

Strategy Adaption of Handicrafts Businesses in the Bicol Speaking Town: Basis for Intervention Plan

Anna-Mae A. Orpiada, Dr. Jennifer S. Rubio

Graduate School, Camarines Norte State College

DOI: <https://dx.doi.org/10.47772/IJRISS.2026.1015EC00027>

Received: 09 June 2025; Accepted: 14 June 2025; Published: 09 April 2026

ABSTRACT

This study aimed to determine the Strategy Adaption of Handicraft Businesses in the Bicol-speaking town of Camarines Norte as the basis for an Intervention Plan. Specifically, it answered the following questions: What is the profile of handicraft businesses in terms of: number of years in operation; business assets; and number of workers. This study also determined the level of Adaption of business strategies of handicraft businesses in terms of: Capital accumulation, labor supply; and technological process. This study utilized quantitative method using descriptive - correlational design. Purposive sampling was employed in this study. Furthermore, a survey questionnaire was used to gather all the pertinent data for this study. The study used a survey questionnaire as the main tool in the collection of the needed data. The indicators were adopted from the information gained from different sources and were modified by the researcher with the help of the experts in the field comprised of the thesis advisory. The study employed the following statistical treatment: Frequency distribution, percentage, weighted mean, and Somer's Delta Correlation Coefficient. Findings revealed that Majority of the respondents have 11 to 15 years in operation and on the Level of adaption on business strategies of handicraft businesses along capital accumulation is the business maintains optimum working capital, while along labor supply the highest is the workers explore career growth and opportunities in craft making, and lastly along the technological process is Infusing of new strategies to improve the quality of the product. The researchers recommend Handicraft business owners can enhance their growth by engaging in scaling initiatives like exploring new markets, preparing for export, or adopting digital technologies, as most of these enterprises are already in a mature stage of development and. Intervention plan was also proposed to address the challenges encountered by the handicrafts business operations.

Keywords: Strategy Adaption, handicrafts businesses intervention plan, handicraft workers, business assets, business strategies, capital, accumulation, technological process and labor supply.

INTRODUCTION

Today, handicraft production serves as a key source of employment in many developing nations and plays a significant role in the export economy of several countries. Specialists in the handicraft industry anticipate that the number of small businesses engaged in this sector will remain steady or continue to grow in the foreseeable future. Notably, artisans are acknowledged as the second largest source of rural employment after agriculture in many regions worldwide. The expansion of international markets for home decor items, coupled with rising global demand for diverse products, has created new opportunities for craftsmen.

Handicrafts play a crucial role in representing the culture and traditions of any country or region. They are essential for preserving traditional arts, heritage, and skills that are deeply connected to people's lifestyles and history. With minimal capital investment, handicrafts provide numerous employment opportunities and have become a vital source of foreign exchange. India, renowned for its rich cultural heritage, is one of the world's leading producers and exporters of handicraft products, a position it has held for many years. Before industrialization, handicrafts offered significant economic benefits to the nation. Recently, their importance has grown due to both cultural and economic factors. Small-scale industries like handicrafts contribute substantially to economic growth in both developed and developing countries. In nations such as India and China, handicraft products rival machine-made goods in quality and quantity, making them an important source of foreign revenue.

These countries are actively working to strengthen their handicraft sectors to boost their economies. The Indian handicraft industry is highly labor-intensive, cottage-based, and decentralized, operating across both rural and urban areas. It is known for its creativity and diverse range of products, catering to both local and global markets. Production takes place at various scales, from small workshops to larger operations. To stay competitive, the industry needs investment in technology and development, close ties with the fashion sector, and strategic adaptation to changing consumer tastes for sophisticated products. Additionally, training for workers and wider access to global markets through the internet are vital for growth. There is strong demand for Indian handicrafts both domestically and internationally. To meet this demand while maintaining quality, it is important to enhance technological support and encourage innovation, all while preserving the unique character of the industry (Majeed, 2019).

Furthermore, Republic Act No. 6715, commonly referred to as the Labor Code of the Philippines, and its amendments aim to protect workers' rights, promote industrial peace, and establish procedures for collective bargaining and dispute resolution, while also granting certain powers to the Secretary of Labor and Employment. Its main goal was to improve the rights and welfare of workers, particularly in the areas of labor relations, employment standards, and social justice. This law Article 212 provides definitions for terms such as "Commission," "Bureau," "Employer," "Employee," "Labor Organization," and others, clarifying their roles and responsibilities within labor relations.

