

**SOCIAL SECURITY SYSTEM (SSS)
Performance Scorecard Evaluation**

Component		Rating	Target	Submission	GCG Validation	Supporting Documents	Remarks					
Objective / Measure	Formula	Scale	2016	Actual	Rating	Score	Rating					
SO 1 Viability of Social Security Institution Sustained												
FINANCIAL	SM 1	Amount of Contribution Collections	Total Contribution collection = Contribution collection [Employed + Self-employed + Voluntary paying members + OFWs]]	10%	Actual / Target x Weight	142.7 Billion	144.36 Billion	10%	144.36 Billion	10%	<ul style="list-style-type: none"> Statement of profit or loss and other comprehensive income COA 2016 Annual Audit Report 	For 2016, SSS was able to collect ₱144,364,882,509 from its members based on the submitted Statement of profit or loss and other comprehensive income, and validated from the 2016 COA Annual Audit Report. The amount is 8.86% higher than the 2015 figure. The improvement can be attributed to implementation of programs that were geared towards improving compliance of members and employers, including the filing of cases and collections from delinquent employers.

	SM 2	Net Revenue	Net Revenue = Revenues - Expenditures	10%	Actual / Target x Weight	41.5 Billion	Without '85-'89 adjustments: 42.54 Billion With '85-'89 adjustments: 32.00 Billion	10%	Net Revenue: 32.00 Billion Pension adjustments for the 1985-1989 contributions: 10.54 Billion Total: 42.54 Billion	10%	<ul style="list-style-type: none"> • Statement of profit or loss and other comprehensive income • COA 2016 Annual Audit Report 	<p>SSS posted a net revenue of P32,004,973,411, 21.35% lower than the amount registered last year as total expenditures grew more than twice as much as the increase in total revenues. The increase in expenditures is fueled by an 18.14% increase in the benefit payments, which include the effect of the P10.54 Billion pension adjustments arising from the unlumping of 1985 to 1989 contributions. The project on the 1985 to 1989 contribution was implemented to breakdown the lumped contributions and credited years of service to arrive at the correct computation of pension benefit. The policies on the 1985-1989 contribution posting and computation of pension benefit adjustment was approved under SSC Resolution No. 291 dated May 4, 2016 and further amended by SSC Resolution No. 394 dated June 22, 2016. Since the 2016 target does not consider the effect of adjustments from 1985-1989 contributions, adding back the P10.54 Billion to the net revenue would result to an adjusted 2016 net revenue of 42.54 Billion, as validated from the COA Annual Audit Report.</p>
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Component		Rating	Target	Submission	GCG Validation	Supporting	Remarks				
Objective / Measure	Formula	Wt.	Scale	2016	Actual	Rating	Score	Rating	Documents		
SO 2 Effectively Manage the Fund											
SM 3	Return on Investments	Annualized ROI	10%	Actual / Target x Weight	5%	6.64%	10%	6.64%	10%	<ul style="list-style-type: none"> Monthly schedule of investment and related income 	SSS was still able to exceed the 2016 ROI target by tallying a 6.64% annualized ROI rate by the end of the year. The value of total investments increased from 426.66 Billion in 2015 to 458.72 Billion in 2016. SSS' investment portfolio is comprised of government securities, corporate bonds and notes, loans to members, bank deposits, equities and real estate properties.
SM 4	% of Operating Expenses to Charter Limit	Operating expenses (12% of Contribution Collection + 3% of Investment and other income)	5%	Actual / Target x Weight	< 70%	52%	5%	52%	5%	<ul style="list-style-type: none"> Statement of profit or loss and other comprehensive income COA 2016 Annual Audit Report 	Using the formula prescribed, SSS has achieved in 2016 a significantly lower operating expense to charter limit ratio of 52% than the target of $\geq 70\%$, as validated with figures from the COA Annual Audit Report. The total operating expense for 2016 is 9,477,380,077, while the total collection is 144,364,882,509 and investment income of 30,096,245,230. It is worth noting that even though the operating expense have increased in 2016 by 7%, the percentage is still lower than the 2015 ratio of 52.7%.
		Sub-total	35%				35%		35%		

