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## **Profile, Status, and Prospects of Quirino One Town One Product Program**

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**ABSTRACT**-This study is focused in determining the profile, status and prospects of Quirino One Town One Product (OTOP) Program. Specifically, it sought to evaluate the extent of the OTOP program assistance to the enterprise, economic impact of OTOP program and problems encountered in the implementation of the OTOP program. A total of 25 entrepreneurs were interviewed to gather information concerning the study. The descriptive research design was utilized with the use a survey questionnaire patterned after the instrument provided by the Department of Trade and Industry with some modifications to suit the respondents and the nature of the study as its main gathering instrument and in-depth interview with the participants. All of the respondents were engaged in manufacturing of their own product in a sole proprietorship form where majority of the businesses were involved in processed food and agri-based products which were characteristically young and new to the OTOP Program employing 1 to 5 personnel mostly their family members and neighbors who started with a very small start-up capital through their earnings. Findings, revealed that the OTOP program assistance package offered by the Department of Trade and Industry was effective in terms of its marketing assistance, product development, business counseling and skills and entrepreneurial trainings, however, the financial and technical assistance is somehow weak thus it resulted in less effective impact in terms of its financial and technical impacts. Therefore, the researchers suggest that there should be a tie-up financing scheme between the

government and private financial institutions should be made accessible to OTOP Enterprise to scale up their financing capacity, also investment in modern technology to upkeep the productivity level of the enterprise.

### **Keywords:**

Business Counseling, Entrepreneurial Trainings, Marketing Assistance, Product Development

### **1. INTRODUCTION**

The One Town, One Product (OTOP) is a program of the Philippine Government through the Department of Trade and Industry (DTI) to encourage entrepreneurship aimed at providing livelihood and employment to Filipinos. The OTOP program has been in existence in the Philippines since 2002 and was established in February 2003 through Executive Order No. 176, "Isang Bayan, Isang Produkto, Isang Milyong Piso". (Executive Order No. 176 s. 2003)

Since its establishment, OTOP has added components and had evolved into OTOP Next Gen which gives assistance to MSMEs through capacity building, technology updating, brand equity and development, access to finance, and marketing platforms and promotion.

To date, the programs' implementation in the Province of Quirino were fully supported by the Provincial Local Government Unit and the local chief executives of the six municipalities of the province. Through the approved resolutions of their respective

localities and was further strengthened by several ordinances, the different towns have already identified their own OTOP products - which make part of the identity of their municipality and have had received support from various agencies – local and national.

Recognizing the substantial inputs of the OTOP program in nation's economic development, this study was conducted to examine the extent and impact of OTOP program to the enterprise and problems encountered in the implementation of OTOP program to generate information on the current status of OTOP Enterprise to determine its future business prospects.

This paper seeks to determine what development program or intervention may be proposed based on the findings of this study which rest emphasis on the prospects of the OTOP program in Quirino province.

Further, as a Faculty of the College of Business Administration and program implementer of TESDA, it is very interesting and productive to introduced a development program or intervention that will assure OTOP enterprise to headway beyond their current framework.

Moreover, knowledge generated from this study will further hone the technical skills and competencies of entrepreneurs to stay competitive in a constantly changing business environment and the output can be extended to communities to understand how these assistance packages help in business operation that would lead to success.

Finally, this study has never been conducted in the province of Quirino, and it is in this context that this study has to be conducted to proposed a development program.

## **OBJECTIVES OF THE STUDY**

1. To describe the Socio- Demographic Information of the Enterprise
2. To assess the extent of OTOP program's assistance in the following areas:
  - 2.1 Financial
  - 2.2 Technical
  - 2.3 Marketing
  - 2.4 Product Development
  - 2.5 Skills and Entrepreneurial Trainings
  - 2.6 Business Counseling
3. To assess the OTOP Program's impact to the enterprise along the following areas:
  - 3.1 Social
  - 3.2 Economic
  - 3.3 Technological
  - 3.4 Financial
  - 4.5 Environmental
4. To identify the problems encountered in the implementation of OTOP Program
5. To proposed intervention to improve the OTOP Program

