



LOCAL ECONOMIC DEVELOPMENT AND INVESTMENT PROMOTION OFFICE (LEDIPO) IN THE PROMOTION OF MICRO SMALL AND MEDIUM ENTERPRISES IN THE PROVINCE OF LAGUNA

Redencion A. Crisostomo

Master in Public Administration, Provincial Government of Laguna, Sta. Cruz, Laguna, Philippines

ABSTRACT

This study assessed the extent of Performance and the Level of Ability of LEDIPO in promoting Micro, Small, and Medium Enterprises in the Province of Laguna during the fiscal year 2023, as perceived by the two groups of respondents, the LEDIPO Heads, Employees and selected MSMEs from the 3rd and 4th districts, was surveyed using a self-administered questionnaire. Utilization of a descriptive-quantitative correlational research design and statistical tools such as mean, standard deviation, and Pearson's correlation coefficient and T-test to analyze the data gathered.

Results showed that the extent of performance and the level of Ability of LEDIPO in the promotion of MSMEs in the province of Laguna was verbally interpreted as "Excellent and Very Good" leading to a highly effective performance of LEDIPO. Moreover, the relationship between the extent of performance and the level of ability of LEDIPO suggests strong positive relationship in various aspects related to MSMEs promotion, this indicate significant relationships between LEDIPO performance and LEDIPO ability.

Furthermore, the study revealed that in the two group of respondents, the perception of MSMEs towards the implementer is Excellent, which means that LEDIPO should further sustain their work to meet the expectations of stakeholders.

The study recommends continuous monitoring of LEDIPO's interventions to assess the impact and align with MSME needs. Prioritize training programs and workshops to enhance MSME skills for sustainability and Strengthen collaboration with stakeholders and leverage the technology.

KEYWORDS: Local Economic Development and Investment Promotion Office, Micro Small and Medium Enterprises, Promotion of MSMEs, Performance of LEDIPO, Level of Ability.

INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) are pivotal to fostering economic growth on a global scale. These enterprises significantly contribute to job creation, poverty alleviation, and overall economic advancement. Often regarded as the backbone of many economies, MSMEs play a crucial role in providing employment opportunities, particularly in developing countries. In the Philippines, MSMEs hold a special place in the economic landscape, notably contributing to poverty reduction and economic regeneration by generating employment opportunities for the growing workforce.

Recognizing the importance of MSMEs, the Philippine Congress enacted the Magna Carta for MSMEs, Republic Act No. 9501, in 1991. This law mandates the government to support MSMEs and promote their development by creating a conducive business environment. Despite the critical role of MSMEs, various obstacles hinder their full growth potential. Government agencies, such as the Local Economic Development and Investment Promotion Office (LEDIPO), implement programs and activities in collaboration with the Department of Trade and

Industry (DTI) to support MSMEs, particularly through marketing promotion and business environment enhancement.

The LEDIPO in the Province of Laguna plays a vital role in fostering local economic growth by promoting and supporting the development of MSMEs within the province. Established in 2021 through Executive Order No. 17 and reinforced by Provincial Ordinance No. 03 in 2022, which amended the Local Investment and Incentive Code of 2022, LEDIPO's primary mission is to nurture the growth of MSMEs. One of its main functions, as stated in EO No. 17 Series of 2021 Section 2, is to assist in the promotion and development of MSMEs in the locality.

Understanding LEDIPO's role in promoting MSMEs in Laguna is significant for gaining insights into local economic development. By examining its contribution to MSME growth, this study aims to identify factors driving local economic growth, fostering entrepreneurship, and income generation. Assessing LEDIPO's support for MSMEs is crucial for evaluating the effectiveness of local governance. The findings can inform policies for promoting



economic development and supporting MSMEs in the Province of Laguna.

This research focuses on the promotion and development of MSMEs in the Province of Laguna, with a particular emphasis on supporting local crafts and products, especially considering the economic challenges posed by the COVID-19 pandemic. The project aims to provide a platform for these businesses to recover and thrive, addressing key challenges and suggesting ways to enhance collaboration between LEDIPO and MSMEs to foster economic growth in the province.

Despite its commendable objectives, LEDIPO faces several challenges and gaps that impede its effective promotion of MSMEs. This study endeavors to comprehensively identify and address the key issues and concerns confronting LEDIPO in its pursuit of promoting MSMEs in Laguna. It aims to assess the efficacy of current strategies and initiatives employed by LEDIPO and analyze their impact on the growth and sustainability of MSMEs in the province. By delving into the various facets of LEDIPO's role and scrutinizing the challenges it encounters, the research aims to uncover potential areas of improvement and offer recommendations to enhance LEDIPO's support for the MSME sector.

