Laguna Rural Social Development Project

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LAGUNA RURAL SOCIAL DEVELOPMENT PROJECT

by

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ABSTRACT

The Philippine Rural Reconstruction Movement (PRRM) pioneered in rural development during the early 1950's using the four-fold program approach emphasizing improved livelihood, education, health, and self-govern-ment at the barrio level. By 1971, with its extensive field experience in individual barrios, it moved to experiment how planned change could be effected in a 50-barrio complex. For this, it sought financial assistance from a local foundation, Philippine Business for Social Progress (PBSP). Their common goal was to validate a rural social development prototype that could be replicated to effect the integrated development of similar communities. Laguna, a Tagalog-speaking province in Southern Luzon, was the site of the experiment. It was a rapidly urbanizing province and had the reputation for being receptive to change and open to experiment. The project, funded by PBSP and managed by PRRM, took place in three years from 1971 to 1974.

While the project aimed to bring about planned change in a 50-barrio complex with the necessary linkages at the town and provincial level, the case study focuses on the management issues of a development project which confronted PRRM as the implementing agency and PBSP as the funding agency. It illustrates the working relationship and the problems encountered between two development institutions in a social development undertaking. PBSP was not only a funding institution; it was also a development foundation which could share its expertise in project planning and implementation. Both these functions exercised a definite influence on the project implementation process, subtly at first, but later more overtly. The differences which gradually emerged can be traced to divergent views held by the two organizations relating to the philosophy of management and its operationalization. Involved were issues such as field worker recruitment and training in the new community organization (CO) approach, standards of work performance, adequacy of monitoring and technical supervision
of the field operations staff, and the administrative capabilities of the PRRM senior staff.

The constant push and pull of forces for the humane and sensitive ordering of working relationships and for the maximization of efficient implementation posed the classic dilemma of professional social development management. By 1974, the high turnover in the field staff, the changes necessitated in management, the conflicting relationships within PRRM and between PRRM and PBSP, and the negative feedback from the target barrios in Laguna contributed to the withdrawal of PRRM from the project and to the subsequent PBSP management takeover. After March 1974 the responsibility shifted to PBSP for seeing to it that the project goals and objectives were achieved.
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The need for more effective project planning and management is emerging as a critical function in both public and private sectors in all countries. Vast resources are channeled into development projects, but the lack of viable policies coupled with poor management results in a waste of valuable resources—human, financial, and natural—in both highly industrialized and rural societies. Experience indicates that attempts to accelerate economic and social growth have often floundered due to serious problems with project planning and implementation. Experience further demonstrates that traditional (Western) project management training programs are too narrow and segmented, are not meeting needs, and often result in costly mistakes in the United States as well as in other countries. A review of educational and training programs of a number of universities in the United States and Asia as well as of international funding agencies demonstrates the fragmented nature of existing project management educational programs. There is pressing need to develop a new program which considers the entire project cycle as an integrated process.

Given this challenge, the Technology and Development Institute (TDI), with its unique East-West partnership relationships, has formulated plans for cooperative research to develop an innovative and comprehensive approach to project management education and training. The project focuses on serious (and costly) management difficulties in the United States and the nations of Asia and the Pacific in view of their common problems rooted in mutual concerns and resulting in similar consequences. The basic approach is to develop a new prototype curriculum for educating and training project managers to understand the entire project cycle as a basis for expediting the necessary decision-making to successfully implement development projects for any sector of the economy or society. It will also attempt to broaden the perspectives of international assistance policy-makers, national policy-makers, local planners, and project implementers in understanding the relationships between national goals and local project requirements. The curriculum will be founded on a balanced
combination of lectures, group discussions, seminars, management game exercises, and case study analyses, with sufficient flexibility to be adapted to the needs of training institutions in different national and cultural settings in Asia, the Pacific and the United States.

Basic to the curriculum is this series of case studies, covering agricultural, industrial, public works, and social sectors. These case studies were initiated early in the calendar year 1976. Participants from Korea, New Zealand, Philippines, Thailand, Taiwan, Malaysia, Indonesia, Iran, and the United States conducted the necessary field research as a basis for writing case study analyses of development projects in the context of an integrated project cycle. Each of the participants then came to the Institute to spend approximately one month to finalize the draft of his particular report. It is anticipated that between ten and fifteen case studies will be completed in this prototype series. The initial group includes such case studies as:

(1) Korean National Family Planning Program,
(2) Bangkok Metropolitan Immediate Water Improvement Program,
(3) Laguna Rural Social Development Project (Philippines),
(4) Pacific Islands Livestock Development, and
(5) Community Development Project (Hawaii).

The case studies will be used extensively as a learning tool to provide relevance, practicability, and reality to both classroom discussions and the follow-up field practicum.

Case study research has been in widespread use throughout the world for many years in medical and law schools. This method of instruction has become increasingly popular in recent years in schools of business and public administration, followed more recently by schools of engineering. However, the Institute's case study approach is innovative in that it represents the first attempt to write a series of case studies based on a shared conceptualization of the project cycle as an integrated process. Carefully documented and readable case studies comprehending the entire project cycle will
prove to be extremely useful learning devices in both training and formal education programs. Each case study in this series has been developed in accordance with guidelines prepared by Dr. Dennis A. Rondinelli, (Director, Urban and Regional Planning Program, Maxwell School, Syracuse University) during his tenure as Senior Fellow at the East-West Center in 1975-76. Dr. Rondinelli's paper, "Preparing and Analyzing Case Studies in Development Project Management," is included in the series for this reason. It is necessary to note that all projects do not necessarily evolve through an identical sequence of stages in the project cycle. Rondinelli stressed this important point, and each author has been allowed flexibility in his overview of a project's history within the scope of the idealized project cycle.

This case study series is an appropriate example of the Institute's attempt to achieve the Center's goals of better relations and understanding on economic and social development problems of mutual concern to all countries, East and West, through cooperative research, study, and training activities. In this context, special thanks are conveyed to the authors of the case studies, and to their respective institutions for the splendid cooperation received. Particular acknowledgement is due to former Senior Fellow Dennis Rondinelli for his contribution in formulating the guidelines for the case writers. Acknowledgement is also due Senior Fellow Leonard Mason for his untiring efforts in final editing.

Louis J. Goodman
Acting Director,
East-West Technology and Development Institute
INTRODUCTION

Rural Social Development

The Philippine Rural Reconstruction Movement (PRRM) was organized in 1952. Its employment of rural reconstruction as a method originated with the Ting Hsien experiment in China during the 1930's. The China experiment was eventually made known to Asian leaders in the early 1950's, who recognized that the program as developed in China might be useful in their own countries. Similarly, the people and organizations supporting the movement felt that the rural reconstruction philosophy, strategies, and approaches might be adapted to the development of farm communities in rural areas of other countries.

The first organized attempt to act on this line of reasoning took place in the Philippines where it was anchored to a four-fold program emphasizing livelihood, education, health, and self-government. The new Philippine movement (PRRM) became a catalyst in the rural development of the country. It was a forerunner of the government post of Presidential Assistant on Community Development, which has since been abolished, having been incorporated into the new Department of Local Government and Community Development. PRRM was also instrumental in passage of the Barrio Council Law in 1955.

The success of the Philippine movement illustrated that the basic philosophy, approaches, and techniques evolved in China could be adapted to another developing country with a different cultural tradition.

Supporters of the concept, encouraged by the results PRRM had achieved and wanting to help launch comparable social development movements in other countries, formed the International Institute for Rural Reconstruction (IIRR). Although incorporated in the United States, this new organization was based in the Philippines because of its close working relationship with PRRM. IIRR has since aided in establishing rural
reconstruction movements in Colombia, Guatemala, and Thailand and has provided training for personnel from those countries.

PRRM received substantial foreign funding, but it wanted to mobilize local resources in order to achieve a greater measure of self-determination. Efforts were made to raise local funds, primarily through grants and donations from the government, private organizations, and business corporations. Later on, the barrio sponsorship program was initiated wherein a donor agreed to support PRRM operations in one barrio for a minimum of two or three years. But, as PRRM grew older, there were not a few critics who raised questions concerning the effectiveness of the movement's methods and approaches. These questions were not faced head-on by PRRM until after the election in 1971 of Eduardo Canlas as the organization's new President.

This case study will report how Canlas sought the financial assistance of a local foundation, Philippine Business for Social Progress (PBSP), to cooperate in a new program that would redirect PRRM's own activities and refine its traditional methods and approaches.

PBSP was destined to play a critical role in the future of PRRM. Organized in December 1970 by a number of Philippine business companies, PBSP was intended to provide financial and technical assistance for existing efforts in social development. PBSP had the financial resources to do so. It was funded by member-company corporations who pledged one percent of their income (before taxes) to the cause of social development. Sixty percent of this pledged income went to support the foundation's own activities, and the remaining 40 percent was reserved for the contributing member-company to expend on its own social development projects.

1 All names of persons involved in the Laguna Project have been disguised in this case study for reasons of personal privacy and confidentiality.
PBSP, though new to this field of social endeavor, was interested in experimenting with a rural social development prototype. PRRM, on the other hand, was an experienced organization with a strong interest in enriching and updating its traditional methods and approaches. What PRRM lacked, however, was funding. The Laguna Rural Social Development Prototype, to be funded by PBSP and managed by PRRM, would serve as a marriage of convenience for achieving the goals of both organizations.

The Problem

The Philippine Rural Reconstruction Movement (PRRM) had been organized, as noted above, to promote the development of rural areas by responding to four major problems--poverty, ignorance, disease, and civic inertia. In consideration of these problems, it had conceived a four-fold program directed at improving livelihood, education, health and self-government.

By 1971, PRRM found itself facing two major problems within its own organization. One was the lack of funds to adequately sustain its field operations program. The other was a serious question about the relevance and effectiveness of the approaches it had been utilizing to meet the needs of assisted communities. Traditionally, its major financial support had come from the International Institute for Rural Reconstruction. The PRRM Board of Trustees, however, had decided to attain a more independent policy direction and financial posture, and was desirous of phasing out further financial assistance from the International Institute for its innovative program explorations. The PRRM Board saw an opportunity to avail itself of grant aid from a private foundation, Philippine Business for Social Progress (PBSP), which was also interested in innovative approaches to social development. The PRRM Board foresaw the possibility that the two groups, motivated by similar objectives, might achieve great mutual benefit by working together on a pilot project aimed at creating a rural social development prototype adapted to the Philippine environment.
The Project

The rural social development project eventually undertaken in joint venture by PBSP, the funding agency, and PRRM, the implementing organization, was sited in Laguna, not far to the southeast from Manila. The project was intended to test a development scheme using a community organization approach for achieving attitudes and social organization competency among residents of some fifty barrios, sufficient to assure effective leadership in social and economic institutions that could meet existing community needs. If the scheme were validated, it could be replicated in other similar communities in the Philippines.

This case study of the Laguna Project is presented to demonstrate the processes utilized in planning and implementing the program, and to describe the interaction between funding agency and implementing organization, as well as the problems and different perceptions of the two organizations which emerged in the course of the project. Finally, the case study illustrates the obstacles and difficulties involved in initiating program changes that are not fully understood by, nor have the full support of, the project organization's rank and file.

Laguna Profile

Laguna Province is situated to the southeast of Manila on the island of Luzon. It is bounded on the east and south by Quezon and on the west by Batangas and Cavite Provinces. To the north lies a portion of Rizal Province and a lake, Laguna de Bay. The terrain of Laguna Province consists mainly of rolling plains that extend along the eastern, southern, and western shores of Laguna de Bay (see Figures 1 and 2).

As of 1970, the year before the Laguna Project was launched, the province's population stood at
FIGURE 1

Map of the Philippines

3

FIGURE 2

Map of Laguna Province

LAGUNA

MAY 6, 1970

LEGEND

CITY
CAPITAL
MUNICIPALITY
BARrio
MUNICIPAL BOUNDARY
PROVINCIAL BOUNDARY

Ibid., p. xix.
699,736. With a land area of 1,760 square kilometers, its density was about 39 persons per square kilometer, a ratio over three times greater than the national average. The extent of urbanization was quite high. Half of the population resided in areas classified as "urban," compared with only 32 percent for the nation as a whole.

Laguna had a proportionately high youthful population (14 years and younger), computed at 45 percent. The rate for those able to read and write was also high, that is, 86 percent of the population six years and older. Tagalog was the principal dialect, but 48 percent of the province also spoke English. Of those 25 years of age or older, 64 percent had finished elementary school, 14 percent high school, and 10 percent had earned a college degree, but 11 percent had attended no grade at all. Religion was predominantly Roman Catholic (88 percent).

Of the 1970 population ten years and older, only 48 percent were economically active or employable; of this number (484,192), 93 percent did have gainful employment. Laguna had widely diversified industries. For example, of all workers with some experience, 36 percent were engaged in farming, fishing, hunting, or logging, with coconut plantations and rice farms predominating in the agricultural category. Manufacturing, that is, occupations involving craftsmen and production process workers, accounted for 21 percent, and rapid urbanization was expected to escalate this rate. Other categories included services (18 percent), commerce (12 percent), transportation and communication (6 percent), and construction (5 percent), plus a small miscellany of other occupations.

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Laguna Province was administered by a Governor who together with a Vice-Governor and a three-man Provincial Board was elected every four years. The province was divided into 29 municipalities and one city. These political units had elected Mayors, Vice-Mayors, and Councilors. Each city and municipality was further divided into barrio units headed by a barrio captain and a barrio council, all elected.

