



Research Article

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Indigenous Peoples' Phronetic Leadership: A Trailblazing Case Study of Bacut Man-Made Lake for Agri-Eco-Tourism, Apayao, Philippines

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Abstract

Indigenous Phronetic Leaders inspired and promoted immense developments in communities through collective organizational knowledge creation. The study aimed to identify the problem of farmers, determine how phronetic leadership was practiced by the key informant, and describe the present situation of Bacut, Santa Marcela, Apayao, Cordillera Administrative Region (CAR), Philippines. Mr. Elorde P. Anniban, an indigenous phronetic leaders was the main participant and the protagonist. He is an indigenous respected elder or "pangat" who, despite being physically disabled, initiated reforms in Bacut. In-depth interviews and document reviews were applied in this management case study. Results revealed that the main problem of the farmers was low rice production because there was no water system to irrigate their farmlands. Without the knowledge of the key participant, he applied the socialization, externalization, combination, and internalization (SECI) model and encouraged the mining of bright ideas of the people, engaged stakeholders and relentlessly sought government intervention to address the problem of farmers. Through the phronetic leadership of the key informant, the farmers, and the government leaders, an environment-friendly dam, fondly called the Bacut Lake was constructed irrigating farmlands and doubling and even tripling rice production addressing poverty in Santa Marcela, Apayao. In addition, indigenous peoples' phronetic leadership, the province of Apayao has now an astounding agri-eco-tourism site, a national park, rich in biodiversity, and several existing organizations are working together to boost the economy of the farmers and the province. On the other hand, Ifugao State University, a government higher education institution in the country, crystallized a phronetic leadership framework as an offshoot of the study.

Keywords: Phronesis, socialization, externalization, combination, and internalization (SECI) model

1. Introduction

Leadership matters in pursuing the aspirations of people. It is within this context that this research explored how phronetic leadership was locally practiced and led the community to thrive and prosper. Phronetic leaders as described by Nonaka and Takeuchi (2011) exhibit six leadership abilities: 1) Phronetic leaders can judge goodness, meaning, leaders practice the relentless pursuit of excellence, set towering visions, share experiences, work for the common good, and enable the organization to work well with society, 2) Phronetic leaders can understand complex matters in which leaders are cognizant to what is happening with people, things, events and they initiate

appropriate actions needed to actualize the vision. 3) Phronetic leaders create shared contexts (“ba”) referring to leaders who create learning environments for people or employees to learn from one another, talk to one another, strengthen everybody’s relationships not only to a few, and create new meanings, 4) Phronetic leaders communicate the essence, meaning, leaders have excellent ways of communicating and they relate to all stakeholders not only to a handful, transfer information in an understandable way to their colleagues through stories and other metaphorical or allegorical figures, and share the vision of the organization with the members. 5) Phronetic leaders exercise political power as they bring people together and work as a team, understand their concepts, aspirations even laziness, create something new, deal with dichotomies, paradoxes, use imagination and insights, and forward the institution, 6) Phronetic leaders foster practical wisdom in others, as they set to be exemplars and influence other people or employees to perform in extraordinary ways, foster coaching or apprenticeship, empower others to use wisdom, and become phronetic leaders as well. The six abilities were embedded in the socialization, externalization, combination, and internalization (SECI) model combined with tacit and explicit forms of knowledge.

Bostanli (2023) narrated that phronetic leaders contributed to enabling others to be able to negotiate or make compromise agreements, practice intellectual humility, consider the ideas, opinions, and perspectives of others, and actively listen. These are very instrumental in improving wise leadership and performances in educational institutions and other organizations. Massingham (2019) studied the application of practical wisdom of retirees and concluded that first, wise people make improved decisions guided by sound judgment. Second, people with wisdom think, behave, and act appropriately under different circumstances. Third, people with wisdom have better motivations encompassing ethics at the advantage of the majority.

Indigenous peoples (IPs) constitute approximately 6% of the world’s population and account for 19% living in poverty (World Bank, 2022). Errico (2017) mentioned that about two-thirds of the IPs live in Asia. There are 110 ethnolinguistic groups of IPs in the Philippines that are concentrated in Mindanao (61%), Cordillera Administrative Region (CAR, 33%), and Visayas (6%) (UNDP, 2010). CAR predominantly features mountainous landscapes, explaining the presence of major rivers ideal for irrigation and energy sources. The region boasts tall elevations, breathtaking scenery and is known for highland vegetable and rice production in some provinces.

