

LBP RESOURCES AND DEVELOPMENT CORPORATION (LBRDC)
Result of Revalidation of 2018 Performance Scorecard

Component		Rating Scale	Target	Submission		GCG Validation		Supporting Documents	GCG Remarks			
Objective / Measure	Formula	Weight	2018	Actual	Rating	Score	Rating					
STAKEHOLDERS	SO 1	Provide High Quality Services										
	SM 1	Number of Projects Completed On-Time:										
		Construction		5%		4	4	5%	3	3.75%	<ul style="list-style-type: none"> • Project Inspection Update Reports (PIUR) • Turn-Over Acceptance Forms (TOA) 	<i>Request for reconsideration is APPROVED. Revalidation was based on the revised PIURs and TOAs submitted. The certification issued by LandBank PMED was not considered given the inconsistent information provided with that of the documents submitted by LBRDC. Details on the evaluation per project is attached as Appendix 1.</i>
		Renovation	Actual number of projects completed on-time	15%	(Actual / Target) x Weight	35	37	15%	27	11.57%		
Number of Manpower Service Clients Retained	Actual number of manpower service clients	15%	(Actual / Target) x Weight	4	4	15%	2	7.5%	<ul style="list-style-type: none"> • Purchase Orders from Land Bank • Notices of Award from Land Bank • Notices to Proceed 	Validated accomplishment pertains to number of clients. Supporting documents were for four (4) contracts with only two (2) clients, namely: (1) LandBank of the Philippines, and (2)		

Result of Revalidation of 2018 Performance Scorecard (Annex A)

Component		Rating Scale	Target	Submission		GCG Validation		Supporting Documents	GCG Remarks		
Objective / Measure	Formula	Weight	2018	Actual	Rating	Score	Rating				
								from Land Bank <ul style="list-style-type: none"> • Purchase Orders from Holcim Philippines, Inc. • Notice of Award from Holcim Philippines, Inc. 	Holcim Philippines, Inc.		
SM 3	Percentage of Satisfied Customers	Total number of respondents which gave <i>at least</i> Satisfactory rating / Total number of respondents	10%	(Actual / Target) x Weight 0% = If less than 80%	90% of the respondents gave LBRDC at least satisfactory rating (upper two boxes of a 5-point rating scale)	100% of respondents gave LBRDC satisfactory rating	10%	No report submitted	0%	Copy of 5 accomplished Survey Questionnaires	Submitted supporting document is insufficient. LBRDC failed to engage a third party for the interpretation of LBRDC's self-administered survey.
		Sub-total	45%						22.82%		
FINANCIAL	SO 2	Increase Profitability and Optimize Use of Resources									
SM 4	Increase Earnings before Interest, Tax, Depreciation, and Amortization (EBITDA)	Total Comprehensive Income + Interest + Tax + Depreciation + Amortization	10%	(Actual / Target) x Weight 0% = If less than ₱85.9 Million	₱103.57 Million	₱82.69 Million	0%	<u>₱79.51 Million</u>	0%	<u>Audited Financial Statements</u>	<u>Revalidated accomplishment based on the COA Annual Audit Report for 2018.</u> Request for reconsideration to revise the target to ₱77.75 Million is hereby DENIED .

Result of Revalidation of 2018 Performance Scorecard (Annex A)

Component		Rating Scale	Target	Submission		GCG Validation		Supporting Documents	GCG Remarks		
Objective / Measure	Formula	Weight	2018	Actual	Rating	Score	Rating				
SM 5	Improve Construction Margin	Net Income from Construction / Total Revenue from Construction	10%	(Actual / Target) x Weight 0% = If less than 19.20%	26.00%	15.13%	0%	<u>15.06%</u>	0%	<u>Audited Financial Statements</u>	<u>Revalidated accomplishment based on the COA Annual Audit Report for 2018.</u> Target not met. Request for reconsideration to revise the target to 15.00% is hereby DENIED as LBRDC's justification is unacceptable.
SM 6	Strengthen Return on Equity	Total Comprehensive Income / Total Shareholder's Equity	5%	(Actual / Target) x Weight 0% = If less than 11.8%	12.00%	9.5%	0%	<u>9.28%</u>	0%	<u>Audited Financial Statements</u>	<u>Revalidated accomplishment based on the COA Annual Audit Report for 2018.</u> Request for reconsideration to revise the target to 8.55% is hereby DENIED .
		Sub-total	25%						0%		
INTERNAL PROCESS	SO 3	Enhance Management and Information Systems (MIS)									
	SM 7	Number of Vital Processes Automated	Actual number of processes automated	5%	All or Nothing	Full roll out of automated Inventory System	Please see follow-up letters with BIR and justification in the letter dated 26	0%	--	--	Letter to BIR following up of the approval of the accounting system

Result of Revalidation of 2018 Performance Scorecard (Annex A)

Component					Rating Scale	Target	Submission		GCG Validation		Supporting Documents	GCG Remarks
Objective / Measure		Formula	Weight		2018	Actual	Rating	Score	Rating			
						February 2019						implemented pending the approval of the computerized accounting system by the Bureau of Internal Revenue (BIR). LBRDC cannot proceed with the development of the inventory management system without integrating it with the cash accounting system.
SO 4 Build Strong Alliances with Suppliers												
SM 8	Number of Strategic Tie-ups Established with Key Suppliers	Actual number of strategic tie-ups with suppliers	5%	(Actual/Target) x Weight	5	5	5%	5	5%	Supply/ Materials Agreements	Acceptable.	
SO 5 Enhance Existing Processes at Par with Industry												
SM 9	Improve Processes to Quality Management System	Actual accomplishment	5%	All or Nothing	Certification under ISO 9001:2015 Standards	Certification under ISO 9001:2015 Standards	5%	ISO 9001:2015 Certified	5%	ISO Certificate	Acceptable.	

Result of Revalidation of 2018 Performance Scorecard (*Annex A*)

Component		Rating Scale	Target	Submission	GCG Validation	Supporting Documents	GCG Remarks					
Objective / Measure	Formula	Weight	2018	Actual	Rating	Score	Rating					
SM 10	Upgrade License Category with Philippine Contractors Accreditation Board (PCAB)	Actual accomplishment	5%	Maintain Category A = 2.5% Achieve Category AA = 5%	PCAB License Category: "AA"	License Category A	2.5%	PCAB License Category A, Medium B	2.5%	PCAB License No. 18-00567	Acceptable. LBRDC requested for reconsideration to revise the formula such that maintaining the "PCAB License A" would be given a 2.5% rating. Request for revision of rating scale is hereby APPROVED based on the justifications presented.	
		Sub-total	20%						12.5%			
LEARNING AND GROWTH	SO 6	Enhance HR and Development Programs										
	SM 11	Percentage of Employees Meeting Required Competencies	Actual accomplishment	10%	All or Nothing	Establish Competency Baseline of the Organization ¹	Established competency baseline of the organization & 100% assessment of permanent employees	10%	13% (5 out of 40 employees met the required competencies for their respective positions.	10%	<ul style="list-style-type: none"> Competency Gap Assessment Report Competency Assessment Forms 	Acceptable. Baseline as of 2018 is "5 or 13% out of 40 employees, met the required competencies for their respective positions".
			Sub-total	10%						10%		
		TOTAL	100%				67.5%		45.32% out of 95%		47.71% out of 100%	

¹ Competency assessment of 100% of its employees.