This was the political situation until Martial Law was declared in 1972. It has been gradually modified since then. A large part of Laguna Province has been incorporated into Metropolitan Manila, a new political division headed by a Governor. The political offices of Vice-Governor and Vice-Mayor were abolished. The old Provincial Boards have been replaced by new legislative assemblies, that is, the Provincial Assembly (Sanggunian Panlalawigan) and the Municipal Council (Sanggunian Bayan).

In sum, Laguna is a rapidly urbanizing province, and is traditionally, culturally, economically, and politically sensitive to the changes being effected in the Metropolitan Manila area. It has the reputation of being progressive, receptive to change, and open to experimentation. Politically, before 1972, it more often sided with the opposition than with the majority party.

Prior to the start of operations in Laguna, PRRM conducted a study of 50 barrios in eight towns and the city as part of the planning activities for the proposed 50-barrio social development project. The results of that survey were interpreted as positive. Favorable attitudes of the respondents were reported in all areas of cooperation, economic development, education, health, and family planning.
CHAPTER I

CONCEPT AND IDENTIFICATION OF THE PROJECT

On March 11, 1971, Eduardo Canlas was promoted from Executive Vice President to President by the Board of Trustees of the Philippine Rural Reconstruction Movement (PRRM). As President, he immediately had to attend to two major problems. The first was identification of new funding sources to sustain the organization and its field operations. The second was reassessment and redefinition of priorities in its programs.

Although fund-raising was a primary function of the PRRM Board of Trustees, the funds raised were not adequate to continue operations at the present level. Many corporate donors were not renewing their sponsorship of programs in the barrios for the following year, and the problem was compounded by the necessity to reassign personnel from the terminated barrio projects. Funds from the International Institute for Rural Reconstruction (IIRR), a traditional source of aid as mentioned above, were being phased out by the PRRM Board's decision to achieve more independence in direction of policy and to minimize reliance on foreign funding.

There was also the problem of effectiveness and relevance of the organization's programs. Not a few who were knowledgeable about these operations had raised doubts and questions about the effectiveness of the program for rural reconstruction, for many of the assisted barrios had subsequently failed to sustain program activities on their own once the assigned rural reconstruction workers had been pulled out.

1 As noted in the Introduction, all names of persons involved in the Laguna Project have been disguised in this case study for reasons of personal privacy and confidentiality.
Shortly after assuming the presidency, Canlas wrote to Dr. Richard Lee, President of the International Institute for Rural Reconstruction, for some modification of its continuing financial assistance. He asked that the yearly ₱200,000, which had been earmarked by the Institute for new senior PRRM personnel, be used temporarily for operations. Dr. Lee agreed, in his reply of April 7, that of that amount only ₱100,000 would be allotted for new senior personnel as originally conceived, and the other half could "be used for helping PRRM meet its financial emergencies." In the same letter, Lee expressed his disappointment that "very little new money has been raised" to sustain PRRM operations, but he was hopeful that the newly elected chairman of the PRRM Board of Trustees, former Senator Jose Gonzalez, "will want to exert his level best, together with other conscientious Board members like [Andres] Montecastro, Jr. and [Jose] Suarez, to raise the needed funds for the PRRM."

Canlas, at the same time, addressed himself to the second problem. In early April, he and a small core of the PRRM staff, together with some outside sympathizers, conducted a weekend strategy session on possible new directions for the organization. A concrete outcome of this activity was a working paper, "PRRM: Its Nature and Functions," which would become the first conceptual framework from which the future Laguna project would evolve. The framework emphasized training, research, and direct service orientation in characterizing the organization's approach to rural reconstruction. Its project methods and techniques should lead to development of positive changes in the people's attitudes and behavior, as well as in the community's social and

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2 The value of the peso varied during the period of Laguna Project operations, but on December 31 of each year US$1.00 equalled ₱6.379 (1971); ₱6.671 (1972); ₱6.759 (1973); and ₱6.791 (1974).
economic structures. These changes would then be reflected in subsequent projects and activities planned and implemented by the community itself. While projects may be used as vehicles for development, they should not become ends in themselves. This concept emphasized the "people-and-process" orientation in the social development approach. Finally, because of its limited resources, PRRM would program assistance for a limited period only, to a point at which the community would have attained self-sufficiency. After that, the project personnel would be withdrawn from the community.

One participant in the weekend strategy session was Clara Sison, a bureau director in the Department of Social Welfare, whom Canlas had invited to join the PRRM organization as training director. Sison, however, had an application pending with Philippine Business for Social Progress (PBSP), a foundation recently organized by local business companies to promote social development. Since PBSP was still in an initial operational phase, Sison felt that she could play a vital role within the PBSP organization by assisting other, similarly oriented groups to secure help in their development efforts.

The concept on which PBSP was founded was formulated initially by the Association for Social Action (ASA), of which Canlas was president. The idea had been merely to raise funds and, thereby, to free social development organizations from this time-consuming function. However, as other groups were invited to participate and as more organizers became involved, the objectives and priorities of PBSP turned out differently than had been originally planned. Furthermore, that organization in time presented some disadvantages to PRRM, as many of the latter's corporate contributors and sponsors were failing to renew their contributions for the reason that they were now contributing to the Foundation's activities.

Canlas, disturbed by this development, outlined the problem to one of his own trustees, Bernard Du, who had been elected as a member of the PBSP Executive Committee. Du, in turn, informed the PBSP management of
Canlas' dilemma, and a meeting was held on April 14, attended by Du, Canlas, David de los Santos, and Marcelo Perez, the last two being PBSP Executive Director and Associate Director respectively.

The meeting was timely, as PBSP itself was working to create a rural development prototype using the social development approach, a theoretical concept employing methods and techniques proved effective in business management and adapted for application in social development programs. The meeting produced substantial results for PRRM, because PBSP was receptive to assisting it financially in exploring innovative approaches to rural development. Canlas thought the most important agreement reached was that "PRRM and PBSP would together work on the plan and specifications of the project in order to make it truly the best considering the objectives and resources both of PBSP and PRRM." 3 The project he had in mind would be managed by PRRM and funded by PBSP, and at the same time it would serve as the rural social development prototype which the latter group was also interested in validating.

On June 17, Canlas and the PRRM Board of Trustees submitted the formal proposal to PBSP, requesting financial support for the project in question for at least three years, from the start of project planning to termination of the field operation. The stated purpose of the project was "to determine and to demonstrate the conditions requisite to making a social development program successfully operating in a rural community." The plan of technical assistance to the project community would involve three phases, depending on the level of development needs in the community.

Two days after submission of the proposal, the PBSP Executive Committee approved it in principle but requested that a budget for the planning phase be submitted for review. The staffs of both organizations worked on cost estimates and a project timetable. On July 15,

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3 Letter from Canlas to the PBSP Board of Trustees, dated June 17, 1971.
they submitted the cost estimates for Phase I, the planning phase, together with a justification for Pampanga, a province north of Manila, as the site for the proposed project.

The choice of Pampanga was unanimous among the PRRM technical and field operations staff. Pampanga Province was a land reform area, and the proposed project located there could conceivably be integrated with ongoing government efforts, thus increasing the chances of success for the land reform program. PRRM had assessed its existing operations in Pampanga as among its more successful, due to the people's receptivity and cooperation. However, certain sections of the province were heavily infiltrated by local communists, the Huks. Armed encounters between the Huks and government troops were not uncommon. The peace-and-order situation, though highly publicized, had not affected the activities of PRRM rural reconstruction workers in the field. Although the proposed project would include fifty barrios, in three towns, the diffused effect might well extend to the whole province.

Although Pampanga was proposed because of its land reform angle, the PBSP Executive Committee decided otherwise. On July 16, it disapproved selection of any land reform area. It emphasized, instead, the desirable "representativeness" of a project site that would ensure application of project results, based on a fifty-barrio prototype, to other similar groupings in the Philippines.

PRRM then shifted the project site to Laguna Province, where the major agricultural crop, coconut, offered greater potential for long-term efforts at industrialization. Furthermore, Laguna was believed to have a higher "success potential." It was closer to Manila, and was therefore advanced in infrastructure development, and it had a better peace-and-order situation. In terms of its "representativeness," Laguna was a Tagalog-speaking province and within its area of influence would be other Tagalog-speaking provinces in central and southern Luzon with an estimated total population of 12 million people.

The revised proposal, with Laguna as the project site, was submitted for assessment by the PBSP staff.
and forwarded to the PBSP Executive Committee for decision on August 20. The proposal asked for a grant of ₱143,522 to finance study research and pre-operating costs of the project planning phase for seven months. The general objective of the planning phase was identified as follows:

To construct a theoretical scheme of assistance to rural communities based on the principle of self-determination, for purposes of testing and validation in the field over a period of three years, duly accompanied by research documentation and evaluation, with the end in view of developing a rural social development prototype model according to the social development approach.

The proposal likewise identified the specific objectives to be accomplished for the same period.

Canlas was hopeful that the program would be approved. In his letter to Dr. Lee on July 5, he wrote "... it should be somewhat heartening to note that we do have friends at the very highest and most sensitive levels of PBSP." Three of his own trustees, Bernard Du, Jaime Villa, and Jose Suarez, were either Executive Committee members or trustees of the PBSP organization. PBSP's new Executive Director, Roberto Isidro, had served as alternate member of the PRRM Board for many years. PBSP President Antonio Ruiz had been a close associate of Canlas in college. "And most important," Canlas continued, "the next four and most important people on the management and project evaluation staff are all old friends: Marcel [Marcelo] Perez, Claring [Clara] Sison, Nina [Cristina] Manuel, and Cely [Celia] Leopoldo. This is why I am confident that the utmost that can be granted will be granted to us."

Canlas' confidence was sustained. On August 20, PBSP approved a grant of ₱143,500 for the program planning phase, retroactive to June till December 1971. This was only ₱22 less than what had been requested by PRRM.
CHAPTER II

THE PLANNING PHASE

Approval of funding for the planning phase was retroactive to June 1 and would end December 31, 1971. As with its other assisted programs, Philippine Business for Social Progress (PBSP), entered into a memorandum of agreement with the Philippine Rural Reconstruction Movement (PRRM) to formalize the terms and conditions binding the two organizations in the proposed project. During this period, PRRM as the implementing group was to develop and finalize the project’s conceptual and evaluative framework. Specifically, the theoretical scheme of assistance had to be completed, the developmental approaches concretized, and the concept of barrio self-help defined. Also to be worked out were the implementation of pre-operating activities, which included identification of project site, conduct of community studies, feasibility studies for income-generating projects, recruitment and training of project workers, and pre-testing of points of entry in the barrios by the field operations staff.

The findings of these activities would have to be consolidated and finalized into the "Integrated Development Plan," to be submitted to the funding agency for approval by the end of the planning phase. The development plan in turn would serve as the framework and guide for project implementation.

At the time of project approval, the conceptual framework had already been concretized by PRRM senior staff members, and subsequent efforts were concentrated on preparation and implementation of pre-operational activities and the design of an evaluation scheme.

Theoretical Scheme of Assistance

The principle of self-determination on the part of assisted communities was identified as basic in the
development plan. In line with this principle, plans of action were viewed as evolving from the people's own identification and understanding of their needs and their awareness of the resources available for meeting these felt needs.

Because community organization is the approach that best appreciates the principle of self-determination, the rural worker should basically be a community organizer playing the roles of guide, enabler, catalyzer, expert, analyst, organizer, consultant, liaison, mediator, and advocate, as demanded by varying circumstances, in order to nurture developmental attitudes among the barrio residents. This implied that requests for assistance would be initiated by each barrio, and that PRRM and its field workers would be welcomed in the barrios.

It is in this light that PRRM's four-fold program and its community organization approach may be viewed as mutually enriching each other. As now constituted, PRRM has technical assistants and extension workers trained in the four-fold program of Livelihood, Education, Health, and Self-Government. These programs have task goals directed at the basic problems common to developing peoples everywhere, namely:

(a) livelihood—to increase farmers' production and effective income, directed at poverty;
(b) education—to enhance literacy and culture, directed at ignorance;
(c) health—to improve family health and environmental sanitation, directed at disease; and
(d) self-government—to strengthen the political and dynamic structures of each barrio, directed at civic inertia.

These task goals should promote the process goals of development, and thus serve chiefly as a structural checklist against which to determine whether or not a community-wide program is well balanced.

The theoretical scheme of assistance contained in the PRRM approach to community development is illustrated in Figure 3.
<table>
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<th>Attitudes &amp; Skills of People</th>
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**FIGURE 3**

Aspects of Development

APPROACHES/METHODS/TECHNIQUES
Because PRRM is concerned with total human and community development, it must deal with all three of the above aspects. These have to be treated almost simultaneously, but the modification of skills and attitudes is given primary attention. Structures and projects must depend upon the people's own perception of their needs and their recognition of the resources at hand to accommodate these needs.

**Stages in the Plan of Assistance**

PRRM's general plan of assistance to the barrios involved three stages. Each stage reflected the emphasis required by the state of development of the particular community. But this did not negate the interrelationship, at each stage, of attitudes and skills, social and economic structures, and projects as outlined in the above chart.

