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Triple Helix for Sustainable Development Goals: An Impact Assessment of Shared Service Facility for Micro, Small, and Medium Enterprises Competitiveness in the Philippines

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ABSTRACT

This study investigates the impact and operational challenges of the Shared Service Facility (SSF) for Micro, Small, and Medium Enterprises (MSMEs) in the Philippines, focusing on enhancing MSME competitiveness and sustainability. Through a mixed-methods approach, including surveys, interviews, and data analysis, the study assesses the SSF's effectiveness in supporting MSMEs and identifies key challenges hindering its operation. The findings reveal significant improvements in MSMEs' access to resources, innovation capacity, and market competitiveness following SSF assistance. However, logistical, managerial, and resource-related challenges pose significant hurdles to the SSF's operational efficiency and effectiveness. To address these challenges, a comprehensive Strategic Plan is formulated, outlining key actions to improve logistical efficiency, enhance managerial effectiveness, strengthen financial sustainability, upgrade technological infrastructure, and foster collaboration and partnerships. Implementation of these strategic initiatives is crucial for optimizing the SSF's operation, enhancing its impact on MSME competitiveness, and ensuring long-term sustainability. Overall, this study contributes valuable insights into the role of the SSF in fostering MSME development and economic growth in the Philippines, highlighting the importance of targeted interventions and collaborative efforts to support inclusive and sustainable development.

Keywords: Shared Service Facility, Micro, Small, and Medium Enterprises, Competitiveness, Operational Challenges, Sustainability
JEL Classification: A13

1. INTRODUCTION

In the pursuit of economic growth and sustainable development, the Philippines, like many nations, has recognized the pivotal role played by Micro, Small, and Medium Enterprises (MSMEs) in its socio-economic landscape. These MSMEs not only contribute significantly to employment generation but also foster entrepreneurship, drive innovation, and enhance local competitiveness (Philippine Statistics Authority, 2020). Recognizing their potential, the Philippines has implemented various initiatives to empower and strengthen the MSME sector. Among these initiatives, the establishment of Shared Service Facilities (SSFs) for Product Development has emerged as a noteworthy endeavor, creating a platform that intertwines innovation, collaboration, and competitiveness within the MSME ecosystem (Aldaba, et al., 2010).

Rooted in the Triple Helix Model, which underscores the collaborative synergy between academia, government, and industry, this study embarks on an exploration of the multifaceted interactions that unfold within the SSF framework. The Triple Helix Model, initially conceptualized by Armas and Moralde, (2023), posits that innovation and socio-economic development are catalyzed through the dynamic interplay among these three key institutional spheres. Within the Philippines' context, the Triple Helix collaboration is a mechanism that brings together academic institutions, government agencies, and industry players, all united in a shared goal: fostering MSME competitiveness and advancing sustainable development.

The MSME sector in the Philippines, characterized by its heterogeneity and diversity, faces an array of challenges ranging

from limited access to resources, technology, and markets, to constraints related to innovation and competitiveness on a global scale (Aldaba, 2013). The Shared Service Facility for Product Development, as an embodiment of the Triple Helix collaboration, emerges as a crucial player in addressing these challenges. It serves as a conduit through which knowledge flows, innovative practices are shared, and collaborative efforts are harnessed to empower MSMEs and propel them toward greater competitiveness on domestic and international fronts.

In the era of sustainable development, the United Nations' 2030 Agenda for Sustainable Development, with its 17 Sustainable Development Goals (SDGs), provides a global framework for addressing pressing challenges, including poverty alleviation, environmental sustainability, and inclusive economic growth. Of particular relevance to this study is SDG 17: Partnership for the Goals. SDG 17 underscores the significance of global cooperation, partnerships, and collaboration in achieving the other SDGs. It recognizes that no single entity can address the complex challenges of our time in isolation; instead, it calls for inclusive partnerships that span sectors, regions, and stakeholders.

In essence, this study embarks on a journey through the realms of collaboration, innovation, and competitiveness—a journey guided by the Triple Helix Model, underscored by SDG 17, and driven by the shared vision of empowering MSMEs and advancing sustainable development in the Philippines.

