

# Investment Practices and Financial Challenges of Micro and Small Food Businesses in Guimba, Nueva Ecija: Basis for Sustainability Plan

Mark-Jay C. Primo<sup>1</sup>, Laizy Lyn C. Alarilla<sup>2</sup>, Janice S. Leal<sup>3</sup>, Noel B. Agustin<sup>4</sup>

<sup>1</sup>Department of Education, Guimba, Nueva Ecija, Philippines

<sup>2</sup>General de Jesus College, San Isidro, Nueva Ecija, Philippines

<sup>3</sup>World Citi Colleges, Guimba, Nueva Ecija, Philippines

<sup>4</sup>Nueva Ecija University of Science and Technology, Cabanatuan City, Nueva Ecija, Philippines

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## ABSTRACT

The study examined the investment practices and financial challenges faced by micro and small food enterprises in Guimba, Nueva Ecija. A descriptive-correlational study design was utilized in the study. A total of 40 business owners were purposefully selected to provide data using a structured questionnaire. This questionnaire evaluated factors such as capital allocation, reinvestment, financial planning, financial problems, and sustainability aspects. The results indicate that most firms were categorized as micro-scale, operated with a limited workforce, and produced minimal monthly income. Respondents generally demonstrated positive investing strategies, especially in capital allocation and reinvestment; however, their financial planning methods requires further improvement. The enterprises had considerable financial difficulties, particularly concerning credit accessibility, inconsistent cash flows, and escalating operational expenses. The findings of the study highlights that although micro and small food businesses has responsible financial behaviors, significant financial constraints hinder their long-term suitability.

**Keywords:** Financial Challenges, Investment Practices, Micro and Small Food Businesses

## INTRODUCTION

Micro and small food enterprises are essential in advancing the local economic development of the community, fostering entrepreneurship, and generating livelihood opportunities in all municipalities in the Philippines. These enterprises contribute greatly to job creation and generation of income to the local, especially in rural communities where small businesses are primary drivers of economic activity (Philippine Institute for Development Studies) or PIDS,2022. In Guimba, Nueva Ecija, food-related micro and small enterprises form an ample portion of the local business sector and support both household income and the broader community's food supply chain.

Despite their economic significance, many micro and small enterprises continuously encounter financial management challenges. Bulaon & Santos (2023) asserts that having effective investment practices such as proper capital allocation, structure financial planning, and reinvestment of profits are essential for the businesses to achieve growth and long-term competitiveness. However, these businesses often face obstacles such as limited access to financing, cash flow instability and rising operational costs which limit their capacity to expand or sustain their operations (Department of Trade and Industry or DTI, 2023).

In the recent years, economic fluctuations, supply chain disruptions, and market uncertainty intensified vulnerability of micro and small businesses. Limited financial barriers make these enterprises more susceptible to external shocks and liquidity constraints (International Labour Organization or ILO, 2022). Consequently,

financial challenges often hinder their ability to implement sustainable business strategies, including environmental compliance, employee welfare programs, and community engagement initiatives.

Understanding on how investment practices and financial challenges affect business sustainability is a critical matter. Business sustainability covering economic stability, social responsibility, and environmental performance requires deliberate and well-managed financial decisions (Castillo & Mendoza, 2021). With this context, this study investigates the investment practices and financial challenges of micro and small food businesses in Guimba, Nueva Ecija, as the basis for developing a business sustainability plan aimed at enhancing resilience, financial performance, and long-term viability.

## METHODOLOGY

This study uses a descriptive-correlational quantitative design. Descriptive research design focuses on observing and gathering data about a specific topic without trying to establish cause-and-effect relationships. Its main goal is to outline the characteristics, behaviors, and attributes of a certain population or phenomenon (Sirisilla, 2023). A descriptive research design allows the researchers to describe the financial management practices businesses use and their financial challenges, and compare them with how well the businesses are performing. It does not try to determine cause and effect; instead, it provides a clear picture of existing conditions and relationships (Deligero et al., 2025).

A correlational design was utilized to measure the relationship between investment practices and financial challenges to business sustainability. A correlational research design examines the relationships between variables without manipulating them; it does not test the cause-and-effect relationship. (Devi & Lepcha, 2023).