Over time, the Philippines has remained a country that deeply cherishes its history and rich cultural traditions. Almost every Filipino household owns handcrafted items such as baskets, brooms, feather dusters, bamboo sofa sets, cabinets, and various furniture pieces. Additionally, accessories like earrings, bracelets, necklaces, and trendy clothing favored by the younger generation are crafted from local materials such as beads, shells, and seeds. This clearly demonstrates the strong nationwide support for the handicraft industry among Filipinos.

Republic Act No. 11904, commonly referred to as the "Philippine Creative Industries Development Act." Which is the primary objective is to support and enhance the handicraft sector by establishing a legal structure to support, advance, and oversee the craft industry. This law Section 5 focused on the Creative Workers' Welfare Standing Committee it provides protection and support for small and medium-sized handicraft businesses, it aims to improve the livelihood of those engaged in traditional crafts by making available funding and credit facilities and International Promotion, one of the goals of the Act is to enhance the global recognition of Filipino made crafts, helping them gain access to international markets.

In this generation, the majority of people prefer other products that are typically produced by contemporary machines affecting the production and social sustainability of handicrafts. Additionally, handicraft businesses faced ecological factors, such as scarcity of indigenous products, and economic factors which greatly affect the development and growth of business. Due to these concerns, the business strategies of handicraft owners are at risk which results in ending the operation of the business. This indicates that it has a negative impact on their business operation which calls for action from these handicraft businesses in the Bicol-speaking town of Camarines Norte to compete and increase their efficiency to address these factors.

The Province of Camarines Norte functions as the agricultural hub and a promising location for investment, as well as a center for promoting business and trade, evolving into a secondary industrial center. Bicol-speaking town comprised of Basud, Daet, Mercedes, San Vicente, San Lorenzo Ruiz, Vinsons, and Talisay is known for being one of the producers of handicraft products that represent the culture and tradition of the province; thus, the municipalities have many enterprises that offer different local products. However, the strategies of handicraft businesses still cannot keep up with the market development, customer preferences, and growth of global products within the province business industry. Owing to the plentiful availability of forest resources like rattan and bamboo, the local population often engages in the production and sale of handicrafts. These handicraft businesses showcase the culture and traditions of the different municipalities and the heritage of the province using locally produced materials. However, the current growth of the handicraft industry in Bicol speaking town of Camarines Norte is at risk. They experienced several difficulties which affected the operation of their businesses.

METHODS

This study employed quantitative method using descriptive - correlational design. Descriptive method was used because of its goal of descriptive variables, specifically using survey research, also the correlational method was used because of its goal to establish the relationship that exists between variables. The respondents of this study were the handicraft business owners in the Bicol-speaking town of Camarines Norte, comprised of twelve (12) from Basud, four (4) from Daet, five (5) from Mercedes, four (4) from San Vicente, four (4) from San Lorenzo Ruiz, zero (0) from Vinson's, and three (3) from Talisay, with a total of 32 handicraft business owners. In this study, the researcher employs purposive sampling in selecting the respondents that can answer the survey questionnaire. The survey questionnaire and instruments used were checked and validated by panelists and the research adviser. After several revisions and the approval of panelists and advisers. Using Cronbach's alpha, the reliability of the questionnaire was tested wherein it resulted in an alpha coefficient of 0.938 which indicates a good internal consistency within the items of the questionnaires.

The study employed the following statistical treatment: Frequency distribution, percentage, weighted mean, and Somer's Delta Correlation Coefficient (d). For first statement of the on the profile of the handicraft businesses frequency count and percentage were used and for the second statement of the problem weighted mean was used.

RESULTS AND DISCUSSION

This part presents the results and discussion of the data gathered.

Number of Years in Operation. Table 1 shows the years of operation of the business. The highest years of operation of the business ranged from 11-15 with 17 respondents or 53.0 percent, followed by 6-10 years with 8 respondents or 25.0 percent, preceded by 1-5 years with 4 respondents or 12.5 percent. The lowest frequency belongs to 16 years and above of operation with three respondents or 9.4 percent.

