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TITLE OF THE STUDY : IT IS FUN TO REFUND: ON PROCESSORS' ROLE IN COOPERATIVE POLICY IMPROVEMENT

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ABSTRACT

Cooperative refund is one of the structural features of the Cooperative form. Refunds shall be made available to the separated members of the Cooperative. This study investigated the possibility of process improvement to determine the turnaround procedure of the coop refund. This paper suggested an improved policy so that the system could produce the desired output optimally. A Phenomenological Qualitative Research Design has been used in this study that a purposeful sampling is applied to involve eleven (11) refund processors from different Cooperative departments who have at least one year of experience in the activity. Ten (10) interview questions served as an instrument for obtaining information that helped develop the study. The Interpretative Phenomenological Analysis (IPA) followed to understand the meaning of the participants' lived experiences, in which ten (10) superordinate themes have been finding from the qualitative data analysis performed.

Keywords: Cooperative, coop refunds, coop refund processors, turnaround time, policy improvement

1.0 INTRODUCTION

A Multipurpose Cooperative is composed of different internal activities, which involve coop refund processing. Member's receivables at the end of their service engagement must return in a specified time. The basis of this study can summarize into three (3) challenges facing a Cooperative: (1) The Cooperative has this type of undocumented process known as the 'Coop Refund Process' involving multiple processors from different Cooperative departments, timelines are not definite per activity; (2) since coop refunds are not processed and released at an appropriate timeline to the separated members, this study assumed that there are limitations not only in the coop refund processors but also in the procedure itself; and (3) it is necessary to have a written policy and procedures for consistency in the Cooperative refund process.

Theoretical Framework

Theoretically, the facts and principles of the following served as guides that support the development of this study. First is the theory of lean thinking that has something to do with process improvement. The idea of lean thinking is a philosophy that seeks to provide a new way of thinking on how to organize human activities to offer more benefits to society and value to individuals while reducing waste. Waste refers to any human activity which absorbs resources but creates no value as defined by Toyota Lean Manufacturing. And value is defined as something a company delivers for its customers. The implementations



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of Lean in service sectors have also gained many benefits. Elias (2016) proved that Lean in the service sector has many benefits, as it improved the process flow, reduced waste, and added value for customers.

The second is Parkinson's Law. It says that work expands to fill all of the time remaining before its completion. We all know that there are people in the organization who try to look busy throughout the day, consider efficient employees, and justify their existence in the process. But when you ask for an accomplishment report, surprisingly, there is nothing to submit. In every step, we have what we call more time or extra time. The completion of the process now depends on the person who is doing the task. There are two types of people - the other is using the extra time to polish everything before submission to fill all available time while the other one finishes the task ahead of the deadline to enjoy that time in doing personal matters. This theory can be related to this study because that extra time proves that there is still room for streamlining the process.

And lastly is the theory of equity. It suggests that rewards (outcomes) should relate directly to the quality and quantity of employees' contributions (inputs). It explains that if an employee learns that a peer is earning more money doing the same job as them, then they may choose to do less work, creating fairness in their eyes.