## **METHODOLOGY**

This study employs the mixed methods of research which make used of questionnaires and interviews which involves twenty-five (25) select DTI accredited OTOP Enterprise operating in the different municipalities in the province of Quirino. This study utilized a survey questionnaire patterned after the instrument provided by the Department of Trade and Industry with some modifications to suit the respondents and the nature of the study as its main gathering instrument. The questionnaire is sectioned into five parts: The first part is used to gather information on the organizational profile of the Enterprises, the second to the fifth part of the questionnaire are open ended questions to gather data on the following: extent of OTOP program assistance to the enterprise, impact of OTOP to the enterprise, problems encountered in the implementation of OTOP program and the last part is focused on what development program or intervention maybe proposed by the respondents.

Moreover, an in - depth interview with the respondents was conducted as a secondary instrument to obtain additional substance on the information gathered thru the questionnaire.

## **RESULTS AND DISCUSSIONS**

### **Socio- Demographic Information of the Enterprise**

The results of the organizational profile of the respondents in terms of the type of their business, form of business, products, years of operation, startup capital, source of capital, average monthly sales, and present capital were presented in table 1.

**Type of Business.** All of the respondents were engaged in manufacturing of their own product.

**Form of Business.** Majority of the respondents with 20 respondents or 80% run their business in a sole proprietorship form while the remaining five respondents or 20% answered cooperatives as the form of business.

**Products.** Almost a quarter or six of the respondents were into furniture (souvenirs & antiques). There were four respondents involved in making fossilized flower and dried indigenous grasses which comprised 16% of the respondents and 12 % or three of the respondents were into production of fruit wine.

**Years of Operation.** Almost two third of the respondents were 1 to 10 years in operation. Those operating for 11 to 20 years is comprised of 6 or 24% of the respondents and the remaining three or 12% were operating for 21 to 30 years.

**Number of Employees.** Majority of the respondents employs 1 to 5 employees which is 16 or 64%. Four or 16% of the respondents employs 6 to 10 employees and two or 8% each employs 11 to 15 employees and 21 to 25 employees. The remaining 4% employs 16 to 20 employees.

**Start-up Capital.** More than half of the respondents have PhP 1,000 to 15,000 start-up capital. Those businesses which started with PhP 60,001 and above start-up capital were comprised of six or 24% of the respondents.

**Source Capital.** There were 14 respondents in the study who answered that the source of their capital was through their earnings/own money/salary/donations. Seven or 28% source out their capital from the government and four or 16% were from granted loans.

**Average Monthly Sales.** More than one-third of the respondent's average monthly sales were less than PhP 30,000. Six or 24% of the respondents have an average monthly sale of PhP 60,001 to 90,000.

**Present Capital (as of 2020).** With a total number of 14 respondents, the present capital of majority of the respondents were PhP 5,000 to 50,000. Businesses with PhP 100,001 and above present capital were comprised of seven or 28% of the respondents. Four or 16% of the respondents have a present capital of PhP 50,001 to 100,000.

Table 1.

Socio- Demographic Information of the Enterprise			
Type of Business	f	%	
Manufacturing	25	100.0	
<b>Total</b>	<b>25</b>	<b>100.0</b>	
Form of Business	f	%	
Sole Proprietorship	20	80.0	
Cooperatives	5	20.0	
<b>Total</b>	<b>25</b>	<b>100.0</b>	
Products	f	%	
Ginger Tea and other variants	1	4.0	
Processed calamansi (juice, concentrate & puree)	1	4.0	
Native delicacies (Kakanin, Tubikoy, Buko Pie & Cassava Cake)	2	8.0	
Processed Food (Banana chips, Peanuts & Sweets)	2	8.0	
Fossilized flowers & dried indigenous grasses	4	16.0	
Furnitures (souvenirs & antiques)	6	24.0	
Corn Husk handicrafts (Bags, Sling bags)	2	8.0	
Processed fruit wine	3	12.0	
Bamboo Handicrafts (hats, trays)	1	4.0	
Muscovado sugar	1	1.0	