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Component		Rating	Target	Submission	GCG Validation	Supporting	Remarks				
Objective / Measure	Formula	Wt.	Scale	2016	Actual	Rating	Score	Rating	Documents		
SO 3 Improve Customer Satisfaction											
SM 5	ARTA Rating	[ARTA Rating Branch 1 + ARTA Rating Branch 2 + ... + ARTA Rating Branch x] / Number of SSS branches audited	5%	Actual / Target x Weight	90%	-	-	Measure removed	Weight removed	<ul style="list-style-type: none"> Letter from CSC stating that SSS will not be surveyed for 2016 Request for deletion of the measure from SSS dated 9 January 2017 	In a letter to SSS dated 23 June 2016, CSC has officially informed the corporation that SSS will not be surveyed for the ARTA Report Card (ARTA-RCS) in 2016 since CSC's priority offices/agencies are local government units, local water districts and state universities and colleges. This was relayed to the GCG by SSS thru a letter request for deletion of the ARTA measure and target last 9 January 2017. Given that the sudden change in the survey implementation of CSC is beyond the control of SSS, the request is granted. The corresponding weight of the measure will be removed from the total computation.
SM 6	Improve Net Satisfaction Rating	[NSR 1 + NSR 2 + ... + NSR 11] / 11	5%	-	Establish Baseline (Satisfactory)	Baseline Established (High Satisfaction, 93%)	5%	Overall satisfaction score of 93% (combined employers and individual members)	5%	<ul style="list-style-type: none"> Memorandum on the results of the 2016 Customer Satisfaction Surveys from the Corporate Communication Departments Report of Nielsen's Customer Satisfaction Survey to SSS 	SSS has tapped the services of Nielsen Company (Philippines) Inc. to conduct a dedicated nationwide customer satisfaction survey of SSS members and establish a baseline rating. Based on the memorandum submitted, SSS was able to reach an overall satisfaction score of 93%, which translates to a very high satisfaction rating. Member employers had a very high average rating of 97% for the sample size of 524 employers while employee members had given the corporation an average of 89% satisfaction rating for the sample size of 3000 employee members. It was noted that the survey's satisfaction passing rate was 80%.

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Component		Rating Scale	Target 2016	Submission		GCG Validation		Supporting Documents	Remarks	
Objective / Measure	Formula			Wt.	Actual	Rating	Score			Rating
SM 7	Branch Visit Satisfaction System	-	5%	-	Pilot implementation to branches by September with an average of "Happy" rating	Piloted in Diliman, Tarlac, Infanta and Batangas Branches and achieved an average "Happy" rating	5%	Piloted in Diliman, Tarlac, Infanta and Batangas Branches on November and December 2016 and achieved an average at least "Extremely Happy" rating	5%	<ul style="list-style-type: none"> Memorandum on the results of the 2016 Customer Satisfaction Surveys from the Corporate Communication Departments Memorandum from the Corporate Communication Department reporting the results of the pilot implementation to the PCEO <p>Based on the report submitted, the pilot implementation in four branches - Diliman, Batangas, Infanta and Tarlac indicated that SSS was able to achieve an average rating of Happy rating. It is worth noting that this just represents 2.38% of the total number of SSS branches which is 168 in 2016. However, it was not mentioned during the Performance Agreement Negotiations how many branches should the project be piloted. Possible reasons why the project was only piloted in selected large branches because technological and connectivity requirements as the system uses touchscreens and wifi connections.</p> <p>Moreover, the report did not clearly state how SSS came up with an average of happy rating. Per evaluation on the number of responses, majority of the respondents have rated "Extremely Happy". Specifically, 1,427 respondents out of 2,255 or 63% were "Extremely Happy", which signifies that average is highly skewed towards the "Extremely Happy" rating.</p>