The first stage was concerned with encouragement of new and positive attitudes in the individual man and woman living in the barrio, whereby they would be receptive to changes in their own private lives as well as to changes in their lives as members of the community. This stage, essentially psychological or behavioral, would provide the foundation for all subsequent human development efforts.

In the second stage, certain economic and social structures would be formed within the community, institutionalizing the progress achieved during the first stage. The new social structures would function, for example, as community associations and barrio councils, through which members of the community would be able to interact in organized sectors. The economic structures envisioned were credit unions, consumer cooperatives, buying clubs, farmers' associations, and rural industry cooperatives.

The third stage would be directed toward creating social and economic structures at the inter-barrio level, either municipal, provincial, or regional, where economy
and efficiency of scale could be achieved, integrating activities that might otherwise remain restricted within the boundaries of the barrio. Examples of these structures include provincial federations of buying clubs, cooperatives, or farmers' associations; a federation of barrio councils; a provincial cooperative bank; and others.

**Range of PRRM Objectives**

Direct assistance to the barrios by PRRM had to be confined to a limited period of time because its resources were limited. The PRRM development workers, therefore, would be phased out at some propitious point in the development sequence, and their responsibilities and functions assumed and continued by the barrio leaders who had been trained to take over.

Figure 4 is an attempt to portray the range of PRRM objectives in barrio development.

Each horizontal line represents the unending course of barrio development. Point (A) is that point of barrio development toward which PRRM, through the field activities of its Rural Reconstruction Workers (RRWs), seeks to assist the barrio and its people. At this point, it is expected that the field workers (RRWs) have inculcated in the barrio folk such skills and attitudes as are relevant to their development, and have introduced such structures and projects at the barrio level as will enable the community to propel itself toward ever fuller development. When Point (A) is reached, the barrio can be considered to have attained the start of self-propulsion, and at that time the PRRM field workers should be withdrawn.

The vertical columns, touching at least two barrios, represent a further stage of development, that is, cooperation between or among barrios in larger developmental structures and projects operating in various fields. It is assumed that these structures and projects are being undertaken by the barrios on their own initiative, the latter having imbibed proper attitudes and developed sufficient skills as indicated
FIGURE 4

Range of Development Objectives

Barrio 1

Barrio 2

Barrio 3

Barrio 4

Barrio 5

PRRM "Faculty" — Field Workers (RRWs) — Technical Associates/Assistants
by their progress to Point (A). These more inclusive structures, because of their size and complexity, require more sophisticated expertise for their successful establishment. Therefore, PRRM assistance at this stage would be provided through more advanced training by its faculty of technical associates/assistants, who would not only have more experience as community workers but would also then be equipped with additional technical skills to assist with inter-barrio development.

Structure, Organization, and Personnel

The organizational structure adopted for the Laguna Project operations emphasized the matrix relationship among key management personnel (see Figure 5). This was judged to be the system which best recognized the principles of community organization. At the senior staff level, the matrix involved the PRRM president and the heads of training, research, and field operations. At the project level, it linked the Program Coordinator, the Area Coordinator, the municipal (or team) coordinators, and the community organizer (or Rural Reconstruction Worker). The position linking the two groups was occupied by Aurora Paz who functioned as both Research Director and Program Coordinator.

As program coordinator, Paz was responsible for seeing that the operations staff implemented the scheme of assistance as per specifications. As research director, she was to guide the Laguna Research Secretariat in implementing the research and evaluation design of the rural social development prototype.

The project operations staff, on the other hand, was headed by the Area Coordinator, who was directly responsible for the field implementation of the scheme of assistance. He would prepare the field plans jointly with each municipal coordinator, in consultation with the Program Coordinator. The Area Coordinator would need to be skilled in community organization supervision and advance program planning.
FIGURE 5

Organizational Structure for the Laguna Project

- Barrio Community
- Community Organizer (RNW)
- Program Coordinator/Research Director
- Research Secretariat
- Area Coordinator
- Extension Station
- Program Coordinator/Research Director
- Field Director
- Training Director
- PRRM Board of Trustees
- President
- Municipal (Team) Coordinator
Directly under the Area Coordinator were three municipal coordinators, each of whom was directly responsible for the formulation and implementation of the field plan in his own section. Under each municipal coordinator were the rural reconstruction workers (RRWs), who as community organizers were responsible for initial formulation of the barrio development plans and their implementation, following approval by the municipal coordinator.

The operations staff was supported by technical assistants who would provide consultancy services in such areas as agriculture, cooperatives, health, and literacy education. Evaluation of PRRM project personnel would be made twice a year.

Identification of the Project Barrios

After the PBSP Executive Committee had decided in favor of Laguna as the project site, in its August 1971 approval of the planning phase proposal, the PRRM field staff prepared ocular survey guidelines for pre-selection of the required fifty barrio communities. Each barrio must have a population of at least 500, be strategically located and accessible by public transportation, and have a favorable peace-and-order situation. The majority of its population must be permanent residents. Its elected officials must welcome PRRM assistance, and the scope of the PRRM field program in education, health, self-government, and livelihood must be feasible in the barrio. Finally, no other agency with similar development services was to be extensively involved in the barrio.

A barrio, once tentatively identified, was not finally selected until a PRRM team had conducted a community dialogue with at least fifteen residents including elected officials of the barrio. This community dialogue focused upon the problem areas, the felt needs of residents, and existing organizational activities in the barrio. The nature and functions of the PRRM organization were discussed as were also the possible kinds of assistance that PRRM could extend
to the barrio. Only after the barrio had accepted the PRRM offer of assistance was it included in the fifty-barrio project.

Pre-testing the Points of Entry

A rural reconstruction worker (RRW) was then assigned to the barrio, and his first task was to conduct a preliminary community survey. This activity served two functions. First, it introduced the worker to each of the families in the barrio. Second, it informed the worker about the expressed needs and problems of the community and acquainted him with opportunities around which the barrio might be reorganized. When the RRW had integrated himself in the community, he then conducted a motivational campaign by organizing the people to respond to a single identified problem. This activity was referred to as "pre-testing the point of entry" into the barrio by the field worker. The RRW, however, was cautioned by his supervisor that the activity thus selected must be a need truly felt by the community, and not identified from the worker's point of view and imposed upon the people.

All of the steps outlined above had to be accomplished during the planning phase so that findings from the pre-operation activities could be incorporated into the final development scheme.

Recruitment and Training of Project Staff

Since the planning phase involved field activities, rural reconstruction workers had to be recruited and trained. One major decision made by PRRM was to not recruit new workers, but rather to select the "best workers from its Nueva Ecija and other area operations" and assign them to the Laguna Project. This was a decision necessitated by practical considerations. President Canlas had to find new assignments for field workers whose barrio programs had not been renewed owing to the failure of sponsors to continue funding.
Hiring of new, additional personnel for Laguna would also aggravate the financial status of the PRRM organization. Furthermore, since the personnel to be selected were regarded as the best of the regular PRRM field staff, the assumption was that they would perform better than newly recruited workers.

The PBSP leadership, however, had initial reservations about this reliance on old PRRM employees, in a project whose conceptual scheme and operating procedures were different from those employed in previous PRRM projects. The main question centered on whether the old PRRM workers could make the necessary modifications in their approach to barrio development. Canlas reassured PBSP management that only the best of the PRRM workers would be selected and that they would receive training in the new approach. He defended his position convincingly, and the PBSP management finally went along with the proposed alternative.

A two-week in-service training program for PRRM staffers reassigned to the Laguna Project was started on September 27, 1971. The first week was devoted to project orientation and briefing. This covered an overview of the program planning phase, a socio-economic profile of Laguna, a renewed emphasis on the PRRM four-fold program, methods and techniques for conducting motivational activities, procedures for participant observation and household surveys, and matters of administration and new policy governing the Laguna operations.

The second week was primarily occupied with participation in "creativity sessions," whose objective was "to develop the creativity of the participants so as to enhance their skills as community organizers." These sessions were conducted by the Philippine Educational Theater Association. Sixty hours in all were devoted to sessions on such topics as creative theater, body movement, creative improvisation, vocal exercises, etc.
Fielding of Personnel

The assignment of PRRM workers to the field in early November was poorly timed. November 1971 was dominated by the national elections. The workers' arrival in the Laguna barrios and the conduct of initial activities were misunderstood by many of the local residents. Questions were raised as to whether the RRWs were employed by the government, whether they were representing a particular candidate, or whether this was just a pre-election gimmick to be discontinued afterward.

Feedback on this situation was immediately relayed by PRRM to the PBSP leadership, when certain modifications in the planning phase schedule were found to be necessary. A review meeting attended by executives from both organizations was held on November 15, and a modified sequence of activities for the planning process in each barrio was drawn up and mutually agreed upon.

After the barrio surveys had been completed, it was planned that community dialogues would again be conducted, based on the findings of those surveys. With the results of the community dialogues in hand, planning activities for individual barrios could be initiated. However, because of the elections, the community dialogues and the motivational campaigns would not be started until the elections were over. The RRWs would then undertake their motivational campaigns and pre-test their points of entry without waiting for completion of the barrio development plans. It was agreed, nevertheless, that these plans would surely be completed by February 29, 1972, and the various responsibilities for preparation and consolidation of the plans were delineated.

PBSP and PRRM also agreed that the RRWs should be given more intensive training in the community organization approach, owing to PBSP staff observations that the initial training received in September and October had not been adequate. The additional training was scheduled for January 16 to February 26, 1972.

In the same meeting, the initial budget of P143,500 for the planning phase, approved in August 1971, was reduced to P134,201.10, for the earlier budget was observed to have been higher than required.
Extension of the Planning Phase Schedule

In January 1972, the PBSP management reported to the PBSP Executive Committee that all activities scheduled for the PRRM planning phase in the Laguna Project had been completed, except for those which had been postponed to avoid the misconceptions provoked during an election year. Because of that delay, the PBSP Executive Committee approved extension of the program planning phase to February 29, 1972. The cost of the two months' extension would be absorbed by the revised budget.

During the remaining two months, the pre-operation field activities, the motivational campaigns, and the pre-testing of points of entry would be continued. The individual barrio development plans were to be submitted by February 29, together with the research and evaluation design of the program.

The innovative Community Organization (CO) approach had been mutually agreed to by the two organizations as fundamental to the PRRM development plan. The initial field performance of the RRWs had not been favorable. They had the tendency to follow traditional PRRM methods and approaches, a characteristic observed by the PRRM staff itself. The additional month-long CO orientation training was held in Nieves, Nueva Ecija, in January and February, as scheduled. Seven sessions were conducted on CO concepts and principles, techniques, processes, recording, program planning and strategies, worker roles, conflict management, and council organization.

Although these sessions provided the Laguna Project staff with a basic orientation in Community Organization, the training was still considered by PBSP leadership as not being intensive enough, considering that it ordinarily took at least four months of training in CO theories, concepts, and supervised field work before a trainee could acquire the basic CO knowledge and skills. To remedy this situation, PRRM sent the Laguna Project's Area Coordinator and three municipal coordinators to the Kaunlaran Multi-Purpose Training Center, for the approved four-month course. Since these coordinators were expected to serve as line supervisors, PBSP
insisted that they should complete the basic CO training course in order to equip them adequately to supervise the work of RRWs in the field.
On April 14, 1972, the staff of Philippine Business for Social Progress (PBSP), on the basis of program planning results submitted by the Philippine Rural Reconstruction Movement (PRRM), recommended approval to the PBSP Executive Committee for a grant of ₱462,110.39 for Laguna Project Year I operations budget, retroactive to March till December 1972. The PBSP Executive Committee responded by acting favorably on the recommendation. It also approved in principle the funding of feasible income-generating activities in Laguna as may be identified in the future.

When project operations formally started in Laguna Province in March 1972, the project's line supervisors were still in residence at the four-month Community Organization (CO) training course at Kaunlaran Multi-Purpose Training Center. Of the four who attended, one failed the course and was reassigned. The area coordinator, Robert Reyes, was unable to complete the course due to the pressure of field operations responsibilities.

Training and Assessment at Kaunlaran

By July 1, about half of the original PRRM staff of twenty-four field workers assigned to activities at the barrio level had either resigned or requested transfers to other PRRM projects. These were the Rural Reconstruction Workers (RRWs), "who were not able to adjust and function within the modified scheme of assistance which had been evolved in the project."

The resignations and the requests for transfer confirmed the earlier reservations by PBSP concerning the capability of the old PRRM workers to adapt and integrate with the new scheme of development assistance. Their actions
also attested to the inadequacy of pre-operations training they had earlier received.

To attend to these limitations, PBSP recommended that the remaining RRWs and the newly recruited workers be trained at the Kaunlaran Center before they were sent into the field. PRRM accepted the recommendation, and in August and September, twenty-five field operations personnel and four researchers from the Laguna Project attended the CO training program. Of the twenty-five RRWs and new recruits for training, Kaunlaran failed ten. Of these, one resigned but the other nine were retained, or in the case of the recruits were newly hired by PRRM, in spite of their poor training performance as evaluated by the training center staff.

The Kaunlaran training requirement became a source of major conflict between PRRM and PBSP and the Kaunlaran Center. PRRM management could not fully accept the negative evaluations submitted by Kaunlaran staffers for some of the PRRM workers. Several reasons were given for this objection. The training was presented in English and, as PRRM workers had observed, was highly conceptual and academic. Most of the readings and case studies used were Western-oriented and were not compatible with the workers' prior field experiences. PRRM workers who lacked a good command of written and oral English failed to impress the Kaunlaran staff as promising workers. The PRRM management disputed this observation as many of these "questionable" workers were known to have established rapport easily with assisted communities and to have mobilized the latter in support of PRRM field projects.

