

Roots to Revenue: Upholding Economy and Humanistic Values

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Abstract: This study seeks to explore, understand, and identify how Filipino businesses collaborate with local communities in a way that integrates humanistic management, fostering economic development. This research employed thematic analysis on qualitative interviews conducted with key stakeholders from the two companies: the business owner, an employee, and a local community representative. This study explores how Filipino businesses and local communities perceive economic development as a shared responsibility, balancing social impact with financial viability, as well as how continuous dialogue and capacity-building programs promote economic development. The results reveal five key themes: Opportunity Creation and Income Generation, Long-Term Growth and Scaling, Sustainable and Purpose-Driven Impact, Perceived Impact of Capacity Building, and Openness and Transparency in Conversations. These findings show a progression from providing a dignified livelihood to fostering inclusive growth and achieving long-term social impact. Ultimately, the cases unraveled the finding that economic development is not solely driven by profit but by the social impact created through its operations. Moreover, the findings showed that the implementation of humanistic management practices like capacity-building programs and continuous dialogue promotes the economic development of stakeholders. Future researchers may expand this work by exploring other regions, indigenous communities, and the role of government policy.

Key Words: Local businesses; humanistic management; economic development; capacity building; continuous dialogue

1. INTRODUCTION

Local communities in the Philippines are central to the nation's social structure, historically rooted in barangays, which served as governance units before Spanish colonization. These communities are marked by shared resources, needs, and risks, promoting kinship and cooperation (ChildHope Philippines, 2022). However, poverty remains a significant barrier to their development, affecting access to basic necessities like clean water, education, and healthcare (Goyer, 2023). High unemployment and a lack of job opportunities exacerbate economic instability, leading to increased crime and social unrest (ChildHope

Philippines, 2022). Despite these challenges, local communities contribute to social cohesion and resilience, playing a vital role in national development.

As local communities face significant challenges, it's important to explore how business partnerships apply humanistic management principles and how this can lead to economic development because it reveals whether growth is achieved in a way that fosters mutual benefit for both businesses and communities. This study also focuses on the impact of these partnerships on stakeholder economic development, particularly through income generation, job creation, and community growth. Additionally, it explores the role of continuous dialogue and

capacity-building in strengthening the relationship between humanistic management and economic development.

The first variable of this research talks about humanistic management. Pirson (2018) defines humanistic management as a set of fundamental principles and concepts that prioritize ethical, people-centered practices aimed at promoting sustainable economic development rather than focusing solely on short-term material gains.

Referring to Pirson's (2018) definition as a basis, commonly used general examples of humanistic practices and strategies may include continuous dialogue and capacity-building programs that aim to foster an empowering, open, and safe working environment. These strategies equip involved stakeholders with the necessary competencies and freedom to thrive in a healthy working environment.

Melé (2016) emphasizes that continuous dialogue is integral to corporate responsibility in humanistic organizations, facilitating interactive relationships that align with the organization's purpose to serve people (Spitzeck, 2011, as cited by Onea & Manolescu, 2024). This approach demonstrates care for both employee growth and community needs (Melé, 2016, as cited by Onea & Manolescu, 2024). Additionally, Farahmand (2011) highlights the importance of capacity-building programs in improving human resource management and promoting humanistic values. These programs help organizations navigate hierarchical structures while fostering ethical practices.

Economic development is a studied variable, as the possible connection arose from the findings of the following authors. Morley (2014) expressed that the success factors of business partnerships may differ for the stakeholders, with some prioritizing financial viability, while others prioritizing the social impact. It is an area of interest to understand what causes the economic development of a business, along with the role and interplay of social impact and financial viability in aiding this development. Vázquez-Maguirre (2020) suggests that a human-centered approach brings motivation and productivity to employees, which positively impacts the economic performance of the business.

