
Globalpro: Cooperatively Working to Fill Butch's Big Boots

Alejandro "Butch" Lukban, Chairman of the Board of Globalpro Multipurpose Co-operative, smiled as he looked at the workers assembled at the Globalpro Head Office in Quezon City. Becoming a member of the co-operative was not an easy process -- it required applicants to move through trainee and probationary phases before being candidates for membership -- but over 5,000 workers had done so in the 11 years since he founded Globalpro in 2005. He experienced unexplained joy while being able to make a difference in the lives of many out-of-school youth who became productive members of the society because of the livelihood programs he initiated.¹ But now, having celebrated his 61st birthday in 2016, he was faced with a decision. Should he retire or continue on as Chairman of the Board, keeping his roles as Chief Adviser and Business Development Leader? If he retired, who would succeed him?

Beginnings

Globalpro was a social enterprise worker co-operative established on July 21, 2005 and registered with the Cooperative Development Authority as a multi-purpose co-operative. It was formed by 20 members with a capitalization of PHP30,00ⁱ (USD613).² The business of the co-operative was to be a provider of labor to client-partner companies, and to provide livelihood servicesⁱⁱ to its members.³

ⁱ The Forex rate of 1 USD = 48.898 PHP as of November 9, 2016 was used for this USD/PHP conversion <http://www.xe.com/currencyconverter/convert/?From=USD&To=PHP>

ⁱⁱ Livelihood services include education and training, which helps member earn income, as well as providing job announcements and assisting with job placement

Man with Big Boots

Globalpro was founded by Engr. Alejandro "Butch" Lukban, a civil engineer by profession and who had worked with private companies in the Philippines and abroad. He had also worked with local and national government agencies as a consultant in community and livelihoodⁱⁱⁱ development.⁴ His savings accumulated while he worked with the private sector but started to dry up after working in community and livelihood development for local and national government.⁵

Engr. Butch felt restless, though even he had succeeded in providing livelihood opportunities to out-of-school youth, because the jobs created were still unable to provide regular employment to the young workers to support themselves and their families.

A breakthrough came in 2005, when Engr. Butch's childhood friend, who was head of a manufacturing company that engaged the services of manpower agencies, offered Engr. Butch the opportunity to participate as a labor skills provider.⁴

Inspired by a leading co-operative which was also predominantly engaged by host of companies in industry, services, and agriculture as a labor provider, Engr. Butch saw the offer as a way to bridge the gap of livelihood training and the promise of regular employment.⁵

Engr. Butch's exuberance was temporary, however. He was confronted with the question of whom to invite to be the board of the newly organized co-operative to help him direct it. Should he invite from the ranks of professionals like lawyers, accountants, HR practitioners, IT experts, retirees, or businessmen? Or should he invite from the rank and file workers who had confidence in his leadership? He chose the latter for faster decision-making in this early stage of the co-operative but lost the chance of more informed decisions with more experienced and trained members of the board.⁶

Growth with Engr. Butch

Ten years into its operations, the membership of Globalpro had reached 6,332. Composition of membership was: 5,327 members of which 4322 were male and 1,005 were female. By age group, 46% were between 18-29 years old, 30% were between 30-39 years old, and 21% were over age 40.⁷

By sector distribution, Globalpro member deployments were as follows: Production-63%, Food Services-18%, Janitorial and Maintenance Services-15%, Transportation-Consumer Sales-Administrative Services combined-4%.⁸

Globalpro's start-up office was an old renovated warehouse at the heart of the biggest city in Metro Manila. From only one client partner in 2005, Globalpro had grown to 77 client-partners and projects by the end of 2015, with operations in 6 regions, 10 provinces, and 28 localities across the country.⁹

Globalpro engaged in numerous business activities, namely: labor skills provider, job outsourcing, retail sales and marketing, consumer services, property management, fabrications of fiberglass rescue boats, direct selling, and food cart business among others.¹⁰

Globalpro had estimated assets of close to PhP100 million¹¹ (USD 2 million).^{iv}

iii As defined by the UN, "livelihoods" comprise the capabilities, assets (human, natural and capital, financial, physical and social) and activities required for a means of living. (UN, Livelihood Programming in UNHCR, 2012 Accessed on November 8, 2016. <http://www.unhcr.org/4fbd17c9.pdf>)

iv The Forex rate of 1 USD = 48.898 PHP as of November 9, 2016 was used for this USD/PHP conversion <http://www.xe.com/currencyconverter/convert/?From=USD&To=PHP>

Challenges

In 2016, Globalpro was among 30 'Labor Provider and Workers Co-operatives' deploying close to 100,000 members in total to various sectors of the economy in the Philippines.