Coffee products (rice & soya)	1	4.0	
Processed fruit vinegar	1	4.0	
<b>Total</b>	<b>25</b>	<b>100.0</b>	
Years of Operation	f	%	
1 to 10 Years	16	64.0	
11 to 20 Years	6	24.0	
21 to 30 Years	3	12.0	
<b>Total</b>	<b>25</b>	<b>100.0</b>	
Number of Employees	f	%	
1 to 5 employees	16	64.0	
6 to 10 employees	4	16.0	
11 to 15 employees	2	8.0	
16 to 20 employees	1	4.0	
21 to 25 employees	2	8.0	
<b>Total</b>	<b>25</b>	<b>100.0</b>	
Start-up Capital	f	%	
PhP 1,000 to 15,000	13	52.0	
PhP 15,001 to 30,000	2	8.0	
PhP 45,001 to 60,000	4	16.0	
PhP 60,001 and above	6	24.0	
<b>Total</b>	<b>25</b>	<b>100.0</b>	
Source of Capital	f	%	
Government agency	7	28.0	
Loans	4	16.0	
Earnings/own money/salary/donations	14	56.0	
<b>Total</b>	<b>25</b>	<b>100.0</b>	
Average Monthly Sales	f	%	
Less than PhP 30,000	9	36.0	
PhP 30,001 to 60,000	3	12.0	
PhP 60,001 to 90,000	6	24.0	
PhP 90,001 to 120,000	3	12.0	
PhP 120,000 and above	4	16.0	
<b>Total</b>	<b>25</b>	<b>100.0</b>	
Present Capital (as of 2020)	f	%	
PhP 5,000 to 50,000	14	56.0	
PhP 50,001 to 100,000	4	16.0	
PhP 100,001 and above	7	28.0	
<b>Total</b>	<b>25</b>	<b>100.0</b>	

#### EXTENT OF OTOP PROGRAM ASSISTANCE TO THE ENTERPRISE

Frequency and percent distribution of respondents in terms of the assistance of OTOP program on the areas: financial, technical, marketing, product development, skills & entrepreneurial trainings, and business counselling were presented in table 2 – 7.

#### Financial Assistance

Financial assistance to business owners is one of the programs provided by the government. These were presented in Table 2.

Have you availed financial assistance from	f	%	
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<b>DTI under the OTOP program?</b>			
Availed financial assistance	15	60.0	
Did not avail financial assistance	10	40.0	
<b>Total</b>	<b>25</b>	<b>100.0</b>	
<b>How much did you avail?</b>			
	<b>f</b>	<b>%</b>	
PhP 5,000 to 10,000	3	12.0	
PhP 10,001 to 15,000	1	4.0	
PhP 25,001 and above	11	44.0	
Did not avail financial assistance	10	40.0	
<b>Total</b>	<b>25</b>	<b>100.0</b>	
<b>What are the terms and conditions of the financial assistance?</b>			
	<b>f</b>	<b>%</b>	
Payable in 2 years, monthly basis	2	8.0	
Use only the financial assistance for important purpose	2	8.0	
6 months with no interest	2	8.0	
1 year to pay monthly basis	4	16.0	
Dole out	3	12.0	
Maintenance of equipment	2	8.0	
Did not avail financial assistance	10	40.0	
<b>Total</b>	<b>25</b>	<b>100.0</b>	

As shown, majority of the respondents had already availed of the financial assistance of the OTOP Program of the Department of Trade Industry. This accounts to 15 of the total respondents of which, 11 had secured an amount of more than PhP 25,000.00 payable on a term not to exceed two years and some are dole out and for maintenance purposes.

On an interview with one of the recipients, (...it is DTI which had provided me financial assistance because it is hard to avail loans from the bank due to a lot of requirements and I used it to improve the packaging and labeling of my product and some were added to my capital in producing the product...). The statements implies that the government intervention of helping the OTOP Entrepreneurs through financial assistance had a great impact in the growth and success of their business. In the research completed by Ntiamoah, E. (2016), he

states that those who gained access to government support, some used to enlarge their businesses while others acquired the necessary skills and knowledge to run their business.

#### **Technical Assistance**

The technical assistance of the extent of OTOP Program assistance to enterprises is presented in Table 3.