Through Executive Order Number 220, the Cordillera Administrative Region (CAR) was created covering six provinces namely Apayao, Abra, Kalinga, Ifugao, Mountain Province, and Benguet. Apayao Province has seven municipalities, one of which is Sta. Marcela where the Bacut man-made lake is located.

The Republic Act 8371 of the Philippines otherwise known as the “Indigenous Peoples Rights Act” (1997, IPRA) grants Indigenous Peoples (IPs) the authority to manage their ancestral lands, water, coastal areas, biodiversity resources and other natural resources. It also emphasizes the preservation of their culture, traditions, and institutions, ensuring that members receive equal protection and non-discrimination. However, despite this law and other policies and guidelines for the IPs, the reality persists that IPs remain among the poorest and most disadvantaged groups (UNDP, 2010).

The guardians of some of the world’s most biologically and culturally diverse regions are the Indigenous Peoples (IPs). They possess a wealth of traditional knowledge which is considered an invaluable resource. Nevertheless, IPs persist in facing challenges such as poverty, discrimination, marginalization, and conflict, putting their culture and natural resources at risk (UN, 2009).

Among the IPs residing in Santa Marcela are the Tinguians and the Isneg people of Abra and Apayao who aspired to preserve their rich biodiversity and have implemented a forest management strategy of regulating the use of natural resources known as *Lapat System*. This system which has been carried out through generations (Camacho, Combalicer et.al 2012) involves imposing taboos on a portion of forest lands for a certain period of time.

Cutting of trees, gathering flora, hunting, and other forms of disturbances of natural resources are prohibited. The *Lapat System* serves as a means of preserving the biodiversity of the forests and

facilitating the restoration of the natural habitat. The *Lapat System* was incorporated in the environment code of Apayao in 2013 aligned with the Wildlife Resources Conservation and Protection Act or Republic Act Number 9147 (Adriano, 2015).

In Bacut, similar indigenous practice has been embraced, involving the prohibition of tree cutting or fishing without seeking permission. Initiated by the local farmers' organization, this practice is being carried out in the community to safeguard the natural resources of the area.

Domingo (2004) emphasized that indigenous leadership was instrumental in governing the indigenous peoples for centuries. The success of their leadership relied heavily on fulfilling the needs of the people. Elders play a significant role in leadership, forming the Council of Elders- a crucial mechanism for community involvement and oversight body among the IPs.

It is therefore wise to seek the blessing of the Council of Elders for any programs or projects before commencing it. Calina, Tumanut, & Brillantes (2020) exceptionally discussed how Rodolfo del Rosario exemplified phronetic leadership with the SECI model and successfully merged the three municipalities in Samal, Davao del Norte, Philippines and transforming it into a city of stable financial condition and exceptional governance. Del Rosario is one who inspired people, had *ba* sessions with them, and brought galactic reforms to Samal.

The case used Nonaka's SECI Framework (2010) which expounds on an understanding of the knowledge generation processes when solving problems or issues in organizations. The framework (Figure 1) recognizes that it is important to empathize, walk around, understand, and share one's feelings with others through direct experiences with people (Socialization); explaining the ideas to clients, workers, and others through dialogues and reflections to be able to concretize concepts or models (Externalization); knowledge transfer to various agencies or establishments with the help of digital technology (Combination); integrate the new knowledge, practice by doing, make it part of our systems and enrich the knowledge at hand (Internalization); and internalize new knowledge shared through discussions or interactions, initiating more conversion processes that spiral to the Socialization process again. The interaction of individuals, groups, organizations, and the environment is imperative in the SECI model.



Figure 1: The SECI Model

Tourism is gradually regaining its momentum as COVID-19 is easing out. Many people are eager to travel and explore various destinations. Agri-eco-tourism, a combination of agritourism and ecotourism should not be overlooked. The main activity of the farmers in Bacut is agriculture, and the recent developments around the lake have increased the revenues in the farmlands. In agritourism, those who come to Bacut Lake actively engage in farming activities, immerse themselves in local culture, and explore the production processes. Ecotourism involves bringing tourists into natural environments and raising awareness about the importance of nature. These forms of tourism support the community of Bacut and promote a participative and respectful mindset.

