



Office of the President of the Philippines
GOVERNANCE COMMISSION
 FOR GOVERNMENT OWNED OR CONTROLLED CORPORATIONS
 3/F, Citibank Center, 8741 Paseo De Roxas, Makati City, Philippines 1226



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15 March 2019

MS. ZENaida C. MAGLAYA
DTI Undersecretary and SBC Acting Chairperson
MS. MA. LUNA E. CACANANDO
President and CEO
SMALL BUSINESS CORPORATION (SBC)
 17 and 18th Flrs., 139 Corporate Center,
 139 Valero St., Salcedo Village, Makati City

RE : TRANSMITTAL OF 2019 PERFORMANCE SCORECARD

Dear Undersecretary Maglaya and PCEO Cacanando,

This is to formally transmit the 2019 Charter Statement and Strategy Map (**Annex A**) and 2019 Performance Scorecard (**Annex B**) of SBC. The same is to be posted in SBC's website, in accordance with Section 43 of GCG Memorandum Circular (M.C.) No. 2012-07.¹

The SBC-proposed Performance Scorecard submitted through its letter dated 10 December 2018² were **MODIFIED** based on the evaluation of submitted documents and related historical data of SBC.

We take this opportunity to **REMIND** SBC that Item 5 of GCG Memorandum Circular No. 2017-02³ mandates GOCCs to submit Quarterly Monitoring Reports and upload the same in the GOCC's website within thirty (30) calendar days from the close of each quarter.

FOR YOUR COMPLIANCE.

Very truly yours,

SAMUEL G. DAGPIN, JR.
Chairman

Michael P. Cloribel
MICHAEL P. CLORIBEL
Commissioner

Marites C. Doral
MARITES C. DORAL
Commissioner

1. PES - 3/21/19
2. GOCC - 3/21/19

RECEIVED
 3/21/19
 11:00 AM
 MANAGEMENT

¹ CODE OF CORPORATE GOVERNANCE FOR GOCCs dated 28 November 2012.
² Officially received by the Governance Commission on 11 December 2018.
³ INTERIM PES FOR THE GOCC SECTOR, dated 30 June 2017.



2019 CHARTER STATEMENT AND STRATEGY MAP (ANNEX A)

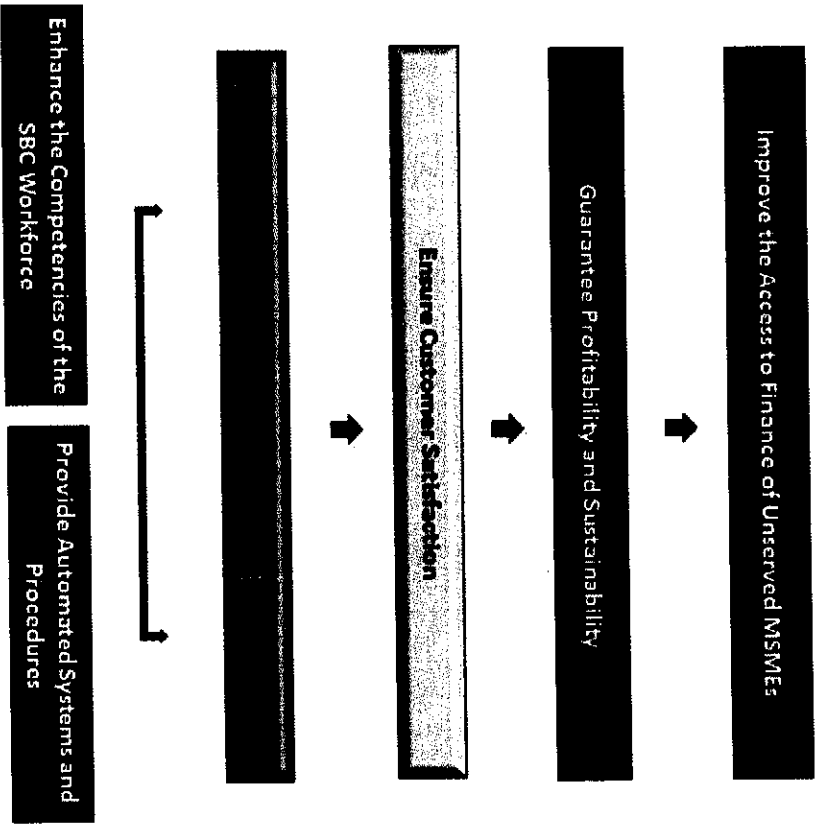
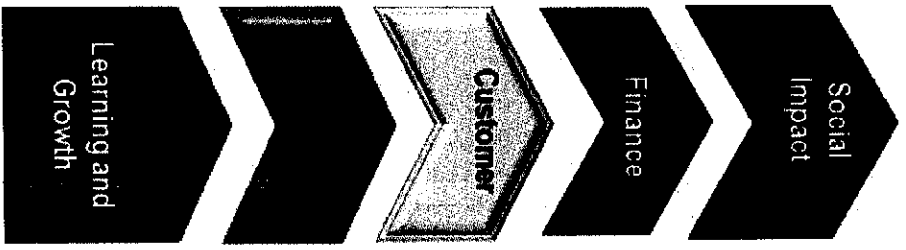
VISION
 To be the leading provider of business development services for MSME development in the region.

MISSION
 Grow the MSME sector by:

- developing and implementing financing and capacity building support programs for underserved enterprises and for grassroots MSME organizations and
- all other measures and policies that will promote a stronger MSME finance industry.