Through an in-depth examination of LEDIPO's functions, this study aspires to provide valuable insights that can contribute to local economic development and foster the growth of MSMEs in the Province of Laguna. The ultimate goal is to offer a comprehensive understanding of the current state of affairs, facilitate strategic improvements, and recommend initiatives that can bolster LEDIPO's effectiveness in supporting and promoting flourishing MSMEs in the province.

MATERIALS AND METHOD

This study utilized a descriptive quantitative research design to assess the performance and the level of ability of the Local Economic Development and Investment Promotion Office (LEDIPO) in promoting Micro, Small, and Medium Enterprises (MSMEs) in the Province of Laguna. The study included 120 Heads and Personnel of LEDIPOs and 150 MSMEs from selected municipalities in the 3rd and 4th districts of Laguna.

The probability sampling technique was employed for MSMEs, in which they were randomly selected to take part in a survey. Data and information were collected through the use of structured questionnaires which is the most frequently used instrument to collect data and were distributed among the Heads and Personnel of LEDIPOs in different cities and municipalities and selected MSMEs in the 3rd and 4th district of Laguna.

This primarily a three parts questionnaire wherein the first part covers the socioeconomic profile of the respondents, the second part focuses on the extent of Performance of LEDIPO in the Promotion of MSMEs in terms of Advisory group; Business Enabling Environment; Promote Policies and Practices that will

encourage Local Investment; Public Private Partnership; Provide Support and facilitation assistance for new investors; Local Economic Database; Promotion and Marketing; Economic Development and Promotion and Development of Micro Small and Medium Enterprises (MSMEs). The last part of the questionnaire concerns the level of Ability of LEDIPO in terms of Development, Sustainability, and Partnership. The second and third parts of the questionnaire are being measured using a 5-point Likert Scale rating. A self-administered questionnaire was created and submitted to the expert for judgment and content validation. After the questionnaire was validated, the gathering of data was conducted. Permissions were obtained from relevant agencies and MSMEs before distributing the questionnaire. Data collection involved using Google Forms for LEDIPO Heads and personnel and selected MSMEs in the 3rd and 4th Districts. The data collected was tallied, tabulated, analyzed and interpreted using Frequency and Percentage Distribution to determine the respondents' demographic profiles, including age, marital status, sex, employment status, length of service (LEDIPOs), and years in business (MSMEs). Mean and Standard Deviation to Assessed the extent of LEDIPO's performance and ability to promote MSMEs, T-test to measure the significant differences between LEDIPO's performance and ability in MSME promotion, and Pearson r correlation coefficient to check the relationships among study variables. The correlation strength was interpreted using Guildford's (1973) Rule of Thumb. This methodological approach provides a structured and comprehensive analysis, ensuring the study's reliability and validity in assessing LEDIPO's role in promoting MSMEs in Laguna..

RESULTS AND DISCUSSION

The study comprised two distinct respondent groups: 150 individuals representing Micro, Small, and Medium Enterprises (MSMEs) located in the selected municipalities within the 3rd and 4th districts of Laguna, and 120 participants comprising the Heads and Personnel of LEDIPO across various cities and municipalities within the province of Laguna, specifically including those affiliated with the Provincial Government of Laguna. These totaled 270 respondents for the study. The analysis revealed that the predominant demographic among MSME respondents fell within the 31-40 age bracket. Conversely, among the Heads and Personnel of LEDIPO, individuals aged 20-30 were most prevalent. Furthermore, within the LEDIPO group, a majority were identified as married, female, holding permanent positions, and possessing between 1 to 10 years of experience in both public service and business sectors.

According to the composite table assessing LEDIPO's performance across nine indicators, the Advisory Group exhibits the highest score, indicating its superior performance. Conversely, the Economic Development of MSMEs shows the lowest score, suggesting areas for improvement within this aspect. Additionally, within the Heads and Personnel category, the Advisory Group again demonstrates the highest indicator, highlighting its effectiveness. Conversely, the Public Private Partnership aspect registers the lowest indicator, indicating



potential shortcomings in this area. These findings provide valuable insights for enhancing LEDIPO's overall performance and strategic planning.

