-

### 2. Conceptual and Theoretical Framework

This research was based on the idea that human and physical resources are available in the government institution for tertiary education. To make IGPs in the SUCs productive is dependent upon creativity, commitment and dedication of the leader and members of the organization. For this reason, evaluation on the instructions, facilities and community development tells how effective and efficient the operation of income generating projects of Bulacan Agricultural State College.

Theoretically, this study was anchored on the Income and Employment Theory. A body of economic analysis concerned with the relative levels of output, employment and prices in the economy. By defining the interrelation of these macroeconomics factors, government try to create policies that tend to contribute to economic stability (Encyclopedia Britannica, 20 July 1998). The theory is very useful in project development since the college has limited resources and capitalization and therefore, this must be applied using the optimum combination of factor resource input in order to realize income and create employment or output. Figure 1 shows the research paradigm.

charge/administrators identified through purposive sampling technique. Also, the study was conducted after securing the consent of the College's president. Finally, research was conducted from School Year 2018-2019. Table 1 presents the scale used in the study.

Table 1: Verbal Descriptors

Weighted Mean	Verbal Description
4.21 – 5.00	-Attained to a Great Extent (GE)
3.41 – 4.20	-Attained to a Moderate Extent (ME)
2.61 – 3.40	-Attained to a Less Extent (LE)
1.81 – 2.60	-Attained to a Fair Extent (FE)
1.00 – 1.80	-Not Attained (NA)

### 4. Presentation, Analysis and Interpretation of Data

#### 4.1 Level of Attainment of Goals and Productivity of BASC IGP as Perceived by the Faculty and the Project-in-charge/Administrators.

**4.1.1 Level of Attainment of Goals of BASC IGP as Perceived by the Faculty and the Project-in-charge/Administrators**

Table 2 reveals that both the faculty and the project-in-charge/administrators perceived that the goals in reference to

the ten (10) benchmark statements or item indicators were attained to a moderate extent with a total mean rating of 4.11 and 3.88 respectively. In general, both group of respondents viewed that the goal BASC IGP was agreeably attained but with minor insufficiencies that need to be addressed.

**Table 2: Level of Attainment of Goals of BASC IGP**

Benchmark Statement on Goals (Vision)	Faculty		Proj-in-charge/administrators	
	Mean	VD	Mean	VD
1. Vision & mission of BASC is achieved in venturing into a profitable IGP.	4.19	ME	3.95	ME
2. The IGP supports food security by producing quality agric'l commodity.	4.25	GE	4.05	ME
3. The BASC IGP generates income and self-sufficiency.	4.00	ME	3.74	ME
4. The project-in-charge delivers the goods to the benefit of the college.	4.17	ME	3.79	ME
5. Human resource development is achieved IGP.	4.22	GE	3.84	ME
6. Facilities were improved as brought about by savings derived from IGP.	4.06	ME	3.68	ME
7. Funds sourced out from grants/linkages were used effectively.	3.97	ME	3.68	ME
8. Funds sourced out from grants/linkages were used efficiently.	3.86	ME	3.89	ME
9. The spirit of entrepreneurship was evident in IGP operation.	4.14	ME	4.11	ME
10. The function of production was achieved through IGPs.	4.25	GE	4.11	ME
<b>Total Mean</b>	<b>4.11</b>	<b>ME</b>	<b>3.88</b>	<b>ME</b>

Specifically, the faculty respondents revealed that items such as *The IGP was supportive of the food security by producing quality agricultural commodity, Human resource development is achieved by sharpening the entrepreneurial undertakings such as IGP and The function of production (Instruction, Research, Extension and Production) is achieved through IGPs* had the highest verbal interpretation of GE with computed weighted mean scores of 4.25, 4.22 and 4.25, respectively. It entails that few of the goals of BASC IGP were successfully achieved. However, the project-in-charge/administrators rated all the ten (10) benchmark statements as ME. It signifies that the BASC IGP still satisfactorily accomplished their goal but with modest deficiency.

Results reinforced the view of Battad (2000) stating that the implementation of IGP is important for a SUC to become

financially capable. Production and income generating projects are a potent tool for self sufficiency and resource generation. Also, it agreed to the study of Orgaya (2007) who said that in order for goals to be achieved, potential IGPs must be institutionalized to channel idle human and material resources to something productive. Faculty members were encouraged to look into the possibility of developing viable projects.

**4.1.2 Level of Attainment of Productivity of BASC IGP as Perceived by the Faculty and the Project-in-charge/Administrators**

Table 3 shows that both the faculty and project-in-charge/administrators had the same verbal interpretation as ME with a computed total mean of 3.96 and 3.85 respectively. This signifies that they both agreed that the productivity level of BASC IGP was not fully realized.

