



13 February 2019

MR. RAMON M. LOPEZ
DTI Secretary and Chairperson
MS. MA. LOURDES F. REBUENO
General Manager
NATIONAL DEVELOPMENT COMPANY (NDC)
 NDC Building, 116 Tordesillas St., Salcedo Village
 Makati City, Philippines

RE : TRANSMITTAL OF 2019 PERFORMANCE SCORECARD

Dear Secretary Lopez and GM Rebueno,

This is to formally transmit the 2019 Charter Statement and Strategy Map (**Annex A**) and 2019 Performance Scorecard (**Annex B**) of NDC. The same is to be posted in NDC's website, in accordance with Section 43 of GCG Memorandum Circular No. 2012-07¹.

The NDC proposed Charter Statement, Strategy Map, and Performance Scorecard submitted through its letter dated 31 August 2018² were **MODIFIED** based on the discussions made during the Technical Panel Meeting (TPM) held on 23 November 2018 and evaluation of the justifications provided per NDC's letter dated 24 January 2019³.

We take this opportunity to **REMIND** NDC 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
Commissioner

MARITES C. DORAL
Commissioner

¹ CODE OF CORPORATE GOVERNANCE FOR GOCCs dated 28 November 2012

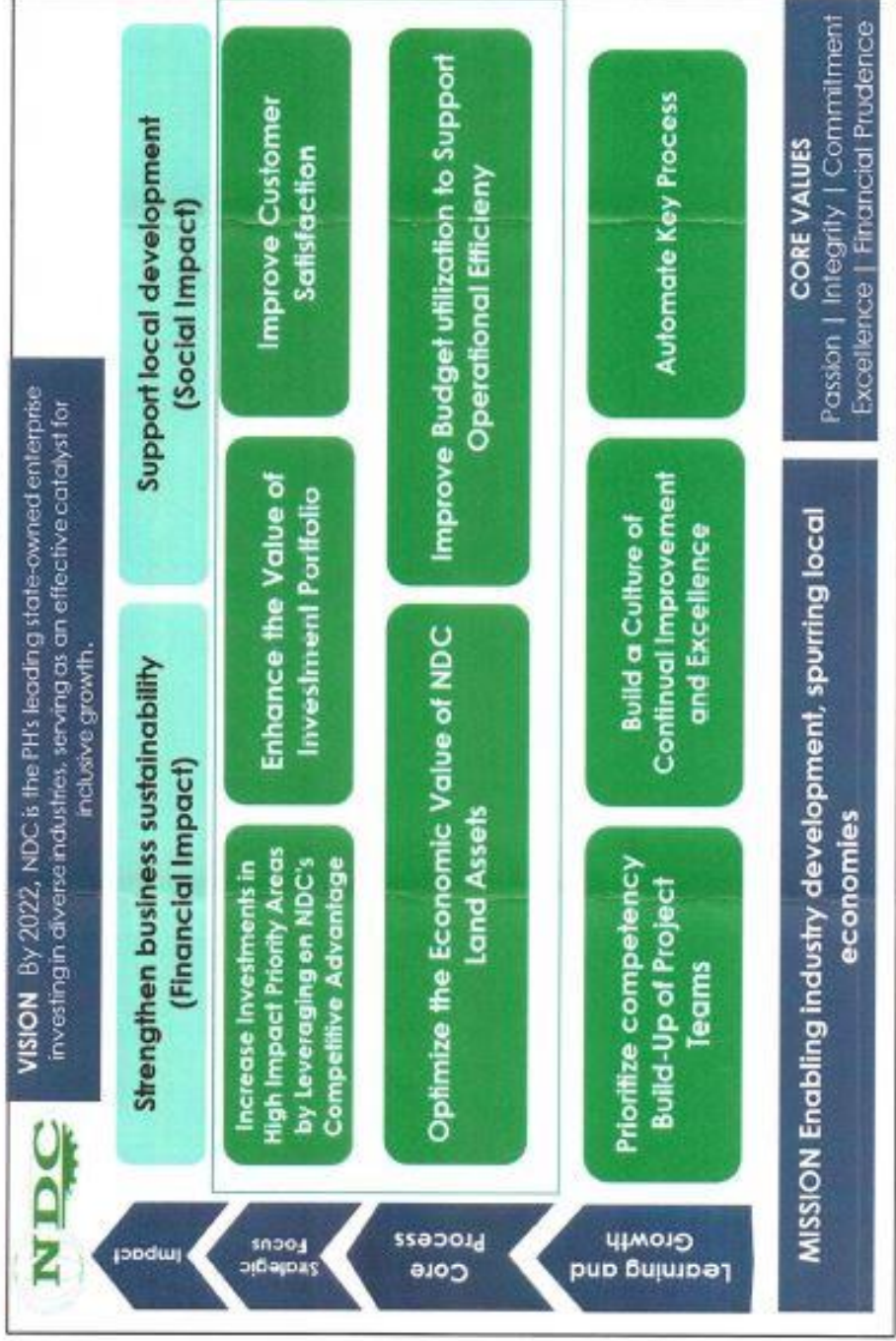
² Officially received by the Governance Commission on 31 August 2018.

