

**SMALL BUSINESS CORPORATION (SBC)**  
**Validation Result of 2021 Performance Scorecard**

Component					SBC Submission		GCG Validation		Supporting Documents	Remarks		
Objective/Measure	Formula	Wt.	Rating System	Target	Actual	Rating	Actual	Rating				
SOCIAL IMPACT	SO 1 To Cause Prosperity among MSME Segments Traditionally Considered Unfinanceable, thereby Increasing Economic Diversity and Inclusion											
	SM 1	Increase Total Financing Portfolio	Year-End Gross Amount of Loan Portfolio	17.5%	(Actual / Target) x Weight  If Less Than ₱4.66 Billion = 0%	₱12.65 Billion	₱11.38 Billion	15.74%	₱11.3059 Billion	15.64%	<ul style="list-style-type: none"> <li>COA Audited to Notes Financial Statements</li> </ul>	Validated actual based on COA audited Notes, particularly Note 6.
	SM 2	Increase Number of Micro, Small and Medium Enterprise Borrowers	Unique Count	15%	(Actual / Target) x Weight	58,000	Initial count: 59,527 Final count: 69,163	15%	64,922	15%	<ul style="list-style-type: none"> <li>New MSME Database</li> <li>Conduit Reports</li> <li>Promissory Notes</li> </ul>	<p>Supporting documents submitted are acceptable. Proof for a sample of transactions were used to cross-check the New MSME Database.</p> <p>The unique count was computed by getting the difference between the number of unique MSMEs with a transaction from 2001-2021 (i.e., 263,809) and the number of MSMEs with a transaction from</p>

18

Validation Result of 2021 Performance Scorecard

Component					SBC Submission		GCG Validation		Supporting Documents	Remarks
Objective/Measure	Formula	Wt.	Rating System	Target	Actual	Rating	Actual	Rating		
										2001-2020 (i.e., 198,887).  This computation treats one owner/representative with multiple MSMEs as one count. Repeat borrowers of new customers in 2021 are also counted as one.
SM 3	Number of Provinces Provided Access Financing with to	Number of Provinces with Loan Releases during the Year	15%	(Actual / Target) x Weight	85 Provinces	85 Provinces	15%	85 Provinces	15%	<ul style="list-style-type: none"> <li>List of Loan Releases</li> <li>Promissory Notes</li> <li>Account Management System (AMS) / Bayanihan Cares Online System (BCOS) Dashboard</li> </ul> Supporting documents submitted are acceptable. Proof for a sample of transactions were used to cross-check the List of Loan Releases.  The figure of 85 includes the four districts of the National Capital Region.
<b>Sub-Total</b>			<b>47.5%</b>				<b>45.74%</b>		<b>45.64%</b>	

Component					SBC Submission		GCG Validation		Supporting Documents	Remarks		
Objective/Measure	Formula	Wt.	Rating System	Target	Actual	Rating	Actual	Rating				
FINANCE	SO 2	Good Governance and Cost Efficiency in the Management of Stakeholders' Investment Observing Both Financial and Social Returns										
	SM 4	Improve Net Operating Income	Operating Income <sup>1</sup> – Operating Expenses	15%	(Actual / Target) x Weight	₱30 Million	₱30.34 Million	15%	₱33.1091 Million	15%	<ul style="list-style-type: none"> <li>COA Audited Statement of Comprehensive Income (SOI) and Notes</li> <li>2021 Corporate Operating (COB) Budget as Submitted to the Department of Budget and Management</li> </ul>	<p>Validated actual based on COA audited SOI and Notes, particularly Note 22.1, 23, and 25.</p> <p>The scope of "Operating Revenue" and "Operating Expenses" are based on the COB. In the COB and SBC's proposed 2021 target, P3 Program Expenses charged to the P3 Program Subsidy were excluded from Operating Expenses.</p>
	SM 5	Improve Past Due Rate <sup>2</sup>										
5a	CARES Loan Portfolio	Value of Past Due CARES Accounts / Total CARES Financing Portfolio	5%	$\frac{1 - [(Actual - Target) / Target]}{Weight}$	30%	Initial: 16.33% Final: 15.21%	5%	15.21%	5%	<ul style="list-style-type: none"> <li>Past Report Due</li> <li>Account Management System</li> </ul>	Supporting documents submitted and walkthrough conducted are acceptable.	

