

Learning from Experience:
Co-op Business
Development Centers

Monograph No. 5

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**Co-op Business
Development Centers**

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Preface

One of the high priority areas of the Asian Women in Co-operative Development Forum (AWCF) is the development of micro, small, and medium enterprises (MSMEs) owned and managed by co-op members in Asia. We recognize the role of MSMEs in alleviating poverty, creating employment opportunities in the community, and building the foundations of the private sector. Thus, through AWCF's "Women Entrepreneurship Development" Program, we advocate for co-operatives to set up co-op business development centers (CBDCs) with services for members who have MSMEs.

The CBDC is a support mechanism to assist co-op member-entrepreneurs in scaling up their enterprises by providing business development services like entrepreneurship and skills training, information and communications technology support, advisory services on market and technology, business opportunities, and assistance in business linkages and associations.

The CBDC is also a mechanism to promote women empowerment through economic activities. And when women are economically empowered, it is also one of the effective ways of enabling them to actively participate as co-op members and leaders.

It is our hope that through the CBDC, co-ops will enable MSMEs to grow and develop; ensure that MSMEs have access to a range of support services from the co-ops and not just financial services; and maximize the employment creation potential of the co-ops through MSMEs. All told, the CBDC is another step, maybe even to say, a higher step, for co-ops to help members with meager resources who have banded together through co-operatives.

Perhaps, co-ops who wish to be even more effective vehicles for development and change can start analyzing their current situation by asking themselves the following questions:

- Who are our member-borrowers?
- What kind of loans are they borrowing? How much?
- Do we have data on the businesses/enterprises of our members? If we do have data, are the businesses classified into micro, small, and medium enterprises?
- What support are we providing to these entrepreneurs?
- What are our value-adding activities for the products of our members?
- What are the issues and concerns of our member-entrepreneurs?

Amid globalization and increasingly competitive markets, various groups in the private and even government sector have forayed into putting up some form of business development center to extend various services for business people, even to the point of providing a "one-stop shop" for them.

AWCF has produced this Monograph No. 5: "Learning from Experience: Co-op Business Development Centers" so that co-ops and other interested groups can better understand business development centers as they are applied, set up, and operated within the co-operative; the constraints that they still face; and how best to support their growth and development. The benefits that are gained by co-op members from patronizing their CBDC will eventually flow back to the co-ops themselves and the communities, in the long run.

This publication compiles the rich experiences of national umbrella-organizations Credit Union League of Thailand (CULT), Thailand; Forum for Indonesian Co-operatives Movement (FORMASI Indonesia), Indonesia; and National Confederation of Cooperatives (NATCCO), Philippines—AWCF member-organizations—and their co-ops in setting up and strengthening their business development services using different approaches and with different types of services.

The publication was prepared with the inspiration gained from the results of the "Information Technology for Southeast Asian Co-operatives (it@coops) Project" that was implemented by AWCF in 2004-2007, in partnership with InWEnt of Germany. CULT, FORMASI Indonesia, and NATCCO can now share many experiences as participants of this Project—of which they have continued the efforts even after the project's end—as their networks strengthened their services to members, particularly through CBDCs and the information technology (IT) applications used in the CBDCs. In this publication, one will get to know how co-ops under these umbrella-organizations have embraced CBDCs and are operating them to better serve their individual members; how the members have supported the initiatives of their co-ops to assist them through the CBDCs, especially in their enterprises; and how effective, timely, and IT-based business development services have positively benefited the members' enterprises and also the growth of their personal lives. The reader is guided through three Chapters in this publication:

Chapter 1: Co-ops and MSMEs

Chapter 2: Operating the CBDCs

Chapter 3: Sustaining the CBDCs

The umbrella-organizations and their affiliate-co-ops featured in this publication are by no means greenhorns in their efforts to assist members through various modes of assistance including credit and savings facilities, training and education, entrepreneurial development and assistance, and even micro-finance projects for the very poor. But with the CBDC, co-ops can implement a longer-lasting and more meaningful approach to entrepreneurship that goes beyond financial interventions and outcomes. The CBDC takes on an integrated capability-building and economic strategy—a holistic approach, with a conscious and consistent aim at addressing the economic, social, cultural, and even spiritual, needs or issues of the co-op members, particularly the women.

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