In order to add further depth to the study, researchers performed interviews with a subset of some of the individuals that were interviewed for the original research study. These interviews aided to explore financial behaviors of the entrepreneurs that could not be explored through the quantitative research alone. Topics covered in the interviews include perceptions on collateral limitations and banking requirements, general attitudes towards financial risks and borrowing, barriers to accessing credit despite awareness on financing programs, and reinvestment and financial planning decision-making processes.

### Sampling Procedure

The respondents of the study are micro and small food business owners that is registered in Guimba, Nueva Ecija. The study utilized a purposive sampling technique in which the respondents were specifically chosen by the researchers based on predetermined criteria. Purposive sampling, also known as judgmental sampling, is a non-probability sampling technique wherein the respondents are chosen deliberately due to the qualities they possess (Etikan et al., 2016). A total of 40 respondents to provide pertinent data for the investigation.

The researchers applied the following criteria in selecting participants: (1) businesses classified as micro or small enterprises, (2) enterprises operating within the food industry, and (3) owners or managers with sufficient knowledge of the firm's investment practices and financial challenges. These criteria were established to ensure that the respondents could provide relevant, accurate, and experience-based information necessary to address the objectives of the study.

### Respondents

The respondents of the study were owners or managers of registered micro and small food businesses operating within the area of Guimba, Nueva Ecija. These include enterprises classified under the Department of Trade and Industry (DTI) and the Local Government Unit as micro (with assets not exceeding ₱3,000,000) and small businesses (assets between ₱3,000,000 and ₱15,000,000). The researchers prioritized owners who directly manage their business finances as their respondents to ensure accuracy in reporting investment practices and financial challenges. A total of 40 respondents were obtained to provide pertinent data for the study.

## Research Site

The research was carried out in the municipality of Guimba, situated in the northern region of Nueva Ecija. Guimba is among the larger municipalities in the province, noted for its varied agricultural output and burgeoning local food sector. The region accommodates a variety of micro and small food operations, including as restaurants, bakeries, snack vendors, catering services, beverage outlets, and other food-related businesses. These operations cater to both local inhabitants and adjacent barangays, making Guimba an optimal location for analyzing financial practices and sustainability strategies within small-scale food businesses.

## RESULTS AND DISCUSSION

### Business Profile of Micro and Small Food Businesses

#### Type of Business

Table 1 presents the distribution of micro and small food businesses by type of business.

Table 1. Type of Business of Food MSEs in Guimba, Nueva Ecija

Type of business	Frequency	Percentage
Carinderia	15	37.50%
Bakery	10	25.00%
Processed food/snacks	7	17.50%
Sari-sari store with food	4	10.00%
Others	4	10.00%
<b>Total</b>	<b>40</b>	<b>100.00%</b>

Table 1 reveals that carinderias (37.5%) and bakeries (25%) are the most prevalent micro and small food enterprises in Guimba, Nueva Ecija, as identified in the survey. Processed food and snack firms constitute 17.50%, whilst sari-sari stores, which provide food and assorted things, account for 10%. The data indicate that the food industry in Guimba, Nueva Ecija, primarily comprises small, low-capital, informal food enterprises.

#### Years in Operation

Table 2 presents the distribution of micro and small food businesses by years in operation.

Table 2. Years in Operation of Food MSEs in Guimba, Nueva Ecija

Years in Operation	Frequency	Percentage
Less than 1 year	6	15%
1-3 years	14	35%
4-6 years	7	18%
7-9 years	10	25%
10 years and above	3	8%
<b>Total</b>	<b>40</b>	<b>100%</b>

The majority of enterprises have been in operation for 1-3 years (35%) and 7-9 years (25%), whilst merely 8% have been established for a decade or more. This signifies a combination of nascent and moderately established enterprises, with a limited number of longstanding food businesses.

### Number of Employees

The Table 3 presents the distribution of micro and small food businesses by number of employees.

Table 3. Number of Employees of Food MSEs in Guimba, Nueva Ecija

Number of employees	Frequency	Percentage
1-5	29	73%
6-10	11	28%
11-20	0	0%
More than 20	0	0%
<b>Total</b>	<b>40</b>	<b>100%</b>

Most enterprises operate with 1-5 people (73%), and the remainder employs 6-10 workers (28%), with none beyond 10 employees. This indicates that the respondents are primarily micro-scale enterprises.