The table exhibits, then, that more handicraft businesses are operating for 11-15 years. Thereby, this result was surprising since handicraft products have been undervalued because Handicrafts often receive less support compared to large-scale industries.; but this reflects that there was a handicraft business that has been competing in the market development within the Bicol-speaking town.

Table 1 Profile of the Handicraft Business in terms of Number of Years in Operation

Number of Years in Operation	Frequency	Percentage (%)
1-5 years	4	12.5
6-10 years	8	25.0
11-15 years	17	53.0
16 years and above	3	9.4
Total	32	100

This indicated a relatively established group of businesses that had likely weathered initial challenges and reached a stable phase in their operations, despite the seasonality of the products. Handicraft businesses continued to operate successfully and thrive despite the seasonal nature of their products due to different strategies. By offering products for various occasions throughout the year, they were able to maintain steady sales and avoid a dip in demand. The handicraft owners have other businesses they earn from, they do not rely solely on handicrafts. So almost all handicraft owners have been in business for 11-15 years.

Business Assets. Table 2 displays the profile of the handicraft business in terms of business assets. It can be observed that the assets of handicraft business owners range from 200,000 and above or 53.1 percent while the lowest business assets were 10,000-99,999 or 9.4 percent.

Table 2 Profile of the Handicraft Business in terms of Business Assets

Business Assets (in Php)	Frequency	Percentage (%)
10,000-99,999	3	9.4
100,000-199,999	12	37.5
200,000 and above	17	53.1

In terms of business assets, the largest group of businesses has assets valued at Php 200,000 and above, comprising 53.1 percent of the total sample. This indicates that a majority of the handicraft businesses in the Bicol-speaking town of Camarines Norte have accumulated significant assets, suggesting a certain level of success. A handicraft business with assets of 200,000 and above attributed to various factors that contribute to its growth and the accumulation of assets over time. The reasons why handicraft businesses have significant assets are the following; Machines and tools, product diversification and marketing campaigns. The allocation of business assets in a handicraft business involves distributing resources efficiently to support production, sales, and growth. Handicraft owners have only limited business assets because handicrafts are seasonal, which makes it take a long time to recover the investment. Therefore, they limit the money they spend.

Number of Workers. Table 3 shows the profile of the handicraft business in terms of number of workers. The majority of the workers are 6-10 with a frequency of 19 or 59.4 percent, followed by 11-15 workers or 21.9 percent while the remaining 18.8 percent or six are 1-5 workers.

Table 3 Profile of the Handicraft Business in terms of Number of Workers

Number of Workers	Frequency	Percentage (%)
1-5 workers	6	18.8
6-10 workers	19	59.4
11-15 workers	7	21.9
Total	32	100

In terms of the number of workers, the largest group of businesses employs between 6-10 workers, comprising 59.4 percent of the total respondents. The number of workers in a handicraft business plays a significant role in shaping its success, productivity, and scalability. This suggests that a significant proportion of the handicraft businesses in Camarines Norte operate with a moderate-sized workforce, which likely allows for the efficient production and management of their products. Moderate size workers which are the highest number of workers allow for more efficient workflows and flexibility. A team that is too small may lack the manpower to meet production demands, while a very large team might be harder to manage and lead to inefficiencies. A balanced workforce ensures tasks are distributed evenly, leading to smoother operations. Since the handicraft products are seasonal, it requires only moderate size workers to ensure also that the workers will be paid properly. Owners only have 6-10 workers because their capital is limited and the handicraft business is also seasonal or based on pre order only. According to the owners, they only hire additional workforce when they receive bulk orders since handicraft products are only seasonal. On the other hand, the smallest group of businesses employed 1-5 workers, accounting for 18.8 percent of the sample. Many handicraft owners operated small businesses because of its seasonality and they had limited financial resources and could not sustain their expenses, especially with regard to workers. These businesses were smaller in scale or operated on a more localized level, potentially limiting their ability to meet larger demands or scale operations.

Level of Adaption on Business Strategies of Handicraft Businesses

Tables 4 to 6 present the result of the Level of Adaption on Business strategies of Handicraft Businesses in terms of capital Accumulation Labor, supply, and Technological Process.