VALUES

- Development orientation
- Innovation
- Accountability
- Transparency
- Results-based mindset
- Knowledge-based service



2019 PERFORMANCE SCORECARD (ANNEX B)

SMALL BUSINESS CORPORATION (SBC)

		Component	Formula	Weight	Rating System	Baseline Data	Target		
		Objective/Measure				2016	2017	2018	2019
SO 1: Improve Access to Finance of Unserved MSMEs									
SM 1	Increase Total Financing Portfolio	Year-End Loan Portfolio (Gross Amount)	10%	$\text{P}5.50 \text{ Billion and Above} = 10\%$ $\text{P}4.40 \text{ Billion to P}5.49 \text{ Billion} = 5\%$ $\text{P}3.30 \text{ Billion to P}4.39 \text{ Billion} = 2.5\%$ Less Than $\text{P}3.30 \text{ Billion} = 0\%$		$\text{P}2.55 \text{ Billion}$	$\text{P}2.987 \text{ Billion}$	$\text{P}4.6 \text{ Billion}$	$\text{P}5.50 \text{ Billion}$
SM 2	Increase Number of Micro and Small Enterprise Borrowers	Absolute Number of New Borrowers	10%	(Actual / Target) x Weight		N/A	N/A	40,000	40,000
SM 3	Spread Distribution of Financing Portfolios Nationwide	Absolute Number	5%	(Actual / Target) x Weight		N/A	N/A	75 Provinces with Minimum Loan Portfolio of $\text{P}20 \text{ Million Per Province}$	75 Provinces with Minimum Loan Portfolio of $\text{P}20 \text{ Million Per Province}$
	Sub-total		25%						
SO 2: Guarantee Profitability and Sustainability									
SM 4	Improve Net Operating Income	Operating Income – Operating Expenses	10%	(Actual / Target) x Weight Less Than $\text{P}15 \text{ Million} = 0\%$		$\text{P}5.27 \text{ Million}$	$\text{P}15.45 \text{ Million}$	$\text{P}19.20 \text{ Million}$	$\text{P}20.85 \text{ Million}$
SM 5	Improve Return on Assets	(Net Income / Total Assets) x 100	10%	(Actual / Target) x Weight		-0.02%	-	0.43%	0.51%
FINANCE									
SOCIAL IMPACT									

Objective/Measure	Component	Formula	Weight	Rating System	Baseline Data		Target	
					2016	2017	2018	2019
SM 6	Improve Collection Effectiveness Index	[(Beginning Receivables + Monthly Income – Ending Total Receivables) / (Beginning Receivables + Monthly Income – Ending Current Receivables)] x 100	10%	All or Nothing	N/A	N/A	Breakeven	Breakeven
SM 7	Improved Past Due Rate	Value of Past Due Loan Accounts / Total Financing Portfolio	10%	$1 - \left[\frac{\text{Actual} - \text{Target}}{\text{Target}} \right] \times \text{Weight}$ 0% = If 22% and higher	N/A	N/A	20%	16.40%
Sub-total			40%					
SO 3 Ensure Customer Satisfaction								
SM 8	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%	N/A	Customer Satisfaction Survey conducted for P3 Clients Only	90%	90%
Sub-total			5%					
SO 4 Improve Service Delivery								
SM 9	Increase Number of Local Conduits per Province	Absolute Number	5%	(Actual / Target) x Weight	N/A	N/A	75 Provinces with At Least 3 Local Conduits	81 Provinces and 4 Districts of Manila with At Least 3 Local Conduits each

Objective/Measure	Component	Formula	Weight	Rating System	Baseline Data		Target	
					2016	2017	2018	2019
SM 10	Improve Percentage of Loans Processed Within Prescribed Turnaround Time	Number of Loans Applications Processed within Applicable Turnaround Time / Total Number of Applications	5%	(Actual / Target) x Weight	N/A	N/A	100% of Applications Processed Within Prescribed Turnaround Time	100% of Application Processed within the Prescribed Turnaround Time ¹
SM 11	Increase Number of Capacity Building Participants	Absolute Number	5%	(Actual / Target) x Weight Less Than 83 = 0%	83	Report cannot be validated	300 (Cumulative count)	114 New Capacity Building Participants
SM 12	Attain ISO 9001:2015 Certification	Actual Accomplishment	5%	All or Nothing	Surveillance Audit Passed	Maintenance ISO 9001:2008	ISO 9001:2015 Certification	Maintain ISO 9001:2015 Certification
Sub-total			20%					
SO 5 Enhance the Competencies of the SBC Workforce								
SM 13	Percentage of Employees meeting required Competencies	Actual Accomplishment	5%	All or Nothing	Baseline Completed	Identified Competency Areas with the Highest Gap Addressed	Competency Assessment of 100% of Employees conducted by a Third-Party Re-establish Competency	Improvement in the Competency baseline of the organization ²

¹ 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

² 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:

$$\frac{2A}{2B-1} = \frac{A}{B}$$

$\frac{2A}{2B-1}$ (Actual Competency Level)
 $\frac{A}{B}$ (Required Competency Level)

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

Objective/Measure	Component	Formula	Weight	Rating System	Baseline Data		Target		
					2016	2017	2018	2019	
SO 6 Provide Automated Systems and Procedures									
SM 14	Automate Existing Systems and Processes	Actual Accomplishment	5%	All or Nothing	N/A	N/A	Submission of ISSP to DICT for Approval	Implementation of the Following Information Systems: <ul style="list-style-type: none"> • Loan Origination System • Loan Disbursement System • Loan Collection System • Business Performance Indicator Profile • Procurement Management System • Account Management System 	
	Sub-total		10%						
	TOTAL		100%						