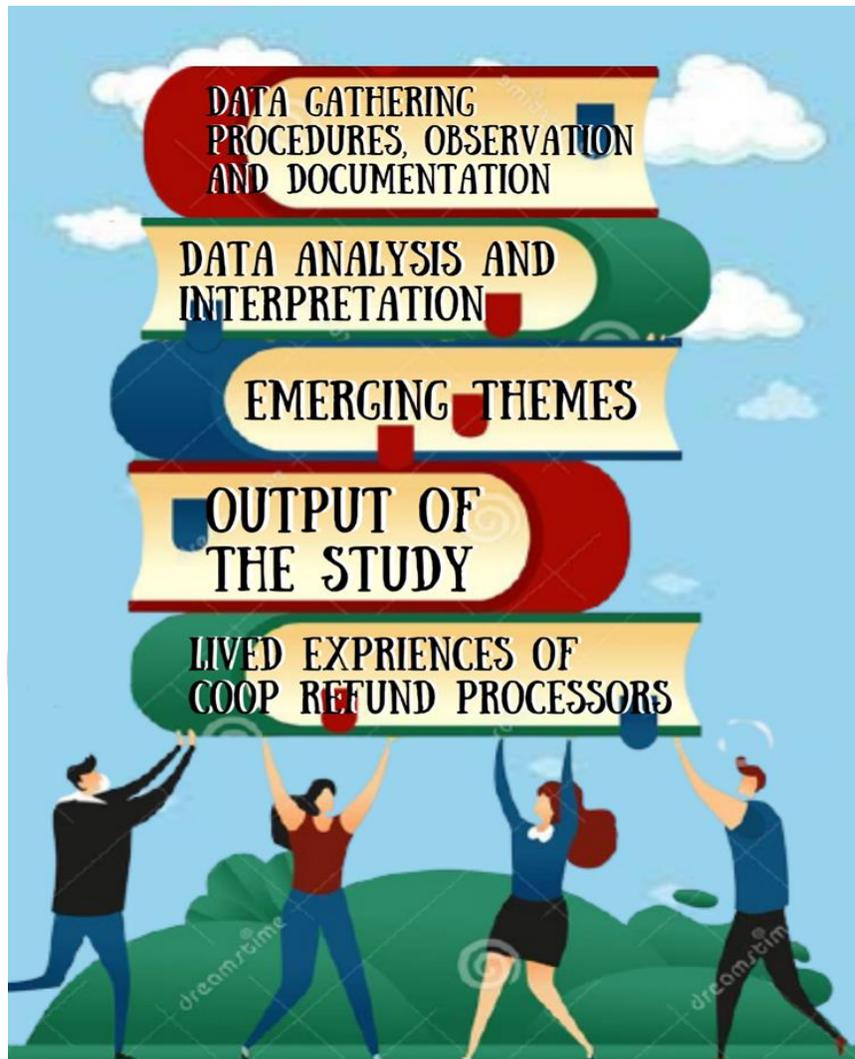
Conceptual Framework

The researcher believed that the following concepts apply to the researcher's analysis and recommendation in process improvement. First is the theory of constraints. Theory of constraints (TOC) is a methodology for identifying the most vital limiting factor or the hindrance in achieving a specific goal. Once that limiting factor is acknowledged, it is then systematically improved until it is no longer the limiting factor at all. This hypothesis is relevant to this research because of how participants behaved during the project when they often had several open tasks simultaneously. They multitask, consider everything as urgent and necessary. That is why there are activities that are now behind its timeline. There is already a loss of time and efficiency when they recall or go back to what they were doing. As a result, the overall duration to complete a process now increases. And remember, it has a domino effect on all other tasks because the delay spreads already.

Another is the Taylorism Theory - developed by Frederick Taylor and utilized to improve productivity in the manufacturing sector. Taylor used the Study of Time and Motion in developing this theory where he watched and recorded various movements and their duration. Another fundamental element of this theory is control over the practices of the employees. It is a detailed-oriented management system that requires supervisors to monitor workers and recommend more efficient techniques to a company.

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Research Paradigm



Since this is qualitative research, the researcher placed emphasis on understanding through looking closely at people's words, actions, and records. The study examined the patterns of meaning which emerge from the data and this happened after close observation, meticulous recording, and thoughtful analysis of the research subject. This process of discovery is fundamental to the philosophical underpinning of the qualitative approach. The researcher studied things in their natural settings and attempted to interpret phenomena in terms of the meanings people bring to them.

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Central and Corollary Questions

The researcher's primary aim was to look at the lived experience of refund processors of a Multipurpose Cooperative and improve its existing procedure. The study sought answers to the central question and corollary questions, the central question being:

What is the essence of the refund processors' lived experience in obtaining solutions to improve turnaround time in processing Cooperative refunds?

Corollary Questions:

1. How do the processors describe their experiences in managing the process of Cooperative refunds?
2. What themes emerged based on the testimonies of the participants?
3. Based on the findings, what process improvement procedure may be proposed?

Scope and Delimitations

The extent of this research undertaking focused primarily on the lived experience of a Multipurpose Cooperative's refund processors in the processing of refunds. Respondents were limited to each Cooperative department's coop refund processors and considered essential to address this study's problem. Although there may be additional external information, such as from the Cooperative's customers and its competitors, the researcher chose to focus internally in the interest of time. During the interview, the delivery of questions limits extracting emerging themes from the study's coop refund processors' lived experiences. While there are many types of Cooperatives in the Philippines, only the Multipurpose Cooperative, particularly the one located in Makati City, was covered by this study.