Capital Accumulation. Table 4 shows the Level of Adaption on business strategies of Handicraft Businesses Along with Capital accumulation, the result shows that the highest indicator is the business maintains optimum working capital with a 4.41 weighted mean and interpreted as highly adapted, and the three remaining indicators

are composed of the business cover expenses in a certain period, capital requirements influenced the business investment decisions in the past and the capital requirements contribute to long-term economic sustainability got 4.22 weighted mean and interpreted also as highly adapted.

Table 4 Level of Adaption on Business Strategies of Handicraft Businesses Along Capital Accumulation

Indicators	Weighted Mean	Interpretation
The business maintains optimum working capital	4.41	HA
The business established a connection between the financing institution	4.19	A
The business covers expenses in a certain period	4.22	HA
The capital requirements influenced the business investment decisions in the past	4.22	HA
The capital requirements contribute to long-term economic sustainability	4.22	HA
Over-all Weighted Mean	4.25	HA

Rating Scale:

- 4.20 – 5.00 - Highly Adapted (HA)
- 3.40 – 4.19 - Adapted (A)
- 2.60 – 3.39 - Moderately Adapted (MA)
- 1.80 – 2.59 - Less Adapted (LA)
- 1.00 – 1.79 - Not Adapted (NA)

In the assessment of the respondents on the level of adaptation of business strategies, the overall weighted mean of 4.25, is interpreted as highly adapted (HA). Hence, the statement, "The business maintains optimum working capital," got the highest mean of 4.41, interpreted as highly adapted (HA), highlighting the importance of efficient working capital management for these businesses. This suggests that the majority of the businesses in Camarines Norte, particularly in the Bicol-speaking towns can maintain an optimal level of working capital, which is critical for the smooth operation and sustainability of their activities.

It underscores the significant role that financial management, especially in terms of working capital, plays in ensuring that businesses can continue their operations and meet financial obligations promptly. Working capital in handicraft business is important because they will need it in purchasing the raw materials as well as the payment for the workers and other expenses. According to the handicraft owner, the required capital is important because some customers pay only upon receiving the finished product, which is why they are the one investing in it. The raw materials are also expensive, so a relatively large capital is really needed to make handicraft products.

Conversely, the statement "The business established a connection between financing institutions" got the lowest mean of 4.19, interpreted as adapted (A). This suggested that while some businesses had established connections with financing institutions, there was still room for improvement in this area. The finding indicated that a majority of the businesses may have relied more on internal sources of capital and less on external financing options, which could have limited their ability to scale operations or respond to financial challenges in the long term. Since handicraft owners have limited sources of capital, some of the financial institutions required a lot of documents which is difficult on the part of the owner when borrowing funds. It is also time consuming on the part of owner.

Labor supply. In Table 5, the results revealed that the highest indicator is the workers exploring career growth and opportunities in craft making with a weighted mean of 4.22 mean, interpreted as highly adapted. This is followed by the business having an adequate number of skilled workers through learning from tutorials and books with a 4.19 weighted and interpreted as adapted by the handicraft businesses.

In the mean assessment of the respondents on the level of adaptation of business strategies along labor supply, the categorical mean got 4.13, which served as adapted (A) for the overall labor supply strategies. Hence, the statement, "The workers explored career growth and opportunities in craft making," got the highest mean of 4.22, categorized as highly adapted (HA), highlighting the significance of career growth and opportunities for workers in the craft-making industry. This suggested that many of the businesses in Camarines Norte actively

Table 5 Level of Adaption on Business Strategies of Handicraft Businesses Along labor supply

Indicators	Weighted Mean	Interpretation
The business has an adequate number of skilled workers through learning from tutorials and books	4.19	A
The workers upskilling through specialization	4.13	
The workers attend training and workshop in Handloom Weaving (Well-trained)	4.00	A
The workers have a regular practice for skill enhancement	4.13	A
The workers explore career growth and opportunities in craft-making	4.22	HA
Over-all Weighted Mean	4.13	A

Rating Scale:

- 4.20 – 5.00 - Highly Adapted (HA)
- 3.40 – 4.19 - Adapted (A)
- 2.60 – 3.39 - Moderately Adapted (MA)
- 1.80 – 2.59 - Less Adapted (LA)
- 1.00 – 1.79 - Not Adapted (NA)

encouraged workers to explore career advancement within the handicraft industry, which could enhance job satisfaction, retention, and skill development. This finding underscored the importance of providing workers with opportunities to advance in their careers, contributing to higher levels of motivation and productivity. According to the owner of the handicrafts, the artisan skills are further enhanced through tutorials from the internet and attending workshop. This is utilized and results in better quality, which clients particularly like, especially when customized to the customers' preferences and when they desire unique designs in handicrafts. By combining their craft skills with entrepreneurial thinking, workers in the handicrafts business could pursue a variety of paths for career growth, from learning new techniques to expanding into global markets.