However, PBSP sustained the Kaunlaran recommendations, for the Center had been established primarily to serve PBSP as the training operation for its own CO workers. In spite of the negative assessments made at Kaunlaran and the reservations about PRRM workers held by PBSP, the PRRM management stood firm and retained its workers who had been evaluated negatively.
Internal Problems of PRRM Management

The Kaunlaran problem was further aggravated by the resignation of the Project's Area Coordinator Robert Reyes, effective September 30, 1972. In an interview with a PBSP project officer, Reyes expressed difficulties he had encountered as area head, charging interference from the PRRM Program Coordinator in regard to operations. Furthermore, he claimed, the matrix emphasis in the relationships of senior staffers was creating too much confusion in the field. He saw no alternative but to resign, and to accept an invitation from the International Institute for Rural Reconstruction to join its staff.

The results of that interview were reported to the PBSP management which had been viewing all of these resignations with serious concern. Since Laguna was a prototype project involving substantial funding, PBSP decided to assign another project officer from its own staff, Joaquin Castro, to monitor the Laguna operation. Of all the PBSP Project officers at this time, Castro seemed most qualified. He had both practical experience and formal training in management, and he was quick in grasping the CO concepts and philosophy.

While PBSP interpreted the Reyes resignation as reflecting serious problems in PRRM management, it did not foresee, nor was it informed about, implications of the resignation for PRRM as an organization. There were several factors operative in this regard. Reyes had previously been a PRRM technical assistant for cooperatives and was recommended by PRRM Field Director Antonio Morales for promotion to head the Laguna area operations. In this capacity, Reyes was given relative leeway to operate independently, although he was required to report regularly to the Field Director. His field reports at first were assessed as adequate.

Later, PRRM Program Coordinator Aurora Paz recalled that on several occasions during the early months of operations Morales had begun to warn the senior staff about Reyes' performance in his new post,
but this had been dismissed as Morales' way of downgrading Reyes. The picture changed, however, when PBSP expressed serious concern about the fast turnover of Laguna field personnel. PRRM management was forced to scrutinize the Laguna operations more carefully, and in the process Reyes' weak project leadership was exposed. The senior staff was thereby compelled to constantly monitor the performances of both the project operations staff and the Area Coordinator. Aurora Paz, as Program Coordinator, was responsible for ensuring that the conceptual scheme of assistance was being implemented. Reyes only viewed this as interference which caused undue confusion in the field.

PRRM President Canlas, however, saw the Area Coordinator's resignation in another context. He expressed his own position on the matter, in rather strong terms, in a letter of October 24, 1972, to Dr. Lee, president of the International Institute for Rural Reconstruction (IIRR):

> ... it is distasteful to me to even bring up again, or probe into the matter of IIRR's having negotiated with our personnel for positions in IIRR. The case of Robert Reyes brought to light what up till then remained concealed, though suspected .... In the final analysis, no matter the reasonings in-between, harm was done to PRRM by the defections of some of our personnel to, and the reception of some of our personnel by, IIRR. Considering all the handicaps and problems that we were already facing, this certainly came from an unexpected sector and thus represents the most unkindest cut of all.

If Canlas reacted strongly in this manner to the Reyes resignation, it was with good reason. The Laguna Project was encountering opposition from within PRRM, specifically from personnel working in its
operations at Nueva Ecija, with tacit support from certain quarters within IIRR, which had long been associated financially with those PRRM activities. The Nueva Ecija personnel resented Laguna, because they viewed it as the pet project of Canlas and the PRRM senior staff. Laguna was being funded adequately, by the special grant from PBSP, whereas Nueva Ecija was not. Salary rates at Laguna were higher. Workers from Nueva Ecija had been recruited for Laguna because they were the "best among the PRRM workers."

The personnel at Nueva Ecija also felt that Canlas, in spending much more time on the Laguna Project, was neglecting Nueva Ecija, especially in regard to securing necessary funds to stabilize the latter operations.

Laguna, as viewed by Canlas and the senior staff, represented a new PRRM approach to social development. If proven effective there, it would be adopted in all other PRRM operations. This possibility was disputed by the PRRM oldtimers, who could see no difference between the two approaches. Finally, resentment by the older workers was directed against Canlas and the senior staff; it was felt that the president had no direct experience in service at the grassroots level and that all of the senior staff were newcomers in the PRRM organization.

To compound the problem, Canlas was having policy differences with IIRR, formerly closely associated with PRRM. Although now a separate organization, IIRR and its president Dr. Lee still enjoyed the primary loyalty of many PRRM workers at Nueva Ecija. Canlas knew that the workers' opposition to himself was mounting, and saw in the Reyes resignation an act of sabotage.

Pending identification of a new area coordinator for Laguna, the PRRM management temporarily assigned its administrative director to that post for the month of October. But PBSP leadership pressed for immediate appointment of a new area head. As it would take some time before a qualified replacement could be identified and hired, Maj. Mario Ramos (ret.), PRRM operations head at that time, volunteered to direct the Laguna Project. Ramos had joined PRRM in November 1971 as a member of the senior staff. He had retired in 1962
as an army major, and had since received his MBA degree from the University of the Philippines. Prior to joining PRRM, he had been extensively involved in management of various business companies. It had originally been Ramos' suggestion that the matrix relationship among key management personnel be adopted for use in the Laguna Project.

However, on November 15, 1972, the matrix organizational structure at Laguna was abandoned. A new line organizational structure was set up which made the area coordinator primarily responsible for project operations and required him to report directly to the PRRM president. The Area Coordinator was renamed Social Laboratory Manager to emphasize the "laboratory" approach or the "experimental" character of the project. Duties and functions of all operations management and staff personnel were also redefined and clarified, as suggested graphically in Figure 6.

Castro as PESP monitor and Ramos as PRRM operations manager at Laguna made a good working combination. Castro was both perceptive and incisive, and as a management specialist he did not feel comfortable with the situation at Laguna. He increased the time he spent on field monitoring of the project, and he discussed his insights and recommendations with Ramos. The latter, possibly because of his own background in management consultancy, felt that PESP was a client with every right to expect satisfaction. He considered it his obligation to accept the PESP recommendations because the Foundation was funding the project.

Ramos had his work priorities well defined. First, the barrio research surveys had to be tabulated and analyzed. Castro had discovered that these surveys, although completed in the field during the planning phase, had not been entirely processed; if they were already tabulated, the results had not yet been analyzed. Secondly, the individual barrio development plans, originally scheduled for completion by February 29, 1972, still had to be finished and made operative. Castro recommended to Ramos that the processing of the barrio development plans be started immediately. They
FIGURE 6

New Project Management Structure, November 1972

President

Research Director
- Laguna Research Secretariat

Field Director/Social Laboratory Manager
- Technical Staff
  - Community Organization
  - Cooperatives
  - Agribusiness
  - Family Life Planning

Training Director

Administrative Director
- In-Service Training Staff
- Community Services Training Staff

Sta. Cruz Municipal Coordinator
- Group Leader
  - Asst. G.L.
  - 7 RRWs
  - 3 RRAides

San Pablo MC
- Group Leader
  - Asst. G.L.
  - 6 RRWs
  - 1 RRAide

Calauan MC
- Group Leader
  - 3 RRWs
  - 2 RRAides

Nagaclan MC
- Group Leader
  - Asst. G.L.
  - 4 RRWs
should be completed before March 1, 1973, in time for the start of Year II operations.

Castro recalled sometime later, in an internal memo dated October 14, 1973, that "it is quite unthinkable that operations of the magnitude of Laguna which require funding of no less than $1 million as planned by PRRM started with no operating plans to guide operations in Laguna but such was the case."

PRRM Retrenchment and the December Manifesto

PRRM had previously agreed with PBSP to conduct a periodic evaluation of its RRWs. The December 1972 evaluation showed that of the twenty-seven RRWs whose performance was reviewed, only thirteen were assessed favorably. The remaining fourteen RRWs received judgments ranging from "slightly below standard" to "very poor." Of this latter group, the four who had been evaluated as "very poor" were terminated. Of the other ten, one resigned voluntarily, and the rest were placed on two-month probation.

The PRRM decision to place the nine workers on probation was disputed by PBSP, the latter preferring that the workers be terminated because they had failed to meet PRRM standards of performance. The senior staff of PRRM pleaded their case. A compromise was suggested by Ramos, according to which he would provide direct supervision over these workers. They were to be informed of their two-month probationary status, after which their performance would again be evaluated. Ramos would then recommend whether their services should be terminated or continued. PBSP reluctantly agreed to this compromise.

PRRM had good reason to resist termination of those workers whose performance might be improved if given the necessary support. Since March 1971, funding had continued to be a critical problem. Approval of the Laguna Project by PBSP had momentarily eased the general situation, for it allowed the better PRRM workers to be placed in a stabilized project for the following three years. However, the other funds coming
in were not sufficient to sustain PRRM operations indefinitely. The declaration of martial law in September 1972 and the initial uncertainty which followed became a critical factor.

The PRRM Board of Trustees decided to adopt a policy of retrenchment, as further contributions from business companies would be slowed until after the new government had stabilized. The Board instructed Canlas to formulate a retrenchment program wherein operations would be reduced to a scale that PRRM income could reasonably support. The new policy was implemented by an official memorandum issued on December 4, 1972. Fifty percent of PPRM personnel at Nueva Ecija were to be terminated, which would seriously curtail operations in that area. It is important to note here that the retrenchment policy did not affect the Laguna operation, for the latter was secure with separate PBSP funding.

The management memo created an organizational crisis. It provoked immediately a manifesto asking for the resignation of President Canlas, signed by 104 PRRM workers and addressed to the PRRM Board of Trustees. The manifesto was signed not only by the workers who had been terminated but also by those who remained on the payroll at Nueva Ecija. It also included the names of fourteen workers from the Laguna Project.

Canlas was not surprised that the retrenchment memo was opposed by the staff at Nueva Ecija, but neither he nor the senior staff had expected the opposition to result in a manifesto demanding the president's resignation. To further complicate matters, the signatories had included workers from Laguna, who would not be affected by the retrenchment move. The December manifesto certainly proved one point, and that was the consolidation of worker opposition against Canlas, the senior staff, and the innovative project in Laguna. Groups within PRRM who had either policy or personal differences with Canlas and his senior staff had united on one issue—his resignation.

The PRRM Board of Trustees sustained and supported Canlas. It did, however, create a Special Committee
headed by former PRRM President Jose Gonzalez to look into the Nueva Ecija situation.

PRRM Review of Project Operations, March–December 1972

On January 9, 1973, the PBSP management secured approval from the PBSP Executive Committee for financial assistance in the amount of ₱85,020 for the Laguna Project for January and February 1973, to cover the last two months of Year I implementation.

Because PRRM had undergone decisive changes in its policies, organizational structure, personnel staffing, and administrative procedures from March 1 to December 31, the PBSP staff in an assessment of PRRM's present capability came to three major conclusions.

a) In the first place, PRRM had demonstrated flexibility in its policy-making processes as well as in its supportive operational organization to meet the unique work conditions required for the PBSP Laguna prototype. The shift from purely project-oriented activities to a scheme of assistance integrating the PRRM four-fold program with the Community Organization method had entailed a "painful" adjustment on the part of the PRRM organization, resulting in high personnel turnovers and the institution of new management procedures.

b) Secondly, PRRM had followed up on changes necessitated, and showed promise of stabilizing as well as a willingness to keep an "open mind" about change if required to do so.

c) Finally, the PRRM management still enjoyed the full support of its Board of Trustees and Executive Committee.

For the last ten months of 1972, PRRM activities in the barrios had been centered on leadership training sessions, cooperatives' seminars, and adult education classes. Skills-training classes were conducted in tailoring, dressmaking, and hair science. Classes for farmers were given in rice production, green revolution, animal production, mushroom culture, and vinegar making. Health projects were initiated, covering
subjects like construction of toilet bowls, feeding programs, and family planning. PRRM workers also assisted the communities in their beautification programs. Social organizations, such as women's associations, youth clubs, and adult organizations, were reported to be operative in most of the project barrios.

On the other hand, the communities' economic needs were not being effectively attended to. No economic feasibility studies had been completed, and consequently no economic projects were initiated. However, some new economic structures were reported to have been organized, specifically, credit unions in twelve barrios and farmers' associations in six.

Survey Report by the Asian Social Institute

The positive efforts of Social Laboratory Manager Ramos toward improving the Laguna management operations would shortly be overshadowed by a baseline study report submitted by the Asian Social Institute (ASI) in January 1973. The survey was based on data collected earlier in the year, from May to June 1972. But it did reveal, from an outside organization's viewpoint, the reactions of the target barrio communities to the

1 The Asian Social Institute (ASI) is an academic and research institute. It was commissioned by PBSP to do the research studies needed in the documentation and evaluation of the Laguna prototype operation. A report on the first study to be conducted was submitted in February 1972, entitled Attitudes Toward Modernization in Laguna: A Socio-Psychological Study of Development Attitudes in Fifty Barrios in the Province of Laguna. This study was funded from the planning phase grant given to PRRM. The second study was a baseline study of the project. A report, entitled An Evaluation Research of the Philippine Rural Reconstruction Movement's Barrio Development Program in Laguna, was submitted in January 1973. The cost of this study was also funded by PBSP.
PRRM project. ASI did qualify its observations by noting that at the time when data were gathered, the RRWs had been in the barrios for at most only five months. This period of activity, it was acknowledged, was perhaps not sufficiently long to expect stabilization of PRRM operations.