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	Component			Rating Scale	Target 2016	Submission		GCG Validation		Supporting Documents	Remarks
	Objective / Measure	Formula	Wt.			Actual	Rating	Score	Rating		
STAKEHOLDERS	SO 4	Adopt a Service Quality Framework									
	SM 8	Implementation of ISSA Service Quality Framework	-	5%	-	Implement ISSA SQ Framework in the DDR Workflow Process in 2 Branches	SQ Fundamentals implemented in frontline services of 13 branches SQ Culture launched to all branches and support units	5%	SQ Fundamentals implemented in frontline services of 13 branches SQ Culture launched to all branches and support units	5%	<ul style="list-style-type: none"> Office Order in the pilot implementation of the service quality fundamentals in 13 branches Service Quality Handbook <p>For 2016, SSS issued an office order institutionalizing the service quality standards for engaging with customers to 13 branches for pilot testing. The office order defined the three Service Quality Fundamentals that establishes service standards on how member service representatives shall approach customers given the different scenarios and situations that goes with the daily transactions. Further, the order covers all frontline services. The accomplishment is in response to findings of the self-assessment report where Addressing the Service Fundamentals was identified as area for improvement and was rated with basic maturity level. However, there was no indication that the Business Process Model was deployed to all branches.</p> <p>Moreover, SSS has developed and launched a Service Quality Handbook geared towards to the SSS values as a response to the findings from the self-assessment report on the guideline of Developing the Service Culture. The handbook is on top of the target for 2016.</p>

Component		Rating	Target	Submission		GCG Validation		Supporting Documents	Remarks	
Objective / Measure	Formula	Wt.	Scale	2016	Actual	Rating	Score	Rating		
SO 5 Develop Effective Communication with Stakeholders										
SM 9	Awareness level on the Value of SSS Membership	-	5%	-	80%	84%	5%	84% were aware of the benefits/privileges of SSS members	5%	<ul style="list-style-type: none"> Memorandum on the results of the 2016 Customer Satisfaction Surveys from the Corporate Communication Departments Philippine Information Agency survey of people's knowledge about SSS benefits and privileges and their opinions about SSS services <p>The overall results of the study show that 84% of the respondents (both members and non-members) were aware of the benefits/privileges of SSS out of the total 1,200 sample. 38% of them were able to cite at least 1 benefit and privilege, while 36% were able to cite at least 3 unaided. The top two most popular benefits that the sample respondents were aware of are retirement/pension and loans. It is also worth to note that disability benefit was the least known on both groups. Aside from awareness level, the study also covered opinions about SSS membership and benefits for both members and non-members. Comparing with the Customer Satisfaction Survey done by Nielsen, the questions in this study are more on the general perception of the respondents with SSS, whereas the Customer Satisfaction Survey deals more on the details of services availed by the members.</p>
		Sub-total	25%				20%		20%	

		Component		Rating	Target	Submission		GCG Validation		Supporting Documents	Remarks
Objective / Measure		Formula	Wt.	Scale	2016	Actual	Rating	Score	Rating		
INTERNAL PROCESS	SO 6	Improve Compliance of Employers and Members									
	SM 10	% of the Number of Referred Delinquent Employer Accounts Filed in Court/PO/SSC. Collected or Settled	Number of delinquent ER accounts referred, filed collected or settled during the period / Total number of delinquent ER accounts referred for legal action as of December 2015	5%	Actual / Target x Weight	90% Volume: 13,222 referred delinquent ER accounts as of December 2015	92.57%	5%	92.57%	5%	<ul style="list-style-type: none"> • Memorandum from Operations Legal Services Division I and II on the accomplishment for total cases filed and collected/settled • Sample actual delinquent employer account that is filed within court • Sample actual delinquent employer account that is collected • Sample actual delinquent employer account that is settled

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Component		Rating Scale	Target 2016	Submission		GCG Validation		Supporting Documents	Remarks	
Objective / Measure	Formula			Wt.	Actual	Rating	Score			Rating
SM 11	% of Paying Members over Labor Force	SSS paying members / Employed persons - Workers in Govt./GOCC	5%	Actual / Target x Weight	35%	37.60%	5%	37.59%	5%	<ul style="list-style-type: none"> • Report on paying members by type - January to December 2016 vs 2015 • Table 7 of Philippine Statistics Authority Labor Force Survey - Employed Persons by Class of Workers <p>Based on the submitted report, the percentage of paying SSS members to the private and self-employed workers in the country is 37.6%, 2.6% higher from the target of 35%. Total coverable can be further broken down: 58% from formal sector and 42% from the informal sector based on the latest Labor Force Survey. Out of 37.681 Million employed in the private sector, either formal or informal, the total paying members of SSS for 2016 are 14.165 Million. This means that only around 1/3 of coverable are paying.</p>