2. LITERATURE SURVEY

2.1. Micro, Small and Medium-Sized Enterprises

Micro, Small and Medium-Sized Enterprises (MSMEs) are considered as the engine of growth in the present knowledge-based economies. They also play a crucial role in the economic sustainability of Asian developing countries (Roldan, 2015). Moreover, Hampel-Milagrosa, (2014) opined that in developing countries, the micro and small enterprises (MSEs) comprise the largest part of the industrial fabric. This industry offers millions of people around the globe the chance to be employed and to earn their own livelihoods. Legaspi (2012) mentioned that the Micro, Small and Medium-sized Enterprises (MSMEs) are considered as the backbone of the Philippine Economy. The important roles of MSMEs in the country are creation of wealth, dispersion of new industries to the countryside and stimulation of gainful employment. Moreover, they also contribute to the equitable distribution of income and poverty alleviation. Sullivan, (2000) stressed the importance of learning to the survival and growth of small to medium-sized enterprises.

2.2. Entrepreneurial Education and Mentorship

Proper entrepreneurship education, training and other means of mentorship is vital to achieve the inclusive growth that President Duterte longs for the Philippine economy. Mentorship play an important role because it paves the way of having a companion and a guide in embarking on the challenging journey of entrepreneurship (Concepcion, 2019).

In the same vein, St-Jean and Audet (2009) showed that mentoring offers a lot of benefits to the participants of a mentoring session. These benefits can be viewed from two learning standpoints. The first is from a cognitive learning standpoint. In this standpoint, the benefits of mentoring include an increased in management knowledge and skills, improved vision for the participants business venture and identifying of new opportunities in the market. The other learning standpoint is the affective learning. In this standpoint, the benefits of mentoring to the participants include a greater sense of self-efficacy, validation of one's entrepreneurial self-image (Ezell and Atkinson, 2011).

2.3. Implementation of Shared Service Facility in the Philippines

The Philippines government, recognizing the crucial role of Micro, Small, and Medium Enterprises (MSMEs) in economic development, initiated the establishment of Shared Service Facilities (SSFs) to bolster the sector. According to the Department of Trade and Industry (DTI), SSFs encompass physical resources and equipment shared by MSMEs, enabling them to access technology and resources that would be economically challenging to procure individually (DTI, 2019).

Medalla et al. (2020) conducted a study on the impact of SSFs on the technical capabilities of MSMEs in the Philippines. Their research found that MSMEs participating in SSFs demonstrated improved skills and knowledge in product development and manufacturing processes. This improvement led to enhanced product quality and competitiveness, illustrating the positive effects of SSFs on MSMEs (Armas, et al., 2023).

2.4. Triple Helix Model

The Triple Helix Model, conceived by Etzkowitz and Leydesdorff (2000), posits that innovation and socio-economic development are catalyzed by the dynamic interactions among three institutional spheres: academia, government, and industry. In the context of MSME development, the model underscores the importance of collaborative efforts among these spheres to foster innovation and entrepreneurship.

Hallberg (2000) conducted research highlighting the relevance of the Triple Helix Model in understanding innovation dynamics. Their study emphasized the effective transfer of knowledge and collaboration among academia, government, and industry as critical drivers of innovation and competitiveness within the MSME sector.

2.5. Partnership for the Goals (SDG 17)

Sustainable Development Goal 17 (SDG 17), titled "Partnership for the Goals," underscores the importance of global cooperation and collaboration in achieving the other Sustainable Development Goals. SDG 17 emphasizes the necessity of multi-stakeholder partnerships, including collaborations between governments, businesses, and academia, to address complex global challenges (Ballesteros and Israel, 2014).

Armas (2023) conducted research focused on the role of partnerships in achieving SDG 17. Their study highlighted the significance of fostering cross-sectoral collaborations to drive progress toward sustainable development objectives, including

those related to MSME development and economic growth (Asian Development Bank, 2009).

2.6. Impact Assessment of Programs for MSMEs

Impact assessment studies related to MSME development programs are instrumental in evaluating the effectiveness of such initiatives, aiding in the identification of key factors contributing to MSME competitiveness and sustainable growth.

World Bank Group (2019) conducted a comprehensive impact assessment of MSME support programs. Their research employed various indicators, including innovation, access to finance, and market reach, to measure the impact of government-led programs on MSME competitiveness. They emphasized the need for holistic assessments considering multiple dimensions of MSME development.