Review of Related Literature

Due to its unique administration, the implementation of streamlined processes in a Cooperative business model faces many challenges and difficulties. Still, a variety of literature shows that process streamlining can be done and applied even in service-related industries. Positive results are demonstrated in the implementation of reduced process turnaround times by service companies.

A case study done by Harvard Kennedy School about Performance Management and Lean Process Improvement (2017) highlights that Lean process improvement empowers employees to remove bottlenecks and unnecessary processing steps. From the frontlines of service distribution to backend management, this method places problem-solving in the hands of people who know the most about systems. Via simplified procedures, a total of a million in savings and reduced risks will realize, as well as endless hours saved, resulting in increased customer loyalty.



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In the blog post of the Michigan Technological University, Cunard (2020) believed that when a mistake is present, the people involved in the process should be the ones to blame because, for her, Lean intends to design a process, so it is hard to do anything accidentally, but the right thing. She added that a culture change should come first for Lean to operate. People in the organization should create a culture based on Lean principles. Suppose people resist or refuse to adjust to the Lean culture. In that case, they are responsible for restricting to try and not for the process; creating Lean processes that exemplify continuous process improvement matters a great deal to people at all levels of an organization.

In a previous Rayment (2019) blog post, he commented that knowing the side effects of actions or processes, either positive or negative, is important because one cannot enhance what one does not know. With specific objectives in mind, individuals in the organization should act and commit that act. People involved in process A should move to process B until the final process reaches. Intending to ensure the full completion of tasks, creating a checklist will be helpful. Mapping a revolution in its entirety can lead to an understanding of many of the detailed side effects involved and recognizing all forms of side effects is essential for finding areas that need improvement.

According to the blog post written by McArdle (2018), one should observe them daily to understand what individuals are doing in an inevitable process. She said a manager should not rely solely on the reports of his/her individuals involved in the process but instead should understand what individuals are doing and understand what is going on during the process. It is easy to see and eliminate some actions or unnecessary procedures that make the process longer than it should be. Process modifications can be possible for employees to perform specific tasks as errors are already evident. Visibility within a responsible person's particular department is essential to immediately identify problems and solve them before they feel any impact.

Each organization's department teams have work components that slow down cycle times. There may be additional steps or additional involvement that are unnecessary or beneficial, which could add pressure to slow down the team unintentionally. One of the significant challenges is identifying which ones are valid and helpful and which ones we give to the natural urge to add processes. Identifying across that fine line is where the real challenge comes into play for most teams (Patel, 2018).

In a blog post entitled, Decrease Turnaround Time! Increase Service Volume & Satisfaction (n.d.) mentioned that the service volume would be low when turnaround time is too high, and the organization's customer satisfaction metrics will suffer. In an automotive manufacturing company, short turnaround times are essential. If the turnaround time is short, the business will deliver faster and keep its customers happy and loyal, the post said. Turnaround time usually increases when individuals involved in the process do not have the necessary data at the right time, so they will not provide excellent and timely service. Streamlining the process reduces the turnaround time.



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These studies contain vital data that would significantly contribute to the present study. Parallel to the assumptions of the researcher is some of the ideas found in the study under review. It's also worth noting that the thesis varies from previous analysis and literature in a few respects. In general, across the disciplines, a growing body of research has explored dissertation writing. To the best of the researcher's understanding, no studies have concentrated on the Cooperative refund turnaround period since most papers only deal with the release of dividends and patronage refunds, as mentioned in Fertig's blog (2015). Other studies are mainly concerned with the activities published by The Borgen Project (2018) blog on how to raise the living standards of its members to alleviate poverty.

2.0 METHODOLOGY

Research Design

In this research, the phenomenological qualitative approach is closely aligned with this study's objective because it included in-depth interviews to understand a condition, lived experience, or event from a personal perspective. This approach is participant-oriented, which allowed the participants to express themselves and their lived experience' stories the way they see it without any distortion and prosecution. As cited in the study of Marjan (2018), according to Creswell (2013), phenomenological research is a form of qualitative research that focuses on a group of people's shared experiences. The fundamental goal of the system is to arrive at a description of the nature of a phenomenon.

Research Instrument

The instrumentation used to collect data for this thesis was an interview topic with ten (10) guide questions prepared by the researcher. The researcher developed guide questions that would explain experiences in managing the process of coop refunds. To ensure correct instrumentations, questions were validated by four (4) experts, including two (2) graduate school professors and business professionals, one (1) qualitative data analyst, and one (1) individual with higher authority in the Cooperative, aside from the researcher's adviser and the Dean of the Graduate School. After validation, the researcher continued the data gathering procedure of the study. From the descriptions provided by the coop refund processors, the researcher was able to generate ten (10) emerging themes and finally arrived at an improvement proposal that will serve as an output of this study.

