



## Democratic Governance and Participation: The Key to Success of San Dionisio Credit Cooperative Inc.

**Karen P. Quilloy and Pilipinas M. Luis\***

University of the Philippines Los Baños, Philippines

### \*Correspondence

Institute of Cooperatives and  
Bio-Enterprise Development,  
College of Economics  
and Management,  
University of the Philippines  
Los Baños, College 4031,  
Laguna, Philippines

**T** +63 82 536 3266

**E** arpymluis@yahoo.com

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### Abstract

One of the unique characteristics of cooperatives is that they are organized, owned and democratically controlled by their members. The management and operations system of cooperatives is typically characterized by having democratic governance and strong member participation. The San Dionisio Credit Cooperative (SDCC) is one of the most successful cooperatives in the Philippines that clearly exemplifies a strong adherence to the principles of cooperative enterprises—(1) the user-owner principle; (2) the user-control principle; and (3) the user-benefit principle. These principles define the significant position and role of cooperative members in their organization. It implies that cooperatives are associations of persons rather than an impersonal organization of capital. The case of SDCC demonstrates how this kind of system works in the cooperative and how it contributes to its success and to the improvement of lives of its members. The important role of the members in the cooperative is emphasized in this case study. SDCC is a highly member- and community-oriented cooperative that primarily works for total human development of its members. How SDCC provides an enabling environment for its members to fully participate in decision-making processes and to practice democracy in governing the cooperative through its programs and service is explained in detail in the case.