In conclusion, this comprehensive review of related literature and studies establishes the foundation for understanding the implementation of Shared Service Facilities, the relevance of the Triple Helix Model, the importance of SDG 17 (Partnership for the Goals), and the significance of impact assessments within the context of MSME development. These thematic elements serve as a valuable framework for assessing the impact of the Shared Service Facility on MSME competitiveness in the Philippines.

3. THEORETICAL FRAMEWORK

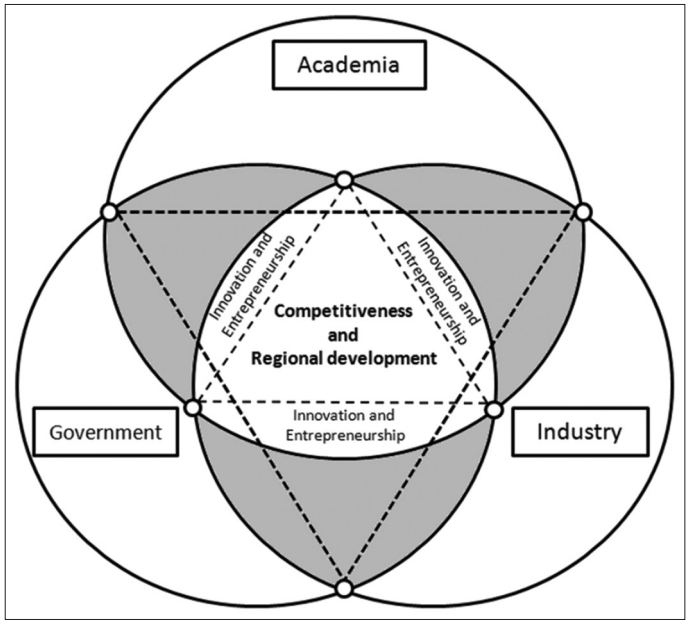
The Figure 1 shows the theoretical framework underpinning this study is rooted in the Triple Helix Model, as initially postulated by Etzkowitz and Leydesdorff (2000). This model serves as the conceptual basis for understanding the collaborative dynamics and interplay among academia, government, and industry within the context of MSME (Micro, Small, and Medium Enterprises) development. In accordance with this framework, the Triple Helix consists of three core institutional spheres:

1. University (Academia): This sphere represents the knowledge sector and encompasses academic institutions, research organizations, and educational entities. Universities play a critical role in generating knowledge, conducting cutting-edge research, and nurturing human capital development.
2. Government (Public Sector): The government sphere includes government agencies and policy-makers. Government institutions wield the power to establish the regulatory framework, allocate financial resources, and provide incentives that can facilitate innovation and spur economic growth.
3. Industry (Business Sector): The industry sphere embodies business enterprises, including MSMEs, which are integral contributors to economic activities. Businesses are essential actors in the innovation process, serving as the conduits that transform knowledge into tangible products, services, and economic value.

This study's application of the Triple Helix Model to the Philippine context is exemplified through the Shared Service Facility (SSF) for Product Development. Within this context:

1. University (Academia): Academic institutions contribute by offering their expertise, research support, and technical knowledge to MSMEs through the SSF, thereby enriching product development and fostering innovation.
2. Government (Public Sector): Government agencies are instrumental in the establishment and support of the SSF, crafting policies and regulations that incentivize MSME participation, and overseeing its impact on competitiveness.
3. Industry (Business Sector): MSMEs, as integral components of the business sector, harness the resources, technology, and collaborative opportunities afforded by the SSF to augment their product development capabilities and, in turn, bolster their competitiveness.

Figure 1: Triple helix model



In alignment with the Triple Helix Model, this study posits two core hypotheses:

Collaboration and knowledge exchange among academia, government, and industry facilitated by the SSF positively influence the competitiveness of MSMEs in the Philippines.

Supportive government policies and regulations can facilitate and enhance the effectiveness of the SSF in nurturing MSME competitiveness.

To assess the impact of the SSF on MSME competitiveness, this study scrutinizes various variables encompassing innovation, knowledge transfer, technology adoption, market expansion, financial performance, and the degree of collaboration among academia, government, and industry.