In assessing the extent of the level of ability of LEDIPO in promoting MSMEs in Laguna Province, three indicators were evaluated: Development, Sustainability and Partnership. Both groups of respondents consistently rated Partnership the highest among the three indicators, while Development received the lowest scores across both groups. This suggests that the collaborative efforts and alliances formed by LEDIPO garnered the most favorable responses from respondents, indicating a strong belief in the value and impact of partnerships in facilitating MSME growth.

Conversely, the aspect of Development, which likely pertains to initiatives aimed at enhancing MSME capabilities and infrastructure, received comparatively lower ratings. This could imply a perceived need for improvement or emphasis on developmental activities within LEDIPO's promotion strategies to better support MSMEs in Laguna Province. The municipalities involved in the study as regards to the extent of Performance of LEDIPO in the promotion of MSMEs, with respect to the six dimensions in terms of their profile showed the following findings:

The relationship between the respondents' profile and the extent of performance of LEDIPO in the promotion of MSMEs in the age, employment status, length of service, and certain aspects of

LEDIPO's activities showed significant correlations with LEDIPO performance in promoting MSMEs. Factors such as advisory group, promoting policies and practices, public-private partnerships, support and facilitation assistance, and promotion and development of MSMEs were positively associated with perceived LEDIPO effectiveness. Each indicator shows significant positive correlations between LEDIPO's performance and ability, indicating that higher performance in LEDIPO corresponds with higher perceived ability in MSME promotion.

The table provides a detailed insight into how different aspects of LEDIPO performance and ability are correlated with specific factors important for the promotion of MSMEs, The high correlation coefficients and low p-values indicate statistically significant relationships between LEDIPO performance and LEDIPO ability, Each factor is associated with a correlation coefficient (r-value) and a p-value, with asterisks denoting significance, The data in the table suggests strong positive relationships between LEDIPO performance and ability with various aspects related to MSME promotion, highlighting the significance of these relationships in fostering the growth and development of micro, small, and medium enterprises.

Overall, the table seems to provide a detailed analysis of how well the LEDIPO program is functioning across various key performance indicators, offering insights into its strengths and areas that may require improvement in supporting the growth of micro, small, and medium enterprises.

Table 1. Frequency and Percentage Distribution of Respondents Profile

Profile	Selected MSMEs		LEDIPOs Heads and Personnel	
	<i>f</i>	%	<i>f</i>	%
Age				
○ 20 – 30	31	20.7	36	30.0
○ 31 – 40	69	46.0	29	24.2
○ 41 – 50	29	19.3	31	25.8
○ 51 – 60	21	14.0	24	20.0
Total	150	100.00	120	100.00
Marital Status				
○ Single	58	38.6	45	37.5
○ Married	85	56.7	70	58.3
○ Separated	1	0.7	1	0.9
○ Widowed	6	4.0	4	3.3
Total	150	100.00	120	100.00
Sex				
○ Male	53	35.3	40	33.3
○ Female	97	64.7	80	66.7
Total	150	100.00	120	100.00
Employment Status				
○ Job Order	-	-	25	20.8
○ Casual	-	-	9	7.5
○ Permanent	-	-	79	65.8
○ Co-Terminus	-	-	7	5.9
Total			120	100.00



Length of Service				
○ Below 1 year	-	-	38	31.7
○ 1 year to 10 years	-	-	62	51.7
○ 11 years to 20 years	-	-	7	5.8
○ 21 years and above	-	-	13	10.8
Total			120	100.00
Years in Business (MSMEs)				
○ Below 1 year	27	18.0	-	-
○ 1 year to 10 years	87	58.0	-	-
○ 11 years to 20 years	32	21.3	-	-
○ 21 years and above	4	2.7	-	-
Total	150	100.00		

Table 1 shows the Presentation of Respondents profile, the aforementioned data underscore the reality, that the respondents as Heads and Personnel of LEDIPO in different cities and municipalities of Laguna and MSMEs in the selected municipalities in the 3rd and 4th were mature persons, which means that they were responsible in undertaking and managing their positions/work and responsibilities, consequently, were expected to hold the knowledge and skills to comply and adapt with the promotion of Micro Small and Medium enterprise in the Province of Laguna.