This was supported by Shiri et al. (2023), who stated that skill enhancement and career development opportunities were vital for labor force sustainability, especially in small businesses. Businesses that invested in the development of specialized skills and provided clear career growth pathways for workers tended to perform better in the long term, with higher levels of employee satisfaction and lower turnover rates.

On the other hand, the worker's upskill through specialization got the lowest mean of 4.13, categorized as adapted (A). This suggests that while workers are engaging in upskilling activities, such as specialization, it is not as prominent or universally adopted as the opportunity for career growth. This indicates that although some businesses recognize the importance of specialization in improving their workers' skills, there might be inconsistent efforts across businesses in providing targeted, specialized training. Due to lack of financial, the training of workers in handicraft sector is not given much attention, especially since the prices of materials for making handicrafts products has also increased and the priority of the owner focused on the raw materials and the wages of the workers.

Technological Process. In Table 6, results revealed that the highest weighted mean is by infusing new strategies to improve the quality of the product with a weighted mean of 4.00 and interpreted as highly adapted. This is

followed by using standardized and consistency of the handicraft products in terms of craftsmanship, materials used, and overall finish with a weighted mean of 3.97 and interpreted as adapted by the handicraft businesses. It was noted that all indicators for classifications of workers obtained a grand weighted mean of 3.90 interpreted as adapted by the handicraft businesses.

In the mean assessment of the respondents on the level of adaptation of business strategies along the technological process, the categorical mean got 3.90, which served as adapted (A) for the overall technological strategies. Hence, the statement "Infused new strategies to improve the quality of the product" got the highest mean of 4.00, categorized as adapted (A), highlighting the importance of continuously evolving and implementing new strategies to improve product quality.

This suggested that businesses in the Bicol-speaking town of Camarines Norte were proactively incorporating strategies that enhanced the overall quality of their handicraft products, contributing to a more competitive market position. It is important to have sufficient knowledge among artisans and to use new strategies to produce higher quality output. This finding underscored the significance of innovation and quality control in sustaining long-term business growth.

Table 6 Level of Adaption on Business Strategies of Handicraft Businesses Along Technological Process

Indicators	Weighted Mean	Interpretation
Introduction of new and unique designs which are different from competitors.	3.88	A
Increasing the quality of the materials used in making the handicrafts products.	3.84	
Infusing new strategies to improve the quality of the product.	4.00	A
Using standardized and consistent handicraft products in terms of craftsmanship, materials used, and overall finish.	3.97	A
Introducing new products that include new materials that are different from what is currently used	3.81	A
Over-all Weighted Mean	3.90	A

Rating Scale:

- 4.20 – 5.00 - Highly Adapted (HA)
- 3.40 – 4.19 - Adapted (A)
- 2.60 – 3.39 - Moderately Adapted (MA)
- 1.80 – 2.59 - Less Adapted (LA)
- 1.00 – 1.79 - Not Adapted (NA)

On the other hand, the statement "Introducing new products that include new materials that are different from what is currently used" got the lowest mean of 3.81, categorized as adapted (A). This suggested that while businesses were introducing new products, the use of new materials in handicraft production was less frequently implemented. It implied that while there was a general openness to product innovation, the adoption of entirely new materials remained a more gradual process. This could have been due to factors such as cost constraints, availability of new materials, or resistance to change within the industry.

CONCLUSION

The research arrived at the following conclusions: 1)The Majority of the handicraft businesses were already 11 to 15 years in operation with assets ranging from 200,000 and above and composed of 11 to 15 workers; 2) The highly adapted on business strategies along capital accumulation is the business maintains optimum working

capital, while along labor supply the workers explore career growth and opportunities in craft making, and lastly in the technological process which is rated as adapted is by Infusing of new strategies to improve the quality of the product.

