

LBP – LEASING AND FINANCE CORPORATION

FINANCIAL	Component				Baseline Data		Target	
	Objective/Measure	Formula	Weight	Rating System	2015	2016	2017	2018
	SO 1	Ensure Viability and Financial Growth						
SM 1	Increase Total Portfolio	Absolute amount of outstanding portfolio by end of December	15%	(Actual/Target) x Weight 0% = If less than ₱3 Billion	₱3.701 Billion	₱3.57 Billion	₱3.74 Billion	₱3.750 Billion
SM 2	Lower Net Past Due Rate	Total Past Due at the end of the period – Deferred leasing income, Unearned credits, and Specific loan loss provision / Total Portfolio	10%	(1- (Actual-Target) / Target) x Weight 0% = If Above 3.08%	1.74%	4.68%	3.5%	2.50%
SM 3	Increase Asset Size	Absolute amount	5%	(Actual/Target) x Weight	₱3.965 Billion	₱3.975 Billion	₱4.321 Billion	₱5.108 Billion

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		Component			Baseline Data		Target	
Objective/Measure	Formula	Weight	Rating System	2015	2016	2017	2018	
SO 2	Consistently Improve Profitability							
SM 4	Increase Net Income After Tax	Total Revenues Less Total Expenses	15%	(Actual / Target) x Weight 0% = If below ₱108.41 Million	₱145 Million	₱90.51 Million	₱135 Million	₱120 Million
Sub-total		45%						
SO 3	Provide Affordable & Responsive Financial Products for Priority Sectors							
SM 5	Percentage of Portfolio Level allocated to Priority Sectors	Total amount of portfolio allocated to priority sector / Total portfolio at the end of the year	15%	Below 75%=0% 75% - 79.9% = 7% 80% and above = 15%	71.01%	74.99%	80%	80%
SO 4	Improve Accessibility & Timeliness of Delivery of Leasing & Financing Solutions							
SM 6	Percentage of Satisfied Customers	Number of respondents who gave a rating of at least Satisfactory/ Total number of respondents	5%	(Actual / Target) x Weight 0% = If below 80%	68% of respondents should have rated LBP LC "Very Satisfactory" or Higher	99.01% of respondents gave rating of Satisfactory or Higher	95% of respondents gave a rating of Very Good to Excellent	95%
Sub-total		20%						

CUSTOMER / STAKEHOLDER

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INTERNAL PROCESSES	Component				Baseline Data			Target
	Objective/Measure	Formula	Weight	Rating System	2015	2016	2017	2018
	SO 5	Streamline Credit Processing System						
SM 7	Average Processing Time of Credit Approval for New Clients	Total Actual No. of processing days for All Application of New Clients from Receipt of Complete Documents / Total No. of Applications Processed or Approved	10%	$(1 - (\text{Actual-Target}) / \text{Target}) \times \text{Weight}$	40 days	41.31 days	35 days	40 calendar days
	<i>Percentage of New Clients Credit Application within 40 days</i>							<i>Establish Baseline</i>
SM 8	Average Processing Time of Credit Approval for Existing Client	Total Actual No. of Days for All Applications of Existing Clients from receipt of Complete Documents over Total No. of Applications Processed / Approved	10%	$(1 - (\text{Actual-Target}) / \text{Target}) \times \text{Weight}$	32.28 days	29.77 days	25 days	30 calendar days
	<i>Percentage of Existing Clients Credit Application processed within 30 days</i>							<i>Establish Baseline</i>

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		Component			Baseline Data		Target	
Objective/Measure		Formula	Weight	Rating System	2015	2016	2017	2018
SO 6	Continuous Improvement of Processes and Systems							
SM 9	Implement Quality Management System	Actual accomplishment	5%	All or nothing	No Data	No Data	Certificate of Readiness for ISO 9001:2015 Certification	<p>Completed Trainings & Workshops on ISO QMS Requirements & Documentation:</p> <ol style="list-style-type: none"> 1. Orientation on ISO 9001:2015 QMS 2. Training Course on ISO 9001: 2015 QMS Requirements and Documentation 3. Workshop on Process Mapping and Risk-Based Quality Planning 4. Workshop on QMS documentation 5. Training Course on Root Cause Analysis and Corrective Action Formulation

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Component		Baseline Data				Target	
Objective/Measure	Formula	Weight	Rating System	2015	2016	2017	2018
							Submit ISO QMS Requirements and Documentation¹: 1. List of Relevant Interested Parties 2. Internal and External Issues Log 3. Risk and Opportunities Register 4. Schematic Diagram
Sub-total		25%					

¹ Documents that will show that LBP-LFC has completed the enhancement of operational controls and procedures.

LEARNING & GROWTH	Component				Baseline Data		Target	
	Objective/Measure	Formula	Weight	Rating System	2015	2016	2017	2018
	SO 7	Ensure Availability of Required Competencies for Critical Positions						
SM 10	Percentage of Employees Meeting Required Competencies	Number of employees meeting required competency / Total number of employees ²	5%	(Actual/Target) x Weight	Competency Framework Approved by the LBP-LFC	Improvement to 25.64% from baseline for 39 employees only	10% Improvement from past year	80%
SO 8	Optimize Use of Information Technology							
SM 11	Number of IT Projects Implemented	Actual accomplishment	5%	All or nothing	100% Complete Lease and Loan System	30% Complete Document Management System, 100% Complete Customer Relationship Management	1 (Document Management System)	Submit Board-approved ISSP to DICT ³
Sub-total			10%					
TOTAL			100%					

² Conducted competency assessment to 100% employees.

³ ISSP shall contain annual targets; implementation of ISSP shall commence in 2019.

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