

2021 PERFORMANCE SCORECARD (ANNEX B)

PHILIPPINE PHARMA PROCUREMENT, INC. (PPPI)

	Component	Objective/Measure	Formula	Weight	Rating System	Baseline Data			Target	
						2018	2019	2020	2021	
SOCIAL IMPACT	SO 1	Provide Access to Affordable Essential Medicines through Service Delivery Networks (SDNs)								
	SM 1	Increase the Number of PhilHealth Z-Benefit Contracted Government Hospitals ¹ Served thru the Pooled Procurement Facility	Actual Number of Hospitals Served / Total Number of PhilHealth Z-Benefit Contracted Government Hospitals	20%	(Actual / Target) x Weight If Less Than 65% = 0%	Cannot be validated	Cannot be validated	90%	90%	
	SM 2	Expand the Number of Provinces and NCR Districts Served through Pooled Procurement	Total Number of Provinces and Districts Served / Total Number of Provinces and Districts ²	15%	(Actual / Target) x Weight	-	-	-	27% ³	
		Sub-total		35%						
FINANCIAL	SO 2	Grow Revenues								
	SM 3	Improve Gross Revenues	Sales Revenue + Service Income	15%	(Actual / Target) x Weight	₱55.99 Million ⁴	₱26.42 Million ⁴	₱118.30 Million ⁵	₱136.073 Million	

¹ Only includes government hospitals offering the Z-Benefit Package with medicine requirements for acute lymphocytic leukemia, breast cancer, cervical cancer, prostate cancer, and colon and rectum cancer.

² The total number of provinces is 81 and the total number of NCR districts is four (4). Thus, the denominator for this formula is 85.

³ The 27% was derived considering the initial proposal of 23 and the average number of provinces and NCR districts served from 2016 to 2020.

⁴ The baseline data provided is based on the new formula introduced in 2021.

⁵ The target was computed based on the 2020 projections submitted by the PPPI, with the formula: (Gross Sales – Cost of Sales) + Service Income.

Component					Baseline Data		Target		
	Objective/Measure	Formula	Weight	Rating System	2018	2019	2020	2021	
	SO 3	Sustain the Organization's Viability							
	SM 4	Maintain a Positive EBITDA	Net Income + Interest Expense + Tax + Depreciation + Amortization	10%	(Actual / Target) x Weight	(₱17.75 Million)	(₱8.178 Million)	₱22.13 Million	₱22.416 Million
		Sub-total		25%					
	SO 4	Achieve Customer Satisfaction							
CUSTOMERS	SM 5	Percentage of Satisfied Customers	Number of Respondents who gave a Rating of at least Satisfactory / Total Number of Respondents	5%	(Actual / Target) x Weight If Less Than 80% = 0%	Cannot be validated	Cannot be validated	90%	90%
	SO 5	Ensure a Transparent and Fair Business Process for Suppliers							
	SM 6	Increase the Number of Suppliers Participating in Procurement	Total Number of Suppliers / Number of Procurement Conducted	2.5%	(Actual / Target) x Weight	Cannot be validated	Cannot be validated	Specialty Medicine - Average of 3 Suppliers	Specialty Medicine - Average of 3 Suppliers
				2.5%				Essential Medicine - Average of 10 Suppliers	Essential Medicine - Average of 10 Suppliers
	Sub-total		10%						

	Component	Objective/Measure	Formula	Weight	Rating System	Baseline Data			Target	
						2018	2019	2020	2021	
INTERNAL PROCESS	SO 6	Expand Product Lines and Business Partnerships								
	SM 7	Introduce New Product Lines and Packages	Absolute Number	5%	(Actual / Target) x Weight	Cannot be validated	Cannot be validated	3	3	
	SM 8	Forge New Business Partnerships	Absolute Number	5%	(Actual / Target) x Weight	1 (Armed Forces of the Philippines)	Cannot be validated	3	3 ⁶	
	SO 7	Deliver Responsive and Timely Services to Customers								
	SM 9	Percentage of Services ⁷ Completed Within Applicable Turnaround Time	Actual Accomplishment	5%	All or Nothing	-	-	-	Submission of Updated Citizen's Charter to ARTA ⁸	
			Transactions Completed Within Applicable Turnaround Time / Total Transactions	5%	(Actual / Target) x Weight Lower Than 65% = 0%	Cannot be validated	Cannot be validated	100%	100%	
	Sub-total			20%						

⁶ Per PPPI, it plans to enter into business partnerships with the League of Provinces of the Philippines, League of Cities of the Philippines, and League of Municipalities.

⁷ Includes the services order delivery, warehousing, and forwarding. Processing time shall be based on the Citizen's Charter of PPPI in accordance with its compliance with the Republic Act No. 11032, otherwise known as the Ease of Doing Business and Efficient Government Service Delivery Act of 2018.

⁸ Non-attainment of this target would automatically lead to a zero rating for the other target for this measure.

Component					Baseline Data		Target		
	Objective/Measure	Formula	Weight	Rating System	2018	2019	2020	2021	
LEARNING & GROWTH	SO 8	Develop Organizational Competencies							
	SM 10	Percentage of Employees Meeting Required Competencies	Actual Accomplishment	5%	All or Nothing	Cannot be validated	Cannot be validated	Board-Approved Competency Framework and Establish Competency Baseline	Board-Approved Competency Framework ⁹ and Establish Competency Baseline ¹⁰
	SO 9	Institutionalize a Quality Management System							
	SM 11	Attain ISO Certification	Actual Accomplishment	5%	All or Nothing	Cannot be validated	Cannot be validated	ISO 9001:2015 Certification	ISO 9001:2015 Certification
			Sub-total		10%				
		TOTAL		100%					

⁹ Includes Competency Catalogue, Competency Table, Competency Matrix, Position Profiles and Competency-Based Job Description.

¹⁰ The competency baseline of the organization shall pertain to the average percentage of required competencies met which can be computed using the following formula:

$$\frac{\sum_{b=1}^B \left(\frac{\sum_{a=1}^A (\text{Actual Competency Level})}{A} \right)}{B}$$

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