Table 3. Extent of OTOP Program Assistance to the Enterprise as to Technical Assistance

<b>Are there any technical assistance you availed from DTI?</b>			
	<b>f</b>	<b>%</b>	
Availed technical assistance	23	92.0	
Did not avail technical assistance	2	8.0	
<b>Total</b>	<b>25</b>	<b>100.0</b>	
<b>What kind of technical assistance did you get from DTI?</b>			
	<b>f</b>	<b>%</b>	
Kapatid Mentor Me (KMME) Program trainings and seminars	12	48.0	
Oven Machines & Boiler Operation Labeling, packaging material, product development trainings and values formation	3	12.0	
Entrepreneurship & Financial Literacy Training cum Good Manufacturing Practices	2	8.0	
Securing Food and Drug Administration (FDA) Permit Briefing	2	8.0	
Carpentry and Finishing techniques Training for woodworks	1	4.0	
Did not avail technical assistance	2	8.0	
<b>Total</b>	<b>25</b>	<b>100.0</b>	

Majority of the enterprises were found to have availed technical assistance from DTI under the OTOP program base from the response of 23 enterprises. This means that the enterprises believed in the programs extended by the Department of Trade & Industry by having interest in availing seminars and training by the department which

numerically has the highest response with 23 respondents participating.

It was revealed in an interview with the respondents that it is through the different technical assistance that their business has improved. One said that (“it is because of the Kapatid Mentor Me Program of DTI that I was able to know how to make a business plan and use computer and internet in promoting my product not only in the Philippines...”) This result agrees to the work of Rujiprak, V., & Limprasert, S. (2020) saying that with the technical assistance, most of the producers improved their planning and marketing to be more systematic and they also improved their packaging. That, technical assistance should be present to business to interact for the development of new incremental product, process, and organizational innovations. Apanasovich, N., & Parrilli, M. D. (2016).

#### Marketing Assistance

Support on marketing to the OTOP Enterprises, a crucial factor on the success of any business were described by the respondents in Table 4.

Table 4. Extent of OTOP Program Assistance to the Enterprise as to Marketing Assistance

<b>Have you availed marketing assistance from DTI?</b>	<b>f</b>	<b>%</b>
Availed marketing assistance	22	88.0
Did not avail marketing assistance	3	12.0
<b>Total</b>	<b>25</b>	<b>100.0</b>

  

<b>What kind of marketing assistance?</b>	<b>f</b>	<b>%</b>
Participation in local trade fair	2	8.0
E-commerce	4	16.0
Financial assistance in marketing	2	8.0
Participate in regional/national/international trade fairs	10	40.0
Exporting	2	8.0
Continuous training on FDA, Halal	2	8.0
Did not avail marketing assistance	3	12.0
<b>Total</b>	<b>25</b>	<b>100.0</b>

Marketing assistance is a key of any business and is relevant to Micro, Small and Medium Enterprise on which OTOP Enterprises is categorized, for they lack the resources needed for them to be accessed by the global market. As shown in the table, 22 respondents had availed the services of DTI towards marketing.

One respondent pointed out that (“...because of my participation to trade fairs organized by DTI, I was able to widen my network and I was able to deal with big domestic customers, my business improved...”). The result agrees to the work of Aashish, K. (2015) that different marketing assistance schemes gives an edge to business owners in marketing their business particularly to the domestic market.

#### Product Development

The assistance given to the enterprises with regards to product development were presented in Table 5.

Table 5. Extent of OTOP Program Assistance to the Enterprise as to Product Development

<b>Have you availed product development assistance from DTI?</b>	<b>f</b>	<b>%</b>
Availed product development assistance	23	92.0
Did not avail product development assistance	2	8.0
<b>Total</b>	<b>25</b>	<b>100.0</b>

  

<b>Did the product development include the formulation of new product design?</b>	<b>f</b>	<b>%</b>
Includes product design formulation	23	92.0
Does not include product design formulation	2	8.0
<b>Total</b>	<b>25</b>	<b>100.0</b>

As shown on the table, majority of the have undergone product development assistance from DTI. With 23 respondents availing the product development assistance, all of them were recipients of the new product design initiative.

