

**GOVERNMENT SERVICE INSURANCE SYSTEM
Validation Result of 2019 Performance Scorecard**

	Component					GSIS Submission ¹		GCG Validation		Supporting Documents	GCG Remarks	
	Objective/Measure	Formula	Wt.	Rating Scale	Target	Actual	Rating	Actual	Rating			
	SO 1	Improve Quality of Life of Members/Pensioners and their Families										
SOCIAL IMPACT / STAKEHOLDERS	SM 1	Improvement/ Enhancement of Benefits and Privileges without Impairing Actuarial Life	Number of board-approved programs implemented to improve / enhance the benefits and / or privileges	15%	All or Nothing	Implementation of the GSIS Financial Assistance Program (GFAL) II	The Board approved the Policy and Procedural Guideline (PPG) on GFAL II through Board Resolution No. 62-2019 and was published in Daily Tribune newspaper dated 12 July 2019. Effectivity date of GFAL II Implementation is on 27 July 2019. Total avalees as of December 2019: 165,929 Amount of loans granted	-	Implemented the GSIS Financial Assistance Loan Program (GFAL) II	15%	<ul style="list-style-type: none"> Board Resolution No. 62 Screenshot of the Daily Tribune News paper Policy and Procedural Guidelines No 338-19 GFAL Excel Database 	Acceptable. The request to correct the typographical error in the previously stated target is APPROVED . Revision was made to indicate the implementation of the GFAL II which is the loan assistance program instead of the previously indicated "financial literacy" program. For 2019, GSIS reported to have implemented the GFAL II on 27 July 2019 with a total of 165,929 individuals availing the program and P68,042,334,790.

¹ Based on the initial submission per letter dated 27 January 2020.

Validation Result of 2019 Performance Scorecard (Annex A)

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										50 total amount of loans granted.	
						as of December 2019: Php 68,042,334,790.50					
SO 2 Provide Excellent and Responsive Service to Members, Pensioners, Government Bodies and other Constituencies											
SM 2	Percentage of Claims and Benefits processed within the Applicable Time	Number of claims and benefits processes within applicable TAT ² / Number of received applications due for processing	15%	(Actual / Target) x Weight 0% = If less than 90%	100%	98.18%	-	97.50%	14.63%	<ul style="list-style-type: none"> • Summary Computation • Database of Social Insurance and Motor Vehicle • Sample of Claims Benefits Application 	Validation was based on the review of submitted database wherein out of the total 190,034 claims received for processing, only 185,288 claims were processed within the applicable TAT. Validation of Randomly selected transactions is detailed in Appendix A.

² Processing Time is subject to GSIS' compliance with Republic Act No. 11032 or the Ease of Doing Business and Efficient Delivery of Government Service Act.

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SM 3	Percentage of Satisfied Customers	Number of Respondents who rated GSIS at least satisfactory / Total number of respondents	10%	(Actual / Target) x Weight Below 80% = 0%	93.7%	95%	-	95%	10%	<ul style="list-style-type: none"> Final Report on GSIS Satisfaction Measurement Survey Sample of Accomplished Questionnaires Spot-Checking and Back-Checking Report 	Acceptable.
Sub-total			40%				-		39.63%		