Ultimately, the above authors find that integrating humanistic management principles into business practices enhances financial viability and ensures that ethical considerations are central to

economic development. Therefore, the proposed framework suggests that fostering humanistic values in business partnerships through continuous dialogue and capacity-building programs can promote economic development in these collaborations.

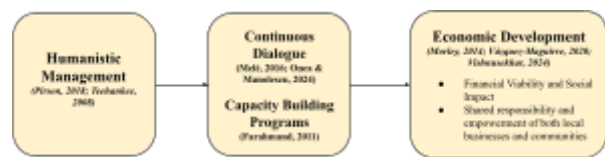


Figure 1. Full Conceptual Framework of the Research

1.1 Significance of the Study

This research is significant for various stakeholders as it offers insights into effectively navigating business-community partnerships by highlighting humanistic practices that promote economic development. Partner communities may gain a broader perspective, avoid exploitation, maximize benefits, and engage in partnerships that support sustainable outcomes. Furthermore, local businesses and entrepreneurs can learn to foster more inclusive and respectful collaborations, strengthening ties within Filipino society. Policymakers may also use the findings to support initiatives aligned with sustainable development. Ultimately, the study informs all stakeholders on how such partnerships can generate shared value and build community resilience.

1.2 Research Question and Proposition

With this, the researchers want to explore the following:

1. How do Filipino businesses and local communities perceive economic development as a shared responsibility between Filipino businesses and local communities?
2. What strategies do Filipino businesses and local communities implement to practice humanistic management to promote economic development?

Moreover, the research aims to explore the following propositions:

1. Filipino businesses and local communities perceive economic development as a shared responsibility, prioritizing social impact by maintaining financial viability.

2. Filipino businesses and local communities practice humanistic management by implementing strategies such as continuous dialogue and capacity-building programs, promoting economic development.

1.3 Scope and Limitations

This study explores the dynamics between local businesses and communities, focusing on humanistic management and economic development. The researchers will examine local businesses through interviews with various stakeholders. Due to the unique nature of the partnerships and challenges in contacting remote communities, the study is limited by a small sample size. Participants were purposively selected for their direct involvement and depth of insight. The owner founded the company, the employee was a long-term staff member, and the community representative had worked closely with the business. While onsite interviews were preferred, the interviews were conducted predominantly online as the stakeholders expressed scheduling constraints due to operational priorities and availability. This limited the ability to observe non-verbal cues. However, the researchers kept the interview open-ended and conversational to gather rich insights. Additionally, broader conclusions may be constrained by cultural sensitivity and communication barriers affecting data collection.

2. METHODOLOGY

This research employed an exploratory qualitative inductive approach to analyze multiple case studies through purposive sampling, identifying two Filipino businesses that partner with local communities. Online interviews were conducted with the owner, employee, and community representative of each company. A thematic analysis was applied to the gathered data with the ATLAS.ti software, used for data coding. Themes for each construct were then developed to explore the relationship between the generated codes and the research variables.

3. RESULTS AND DISCUSSION

The thematic analysis of interviews with two Filipino businesses reveals their view of economic development as a shared responsibility with local communities. Company A (PP), a local beverage producer of Filipino alcoholic spirits, collaborates with

women winemakers from Adams, Ilocos Norte, honoring their craftsmanship by offering handmade products with traditional recipes. Company B (BBM), a social enterprise in Tondo, Manila, provides livelihood opportunities for underprivileged mothers and sponsorship to underprivileged college students by selling bags, aiming to reduce local poverty.

3.1 Themes Identified

From the interviews, the researchers identified five (5) themes:

3.1.1 Opportunity Creation and Income Generation

PP emphasizes providing a sustainable livelihood and income for its people while honoring craftsmanship, making sure that “*we’re paying them at least above market price*”, the owner shared. This shows how they’re committed to ethical compensation as a conscious decision practice, which is further reflected when the owner said, “*when we started this, we didn’t lowball them in such a way that they’re losing money*”, pointing out how they actively reject exploitive practices often found in informal rural work environments. The impact of this is reflected in the personal narratives of the partner, sharing how she was “*able to send my children to school*”. This demonstrates how earning a sustainable income creates tangible outcomes beyond daily sustenance, enabling long-term benefits for families. Moreover, it has the potential to break cycles of poverty among Filipino families, demonstrating a positive ripple effect for the community’s overall stability.