### Average monthly gross sales

Table 4 presents the distribution of micro and small food businesses by average monthly gross sales.

Table 4. Average Monthly Gross Sales of Food MSEs in Guimba, Nueva Ecija

Approximated Average monthly gross sales	Frequency	Percentage
₱10,000 and below	16	40%
₱10,001-₱30,000	14	35%
₱30,001-₱50,000	10	25%
Over ₱50,000	0	0%
<b>Total</b>	<b>40</b>	<b>100%</b>

A substantial number of businesses generate comparatively low revenues, with 40% earning ₱10,000 or less per month and 35% earning ₱10,001-₱30,000 per month. Only 25% of the individuals fell within the range of 30,001 to 50,000 or higher. These figures suggest that the revenue levels of micro food enterprises operating in rural towns are modest, as customer volume and pricing are still constrained.

### Investment Practices of Micro and Small Food Business Enterprises

#### Capital allocation

Table 5 presents the investment practices of micro and small food enterprises in Guimba, Nueva Ecija, in terms of capital allocation.

Table 5. Capital Allocation of Food MSEs in Guimba, Nueva Ecija

Item Statement	Weighted Mean	Verbal Description
Allocate capital based on a formal business plan or budget.	3.38	Strongly Agree
Prioritize allocating funds to core business operations before expansion.	3.28	Strongly Agree
Regularly review and adjust capital distribution according to market changes.	3.30	Strongly Agree
Maintain a contingency fund for expected business expenses.	3.05	Agree
Capital allocation strategy supports long-term profitability.	3.08	Agree
<b>Overall Weighted Mean</b>	<b>3.22</b>	<b>Agree</b>

The Table 5 shown that micro and small food business enterprises in Guimba, Nueva Ecija, have moderate adherence to capital allocation practices. Allocation of capital based on a formal business plan or budget has the highest mean of 3.38, followed by fund allocation to business operation with a mean score of 3.28, and regular review and capital adjustment has a mean of 3.30. The lower means for supporting long-term profitability (3.08) and maintaining contingency funds (3.05) suggest that food businesses apply planning for short-term operational stability, they are less oriented to building a resilient financial buffer or long-term capital growth.

This pattern is consistent with the findings of Alferos (2023), where it is observed that SMEs in Zambales highly practice working capital management over capital structure and investment decision practices.

### Reinvestment practices

Investment practices of micro and small food enterprises in Guimba, Nueva Ecija, in terms of reinvestment practices are presented in Table 6.

Table 6. Reinvestment Practices of Food MSEs in Guimba, Nueva Ecija

Item Statement	Weighted Mean	Verbal Description
Reinvest a portion of business profits to improve equipment or facilities.	3.10	Agree
Allocate funds for product quality enhancement and innovation.	3.15	Agree
Use retained earnings to expand market reach or customer base.	2.95	Agree
Prioritize reinvestment in areas that improve productivity.	3.03	Agree
Reinvestment decisions are guided by financial performance metrics.	3.03	Agree
<b>Overall Weighted Mean</b>	<b>3.05</b>	<b>Agree</b>

As shown in Table 6, reinvestment practices of micro and small food business enterprises in Guimba, Nueva Ecija, have an overall mean of 3.05, where business owners commonly reinvest for product quality and improvement (3.15) or in equipment/facilities (3.10). Moreover, reinvestment in productivity and financial

performance metrics got a mean score of 3.03. However, the statement related to the expansion of market reach has the lowest mean of 2.95.

The result suggests that business owners have a conservative reinvestment strategy focusing on maintenance or minor improvement rather than business expansion. These findings contradict the study of Deligero & Ballados (2025), which shows that food retail MSEs in Negros Occidental are proactive in utilizing their fund for business expansion.

### **Financial Planning**

Investment practices of micro and small food enterprises in Guimba, Nueva Ecija, in terms of financial planning are presented in Table 7.