2. Objectives of the Study

This management case is focused on 1) identifying the major problem of the farmers in Bacut, Santa Marcela, 2) determining how the key informant fostered phronetic leadership through the SECI model to address the problem of farmers and, 3) describing the current situation of Bacut as an offshoot of indigenous phronetic leadership (IPL).

3. Research Method

As a case study method, data were collected through in-depth interviews and documentary analysis. The study was conducted at Bacut, Santa Marcela, Apayao, Cordillera Administrative Region, Philippines. In identifying the key informant, the following criteria were applied:

1. The key informant must be a member of the indigenous peoples of any of the provinces in CAR.
2. An active IP leader in the community and has outstanding accomplishments that contributed to development.
3. The IP leader is recommended by the LGU to be the key player in the study. Leaders who do not satisfy the criteria are excluded.

After a series of inquiries from the six provinces of the region, Mr. Elorde P. Anniban met the criteria. He is a respected elder or *pangat* of the Tinguian Tribe at Bacut. The protagonist is a nondegree holder, worked with the National Intelligence Security Agency (NISA), and used to be a representative of the intelligence task force from the Philippine Military Academy (PMA). He also served with the Philippine Constabulary (PC) and then with the Philippine Army. During his military service, he consistently maintained connections with his fellow Tinguians in Bacut and constantly urged them to pursue their dream of establishing a water system with the Department of Agriculture (DA) of Santa Marcela. He is physically disabled due to multiple gunshots which he incurred while in the service as a military officer. He retired early and actively serves as an elder in the community. He encouraged the mining of bright ideas from the community, particularly the farmers, engaged with stakeholders, and relentlessly sought government interventions to address the issue of low rice production in their locality due to the absence of a water system to irrigate their farmlands. Further information was gathered to validate the responses of the protagonist through a face-to-face interview with one IP farmer, the mayor, the municipal secretary, and officials from various concerned government agencies (Department of Agriculture (DA), Department of Public Works and Highways (DPWH), National Irrigation Administration (NIA), Department of Tourism (DT), and the Department of Environment and Natural Resources (DENR).

The researcher traveled for 12 hours from Ifugao Province to Santa Marcela, Apayao, for data gathering. Open-ended questions were employed to encourage active engagement, reflection, and open responses from the key informant and other interviewees until data saturation was achieved.

The gathered information was organized and presented to the key informant for confirmation of its accuracy. Subsequently, the collected data were analyzed, interpreted, and described. Meanings and lessons learned were then drawn from the case.

In adherence to research ethics and protocol, the researcher initially obtained permission from

the municipal mayor, who expressed strong support for the research. The objective of the study and necessary information for the key informant to make an informed decision before participating in the research were discussed. After explaining, the protagonist eagerly took part in the study and signed the informed consent form.

4. Results

4.1 *The Problem of Bacut, Santa, Marcela, and Elorde P. Anniban*

Santa Marcela was created as a separate Municipality of Apayao in 1967. It is a fourth-class municipality, and its agricultural products include rice, corn, coffee, and root crops. It is with a nearly level and slope category land area of 19,632 hectares, with a population of 13,317 based on the 2020 census (PhilAtlas, n. d.). Teeming with vast forests that have diverse ecosystems, Santa Marcela, through Republic Act No. 4974, was created as an independent municipality on June 17, 1967 with Guillermo Barsatan as the first municipal mayor. Marcela is a barangay of Santa Marcela where Sitio Bacut is located. The residents at Barrio Bacut are composed of various ethnic groups like the Ybanags from Apayao, Aetas, Tinguians from Abra, Kankana-ey from the Ilocos Region, Kalingas, and Ilocanos. Most of the ethnic groups were from Abra which is why the site is called Abra Village. Before the 1960s, Bacut was evergreen with heavy forests, rich natural resources, flora, and fauna but its natural environment was destroyed by logging companies approximately from the 1960s to 1975.