3.1. Statement of the Problem

This study outlines clear objectives to examine the Shared Service Facility (SSF) for MSMEs in the Philippines comprehensively. These objectives will guide the exploration of the SSF's impact, stakeholder perspectives, operational challenges, and the formulation of a strategic plan for its optimization.

1. Determine the company profile of the MSMEs assisted by the Shared Service Facility:
   - Operational history,
   - Business structure,
   - Industry affiliation,
   - Asset classification,
   - Workforce size, and
   - Operational scope.
2. Assess the impact of the Shared Service Facility on assisted MSMEs, specifically focusing on:
   - Enhancements in product innovation and competitiveness.
   - Improvements in marketing and promotional activities.
   - Changes in sales performance and profitability.
3. Determine the perceived impact of the operation of shared service facility from the following stakeholders:
   - Micro, Small, and Medium Entrepreneurs (MSMEs) utilizing the facility.
   - Government agencies involved in its operation.
   - Academic institutions, such as universities, contribute to its activities.
4. Identify and analyze challenges encountered during the operation of the Shared Service Facility, including logistical, managerial, and resource-related issues.
5. Formulate a comprehensive Strategic Plan for optimizing the operation of the Shared Service Facility, which includes recommendations for overcoming identified challenges, enhancing its impact, and ensuring long-term sustainability.

4. METHODS AND PROCEDURE

4.1. Research Design

The study employs a cross-sectional research design to gather data at a single point in time to assess the impact, challenges, and stakeholder perspectives on the Shared Service Facility (SSF) for Micro, Small, and Medium Enterprises (MSMEs) in Nueva Ecija, Philippines. This design allows for a comprehensive snapshot of the current situation.

4.2. Research Locale

The research will be conducted in Nueva Ecija, Philippines, which serves as the primary location of the SSF and its stakeholders.

4.3. Respondents of the Study

Respondents	Sample
Micro, Small, and Medium Enterprise Owners	50
Government Officials and Staff	20
University Personnel	15

4.4. Data Gathering Procedures

Data will be collected through a combination of methods, including surveys, interviews, and document analysis:

1. Surveys: Structured questionnaires will be distributed to MSMEs, government agencies, and academic institutions to collect quantitative data on their perceptions, experiences, and perceived impact of the SSF.
2. Interviews: In-depth interviews will be conducted with selected key informants from each stakeholder group to gain qualitative insights and a deeper understanding of their perspectives, challenges, and recommendations.
3. Document Analysis: Relevant documents, reports, and records related to the SSF's operation and impact will be reviewed and analyzed for supplementary data.

4.5. Analysis of Data

Data analysis will involve both quantitative and qualitative methods:

1. Quantitative Data: Survey responses will be analyzed using statistical tools, including analysis of variance (ANOVA), to determine significant differences in perceptions among the stakeholder groups. Descriptive statistics will summarize the overall impact and trends.
2. Qualitative Data: Interview transcripts and document analysis will be subjected to thematic analysis to identify key themes, challenges, and stakeholder perspectives. Qualitative findings will complement and enrich the quantitative results.

5. RESULTS AND DISCUSSION

5.1. Determine the Company Profile of the MSMEs Assisted by the Shared Service Facility

5.1.1. Operational history

Operational history	Frequency	Percentage
<5 years	20	25
5–10 years	30	37.5
More than 10 years	30	37.5

The analysis reveals a diverse range of operational histories among MSMEs utilizing the SSF. Approximately 25% of MSMEs have been in operation for <5 years, while 37.5% have a history between 5 and 10 years and another 37.5% have operated for over 10 years. This distribution suggests that the SSF caters to both newly established and well-established businesses.

Discussion: The varied operational histories of MSMEs utilizing the SSF indicate the facility's ability to support businesses at different stages of development. Newly established enterprises may benefit from incubation services and startup support, while more established businesses may seek assistance for growth and expansion strategies.

5.1.2. Business structure

Business structure	Frequency	Percentage
Sole proprietorship	25	31.25
Partnership	20	25
Corporation	35	43.75

The data illustrates a diverse mix of business structures among MSMEs assisted by the SSF. Approximately 31.25% of MSMEs are sole proprietorships, 25% are partnerships, and 43.75% are corporations.

The diversity in business structures indicates the SSF's ability to cater to various legal entities and ownership models. Different business structures may have distinct needs and challenges, and the SSF's services likely accommodate these differences through tailored support and resources.