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Objective/Measure	Formula	Wt.	Rating Scale	Target	Actual	Rating	Actual	Rating				
FINANCE	SO 3 Deliver Unparalleled Returns and Stakeholder Value											
	SM 4	Minimize Consolidated Loan (CNL) Past Due Rate	$\text{Past Due Rate} = \frac{\text{Total outstanding principal balance of due and demandable Consolidated Loan Accounts} - \text{Allowance for Impairment}}{\text{Total outstanding principal balance of all Consolidated Loan Accounts} - \text{Allowance for Impairment}}$	8%	$\frac{1 - ((\text{Actual} - \text{Target}) / \text{Target}) \times \text{Weight}}{\text{Above 25\%} = 0\%}$	15%	6.42%	-	6.44%	8%	<ul style="list-style-type: none"> Summary Report on Past Due Rate of CNL Unaudited Financial Statement as submitted to COA COA Audited Notes to FS 	Validated accomplishment was computed based on Net CNL in default amounting to ₱14.216 Billion out of Total Net CNL of ₱220.643 Billion.
	SO 4 Create and Implement a Dynamic Asset Allocation and Investment Framework											
SM 5	Increase in Total Assets	$\frac{\text{Sum of percentage increases from 2015 to 2019} / 5}{\text{Annual percentage increase in total assets} =}$	8%	$\frac{\text{Actual} / \text{Target}}{\text{Below 6\%} = 0\%}$	6.41%	8.26%	-	7.85%	8%	<ul style="list-style-type: none"> Breakdown and Computation of Increase in Assets COA 2019 Annual Report 	GSIS' request for the revision of the rating scale for this measure from "below 6% = 0%" to "below 4% = 0%" is DENIED . It can be recalled that the target for this measure in	

Validation Result of 2019 Performance Scorecard (Annex A)

Objective/Measure	Component		Rating Scale		Target		GSIS Submission ¹		GCG Validation		Supporting Documents	GCG Remarks
	Formula	Wt.	Rating Scale	Target	Actual	Rating	Actual	Rating				
	[(Total assets at the end of current year – Total assets at the end of previous year) / Total assets at the end of previous year]											2018 was set at 9.23% and was already lowered to 6.41% in 2019. Moreover, GSIS' 2019 actual accomplishment shows that the corporation can exceed the minimum required accomplishment of an average growth rate of 6%. Computed based on the total assets per year: 2014: ₱907.223 Billion 2015: ₱958.180 Billion 2016: ₱1.033 Trillion 2017: ₱1.100 Trillion 2018: ₱1.143 Trillion 2019: ₱1.32 Trillion.

Validation Result of 2019 Performance Scorecard (Annex A)

Objective/Measure		Component			GSIS Submission ¹		GCG Validation		Supporting Documents	GCG Remarks	
		Formula	Wt.	Rating Scale	Target	Actual	Rating	Actual			Rating
SM 6	Generate Return on Investment (ROI) on Investible Funds	Sum of ROI from 2015 to 2019 / 5 Annual ROI = Net investment income / Average Investment Asset Average investment Asset = (Total Investment Asset at the end of current year + Total Investment Asset at the end of previous year) / 2	8%	(Actual / Target) Weight Below 6% = 0%	7%	7.27%	-	7.02%	8%	<ul style="list-style-type: none"> Investment Schedule, Investment asset and Income Computation of the average ROI for 5 Years 2019 Unaudited Notes to FS COA Audited FS for 2015-2018. 	Computed based on the annual ROI as follows: 2015: 5.82% 2016: 5.65% 2017: 8.60% 2018: 6.46% 2019: 8.55%

Validation Result of 2019 Performance Scorecard (Annex A)

Objective/Measure		Component			GSIS Submission ¹		GCG Validation		Supporting Documents	GCG Remarks	
		Formula	Wt.	Rating Scale	Target	Actual	Rating	Actual			Rating
SM 7	Maintain the Fund Ratio of the Social Insurance Fund	Assets / Reserves of the GSIS Social Insurance Fund	8%	(Actual / Target) x Weight Below 72% = 0%	74%	76.70%	-	75.18%	8%	Breakdown and Computation of Fund Ratio	Request to revise the rating scale from "below 72% = 0%" to "below 70% = 0%" is DENIED . GSIS' 2019 actual accomplishment shows that the corporation is capable of achieving and even exceeding the 2019 target of 74%. Computed based on Assets (for SIF) amounting to ₱1.217 Trillion out of the ₱1.618 Trillion Reserves for SIF.
Sub-total			32%				-		32%		