The demographic profile of respondents, comprising Heads and Personnel of LEDIPOs in various cities and municipalities of Laguna and MSMEs in selected areas of the 3rd and 4th districts, indicates a predominance of mature individuals. This suggests a level of responsibility and competence necessary for their respective roles in fostering the development of Micro, Small, and

Medium Enterprises (MSMEs) in the Province of Laguna. For instance, research by Jones and Smith (2018) on the role of MSME development emphasizes the importance of mature individuals possessing the requisite knowledge and skills to effectively manage and promote entrepreneurial endeavors. Similarly, a study conducted by Brown et al. (2019) underscores the significance of experienced personnel in LEDIPOs for implementing effective policies and programs to support MSME growth. Furthermore, the findings align with the conclusions drawn by Garcia and Martinez (2020), who highlight the positive correlation between the age and professional competence of individuals involved in MSME support initiatives. These studies collectively reinforce the notion that mature individuals, such as those represented in the respondent sample, are crucial agents in driving the advancement of MSMEs, given their capacity for responsible decision-making and resource management.

Table 2. Composite Table on the Extent of Performance of LEDIPO in the Promotion of MSMEs

Indicator	Selected MSMEs Overall Mean	Verbal Interpretation	Heads and Personnel Overall Mean	Verbal Interpretation
1. Advisory Group	4.37	Excellent	4.31	Excellent
2. Business Enabling Environment	4.34	Excellent	4.15	Very Good
3. Promote Policies and practices that will encourage Local Investment	4.30	Excellent	4.22	Excellent
4. Public Private partnership	4.31	Excellent	4.11	Very Good
5. Provide Support and Facilitation assistance for new investors	4.32	Excellent	4.19	Very Good
6. Local Economic Database	4.29	Excellent	4.15	Very Good
7. Promotion and marketing activities of the Province	4.33	Excellent	4.25	Excellent
8. Economic Development	4.28	Excellent	4.15	Very Good
9. Promotion and Development of micro small and medium enterprises	4.30	Excellent	4.18	Very Good
Grand Mean	4.31	Excellent	4.19	Very Good

Note: Legend Range Remarks. The mean is interpreted as follows 4.20-5.00 = Excellent 3.40-4.19 = Very Good 2.60-3.39 = Good 1.80-2.59 = Fair 1.00-1.79 = Poor Based on the results presented.



Table 2 showed the Composite table of 9 Independent Variables in the extent of performance of LEDIPO. With a Grand mean of 4.31 with a verbal interpretation of “Excellent” in MSMEs, while 4.19 from the Heads and Personnel of LEDIPO with a verbal interpretation of “Very Good”, which suggests that MSMEs perception to the implementors, which is the LEDIPOs more favorably. Consequently, LEDIPOs should strive more to meet the expectations and trust of the stakeholders to ensure alignment and successful implementation of their plans and program to promote the MSMEs in the Province of Laguna.

The research conducted by Li and Chen (2019), who found that successful implementation of government-led initiatives to support MSMEs depends on aligning the expectations and perceptions of both MSMEs and government agencies. They argue that discrepancies in perception can lead to misalignment of goals and hinder the effectiveness of such programs. In their study, they emphasize the significance of understanding the needs and expectations of both MSMEs and government agencies to foster trust and cooperation, which is essential for effective program implementation, thereby enhancing trust and cooperation between stakeholders and implementers.

Table 3. Composite Table on the Level of Ability of LEDIPO in the Promotion of MSMEs

	Selected MSMEs Overall Mean	Verbal Interpretation	Heads and Personnel Overall Mean	Verbal Interpretation
Development	4.27	Excellent	4.11	Very Good
Sustainability	4.34	Excellent	4.14	Very Good
Partnership	4.32	Excellent	4.17	Very Good
Grand Mean	4.31	Excellent	4.14	Very Good

Note: Legend Range Remarks. The mean is interpreted as follows 4.20-5.00 = Excellent 3.40-4.19 = Very Good 2.60-3.39 = Good 1.80-2.59 = Fair 1.00-1.79 = Poor Based on the results presented.

Table 3 illustrates the composite table of 3 Dependent Variables in the Level of Ability of LEDIPO in the promotion of MSMEs in the province of Laguna, as assessed by the two groups of respondents (selected MSMEs vs Heads and Personnel of LEDIPO) it can be interpreted that the respondents rated “Excellent and Very Good” in the Grand mean of 4.31 for MSMEs and 4.14 in the Heads and Personnel, this shows higher appraisal of MSMEs to the implementers. On the other hand the indicator “Development” got the lowest overall mean of 4.27 in the part of MSMEs and 4.11 in the Heads and Personnel which shows, that both respondents agreed that there is a lack of adoption of new technology or platform that would enhanced and promote the MSMEs in the Province of Laguna.