On the positive side, three barrios reported that their expectations of PRRM were being met, due primarily to the active operation of home industries in the area. Barrio residents who were engaged in mushroom culture, initiated by PRRM workers, appreciated the projects as their incomes had been augmented thereby. Many barrio communities had adapted to the toilet bowls which the workers had taught them to make.

But the ASI study reported at great length about other, negative reactions of the barrios on how the project was being implemented:

An overwhelming majority of the barrios are disappointed with their experiences of the organization's operations. While at the start, people had high hopes for the aid and guidance they may receive, now they are simply frustrated and barely interested in future projects. Some barrios in fact asked PRRM to review its programs before proceeding with community development.

In places where PRRM is just beginning, the usual high hopes are present but as the pattern suggests, these hopes are bound to vanish and turn into indifference. It is therefore quite clear that something should be done. As it appears, PRRM is losing credibility with the communities. In the first place, why is it that there is still a considerable number of barrios where people expect capital aids from the organization despite the fact that resident workers have been
staying in the barrios for 5 to 6 months already? . . .

Consciously or unconsciously, people are led to expect the wrong kind of aid. This fact partly explains why most people are quite frustrated. Why should people rely on PRRM for capital, for water service, for electricity supply or for free livestock if the mission of PRRM is made clear, that is, self-help . . . .

Along similar lines, the needs people feel most do not seem to be the standard starting point in the operations. The expectations people expressed in a chain of community dialogues in 1971 and the projects PRRM has completed in part or is currently espousing appear not to coincide. It is known for a fact that for a program of development to succeed, it must directly or indirectly satisfy the needs the client community feels.

Another point of interest is the fact that the PRRM projects are left uncompleted. People in several barrios expressly attest to this fact. PRRM needs the people's confidence in order to successfully assist in the development of communities. This calls for a well documented and prepared plan that can minimize the frustrating effects of a project's failure on the people.

A considerable number of barrios feel insulted by the way PRRM has withdrawn its RRW; no notice, no reasons stated, no replacement yet.

PRRM did not dispute these findings, but it did see the necessity to include a prologue in the research report explaining the findings within their historical context. In this prologue, the management admitted that in spite of the training given to effect a conceptual integration of the community organization
approach with PRRM's traditional four-fold program, the initial fieldwork undertaken by the workers "leaned heavily towards 'selling' PRRM's four-fold program rather than developing a program of assistance tailored to a community's felt needs as is basic in the community organization approach." These initial contacts heightened the communities' expectations from PRRM-assisted projects, and the offer of the programs of assistance was interpreted as promises which the barrio community expected its RRW to fulfill. However, after the workers had been required to attend the additional one month of training in the CO approach in January and February 1972, "the more discerning RRWs continued their 'turnabout' from the admittedly deficient initial interpretation of the program of assistance."

But most of the workers, because of limited CO supervision, went to the other extreme. They "veered from aggressive project-orientedness to possibly the other extreme of not positively pursuing any programs, probably thinking that the 'process' on which they would be rated would happen by itself." In a further quotation from the prologue:

Discussion with the management staff of PRRM indicates their awareness of those problems which have attended the field implementation of the theoretical schema. The evolution of the approach in the minds of the field workers, the heightened and often-false expectations of the community as to what the proffered assistance entailed, the conscious refraining by the field workers from simply giving in to such expectations of the communities, the seeming lack of commitment of the organization to the barrios caused by the frequent changes of personnel assignments, and the absence of a specific program of material assistance pending analysis of the community surveys--all of these
must have been reflected in the reactions of the barrio residents expressed to the ASI researchers.

PRRM has recognized the above limitations of the first year of implementation and is exerting efforts to stabilize the operations in order to successfully test the scheme of assistance.

The ASI survey findings emphasized what PBSP considered all along to be critically lacking in the Laguna Project, that is, the absence of full-time and competent CO supervisors who could have provided the day-to-day technical assistance needed by the RRWs. Many of the problems which were discussed in the ASI study could have been avoided if CO supervisors were available in the project area to provide the workers with necessary support. While CO consultants were at hand, the frequency of their visits to the barrios was not sufficient to be of significant use to the RRWs. Furthermore, the municipal coordinators, who were supposed to provide direct supervision, were merely performing administrative supervision, and were not adequately trained to provide the necessary technical supervision, even if they had wanted to.

This need for immediate identification and recruitment of CO supervisors was strongly emphasized by PBSP, "to a point that there might not be any justification for continued operations for Year II in Laguna, unless a full-time CO supervisor is retained by PRRM" (letter of Castro to Canlas, dated February 2, 1973). PRRM acknowledged the need for full-time supervision of field workers, but could not locate CO supervisors who would be willing to work on a full-time basis in Laguna.

End of Year I Implementation

By February 1973, PBSP and PRRM staffs had started work on their presentation of the Laguna Year II program and budget for consideration by the PBSP Executive
Committee. By this time, some of the barrio development plans had been completed and were incorporated into the Year II program planning. Ramos, as Social Laboratory Manager of the project, made his decision about the RRWs who had been placed on probation in December 1972. He recommended that all of the workers be retained, because their capabilities could be further developed. However, he also proposed that two of the municipal coordinators be terminated for reasons of incompetence. His action was intended to become effective February 28, 1973.
CHAPTER IV

IMPLEMENTATION: YEAR II

On March 1, 1973, the Executive Committee of the Philippine Business for Social Progress (PBSP) received a staff recommendation for approval of a grant of ₱363,020 for Year II implementation of the Laguna Project by the Philippine Rural Reconstruction Movement (PRRM). The staff report indicated that PRRM had recognized the "gaps and limitations of the first year program and has taken steps to provide more systematic and efficient management of the project."

A high degree of improvement in PRRM operations was noted for the final three months of Year I (December 1972 through February 1973). Personnel staffing had improved with the dismissal of two municipal coordinators. There was also a marked effort to help the field workers understand better the concepts underlying the rural social development prototype aimed at in the project, and to translate these ideas into well-ordered plans of work. The target barrios were judged to be showing "signs of accepting the presence and purpose of the PRRM field workers by way of cooperating in the formation of puroks, coordinating councils, and evolving barrio development plans to guide barrio activities in the solution of their perceived problems." Accepting the assessment and recommendations of the PBSP staff, the Executive Committee approved a second year of assistance to the PRRM-managed project at Laguna.

Laguna Field Worker Resignations

The termination of services of the two municipal coordinators, which the management had recommended in February, was publicly announced on March 12 at an area meeting attended by PRRM President Canlas, his senior staff, and all operations personnel from the
Laguna Project. Canlas announced that personnel staffing had now stabilized. No other terminations would be made, with the exception of the two municipal coordinators. However, the periodic evaluation of PRRM Rural Reconstruction Workers (RRWs) would continue. Canlas also announced that, according to a new PBSP policy, project funding by the Foundation would be made on a year-to-year basis.

The March 12th meeting had an explosive aftermath. On March 21, eleven field workers from Laguna, including one group leader, submitted a letter of mass resignation to the PRRM Board of Trustees, effective April 1. The resignations, if accepted, would seriously affect operations at Laguna, for the resigning workers covered 40 percent of the assisted barrios in the development project.

The workers cited several reasons for their action in resigning. First, recent decisions by the PRRM management had fostered insecurity of employment. Secondly, members of the senior staff were prejudiced against old-time PRRM workers, and lacked rapport, diplomacy, and tact in personnel relations. The senior staff also was unable to provide supportive roles toward the workers. Finally, the announcement of termination of the two municipal coordinators was cited as threatening to other project employees.

No doubt existed that the March resignations at Laguna were an aftermath of the December manifesto by Nueva Ecija workers. The dismissal of the two coordinators was interpreted by old-time workers as a vindictive act by Canlas and the senior staff, for both had been parties to signing the manifesto. Word had circulated that if the coordinators could be terminated summarily, so could any of the RRWs. It is not surprising, therefore, to learn that all of the March resignees from Laguna had also been signatories to the December manifesto. Furthermore, the latest resignations had not been known beforehand by any of the senior staff because the letter of mass resignation went directly to the PRRM Board of Trustees.

If the December manifesto had created a lot of agony at Nueva Ecija, the March resignations did the same for Laguna. At the PRRM Board level, Chairman
Andres Montecastro became personally involved in the matter. He wanted to know more of what was happening and sought better communication with the resignees. Toward these ends, he called upon Miguel Garcia, CO program specialist in the organization, to talk with the workers.

On March 29, a meeting attended by Montecastro, Canlas, PRRM senior staffers Paz and Ramos, and PBSP Executive Director Roberto Isidro, was held to discuss the situation and to hear a report by Garcia on his meeting with the disaffected workers.

The basic reason for the resignations, said Garcia, was the workers' employment insecurity. The periodic evaluation of their performance had assumed a negative connotation, and even when individual assessments were favorable these were not being communicated to the workers concerned. The RRWs were normally hired on a three-year basis, but the year-to-year funding of PRRM Laguna operations by PBSP had diminished that security. Critical remarks made by the senior staff regarding discipline and lack of professionalism were threatening to the workers, who felt that the management was prejudiced against them in the first place. Workers also reacted against the tendency of some PBSP and PRRM staffers to judge them from a distance, incognizant of the improvement changes that were taking place within them.

Garcia admitted that he himself had seen the struggle and anxiety the workers had undergone to integrate the new social development concepts, approaches, and techniques into their barrio activities. Although the RRWs generally showed a healthy attitude toward the concepts of supervision and evaluation, they reacted strongly against the manner in which these were carried out. They also missed the old PRRM camaraderie, missionary zeal, and way of life which Canlas and his senior staff, being overly associated with professionalism, could not understand nor appreciate.

The management meeting produced a decision that the workers' motion to resign should be respected, and that Canlas should communicate this action to them at the earliest possible time.
The meeting between Canlas and the resigning workers was held on March 29. After reporting briefly on past events, Canlas announced the management decision accepting their resignations. He then attempted to clarify issues that had been raised. He explained the PBSP-PRRM contract in detail, and spoke about the significance of the last series of personnel evaluations. He expressed regret that the official communication of March 12 had been thrown off balance by emphasizing the need to continue evaluations and to comply with performance criteria agreed upon by PBSP and PRRM. He denied that retaliatory measures had been taken against signatories of the December manifesto. In fact, Canlas told the group, he personally had endorsed the old-time workers during the evaluations in January and February.

The resigenees, on the other hand, expressed their concern that events should have reached this critical point. They reassured Canlas that in leaving PRRM they did so without resentment or misgiving. Both parties reached agreement as to changes that should be made within the organization, concerning such matters as the "army-style" management, the need for personnel support, the emphasis on professionalism, the method of worker supervision, and a desire to incorporate the old PRRM spirit of camaraderie once again into the Laguna operations.

Canlas met the next day, March 30, with the remaining workers, those who had not resigned. Some consensus was reached after various complaints triggered by the resignations had been thrashed out. First, the management needed to demonstrate its trust in the workers and in the work the latter performed; this was an essential requirement for successful project implementation. Second, better rapport and more two-way communication was required between individual workers and the PRRM management. Lastly, there was a general need for a more supportive role from management. While the latter must be firm and evaluative, it must at the same time be healing and productive in order to enable workers to attain personal and professional growth within the organization.
Any crisis in the PRRM operation at Laguna was also a crisis within PBSP, and even more so now when the series of resignations appeared to have no end in sight. On March 30, Castro, who still monitored the project for PBSP, met with the RRWs who continued to work at Laguna. He reported his findings to PRRM's Social Laboratory Manager Ramos in a letter dated April 2. On the same day, Castro also wrote to Canlas, reviewing previous discussions between PBSP and PRRM:

Subsequent inquiries into the nature of the resignations indicated a positive defect in internal personnel management of the PRRM Laguna [Project], notably in the area of lack of rapport and very real communication and credibility gaps between the workers and the senior staff. The senior staff has recognized this defect and will take steps to bridge the gaps to prevent the recurrence of similar disruptions in operations in the future. . . . Likewise, the PRRM senior staff has positively promised that they will review their systems, procedures and attitudes in the Laguna operations to establish closer rapport between workers and senior staff . . . .

We shall anticipate your informing us formally of the steps you have taken to meet these unexpected developments in Laguna and to inform us should there be any changes in the programming report . . . .

Changes in Project Leadership

Regardless of whether or not the March 1973 resignations were a conspiracy against Canlas and the senior staff, the investigation did reveal inadequacies and limitations in the Laguna management. Many of the issues raised by workers who had resigned, as well as by those who remained, pointed to personnel management
problems which at that time could be traced to Ramos as operations manager.

The PRRM senior staff felt that the pressure subsequently placed on Ramos was unfair. The insistence by PBSP on more tangible results meant that operations would have to be streamlined. Ramos had to be firmer with his staff, he had to push and to pressure them, and he had to monitor them. But, most importantly, his workers had to produce results. His management style, more demanding than that exercised by his predecessor Reyes, had been branded "army-style" by the workers. And it did not help him any that he was after all a retired army major.