Furthermore, Globalpro was among the 24,000 total Co-operatives of all types registered at the end of 2015 with the Cooperative Development Authority, a Philippine national government agency created under RA 6939 and implementer of RA 9520, the Philippine Cooperative Code of 2008. There were four types of co-ops, according to International Labor Organization (ILO)^v. 1) service co-ops secure goods and services their members need; 2) worker co-ops create jobs for members; 3) producer Co-ops -- whose members are both co-owners and employees -- aim to produce goods and/or services; 5) labor co-ops are those whose members sell their labor skills to other enterprises. Globalpro was a labor skills provider co-op.¹²

In particular, the Philippine Co-operative Code of 2008 (RA9520) defined a Workers Co-operative as "one organized by workers, including the self-employed, who are at the same time the members and owners of the enterprise. Its principal purpose is to provide employment and business opportunities to its members and manage it in accordance with Co-operative principles."¹³

As of 2016, the regulatory environment in the Philippine had yet to be aligned with the policy guidelines and support programs as intended in the ILO declaration and RA9520.¹⁴

Tomorrow's Dream

Engr. Butch had led Co-op Works, an association of worker Co-ops advocating for the adoption of the ILO declaration and support programs in compliance with the provision of RA9520, for many years.¹⁵ He was the image of the worker's co-op, and the worker's co-op was Engr Butch.

In 2014-2015, Engr. Butch as on the Board of Trustees of the Asia Solidarity Economy Council.¹⁶ He was also elected as president of Co-op Coalition to promote unity and cooperation among Co-operatives.

In March 2015, the board of directors and core management team of Globalpro crafted their vision, mission, and goals for the next decade. Globalpro wanted to be a "Model Worker Co-operative."¹⁷ (See Exhibit A for Globalpro's vision and mission, and Exhibit B for its officers and their skills.)

On July 29, 2016, Engr. Butch Lukban celebrated his 61st birthday. One year into being senior citizen, he dreamt of moving on from his current position and responsibilities in Globalpro.¹⁸ But the current board was in quandary: who will fill in his boots? The new executive director had to fill multiple roles, being a chief adviser, a business development officer, and an alliance and network builder, as well as being able to guide Globalpro in pursuing its vision, mission, and goal. Engr. Butch had to help the board fill this role before he left. How should he guide the board in finding his successor?

^v The International Labor Organization is a United Nations agency dealing with labor issues, such as labor standards and work opportunities.

Exhibit A
Globalpro Vision and Mission

VISION

"The model worker co-operative in social innovation through co-opreneurial solutions"

MISSION

"To promote inclusive growth and integral human development by forging a healthy and sustainable balance between:

- A. The realities of market forces vs. the needs of the member workers;
- B. Economic progress versus environmental protection; and,
- C. Viability of the cooperative as a social enterprise versus responsibility and accountability to the movement and to society.

In short, our mission is to ensure that as a cooperative we shall ensure a balance among the triple bottom lines: PEOPLE + PLANET + PROSPERITY

Source: Globalpro, General Assembly Report, March 2015.

Exhibit B
Globalpro Officers Matrix

Present Position	Date of Membership	Highest Educational Attainment	School Graduated	Previous Employment
Chairman	1-Jul-05	BS Civil Engineering	Far Eastern University - Manila	Quezon City Government
Vice-Chairman	4-Apr-09	BS Business Economics	University of the Philippines - Diliman	House of Representatives
Board Member	7-Jan-09	BS Commerce	Saint Louis University	Budget Officer of the President
Board Member	30-Aug-10	No Information	No Information	No Information
Board Member	6-Mar-10	BS HRM	Laguna State Polytechnic University	Selling Supervisor, Super Value Inc.
General Manager	1-Oct-07	Veterinary Med/Business Administration	Gregorio Araneta/ Union College	Executive Assistant, Vice Mayor's Office - Quezon City
Treasurer	1-Jul-05	BS Nursing	Ateneo De Zamboanga	Head Nurse, KSA AL QUNFUDAH
Secretary	1-Oct-15	AB Behavioral Science	University of Santo Tomas	HR Manager, Tanduary
Operation Manager	5-Apr-11	No Information	No Information	No Information
Construction Manager	25-Feb-10	BS Civil Engineering	Far Eastern University - Manila	Sr, Civil Engineer, University of the Philippines

Source: A.G. Lukban, *Globalpro Report 2016*,.

Endnotes

- 1 Lukban, Alejandro "Butch", Interview, September 1, 2016.
- 2 Lukban, Alejandro "Butch", "Globalpro Experience, Developing Social Innovation through Entrepreneurial Solutions", RTD-UA&P, June 20, 2016.
- 3 Lukban, Alejandro "Butch", Interview, Quezon City, September 1, 2016.
- 4 Ibid.
- 5 Ibid.
- 4 Ibid.
- 5 Ibid.
- 6 Ibid.
- 7 Lukban, Alejandro "Butch", "Globalpro Experience, Developing Social Innovation through Entrepreneurial Solutions", RTD-UAP, June 20, 2016.
- 8 Ibid.
- 9 Lukban, Alejandro "Butch", Interview, September 1, 2016.
- 10 Lukban, Alejandro "Butch", Worker Cooperatives in the Philippines.
- 11 Lukban, Alejandro "Butch", Globalpro Annual Report, 2015.
- 12 Lukban, Alejandro "Butch", Worker Cooperatives in the Philippines.
- 13 Republic Act 9520, Philippine Co-operative Code 2008, Cooperative Development Authority.
- 14 Lukban, Alejandro "Butch", Interview, September 1, 2016.
- 15 Lukban, Alejandro "Butch", Worker Cooperatives in the Philippines.
- 16 Introduction to ASEC Philippines and its Social Solidarity Economy program Accessed on November 8, 2016. http://base.alliance-respons.net/docs/intro_to_sse_and_asec.pdf
- 17 Lukban, Alejandro "Butch", Interview, September 1, 2016.
- 18 Ibid.