Similarly, BBM emphasizes the importance of financial security for underprivileged families in Tondo. The owner shared: “*Importante talaga ang income. Kasi yun yung nagtutustos sa mga pamilya dito*” (*Generating income is important here. Because this is what financially supports the families here*). This importance is similarly felt by the employee, as she shared, “*nabibigyan po ng pangkabuhayan ang mga pamilya namin*” (*families are given equitable economic opportunities*), indicating how livelihood opportunities extend their benefit beyond individual workers, as it sustains their entire household. The local community also shared, “*dagdag kita para sa tatlo kong anak*” (*I get additional income for my three children*), affirming that these opportunities address immediate family needs.

Both companies acknowledge that financial

gains not only improve individual livelihood but also extend to empowering families. The narratives show Filipino businesses can transform the worker-business dynamic from a transactional one to one that is rooted in mutual upliftment. It shows how businesses can be a tool for social impact, valuing their people not just as workers but as individuals whose lives can be meaningfully improved.

3.1.2 Long-Term Growth and Scaling

PP recognizes that sustainable growth is a collaborative effort. As the owner said, *“the business isn't just a one-man show. They're the ones that actually help you, are the ones that will help the business grow”*, showing how the company recognizes that its success is deeply tied to the involvement of the community. PP operates beyond the traditional work set-up as it positions the local community as co-creators of the business. This highlights an important organizational mindset where sustainable expansion relies on mutual growth. The depth of this relationship is recognized by the local community too, as she shared, *“what [PP] did proudly is that he brought his friends here [as] possible buyers to help both of us.”* This shows how the business is grounded by reciprocity, where PP understands and exerts the effort to simultaneously grow economically by sharing access to wider markets and opportunities. This collaborative mindset extends to scaling up, with the owner sharing, *“you have to prepare and create a good foundation for that”*, for which the employee states how they have learning materials to equip both the business and the community for future growth.

As for BBM, apart from business success, they ensure that their livelihood programs aren't just one-off solutions but leave a lasting impact on their people, contributing to self-sufficiency and growth. As the employee shared: *“Marami nang natuto at nakapagtayo ng sariling negosyo gamit ang natutunan nila rito sa tahanan”* (A lot got to start their own businesses from what they learned from sewing here), showing how BBM is a foundation for personal development, suggesting that growth isn't measured solely by business outcomes but by how far it impacts the lives of its people. Further reinforcing this, a local community shared how the training programs develop their skills and *“mas nagiging eksperto kami sa trabaho, kaya mas may kumpiyansa at mas madaling kumita”* (we become better in our jobs, which makes us more confident and helps us earn

better), proving that business success works alongside nurturing and empowering individuals.

While their approaches differ in form, both recognize that long-term growth is most effective and meaningful when it uplifts the core of the business—its people. Success is recognized not just by expanding operations but also by investing in its people, transforming their lives in lasting ways.

3.1.3 Sustainable and Purpose-Driven Impact

PP prioritizes strategic, gradual scaling to ensure long-term viability. The owner emphasized growing sustainably alongside staff and partner communities. The owner shared, *“we make sure that our stakeholders won't be surprised. At least they can still do it. And then even for us, we're trying to be realistic also of the numbers or quantities we can achieve in a certain year that we don't want to be or get ahead of ourselves.”* This cautious approach reflects a sense of accountability, with growth pursued alongside the organization's people, processes, and partners. The owner's leadership values alignment and internal capacity-building over rapid expansion, favoring a pace that matches the organization's capacity. Furthermore, the employee mentioned how the small batch production of their local community is respected, *“communicating also the respect to the seasonality of the product, or this isn't a concept that we can just continue churning out and all the time...there are limits to it and it can be done in small quantities because that's what's sustainable for the community and for the environment as well”*. This shows alignment with ecological rhythms and traditional knowledge, seeing sustainability as environmental, cultural, and social. The value and care the business has for the community is evident when the employee shared that *“we also don't put pressure on winemakers to overproduce in a way that is extractive, also to their land.”* Such restraint reinforces a regenerative over-extractive enterprise model.