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Component		Rating	Target	Submission	GCG Validation	Supporting	Remarks				
Objective / Measure	Formula	Scale	2016	Actual	Rating	Documents					
SO 7	Achieve ARTA-compliant Processing Time for Benefit Claims										
SM 12	Reduce processing time	Upon receipt of complete documents	5%	-	Retirement: 18 days Death: 28 days Disability: 23 days Sickness: 12 days Maternity: 11 days Funeral: 5 days Loans granting: 3.5 days	Retirement: 29 days Death: 47 days Disability: 24 days Sickness: 10 days Maternity: 10 days Funeral: 7 days Loans Granting: 1 day	2.14%	Average processing time of: Retirement: 29 days Death: 47 days Disability: 24 days Sickness: 10 days Maternity: 10 days Funeral: 7 days Loans granting: 1 day	2.14%	<ul style="list-style-type: none"> Report on the average processing time and number of transactions processed within the target from January to December 2016 for retirement, death, disability, sickness, maternity, funeral and loans granting 	<p>For the 2016 actual performance, SSS was only able to reach (and exceeded) the targets for Sickness, Maternity and Loans granting in terms of average processing time. SSS have failed to reach their target turn-around time for Retirement, Death, Disability and Funeral claims.</p> <p>The rating was computed by dividing the 5% weight to the 7 committed services of SSS and crediting the rating of the core processes that has an average processing time of equal or below the 2016 target:</p> <ul style="list-style-type: none"> - Retirement: Target - 18 WDs, Actual - 29 WDs = 0 - Death: Target - 28 WDs, Actual - 47 WDs = 0 - Disability: Target: 23 WDs, Actual - 24 WDs = 0 - Sickness: Target: 12 WDs, Actual - 10 WDs = 0.7143 - Maternity: Target: 11 WDs, Actual - 10 WDs = 0.7143 - Funeral: Target: 5 WDs, Actual - 7 WDs = 0 - Loans granting: Target: 3.5 WDs, Actual - 1 WDs = 0.7143 <p>Total: 2.14%</p>

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Component		Rating Scale	Target 2016	Submission		GCG Validation		Supporting Documents	Remarks	
Objective / Measure	Formula			Wt.	Actual	Rating	Score			Rating
SO 8 Achieve Online/Paperless Transactions										
SM 13	By 2020, all processes and hiring shall be paperless	-	5%	-	2016: Pilot selected processes - Online Amendment of Membership Data and Online Benefit Calculator	Online Amendment of Membership Data Online Benefit Calculator implemented in September	5%	Online Updating of Member's Contact Information Online Benefit Calculator implemented in September	5%	<ul style="list-style-type: none"> System notices for Updating of Member's Contact Information and Simulated Retirement Benefit Calculator Screenshots of each system from My.SSS account <p>By September 2016, SSS was able to launch the simulated retirement benefit calculator and online amendment of membership data in its website informing members on the amount of retirement benefit due them if they voluntarily continue paying their contributions and allowing them to update their contact information, thru the SSS website.</p>

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Component		Rating	Target	Submission	GCG Validation	Supporting	Remarks
Objective / Measure	Formula	Wt.	2016	Actual	Rating	Score	Rating
SO 9 Expand the QMS Scope for ISO Certification							
SM 14	ISO Certification of DDR System and Manualization of core processes	Actual accomplishment	5%	Actual / Target x Weight	ISO Certification of DDR System and Manualization of "Loans" process	5%	0%
				DDR System in Diliman and Camiling Branches ISO Certified MOP on Salary Loans Granting issued in December	Death, Disability and Retirement Processing Diliman and Camiling Branches ISO Certified MOP on Salary Loans Granting issued in December	<ul style="list-style-type: none"> Attestation from AJA Registrars Inc. (issued on 8 February 2017) Approved Manual of Procedures for Salary Loan Granting under the enhanced loans management system (eLMS) 	<p>As proof of accomplishment, SSS provided attestation for the certification of Death, Disability and Retirement (DDR) Processes done in Diliman and Camiling branches. For the second target, SSS provided a copy of their Manual of Procedure (MOP) for Salary Loans Granting under the Enhanced Loans Management System (eLMS). Upon evaluation, the accomplishment and supporting documents are not acceptable in relation to the committed target in 2016. For the ISO Certification of DDR processes, GCG made a point during the 2016 Performance Agreement Negotiations that certification covering the three processes on death, disability and retirement across SSS units and branches. The provided certification is exclusive to 2 out of the 168 branches, this does not guarantee that the same standards are applied across SSS.</p> <p>As for the second target of Manualization of "Loans" process, it was not accepted since the submitted MOP only covers Salary Loan. Aside from salary loans, SSS also offer Housing Repairs/Improvement Loans, Educational Loan and Calamity Loan to its members, which are expected to be included in the manual of "Loans" as represented in the scorecard.</p>

