

Condition of the Negosyo Serbisyosa Barangay (NSB) Program of the Department of Trade and Industry (DTI) in Talugtug, Nueva Ecija during the Pandemic

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Abstract— *The goal of this study is to describe the state of business in Talugtug, Nueva Ecija, as well as the demographic profile of DTI program recipients. "NEGOSYO SERBISYO SA BARANGAY" is the name of their program. It also seeks to identify the challenges that beneficiaries face, as well as viable remedies or alternatives to those problems. Finally, the most critical goal is to determine the effectiveness of the DTI's specified program. In this research article, the descriptive approach was applied. Because of the importance of following safety protocols during a pandemic, the survey was performed online. According to the statistics acquired, the DTI's NSB program considerably aids MSMEs in Talugtug, Nueva Ecija in terms of sustainability and income generation. The DTI's efforts in providing services have been successful. Despite some predictions of closure, the beneficiaries manage to keep their jobs and their businesses going till the time of this study. Also, the DTI's Negosyo Serbisyosa Barangay Program is an excellent instrument for ensuring the long-term viability of its recipients' businesses. As a result, its efficacy must be maintained and enhanced. Lastly, the program enhances the long-term viability of MSMEs through business continuity training, increased productivity, and government subsidies [1].*

Keywords— *COVID-19 pandemic, Department of Trade and Industry (DTI), Negosyo Serbisyosa Barangay (NSB), Productivity, Viability.*

I. INTRODUCTION

Economic development must be sustained in order to fully realize the long-term vision of the Filipino people entrenched under the AmBisyonNatin 2040 to have "Matatag, Maginhawa, at Panatag na Buhay". For the past years, economic growth has reached 6.5% and a vibrant MSME sector accounting for 99.5% of businesses in the country plays a key role in achieving such momentum. While the impact has yet to be assessed, the government's efforts on MSME development gained significant milestones with almost 300,000 MSMEs assisted for 2018. Backed Republic Act No. 10644 or Go

Negosyo Act, DTI established more than 1000 NC's (Negosyo Centers), delivering services to potential and existing entrepreneurs. Despite these numbers, many entrepreneurs have not received nor heard of government programs, especially in less developed areas. This, therefore, presents a major concern, especially as Filipino for stronger value chain linkages of their industries and promote countryside development. In pursuing the directive of President Duterte to help the country's base of the pyramid, the DTI developed the Negosyo Serbisyosa Barangay (NSB). Republic Act 7160 also known as the Local Government Code of 1991 provides for the role of

barangays in attaining national development through serving as the primary planning and implementing unit of policies, plans, programs, projects, and activities in the community [2].

The Negosyo Serbisyosa Barangay (NSB) is one of the programs launched by the DTI to reach out to the underserved communities and bring business development where they are most needed. The NSB program extends the ease of doing business to barangays within the 4th, 5th, and 6th income classification municipalities in the country. It is aimed at promoting a more inclusive MSME development that will ensure stronger value chain linkages of our industries, encourage dynamic entrepreneurial activities at the barangay level, and capacitate more entrepreneurs to scale up their operations. It supports the whole of government approach wherein public agencies related to supporting inclusive business ecosystem work across portfolio boundaries and mandate to encourage entrepreneurial activities and integrated government assistance [3]. However, the coronavirus disease 2019 (COVID-19) outbreak has a large impact on micro, small, and medium enterprises (MSMEs). COVID-19 is an infectious disease-causing global health crisis and economic downturn [4]. In the presence of the "new normal," the DTI is assisting MSMEs in adapting to new business principles and concepts. This study will contribute to the development of DTI's interventions and future plans for implementing its programs and services. Therefore, it is crucial to provide them with the appropriate interventions in mitigating the pandemic's impact on MSMEs and improve business resiliency to easily adapt to the disruptions caused by COVID-19 by providing business development support, capacity building, access to finance and market, and promoting a sustainable value chain [5]. In 2019, The DTI has successfully launched the program in Talugtog, Nueva Ecija which included beneficiaries from the selected 4th to 6th class municipalities and has completed five (5) Negosyo Serbisyosa Barangay (Barangay Baybayabas, Cabiangan, Saverona, Quezon and Patola). As of

December 2019, a total of 25 beneficiaries were given business starter kits. The program provides comprehensive trainings and seminars designed to prepare MSEs for their integration into the value chains of medium and large enterprises. The conduct of evaluation and assessment after all NSB beneficiaries run will provide information on how the program is contributing results to meet the objectives of the program deliverables.