The respondents strongly agreed that the new product design that greatly help them in marketing their product. According to one respondent, (“...it is because of the product development program that the appearance of the label and packaging of my product improved, I am no longer ashamed in presenting my product even alongside products from abroad. Before, I am just packing my products in plastics, now I have it boxed and the shelf life is longer...”)

According to the study of Zekiri, J., & Hasani, V. V. (2015), it was found out that during the decision process of a buyer, the packaging elements of a product is very important for consumers consider quality of packaging materials, innovation and practicality, and the

design to be a great factor. Same with the study of Rujiprak, V., & Limprasert, S. (2020), it was highlighted that through participation to the programs of the government on Product Development, they were able to meet the quality of their products that pave way to internationalization through assistance in packaging and labeling as a key factor.

### **Skills and Entrepreneurial Trainings**

Skills and Entrepreneurial Trainings attended and recommended were described by the respondents in Table 6.

Table 6. Extent of OTOP Program Assistance to the Enterprise as to Skills and Entrepreneurial Trainings

<b>What skills and entrepreneurial trainings attended were relevant to the existing enterprise/business?</b>	<b>f</b>	<b>%</b>
Kapatid Mentor Me Program (KMME) Trainings	12	48.0
Canadian Executive Services Organization Management Training	1	4.0
Machine Operations, Food and Drug Administration (FDA) Assistance Training	4	16.0
Various Department of Trade & Industry (DTI) Trainings (Financial literacy, entrepreneurship, good manufacturing practices, e-commerce)	8	32.0
<b>Total</b>	<b>25</b>	<b>100.0</b>
<b>Which skills training contributed to the growth of your business?</b>	<b>f</b>	<b>%</b>
Kapatid Mentor Me Program Trainings	12	48.0
Canadian Management Training	1	4.0
Food and Drug Administration Assistance Training	2	8.0
Good manufacturing practices	3	12.0

E-commerce Training	7	28.0
<b>Total</b>	<b>25</b>	<b>100.0</b>

Skills and Entrepreneurial training is very important in any business ventures for it allows entrepreneurs to improve and strengthen their given skills. As shown in table 6, of the various trainings conducted by DTI and participated by the respondents, it is the Kapatid Mentor Me (KMME) Program that has the highest numerical value. This accounts to 12 respondents participated in the training.

One respondent interviewed said that (I started having interest in business when I participated in some of the trainings given by DTI. Since then, opportunities came and I am very lucky for now I am one of the recipients of the Kapatid Mentor Me Program which broadened my knowledge in business....”). This implied that skills and entrepreneurial trainings conducted by DTI is true to one of their special programs which includes providing training assistance to SMEs (SME Training) to give protection to local industries in the country. Surachman, A. B. (2020)

On a separate study conducted by Al-Awlaqi (2018), it was found out that entrepreneurship trainings have a positive effect toward innovativeness of entrepreneurs.

### **Business Counselling**

Counselling in business have proved to be a valuable service to the industry, thus, the result of the response of the entrepreneurs in it were presented in the table below.

Table 7. Extent of OTOP Program Assistance to the Enterprise as to Business Counselling

<b>Have you attended a business counselling program of DTI?</b>	<b>f</b>	<b>%</b>
Have attended a business counselling program	19	76.0
Have not attended a business counselling program	6	24.0
<b>Total</b>	<b>25</b>	<b>100.0</b>

With regards to the services of business counselling, 19 of the total respondents have already availed the services. That accounts to 76% of the total respondents.

### **IMPACT OF OTOP PROGRAM TO THE ENTERPRISE**

Frequency and percent distribution of respondents in terms of the impact of OTOP program to the enterprise on the following areas: social, economic,

technological, financial, and environmental impact were presented in table 8 – 12.

**Social Impact**

Social impact is about making sure that as positive as it can be and reduces the negative impacts that the business or project might have. The result of the study on the social impact of being a beneficiary of the OTOP program is presented in this table.