In an interview with the protagonist, he expressed that there was a scarcity of water to irrigate the farmlands and there were no farm-to-market roads leading to low rice production and poverty since time immemorial. According to him, from 1965 to 1993, food on the table was not enough, farmers were untrained, and the income of farmers was low. There was no dam, no irrigation canals, the irrigation facility was not maintained, and the farmers' organization (FO) was not registered. Roads were poorly constructed and transportation was a challenge. For many decades, the farmers in Bacut planted rice on a hit-and-miss method and they harvested about 40 sacks of native rice once a year. Their limited rice production is insufficient for their daily family consumption until the next year's harvest.

The increase in rice production became evident only after the construction of the dam. According to Mr. E. Anniban, in 1965, poverty and food insufficiency forced them to migrate from the province of Kalinga to Bacut. This sentiment was confirmed by a farmer and five other government officials in which farmers experienced low rice production and poor roads before the dam construction. Supporting this claim, documents such as annual reports from the Department of Agriculture were presented, reiterating the low rice production before and a subsequent increase only after the dam's construction.

Through years of manual labor, the farmers assessed the landscape and envisioned the possibility that a water-impounding facility between the two mountains where their rice fields are located, could provide more than enough. During the "Ba" sessions, the farmers, shared their dream of having a water impounding facility. Pedro Anniban, the father of Elorde P. Anniban took it seriously and committed to advocating for their aspiration to the concerned government officials.

In 1978, according to the protagonist, conflicts on land ownership and boundaries among the farmers emerged as they continued to till their rice fields, which served as their crucial economic assets and the primary source of rice production. In his effort to settle the conflict along with the community members, Mr. Pedro Anniban found that the land disputes worsened, causing damage to the close community relationships they had built. Recognizing the need for government intervention, Mr. Anniban invited Forester Ciano Dumayas who was then with the Municipal Agriculture Office to have a meeting with the small farmer-owners at Bacut.

During the meeting, the conflict was successfully settled. According to the protagonist, Forester Dumayas explained the legalities of land ownership to the farmers, emphasizing that the law does not allow people to claim ownership over government lands. The forester clarified that they should only

cultivate the land they originally owned. The farmers were enlightened by this information and agreed not to extend their boundaries any further. They realized that continuing the conflict could create tension in the area and harm community strength and relationships.

In 1986, Mr. P. Anniban was chosen by the people to be their barangay captain. In 1987, the dream of a water system did not prosper because Mr. P. Anniban was brutally killed during a critical period when the insurgency problem in the area became a major concern for the government. While the farmers kept their vision of a water system in their hearts for 13 years, they continued farming until they cultivated most of the lower part of the mountains near the small river. They still experienced rural poverty with low rice production due to the shortage of water affecting their economic status, health, and well-being.

Local Government Units (LGUs) are established in provinces, cities, towns, and barangays in the Philippines, with elected political leaders responsible for leading the people. At the time the farmers proposed the construction of the first dam, led by the key informant in collaboration with government officials, the Congressman of Apayao was Hon. Elias K. Bulut, who is also an Indigenous Peoples (IP) representative himself.

From serving as the congressman of the province from 1992 to 2001 and then as governor from 2001 to 2010, Hon. Elias K. Bulut consistently supported the construction of Bacut Lake. Subsequently, his leadership played a crucial role in securing funding from the Department of Agriculture (DA) for the dam proposal, which was approved and implemented. In 2001, Congressman Bulut spearheaded various projects, including the successful restoration of the forest around Bacut Lake. Under his initiative, tree planting became a top priority for both concerned agencies and the community, leading to the greening of Santa Marcela and the restoration of its rich biodiversity after the massive logging in the 1970s. In an interview with officials from the National Irrigation Administration (NIA), they confirmed that the accounts provided by the key informant were accurate, that the idea originated from the farmers and their records indicated that it was their office that implemented the construction of the Bacut dam.