RECOMMENDATION

The following recommendations were suggested: 1) Handicraft business owners can enhance their growth by engaging in scaling initiatives like exploring new markets, preparing for export, or adopting digital technologies, as most of these enterprises are already in a mature stage of development. 2) The craftsmen may prioritize in creating something of high quality rather than creating many things of lesser quality. They also need to understand that there is always room for improvement and that they can always learn something new so it is important to learn continuously, especially in creating handicrafts products. 3) Handicraft owners may establish collaborations with microfinance institutions or government agencies to access affordable loans or grants. Additionally, they can organize practical training sessions focused on enhancing production efficiency and improving the consistency of workers' performance. 4) Handicraft owners may attend strategy training programs that cater to all kinds of enterprises, regardless of their size, years in operation, or number of employees. They should also ensure continuous access to resources and workshops focused on market trends, digital technologies, and customer engagement, as the adoption of business strategies is not influenced by business profile. 5) Handicraft business may implement the Action Plan by engaging all relevant stakeholders. Prioritize providing handicraft businesses in the Bicol-speaking areas of Camarines Norte with easy access to financial assistance, necessary raw materials, and appropriate technology, as outlined in the Action Plan. 6) Future researchers may conduct an in-depth study targeting a broader scope and focusing not only on the handicrafts industry but on other industries as well since the scope of this research only focuses on the handicrafts industry in Bicol-speaking town in Daet, Camarines Norte.

ACKNOWLEDGMENT

The researchers would like to express their appreciation and deepest gratitude to all the people who made significant contributions for the completion of this research study and make the research into a reality: to Dr. Jennifer S. Rubio, Dr. Jesse O. Opeña Jr, MBA, Emmalyn G. Guaves, MBA, Jefferson T. Dacer, CPA, MBA and Dr. Rusty G. Abanto for their unselfish pieces of advice and for sharing significant inputs, valuable insights and suggestions for the enrichment of this study.

REFERENCES

1. Kraus et al., (2021). Digital transformation in business and management research: An overview of the current status quo. *International Journal of Information Management*, 63, 102466. <https://doi.org/10.1016/j.ijinfomgt.2021.102466>
2. Lazarova et al., (2022). Global work in a rapidly changing world: Implications for MNEs and individuals. *Journal of World Business*, 58(1), 101365. <https://doi.org/10.1016/j.jwb.2022.101365>
3. Mendoza et al., (2023). Influence of the Factors of Business Opportunities Amo Micro and Small Enterprises in Selected Areas of Cavite (CERN European Organization for Nuclear Research) <https://doi.org/10.98765/ajmesc.v3i01.221>
4. Nkwinka & Akinola (2023). The importance of financial management in small and medium-sized enterprises (SMEs): an analysis of challenges and best practices. *Technology Audit and Production Reserves*, 5(4(73)), 12–20. <https://doi.org/10.15587/2706-5448.2023.285749>
5. Pascucci, et al., (2023). How digital technologies reshape market evidence from a qualitative investigation. *Italian Journal of Marketin* <https://doi.org/10.1007/s43039-023-00063-6>
6. Shafi et al., (2021). Factors Influencing the Consumer Acceptance of Innovation in Handicraft Products. *SAGE Open*, 11(4). <https://doi.org/10.1177/21582440211061528>
7. Shiri et al., (2023). The Role of Continuing Professional Training or Development in Maintaining Current Employment: A Systematic Review. *Healthcare*, 11(21), 2900. <https://doi.org/10.3390/healthcare11212900>

8. Somwethee et al., (2023). The influence of entrepreneurial capability and innovation capability on sustainable organization performance: Evidence of community enterprise in Thailand. *Journal of Open Innovation Technology Market and Complexity*, 9(2), 100082. <https://doi.org/10.1016/j.oiotmc.2023.100082>
9. Voordt et al., (2021). The impact of healthy workplaces on employee satisfaction, productivity, and costs. *Journal of Corporate Real Estate*, 25(1), 29–49. <https://doi.org/10.1108/jcre-03-2021-0012>
10. Gyawali B. (2023). Exporting Nepali Handicrafts to European Markets. To identify the challenges that companies have encountered when exporting handicrafts. <https://www.theseus.fi/bitstream/handle/10024/807663/>
11. Majeed I. (2019). <https://persuasive-topics.blogspot.com/2019/10/importance-of-handicraft-industry.htm>