



15 March 2019

MS. ZENaida C. MAGLAYA
 DTI Undersecretary and ~~SBC~~ Acting Chairperson
MS. MA. LUNA E. CACANANDO
 President and CEO
SMALL BUSINESS CORPORATION (SBC)
 17 and 18th Flrs., 139 Corporate Center,
 139 Valero St., Salcedo Village, Makati City

RE : TRANSMITTAL OF 2019 PERFORMANCE SCORECARD

Dear Undersecretary Maglaya and PCEO Cacanando,

This is to formally transmit the 2019 Charter Statement and Strategy Map (**Annex A**) and 2019 Performance Scorecard (**Annex B**) of SBC. The same is to be posted in SBC's website, in accordance with Section 43 of GCG Memorandum Circular (M.C.) No. 2012-07.¹

The SBC-proposed Performance Scorecard submitted through its letter dated 10 December 2018² were **MODIFIED** based on the evaluation of submitted documents and related historical data of SBC.

We take this opportunity to **REMIND** SBC that Item 5 of GCG Memorandum Circular No. 2017-02³ mandates GOCCs to submit Quarterly Monitoring Reports and upload the same in the GOCC's website within thirty (30) calendar days from the close of each quarter.

FOR YOUR COMPLIANCE.

Very truly yours,

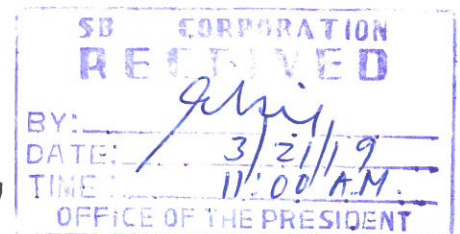
SAMUEL G. DAGPIN, JR.
 Chairman

MICHAEL P. CLORIBEL
 Commissioner

MARITES C. DORAL
 Commissioner

cc:

1. DEVP - *ma* 3/21/19
2. Planning Dept. c/o Wally C. 3/21
3. OCCO - *Alh* 3/21/19



¹ CODE OF CORPORATE GOVERNANCE FOR GOCCs dated 28 November 2012.

² Officially received by the Governance Commission on 11 December 2018.

³ INTERIM PES FOR THE GOCC SECTOR, dated 30 June 2017.



MISSION
 Grow the MSME sector by:

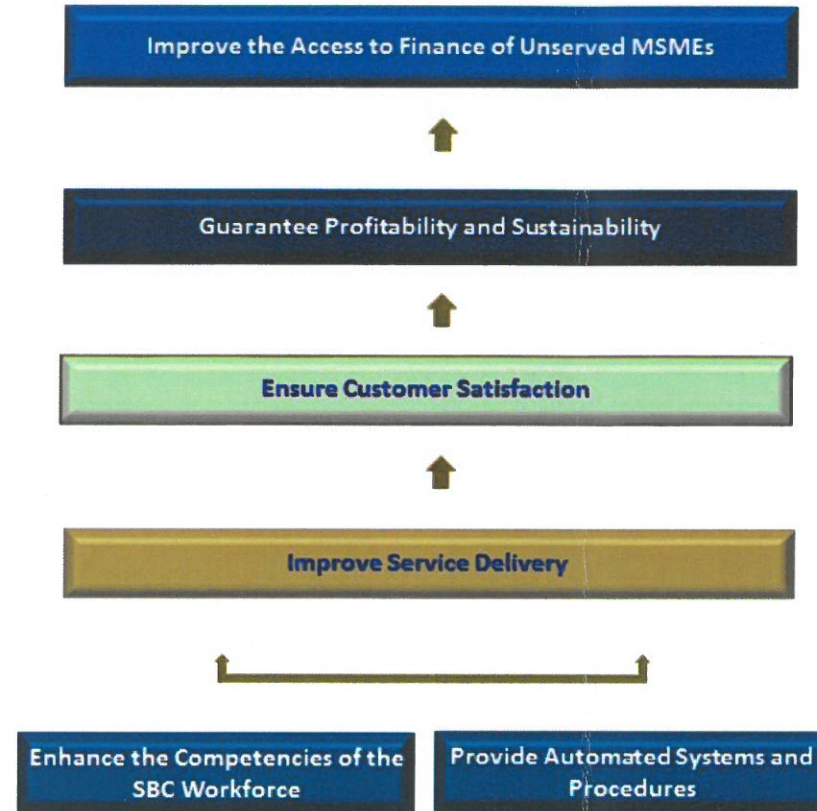
- developing and implementing financing and capacity building support programs for underserved enterprises and for grassroots MSME organizations; and
- advocating for measures and policies that will promote a stronger MSME finance industry.

VALUES

- Development orientation
- Innovation
- Accountability
- Transparency
- Results-based mindset
- Knowledge-based service



VISION
 By 2022, we envision Small Business Corporation as the best managed non-bank GOCC for MSME development finance.