In spite of support for Ramos from some quarters, PRRM Board Chairman Montecastro wanted the Laguna Social Laboratory Manager replaced. Canlas pleaded the latter's case, but heavy pressure was exerted within both PRRM and PBSP against Ramos' retention. Ramos' own uncertainty about his status was expressed in a letter to Canlas on April 21:

As for whether I should be replaced in Laguna or not, again I think you should try to negotiate. Perhaps the 15 June target date is a good breathing spell. If the pressure to get me out is really too strong for you to resist, don't resist it. In the meantime, Laguna could go on as we planned, and could effect a smooth turnover to whoever you can find to take my place ...

I, of course, would be very happy if by June 15, you really, after superhuman efforts at looking for a replacement, cannot find one, and the [PRRM] board would agree to let me 'carry on' until at least the end of Year II. My only 'personal' stake in the project, is to see at least one or two barrios, reach 'Point A' on or before the end of Year II. But, then I suppose this may just be a pipe dream, as they say.
Canlas fought hard for the retention of Ramos, but on April 24 the PRRM Board of Trustees decided to allow the manager to stay only until June 30. Ramos, however, resigned before that date. On May 10, Canlas wrote to PBSP Executive Director Isidro that PRRM Deputy Research Director Dionisio Hizon would become the Laguna Social Laboratory Manager, starting May 11.

Transition to Reorganization

Following a series of meetings by PRRM and PBSP leadership, a transition phase of operations was adopted to meet the exigencies of the changing situation from April 1 to June 15, 1973. During this period, RRW replacements were to be recruited and trained. Better rapport and communication between workers and the senior staff would be sought. The RRWs who had not resigned in March would continue to follow barrio development plans in their assigned centers and extension barrios, but they would change their residence from the barrios to the more central substations in order to achieve better communications with other members of their team. The Social Laboratory Manager was to work on the job with each team for three days at a time, rotating his visits to accommodate all teams on schedule.

Personnel for Community Organization (CO) supervision was to be increased by hiring two full-time CO supervisors. One part-time supervisor was recruited. The ten barrios left uncovered by the March resignations were reassigned to the two municipal coordinators and one technical assistant, as an interim measure to ensure that inputs to the barrio programs were not completely stopped. Clinics and workshops would be held on the various types of supervision "stressing the positive aspects of human relations and supportive styles of management." The dual roles of the CO supervisors were emphasized, that is, to sharpen the workers' grasp of operating techniques, and to establish a "communication link between the workers and the senior staff."
During this period, no significant development activities were achieved, as it was only a transitional phase. Economic activities were planned, but problems anticipated were not effectively resolved. As a result, no economic projects were implemented.

After the March resignations, both PBSP and PRRM continued to face implementation problems at Laguna. These are well illustrated by the two incidents described below.

**Student Summer Task Force**

In early April, the PRRM management asked PBSP for approval of a budgetary item of P1,500 to be paid as honoraria to students who would be assigned from April 23 to June 15 to the barrios vacated by the resigned RRWs. Castro withheld his recommendation on the request while he asked PRRM Program Coordinator Paz to provide additional details for budgetary justification. Meanwhile, Castro was cautioned by PBSP Associate Director Sison that the proposed operation should be carefully studied, as to whether in fact it would truly promote attainment of Laguna Project aims. However, since Castro's instructions to Paz on April 17 had given the impression that the request would be granted once the requested details had been submitted, PRRM went ahead with implementation of the scheme.

On May 4, Paz submitted the additional information sought by Castro. Twelve students had been deployed in the barrio since April 23. Except for one, all were senior college students in social work. Prior to being assigned, all had passed psychological tests and a group interview, and were given one week of orientation to the project by the Social Laboratory Manager and the municipal coordinators. The students were intended to maintain the presence of PRRM in the vacated barrios until new full-time workers could be recruited and trained. The planned activities initiated by the resigned RRWs would be continued by the students under supervision by the municipal coordinators.

Initially, PBSP reaction had been "to reject the idea as superficial efforts," but Castro asked for
reconsideration of the scheme. He noted that the students were "even better than some of the remaining RRWs" and were representing PRRM in a manner "to avoid frustration from the barrio people." Sison, however, would not reconsider. On May 10, Castro had to inform Paz that the request would not be approved "since the original concept of the prototype operations in Laguna calls for fully trained, full-time workers to effectively validate the concept."

PRRM disputed that decision. Canlas, on May 18, wrote a letter to both Sison and Castro, urging reconsideration and reviewing the sequence of events in relation to the requested funding. Canlas pointed out that the Summer Task Force was only part of the revised field strategy for the transition phase following the March resignations, and had been "discussed and apparently approved in several meetings with PBSP staff." He emphasized that Castro's letter of April 17 to Paz gave PRRM the "impression that PBSP had in fact no objection to funding the scheme." He further argued that the reason given for rejection of the request missed the whole point of the task force's role. As a temporary measure, it was intended to enable realization of the originally planned Year II operations. The students would provide continuity in barrio activities previously set in motion by the resigned workers.

Sison still would not reconsider, and she said so, definitely, in her response of May 24:

... even as a temporary measure, we find it difficult to justify a scheme in which students who did not train in community organization ... can be entrusted with barrio development work, except as aides to regular RRWs, particularly when there is no CO supervisor to provide supervision. The MCs [municipal coordinators] are not yet in a position to provide technical supervision, and would therefore not be in a position to effectively guide the students in their working relationships with the barrio institutions and organizations.
Furthermore, Sison added, the agreement between PBSP and PRRM called for fielding the municipal coordinators in the vacated barrios where they would then be in "a position to continue to represent PRRM in the barrio officially, and be accountable to the organization for their work, behavior and performance." She also raised the question of project inputs relative to project costs:

Project inputs . . . for the last year and a half were not maximized in terms of anticipated and probable results due to mass resignations, unsatisfactory pre-employment procedures and the absence of full-time CO supervisors . . . . We wish to stress that project costs must be carefully monitored and controlled since an attempt at a cost-analysis will be a main factor in evaluating the duplicability of the prototype project. We hope you will identify in the above observations, some guidelines for future decisions in requesting for project funding.

Laguna Community Organization Supervision

The other incident illustrating internal implementation problems at Laguna concerned the need for full-time CO supervisors. PRRM had earlier acknowledged the problem but had met extreme difficulties in recruitment. Castro and Sison, reflecting PBSP concerns, reiterated on May 4 the necessity to have at least two full-time supervisors on the project. While the RRWs had been given CO theoretical training, this would have to be followed by guided fieldwork. This training sequence, they pointed out, "has not been implemented since last year because of the continued failure of PRRM to locate and hire full-time CO supervisors." They also questioned the effectiveness, as a substitute, of the weekly strategy sessions
conducted for the workers by the CO consultants, and made it clear that "we cannot appreciate the justification for continued operations in Laguna without full-time CO supervisors."

As PBSP had requested "an effective solution to this critical operational requirement," PRRM on May 18 submitted a scheme for CO supervision. This would be implemented by the line supervisors--the Social Laboratory Manager and the municipal coordinators--and would include individual supervision, team coordination, and group strategy sessions. The CO consultants would not attempt to provide direct supervision over the workers. However, they would train the line supervisors, using the group strategy sessions directed by the Social Laboratory Manager and the municipal coordinators. They would also offer assistance to individual RRWs upon referral by their respective coordinators, and to the RRW-trainees undergoing field training.

The proposed scheme promised to serve as a total staff development program, not only for the RRWs but also for the Social Laboratory Manager and the coordinators. It assumed that the line personnel themselves would develop faster if they exercised more direct supervision over their workers. PRRM considered this scheme as the most suitable to meet the existing situation. Canlas informed PBSP that Dionisio Hizon, newly appointed Social Laboratory Manager, was ready to implement the scheme immediately.

PBSP, however, raised objections to this scheme. Sison did not consider Hizon and the municipal coordinators fully qualified to exercise supervision in the CO approach. The coordinators had been trained briefly at Kaunlaran as direct-service CO workers only, and it would require a year of additional training in CO supervisory techniques before they could be entrusted with CO supervision of the RRWs. Sison objected also that the scheme assumed there would be two full-time CO consultants, when in reality reliance could be placed on only one. This was not sufficient to cope with the combined CO needs of the Social Laboratory Manager, municipal coordinators, RRWs, and RRW-trainees. Sison doubted very much that the weekly strategy sessions would be adequate to the task, and insisted
that these be supplanted by regularly scheduled supervisory sessions for individual coordinators and workers. Because these issues continued to be unresolved, Sison asked for a fuller discussion of the scheme in a meeting called for May 28.

The meeting on May 28 became a confrontation between the two organizations, as PBSP management took issue with the CO supervision scheme proposed by PRRM. In an attempt to identify the cause for the apparent rift, Canlas suggested that both groups review how each was in fact interpreting and utilizing the concepts underlying the project scheme of assistance. PRRM's Program Coordinator Paz raised a question about CO methodology itself, and observed that PBSP wanted each PRRM worker to qualify for a "CO certificate" more demanding than PRRM personnel and recruits could manage. Strong reactions to these statements were expressed by both Sison and Castro.

Finally, it was agreed that the PBSP evaluations to be made after June 30 would provide a basis for determining whether the two organizations viewed the scheme of assistance in the same manner, and whether the Laguna staff was able to meet PBSP objectives. Paz wrote later in an internal PRRM memo (undated) that achievement of these objectives was "strongly doubted by PBSP management team which has assessed the field supervisors as poor and PRRM management style as ineffective."

From July to October 1973, additional CO activities were conducted in the barrios, but no economic projects were initiated. However, on September 1, PRRM made two basic decisions for improvement of field operations. First, it reduced the goal of project coverage from fifty to twenty-six barrios. The general strategy here was to concentrate operations in barrios with a relatively high development potential until those barrios had reached "the point of self-propulsion" (Point A, see Figure 3), and then gradually extend project activities to the remaining barrios within the area complex. Secondly, PRRM would intensify CO supervision at all levels and provide its line personnel with CO competence equal to the requirement of the project and of project workers.
By October 1973, the twenty-six barrios were covered by fifteen RRWs and eleven RRW-trainees on guided field supervision.

**Resignation of the PRRM President**

By October 1973, PRRM President Eduardo Canlas finally decided that it was time for him to leave.

He had considered this move as early as January, after the December 1972 manifesto had exploded at Nueva Ecija, but to have resigned then would have meant vindication of the signatories, and all of his efforts to redirect PRRM activities would have proved futile. It would also have conceded too much, at such an early stage, to those within PRRM who opposed him and his ideas. So Canlas did not resign then. But funding still had to be secured to bolster up the Nueva Ecija operations, and that could only be realistically provided by Dr. Lee and the International Institute for Rural Reconstruction (IIRR). A compromise had to be achieved and, as mentioned above, the PRRM Board of Trustees had named a Special Committee headed by Jose Gonzalez to look after Nueva Ecija as a first responsibility and to negotiate funding with Dr. Lee. Although Canlas continued as PRRM president, the existing operations in Nueva Ecija would continue in whatever manner the Special Committee, and IIRR as financial sponsor, might determine.

In April 1973, during the aftermath of the March resignations at Laguna, Canlas again considered whether or not he should leave the organization. He had decided then that if Social Laboratory Manager Ramos was forced out, he would follow in sympathetic support. But Ramos himself had urged Canlas to stay on as president. Therefore, Canlas did not resign. Nor was he replaced by the PRRM Board of Trustees. But once more, as at Nueva Ecija, the Board created an advisory overseer "to help in the management problems of Laguna." This was done by delegating that responsibility to PRRM Trustee Bernard Du.
These moves, at both Nueva Ecija and Laguna, reflected the positive desire of PRRM trustees to become more involved in operational matters. But, if viewed negatively, they meant that President Canlas was no longer in control of PRRM operations. The months of April to July were trying ones for the organization. Canlas knew that by this time PBSP felt that PRRM could no longer do anything right. "It was a tallying of errors," impositions, and threats of withdrawal of funds. In the face of all these, he felt that PRRM should do its utmost to maintain its own organizational integrity and self-determination. Policy differences with PBSP had become a personal problem so severe that official communication between the two groups had ceased at the management level. Canlas and his senior staff knew that PBSP had lost all confidence in their ability to manage. At no time was this more clearly evident than during these three or four months of 1973.

The Laguna Project, originally conceived as the phoenix which shall arise from the old PRRM, was about to be aborted. The experiment, intended to prove that a deepening reactivation of PRRM's basic four-fold program was possible, had been branded a failure by the Nueva Ecija crowd. In less than one year, Canlas had suffered through the trials of the December manifesto and the March resignations, as well as the agony that accompanied the aftermath. Just so long as PBSP continued to support his position, however, he believed he could still turn the tide and prove the experiment a success. But the recent loss of confidence evidenced by PBSP marked the final turning point. And now, in October 1973, Canlas moved to inform PRRM Board Chairman Montecastro that he would not stay on as the organization's president after December 31, 1973.

Transfer of Organizational Responsibility

On December 11, PBSP Executive Director Isidro formally wrote to PRRM Board Chairman Montecastro that, in view of Canlas' resignation and the findings of the
PRRM annual review (March-June 1973), "we see an opportunity for PRRM to review at the present time, the management and organization of the Laguna project."

