

## SMALL BUSINESS CORPORATION

	Objective/Measure	Component			Baseline Data				Target	
		Formula	Weight	Rating System	2013	2014	2015	2016	2017	
SOCIAL IMPACT	SO 1	Improved Access to Finance by Unserved MSMEs								
	SM 1	Total Financing Portfolio	Year-end earning loan portfolio <sup>1</sup>	15%	Above ₱3.90 Billion = 15% ₱2.61 Billion to ₱3.90 Billion = 10% ₱2.43 Billion to ₱2.60 Billion = 5% Below ₱2.43 Billion = 0%	₱2.73 Billion	₱2.43 Billion	₱2.60 Billion	₱2.55 Billion	₱3.90 Billion
	SM 2	Total Number of MSMEs Served	Absolute count <sup>2</sup> ,	10%	(Actual/Target) x Weight	-	-	1,874	1,986	2,400
	SM 3	Partially-Secured Financing Ratio ( <i>not more than 50% secured</i> )	Number of unsecured borrowers/Total number of borrowers - retail lending and equity financing <sup>3</sup>	5%	All or Nothing	75%	78%	85%	86%	75% - 81%

<sup>1</sup> Includes wholesale, MF wholesale, retail regular; retail-ERF; equity financing, P3

<sup>2</sup> Active retail lending and all ERF and equity financing clients, P3

<sup>3</sup> Based on approved borrowers within the year inclusive of credit line renewals; count inclusive of ERF, retail, P3-retail

	Objective/Measure	Component			Baseline Data				Target	
		Formula	Weight	Rating System	2013	2014	2015	2016	2017	
	SM 4	First Time Borrowers Ratio	Number of first time borrowers <sup>4</sup> / Total number of borrowers - retail lending and equity financing, ERF, P3-retail <sup>5</sup>	5%	Above 61% = 5% 42% - 61% = 3% Below 42% = 0%	-	-	-	61%	42%
	SO 2	<b>Mainstreamed MSME-Finance thru the Banking Sector</b>								
	SM 5	MSME Loan Portfolio of Banks Supported by SBCorp Credit Guarantee	Loans guaranteed within the year	5%	(Actual/Target) x Weight	-	-	-	₱501 Million	₱1 Billion
				40%						
	SO 3	<b>Sustained Operating Income</b>								
FINANCIAL	SM 6	Operational Self-Sufficiency Ratio	Core Revenues / Total Expenses <sup>6</sup>	10%	Above 82 = 10% 80% - 82% = 8% 75% - 79.99% = 5% 70% = 74.99% = 3% Below 70% = 0%	-	-	70%	79%	80%

<sup>4</sup> With no prior borrowings from banks

<sup>5</sup> Based on approved borrowers within the year inclusive of credit line renewals

<sup>6</sup> Core Revenues = Interest Income from Financing Programs; Credit Guarantee and Venture Capital; Total Expenses = Administrative Expenses + Finance Cost + Credit Risk Cost excluding Capacity Building Cost

	Objective/Measure	Component			Baseline Data				Target	
		Formula	Weight	Rating System	2013	2014	2015	2016	2017	
<b>CUSTOMERS</b>	<b>SO 4</b>	<b>Customer Satisfaction</b>								
	SM 7	Customer Satisfaction Survey	Number of respondents who gave a Satisfactory rating or higher / Total number of respondents	10%	All or Nothing	-	-	Satisfactory	Very Satisfactory	90% of respondents gave a rating of Satisfactory or higher
	SM 8	Number of Capacity Building Participants	Absolute number <sup>7</sup>	5%	(Actual/Target) x Weight	-	-	140	223	300
				<b>25%</b>						
<b>INTERNAL PROCESS</b>	<b>SO 5</b>	<b>Improved Service Delivery</b>								
	SM 9	Improve Processing Time for All Accounts in Credit Lending	Number of days from CI to issuance of notice of approval	10%	[1- (Actual Target/Target)] x Weight	-	-	-	60 days	Average of 45 days

<sup>7</sup> Cumulative count which includes RBL, SME-AO, Eepro & MSME clients under other capacity building services

Component					Baseline Data				Target
Objective/Measure	Formula	Weight	Rating System	2013	2014	2015	2016	2017	
<b>SO 6</b>	<b>Improved Resource Management thru Risk Management</b>								
SM 10	Risk Maintenance Rate	Number of risk-rated borrowers with Borrowers Risk Rating (BRR) score of 1 to 6 / Total number of risk-related borrowers as of beginning of year <sup>8</sup>	15%	95% and above = 15% 90% - 94.99% = 10% 85% - 89.99% = 5% Below 85% = 0%	-	-	95%	90%	90%
			<b>25%</b>						
<b>SO 7</b>	<b>Aligned Organization and Competence to Support Risk-based MSME Financing</b>								
SM 11	Competency Level	Number of positions assessed/ Total number of positions	5%	All or Nothing	-	-	-	Baseline Completed	50% of the Competency Areas <sup>9</sup> with the Highest Gap Addressed

<sup>8</sup> Borrowers under retail lending, excluding ERF

<sup>9</sup> Technical Competencies (Business Regulation, Business Analysis and Risk Management) and Core or Generic Competencies (Judgement and Decision-Making, Planning and Organizing and Technology Orientation)

Component					Baseline Data				Target
Objective/Measure	Formula	Weight	Rating System	2013	2014	2015	2016	2017	
<b>SO 8 Established Quality Management System</b>									
SM 12	ISO Certification	Actual Accomplishment	5%	<p>Both Maintenance of ISO 9001:2008 Certification <b>AND</b> Readiness for ISO 9001:2015 Certification = 5%</p> <p>Either Maintenance of ISO 9001:2008 Certification <b>OR</b> Readiness for ISO 9001:2015 Certification = 2.5%</p>	-	Fully automated cash loans receivable process	ISO Certification Issued	Surveillance Audit passed	Maintain ISO 9001:2008 Certification and Readiness for ISO 9001:2015 Certification
			10%						
			100%						