4.2 *The protagonist, a phronetic leader, and the SECI model*

Unknown to the key informant, he applied phronetic leadership using the SECI model to address the contextual situations, actions taken, and the involvement of government agencies in resolving the farmers' issues. He verbalized during the interview that it was easy for him to bring the farmers together and organize them because long before, when his father Mr. Pedro Anniban was alive, the people already shared a common vision of a water reservoir or a dam to irrigate their rice fields. As a form of socialization, he used to listen to and attend the informal talks of his father, along with the farmers, while they were chewing betel nuts and drinking local wine known as 'basi,' made from sugarcane. These discussion sessions often took place during planting or harvest time. By actively participating in these conversations, he became fully aware of the main problem faced by the farmers and their strong desire to be heard by the government, particularly through the provision of a dam. "When his father died, that was also the time he resigned from the military service due to multiple gunshots and injuries that caused him to be paralyzed to date."

The protagonist lived with the people, talked with them, mingled, ate with them, felt their needs, joked, and conversed with the farmers. People visited him in their residence because of his physical condition, and chewed betel nuts and sometimes drank "basi" together which is their cultural *ba*. This, for me is a very effective way of sharing tacit knowledge and creating new knowledge from it but misuse of "ba" like spending too much time with friends or colleagues during office hours for "ba" sessions would be detrimental.

The second stage is Externalization. The protagonist engaged in dialogues and meetings with the farmers. Together, they devised plans and contemplated on possible strategies for implementing their vision. Furthermore, they coordinated with concerned government agencies to ensure the success of their collaborative efforts.

The third stage is Combination. Concerned agencies favorably supported the ideas of the farmers and even coached them on how to prepare the supporting documents needed for a proposal. A project proposal for a dam with the use of available technology was audaciously prepared by the Municipal Agriculture Office (MAO) in collaboration with the farmers.

The fourth stage is Externalization wherein the protagonist continuously coordinated with the Department of Agriculture and other offices. According to the protagonist, he often hears people remark *"It is always good to be a witness to this protagonist who despite his physical disability keeps following up on the progress of the project proposals for their farmers' organization."*

The project proposal was approved and implemented, resulting in the irrigation of the rice fields. Through this initiative, they internalized the value of collective effort and the shared benefits of harvesting together. It meant utilizing the irrigation systems for their mutual advantage while responsibly managing the government assistance provided to them.

Figure 2 illustrates the significant roles played by various stakeholders in the construction of the Bacut Dam. Led by the small farmers' organization and propelled by the community leadership of Mr. Elorde P. Anniban, key contributors included the Department of Agriculture (DA), National Irrigation Administration (NIA), Department of Public Works and Highways (DPWH), as well as the Offices of the Congressman, Governor, and Mayor.



Figure 2: Stakeholders Involved in the Construction of Bacut Lake

When asked on how he managed the proposals and faced challenges during the process, the protagonist shared that he constantly followed up on the proposals by personally visiting offices. Due to his physical disability, he was often accompanied by his wife or other community members during these visits.

They encountered varied challenges during the preparation and implementation of the projects, such as the nonrenewal of the Security and Exchange Commission (SEC) permit, poor road conditions, limited knowledge among farmers on new technologies for agricultural production, and difficulties with the maintenance of the dam and irrigation systems once constructed. Despite these obstacles, the protagonist emphasized that they successfully overcame these challenges through his leadership and the support of concerned government officials.

4.3 *Bacut today is an offshoot of phronetic leadership*

The protagonist expressed that the people in Bacut are now reaping the benefits of having their lands irrigated. The positive impact of the creative ideas of the farmers to address their challenges, combined with the phronetic leadership of the Indigenous Peoples (IPs), has been acknowledged and favorably acted upon by the government. Farmers are currently enjoying the harvest twice or thrice a year, yielding approximately 130 sacks or 6,500 kg (6.5 metric tons) or more per hectare per cropping. The municipal agriculturist attested that Bacut Lake has significantly increased the harvests through the implemented irrigation systems and training initiatives for the farmers. However, with the increase in rice production, a concerning trend emerged as native rice varieties faced extinction due to the shift towards planting hybrid rice.

The surroundings now boast an evergreen landscape, a result of replanting efforts to replace the denuded environment, which was destroyed by illegal logging during the 1970s. Numerous programs and projects conducted around the lake contribute to the economic growth of the community.