**Table 3: Level of Attainment of Productivity of BASC IGP**

Benchmark Statement on Productivity	Faculty		Proj-in-charge/administrators	
	Mean	VD	Mean	VD
1. The IGP showcases the entrepreneurial capability of BASC.	3.94	ME	4.00	ME
2. The employees get fresh products and services.	4.19	ME	4.16	ME
3. The employees have access to affordable products and services.	4.47	GE	4.05	ME
4. The income of IGP augments the funding needs of the college.	4.00	ME	3.74	ME
5. The IGP provides employment opportunity for hired laborer or support personnel.	4.11	ME	4.05	ME
6. The IGP helps student assistant or student labors earn extra money for their schooling.	4.00	ME	4.21	GE
7. IGP generates the projected income set by the proponent annually.	3.72	ME	3.63	ME
8. The IGP harvests or attains target production output set by the proponent during production cycle or season.	3.61	ME	3.42	ME
9. The IGP transforms idle lands/assets into productive one.	3.81	ME	3.89	ME
10. The IGP serves as model farm or demo farm for the community to engage in similar ventures or projects.	3.92	ME	3.68	ME
11. The IGP serves as effective training ground/laboratory for students.	3.86	ME	3.58	ME
12. The IGP serves as an alternative instructional aide used by faculty in teaching entrepreneurship and other agribusiness related courses.	3.89	ME	3.79	ME
<b>Total Mean</b>	<b>3.96</b>	<b>ME</b>	<b>3.85</b>	<b>ME</b>

Significantly, the faculty viewed that, *The employee have an access to affordable products and services* while project-in-charge/administrators perceived that, *The IGP helps student assistant or student labors earn extra money for their*

*schooling* both verbally interpreted as GE with means of 4.47 and 4.21, respectively. This finding entails that little of the productivity of the BASC IGP was achieved. Interview revealed that some of the personnel for IGP were not

committed in performing their functions. In support to the findings, Rondina (2002) said that personality traits play an important role in the success of the income generating project. Proper work values and attitudes coincide with management support can lead to a profitable project. The project-in-charge needs positive outlook and positive thinking in order for them to be inspired and do things right accordingly.

#### 4.2 Extent of Support provided by the Administration on the IGP as Perceived by the Faculty and the Project-in-charge/Administrators

##### 4.2.1 Extent of Support provided by the Administration on the IGP in terms of Financial Support.

Table 4 presents that both groups of respondents view that the BASC Administration moderately extend their financial support to IGPs with a total mean of 3.88 and 3.95 for faculty and project -in-charge/administrators, respectively. This implies that the BASC Administration understood the importance of IGPs; hence, they made sure that their financial support was felt agreeably.

**Table 4:** Extent of Financial Support of Administration

Benchmark Statement on Financial Support of Administration	Faculty		Proj-in-charge/administrators	
	Mean	VD	Mean	VD
1. The administration provides budget/capitalization for the IGP.	4.11	ME	4.21	GE
2. The budget of IGP is timely received accordingly.	3.94	ME	3.95	ME
3. Supplementary budget is allowed from college's general fund.	3.75	ME	3.79	ME
4. Incentives for project implementers & staff are given regularly.	3.78	ME	3.84	ME
5. The administration provides immediate action on requisition of farm inputs and supplies.	3.83	ME	3.74	ME
6. The administration releases funds based on approved farm plan and budget.	4.00	ME	3.84	ME
7. The college provides for immediate release of requested budget for project use base on order of priority.	3.92	ME	4.00	ME
8. Wages of laborers are paid timely.	3.89	ME	4.11	ME
9. Wages of student assistant are paid timely.	3.72	ME	4.11	ME
<b>Total Mean</b>	<b>3.88</b>	<b>ME</b>	<b>3.95</b>	<b>ME</b>

However, it is significant to note that project -in-charge/administrators perceived that, *The administration provides budget/capitalization for the IGP* attained a mean of 4.21 interpreted as GE. This signifies that, in this concern, project -in-charge/administrators felt that financial support from BASC Administration was very satisfactorily provided. Interview revealed that, the administrators are much aware on the financial supports they provided with IGPs as compared to faculty; hence, they have a higher mean of perception. Further, since the administration provides budget and capital, it further revealed that they are sincere in doing

such by releasing of funds based on approved farm plan and budget.

##### 4.2.2 Extent of Support provided by the Administration on the IGP in terms of Administrative Support

Table 5 shows that both faculty and project -in-charge/administrators had a total mean of 3.93 and 3.92, respectively with verbal interpretation of ME. This signifies that the both groups of respondents agree that administrative support is still lacking and has not yet fully provided by the BASC Administrative officials for the ultimate success of College's IGPs.