Participants of the Study

The researcher involved processors of coop refunds from different departments of a Multipurpose Cooperative in Makati City. In this qualitative research, the researcher used the most appropriate - purposeful sampling - to engage participants who can provide detailed and in-depth information about the phenomenon under investigation. The researcher opted to select eleven (11) coop refund processors of a Multipurpose



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Cooperative who have at least a year of experience processing coop refunds. The participants were selected based on the aims of this study.

Data Gathering Procedure

Initially, the researcher verbally requested the consent of the Multipurpose Cooperative General Manager in Makati City. Letters of authorization were distributed to the researcher's selected participants, clearly indicating the objectives of the interview in the letter and the date and time of the interview via the Facebook messenger video call. The investigator ensured that all information disclosed by the participants was treated in a highly confidential manner and prepared the necessary materials for recording the statements of the participants' interviews and transcripts. The researcher's adviser checked the transcriptions and annotated exemplars. The researcher's adviser suggested submitting the paper to review the annotated exemplars further and derived emerging themes to the assigned qualitative analyst.

Treatment of Qualitative Data

The researcher followed the Interpretative Phenomenological Analysis (IPA) to examine and interpret the refund processors' lived experiences of a Multipurpose Cooperative that had experienced a similar (standard) phenomenon for the treatment of qualitative data. Alase (2017) mentioned in his study that Smith (2009) reiterated that the IPA is concerned with the detailed analysis of human life experience. And it seeks to carry out this examination in a way that allows that experience to be expressed, as far as possible, in its terms rather than following predefined category systems.

According to the study conducted by Alase (2017), the following steps should constitute data collecting procedures for an IPA study:

- (1) An IPA research study should conduct semi-structured and unstructured interviews with as many as twenty-five (25) participants but as few as two (2).
- (2) The interview duration should be approximately sixty (60) to ninety (90) minutes in duration per interview session;
- (3) The study should keep the interview invitation to one interview per participant. However, only if there is a need for a follow-up interview shall the researcher contact the participants for additional interviews;
- (4) The site (including the date, time, and place) for the talks should be left to the participants to decide. However, the researcher's natural first choice and preference should always be at the participants' place of comfort, for convenience purposes to the participants. But if the need arises, the researcher should provide a safe and comfortable alternative location for the meetings (i.e., at the restaurants, coffee shops, or any other convenient outlets).
- (5) And finally, the research study should utilize different technological devices to collect necessary data (i.e., electronic voice recording or video recording devices). And naturally, the traditional 'note and pen' should be used for jotting down essential observations as the interviews progress.



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The researcher transcribed the interviews conducted, analyzed the data by reducing the data into essential statements or quotes, annotated exemplars, and combined similar responses with the help of NVivo computer software that is suitable for qualitative data analysis to reach emerging themes. The investigator used Google Translate and Google Docs to effectively utilize NVivo and find typical articles and evidence-based insights in less time. This computer program helped the researcher organize, store, and analyze information and uncover richer insights and generate precise results based on transcripts.

3.0 RESULTS AND DISCUSSION

The researcher was able to identify the target area that needs improvement – the coop refund processing. The existing process is composed of nine (9) sub-processes with 54 days to complete the entire cycle, which is an exceedingly long process. This research aimed for a 24-day processing period, as one of the study's outputs, for the Cooperative to conform with labor law. A process improvement and implementation plan presented in this study targeted to reduce the turnaround time of coop refund processing by identifying the weak points within the process that impede the work in the process chain or bottlenecks. The proposed plan may lead to a more efficient and higher quality of deliverables and the realization of a concrete policy.

As one of the subordinate themes of Thematic Chart J: Policy and Procedure Improvement, having a document routing slip extracted from the responses where participants believed that this would help them track the process and verify the Cooperative refunds' status. The document routing slip would adequately follow when sent the clearance and attachments for document execution tasks from one person to another. It would also ensure that the documents go through the correct process. If the document route is defined, the process will end in the given time frame. They also added that processors would force to read remarks written in the document and analyze everything using the routing slip to get the desired result.