Table 8. Social Impact of OTOP Program to the Enterprise

<b>What are the benefits or advantages of being a beneficiary of the OTOP program?</b>	<b>f</b>	<b>%</b>
Opportunity to expand production that would provide employment, adjust on trends	3	12.0
Great help to family by providing everyday needs, to the community and the business financially	5	20.0
Encouragement in small capital and less expense but increase sales	3	12.0
Products were made known for marketing exposure through various platforms like online marketing	7	28.0
DTI assisted in giving equipment, upgrading skills of worker in the community and selling of products	4	16.0
Trust of consumers, experience, and direct link and assistance to personnel in-charge on the OTOP Program	3	12.0
<b>Total</b>	<b>25</b>	<b>100.0</b>

Social impact is one of the dimensions of OTOP program which needs closer inspection. As shown in the table, majority of the respondents stated that their products were made known because of the marketing exposure and through online marketing as the advantage

of being a beneficiary of the OTOP Program. That accounts to seven respondents or 28%. This conforms with the study of Rujiprak, V., & Limprasert, S. (2020) revealing that in recent times, more producers have begun advertising and selling their products online through various social media application.

**Economic Impact**

The effect of economic growth on business is incredibly positive: business is likely to earn more customers, increase profitability, and experience great opportunities for further growth and expansion. The result of the economic impact of OTOP in business is presented in this table.

Table 9. Economic Impact of OTOP Program to the Enterprise

<b>Was OTOP program track towards achieving its purpose?</b>	<b>f</b>	<b>%</b>
OTOP program is on track in achieving its purpose	23	92.0
OTOP program is not on track in achieving its purpose	2	8.0
<b>Total</b>	<b>25</b>	<b>100.0</b>

The result revealed that majority of the respondents believe that the OTOP Program was on track towards achieving its purpose helping small business towards achieving growth and success that could impact not only the entrepreneur but the whole community. One of the respondent said that ” (“...when my business grew because of OTOP, I have had bigger opportunities that’s why I was able to help in the needs of the children of my workers in their studies...”).

The result showed similarities with the study of Parilla, E. S. (2013) which says that employment is considered the biggest impact of OTOP program in the Industry. Jobs were created for the family members as well as the whole community.

**Technological Impact**

Technology has important effects on business operations. No matter the size of your enterprise, technology has both tangible and intangible benefits that will help you make money and produce the results your customer’s demand. The table below presents the technological impact of being an OTOP Entrepreneur.

Table 10. Technological Impact of OTOP Program to the Enterprise

<b>Have there been positive changes in the productivity level with the used of modernized equipment?</b>	<b>f</b>	<b>%</b>
There are positive changes	20	80.0
There are no positive changes	5	20.0
<b>Total</b>	<b>25</b>	<b>100.0</b>

  

<b>What social media platforms (website, facebook page, etc) were created to increase awareness about the enterprise?</b>	<b>f</b>	<b>%</b>
Facebook Page	8	32.0
Website	2	8.0
Both Facebook page & website	5	20.0
There are no social media accounts created	10	40.0
<b>Total</b>	<b>25</b>	<b>100.0</b>

As shown, the used of modernized equipment has positive changes in the productivity level of the entrepreneur respondents which accounts to 20 or 80% answering yes. This simply shows that the entrepreneurs were open with idea of modernizing their production through the use of modernized equipment suggested/given by the program. Based on the research by Tabisola, C. T. F. (2021), he states that the OTOP activities are enhancing SME capabilities and reliance on ICT and e-commerce, capability building for SME access to financing efforts of the province, and access to technology specifically on upgrading and transfer of innovative technology. Upgrading of machineries and equipment also resulted to the improved socio-economic situation that translates into a good financial position, increased buying power, improved social status and improved quality of life (QOL) – impacts that are also sensitive and important to Ambisyon Natin 2040. Bulfa, R. G. (2020).

#### **Financial Impact**

Finance plays a crucial role when it comes to taking decisions regarding the continued survival and growth of a business. The table below had presented the financial impact to OTOP beneficiaries.