Table 7. Financial Planning of Food MSEs in Guimba, Nueva Ecija

<b>Item Statement</b>	<b>Weighted Mean</b>	<b>Verbal Description</b>
Prepare short-term and long-term financial plans for business.	3.15	Agree
Set specific financial goals and monitor progress regularly.	3.10	Agree
Maintain accurate financial records to guide investment decisions.	3.10	Agree
Use financial data (e.g., sales trends, costs) to support business planning.	2.83	Agree
Consult with financial experts or accountants when making major financial decisions.	2.55	Agree
<b>Overall Weighted Mean</b>	<b>2.95</b>	<b>Agree</b>

The Table 7 shown that respondents of micro and small food business enterprises in Guimba, Nueva Ecija, agree that they prepare short-term and long-term financial plans (3.15), set specific goals and financial progress (3.10), and maintain accurate financial records to guide investment decisions (3.10). However, the lower means for financial data usage to support business planning (2.83) and consultation with financial experts or accountants for major financial decisions (2.55). It suggests that owners or managers rely on their own judgment and limited use of formal financial analysis or advisory services.

### **Financial Challenges Faced by Micro and Small Food Business Enterprises**

#### **Access to credit and financing**

Financial challenges faced by micro and small food business enterprises in terms of access to credit and financing are presented in Table 8.

Table 8. Access to Credit and Financing of Food MSEs in Guimba, Nueva Ecija

<b>Item Statement</b>	<b>Weighted Mean</b>	<b>Verbal Description</b>
It is difficult to secure loans or external financing for business needs.	2.83	Agree
The requirements for bank financing are too strict for small businesses.	2.78	Agree

Rely mainly on personal savings or family support for funding.	2.85	Agree
Lack of access to credit that limits ability to expand operations.	3.05	Agree
Aware of financing programs, but find them difficult to access.	2.88	Agree
<b>Overall Weighted Mean</b>	<b>2.88</b>	<b>Agree</b>

The Table 8 shown that micro and small food business enterprises in Guimba, Nueva Ecija, generally agree on having constraints in obtaining external financing. Having lack of credit, limits their ability to have the highest mean score of 3.05. Businesses also depend on personal savings and family support, and view bank financing requirements as too strict.

This data suggests that micro and small businesses faced constraints in accessing credit and financing, which in turn limits their ability to expand, invest, or scale operations. ADB (2025) argues that financial institutions view MSME lending as high-risk, low-return due to the lack of suitable collateral, perception of high credit risk and high operating costs.

### Cash flow management

Financial challenges faced by micro and small food business enterprises in terms of cash flow management are presented in Table 9.

Table 9. Cash Flow Management of Food MSEs in Guimba, Nueva Ecija

Item Statement	Weighted Mean	Verbal Description
Business often experiences irregular cash inflows.	2.83	Agree
Face challenges in balancing payments and receivables.	2.33	Disagree
It is hard to track cash flow consistently.	2.65	Agree
Insufficient working capital affects ability to sustain daily operations.	3.15	Agree
Cash flow issues limit my investment and reinvestment capabilities.	3.03	Agree
<b>Overall Weighted Mean</b>	<b>2.80</b>	<b>Agree</b>

The Table 9 shown that micro and small food business enterprises in Guimba show an agreement on insufficient working capital, giving the highest mean of 3.15. Issues with cash flow limit, irregular cash inflow, and record keeping have a mean of 3.03, 2.83, and 2.65, respectively. While challenges in balancing payments and receivables got the lowest mean score of 2.33.

This indicates that, while many micro and small food businesses attempt to track cash, limited working capital interrupts operations and limits investment capacity. The study of Aboimbola and Kolawe (2017) found that SMEs' performance has a positive relationship with cash management practices. This denotes that for the SMEs to operate efficiently; they should have a good working capital management practice.

### Cost control and debt management

Financial challenges faced by micro and small food business enterprises in terms of cost control and debt management are presented in Table 10.

Table 10. Cost Control and Debt Management of Food MSEs in Guimba, Nueva Ecija

Item Statement	Weighted Mean	Verbal Description
Rising operating costs affect business's profitability.	3.40	Strongly Agree
Find it difficult to manage debt repayment schedules.	2.93	Agree
Rarely review expenses, which causes to miss potential cost-saving opportunities.	2.50	Agree
Fail to use budgeting effectively, often leading to unnecessary expenses.	2.20	Disagree
High-interest rates from loans negatively impact business growth.	2.98	Agree
<b>Overall Weighted Mean</b>	<b>2.80</b>	<b>Agree</b>

The Table 10 shown that the greatest concern of micro and small food business enterprises in Guimba, Nueva Ecija, is rising operating costs affecting profitability, with a mean of 3.40; high-interest loans have a mean of 2.98, managing debt repayment gained a mean of 2.93, and expense review and routine budgeting gained a mean of 2.50 and 2.20, respectively.