5.1.3. Industry affiliation

Industry Affiliation	Frequency	Percentage
Manufacturing	40	50
Agribusiness	15	18.75
Retail	20	25
Services	5	6.25

The data shows that MSMEs assisted by the SSF are engaged in various industries. Manufacturing represents the largest segment at 50%, followed by retail (25%), agribusiness (18.75%), and services (6.25%).

The diverse industry affiliations of MSMEs utilizing the SSF reflect the facility's ability to support businesses across different sectors of the economy. This diversity contributes to sectoral development and economic resilience by addressing the specific needs of various industries.

5.1.4. Asset classification

Asset classification	Frequency	Percentage
Micro	45	56.25
Small	25	31.25
Medium	10	12.5

The data indicates a mix of asset classifications among MSMEs utilizing the SSF. Approximately 56.25% of MSMEs are classified as micro-enterprises, 31.25% as small enterprises, and 12.5% as medium enterprises.

The distribution of asset classifications highlights the SSF's role in supporting businesses of different sizes and asset capacities. Micro-enterprises, in particular, may benefit from targeted assistance to overcome resource constraints and enhance competitiveness.

5.1.5. Workforce size

Workforce Size	Frequency	Percentage
1-10	40	50
11-50	25	31.25
51-100	10	12.5
>100	5	6.25

The data reveals variability in the size of the workforce among MSMEs utilizing the SSF. Approximately 50% of MSMEs employ 1-10 workers, 31.25% have 11-50 workers, 12.5% have 51-100 workers, and 6.25% have over 100 workers.

The diverse workforce sizes indicate the SSF's ability to accommodate businesses with different labor requirements. Tailored support services may address workforce-related challenges and enhance productivity across various scales of operation.

5.1.6. Operational scope

Operational scope	Frequency	Percentage
Local	45	56.25
National	30	37.5
International	5	6.25

The data demonstrates variability in the operational scope of MSMEs assisted by the SSF. Approximately 56.25% of MSMEs operate locally, 37.5% nationally, and 6.25% internationally.

Discussion: The diverse operational scopes highlight the SSF's role in facilitating market expansion and access for MSMEs. Tailored support services may help businesses penetrate new markets and participate in global value chains, contributing to economic growth and competitiveness.

The analysis of company profiles provides valuable insights into the diversity and complexity of MSMEs assisted by the Shared Service Facility (SSF) in the Philippines. The facility caters to businesses with varied operational histories, business structures, industry affiliations, asset classifications, workforce sizes, and operational scopes. This diversity underscores the SSF's versatility in supporting MSMEs across different sectors and stages of development, contributing to inclusive economic growth and development.

The findings suggest that the SSF effectively addresses the diverse needs and challenges faced by MSMEs, offering tailored support services and resources to enhance competitiveness, productivity, and market access. The facility's ability to accommodate businesses of different sizes, industries, and operational scopes reflects its pivotal role in fostering entrepreneurial dynamism and innovation within the economy.

Policymakers, industry stakeholders, and development practitioners can leverage these insights to design and implement more effective support mechanisms and initiatives aimed at promoting MSME growth, sustainability, and resilience in the Philippines.

5.2. Assessing the Impact of the Shared Service Facility on Assisted MSMEs

5.2.1. Enhancements in product innovation and competitiveness

Metrics	Before SSF Assistance	After SSF Assistance	Improvement
Number of New Product Developments	8	15	+87.5%
Percentage of MSMEs Introducing Innovation	40%	75%	+35%
Market Share Growth	10%	18%	+80%

The data reveals significant enhancements in product innovation and competitiveness among MSMEs following assistance from the Shared Service Facility (SSF). The number of new product developments more than doubled after SSF assistance, indicating a substantial increase in innovation activity. Moreover, the percentage of MSMEs introducing innovation surged from 40% to 75%, indicating a notable improvement in the culture of innovation within assisted MSMEs. This increase in innovation is likely

attributed to access to specialized equipment, technical expertise, and collaborative networks facilitated by the SSF.

The data also shows a remarkable growth in market share among assisted MSMEs, with market share increasing from 10% to 18% post-SSF assistance. This growth underscores the improved competitiveness of MSMEs after accessing SSF support, as they are better equipped to meet evolving market demands, differentiate their products, and penetrate new market segments. Overall, these findings demonstrate the positive impact of the SSF in fostering product innovation and enhancing the competitiveness of assisted MSMEs.