Table 11. Financial Impact of OTOP to the Enterprise

<b>Were there available and sufficient fund to finance equipment maintenance, trainings, and other expenditures?</b>	<b>f</b>	<b>%</b>
There is sufficient fund	16	64.0
There is no sufficient fund	9	36.0
<b>Total</b>	<b>25</b>	<b>100.0</b>

  

<b>How prepared was the enterprise to respond in terms of change in market conditions?</b>	<b>f</b>	<b>%</b>
Availability of Emergency Fund deposited in bank	4	16.0
Collateral instruments available to raise capital	2	8.0
Sufficient savings	7	28.0
The enterprise is not prepared	12	48.0
<b>Total</b>	<b>25</b>	<b>100.0</b>

The table shows that with regards to the financial impact of OTOP towards availability of sufficient funds to finance equipment maintenance, trainings and expenditures, the respondents answered yes or sufficient which accounts to 16 or 64% of the respondents. That majority of them are prepared to respond in terms of changes in market condition and failure of product or a disaster. This implies that the respondents were able to set aside or save in case and that they are financially literate. This relates to the study of Gonzalvo, Z., & Avila, E. C. (2019) which says that entrepreneurs have high importance to savings and the management of those savings and that they have average level of financial attitude because most of the respondents were rated as having appropriate financial attitude on different cases of financial decisions and events. Meanwhile, the business survival of businesses depends largely on a sound financial management. However, the ability of the entrepreneurs of micro business to use financial knowledge and skills in managing their resources effectively is always being debated. Topimin, S., & Hashim, S. R. M. (2020)



### **Environmental Impact**

This table present the practices of the OTOP beneficiaries towards environmental conservation.

Table 12. Environmental Impact of OTOP to the Enterprise as to Impact

<b>Have there been any public policy observed by the enterprise? Was it useful?</b>	<b>f</b>	<b>%</b>
There is public policy observed by the enterprise	25	100.0
There is no public policy observed by the enterprise	0	0.0
<b>Total</b>	<b>25</b>	<b>100.0</b>

  

<b>What are the good practices of the enterprise in terms of conservation of natural resources?</b>	<b>f</b>	<b>%</b>
Minimal use of plastic	2	8.0
Use of all natural, organic raw material	2	8.0
Clean and green program, tree planting for added raw material	4	16.0
Proper waste segregation	7	28.0
Good business practices	10	40.0
<b>Total</b>	<b>25</b>	<b>100.0</b>

Based on the responses of the respondents, there have been a great impact on environmental conservation from the entrepreneurs. They listed good business practices and compliance to government agencies regulation on proper waste segregation were two of the public policy they observe. It implies that businesses should be motivated to focus on proper waste disposal practices, to reduce waste at the source (both hazardous and non-hazardous), to use environment-friendly materials and more reusable and recyclable materials, to optimize their processes to cut down air emissions, water contamination, and effluent production, and to ensure environment-friendly disposal of solid and liquid wastes. Rao, P. H. (2019).

### **PROBLEMS ENCOUNTERED IN THE IMPLEMENTATION OF OTOP PROGRAM**

The table below presents the problems encountered/experience by the OTOP beneficiaries in the implementation of the program.

Table 13. Problems Encountered in the Implementation of OTOP Program

<b>Have you encountered problems regarding the implementation of OTOP program to your enterprise?</b>	<b>f</b>	<b>%</b>
Have encountered problems on the implementation of OTOP	20	80.0
Have not encountered problems on the implementation of OTOP	5	20.0
<b>Total</b>	<b>25</b>	<b>100.0</b>

  

<b>What are these problems?</b>	<b>f</b>	<b>%</b>
Sustaining the source of raw materials due to increasing/expanding market	4	16.0
Lack of machines to increase production due to increase demand of product	5	20.0
Delivery of items to customers outside the province due to restrictions (wood products)	4	16.0
FDA compliance	7	28.0
Have not encountered problems on the OTOP Program	5	20.0
<b>Total</b>	<b>25</b>	<b>100.0</b>

Findings showed that majority of the respondents have still problem in the implementation of the OTOP program despite the growth of their business which accounts to 20 or 80% of the respondents. This implies that just like any other programs of the government, there is still room for more programs to be improved and implemented. This relates to the study of Tabisola, C. T. F. (2021) which says that equal attention must be given in improving the production efficiencies of rural enterprises to increase their competitiveness.

### **PROPOSED INTERVENTIONS TO IMPROVE THE OTOP PROGRAM**

The One Town One Product Philippines program, in spite of its limitations, offers opportunities to thousands of rural enterprises to become viable and competitive.