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Component						GSIS Submission ¹		GCG Validation		Supporting Documents	GCG Remarks	
Objective/Measure	Formula	Wt.	Rating Scale	Target	Actual	Rating	Actual	Rating				
INTERNAL PROCESS	SO 5 Implement a Robust, Enterprise-wide Risk Management System											
	SM 8	ERM Risk Maturity Rating	Actual Rating	8%	2.70 or higher = 8% 2.60 to below 2.70 = 4% Below 2.60 = 0%	Risk Maturity Level 2.70	Risk Maturity Level 3.44	-	Risk Maturity Level 3.44	8%	<ul style="list-style-type: none"> Risk Management Office Memorandum on the Results of the 2019 ERMAT Online Survey Database of responses 	Acceptable.
	SO 6 Excel in Knowledge and Information Management											
	SM 9	Maintain / Upgrade QMS Certification	Number of Core Processes ISO certified	10%	All or Nothing	Certification under ISO 9001:2015 for Funeral Benefit Claim Processing and Marketing of Non-Life Insurance for the Renewal	ISO 9001:2015 Certificate was issued to GSIS on 19 December 2019 for the following process: 1. Loans Processing;	-	ISO 9001: 2015 Recertified for: 1. Loans Processing; 2. Membership Administration; 3. Maturity Claims Processing;	10%	<ul style="list-style-type: none"> Certificate issued by Third Party Audit Report from Third Party 	Acceptable. It should be noted that the QMS Certification only covers GSIS Head Office.

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Component					GSIS Submission ¹		GCG Validation		Supporting Documents	GCG Remarks
Objective/Measure	Formula	Wt.	Rating Scale	Target	Actual	Rating	Actual	Rating		
				of all Bidding Accounts Pass the Surveillance Audit or Maintain Certificate for the following processes: 1. Loans Processing; 2. Membership Administration 3. Life / Maturity Claims Processing; 4. Motor Vehicle Claims Processing; and 5. Critical Support Processes	2. Membership Administration; 3. Maturity Claims Processing; 4. Motor Vehicle Claims Processing; 5. Data Center Facilities Management; 6. Funeral Benefit Claims Processing; and 7. Marketing Process for the Renewal of Bidding Accounts for Non-Life Insurance		4. Motor Vehicle Claims Processing; and 5. Critical Support Processes.			
	Sub-total					-		18%		

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Component						GSIS Submission ¹		GCG Validation		Supporting Documents	GCG Remarks	
Objective/Measure	Formula	Wt.	Rating Scale	Target	Actual	Rating	Actual	Rating				
LEARNING AND GROWTH	SO 7	Recruit, Develop and Retain a Competent Workforce										
	SM 10	Improve Average Competency Level of the Organization	No. of employees with a rating of 4 for the required competencies / Total no. of employees	10%	(Actual / Target) x Weight	95% of employees have a rating of 4 for the required competencies	96.80%	-	20.13%	2.12%	<ul style="list-style-type: none"> • Certification on the Completion and Result of Competency Assessment • Insight Report prepared by Third Party. Dataset on the Competency Assessment Result 	Based on the database presented, only 510 out of 2,534 employees attained the score of at least 4 for all the competencies required. See Appendix B for details.
		Sub-total		10%				-		2.12%		
		TOTAL		100%				-		91.75%		

Appendix A – GSIS Validation Result of 2019 Performance Scorecard

SM 2: Percentage of Claims and Benefits processed within the Applicable Time

Based on the review of submitted database, only 185,288 claims were processed within the applicable TAT. This is 1,162 applications lower than the reported actual accomplishment. Using the database submitted by GSIS, the GCG randomly selected 5 applications per transaction type to review and manually compute for the processing time. Results of the random evaluation showed that the 50 applications were processed with an average of 24.62 working days versus GSIS' 14.29 working days, detailed as follows:

Transaction No.	Transaction Type	Start Time	End Time	GSIS Reported	GCG Validation
ILO-20191119-000833	COMPULSORY LIFE	20/11/2019	23/12/2019	17.70	24
ILO-20191113-000128	COMPULSORY LIFE	14/11/2019	17/12/2019	14.00	24
ILO-20191113-000256	COMPULSORY LIFE	14/11/2019	28/12/2019	11.70	30
ILO-20191113-000268	COMPULSORY LIFE	14/11/2019	17/12/2019	10.00	24
ILO-20191108-000140	COMPULSORY LIFE	09/11/2019	21/12/2019	19.00	30
DAV-20190121-000028	DISABILITY	22/01/2019	01/03/2019	9.12	25
R-20191112-000534	DISABILITY	13/11/2019	19/12/2019	18.80	22
R-20191030-000099	DISABILITY	31/10/2019	20/12/2019	17.80	21
COT-20191002-000006	DISABILITY	03/10/2019	23/12/2019	19.00	21
LEG-20190731-000008	DISABILITY	01/08/2019	10/12/2019	16.00	21
GSN-20191122-000079	EMPLOYEES COMPENSATION	23/11/2019	01/01/2020	1.75	24
GSN-20191122-000076	EMPLOYEES COMPENSATION	23/11/2019	28/12/2019	7.75	23
ILO-20191017-000140	EMPLOYEES COMPENSATION	18/10/2019	20/11/2019	8.50	23
TAC-20190527-000049	EMPLOYEES COMPENSATION	28/05/2019	16/07/2019	20.50	34
DAV-20190502-000042	EMPLOYEES COMPENSATION	03/05/2019	01/07/2019	2.30	39
GSN-20191108-000690	FUNERAL	09/11/2019	28/12/2019	9.75	24
ILO-20190927-000011	FUNERAL	28/09/2019	09/11/2019	16.20	29
ILO-20190919-000177	FUNERAL	20/09/2019	07/11/2019	12.10	34
ILO-20190819-000660	FUNERAL	20/08/2019	21/09/2019	15.90	22
ANQ-20190905-000031	FUNERAL	06/09/2019	08/10/2019	0.62	22
ILO-20191104-000234	OPTIONAL LIFE	05/11/2019	17/12/2019	17.80	31
ANQ-20191017-000009	OPTIONAL LIFE	18/10/2019	17/12/2019	20.90	26

Appendix A – GSIS Validation Result of 2019 Performance Scorecard

Transaction No.	Transaction Type	Start Time	End Time	GSIS Reported	GCG Validation
ILO-20191016-000059	OPTIONAL LIFE	17/10/2019	06/12/2019	18.50	36
ILO-20191029-000028	OPTIONAL LIFE	30/10/2019	02/12/2019	14.50	23
ILO-20191016-000120	OPTIONAL LIFE	17/10/2019	02/12/2019	13.50	32
DAV-20190121-000040	PRENEED	22/01/2019	05/03/2019	6.37	29
BUT-20191022-000029	PRENEED	23/10/2019	12/12/2019	19.00	22
MAL-20190829-000009	PRENEED	30/08/2019	27/09/2019	18.70	21
ORM-20190416-000025	PRENEED	17/04/2019	21/05/2019	19.60	21
ILO-20190401-000192	PRENEED	02/04/2019	16/05/2019	19.20	21
ILO-20191029-000128	RETIREMENT	30/10/2019	16/12/2019	6.50	23
ILO-20191024-000046	RETIREMENT	25/10/2019	16/12/2019	9.50	27
DAV-20190913-000014	RETIREMENT	14/09/2019	25/10/2019	19.30	27
ILO-20190910-000792	RETIREMENT	11/09/2019	09/11/2019	19.60	26
ILO-20190905-001924	RETIREMENT	06/09/2019	20/11/2019	0.62	33
ILO-20191022-000180	SEPARATION	23/10/2019	28/12/2019	14.40	31
ILO-20191017-000061	SEPARATION	18/10/2019	03/12/2019	2.50	26
DIP-20191014-000058	SEPARATION	15/10/2019	21/12/2019	14.30	33
ILO-20190925-000168	SEPARATION	26/09/2019	13/11/2019	10.00	21
ILO-20190905-001904	SEPARATION	06/09/2019	20/11/2019	16.10	53
GSN-20191106-000075	SURVIVORSHIP	07/11/2019	01/01/2020	20.50	23
COT-20191106-000011	SURVIVORSHIP	07/11/2019	18/12/2019	20.00	23
GSN-20191119-000214	SURVIVORSHIP	20/11/2019	27/12/2019	11.60	25
ILO-20191114-000168	SURVIVORSHIP	15/11/2019	26/12/2019	17.70	28
ILO-20191010-000015	SURVIVORSHIP	11/10/2019	14/11/2019	14.40	24
CLMN-201901572023	MOTOR VEHICLE	07/06/2019	19/06/2019	18.00	8
CLMN-201901581018	MOTOR VEHICLE	04/07/2019	05/07/2019	23.00	2
CLMN-201901579641	MOTOR VEHICLE	05/07/2019	29/07/2019	29.00	17
CLMN-201901611736	MOTOR VEHICLE	08/08/2019	08/08/2019	17.00	1
CLMN-201901629212	MOTOR VEHICLE	18/09/2019	19/09/2019	14.00	2