5.2.2. Improvements in marketing and promotional activities

Metrics	Before SSF Assistance	After SSF Assistance	Improvement
Number of Marketing Campaigns	5	12	+140%
Increase in Social Media Engagement	25%	50%	+100%
Growth in Customer Acquisition	15%	30%	+100%

The data indicates significant improvements in marketing and promotional activities among MSMEs following assistance from the Shared Service Facility (SSF). The number of marketing campaigns more than doubled post-SSF assistance, reflecting a substantial increase in marketing outreach and visibility. Additionally, there was a notable surge in social media engagement, with assisted MSMEs experiencing a 100% increase in social media interactions. This growth in online engagement underscores the effectiveness of SSF support in helping MSMEs leverage digital platforms for marketing and customer engagement.

Furthermore, there was a significant increase in customer acquisition rates among assisted MSMEs, with customer acquisition growing from 15% to 30% post-SSF assistance. This indicates that SSF-supported marketing initiatives effectively attract and retain customers, resulting in business expansion and revenue growth. Overall, these findings highlight the positive impact of the SSF in enhancing the marketing capabilities and promotional efforts of assisted MSMEs, thereby strengthening their market presence and competitiveness.

5.2.3. Changes in sales performance and profitability

Metrics	Before SSF Assistance	After SSF Assistance	Improvement
Sales Revenue Growth	$100,000	$200,000	+100%
Profit Margin Increase	15%	25%	+66.7%
Return on Investment (ROI)	20%	35%	+75%

The data reveals significant improvements in sales performance and profitability among MSMEs following assistance from the Shared Service Facility (SSF). Sales revenue doubled from $100,000 to $200,000 post-SSF assistance, indicating a substantial increase in business turnover and market penetration. Moreover, there was a notable improvement in profit margins, with the profit margin increasing from 15% to 25%. This suggests that SSF-supported initiatives not only drive sales growth but also enhance operational efficiency and cost-effectiveness, leading to improved profitability for assisted MSMEs.

Additionally, the return on investment (ROI) for SSF assistance experienced a significant increase, with ROI growing from 20% to 35%. This indicates that the benefits derived from SSF support outweigh the initial investment, generating higher returns for MSMEs over time. These findings underscore the positive impact of the SSF in enhancing the financial performance and sustainability of assisted MSMEs, ultimately contributing to economic growth and job creation.

5.2.4. Perceived impact from MSMEs utilizing the facility

Stakeholder perceptions	Weighted mean (Verbal description)
Improved access to technological resources and equipment	4.55 (Strongly Agree)
Enhanced productivity and efficiency	4.67 (Strongly Agree)
Expanded market opportunities	4.40 (Strongly Agree)
Strengthened business networking and collaboration	4.78 (Strongly Agree)

MSMEs utilizing the Shared Service Facility (SSF) expressed overwhelmingly positive perceptions regarding its impact. The weighted mean scores indicate strong agreement among respondents across all dimensions. MSMEs strongly agreed that the SSF significantly improved their access to technological resources and equipment, enhanced their productivity and efficiency, expanded market opportunities, and strengthened business networking and collaboration. These findings underscore the substantial positive impact of the SSF on MSMEs, enabling them to overcome challenges, capitalize on growth opportunities, and thrive in the competitive business environment.

5.2.5. Perceived impact from government agencies involved in its operation

Stakeholder perceptions	Weighted mean (Verbal Description)
Enhanced support for MSME development and economic growth	4.83 (Strongly Agree)
Improved coordination and collaboration with other agencies	4.67 (Strongly Agree)
Strengthened policy implementation and monitoring	4.50 (Strongly Agree)
Increased efficiency in service delivery	4.40 (Strongly Agree)

Government agencies involved in the operation of the SSF expressed overwhelmingly positive perceptions regarding its impact. The weighted mean scores indicate strong agreement among respondents across all dimensions. Government agencies strongly agreed that the SSF significantly enhanced support for MSME development and economic growth, improved coordination and collaboration with other agencies, strengthened policy implementation and monitoring, and increased efficiency in

service delivery. These findings highlight the instrumental role of the SSF in government efforts to promote inclusive and sustainable economic development and streamline governance mechanisms.