SMALL BUSINESS CORPORATION (SBC)

	Objective/Measure	Component		Baseline Data			Target		
		Formula	Weight	Rating System	2016	2017	2018	2019	
SOCIAL IMPACT	SO 1	Improve Access to Finance of Unserved MSMEs							
	SM 1	Increase Total Financing Portfolio	Year-End Loan Portfolio (Gross Amount)	10%	₱5.50 Billion and Above = 10% ₱4.40 Billion to ₱5.49 Billion = 5% ₱3.30 Billion to ₱4.39 Billion = 2.5% Less Than ₱3.30 Billion = 0%	₱2.55 Billion	₱2.987 Billion	₱4.6 Billion	₱5.50 Billion
	SM 2	Increase Number of Micro and Small Enterprise Borrowers	Absolute Number of New Borrowers	10%	(Actual / Target) x Weight	N/A	N/A	40,000	40,000
	SM 3	Spread Distribution of Financing Portfolios Nationwide	Absolute Number	5%	(Actual / Target) x Weight	N/A	N/A	75 Provinces with Minimum Loan Portfolio of ₱20 Million Per Province	75 Provinces with Minimum Loan Portfolio of ₱20 Million Per Province
		Sub-total		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 ₱15 Million = 0%	₱5.27 Million	₱15.45 Million	₱19.20 Million	₱20.85 Million
	SM 5	Improve Return on Assets	(Net Income / Total Assets) x 100	10%	(Actual / Target) x Weight	-0.02%	-	0.43%	0.51%

	Objective/Measure	Component		Baseline Data		Target			
		Formula	Weight	Rating System	2016	2017	2018	2019	
	SM 6	Improve Collection Effectiveness Index	$\frac{[(\text{Beginning Receivables} + \text{Monthly Income} - \text{Ending Total Receivables}) / (\text{Beginning Receivables} + \text{Monthly Income} - \text{Ending Current Receivables})] \times 100}{}$	10%	All or Nothing	N/A	N/A	Breakeven	Breakeven
	SM 7	Improved Past Due Rate	$\frac{\text{Value of Past Due Loan Accounts}}{\text{Total Financing Portfolio}}$	10%	$1 - [(\text{Actual} - \text{Target}) / \text{Target}] \times \text{Weight}$ 0% = If 22% and higher	N/A	N/A	20%	16.40%
		Sub-total		40%					
CUSTOMERS	SO 3	Ensure Customer Satisfaction							
	SM 8	Percentage of Satisfied Customers	$\frac{\text{Number of Stakeholders who gave a Rating of at least Satisfactory}}{\text{Total Number of Respondents}}$	5%	$(\text{Actual} / \text{Target}) \times \text{Weight}$ If Less Than 80% = 0%	N/A	Customer Satisfaction Survey conducted for P3 Clients Only	90%	90%
		Sub-total		5%					
INTERNAL PROCESS	SO 4	Improve Service Delivery							
	SM 9	Increase Number of Local Conduits per Province	Absolute Number	5%	$(\text{Actual} / \text{Target}) \times \text{Weight}$	N/A	N/A	75 Provinces with At Least 3 Local Conduits	81 Provinces and 4 Districts of Manila with At Least 3 Local Conduits each

	Objective/Measure	Component Formula	Weight	Rating System	Baseline Data		Target	
					2016	2017	2018	2019
SM 10	Improve Percentage of Loans Processed Within Prescribed Turnaround Time	Number of Loans Applications Processed within Applicable Turnaround Time / Total Number of Applications	5%	(Actual / Target) x Weight	N/A	N/A	100% of Applications Processed Within Prescribed Turnaround Time	100% of Application Processed within the Prescribed Turnaround Time ¹
SM 11	Increase Number of Capacity Building Participants	Absolute Number	5%	(Actual / Target) x Weight Less Than 83 = 0%	83	Report cannot be validated	300 (Cumulative count)	114 New Capacity Building Participants
SM 12	Attain ISO 9001:2015 Certification	Actual Accomplishment	5%	All or Nothing	Surveillance Audit Passed	Maintenance ISO 9001:2008	ISO 9001:2015 Certification	Maintain ISO 9001:2015 Certification
	Sub-total		20%					
LEARNING & GROWTH	SO 5	Enhance the Competencies of the SBC Workforce						
	SM 13	Percentage of Employees meeting required Competencies	Actual Accomplishment	5%	All or Nothing	Baseline Completed	Identified Competency Areas with the Highest Gap Addressed	Competency Assessment of 100% of Employees conducted by a Third-Party Re-establish Competency

¹ The applicable time for the processing of loans should be consistent and in compliance with Republic Act No. 11032, otherwise known as the Ease of Doing Business and Efficient Government Service Delivery Act of 2018

² Improvement in the competency baseline of the organization shall pertain to the average percentage of required competencies met which can be computed using the following formula:

$$\frac{\sum_{a=1}^A \left[\frac{\text{Actual Competency Level}}{\text{Required Competency Level}_a} \right]}{B}$$

where: a = Competency required, A = Total number of competencies required of position, b = Personnel profiled, B = Total number of personnel profiled

	Objective/Measure	Component Formula	Weight	Rating System	Baseline Data		Target	
					2016	2017	2018	2019
							Baseline of the Organization	
SO 6	Provide Automated Systems and Procedures							
SM 14	Automate Existing Systems and Processes	Actual Accomplishment	5%	All or Nothing	N/A	N/A	Submission of ISSP to DICT for Approval	Implementation of the Following Information Systems: <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
	Sub-total		10%					
	TOTAL		100%					

✓