Cemented pathways, drainage systems, spillways, and the opening of a new canal as an extension from the existing dam enlarged the Lake thereby increasing the volume of water servicing more farmers. The Santa Marcela Abra Villagers in Bacut actively engaged in preserving the rich biodiversity along the dam and preventing aquatic and forest destruction. Through the collective efforts of the LGU, under the leadership of Congressman Elias K. Bulut and with the support of DENR since 2001, an ecotourism park was established, contributing to the restoration of the environment. Extensive tree planting initiatives have flourished, resulting in the proliferation of trees and animals around Bacut Lake.

The municipal mayor articulated that Bacut Lake continues to be the banner project of the LGU. It is a show window of the municipality, and many projects through the LGU are focused on its further development and maintenance. In our conversation, the mayor emphasized that this management case study, which highlights the significant roles of indigenous peoples' leadership, serves as an eye-opener for the LGU. It aims to recognize the commendable efforts of Mr. Elorde P. Anniban and his invaluable contributions to the development of the municipality, the province, and the country as a whole. Mr. Anniban was honored with the Outstanding Indigenous Leader's Award on October 26, 2022, by the LGU. The recognition was based on the results of the study, supported by evidence gathered from the community of Santa Marcela and the province.

Highlighted by another government official, Bacut Lake takes center stage as a premier destination for visitors, becoming the center of activities during special occasions in both the municipality and the province. Along with this, rice production has not been the main problem except during natural calamities where the farmers do not have control over the weather.

5. Discussions

Poverty remains a challenge in the Philippines and one of the main causes is the failure to constantly improve the agricultural sector (ADB, 2009) even though the country relies heavily on agricultural production.

Studies reveal that the absence of irrigation is the main reason for low crop production. Arida (2009) highlighted that a poor irrigation system causes low production for both dry and wet seasons. Rosegrant (1992) discussed that irrigated rice fields doubled crop year production and income indicating that irrigation is critically important in rice production. Moreover, data from the Philippine Statistics Authority (PSA, 2019) reveals that the yield per hectare for irrigated rice fields in the country from 2015-2018 surpasses that of rice harvested from rainfed and upland production ecosystems. This implies that irrigated rice fields contribute significantly to higher yields, addressing food insufficiency caused by low production. Hence, the importance and advantages of irrigating rice fields are evident.

Figure 3 shows the causes of low rice production and low income leading to poverty in the case

of Bacut are attributed to the absence of water systems, procedural challenges, and inadequate road infrastructure. The absence of a water system or dam to irrigate the drylands posed a significant challenge for small farmers in Bacut. The limited water flow from the small river couldn't meet the required volume for the farmers' lands. Consequently, farmers were bound to resort to the dry method of rice planting. Due to the scarcity of freestanding water in the fields, they opted to plant native rice varieties, known for their resilience and ability to survive with minimal water, often relying on unpredictable rainfall.

While native rice is recognized for its medicinal and higher nutritional properties, it requires approximately six months before harvest. The waiting period, coupled with low rice production, leaves farmers with insufficient supplies for sustenance until the next harvest season, thus, the annual harvest cycle contributes to periods of hunger within the community. For so long a time, the government failed to identify the problems of the farmers in Bacut that even before 1967, the problem of low rice production existed. There was a delay in government intervention to advance agricultural production because the construction of the dam to help the farmers came about only in the 1990s. Adding to the issue of a severely limited water supply was the extensive logging or tree cutting that occurred roughly between the 1960s and the 1970s. Illegal logging resulted in a decline in water supply, loss of biodiversity, widespread destruction of flora and fauna habitats, disruption of the lives of indigenous peoples residing near the forests, climate change, and various other adverse effects.

Process-related issues, such as the non-registration or renewal of the farmers' organization with the SEC, modern agricultural technology needs of farmers, and irregular payment of irrigation dues, presented additional problems. As the farmers pursued their goals, the protagonist dealt with addressing these challenges to concretize their dream. Registration of the organization with the SEC was deemed imperative, providing them with a legal identity as an association.

The evolution of modern technology has transformed agricultural practices, yet many farmers in Bacut lacked technological empowerment. With the construction of the dam, the National Irrigation Authority (NIA) imposed water service fees on farmer beneficiaries.