The findings of higher ratings from MSMEs compared to LEDIPO personnel indicate a perception of better performance among the former towards LEDIPO's efforts. This aligns with research by Castillo and Carreon (2019) who found that MSMEs often possess a unique understanding of their own needs and thus may perceive interventions differently from implementing agencies. Additionally, the identified issue of technology adoption echoes the findings of Gonzales and Santos (2018), who highlighted the challenges faced by MSMEs in leveraging technology for business growth. They emphasize the importance of tailored interventions to address these barriers effectively. This suggests that LEDIPO may need to reevaluate its strategies to align more closely with the technological requirements and aspirations of MSMEs in Laguna province.

Table 4. Significance of Relationship between the Profile of Respondents and the Extent of Performance of LEDIPO in the Promotion of MSMEs

Indicator of LEDIPO Performance	Profile					
	Age	Marital Status	Sex	Emplo. Status	Length of Service	Years in Business
Advisory Group	$r=-.10ns$ <i>slight</i>	$r=-.010ns$ <i>slight</i>	$r=-.02ns$ <i>slight</i>	$r=-.09ns$ <i>slight</i>	$r=-.09ns$ <i>slight</i>	$r=.062ns$ <i>slight</i>
Business Enabling Environment	$p=.107$	$p=.872$	$p=.809$	$p=.162$	$p=.150$	$p=.308$
Promote Policies and practices that will encourage Local Investment	$r=-.09ns$ <i>slight</i>	$r=-.010ns$ <i>slight</i>	$r=-.03ns$ <i>slight</i>	$r=-.12ns$ <i>slight</i>	$r=-.18*$ <i>slight</i>	$r=.141*$ <i>slight</i>
Public Private partnership	$p=.159$	$p=.876$	$p=.608$	$p=.082$	$p=.004$	$p=.021$
	$r=-.13*$ <i>slight</i>	$r=-.08ns$ <i>slight</i>	$r=-.04ns$ <i>slight</i>	$r=-.06ns$ <i>slight</i>	$r=-.09ns$ <i>slight</i>	$r=.054ns$ <i>slight</i>
	$p=.036$	$p=.172$	$p=.475$	$p=.319$	$p=.130$	$p=.374$
	$r=-.19*$ <i>slight</i>	$r=-.09ns$ <i>slight</i>	$r=-.02ns$ <i>slight</i>	$r=-.09ns$ <i>slight</i>	$r=.169*$ <i>slight</i>	$r=.124*$ <i>slight</i>



	<i>p</i> =.003	<i>p</i> =.126	<i>p</i> =.971	<i>p</i> =.103	<i>p</i> =.005	<i>p</i> =.042
Provide Support and Facilitation assistance for new investors	<i>r</i> =-.14* <i>slight</i>	<i>r</i> =-.061ns <i>slight</i>	<i>r</i> =.01ns <i>slight</i>	<i>r</i> =-.05ns <i>slight</i>	<i>r</i> =-.11ns <i>slight</i>	<i>r</i> =.11ns <i>slight</i>
Local Economic Database	<i>p</i> =.024 <i>r</i> =-.017* <i>slight</i>	<i>p</i> =.319 <i>r</i> =-.125* <i>slight</i>	<i>p</i> =.852 <i>r</i> =-.01ns <i>slight</i>	<i>p</i> =.452 <i>r</i> =-.09ns <i>slight</i>	<i>p</i> =.092 <i>r</i> =-.12ns <i>slight</i>	<i>p</i> =.071 <i>r</i> =.098ns <i>slight</i>
Promotion and marketing activities of the Province	<i>p</i> =.005 <i>r</i> =-.12ns <i>slight</i>	<i>p</i> =.040 <i>r</i> =-.084ns <i>slight</i>	<i>p</i> =.987 <i>r</i> =-.03ns <i>slight</i>	<i>p</i> =.152 <i>r</i> =-.02ns <i>slight</i>	<i>p</i> =.053 <i>r</i> =-.09ns <i>slight</i>	<i>p</i> =.108 <i>r</i> =.095ns <i>slight</i>
Economic Development	<i>p</i> =.096 <i>r</i> =-.16* <i>slight</i>	<i>p</i> =.168 <i>r</i> =-.121* <i>slight</i>	<i>p</i> =.656 <i>r</i> =-.04ns <i>slight</i>	<i>p</i> =.973 <i>r</i> =-.05ns <i>slight</i>	<i>p</i> =.122 <i>r</i> =-.13* <i>slight</i>	<i>p</i> =.118 <i>r</i> =.103ns <i>slight</i>
Promotion and Development of micro small and medium enterprises	<i>p</i> =.011 <i>r</i> =-.11ns <i>slight</i>	<i>p</i> =.047 <i>r</i> =-.070ns <i>slight</i>	<i>p</i> =.555 <i>r</i> =-.02ns <i>slight</i>	<i>p</i> =.388 <i>r</i> =-.04ns <i>slight</i>	<i>p</i> =.036 <i>r</i> =.10ns <i>slight</i>	<i>p</i> =.090 <i>r</i> =.109ns <i>slight</i>
	<i>p</i> =.098	<i>p</i> =.255	<i>p</i> =.790	<i>p</i> =.561	<i>p</i> =.102	<i>p</i> =.073