This pattern of data signals that owners are aware of cost pressures but may lack cost-control practices.

### Sustainability of Micro and Small Food Business Enterprises

#### Economic Sustainability

Sustainability of micro and small food business enterprises in terms of economic sustainability is presented in Table 11.

Table 11. Economic Sustainability of Food MSEs in Guimba, Nueva Ecija

Item Statement	Weighted Mean	Verbal Description
Business consistently achieves a positive profit margin.	2.88	Agree
Maintain financial reserves for business continuity.	3.00	Agree
Reinvest profits to ensure long-term stability.	3.18	Agree
Monitor financial performance regularly to ensure continued profitability.	3.48	Strongly Agree
Adopted cost-saving measures to enhance sustainability.	3.40	Strongly Agree
<b>Overall Weighted Mean</b>	<b>3.19</b>	<b>Agree</b>

The Table 11 shown that micro and small food businesses in Guimba, Nueva Ecija show strong practice in financial monitoring and cost saving, having a mean of 3.48 and 3.40, respectively. While reinvestment and financial reserves have moderate agreement with a mean of 3.18 and 3.00, respectively. Achieving positive profitability has the lowest mean of 2.88.

This data pattern suggests that owners are aware of the practices needed for financial sustainability, yet these practices are not fully translating into consistent profit margins. This finding is consistent with the study of Mendoza (2015), the study shows that MSMEs are suffering from low-level profitability despite displaying a favorable operational activity and liquidity.

**Social sustainability**

Sustainability micro and small food business enterprises in terms of social sustainability are presented in Table 12.

Table 12. Social Sustainability of Food MSEs in Guimba, Nueva Ecija

Item Statement	Weighted Mean	Verbal Description
Business provides fair treatment and respect to employees and customers.	3.65	Strongly Agree
Support local suppliers, workers, or community groups whenever possible.	3.65	Strongly Agree
Business practices promote customer trust and long-term relationships.	3.58	Strongly Agree
Ensure safe, healthy, and fair working conditions for employees.	3.58	Strongly Agree
Business contributes positively to the community (e.g., participation in events, supporting local causes).	3.50	Strongly Agree
<b>Overall Weighted Mean</b>	<b>3.59</b>	<b>Strongly Agree</b>

The Table 12 shown that the overall weighted mean of social sustainability gained the highest score among the three dimensions of sustainability. Fair treatment and respect to employees and customers, and supporting local suppliers, workers, and community received the highest mean of 3.65. While promoting customer trust and relationship, and having a safe, healthy, and fair working environment, it received a mean score of 3.58. And a positive contribution to the community got the lowest mean of 3.50.

The data indicate that all of the social sustainability aspects are assets for micro and small businesses that rely on repeat customers and local networks. These findings align with the study of Ansar et al. (2025), where a strong level of social sustainability is evident among MSMEs. Research shows that social performance can improve customer loyalty, which is crucial for MSMEs.

**Environmental sustainability**

Sustainability micro and small food business enterprises in terms of environmental sustainability are presented in Table 13.

Table 13. Environmental Sustainability of Food MSEs in Guimba, Nueva Ecija

Item Statement	Weighted Mean	Verbal Description
Reduce waste generated by business operations.	3.53	Strongly Agree
Use materials or products that are eco-friendly when financially feasible.	3.03	Agree

Practice energy or water conservation in daily business operations.	3.23	Agree
Minimize the use of plastic or non-biodegradable materials when possible.	3.08	Agree
Comply with local environmental rules or guidelines related to food businesses.	3.23	Agree
<b>Overall Weighted Mean</b>	<b>3.22</b>	<b>Agree</b>

The Table 13 shown that micro and small food business enterprises in Guimba shows a strong practice for waste reduction with a highest mean of 3.53. Both conservation of energy or water and compliance with environmental rules and guidelines has a mean of 3.23. A lower agreement on reducing the use of plastics and using eco-friendly materials has a mean of 3.08 and 3.03 respectively.

