



**01 DECEMBER 2020**

**MA. LUNA E. CACANANDO**  
*President and CEO*  
**SMALL BUSINESS CORPORATION (SBC)**  
 17th and 18th Floor, 139 Corporate Center,  
 139 Valero St. Salcedo Village Makati City, 1227

**ACKNOWLEDGEMENT RECEIPT**

LETTER **01 DECEMBER 2020**  
 DATE:

RE: **[E] LETTER FROM SBC TO GCG RE SUBMISSION OF  
 THE 2020 3RD QUARTER ACCOMPLISHMENT REPORT**

The said document was officially received by the Governance Commission on 09 December 2020 and has been forwarded to the responsible GCG Officer for appropriate action.

To follow-up for further action on the document, you may contact us through telephone numbers (02) 5328-2030 or (02) 5318-1000. Please cite the GCG Document Management System (DMS) Barcode Number: **0-0441-01-12-2020-015101**.

---

**THIS RECEIPT IS COMPUTER GENERATED AND DOES NOT REQUIRE SIGNATURE.**

Received by:

---

Signature over Printed Name

---

Date and Time

**PRIVACY NOTICE:** Any or all personal data you provided will only be used to process your transaction with the GCG and for other compatible purposes. All collected data will be kept secure and confidential, unless otherwise authorized by law. They will be disposed of as soon as the purpose for their use has been achieved. Only aggregate or anonymized data shall be subject to further processing. We respect your rights under the Data Privacy Act. Should you wish to invoke any such rights in relation to our processing of your personal data, or have questions or clarifications relative to privacy and data protection, you may contact the GCG - Data Privacy Team at [privacy@gcg.gov.ph](mailto:privacy@gcg.gov.ph). You may lodge your complaint or submit an incident report form in the same email address.



Small Business Corporation

PES Form 2  
Performance Scorecard 2020

|   |      | Component  |   |               | 2020 Accomplishment   |   |            |            |                                  |  |   |
|---|------|--|---|---------------|---|---|------------|------------|----------------------------------|--|---|
| Strategic Component Objective (SO) / Strategic Measure (SM) |      | Formula  | Weight  | Rating System | Target  | Q1  | Q2         | Q3         | Year-end Projection              | Remarks  |   |
| SO 1  |      | <i>To Cause Prosperity among MSME Segments Traditionally Considered Unfinanceable, thereby Increasing Economic Diversity and Inclusion</i> |   |               |   |   |            |            |                                  |  |   |
| SOCIAL IMPACT   | SM 1 | Increase Total Financing Portfolio   | Year-end Loan Portfolio (Gross Amount)  | 15%           | (Actual/Target) x Weight<br>If below ₱2.99 Billion = zero rating        | P7.0 B  | P5.35 B    | P5.0 B     | P5.0 B                           | P7.0 B   | Portfolio generation in 4th quarter has significantly accelerated, and SBCorp is confident that it will be able to achieve at least 7B by year-end  |
|   | SM 2 | Increase Number of Micro and Small Enterprise Borrowers  | Increase Number of Micro and Small Enterprise Borrowers   | 12.50%        | (Actual/ Target) x Weight   | 40,000  | 16,100     | 19,547     | 42,779                           | May reach 50,000                                     | Target will be exceeded   |
|   | SM 3 | Spread Distribution of Financing Portfolios  | Number of Small Island Economies (SIE): with at least ₱10 Million Financing Portfolio               | 10%           | (Actual/ Target) x Weight   | Four (4) Small Island Economies with at least ₱10 Million Financing Portfolio |            |            |                                  | Target expected to be achieved                       | The target of 4 small island economies with at least P10.0 million loan portfolio include:<br>1) San Andres, Catanduanes<br>2) Sagada, Mt. Province<br>3) Siquijor, Siquijor<br>4) Cagwait, Surigao del Sur |
|   | SM 4 | Percentage of Borrowers in Identified Business Segments with Increased Sales   | Number of borrowers in SIEs with at least 10% Increase in Sales / Total Number of borrowers in SIEs | 10%           | (Actual/ Target) x Weight   | 25%   |            |            |                                  | Target expected to be achieved                       | Survey on sales increase of subject borrowers in identified territories has commenced.  |
| Sub-total   |      |  |   | 47.50%        |   |   |            |            |                                  |  |   |
| SO 2  |      | <i>Good Governance and Cost Efficiency in the Management of Stakeholders' Investment Observing Both Financial and Social Returns</i>       |   |               |   |   |            |            |                                  |  |   |
| FINANCE   | SM 5 | Improve Net Operating Income   | Operating Income- Operating Expenses  | 15%           | (Actual/ Target) x Weight   | P23.16 M  | (P9.32M)   | (P39.8M)   | (P29.03 M)                       | Loss as of October 2020 is in the vicinity of P4.0 M | The big reduction in net loss between September and October 2020 (P25.0 M) indicates that SBCorp can achieve its NOI target of P23.0 M by year-end.   |
|   | SM 6 | Improve Past Due Rate  | Value of Past Due Loan Accounts / Total Financing Portfolio   | 10%           | 1- [(Actual/ Target) x Weight]<br><br>If greater than 22% = zero rating | 16.40%  |            |            | PDR report still being finalized | Target expected to be achieved                       | The target of 16.4% PDR limit is expected to be achieved by SBCorp, taking into consideration the BSP policy on PDR classification and loan loss provisioning relief as stipulated under the Bayanihan Act. |
| Sub-total   |      |  |   | 25%           |   |   |            |            |                                  |  |   |
| SO 3  |      | <i>Effectiveness and Efficiency of Delivery of Services to MSMEs Confirmed by Supported Enterprises and Partner Institutions</i>           |   |               |   |   |            |            |                                  |  |   |
| CUSTOMERS   | SM 7 | Percentage of Satisfied Customers  | Number of Stakeholders who gave a rating of at least Satisfactory/ Total Number of Respondents      | 5%            | (Actual/ Target) x Weight<br><br>If Less than 80% = 0%                  | 90%   | In-process | In-process | In-process                       | Target expected to be achieved                       | Third party to commence conduct of survey in January 2021 based on total population of clients in 2020; results for submission to GCG within the March 2021 deadline.                                       |
| Sub-total   |      |  |   | 5%            |   |   |            |            |                                  |  |   |