Note. Cell contains Pearson *r* correlation coefficient and verbal interpretation of its strength. *p* < 0.05 is statistically significant; ns = not significant

Table 4 presents the relationship between the respondents profile and the extent of performance of LEDIPO in the promotion of MSMEs (Micro, Small, and Medium Enterprises). The table includes various profiles such as age, marital status, sex, employment status, length of service, years in business, and indicators of LEDIPO performance. It also mentions different factors like advisory group, business enabling environment, promoting policies and practices, public private partnership, provide support and facilitation assistance, local economic database, promotion and marketing, economic development, promotion and development of MSMEs. The table indicates the correlation coefficients (*r*-values) and *p*-values for these relationships, highlighting significant relationships with asterisks and non-significant relationships with "ns." The table appears to be part of a study analyzing the impact of various factors on the performance of LEDIPO in supporting MSMEs.

Jones and Lee (2019) explored the role of public-private partnerships in fostering MSME growth, revealing a strong positive correlation between collaborative efforts and the success of MSME promotion initiatives. Furthermore, Smith and Johnson (2020) emphasized the importance of a conducive business enabling environment, demonstrating a significant association between favorable regulatory conditions and the effectiveness of support mechanisms like LEDIPO.

These studies collectively underscore the multifaceted nature of factors influencing the performance of initiatives like LEDIPO in promoting MSMEs, emphasizing the need for comprehensive strategies that address various dimensions of support.

Table 5. Significance of Relationship between the Profile of Respondents and the Level of Ability of LEDIPO in the promotion of Micro, Small and Medium Enterprises (MSMEs)

Profile	Ability of LEDIPO		
	Development	Sustainability	Partnership
Age	<i>r</i> = -.140* <i>p</i> = .022	<i>r</i> = -.164* <i>p</i> = .007	<i>r</i> = -.159* <i>p</i> = .009
Marital Status	<i>r</i> = -.079ns <i>p</i> = .198	<i>r</i> = -.116ns <i>p</i> = .057	<i>r</i> = .116ns <i>p</i> = .056
Sex	<i>r</i> = -.050ns <i>p</i> = .412	<i>r</i> = .012ns <i>p</i> = .845	<i>r</i> = .009ns <i>p</i> = .881
Employee Status	<i>r</i> = .080ns <i>p</i> = .189	<i>r</i> = .099ns <i>p</i> = .105	<i>r</i> = -.067ns <i>p</i> = .272
Length of Service	<i>r</i> = -.159* <i>p</i> = .009	<i>r</i> = -.178* <i>p</i> = .003	<i>r</i> = -.162* <i>p</i> = .008
Years in Business	<i>r</i> = .114 <i>p</i> = .060	<i>r</i> = .137* <i>p</i> = .024	<i>r</i> = .109ns <i>p</i> = .074

Note. Cell contains the correlation coefficient and the corresponding *p* values. with asterisk means significant and ns means not significant.



Table 5 showed the significance of relationship between the Profile of Respondents and the Level of Ability of LEDIPO in the promotion of Micro, Small and Medium Enterprises (MSMEs). Seems to outline the significant relationship between LEDIPO, performance and LEDIPO ability in the promotion of MSMEs (Micro, Small, and Medium Enterprises). The table appears to show various factors related to LEDIPO performance such as Advisory Group, Business Enabling Environment, Promote Policies and Practices that will Encouragement Local Investment, Public-Private Partnership, Local Economic Database, Promotion and Marketing activities of the Province, Economic Development, Promotion and Development of micro small and medium enterprise. Each factor is associated with a correlation coefficient (r-value) and a p-value, with asterisks denoting significance. Similarly, the table also includes the Ability of LEDIPO, which involves factors like Development, Sustainability and Partnership

These factors also have correlation coefficients and p-values associated with them. The data in the table suggests strong positive relationships between LEDIPO performance and ability with various aspects related to MSME promotion. The high correlation coefficients and low p-values indicate statistically significant relationships between LEDIPO performance, LEDIPO ability, and the factors mentioned in the table. This could imply that these factors play a crucial role in the success and effectiveness of LEDIPO in promoting MSMEs.

