



Office of the Secretary of the Commission
GOVERNANCE COMMISSION

FOR GOVERNMENT OWNED AND CONTROLLED CORPORATIONS
3/F, Citibank Center, 8741 Paseo De Roxas, Makati City, Philippines 1226



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30 JULY 2019

MA. LUNA E. CACANANDO
President and CEO
SMALL BUSINESS CORPORATION (SBC)
17th and 18th Floor, 139 Corporate Center,
139 Valero St. Salcedo Village Makati City, 1227

ACKNOWLEDGEMENT RECEIPT

LETTER **29 JULY 2019**
DATE:

RE: **SUBMISSION OF SBC'S 2ND QUARTER 2019 PERFORMANCE BASED ON THE GCG-APPROVED PERFORMANCE SCORECARD AND INFORMING THE COMMISSION THAT THE RESULTS OF THE SURVEY WILL IMMEDIATELY BE SUBMITTED TO GCG UPON COMPLETION BY THE THIRD PARTY PROVIDER IN RELATION TO THEIR APPEAL FOR SBCORP'S 2018 SCORECARD RATINGS ON STRATEGIC MEASURES (SMs) 7**

The said document was officially received by the Governance Commission on 30 July 2019 and has been forwarded to the responsible GCG Officer for appropriate action.

To follow-up for further action on the document, you may contact us through telephone numbers (02) 328-2030 or (02) 318-1000. Please cite the GCG Document Management System (DMS) Barcode Number: **0-0422-30-07-2019-011916**.

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Handwritten signature and date: 7/31/19

		COMPO NENT			2019 Target	2019 Accomplishment
Objective/Measure		Formula	Weight	Rating System		2nd quarter
SOCIAL IMPACT	SO1	Improve the Access to Finance of Unserved MSMEs				
	SM 1	Increase Total Financing Portfolio	Year-End Loan Portfolio (Gross Amount)	10%	P5.50 Billion and Above = 10% P4.40 Billion to P5.49 Billion = 5% P3.30 Billion to P4.39 Billion = 2.5% Less Than P3.30 Billion = 0%	P5.5 Billion P4.25 Billion
	SM 2	Increase Number of Micro and Small Enterprise Borrowers	Absolute Number of New Borrowers	10%	(Actual/Target) x Weight	40,000 24,789
	SM 3	Spread Distribution of Financing Portfolios Nationwide	Absolute Number	5%	(Actual/Target) x Weight	75 Provinces with Minimum Loan Portfolio of P20 Million Per Province 63
			<i>Sub-total</i>		25%	
FINANCE	SO 2	Guarantee Profitability and Sustainability				
	SM 4	Improve Net Operating Income	Operating Income - Operating Expenses	10%	(Actual/Target) x Weight Less Than P15 Million = 0%	P20.85 Million Php5.93 Million
	SM 5	Improve Return on Assets	(Net Income/Total Assets) x 100	10%	(Actual/Target) x Weight	0.51% 0.12%
	SM 6	Improve Collection Effectiveness Index	[(Beginning Receivables + Monthly Income - Ending Total Receivables) / (Beginning Receivables + Monthly Income - Ending Current Receivables)] / x 100		All or nothing	Break-even Removed from Corporate Scorecard
	SM 7	Improved Past Due Rate	Value of Past Due Loan Accounts / Total Financing Portfolio	10%	1 - [(Actual - Target / Target) x Weight] 0% if 22% and higher	16.4% 21.11%
		<i>Sub-total</i>		30%		
STAKEHOLDERS	SO 3	Ensure Customer Satisfaction				
	SM 8	Percentage of Satisfied Customers	Number of Stakeholders who gave a Rating of at least Satisfactory / Total Number of Respondent	5%	(Actual/Target) x Weight If Less Than 80% = 0%	90% Final stage on the procurement process for third party survey
			<i>Sub-total</i>	5%		
INTERNAL PROCESS	SO 4	Improve Service Delivery				
	SM 9	Increase Number of Local Conduits Per Province	Absolute Number	5%	(Actual/Target) x Weight	81 Provinces and 4 districts of Manila with at least 3 local conduits each 75
	SM 10	Improve Percentage of Loans Processed Within Prescribed Time	Number of Loan Applications Processed Within Applicable Turnaround Time/Total Number of Applications	5%	(Actual/Target) x Weight	100% of Applications Processed within Prescribed Turnaround Time 53.68%
	SM 11	Increase Number of Capacity Building Participants	Absolute Number (Cumulative Count)	5%	(Actual/Target) x Weight Less Than 83 = 0%	114 New Capacity Building Participants 86 Risk-Based for RBs - 4 AO Certification - 18 MFI Good Governance - 64
	SM 12	Attain ISO 9001:2015 Certification	Actual Accomplishment	5%	All or Nothing	Maintain ISO 9001:2015 Certification Workshops and trainings re Surveillance Audit for 2019 for SBCorp ISO Core Team conducted
		<i>Sub-total</i>		20%		

SO 5 Enhance the Competencies of the SBC Workforce							
LEARNING & GROWTH	SM 13	Percentage of Employees Meeting Required Competencies	Actual Accomplishment	5%	All or Nothing	<p>Improvement in the Competency baseline of the organization</p> <p>Aligned with the SBCorp Competency Enhancement Program, the following training with corresponding participants were completed:</p> <ul style="list-style-type: none"> Developing Others (for senior officers) - 11 out of 14 senior officers Controlling & Monitoring, Developing Others & Decision Making (Module 1) - 24 out of 26 Department Heads and OICs Analytical Thinking - 154 out of 155 employees <p>A total of 17 employees were sent to external trainings to address various competency gaps</p>	
	SO 6						
	SM 14	Automate Existing Systems and Processes	Actual Accomplishment	5%	All or Nothing	<p>Implementation of the following:</p> <ul style="list-style-type: none"> Loan Origination System Loan Disbursement System Loan Collection System Business Performance Indicator Profile Procurement Management System Account Management System 	<ul style="list-style-type: none"> Loan Origination System as part of the P3 CDP Strategy: <ul style="list-style-type: none"> Fully implemented the LOS in the five regional offices Implemented corrective measures on issues identified during internal pilot stage prior to roll out with identified CDPs
							<ul style="list-style-type: none"> Loan Disbursement System - modified and linked to the LOS system the modules supporting loan disbursements; system to be enhanced in preparation for the release using cash cards
							<ul style="list-style-type: none"> Loan Collection System - enhanced and implemented system modules supporting the recording and processing of payments thru bills payments centers
							<ul style="list-style-type: none"> Business Performance Indicator Profile - activated corporate dashboard can be accessed by internal and external users. Information on the P3 and regular programs are available (focusing on releases)
							<ul style="list-style-type: none"> Procurement Management System - Turned over Version 1.0 to the business process owner for pilot testing Account Management System - completed procurement process for the third party. Project implementation to be started in July 2019
		Sub-total		10%			
		TOTAL		90%			

Prepared by:


Waly Don Calderon
 Manager, Planning Department

Approved by:


Ma. Lina E. Cacanando
 President and CEO