This is stipulated in Presidential Decree 1702 which authorized NIA to collect irrigation fees, administration charges, drainage, and other legal fees. However, as explained by the protagonist, some farmers did not comply with the required irrigation service fees.

The Lack of Farm-to-market roads for the villagers to transport their harvested crops easily and efficiently posed a significant challenge for villagers in transporting their harvested crops. The road network was poor as they were rugged and bumpy; dusty during summer; muddy and slippery during rainy seasons making it hazardous. There was also negligence in the cleaning, repair, and maintenance of the irrigation conduits. These factors collectively resulted in low rice production and income, contributing to persistent food insufficiency and indicating a prolonged state of poverty among small farmers

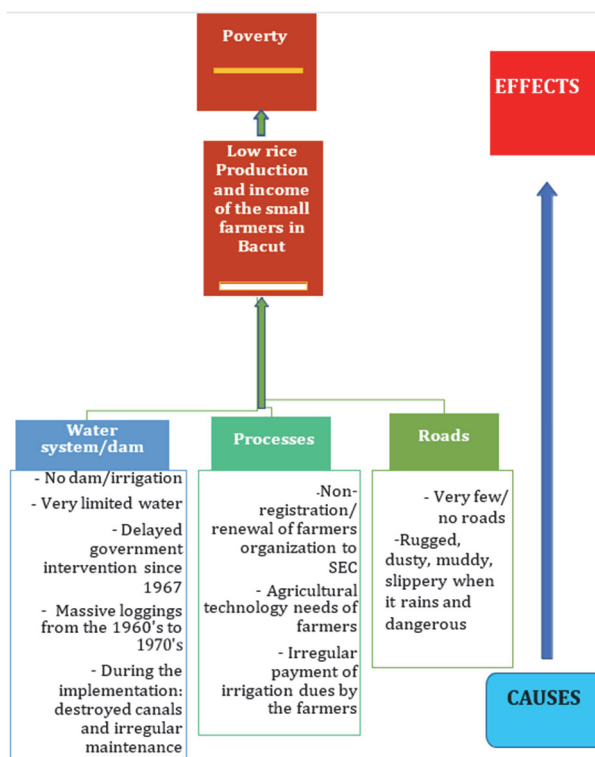


Figure 3: Problems of the farmers in Bacut

The core of this leadership strategy is aligned with the framework of Nonaka (2010). The Japanese tradition called “*ba*” as discussed by Nonaka (2010) enables people to understand and empathize with others through how they communicate with each other whether by actions or words. The cycle of the SECI model starts again and it is applicable in any particular instance and in solving problems at the barangay level in its efforts to upgrade the lives of the farmers.

Without realizing, the protagonist and all the concerned agencies were using the SECI model to concretize the vision for the development of the community. In a similar case, Calina, Tumanut, & Brillantes (2020) specifically discussed how Rodolfo del Rosario exemplified phronetic leadership with the SECI model and successfully merged the three municipalities in Samal, Davao del Norte, Philippines, thus, transforming it into a city of stable financial condition and exceptional governance. Del Rosario is one who inspired people, had *ba* sessions with them, and brought galactic reforms to Samal.

The economic conditions of the people of Bacut have improved. The initiatives on Bacut Lake, the Ecotourism Complex and Natural Park not only serve as a remarkable water source for irrigating farmlands, thereby alleviating poverty, but has also emerged as an outstanding agri-eco-tourism site, showcasing the grandeur of natural beauty. Interestingly, this great project originated from the tacit ideas expressed in the farmers' cultural “*ba*” – the betel nut “*nganga/mamma/moma*” chewing and sugarcane or “*basi*” wine drinking during informal or formal gatherings

As a result of phronetic leadership in Bacut, there is now food sufficiency and increased rice production; Mr. Elorde P. Anniban, the protagonist was awarded Outstanding Indigenous Peoples' Leader. Various organizations and projects exist in Bacut which include the Santa Marcela Tourism Service Providers Association; Santa Marcela Youth Eco-weavers Association; BACICOL Irrigators

Association Clean and Green Project; Abra Village Weavers Association; Tinguiian-Ilocano Youth Association, and Tree growing projects by different agencies.