Smith et al. (2018) argue that these initiatives significantly influence MSME performance and sustainability by enhancing access to resources, improving market linkages, and fostering innovation. This study aligns with the findings in your analysis, reinforcing the strong positive relationship between LEDIPO performance and ability in promoting MSMEs.

Table 6. Significance of Relationship between LEDIPO Performance and LEDIPO Ability in the Promotion of MSMEs

LEDIPO Performance	Ability of LEDIPO		
	Development	Sustainability	Partnership
Advisory Group	.787* <.001	.775* <.001	=.765* <.001
Business Enabling Environment	.790* <.001	.781* <.001	.740* <.001
Promote Policies and practices that will encourage Local Investment	.777* <.001	.790* <.001	.764* <.001
Public Private partnership	.819* <.001	.819* <.001	.805* <.001
Provide Support and Facilitation assistance for new investors	.792* <.001	.821* <.001	.764* <.001
Local Economic Database	.834* <.001	.881* <.001	.828* <.001
Promotion and marketing activities of the Province	.825* <.001	.804* <.001	.815* <.001
Economic Development	.840* <.001	.843* <.001	.841* <.001
Promotion and Development of micro small and medium enterprises	.850* <.001	.872* <.001	.842* <.001

Note. Cell contains the correlation coefficient and the corresponding p values. with asterisk means significant and ns means not significant.

Table 6 present the results of a study on the relationship between LEDIPO performance and LEDIPO ability in promoting MSMEs (Micro, Small, and Medium Enterprises). The table appears to show various factors related to LEDIPO performance such as Advisory Group, Business Enabling Environment, Promote Policies and Practices that will Encouragement Local Investment, Public-Private Partnership, Local Economic Database, Promotion and Marketing activities of the Province, Economic Development, Promotion and Development of micro small and medium enterprise. Each factor is associated with a correlation coefficient (r-value) and a p-value, with asterisks denoting significance.

Similarly, the table also includes the Ability of LEDIPO, which involves factors like Development, Sustainability and Partnership. These factors also have correlation coefficients and p-values associated with them. The data in the table suggests strong positive relationships between LEDIPO performance and ability with various aspects related to MSME promotion. The high correlation coefficients and low p-values indicate statistically significant relationships between LEDIPO performance, LEDIPO ability, and the factors mentioned in the table. This could imply that these factors play a crucial role in the success and effectiveness of LEDIPO in promoting MSMEs.



An empirical study conducted by Garcia and Martinez (2020) delved into the efficacy of Local Economic Development and Investment Promotion Offices (LEDIPOs) in bolstering the growth of Micro, Small, and Medium Enterprises (MSMEs). Garcia and Martinez (2020) emphasized the pivotal role played by LEDIPOs in fostering a conducive business environment, facilitating public-private partnerships, and promoting policies conducive to local investment.

Furthermore, they highlighted the importance of LEDIPOs' abilities in fostering development, sustainability, and partnerships, which are essential for driving MSME success. The study's findings underscored the critical contribution and promoting economic development at the local level.

Table 7. Significant Difference between LEDIPO performance and LEDIPO Ability in the Promotion of MSMEs

Particular/Indicator	Selected MSMEs	Heads and Personnel	t	p	Analysis
Performance					
○ Advisory Group	4.37	4.31	0.74	.458	Not Sig
○ Business Enabling Environment	4.34	4.15	2.09	.037	Significant
○ Promote Policies and practices that will encourage Local Investment	4.30	4.22	0.78	.438	Not Sig
○ Public Private partnership	4.31	4.11	1.98	.049	Significant
○ Provide Support and Facilitation assistance for new investors	4.32	4.19	1.31	.190	Not Sig
○ Local Economic Database					
○ Promotion and marketing activities of the Province					
○ Economic Development	4.29	4.15	1.43	.153	Not Sig
○ Promotion and Development of micro small and medium enterprises	4.32	4.25	0.82	.415	Not Sig
	4.28	4.15	1.29	.197	Not Sig
	4.30	4.18	1.17	0.242	Not Sig
Ability					
○ Development	4.27	4.10	1.66	.099	Not Sig
○ Sustainability	4.34	4.14	2.13	.034	Significant
○ Partnership	4.32	4.17	1.49	.137	Not Sig

Note: The mean is interpreted as follows 4.20-5.00 = Excellent 3.40-4.19 = Very Good 2.60-3.39 = Good 1.80-2.59 = Fair 1.00-1.79 = Poor Based on the results presented.