This data shows that micro and small food businesses moderately practice environmental sustainability. According to Derhab & Elkhwesky (2013), MSMEs generate wastes including metals, plastic, chemicals, papers, wood, cooking oil, and others. The lack of funding, expertise, experience, education, and training are among the barriers to the MSMEs on waste management. It is also noted that improved financial performance, economic growth, competitive advantage, and sustainable development are needed for successful waste management.

### Relationship of Investment Practices and Financial Challenges to the Sustainability

#### Correlation Between Investment Practices and Sustainability

The result shows that there is a significant positive relationship between investment practices and sustainability ( $r = 0.62$ ). This finding indicates that micro and small food enterprises (MSFEs) with stronger investment planning such as capital allocation, reinvestment, and financial forecasting achieve higher levels of sustainability across financial, social, and environmental dimensions.

The strong correlation with financial sustainability ( $r = 0.68$ ) suggests that investment practices directly enhance profitability and financial stability. This result aligns with the study of Kiggundu and Abaho (2022), who found that structured reinvestment and financial planning significantly increase the long-term financial performance of small enterprises. Likewise, Boadi and Say (2022) concluded that investment readiness and capital reinvestment are among the strongest predictors of business resilience and long-term viability.

Additionally, the result shows a moderate correlation between investment practices and social sustainability ( $r=0.51$ ). This finding aligns with the study of Hossain and Rahman (2023), who reported that MSMEs investing in employee development, customer relations, and community programs show improved social engagement outcomes.

Furthermore, it shows a moderate positive correlation between investment practices and environmental sustainability ( $r=0.57$ ). This finding is consistent with Santos and Leal (2021), who found that small businesses that invest in environmentally friendly technologies such as waste reduction systems and energy-efficient equipment demonstrate stronger environmental performance.

Overall, results shows that investment practices substantially contribute to enterprise sustainability, which supports the findings of Boadi and Say (2022), who emphasized investment strategy as a core driver of business sustainability in developing economies.

#### Correlation Between Financial Challenges and Sustainability

The result of the study shows that financial challenges significantly reduce sustainability, with a strong negative overall correlation ( $r = -0.62$ ). MSEs experiencing limited credit access, inconsistent cash flow, and difficulty controlling operational costs show lower financial, social, and environmental sustainability.

The strong negative correlation with financial sustainability ( $r = -0.71$ ) aligns with Dewi and Handayani (2021), who found that financial instability particularly credit constraints and liquidity shortages is one of the strongest predictors of reduced profitability among MSMEs.

The Financial challenges also show a moderate negative correlation with social sustainability ( $r = -0.49$ ). This supports the findings of Osei and Ackah (2022), who explained that social and community programs are among the first to decline when businesses face financial pressure.

The moderate negative correlation with environmental sustainability ( $r = -0.53$ ) is echoed in the findings of Mendoza and Cruz (2023), who noted that financially constrained micro food enterprises struggle to adopt environmental practices or invest in eco-efficient technologies.

The significant negative correlation between financial challenges and sustainability supports the conclusion of Rashid and Karim (2024), who found that persistent financial difficulties greatly diminish SMEs' long-term sustainability scores across developing economies.

Overall, data shows that investment practices increase sustainability and financial challenges decrease sustainability. Both predictors have statistically meaningful relationships with the sustainability of food businesses.

### **Correlation Between Financial Planning and Income**

To further strengthen the correlational analysis, a statistical test was also conducted to determine the relationship between financial planning practices and monthly income. The Pearson correlation analysis used in the study revealed a moderate positive relationship ( $r = 0.55$ ,  $p < 0.01$ ) which indicates that enterprises investing more in financial planning have higher income levels. The study measured financial planning through a scale incorporating components of financial analysis and planning, liquidity analysis, and profitability analysis.

It is implied that businesses that budget, forecast and monitor financial tend to perform better. Also, it suggests that financial planning helps in generation of income and performing operation.

The coefficient of determination ( $r^2 = 0.30$ ) shows that financial planning practices can explain approximately 30% of the monthly income variation. Although it does not mean causation, it is a real relationship and statistically significant. It indicates that both financial literacy and planned structuring improve business performance.

### **Credit Accessibility**

The qualitative results reveal that the barriers to access to credit are not only institutional but behavioral and information-related. Some respondents were not willing to apply for a loan due to fear of debt and not able to repay. Some indicated that complicated documentation demands, along with lack of collateral, were main deterrents.