Redem

|                   |           |   |   |       |   |  |        |  |  |   |
|-------------------|-----------|---|---|-------|---|--|--------|--|--|---|
| SO 4              |           | Create an Organizational System that Supports Agile Innovation and Roll-Out   |   |       |   |  |        |  |  |   |
| INTERNAL PROCESS  | SM 8      | Improve Percentage of Loan Applications Processed within Prescribed Turnaround Time   | Number of Applications Processed within Applicable Turnaround Time / Total Number of Applications | 5%    | (Actual / Target) x Weight  | 100% of Applications Processed within the Prescribed Turnaround Time <sup>2</sup>                            | 41.67% |  | At least 50% of target expected to be achieved   | SBCorp piloted its online loan application system in June 2020; and rolled out an improved version in October 2020; the new system is meant to streamline processing time |
|                   | SM 9      | Automate Existing Systems and Processes   | Actual Accomplishment   | 7.5%  | (Actual / Target) x Weight  | 100% attainment of 2020 deliverables relative to SBCorp's ISSP as submitted to DICT                          |        | Target is expected to be achieved  | SBCorp's ISSP had to be updated and resubmitted to DICT in November 2020; the updating mostly touched on the online loan application system and cloud connectivity |   |
|                   | SM 10     | Attain ISO 9001:2015 Certification  | Actual Accomplishment   | 5%    | Maintain ISO 9001:2015 Certification or ISO 9001:2015 Certification of at least One (1) Regional Lending Group = 2.50%;<br><br>Maintain ISO 9001:2015 Certification and ISO 9001:2015 Certification of at least One (1) Regional Lending Group = 5% | Maintain ISO 9001:2015 Certification; ISO 9001:2015 Certification of at least One (1) regional Lending Group |        | ISO 9001:2015 re-Certification achieved  | Target is expected to be achieved  | Certification of SBCorp's North Luzon Group is on-going   |
| Sub-total         |           |   |   | 17.5% |   |  |        |  |  |   |
| SO 5              |           | Enhance the Competencies of SBCorp Workforce to Further Develop Existing and Come Up with New Financing Models for Neglected Segments |   |       |   |  |        |  |  |   |
| LEARNING & GROWTH | SM 11     | Percentage of Employees Meeting Required Competencies   | Competency Baseline in 2020 – Competency Baseline in 2018   | 5%    | Pro-rated (for 2020)  | Improvement in the Competency Baseline of the Organization <sup>3</sup>                                      |        | An improvement in competency profile of the organization will be achieved relative to 2019 | A 1% improvement was achieved in 2019 relative to 2018; a more substantial improvement is expected in 2020   |   |
|                   | Sub-total |   |   |       | 5%  |  |        |  |  |   |
| TOTAL             |           |   |   | 100%  |   |  |        |  |  |   |

Prepared by:

  
Wafy Don Calderon  
Manager, Planning Department

Approved by:

Ma. Luna E. Cacanando  
President/CEO

1/ Small Island Economies as part of the unserved or underserved MSMEs refer to communities that are isolated or marginalized from the national economy due to their remoteness from large/traditional markets and high economic

2/ 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

3/ 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:

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

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