In the same letter, Isidro identified three important factors which "merit priority consideration, to enable us to continue to assist and support the project for the remaining three and a half years of this five-year project:

1. Competent management at different organizational levels of the project.
2. In view of the project being essentially a community organization project, an essential qualification for all personnel would be a working understanding of community organization principles and methods. This qualification would be most critical at the field operations level and we urge the appointment of two full-time community organization supervisors to provide adequate technical supervision and staff development for all field personnel.
3. Since the major expressed needs of the Laguna communities are increased income, increased agricultural productivity, employment, small scale industry, and skills training, the staff of the Laguna project should include a business expert who could provide technical support to the field workers and who could marshall technical resources available in Laguna and make these available to the project."

On December 27, Isidro again wrote to Montecastro, stating that "we would deeply appreciate hearing from you if possible before December 31, on the development towards the appointment of a new president and/or senior manager for the project. We wish to be informed in particular of the person who will be authorized to discuss aspects of the project operations with us, after December 31, as well as the extent of his authority." Isidro stated that PBSP's annual review of the Laguna
Project would be shared with PRRM. He suggested that the review findings be utilized in preparing the 1974 program as well as in staff training and supervision of field staff. He reiterated that "this program plan as well as a competent organization will be necessary to secure approval of PBSP assistance for 1974."

Although frenzied preparations were being made by PRRM at the staff level to meet PBSP requirements for 1974 funding, Board Chairman Montecastro had serious doubts whether his organization should continue its Laguna operations. With Canlas' impending resignation, Montecastro had become more directly involved with PBSP's top management in regard to the Laguna Project. He felt obligated to see to it that the requests and recommendations of PBSP were properly attended to by his staff. It was a personal involvement that was beginning to take a heavy toll on his time.

Montecastro's doubts were further reinforced by PBSP's evaluation of the work at Laguna. The results of the annual review, covering the period from March 1971 until June 1973, were made available to the PRRM Board Chairman on January 1974 as promised. The results were not favorable to PRRM.

In early February, during a meeting attended by Montecastro, PBSP Board Chairman Nestor Pardo, and PRRM Trustee Bernard Du, the PRRM board head suggested two alternative courses of action for dealing with the Laguna Project, in consideration of PRRM's organizational problems as well as its difficulties in identifying a senior manager for the project. One alternative was for PRRM to continue project implementation but with a schedule altered to allow time to elect a new president and to hire a new senior manager for the project. The other alternative was for PBSP to take over the management if it was ready to accept this responsibility.

Given these two options, both Pardo and Du took the position that PBSP should assume charge of the project "because we had given these [Laguna] people hopes and a promise, that it is important that to maintain this credibility, they be served without further
delay." The two officials decided to refer the entire matter to the PBSP Board of Trustees.

On February 3, the PBSP Executive Committee accepted the recommendation by Pardo and Du that PBSP take over the Laguna Project management. It also approved a condition proposed by PBSP Trustee Michael Cole "that in the event PRRM builds up the right organization and the capability for taking over, then we will gladly turn over the entire project again." In order to give PBSP management a free hand in the project, the Executive Committee agreed to ask PRRM to withdraw all field personnel as soon as the turnover date was agreed upon. This decision was officially communicated by PBSP Board Chairman Pardo to PRRM Board Chairman Montecastro the next day.

On February 6, the PRRM Board of Trustees accepted the PBSP decision and determined that turnover of the project should become effective on March 1. In a letter of February 8 to Pardo, Montecastro expressed the sentiments of his Board:

We reviewed and studied the implications of this change as far as Laguna is concerned and the effects on PRRM as an organization. As it is quite difficult to foresee and anticipate future developments in the Laguna project because of its nature, we are going along with PBSP's decision to terminate this relationship during the third year of a project that was conceived and planned for a five year period.

The operations personnel in Laguna, who still had no knowledge of the negotiations in progress between the two organizations, were officially informed of the final outcome in a memo addressed to them on February 11, 1974:

This is to announce to you a joint decision taken up by the PRRM and PBSP Executive Committee[s] for PBSP to assume
immediately the management of the Laguna project.

This decision was made to ensure a stable and continuing service to the people of Laguna involved in the project—to whom more hope for a better future has been given. With this in mind and in the light of the present circumstances that have given the impression that the needs of the people might not be served adequately considering the time constraints, this alternative has been chosen as the most prudent step in order to give the Laguna project a better chance for success.

We hope that you will understand and appreciate the reasons underlying this decision and support it sincerely.

Thus ends the narrative account of PRRM's involvement in the planning and management of the rural social development project in Laguna.
CHAPTER V

ANALYSIS AND CONCLUSIONS

Project Identification and Formulation

From the initial stage of project identification, the Philippine Rural Reconstruction Movement (PRRM) and the Philippine Business for Social Progress (PBSP) were both interested in the basic idea of the Laguna Project and for similar reasons, mainly, experimentation with a rural social development prototype the findings of which could be applied to like communities in other parts of the Philippines. Furthermore, both PRRM and PBSP would work in cooperation in developing the project. PRRM desired to use the project as a test case for its own programmatic redirection. If the Laguna operation were successful, PRRM activities elsewhere could be implemented in a similar manner. In addition, PRRM had a more pragmatic reason for seeking PBSP assistance. The program, if approved, would alleviate the critical financial condition of PRRM. Continued employment would then be available to many PRRM field workers whose barrio sponsor/donors had failed to renew their support.

The proposed operation faced no strong resistance or objections within PBSP, either from its trustees or its management. However, there was some hesitation or doubt expressed by PBSP Executive Director Isidro and Associate Director Sison as to whether PRRM, as an organization, could in fact see the project through to completion. Isidro, having previously sat on the PRRM Board, knew the limitations of that organization. But he had confidence that Canlas, the new PRRM President, could achieve a successful conclusion of the operation. Moreover, the project was strongly supported by some PBSP trustees who were at the same time PRRM trustees. By securing PBSP funding, they would have contributed their share in raising the funds so sorely needed by PRRM.
However, strong resistance existed in some quarters within the International Institute for Rural Reconstruction (IIRR) which, as a sister organization of PRRM, viewed with some reservations PRRM President Canlas' newly established relationship with PBSP. Another source of funding than IIRR had become available, and PBSP aid was suspect. Canlas was warned that PRRM would be dictated to by the funding agency in the course of the new project. Considering the long-standing historical and personal links between the staffs of PRRM and IIRR, it should not be surprising that some doubts lingered among PRRM employees who still valued the traditional ties with IIRR. A new approach to rural development was to be tried out, that is, utilization of Community Organization (CO) concepts and methods. Some questions arose among PRRM old-timers who could not see how the "CO Approach" would enrich the implementation of the four-fold development orientation already espoused by PRRM and IIRR.

The next stage of project formulation proceeded with much participation and involvement from the more senior PRRM personnel. But, if initial resistance on the part of PRRM old-timers dwindled to some extent, opposition from IIRR did not. In point of fact, the formulation phase of the Laguna Project remained primarily a PRRM task, which negated the earlier fears of some that PBSP would dictate the type of program to emerge.

When staffing of the Laguna Project was discussed, PBSP asked for a totally new roster of workers to be recruited and trained specifically to meet the unique demands of the project. PRRM, on the other hand, wanted to utilize its older workers although, to be sure, the best from that lot would be selected. The principal consideration here was that PRRM had to find placement for many of its workers whose barrios were not being continued in the corporate sponsorships for funding. If PRRM fought hard for the inclusion of its older employees in the new approach, it was mainly for this reason.

PBSP had expressed opposition to employment of the older PRRM workers, even though they might be among the
best. This was a carry-over from the initial reservations held by PBSP management during the project identification phase. PBSP Executive Director Isidro had hoped that a "new" PRRM would emerge from the experience gained in the Laguna Project, but he had serious doubts whether this could be achieved by depending on the older PRRM workers. But to adopt the PBSP recommendation for a new field staff would be extremely difficult for Canlas. As the new president of PRRM, he had an obligation to take care of the organization's rank and file, and to not effect a mass termination as the PBSP suggestion would have him do. In the end, Canlas was able to convince the PBSP management that the older PRRM workers could be utilized effectively in the Laguna Project.

Although the project's nine-month planning phase was quite substantially financed by PBSP, the plans ultimately produced were not adequate for implementation of the subsequent operations. There were severe limitations in planning that would later on cause serious operational problems.

Recruitment of Personnel. If the transfer of older workers to the Laguna Project was financially convenient for PRRM, it turned out to be impractical for the workers concerned and therefore disadvantageous for the project itself. Most of the workers were recruited from existing PRRM projects in the provinces of Nueva Ecija and Pampanga, and most of their families continued to live there. The workers themselves were being uprooted when they were transferred to Laguna. Although salaries in their new assignments were higher, they could visit their families only on weekends which was the most convenient time for barrio residents to participate in their community activities. Unfortunately for the project, this weekend activities situation as it applied in the Laguna barrios could not be utilized, because most of the PRRM workers spent their weekends at home with their families in Nueva Ecija or Pampanga. The only attraction of the new Laguna jobs, therefore, was the higher salary scale. When PRRM salaries in the other provinces were later standardized to the same level as those prevailing in the Laguna Project, many workers asked to transfer back to their former jobs in Nueva Ecija.
Training of Personnel. The training given to new and transferred field personnel during the preparatory stage turned out to be not sufficient for the project's purpose. First, it was essential for the Rural Reconstruction Workers (RRWs), as they were called, to understand and to internalize the conceptual scheme of development assistance. Secondly, they had to have the skills needed to operationalize the scheme in their barrio assignments. Thirdly, they required adequate technical support to guide them in their barrio activities.

At the time when the project was being formulated, both PRRM and PBSP accepted the notion that the CO approach was implied in the traditional PRRM orientation to rural development. Consequently, it was thought that no formal CO training would be needed. The judgment was that the better PRRM workers who were selected for Laguna could easily make the conceptual adaptation to CO methods. For this reason, the initial training was conducted mainly as an orientation to the new project. But shortly thereafter, this was perceived by PBSP to be unsatisfactory, and representations were made for the formal inclusion of CO training after all. This modification of training curriculum was only effected in January and February 1972, when operations were already scheduled to begin on March 1.

This inadequacy of worker preparation was even more evident after the RRWs initiated their motivational activities in the barrios, immediately following the November elections of 1971. The results they achieved turned out to be disappointing, very much like those obtained from the traditional PRRM project packages.

Operational Planning. Although the individual barrio development plans were to have been finalized and submitted by February 28, 1972, no such plans were actually completed on time. It is seriously doubted, considering the problems at this stage, whether barrio development plans could ever realistically have been made. But this aspect of planning should have been rescheduled as soon as possible. Because there were no operational plans, the scheme of assistance remained just a scheme. It was left to each worker's interpretation of the scheme as to how it would be operationalized in the barrios.
Although the products of the planning phase were reviewed by the staffs of both PBSP and PRRM, the review was not exhaustive enough to be a thorough assessment. The plans submitted should have been appraised for their operational effectivity. If found to be inadequate, contingency measures could then have been drawn up. This was also the appropriate time to examine the organizational capability of PRRM and to determine whether in fact that organization could realistically be expected to meet the demands of the Laguna Project. Considering the earlier doubts of some PBSP staffers about the management capacities of PRRM, this was particularly important. When project operations finally started on March 1, after a delay of two months, specific barrio operational plans were still lacking, and the project's line supervisors were still in training at Kaunlaran.

Project Implementation

Turnover of Personnel. Project implementation at Laguna was generally characterized by fast turnover of personnel, either by employee request or by management termination. The first group of resignations occurred just before July 1972, when twelve of the twenty-four RRWs departed, unable to accept or to adapt to the new development emphasis. Fifty percent of assisted barrios were thereby left uncovered. The next drop in personnel took place in September 1972, following the CO training at Kaunlaran. Finally, in March 1973, there were the mass resignations, an action directed at the PRRM senior staff.

There were various reasons for the turnover. One was the outright dismissal of workers unfavorably evaluated by PRRM. Another was related to the performance of RRWs who had been recommended for termination by PBSP. Most of these, however, were supported by PRRM in disagreement with PBSP on the qualifications desired for the workers. PBSP standards were admittedly higher, but PRRM held to the opinion that some of the negatively evaluated workers could still improve if given adequate
assistance and supervision. Furthermore, internal PRRM problems would not be helped at all if too many terminations were executed.\footnote{This position became a source of conflict between the two groups, giving rise to PBSP's impression that Canlas could not make the "hard decisions" on personnel that were required of a manager.}

Resignations also resulted when workers would rather resign than be terminated. PRRM preferred to make transfers in those cases where the workers concerned could not internalize the new scheme at Laguna but were still effective as PRRM workers at Nueva Ecija. Such personnel problems confirmed the earlier PBSP doubts and hesitation regarding the employment of older PRRM workers in the project. Retraining was admittedly necessary. PRRM was willing to have its workers retrained at Kaunlaran, but conflict later developed when PRRM disputed many of the Center's negative evaluations of workers. President Canlas resisted PBSP attempts to have the negatively assessed workers terminated. He could not understand why the training at Kaunlaran was made a standard requirement when the training itself was regarded as substandard or impractical by many of the worker trainees.

The series of resignations and transfers surprised PBSP as well as PRRM. The net result was the PBSP decision to extensively monitor the Laguna operations and to assign one of its own project officers to this task. But this persistent monitoring eventually created tensions within the PRRM organization.