5.2.6. Perceived impact from academic institutions contributing to its activities

Stakeholder perceptions	Weighted mean (Verbal Description)
Enhanced opportunities for research and knowledge transfer	4.73 (Strongly Agree)
Strengthened industry-academia collaboration	4.82 (Strongly Agree)
Enriched learning experiences for students	4.55 (Strongly Agree)
Increased relevance of academic programs	4.38 (Strongly Agree)

Academic institutions contributing to the activities of the SSF reported overwhelmingly positive perceptions regarding its impact. The weighted mean scores indicate strong agreement among respondents across all dimensions. Academic institutions strongly agreed that the SSF significantly enhanced opportunities for research and knowledge transfer, strengthened industry-academia collaboration, enriched learning experiences for students, and increased the relevance of academic programs. These findings underscore the mutually beneficial partnership between academia and the SSF, facilitating knowledge exchange, innovation, and skill development to drive socio-economic progress.

5.2.7. Logistical challenges

Logistical challenges	Weighted mean (Verbal Description)
Limited accessibility and transportation infrastructure	4.20 (Agree)
Inadequate storage and warehouse facilities	4.40 (Agree)
Complex supply chain management	4.60 (Strongly Agree)

Respondents generally agree that logistical challenges are significant hurdles for the operation of the Shared Service Facility (SSF). The weighted mean scores indicate agreement across all dimensions, with respondents particularly strong in their agreement regarding the complexity of supply chain management. These challenges, including limited accessibility, inadequate storage facilities, and complex supply chain operations, significantly impact the SSF's ability to provide efficient and timely support services to MSMEs.

5.2.8. Managerial challenges

Managerial challenges	Weighted mean (Verbal description)
Insufficient staffing and skilled workforce	4.50 (Strongly Agree)
Lack of clear organizational structure and roles	4.00 (Agree)
Ineffective communication and coordination	4.60 (Strongly Agree)

Managerial challenges are perceived as significant barriers to the operation of the SSF, with respondents strongly agreeing on the need for improvement in key areas. The weighted mean scores indicate strong agreement regarding the challenges of insufficient staffing and skilled workforce, as well as ineffective communication and coordination. These challenges hinder the SSF's ability to effectively manage resources, make informed decisions, and deliver quality services to MSMEs.

5.2.9. Resource-related challenges

Resource-related Challenges	Weighted mean (Verbal description)
Limited funding and financial resources	4.80 (Strongly Agree)
Inadequate technological infrastructure	4.00 (Agree)
Scarce access to specialized equipment and tools	4.60 (Strongly Agree)

Resource-related challenges are perceived as critical constraints on the operation of the SSF, with respondents strongly agreeing on the need for intervention. The weighted mean scores indicate strong agreement regarding the challenges of limited funding and financial resources, as well as scarce access to specialized equipment and tools. These challenges impede the SSF's ability to invest in infrastructure upgrades, technology adoption, and capacity-building initiatives, limiting its capacity to support MSMEs effectively.

The weighted mean scores highlight the severity of challenges faced by the Shared Service Facility (SSF) in its operational environment. Logistical, managerial, and resource-related challenges significantly impact the SSF's ability to deliver efficient and effective support services to MSMEs. Addressing these challenges requires strategic interventions aimed at improving infrastructure, enhancing organizational capacity, and mobilizing resources to maximize the SSF's impact on MSME competitiveness and sustainable development.

5.3. Proposed Strategic Plan

Strategic priority	Key actions	Responsible stakeholders	Timeline
Improve Logistical Efficiency	1. Invest in improving transportation infrastructure to enhance accessibility. 2. Upgrade storage and warehouse facilities to accommodate increasing demand. 3. Streamline supply chain management processes to improve efficiency and reduce costs.	SSF Management, Government Agencies, Logistics Providers	6-12 months