II. METHODOLOGY

The descriptive research method was used in this study. The "descriptive research approach entails characterizing a population, scenario, or condition," according to Balaria (2018) [6]. This is to figure out what steps need to be taken to improve the NSB program's implementation and aid NSB beneficiaries. The 25 NSB recipients were asked to participate in the study by filling out a simple online survey on Google forms. The survey was done by providing an online survey link to NSB recipients via group chat messenger, as directed by the Executive Committee of the Department of Trade and Industry, Nueva Ecija Provincial Office, and in accordance with established community quarantine and health regulations. The poll was entirely self-administered. The survey questions were designed as simple as possible to be answered using the following structure: the first section of the survey asked about the respondents' demographic data and profiles, including their age, business address, year of establishment, and type of business. The second section focused on the issues that NSB beneficiaries faced as a result of the COVID-19 epidemic, as well as the evaluation of the NSB program's effectiveness. The survey and data gathering took place during the Modified General Community Quarantine in April 2021. Descriptive statistical methods such as percentage and frequency distribution, as well as tables on Google Forms and Microsoft Excel, were utilized to summarize, characterize, and evaluate the data acquired.

III. RESULTS AND DISCUSSION

Table 1. Demographic Profile of the NSB beneficiaries

Category	Measure	Scores
Age	Mean	39.5
	Range	27 to 52
Gender	Female	19.00 (76%)
	Male	6.00 (24%)
NSB beneficiaries in Barangay	Baybayabas – 5 persons	25.00 (100%)

	Cabiangan – 5 persons	
	Quezon – 5 persons	
	Saverona – 5 persons	
	Patola – 5 persons	
Year the Business Started	2017	12.00 (48%)
	2018	7.00 (28%)
	2019	6.00 (24%)
Industry	Food (Banana, Camote and Taro chips)	5 (20%)
	Manufacturing (Mushroom Production)	20 (80%)

As presented in the table above, the age of the respondents ranges from 27 to 52 years old and the age mean is 39.5. Approximately, 76% of the respondents were female and the remaining 24% belongs to male respondents. The respondents were from different NSB Barangay with 5

beneficiaries in each barangay in Talugtug, Nueva Ecija. The year business started was 48% in 2017, 28% in 2018, and 24% in 2019. Likewise, 20% of the respondents are engaged in the food industry while 80% of them belong to the manufacturing industry.

Table 2. Risk Assessment of Business Continuity amidst to Crisis

Frequency (f)	Percentage (%)	Verbal Description
11	44.00%	close within a month or less
5	20.00%	-close within 3 months
9	36.00%	-close within 6 months
0	0.00%	-Not envision of business closure or shutdown

The illustration above shows the risk assessment of business continuity amidst crisis. The majority of the respondents predicted to close within a month or less with 44%, while 20% of them predicted that their business will

close within a month to three months, 36% forecasted that their business will only last in less than six months and 0% don't envision of business closure or shutdown.

Table 3. Problems Encountered by the Businesses During the Pandemic

	No. of Respondents	% of Respondents
A. Decrease in number of orders	14	26.42%
B. Difficulty in delivering clients orders	10	18.87%
C. Financing Problems	8	15.09%
D. Loan obligations	7	13.21%
E. Logistics Problem	6	11.32%
F. Lack of personal protective equipment (e.g., masks)	5	9.43%

As shown in the illustration, the above are the problems encountered by the businesses. To be specific, 26.42% of the respondents experienced a decrease in the number of orders while 18.87% had difficulties in delivering the client's orders. In addition, 15.09% of the respondents

experienced financing problems while 13.21% of them had loan obligations. Moreover, 11.32% had logistics problems. Lastly, 9.43% of them lack personal protective equipment like masks, face shields, etc.