Changes in Organizational Structure. Partly due to the high turnover of personnel, PRRM had to revise its Laguna organizational structure several times. The first alteration occurred in March 1972, at the very start of the project, when the matrix relationship among the project's senior officers was introduced in place of the traditional PRRM line-staff organization. Later, however, Area Coordinator Reyes found he could not operate within the matrix system and gave this as one of the reasons why he was resigning from PRRM.
Another major change took place in November 1972, when the matrix approach was changed back to a simpler line-staff relationship. Subsequent modifications were made in reassigning areas of authority when terminations and resignations followed the workers' disagreements with the management staff. These changes meant that the organizational capacity of the project did not stabilize until May 1973, when Dionisio Hizon was appointed Social Laboratory Manager for Laguna.

The frequent changes in organizational structure indicated the difficulties encountered by PRRM in managing a project of this magnitude, that is, a fifty-barrio prototype. This was PRRM's first attempt on this scale. Previously it had operated only in single barrios.

Because of the size of the project, the matrix relationship among the senior staff involved in Laguna Project was established at the outset with the Area Coordinator operationally responsible. Unfortunately, the first person to serve in that capacity, Robert Reyes, did not fully understand how the matrix principle operated, and he misinterpreted the inputs of other members of the matrix as undue interference with his own function. When Major Ramos finally succeeded Reyes, the matrix management relationship was replaced with the more familiar line-staff relationship, as mentioned above.

Feedback from Target Barrios. The fast turnover in personnel also produced much of the negative reaction issuing from the target barrios. Barrio activities suffered from lack of continuity when RRW replacements were made too frequently. In many cases, formal notice was not even given to the concerned barrio that its worker (RRW) had in fact already left the job. Stability of barrio work was therefore minimal. As workers came and went, projects were initiated but showed little or no continuity or follow-through. Negative responses from the barrio communities appeared as early as May-June 1972 (as reported later in the Asian Social Institute study), only two or three weeks after operations had formally begun. The same kind of feedback
was still forthcoming twenty months after, in February 1974, when PBSP staffers met with people in the barrios for their own evaluation.2

The Asian Social Institute's evaluation research, reported in January 1973, was a third-party confirmation of PBSP's own assessment of the barrio operations. This report, coming from an uncommitted research institution, was embarrassing for PRRM. Program Coordinator Paz acknowledged the accuracy of the survey findings that were based on data collected in May–June 1972. However, prior to publication of these findings, changes in PRRM strategy were in fact made following the appointment of Major Ramos as Area Coordinator. Nevertheless, whatever gains had been achieved since then were quickly forgotten by the PBSP management and staff, who saw in the ASI report a confirmation of their resolve to tighten up the monitoring of the project.

Area Management Supervision. Compounding the staffing problem was the inability of the PRRM management to respond effectively to both operational and personnel requirements of the project. The series of transfers, terminations, and resignations reflected the lack of an adequate personnel recruitment and stabilization policy. Training had to be provided continuously for new recruits, and the type of training itself became a subject of serious disagreement between PBSP and PRRM.

At the level of operations management, Robert Reyes, the first Area Coordinator, was appointed to this top responsibility on the assumption that he had the capability to supervise the project. But this decision was questionable. It was surprising that Reyes, previously a cooperatives technical assistant with no direct operations management experience, had been recruited to head a fifty-barrio prototype operation.

2 One factor possibly worth considering, although its extent is difficult to ascertain, is that subsequent efforts to assist those communities where negative reactions had been reported fell upon deaf ears.
Furthermore, Reyes was allowed considerable leeway in the field when in fact he himself needed technical support from the senior staff. His periodic reports were apparently good enough that monitoring visits by his superiors were not increased in number or frequency. Some unfavorable comment was reported by the PRRM Field Director to the senior staff, but the latter did not consider this criticism sufficiently serious to create doubts about the Area Coordinator's effectiveness.

When Reyes later resigned, PBSP had already obtained substantial information that the Laguna Project was not moving along as well as expected. Consequently, PBSP felt compelled to take a closer look at the operation by monitoring it directly. The Foundation assigned to this task a project officer from its own staff, one who had formal training and experience in management. When more serious defects in management were uncovered in the PRRM operation, PBSP stepped up its monitoring visitations.

PRRM had no choice but to appoint as the new project manager one who could keep abreast of the recommendations made by the PBSP monitoring officer. This resulted in a shift in administrative style, which some PRRM workers came to refer to as "army-style." Major Ramos, the new manager, had the task of stopping the downward slide of the project, and the only way he saw to do it was to make the workers produce more tangible results. But while this pressure was put on the workers in their barrio activities, no supportive structure from the side of management was operating to cushion the pressure. Line supervisors, with the exception of the CO consultants, were unable to meet the need of workers in this regard. The situation continued unchanged until March 1973, when the mass resignation of workers at Laguna produced a crisis both within the project and within PRRM generally.

Organizational Problems within PRRM. As a consequence of the retrenchment policy adopted by the PRRM Board in December 1972, and with no new funding sources in sight, President Canlas had no alternative but to terminate a sizeable number of workers in the Nueva Ecija operations. This series of dismissals was
resisted by the workers who were terminated as well as by those who remained. First, all of them signed the December manifesto and, secondly, they opposed and downgraded the Laguna scheme. The latter would not have been so serious if the Laguna Project, as managed by PRRM, could have withstood the criticism. But this was not the case. In the view of the anti-Laguna forces (and even of PBSP staff members), the Laguna scheme was not effectively producing results. The struggle for power at the management level had finally spilled over to involve the PRRM rank and file, and had seriously disrupted all field operations. More specifically, this aggravated the operational problems at Laguna by undermining the morale of the RRWs, even of those who believed that the Laguna Project was a viable one.

Differences between PRRM and PBSP

Differences that gradually emerged between the two groups in the course of project implementation can be traced essentially to divergent views in their management philosophies and in the operationalization of the scheme of assistance. While both organizations agreed on the workability of the scheme, each had a different perception of how it should be operationalized. These differences are well demonstrated in the following specific instances.

Perception of the CO Approach. PBSP viewed application of the CO approach to field activities from a highly professional vantage point. In order for a CO-oriented project to be effectively carried out, there were certain prerequisites, which PBSP termed "ideal inputs." These demanded that workers be carefully screened, properly trained, and provided with adequate CO supervision in barrio activities. The RRWs should have internalized the conceptual scheme underlying the CO methodology. Periodic evaluation of field workers was also regarded as essential. However, PRRM did not fully agree with this view.

Even after the additional training given to Laguna workers in January-February 1972, it was PBSP's
assessment that the CO orientation provided was still not sufficient. By July 1972, owing to the many resignations and transfers, a new batch of recruits had to be trained for Laguna. This time, all PRRM workers and trainees were required to undergo one month of theoretical training at the Kaunlaran Center as recommended by PBSP. However, after the PRRM people started training there, the standards customarily operative at Kaunlaran came to be unacceptable to PRRM because its old-time workers were being "failed" by the Center's staff. The differences which arose between Kaunlaran and PRRM on these issues continued to prevail until May 1973. PRRM, at that time, had to organize its own CO training, when Kaunlaran refused to accept any more PRRM recruits or workers in its program.

It is apparent that perceptions held by PBSP and PRRM differed also on the issue of workers' qualifications for the job at hand. Again, PBSP wanted to set higher standards of performance than were considered necessary by PRRM. Whenever personnel problems developed in the project's implementation, PBSP would always refer to the lower standards set by PRRM as the basic reason.

Community Organization Supervisors. Agreement between the two organizations did exist that CO supervisors were essential to the Laguna Project. Although the municipal coordinators were originally intended to serve as CO supervisors, they were not qualified according to PBSP standards to perform the task of supervision competently. Therefore, part-time CO consultants were hired to fill in. But even this contingency measure was judged unsatisfactory by PBSP, which continued to press for recruitment of full-time CO supervisors. None could be immediately identified by PRRM, nor by PBSP even after PRRM explicitly requested technical assistance. The continued lack of professional

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3 On the other hand, it must be reported that some workers who had been initially assessed as favorable by PBSP turned out to be rather poor RRWs in the Laguna operation.
CO supervision meant that workers in the field were neither properly supervised nor effectively assisted. The municipal coordinators, furthermore, had a tendency to impose or to carry out their supervisory function in a rather high-handed manner, contributing still more to the deterioration of supportive structures within the PRRM organization.

Many of the problems and disagreements between PBSP and PRRM were related to operationalizing the CO approach. This was unfortunate because, as Canlas later wrote in reviewing a draft of this case study, the project was primarily "not to demonstrate [the effectiveness of] the CO Approach . . . but rather to see how enlarging the scale of PRRM operations to a 50-barrio complex, rendered into one organic whole by marketing and economic relationships, would pan out." But the project never reached that stage because it was handicapped by personnel problems related to training and standards of worker performance.

Management Philosophies. The management staffs of PRRM and PBSP had their separate views about how the Laguna Project should be conducted. PRRM envisioned the project as a prototype to be validated in the field and, hence, it was quite frankly experimental and open-ended in nature. An open-ended approach was certainly not viewed favorably by PBSP, which operated under conditions that were much more structured and planning-oriented. These different philosophies eventually gave PBSP reason to suspect that PRRM could no longer control implementation of the project. Then, too, the project, although conceived by PBSP as a prototype to be applied later in other communities, was costing a lot of money. The PBSP management felt strongly about its responsibility to its own Board of Trustees for a successful conclusion of the venture.

On the other hand, PRRM thought that PBSP was willing to permit the implementing organization to operate its own project just like any other PBSP-financed project, that is, to be directed by its own manager. PRRM strongly resented any interference by PBSP at the management level, if only to protect its own organizational integrity and "self-determination."
But PRRM President Canlas had no bargaining position, because PBSP refused to finance any activities not directly supporting the attainment of project objectives, no matter how strongly PRRM felt to the contrary. As PBSP became firmer in its own position as to how the project should be implemented, Canlas' own perception of the funding agency changed. Rather than PBSP being "assistive," he saw it emerging as a "contractor" of services. PRRM's role was simply to execute a job according to the pre-set specifications of the contracting party. This change of relationship, as interpreted by Canlas, was not welcomed, and what happened in the end was the ultimate irony. Canlas, in commenting on the author's case study draft as mentioned above, put it this way:

The unfortunate net result of this was that an organization [PRRM] which was trying precisely to turn itself around has perhaps been irreversibly kept in the old mold. Precisely the hand that should have been stretched out in sympathy to help it to its feet and turn its face in another direction turned out to be the hand that chided it for not having been expert and experienced and trained and capable enough in its new function.

Just as the RRWs had looked for appreciation, understanding, and sympathy from the PRRM senior staff, so did the PRRM management expect the same from PBSP. But the "sympathy" sought by Canlas from PBSP was not forthcoming. While he had received strong support among PBSP trustees when the project was in the process of being approved, it was different now that PRRM performance in project implementation was being questioned. It was now up to him and his senior staff to produce the results desired, and in this area his dealings with PBSP were primarily with the management and operations staff.

Canlas could expect no sympathy from PBSP Executive Director Isidro. While the latter understood the constraints and limitations in the area of social development, he came from a business environment where
professional managers either "have the qualifications or get fired." Isidro wanted professional management standards maintained in the Laguna Project. He wanted rationality in its operations. If Isidro maintained this position to the very end, it was because he did not want Laguna to end up like other PRRM projects with which he was all too familiar. Furthermore, he was now Executive Director of the funding agency. He was responsible for operations and, in this particular case, for the validation of a rural social development prototype being managed by PRRM. Isidro could not permit PBSP to "turn its face in another direction," as Canlas wanted.

Nor could Canlas expect sympathy from PBSP Associate Director Clara Sison, although she and Canlas were personal friends. They moved in the same professional circles, but the two were in continuous disagreement over the CO approach to rural social development. As a professional social worker, Sison had definite expectations of training and performance from the RRWs if they were to function effectively as community organizers. Just as Isidro insisted that professional standards be maintained at the level of management, so did Sison when it concerned the RRWs and their work in the barrios.

Part of the insistence of these two was due to the fact that they were dealing with Canlas and his senior staff as professional social development managers. Isidro himself was very emphatic on this point. As professional managers, the PRRM people were being paid to do a job and to do it well. They should not expect to be treated with kindness and sympathy like a beneficiary community.

But the professional standards set for the PRRM senior management, as well as the creditable performance demanded of RRWs, proved to be too much to expect from the implementing organization. PBSP requirements of the project's management created a strain within PRRM. The expectations set by PBSP were unrealistically high and definitely beyond the capability of PRRM to deliver. While Canlas and the senior staff were indeed professional managers, their own attempts at professionalizing PRRM as an agency met with considerable opposition internally.
But the experience of the Laguna Project was not lost on everyone, and especially not on PBSP Executive Director Isidro, to judge from his comment after reading an earlier draft of this case study:

This case could very well serve to crystallize for students of a management course, what I believe to be the fundamental professional question faced by social development management. The dilemma is the constant pull, seemingly in opposite directions, to give proper consideration to the human and humane factors in the project on the one hand, and the need for efficiency and effectiveness of the project on the other hand. . . . both considerations must and can be served. It is not a mutually exclusive, either-or proposition. Seeing both considerations, and serving them efficiently and effectively, after all, is what social development managers are for.
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