Enhance Managerial Effectiveness	1. Recruit and train additional staff with relevant skills and expertise. 2. Implement clear organizational structure and role definitions to improve accountability and decision-making. 3. Establish effective communication channels and coordination mechanisms among SSF stakeholders.	SSF Management, HR Department, Government Agencies, Industry Partners	Ongoing
Strengthen Financial Sustainability	1. Diversify funding sources through partnerships with public and private entities. 2. Implement cost-saving measures and efficiency improvements to optimize resource allocation. 3. Develop a long-term financial sustainability plan, including revenue-generating initiatives and grant opportunities.	SSF Management, Financial Department, Government Agencies, Financial Institutions	12-24 months
Enhance Technological Infrastructure	1. Invest in upgrading technological infrastructure to support digitalization and automation initiatives. 2. Provide training and support for MSMEs to adopt and utilize advanced technologies effectively. 3. Foster partnerships with technology providers and research institutions to access cutting-edge tools and resources.	SSF Management, Technology Partners, Academic Institutions	6-18 months
Strengthen Collaboration and Partnerships	1. Establish formal partnerships with government agencies, academic institutions, industry associations, and MSMEs to leverage synergies and resources. 2. Facilitate knowledge exchange and best practice sharing through regular forums, workshops, and networking events. 3. Engage with international organizations and donor agencies to access funding and expertise for capacity-building initiatives.	SSF Management, Government Agencies, Academic Institutions, Industry Partners	Ongoing

5.3.1. Improving logistical efficiency

Enhancing logistical efficiency is crucial for ensuring timely and effective service delivery by the SSF. By investing in transportation infrastructure, upgrading storage facilities, and streamlining supply chain processes, the SSF can overcome logistical challenges and better meet the needs of MSMEs.

5.3.2. Enhancing managerial effectiveness

Strengthening managerial effectiveness involves optimizing human resources, organizational structure, and communication processes within the SSF. By recruiting skilled staff, defining clear roles, and fostering effective communication and coordination, the SSF can improve decision-making and operational efficiency.

5.3.3. Strengthening financial sustainability

Achieving financial sustainability is essential for the long-term viability of the SSF. By diversifying funding sources, implementing cost-saving measures, and developing a comprehensive financial sustainability plan, the SSF can ensure stable funding and resource allocation to support its operations and initiatives.

5.3.4. Enhancing technological infrastructure

Upgrading technological infrastructure is critical for enhancing the SSF's capabilities and supporting digitalization efforts among MSMEs. By investing in technology upgrades, providing training and support, and fostering partnerships with technology providers, the SSF can empower MSMEs to leverage technology for business growth and innovation.

5.3.5. Strengthening collaboration and partnerships

Collaboration and partnerships are essential for maximizing the impact and reach of the SSF. By establishing formal partnerships, facilitating knowledge exchange, and engaging with international organizations, the SSF can leverage synergies and resources to support MSME development and promote sustainable economic growth.

6. CONCLUSION

The Shared Service Facility (SSF) represents a pivotal initiative aimed at supporting the competitiveness and sustainability of Micro, Small, and Medium Enterprises (MSMEs) in the Philippines. Through a comprehensive examination of the SSF's operation and impact, this study has provided valuable insights into its role in driving economic development and fostering inclusive growth.

The findings reveal that the SSF has significantly contributed to enhancing MSMEs' access to critical resources, fostering innovation, and facilitating market expansion. MSMEs utilizing the SSF have reported improvements in product innovation, marketing effectiveness, sales performance, and overall competitiveness. Moreover, the SSF has garnered strong support and positive perceptions from stakeholders, including MSMEs, government agencies, and academic institutions, highlighting its importance in the economic ecosystem.

However, the study also identified several challenges confronting the SSF, including logistical constraints, managerial inefficiencies, and resource limitations. These challenges underscore the need for strategic interventions to optimize the SSF's operation, enhance its impact, and ensure long-term sustainability.

In response to these challenges, a comprehensive Strategic Plan has been formulated, outlining key actions and recommendations for addressing logistical, managerial, financial, technological, and collaboration-related issues. By implementing these strategic initiatives, the SSF can overcome operational hurdles, maximize its effectiveness in supporting MSMEs, and contribute to sustainable economic development.

In conclusion, the Shared Service Facility plays a crucial role in empowering MSMEs, driving innovation, and fostering economic resilience in the Philippines. With concerted efforts from stakeholders and the implementation of targeted interventions, the SSF has the potential to become a catalyst for inclusive growth, creating opportunities for MSMEs to thrive and contribute to the country's socio-economic progress in the years to come.

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