Training and conference facilities are readily available, national and local government units are continuously providing assistance and projects for the development and maintenance of the lake. Private organizations also expressed their interests in partnering with the LGU and Bacut for projects that will continue to promote and develop the lake. It is now a national park, rich in biodiversity, and with several existing organizations working together to further upscale the community and boost its economy. From the tacit ideas of the IP farmers and government intervention, poverty was alleviated and matched with the grandeur of nature in Bacut.



Figure 4a. Bacut Lake entrance



Figure 4b. Bridge to the other mountain of the Bacut Lake

6. Implications of this Management Case and Indigenous Phronetic Leadership (IPL)

Overall, in the context of this management case featuring Mr. E. Anniban, it becomes evident that indigenous phronetic leadership (IPL) is a catalyst for poverty reduction and improved living conditions within the community. The implications of IPL extend beyond mere leadership to encompass cultural inclusivity, agility, the co-creation of knowledge and skills, environmental stewardship, the transfer of indigenous knowledge systems and practices (IKSP) to future generations, and ultimately, economic development.

In cultural inclusivity, IPL is a way of recognizing and appreciating the way of life of the IPs leading to harmonious relationships and enabling people of diverse backgrounds to feel welcome, comfortable, and respected.

Cultural agility advances Indigenous People Leaders to empower IPs to understand, learn, unlearn, and work effectively when they merged with various cultures and in different geographical locations. Cultural agility plays a pivotal role in cultivating the art of effective interaction with individuals from various nationalities. This skill serves as a key driver for the success of both communities and organizations, enabling them to navigate and thrive in diverse and multicultural environments.

Indigenous peoples' leadership emphasizes respecting the ideas of stakeholders. This approach fosters the co-creation of knowledge, collective decision-making bringing about correct solutions to gaps, and coming up with strategic implementation plans. Indigenous phronetic leadership prioritizes environmental stewardship especially since locals have strong connections and interrelationships with their land and water resources

By showcasing how Indigenous Peoples (IPs) preserve and promote their environment, other individuals and organizations gain a heightened awareness of their responsibilities in caring for Mother Earth and are inspired to translate this awareness into meaningful action. Indigenous Phronetic Leadership serves as a channel for transferring Indigenous Knowledge Systems and Practices (IKSP) from generation to generation. This presents a valuable opportunity for those in the educational sector to impart IKSP to learners at all levels. Simultaneously, individuals in both government and private sectors can acquire knowledge of IKSP and apply these unique insights for the collective benefit of society.

Indigenous Phronetic Leadership (IPL) plays a substantial role in fostering development at the local, national, and international levels. By engaging Indigenous Peoples (IPs) in leadership roles across various organizations, their empowerment unleashes their inherent leadership talents that greatly impact communities. With a deep understanding of their culture, involving IPs in leadership tasks paves the way for improved economic conditions, as exemplified by the protagonist.

7. Conclusions

In rice-eating countries like the Philippines, meticulous attention to rice production is of utmost importance. The absence of a water system, compounded by rugged or nonexistent roads, directly influences poor income, leading to poverty, particularly for farmers in Bacut. However, the farmers' vision and their great commitment in overcoming the challenges of rice insufficiency are not seen as a problem when guided by effective leadership and collaborative partnerships with the government.

Phronetic leadership, inherent in the SECI Model, encompasses practicality and wisdom within an organization or community. Actively listening to and acting upon the voices and ideas of individuals, while actively engaging all stakeholders, become essential for the organizational success. Recognizing the significance of tacit knowledge, which often emerges from the people or stakeholders, adds a crucial role to effective leadership.

Knowledge creation begins by recognizing and obtaining ideas from others, brainstorming, and creating new ways of doing things. Recognizing people's ideas and combining them with existing information enables the creation of new organizational knowledge. From the tacit ideas of the

indigenous peoples and government intervention, poverty was alleviated matched with the grandeur of nature in Bacut, Santa Marcela, Apayao.

Through the phronetic leadership exhibited by a non-government organization (NGO), represented by the key informant, in partnership with government organizations (GOs), the pressing issues of poverty rooting from the scarcity in agricultural production, especially in rice, poor water systems, and inadequate roads were successfully addressed. This achievement stresses the strength of collaboration and clear communication, providing a significant improvement in the lives of the people.

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