Without a written policy that must implement and follow by the team members involved, procedures would not be complete. Thematic Chart D: Policy and Procedure Modification has demonstrated and created several forms of improvement. Based on the participants' responses, it is also vital for the researcher to be able to draft and present a policy on Cooperative refund processing. Doing so identifies and sets standards for the processors involved and a point of reference for them to review and check whether they meet management expectations.

In response to the Thematic Chart C: Delayed Processing of Cooperative Refunds, these proposals were developed in which the reactions of the eleven (11) participants were all parallel. Participants explicitly demonstrated, for various reasons, how frustrated they were in the process, as they were able to identify elements of delays per department. The researcher believed that these proposals are aimed at the involvement of the process's responsible team members and clearly define the issues it will solve.



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4.0 CONCLUSIONS/REFLECTIONS AND DIRECTIONS FOR FUTURE USE

This qualitative research investigated coop refund processors' lived experiences who reported that delays in the processing of coop refunds have different aspects about the occurrence of challenges they experienced in the respective departments of the Cooperative. Generally, there is also a perception that there should be an active workforce involvement when it comes to processing improvement. Furthermore, many proposals discovered to improve the coop refunds turnaround time by applying lean practices – and that is to remove non-value-added activities. The consolidated findings based on interviews with the participants and emerging themes arising from the phenomenological investigation of the testimonies of the coop refund processors are as follows:

It appeared in the interview that coop refund processors at multiple workwear hats share different feelings about additional responsibilities, and their job titles do not accurately reflect everything they do. For some processors, this aspect of working life is a good thing because it can help them expand their professional network, expose them to new skills, and bring them closer to their career goals by taking on new duties. However, for others, it is evident that never-ending additions to a workload may stack up and stunt a person's growth. Although it is not apparent to some of the participants, it appeared in the interview that there might be dissatisfaction with the work.

Some of the competencies that a coop refund processor must possess are the skills acquired during the interview, such as communication, organization, attention to detail, and perseverance. Some of them frequently and openly communicate with their team and departments about fulfilling the task of coop refunds to remain engaged even though they are already behind the timeline. Most of them said that getting organized should be at the top of their to-do-list, as the deadline applies to everything in the office. A respondent responded that computer files should arrange to make it easy for him to locate records quickly. The same goes for the participant who deals with a lot of documentation in which paper copies keep for several years for their records - the key is file organization. Good time management helps these processors function smarter as part of being organized - even when time is tight, and stresses are high, they get more things done in less time. As most processors thought that a detail-oriented individual would always strive to produce quality output, one mentioned is being attentive to details.

These skills are vital because if these are used effectively within the Cooperative, individuals with these skills may improve the current Cooperative refund process. It will lead to improving service quality, satisfaction, membership loyalty, and increased processor performance. However, if the Cooperative discontinues engaging in process reform as an ongoing operation, time and resources will waste, and the efficiency of Cooperative services will suffer.

Participants encountered various challenges and shared stories about how they could identify their techniques and strategies to hamper the barriers when managing the Cooperative refund process. Slow process and delayed release of Cooperative refunds are justifications for difficulties encountered, such as rush requests, incomplete information, lack of attachments to clearance, and documents passed through different departments. Participants, however, were able



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to recognize ways to overcome them by applying problem-solving skills, which in turn gave them a range of other competencies such as logic, creativity, and resilience that benefited both their professional and personal lives.

While they have various ways of dealing with process problems, participants have shown that they can fix things immediately and think on their feet. One of the many beneficial effects of the ability to solve problems is that it provides an opportunity to experience the value of critical thinking. Coop refunds processors need to think critically about the received data because of the so much information daily.

Different responses were gathered from participants when asked about suggestions that the Cooperative should undertake to improve the refund's turnaround time: the creation of a centralized clearance processing unit, the design of a document route monitoring, the identification of specific turnaround times per process, the improvement of the payment system, the allocation of separate funds for Cooperative refunds, and lastly, the one that was repeatedly mentioned in this research – enhancing internal and external communication.

Looking through the responses of the participants, it was clear that brilliant ideas not only come from management because the employees involved will also have excellent input on how to improve the handling of Cooperative refunds, at least from their point of view. Processors' suggestions can make a difference only if the Cooperative provides feedback showing them that the Cooperative is tuned in to their proposals as one way to show that the views of the processors indeed matter. The assistance of empowered executives can act on the input of their subordinates (Sherf, Tangirala, & Venkataramani, 2019).

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