BBM focuses more on community empowerment than sustainable growth, aiming to improve lives and create a lasting, tangible impact through its operations. The owner shared: *“Natutulungan namin di lang yung mga pamilya and mother pati na rin yung ekonomiya ng bansa. Target namin ang mga skwaters area tsaka mga pamilyang mula duon.”* (We're not only helping families and mothers, but

also contributing to the country's economy. Our target is the informal settler areas and the families living there). BBM sees its business as a platform for systemic change, aiming to address inequality and social exclusion. The employee's answer aligned with this, adding that, "*ang Be Blessed ay para sa lahat. Ang net income napupunta sa college sponsorship para sa mga batang nag-aaral.*" (*Be Blessed is for everyone. The net income goes to the college sponsorships for the kids who are studying*). Redirecting income toward children's education positions the company as a driver of intergenerational mobility. Inclusive programs further show its focus on broader social impact beyond stakeholders. The owner shared that anyone, even the mothers' children, can join to grow their knowledge. Community stories—like helping a mother rebuild after a fire—show BBM's impact in resilience-building, especially in vulnerable settings where recovery is both material and emotional. When the local community said "*gusto naming maging parte ng tunay na pagbabago sa buhay ng mga tao.*" (*we want to be part of real, meaningful change in people's lives*), it showed BBM's motivation goes beyond profit, seeing themselves as agents of change driven by purpose and compassion. BBM's desire for transformative impact aligns with humanistic management, where business supports dignity, community growth, and moral responsibility. In contrast, PP sees impact through management's direct involvement. A partner community once cleaned bottles for free but is now paid, reflecting a shift toward fairness and shared value.

Both companies support and empower their communities through livelihood. While PP takes a measured, tradition-rooted approach shaped by ecological limits, BBM moves with urgency, prioritizing social equity and capacity-building. Both are on track toward long-term impact beyond numbers—PP through conscious scaling and cultural fidelity, BBM through participatory development and redistributive practices—showing how purpose-driven business can take different yet meaningful forms.

3.1.4 Perceived Impact of Capacity Building

PP focuses on strengthening its internal competencies, especially in terms of branding and the way the local community's culture is being communicated to customers, to see the effects of capacity-building. The owner shared that capacity-building programs allow the team to articulate

clearly the cultural value of their products without the need for his presence by saying, "*you also have that confidence in being passionate about it... they can explain by themselves.*" This shift from founder-led storytelling to a decentralized model positions employees as cultural ambassadors. With the right knowledge, they engage customers authentically, strengthening brand communication and driving loyalty. At PP, training in brand positioning, product education, and staff empowerment supports efficient operations and economic development, which is understood as building a sustainable internal culture that reinforces both identity and productivity beyond mere numerical growth.

BBM, on the other hand, shows a more direct and community-based route to promoting economic development through capacity building. The owner said "*tulad ng training nga ni Ate Tess, nabibigyan ng mas malaking income ang kumpanya pati na rin yung mga tao dito*" (*Like Ate Tess's training, the company and its people are given more income*), explicitly linking training to financial growth. Unlike PP, BBM sees economic development through immediate livelihood impact, taking a bottom-up approach where community and company success are intertwined. Upskilling drives productivity, leading to higher income for both employees and the business. "*Natutulungan naman ng training tsaka pagturo ko sa ibang mananahi na gumaling sa paggawa.*" (*The sewing skills of other seamstresses are improved through the training and my teaching*), the employee further shared. This dynamic sparks a ripple effect of skills transfer, driving peer-led development and economic benefit. It allows BBM to meet growing demand with scalable production and steadier income. The community member shared that training gives them marketable skills, empowering participation in income-generating activities and strengthening the local labor pool.