<sup>1</sup> Excludes Gains for Sale of Real and Other Properties Acquired (ROPA).

<sup>2</sup> Based on the definition provided by the Bangko Sentral ng Pilipinas.

for

Component					SBC Submission		GCG Validation		Supporting Documents	Remarks	
Objective/Measure	Formula	Wt.	Rating System	Target	Actual	Rating	Actual	Rating			
5b	Aggregate of Other Loan Portfolios Outside CARES Program	Value of Past Due Loan Accounts / Total Financing Portfolio (net of CARES portfolio)	5%	$\frac{1 - [(Actual - Target) / Target] \times Weight}{}$	16%	Initial: 27.05% Final: 25.05%	Initial: 1.55% Final: 2.17%	25.5628%	2.01%	<ul style="list-style-type: none"> <li>Past Due Report</li> <li>Account Management System</li> </ul> <p>SBC's computation of Aggregate of Other Loan Portfolios Outside CARES Program excludes the Enterprise Rehabilitation Financing (ERF) Program. The ERF Program Outstanding Balance and Past Due Balance were considered in GCG's validation as these are still loan programs that need collection efforts.</p>	
<b>Sub-Total</b>			<b>25%</b>				<b>22.17%</b>		<b>22.01%</b>		
<b>SO 3 Effectiveness and Efficiency of Delivery of Services to MSMEs Confirmed by Supported Enterprises and Partner Institutions</b>											
CUSTOMERS	SM 6	Percentage of Satisfied Customers	Number of Stakeholders Who Gave a Rating of At Least Satisfactory / Total Number of Respondents	5%	(Actual / Target) x Weight If less than 80%= 0%	90%	99%	5%	99%	5%	<ul style="list-style-type: none"> <li>CSS Report;</li> <li>Data Quality Control Report;</li> <li>Database of Responses;</li> <li>Database of Back-checking and Spot-checking Responses; and</li> <li>Sample Accomplished Survey Questionnaires.</li> </ul> <p>Supporting documents submitted are acceptable.</p>

1/8

Component					SBC Submission		GCG Validation		Supporting Documents	Remarks
Objective/Measure	Formula	Wt.	Rating System	Target	Actual	Rating	Actual	Rating		
<b>Sub-Total</b>		<b>5%</b>				<b>5%</b>		<b>5%</b>		
<b>INTERNAL PROCESS</b>	<b>SO 4 Create an Organizational System that Supports Agile Innovation and Roll-Out</b>									
	SM 7	Improve Percentage of Loan Applications Processed within Prescribed Turnaround Time	Number of Applications Processed within Applicable Turnaround Time <sup>3</sup> / Total Number of Applications	5%	(Actual / Target) x Weight	100% of Applications Processed within Prescribed Turnaround Time	Initial: 74.46% Final: 51.22%	Initial: 3.72% Final: 2.56%	53.18%	2.66%

<sup>3</sup> The applicable time for the processing of loans should be consistent and in compliance with Republic Act No. 11032, otherwise known as the Ease of Doing Business and Efficient Government Service Delivery Act of 2018.