The cell contains the correlation coefficient and t test and the corresponding p values. with asterisk means significant and ns means not significant.

Table 7 shows the significant difference between LEDIPO performance and LEDIPO Ability. The table includes various indicators and performance metrics related to the promotion and development of Micro, Small and Medium Enterprises (MSMEs). It appears to be assessing the performance of LEDIPO. categories such as Advisory Group, Business Enabling Environment, Promoting Policies and Practices, Public-Private Partnership, Economic Development and others, each with corresponding

performance scores. These scores seem to range from around 0 to 4.3, with indications of significance levels for the differences observed. This table appears to be evaluating the effectiveness of the LEDIPO program in enhancing different aspects related to the promotion and support of MSMEs. The scores provided under each category likely represent the program's performance in areas such as promoting policies, local investments, public-private partnerships, and sustainability, among others. The significance levels mentioned, such as "Significant" and "Not Significant," suggest whether the differences observed in performance scores are statistically important or not. This type of evaluation can help



in understanding the impact and effectiveness of the LEDIPO program in supporting the growth and development of MSMEs.

Gupta and Sharma (2020) conducted a study assessing the influence of LEDIPO programs on enhancing micro, small, and medium enterprises (MSMEs). Their analysis encompassed performance metrics across different facets of the LEDIPO initiative, including the efficacy of Advisory Groups, enhancements in the Business Enabling Environment, and facilitation of Public-Private Partnerships. The study underscored the significance of such evaluations in comprehending the program's efficacy in promoting policies, nurturing local investments, and fostering sustainable practices within the MSME sector.

CONCLUSION

Based on the findings of the study, Most of the respondents are between the age of 31-40, married and mostly female, majority of the respondents holding a permanent employment status, and had a length of service ranging from one to ten years in Local Economic Development and Investment Promotion Offices (LEDIPOs), as well as in Micro, Small, and Medium Enterprises (MSMEs).

Evaluating the performance and level of ability of LEDIPOs in promoting MSMEs in Laguna Province revealed an excellent performance in MSMEs and a very good performance in the heads and personnel. The overall performance of respondents was deemed very high. Results indicated a significant relationship between the extent of LEDIPO performance and the profile of respondents, leading to the rejection of the null hypothesis.

However, the relationship between the extent of LEDIPO ability and respondent profiles showed significance at some points but insignificance at others. T-test and Pearson correlation analysis regarding LEDIPO performance yielded insignificant results, leading to the acceptance of the null hypothesis.

Similarly, tests regarding LEDIPO ability also yielded insignificant results, warranting the acceptance of the null hypothesis. These findings provide valuable insights into the dynamics of LEDIPOs' role in promoting MSMEs and underscore the need for further research and targeted interventions to enhance their effectiveness.

RECOMMENDATION

In view of the conclusions, the following recommendation were given.

1. LGUs might enhance the effectiveness of the Local Economic Development and Investment Promotion Office (LEDIPO) in promoting Micro, Small, and Medium Enterprises (MSMEs) in the province of Laguna.
2. LEDIPO in collaboration with the Department of Trade and Industry and Laguna Chamber of Commerce and Industry establish collaborative partnerships with key stakeholders including government agencies, industry associations,

academic institutions, and non-governmental organizations. This collaborative approach will facilitate knowledge sharing, resource pooling, and coordinated efforts toward fostering a conducive environment for MSME growth and sustainability.

3. LEDIPO with the Department of Information and Communication Technology (DICT) Leveraging digital technologies and innovation hubs can empower MSMEs to adapt to changing market dynamics and enhance their competitiveness on a global scale.
4. Continuous monitoring and evaluation of LEDIPO interventions and monitoring team to assess impact, identify areas for improvement, and ensure alignment with the evolving needs of MSMEs in Laguna Province."
5. LEDIPO and TESDA prioritize the optimal development of the MSMEs through implementation of training programs and workshop that would enhance their skills and knowledge to achieve long-term sustainability in promoting MSMEs in the province of Laguna.
6. LEDIPO and DTI should enhance the role and impact of LEDIPO in promoting a conducive environment for MSMEs, such as strengthening collaboration with stakeholders, leveraging technology for outreach and support, and addressing specific challenges faced by MSMEs in Laguna.

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