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Objective / Measure	Formula	Wt.	Scale	2016	Actual	Rating	Score	Rating			
SO 10 Provide a Conducive Member-Centric Environment											
SM 15	Total Number of PE Centers	Absolute figure	5%	-	10 PE centers	10	5%	10	5%	<ul style="list-style-type: none"> • Office Order No. 2016-016 -Establishment of additional Physical Examination Centers in Ayala, Cainta and Welcome Rotunda Branches • Office Order No. 2016-061 -Establishment of additional Physical Examination Centers in Angeles, Baliuag, Carmona, Virac, Roxas, Toril and Tagaytay • Photos of the 10 newly created PE Centers 	SSS was able to create 10 additional PE Centers in 2016, which also increases the number of branches that can evaluate medical claims. These new PE Centers are located in Ayala, Cainta, Welcome Rotunda, Angeles, Baliuag, Carmona, Virac, Roxas, Toril and Tagaytay. The continuous effort of SSS is also cognizant to its approved restructuring last 2015 and 2016.

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Component		Rating Scale	Target 2016	Submission		GCG Validation		Supporting Documents	Remarks	
Objective / Measure	Formula			Wt.	Actual	Rating	Score			Rating
SM 16	Number of branches created /relocated	Absolute figure	5%	-	15 new/relocated branches	15	5.00%	3 newly created branches 12 relocated branches	5%	<ul style="list-style-type: none"> • Certification of created and relocated branches approved by the Branch Group Head • Photos of the 15 newly created/relocated branches <p>Per representation, the following branches are created/relocated in 2016:</p> <p>Created Branches:</p> <ol style="list-style-type: none"> 1. Ortigas 2. Binondo Reina – Regente 3. Cebu – NRA <p>The GCG validating team was able to visit the opening of Robinson's Cebu branch last April 2016.</p> <p>Relocated:</p> <ol style="list-style-type: none"> 1. Valenzuela 2. Las Piñas 3. Cubao 4. Cainta 5. Pasig-Pioneer 6. Olongopo 7. Angeles 8. Puerto Princesa 9. Santiago 10. Mandaue 11. Roxas 12. Osamis
		Sub-total	35%				32.14%		27.14%	

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	Component			Rating Scale	Target 2016	Submission		GCG Validation		Supporting Documents	Remarks
	Objective / Measure	Formula	Wt.			Actual	Rating	Score	Rating		
INTERNAL PROCESS	SO 11 Build a More Strategically Responsive Organization										
	SM 17	Average Competency Level	-	5%	-	Establish Baseline Competency Level	Competency tables for Branch Operations Sector and Medical Services Division prepared	5%	Competency tables and matrix for Branch Operations Sector, Central Processing Group and Medical Services Division prepared	5%	<ul style="list-style-type: none"> Competency tables and matrices for Branch Operations Sector, Central Processing Group and Medical Services Division

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Component		Rating Scale	Target 2016	Submission		GCG Validation		Supporting Documents	Remarks
Objective / Measure	Formula			Wt.	Actual	Rating	Score		
									Services Division". Based on the submitted documents, Branch Operations Sector and Central Processing Group have a total of 5 Managerial Competencies and 16 Functional Competencies. As for the Medical Services Division, there are also 5 Managerial Competencies and 7 Functional Competencies identified. The approval of the request, however, does not cover the succeeding years' commitments stated in the submitted projected timeline last 21 December 2016.
		Sub-total	5%			5%		5%	
		TOTAL	100%			92.14%		87.14% out of 95%	
		Validated Rating						91.73%	

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