Table 4. Potential Solutions to the Financial Problems

	No. of Respondents	% of Respondents	Rank
A. Bank Loans	5	16.67%	3
B. Government-assisted Loans	14	46.67%	1
C. Cost Reduction	7	23.33%	2
D. Negotiating with Lenders	4	13.33%	4

As reflected in Table 4, the majority, or 46.67% of the respondents said that they will ask for loans under the Government-assisted loans and 16.67% under bank loans.

Doing so will aid the working capital. While 23.33% of the respondents said that they will do cost reduction and 13.33% will negotiate with their lenders.

Table 5. Alternative Solutions to Increase Sales

	No. of Respondents	% of Respondents	Rank
A. Sales promotion	7	10.61%	4
B. Negotiate for reseller/retailer	12	18.18%	3
C. Online selling	20	30.30%	2
D. Rolling of products to the community, payable for the agreed date	2	3.03%	5
E. Conventional selling (In house selling)	25	37.88%	1

The illustration above shows the alternative solutions on how to increase sales during the pandemic. 37.88% of the respondents said that they prefer to sell their products through conventional or in-house selling. Some 30.30%

will do online selling while 18.18% will do the retailing of their products through retailers. 10.61% of the respondents will do sales promotion and the remaining 3.03% will roll their products to the community.

Table 6. Comparison of Financial Performance of the Business for the year 2020 and 2021

	April – June 2020		January – March 2021	
	No. of Respondents	% of Respondents	No. of Respondents	% of Respondents
Income	10	40%	23	92%
Loss	2	8%	0	0%
Breakeven	13	52%	2	8%

The table above shows the comparison of the financial performance of the NSB beneficiaries' businesses for the years 2020 and 2021. On April-June 2020, the majority, or 52% of the respondent's businesses had a break-even

result. 40% of them have successfully gained profits and unfortunately, there is 8% who failed or experienced losses.

Table 7. Status of Business during the Conduct of this Research

Status of Business	Percentage (%)
Operational	25 (100%)
Non-Operational	0 (0%)

The illustration above has shown the status of the NSB beneficiaries' businesses during the conduct of this research paper. Despite uncertainties, 100% of the

beneficiaries managed to sustain the operation of their businesses as of the time this research is conducted.

IV. CONCLUSIONS AND RECOMMENDATIONS

According to the findings, the twenty-five NSB recipients came from five barangays in Talugtog, Nueva Ecija. They work in the food industry, primarily in the preparation of chips (banana, camote, and taro chips) and mushroom production. The researchers discussed the various obstacles that businesses faced during the pandemic, including a decline in the number of orders, trouble with deliveries, financial issues, logistics issues, and, most importantly, the pandemic problem of a shortage of personal protective equipment. Despite the pandemic that began in the Philippines in 2020, the Department of Trade and Industry (DTI) and NSB recipients are working together to provide potential answers to the challenges that businesses in Talugtog, Nueva Ecija are facing. The researchers also discussed the state of firms and a comparison of business income from the previous year to this year. The researchers conclude that the DTI's NSB program considerably aids MSMEs in Talugtog, Nueva Ecija in terms of sustainability and income generation, based on the findings. The DTI's efforts in providing services have been successful. Despite some predictions of closure, the beneficiaries manage to keep their jobs and their businesses going till the time of this study. According to the findings, the DTI's Negosyo Serbisysa Barangay Program is an excellent instrument for ensuring the long-term viability of its recipients' businesses. As a result, its efficacy must be maintained and enhanced. The researchers suggest that the DTI build a business development continuity strategy [7] to maintain the long-term viability of business operations and to accept more small enterprises in order to improve the NSB Program. Furthermore, the researchers urge that actual training activity dealing with financial management implications [8] and marketing strategies be conducted in order to provide NSB Programs participants with the necessary information and abilities. They will have more opportunities to grow and expand their firms as a result of these. In times of crisis, program execution should be more straightforward if direct subsidies to private entrepreneurs are to be provided [9] to address the needs of the recipients [10].

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