**Table 5:** Extent of Administrative Support

Benchmark Statement on Administrative Support of College	Faculty		Proj-in-charge/administrators	
	Mean	VD	Mean	VD
1. The administration provides support staff for the project whenever necessary.	3.94	ME	4.05	ME
2. The college provides vehicles for transport and delivery.	4.17	ME	3.84	ME
3. The college administrative personnel are supportive of the projects.	4.03	ME	4.05	ME
4. The college helps in product disposal through easy installment or salary deduction.	4.28	GE	4.26	GE
5. The administration encourages IGP managers to work hard for the project by providing perks or incentives.	4.03	ME	4.05	ME
6. The college provides for an up to date record keeping of all projects.	3.89	ME	3.84	ME
7. The college provides for immediate replacement or repair of damage equipment or facilities.	3.72	ME	3.68	ME
8. The administration provides training for project-in charge.	3.67	ME	3.74	ME
9. The college sends project in charge to seminars and symposia related to project development and the like.	3.67	ME	3.79	ME
<b>TOTAL MEAN</b>	<b>3.93</b>	<b>ME</b>	<b>3.92</b>	<b>ME</b>

However, it is noteworthy that both groups of respondents concurred that, *The college helps in product disposal through easy installment or salary deduction* is fully provided by the BASC' Administrative officials with 4.28 and 4.26, respectively for faculty and project-in-charge/administrators. This indicates that the College's

administrative officials knew that their participation is so important most especially in the disposal of IGP products and was fully felt by both groups of respondents. The findings supported the study of Orgaya (2007) who said that IGP to be productive, leaders and members of SUC's

involve in IGP must be creative, committed, well dedicated and supportive in all entrepreneurial endeavor

### 3. Problems Encountered as Perceived by the Faculty and Project-in-charge/ administrators.

Table 6 shows that faculty perceived that both, *The project-in-charge encounters difficulty in timely acquisition of project inputs/materials* and *Lack of water supply for irrigation and other utilities* ranked 1.5<sup>th</sup>; and *Inadequate land, facilities, and equipment delay the project* ranked 3<sup>rd</sup>. This implies that there are really problems that hinder the complete realization of the goal of BASC IGP. Also, *The administration does not motivate people to do work in their respective projects* ranked 14<sup>th</sup> which is the lowest. This entails that administration does motivate their personnel for better performance of College's IGP.

For the project-in-charge/administrators, first on the rank is that, *The project-in-charge encounters difficulty in timely acquisition of project inputs/materials*; and *Inadequate land, facilities, & equipment delay the project* and *The manpower resources are inadequate both* ranked 2.5<sup>th</sup>. Results showed that project-in-charge/administrators too encountered troubles during the operation of the BASC IGP. The lowest were *The administration grants no monetary incentives & moral support to project-in-charge* and *The administration does not motivate people to do work in their respective projects with a rank of 13.5<sup>th</sup>*. This means that the administration of BASC performed their functions in terms of providing and fulfilling grants, supports, as well as, motivates their personnel in order for their employees to work better. Further, interview with administrators exposed that they (administrators) know the importance of motivating employees.

**Table 6:** Problems Encountered in the Operation of the BASC IGP

Problems Encountered in IGP	Faculty		Proj-in-charge/ administrators	
	Frequency	Rank	Frequency	Rank
1. The project-in-charge encounters difficulty in timely acquisition of project inputs/materials.	15	1.5	10	1
2. Lack of water supply for irrigation and other utilities.	15	1.5	6	4.5
3. Inadequate land, facilities, and equipment delay the project.	14	3	9	2.5
4. The manpower resources are inadequate.	13	4.5	9	2.5
5. Lack of market and patrons.	13	4.5	4	10.5
6. The laborers lack the needed technical skills.	11	6.5	5	7.5
7. The project in charge is unmotivated due to lack of recognition for his work.	11	6.5	4	10.5
8. The project in charge lack personality traits like commitment, honesty, and proper work values.	10	9	6	4.5
9. Inadequate funds allocated for the project	10	9	5	7.5
10. Miscommunication between personnel occurs.	10	9	3	12
11. Gov't accounting procedures & practices affect the timely acquisition of budget & inputs.	9	11	5	7.5
12. The laborers do not perform well in their assigned tasks.	8	12	5	7.5
13. The administration grants no monetary incentives & moral support to project-in-charge.	2	13	2	13.5
14. The administration does not motivate people to do work in their respective projects.	0	14	2	13.5

The study of Rondina (2002) recommended that the administrators should motivate people to do their work in their respective projects.

In sum, both groups of respondents acknowledged that problems arising during the operation of College's IGPs have a depressing effect on the realization of healthier and productive IGPs of BASC.

## 5. Conclusions

Based on the findings of the study, the following conclusions were drawn:

The Bulacan Agricultural State College Income Generating Project had been providing pecuniary support to the College based on the moderately attained IGP goals and productivity targets, as well as, financial and administrative supports provided by the College. However, the financial outputs drawn from the IGPs are not substantial considering that IGPs lacks full or complete realization of its potentials coupled with abbreviated financial and administrative supports. Moreover, the continuous occurrence of the identified problems during IGP operation, if not properly addressed, would surely result to the declining on the

productivity of the BASC's IGP particularly in providing pecuniary output, decrease in employment, and limitation of students scholarship grants, to name a few. Thus, the BASC would remain not self-reliant in terms of funds. Hence, the College's delivery of quality education would remain unchanged or affected due to the non-productivity of BASC's IGPs that has to be strengthened in order to supply the inadequate school budget being given by the national government every year.

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