While their methods differ, both see knowledge as key to economic development. PP views it as a strategic resource for brand and operational sustainability, while BBM treats it as a tool for livelihood and empowerment. Both go beyond technical training, focusing on mindset and meaningful contribution. This reflects their shared commitment to human development as both a means and an end in building inclusive, purpose-driven enterprises.

3.1.5 Openness and Transparency in Conversations

The theme Openness and Transparency in Conversations centers around enabling open communication, listening to feedback, and co-creating solutions. PP ensured that communication was intentionally kept open across all levels, as the owner shared that *“we want to make sure the communication lines are very open... What do you guys need to make things easier for you?”* An organization centered around this mindset encourages proactive conversations in day-to-day conversations. The PP employee viewed this openness as vital for flexibility and growth, sharing that *“being open to dialogue is super crucial for being flexible enough to adapt to our changing needs.”* Dialogue served practical and emotional needs, which helped navigate work and life challenges collectively. From the perspective of the local community, communication was described as direct and solution-oriented. The community member shared, *“we just talked about it... more on communication,”* and *“we talked about what we can do together,”* showing that challenges, even during typhoons, were resolved quickly and insights were encouraged during dialogue. Feedback is shown to have great importance between the owner and local community, leading to a shift in packaging methods. This responsiveness built trust over time.

BBM also values open communication, but it is often more informal and grounded in daily routines. The owner hinted at a trust-based, inclusive leadership style when they shared that *“we really talk to them and ensure they are aware when decisions are made.”* Employees described this culture of openness through shared conversations over lunch and routine updates. *“Very open and communication... walang tinatago sa amin” ([We’re] very open and communication... nothing is hidden from us),* said the employee. Everyone was kept informed of every aspect, from pricing to production decisions. Within the local community, transparency was felt deeply: *“Open kami sa isa’t-isa” (We’re open with each other).* This openness is felt as the organization communicates various aspects, such as quota adjustments or design changes, which are discussed and resolved collectively. While feedback was often done informally, it remained proactive: *“We talk to them first to know what we need [to do].”* In this instance, listening came before action. Joint problem-solving was also discussed, with the owner

noting that partners were *“included in benefits and decision-making.”* The community member affirmed this: *“When there’s something that needs to be changed, we talk about it immediately so we can find a solution.”*

While the differences lie in formality, both enterprises centered their relationships on trust, openness, and shared decision-making. Both owners led by example, listening to feedback and encouraging participation. Employees reported feeling safe voicing out concerns, and community members were both heard and involved in shaping operations. Through regular feedback, both enterprises showed transparency as a practice of respect and human connection.

The dedication to transparency and openness in both businesses mirrors a deeper shift in the way leadership is exercised. Rather than holding onto decisions at the top, these practices pull people in by making them heard and involved in the process. This type of daily feedback and dialogue keeps the organization adaptable and people-centered, particularly when times are hard. It also creates trust between people, which is necessary for long-term partnerships. Openness in this aspect is about building a culture where everyone feels included, accountable, and part of something they share.

4. CONCLUSIONS

Through the thematic analysis of Companies A and B, findings reveal that Filipino businesses and local communities perceive economic development as a shared responsibility, prioritizing social impact by maintaining financial viability. Furthermore, these Filipino businesses utilize humanistic strategies, such as continuous dialogue and capacity-building programs, to promote the economic development of their respective partnerships.