152

Validation Result of 2021 Performance Scorecard

Component					SBC Submission		GCG Validation		Supporting Documents	Remarks	
Objective/Measure	Formula	Wt.	Rating System	Target	Actual	Rating	Actual	Rating			
SM 8	Automate Existing Systems and Processes	Actual Accomplishment	7.5%	(Actual / Target) x Weight	100% Attainment of 2021 Deliverables (Based on DICT-Approved ISSP 2021-2023)	4 out of 4 system developments and enhancements were completed.	7.5%	5 out of 7 deliverables in the 2021 ISSP was accomplished.	5.36%	<ul style="list-style-type: none"> <li>• Test Sign-Off Form</li> <li>• Screenshots of the System</li> <li>• Sample Reports</li> <li>• 2021 ISSP as submitted to the DICT</li> </ul>	<p>SBC listed the following deliverables as accomplishments:</p> <ol style="list-style-type: none"> <li>1. Application of Payment System (APS)</li> <li>2. Bayanihan Cares Online System (BCOS)</li> <li>3. Past Due Monitoring System (PDMS)</li> <li>4. Digital Record Management System (DRMS)</li> </ol> <p>Based on the 2021 ISSP, the following deliverables should have been accomplished within 2021, five of which were adequately substantiated with supporting documents:</p> <ol style="list-style-type: none"> <li>1. BCOS (new for development) - Accomplished</li> <li>2. APS (existing for enhancement) - Accomplished</li> <li>3. PDMS (existing for enhancement) - Insufficient/ Inconsistent documentation</li> <li>4. Account Management</li> </ol>

*Handwritten initials*

Component					SBC Submission		GCG Validation		Supporting Documents	Remarks
Objective/Measure	Formula	Wt.	Rating System	Target	Actual	Rating	Actual	Rating		
										System (existing for enhancement) – Insufficient documentation 5. Records Management System (new for development) – Accomplished 6. Platformification Project (partial implementation) – Accomplished through the roadmap, planning, ISSP drafting 7. GL System (existing for enhancement) - Accomplished
SM 9	Attain ISO 9001:2015 Certification	Actual Accomplishment	5%	Maintain ISO 9001:2015 Certification <u>or</u> ISO 9001:2015 Certification of at least One (1) Regional Lending Group = 2.50%;  Maintain ISO 9001:2015 Certification	Maintain ISO 9001:2015 Certification for Head Office and North Luzon Group;  ISO 9001:2015 Certification of At Least One (1) Additional Regional Lending Group	ISO 9001:2015 Certification for HO and NLG was maintained; ISO 9001:2015 Certification for MG was secured	5%	ISO 9001:2015 Certification for HO and NLG was maintained; ISO 9001:2015 Certification for Mindanao Group was secured	5%	<ul style="list-style-type: none"> <li>ISO 9001:2015 Certificate</li> <li>Audit Report</li> </ul> Supporting documents submitted are acceptable.

*Handwritten signature*

Component					SBC Submission		GCG Validation		Supporting Documents	Remarks	
Objective/Measure	Formula	Wt.	Rating System	Target	Actual	Rating	Actual	Rating			
			<i>and</i> ISO 9001:2015 Certification of at least One (1) Regional Lending Group = 5%								
<b>Sub-total</b>		<b>17.5%</b>				<b>15.06%</b>		<b>13.02%</b>			
<b>LEARNING &amp; GROWTH</b>	<b>SO 5 Enhance the Competencies of the SBCorp Workforce to Further Develop Existing and Come Up with New Financing Models for Neglected Segments</b>										
	SM 10	Improve Competency Baseline of the Organization	Competency Baseline in 2021 <sup>4</sup> – Competency Baseline in 2020	5%	All or Nothing	Improvement in the Competency Baseline of the Organization	Improvement in competency rating by 0.16	5%	0.124 improvement in the Competency Baseline of the Organization	5%	<ul style="list-style-type: none"> <li>• Computation of 2021 and 2020 Competency Assessment</li> <li>• Memorandum to the Management Committee (ManCom)</li> <li>• ManCom Resolution</li> </ul>

<sup>4</sup> Improvement in the competency baseline of the organization shall pertain to the average percentage of required competencies met which can be computed using the following formula:

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

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

*fr*



Component					SBC Submission		GCG Validation		Supporting Documents	Remarks
Objective/Measure	Formula	Wt.	Rating System	Target	Actual	Rating	Actual	Rating		
										SBC used the following formula in its computation: $\frac{\sum_{B=1}^B \left[ \frac{\sum_{a=1}^A (\text{Actual Competency Level})}{A} \right]}{B}$
	<b>Sub-total</b>	<b>5%</b>				<b>5%</b>		<b>5%</b>		
	<b>Grand Total</b>	<b>100%</b>						<b>90.67%</b>		

*[Handwritten scribbles and signature]*