These findings show that people show positive reinvestment habits. Due to structural limitations and psychological factors, they remain financially excluded. This results in limited access to formal financing systems.

### **Proposed Sustainability Plan for Micro and Small Food Enterprises in Guimba, Nueva Ecija**

To operationalize the findings of this study, a structured and actionable framework is proposed. The framework includes components to build financial capabilities, receive institutional support, and implement organizational strategies.

Table 14. Framework of Proposed Sustainability Plan for Micro and Small Food Enterprises in Guimba

Strategic Area	Key Activities	Timeline	Responsible Stakeholders
Access to Credit Enhancement	Conduct financial literacy campaigns, simplify loan requirements, and link MSMEs to microfinance institutions	Short-term to Medium-term (0–12 months)	DTI, Microfinance Institutions, Banks
Financial Capacity Building	Provide training on cash flow management, budgeting, and financial forecasting	Short-term (0–6 months)	Department of Trade and Industry (DTI), Local Government Unit (LGU), Academe
Efficiency and Cost Control Programs	Training on supplier negotiation, bulk purchasing, and cost minimization	Medium-term (6–12 months)	LGU, Business Associations
Digital Financial Tools Adoption	Introduce simple accounting apps for sales and expense tracking	Medium-term (6–12 months)	Private Tech Providers, LGU
Innovation and Market Expansion	Support digital marketing strategies and product development	Long-term (1–2 years)	DTI, Entrepreneurs, Academe
Environmental Sustainability Practices	Promote eco-friendly packaging and waste reduction systems	Medium to Long-term (6–24 months)	Non-government Organizations (NGOs), Department of Environment and Natural Resources (DENR), LGU

Table 14 shows the strategic areas, key activities, timeline and responsible stakeholders for the proposed sustainability plan for micro and small food enterprises in Guimba, Nueva Ecija. This framework ensures that sustainability is not just conceptual but also practically implementable for these firms with specific measurable milestones that can be achieved over time.

Expected outcomes of the proposed sustainability plan includes reduced dependency on personal funds and increased access to financing, improved record-keeping and financial planning, enhanced income stability and profitability and, strengthened social and environmental sustainability practices

## CONCLUSIONS

The following conclusions were derived from the study:

- The results indicates that carinderias and bakeries are the primary types of micro and small food enterprises in Guimba, Nueva Ecija, which have been in operation for one to three years and are typically staffed by one to five employees. The financial capacity of the majority of these enterprises is limited, as evidenced by their modest monthly income.
- The respondents show generally positive investment practices, particularly in capital allocation and reinvestment. However, financial planning is an area that requires further improvement.
- The businesses also encounter moderate financial challenges, particularly in the areas of managing cash flow, controlling operational costs, and accessing credit. Many owners are forced to rely significantly on personal savings as a result of the strict loan requirements.

- The enterprises demonstrate robust social sustainability practices and demonstrate satisfactory levels of financial and environmental sustainability. However, their environmental initiatives are restricted by financial constraints.
- Although micro and small food enterprises make responsible financial and sustainability-related decisions, growth and long-term sustainability are hindered by ongoing financial limitations. This highlights the imperative for a thorough sustainability strategy focused on improving financial management and company resilience. This study confirms that investing strategies increase sustainability, whereas financial barriers undermine it.

## RECOMMENDATIONS

Based on the data and conclusions presented, the following recommendations were made:

- Micro and small food business proprietors should enhance their financial planning by engaging in training programs focused on budgeting, forecasting, cash flow management, and record-keeping. They should be urged to consult financial professionals and participate in mentoring programs provided by organizations like the DTI.
- The local government and pertinent institutions should facilitate entrepreneurs by streamlining lending criteria and enhancing awareness of financing initiatives tailored for MSMEs located in Guimba, Nueva Ecija to address the challenges with credit accessibility of the micro and small enterprises.
- The enhancement of cash flow and cost management is crucial; business proprietors may utilize basic digital technologies to monitor sales, expenses, and inventory, while consistently assessing operational costs to uncover possible savings.
- To facilitate investment and reinvestment, businesses must to be advised on establishing emergency funds and prioritizing enhancements that improve efficiency and product quality.

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