The theme “Opportunity Creation and Income Generation” highlights how Companies A and B served as platforms of dignified work, providing the necessities of a livelihood, such as income and increased job opportunities, for their employees and local community members. The theme highlights how the provision of sustainable livelihood opportunities for employees and local community members has influenced socio-economic upliftment. Through fair compensation and empowerment that go beyond necessities and provide opportunities, the employees and local communities were able to sustain their needs

and improve their respective financial conditions, revealing the social impact of such partnerships.

“Long-Term Growth and Scaling” reveals the collaborative effort of these partnerships towards the long-term growth of both the business and the community. Participants describe the partnerships as a collaborative effort that fosters mutual learning and empowerment, influencing organizational performance. In essence, the partnerships’ shared perception of socio-economic development as a shared responsibility has enabled their ability to collaborate and co-create value within their respective organizations, translating into the long-term growth and viability of the business.

The third theme, “Sustainable and Purpose-Driven Impact”, emphasizes the partnerships’ commitment to promoting sustainable and purpose-driven impact, evidenced by the organizations’ continuous support of local communities and active participation in partnership activities. By promoting inclusion and support, these organizations work hand-in-hand with their local communities to create sustainable impact. This emphasizes how these organizations and community members were able to maintain their long-term priority of driving social impact instead of being merely profit-driven, allowing them to collaboratively work towards driving long-term impact.

The fourth theme, “Perceived Impact of Capacity-Building”, reveals how the companies see upskilling initiatives as a driving force of economic development. The companies perceive capacity-building initiatives that empower both employees and local communities in both technical and soft skills as a means of promoting economic development within their respective partnerships.

Lastly, the fifth theme, “Openness and Transparency in Conversations”, shows the role of establishing open and transparent communication in fostering inclusion and trust within the partnerships, which has allowed them to collaboratively address key business concerns and facilitate shared decision-making. This highlights the role of the humanistic strategy, continuous dialogue, in promoting economic development within the partnerships.

Ultimately, the themes show a progression, from the organization’s provision of livelihood to inclusive and sustainable growth to social impact, affirming how economic development is perceived by

both Filipino businesses and local communities as a shared responsibility in which social impact is prioritized while maintaining the organization’s financial viability. These partnerships share an understanding that economic development is not necessarily driven by financial metrics but rather socio-economic impact that is uplifted by humanistic practices evident in these partnerships, such as mutual respect, stakeholder empowerment, and sustainable growth. Moreover, these organizations integrate the humanistic practices of capacity-building initiatives to empower and upskill both employees and local communities; they also ensure the presence of continuous dialogue in fostering open and transparent communication that helps address organizational needs and concerns. By observing humanistic management practices, such as capacity-building programs and continuous dialogue, these organizations were able to promote economic development within their partnerships.

This paper’s results contribute to the body of humanistic management theory, highlighting ethical, inclusive, and people-centered business practices as influencers of economic development. They reveal that economic growth is fortified when social impact and financial viability are both prioritized and balanced. On its practical application, the findings suggest that businesses, particularly in the Philippines, can foster sustainable growth and communal development of stakeholders through humanistic strategies. Specifically, managers and entrepreneurs can gain valuable insights on how the co-creation of value with partner communities is possible through mutual trust and transparency, as well as acts that empower such partnerships. Hand-in-hand, these approaches will allow managers and entrepreneurs alike to enhance social resilience and organizational performance.

Moving forward, future researchers may seek to research a broader range of business-community partnerships, as there is a gap in existing research in the Philippine context, where local communities are prevalent and respected. Seeking to expand the foundation of this study may include researching partnerships in different regions or industries and understanding how these factors affect these partnerships. Furthermore, apart from local communities, indigenous communities are also prone to exploitation and mistreatment. As such, it may be beneficial to consider the perspectives of these

communities and understand their differences with local communities. Lastly, an area of research could focus on a comprehensive analysis of the role of government policies and regulations in upholding the equitable management of these partnerships. These studies could analyze whether the Philippine policies and regulations foster or hinder successful business-community collaborations.

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