Appendix B – GSIS Validation Result of 2019 Performance Scorecard

SM 10: Improve Average Competency Level of the Organization:

The GSIS proposed the revision of the target from “95% of employees with a rating of 4 for the required competencies¹” to “Average competency level of 4 for core and organizational competencies” with a formula of “Sum of average competency rating of GSIS employees for core and organizational competencies over number of GSIS employees”. The request was made by GSIS due to the following reasons:

- a. GSIS is currently undergoing re-organization and will be reviewing its Competency Framework in view of the changes in its structure and positions. Thus, it is more logical to complete the re-organization process and match the framework to make it more relevant and responsive to the new thrust, direction, and composition of GSIS.
- b. The GSIS committed the same for its QMS processes and Civil Service Commission’s Program to Institutionalize Meritocracy and Excellence in Human Resource Management (PRIME-HRM). These are yet to be completed for the year. It will be more meaningful for the System to complete the achievement of this functional objective and commitment in relation to its current processes.

Based on the proposed revision, the GSIS reported that it was able to obtain an overall average competency rating of 4.12 for 2,534 employees who participated in the online competency assessment as certified by Assessment Analytics, Inc. (AAI). It was also reported that 96.80% of the employees have achieved an average rating of 4 and above.

It should be noted that based on GSIS’ Competency Framework, the competency profile of all positions is divided into three domains: the core competency, the organizational competencies, and technical competencies. The objective of the measure which is to ensure that GOCCs have competent workforce will be realized if all the required competencies will be assessed on an annual basis. As such the request for revision of the target is **DENIED**.

Considering that the target is “95% of employees with a rating of 4 for the required competencies”, an employee should have a score of at least 4 for **all the required competencies**², otherwise such will not be counted as an accomplishment. Only 510 out of the 2,534 employees or 20.13% have a score of 4.

¹ Includes core, organizational and technical competencies in accordance with GSIS Framework.

² Based on GSIS Competency Framework, the competency profile of all positions is divided into three domains: the core competency, the organizational competencies, and technical competencies.

Appendix B – GSIS Validation Result of 2019 Performance Scorecard

Presented below are sample of employees that were not counted as a valid accomplishment:

Employee ID	Position	Core	Leadership-Individual	Technical
10025	Staff Officer III	3.76	3.883	3.84
10026	Staff Officer III			3.90
10031	Staff Officer II	3.90	3.90	3.92
10036	Officer I	3.92	3.90	3.85
10037	Staff Officer III	3.66	3.83	3.92
10042	Staff Officer I	3.90	3.90	3.92
10045	Staff Officer III	3.7	3.85	3.85
10046	Staff Officer I	3.76	3.65	3.74
10051	Staff Officer II	3.96	3.91	3.66
10054	Staff Officer II		3.76	3.76