

## **Financial, Marketing and Operational Strategies of the Commissary and Exchange Services in the Three Major Services of the Armed Forces of the Philippines**

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### **Abstract**

The success of many corporations is directly related not only to their relationships with customers but also to the number and quality of their business relationships with other companies. On November 20, 1972, Letter of Instruction No. 31 was amended by Letter of Instruction 31-A placing the Php5M seed capital set aside from the Veterans Claims Settlement Fund held in trust by the Philippine Veterans Bank at the disposal of the Armed Forces of the Philippines Commissary and Exchange Service which shall administer the fund and utilize it for the operations and management of all commissary facilities in the military establishments all over the country for the benefit of the veterans, their widows and orphans; and members of the AFP and their dependents. Hence, this study attempted to assess the extent to which the Financial, Marketing and Operational Strategies of the AFPCES are implemented based on the profile of the three Commissary and Exchange Services in the Philippine Army, Philippine Navy and Philippine Air Force; the extent on which the AFPCES implement the policies relative to Financial Management, such as Budget Administration, Management of Finances, Accounting and Auditing; while on Marketing Management it looked into the Sales Policies, Demand Customers and Policies, Selling Services, and Price Policies; and on Operational Management, it focused on the Availability of Merchandise/Stocks, Inventory and Logistics, and Facility and Equipment, and determined the common problems encountered in the implementation of these strategies. One of the significance of this study was to establish a clear and definite link between goods and merchandise, and customers' satisfaction, therefore remains a big challenge for the AFPCES to address. The rationale in using a descriptive method is that the strategies of the AFPCES were properly implemented, therefore considered as dynamic, and interactive, and are partially planned and partially unplanned. It was therefore recommended, to maintain and sustain clear and well-defined strategies in place; anticipate potential change management issues, and allocate adequate resources that are considered critical for the implementation of the strategies.

*Keywords: financial management, marketing management, operational management, commissary and exchange service*