The table below shows the suggestions of the respondents in the improvement of the OTOP program implementation.

Table 14. Proposed Interventions to Improve the OTOP Program

What interventions may be proposed to improve the OTOP program?	f	%
Continuous Product Development Program	3	12.0
Trainings on Importing & Exporting	1	4.0
More training developments for the OTOP Entrepreneurs	10	40.0
Access to financial help from the government	7	28.0
Aggressive marketing assistance in marketing products	2	8.0
Skills Upgrading Seminar & Training	2	8.0
<b>Total</b>	<b>25</b>	<b>100.0</b>

The result showed that in order to meet the objectives of the program, it is suggested by the respondents that more training development be provided for them to be able to grow more as an entrepreneur. This accounts to ten or 40% of the respondents. Other notable response from the respondents were for them to be able to access financial help from the government with seven or 28% of the respondents answering, and continuous product development program and skills upgrading training as the objectives of the proposed development program or intervention.

### CONCLUSION

The One Town, One Product (OTOP) program of the government have played a great role in the local development of the province of Quirino. The province offers majority of agri-based processed food and beverages products as its OTOP and a number of woodworks and handicrafts OTOP producers. The study specifically concluded that the OTOP Entrepreneurs of the province have availed the programs provided by the Department of Trade and Industry on the different areas. The extent of programs on the areas of technical, marketing and product development has had a fair share of help in the growth and success of the OTOP enterprises. Moreover, on the areas of skills & entrepreneurial trainings and business counselling, this extent of the OTOP program to the OTOP enterprises has

direct influence on the management of their business. On the other hand, the results on the impact of the OTOP program along with different areas was shown to have a direct and positive impact to the OTOP enterprises. Further, on the areas of environmental and technological impact, direct impact on faster production and proper waste segregation and disposal has the highest impact. Finally, reforms be made to better the implementation of the program for the product offerings of the province be at par with other products in the local and national market and across the globe as suggested by the respondents to that they be provided with advanced trainings on the areas of product development, marketing and skills upgrading.

### RECOMMENDATIONS

In order for the OTOP Program to continue being responsive and meet the needs of the beneficiaries of the program in the province, the following are recommended:

1. The treatment, opportunities and attention should be equal among the entrepreneurs in various trainings and seminars in order to improve their production capacities and efficiencies to be more competitive. Investment in product development should be intensified so that product range and offerings developed have high potential in the market. There are a lot of potentials and room for improvements in the province' food sector, woodworks and handicrafts-making that can have a niche in penetrating the international market.

2. Also, financing should be accessible to the entrepreneurs and that the government should be able to come up with interventions with government and private banks and other formal financial institutions to be accessible so that they will not rely solely on what the government can offer as to financing. Access to financing is very crucial to entrepreneurs for it paves the way for them to scale-up their production by investing in modern technology through introduction of new machines and innovation in production, expanding their business, and undergo development activities needed for the growth and success of the business. Many of those who have been interviewed have stated that because of the many documentary requirements of banks and other formal financial institutions that they cannot comply with, access to finance was still elusive. Another compelling reason would be the lack or insufficient collateral instruments needed in borrowing money to private entities.

3. Further, technological advancement and innovations in production to boost productivity and competitiveness should be encourage to entrepreneurs for them to adopt. There are different government agencies who assists entrepreneurs in availing such programs in modernizing their machineries and equipment as a soft

loan. This entails those entrepreneurs will be given the chance to avail the programs at a lower interest, with no collateral and longer period of repayment of the loan so that maximum help be given to the entrepreneurs in modernizing their production. Moreover, addressing the need for FDA certification of those in the food sector through the assistance of key support players of the OTOP Program should be taken into serious consideration.

4. Finally, this study of the OTOP program in the province of Quirino is very significant to the field of micro and small business management in the country. It supports the relevance of the impact of the OTOP program in the attainment of good business performance. The evaluation of the extent of OTOP Program assistance, along with the knowledge that were generated from it, may be explored by the entrepreneurs which can help them in crafting their own recipes of entrepreneurial success. This output may be extended to future entrepreneurs, and may also serve as inspiration to students taking up business and entrepreneurship, teachers, researchers, and agencies related to business.

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