³ Officially received by the Governance Commission on 28 January 2019.

³ INTERIM PES FOR THE GOCC SECTOR, dated 30 June 2017.

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NDC STRATEGY MAP



2019 PERFORMANCE SCORECARD (ANNEX B)

NATIONAL DEVELOPMENT COMPANY

Objective/Measure	Component		Baseline Data				Target	
	Formula	Weight	Rating System	2016	2017	2018		2019
SO 1 Strengthen Business Sustainability (Financial Impact)								
SM 1	Return on Equity	Net Income / Stockholder's equity adjusted	15%	(Actual / Target) x Weight	N/A	N/A	3.00%	3.00%
SO 2 Support Local Development (Social Impact)								
SM 2	Cumulative Number of Local Jobs Generated by the Projects/Investments	Number of local jobs generated per operational report	10%	(Actual / Target) x Weight 0% = if below 2018 Actual	323	373	423	2018 Actual + 127 new jobs
	Sub-total		25%					
SO 3 Increase Investments in High Impact Priority Areas by Leveraging in NDC's Competitive Advantage								
SM 3	Cumulative Value of Investments	Cumulative value of investments in high priority areas as approved by the NDC Board	15%	(Actual / Target) x Weight 0% = if below 2018 Actual	P2.71 Billion	P2.71 Billion	P3.70 Billion	2018 Actual + P1.5 Billion
IMPACT				STRATEGIC FOCUS				

Component		Baseline Data				Target	
Objective/Measure	Formula	Weight	Rating System	2016	2017	2018	2019
SO 4	Enhance the Value of Investment Portfolio						
SM 4	Return on Investments	10%	All or Nothing	153.65%	-	5.70%	2.22%
SO 5	Improve Customer Satisfaction						
SM 5	Percentage of Satisfied Customers	5%	(Actual / Target) x Weight 0% = if below 90%	100%	100%	100%	100%
	Sub-total	30%					
SO 6	Optimize the Economic Value of NDC Land Assets						
SM 6	Income from Asset Management	20%	(Actual / Target) x Weight 0% = if less than P253 Million	P252.96 Million	P155.06 Million	N/A	P505 Million
CORE PROCESS							

Component		Baseline Data				Target		
Objective/Measure	Formula	Weight	Rating System	2016	2017	2018	2019	
SO 7 Improve Budget Utilization to Support Operational Efficiency								
SM 7	Budget Utilization Rate	Total amount of disbursements / Total budget for the year	5%	92% to 100% = 5% 80% to 91% = 2.5% More than 100% and Below 80% = 0%	N/A	N/A	>90%	>91%
Sub-total			25%					
SO 8 Prioritize Competency Build-up of Project Teams								
SM 8	Percentage of Personnel Meeting Required Competency Standards	Actual Accomplishment	5%	All or Nothing	N/A	N/A	Increase the Baseline Level by 15%	Competency Baseline Improved ¹
LEARNING AND GROWTH								

¹ 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:

$$\frac{\sum_{i=1}^n \frac{a_i - b_i}{a_i}}{\sum_{i=1}^n \frac{a_i}{a_i}}$$

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

Component		Baseline Data				Target		
Objective/Measure	Formula	Weight	Rating System	2016	2017	2018	2019	
SO 9 Build a Culture of Continual Improvement and Excellence								
SM 9	ISO Certification	Actual Accomplishment	5%	All or Nothing	ISO 9001:2008 Re-certified	ISO 9001:2015 Certified	ISO 9001:2015 Maintained	ISO 9001:2015 Maintained
SM 10	Performance Governance System (PGS) Status Conferal	Actual Accomplishment	5%	All or Nothing	Proficient	Strategy Refreshed	Passed 3 rd Party Audit for Institutionalization	Institutionalized
SO 10 Automate Key Process								
SM 11	Information Technology Systems Implemented	Actual Accomplishment	5%	All or Nothing	N/A	N/A	N/A	Cash Accounting System Submitted for BIR's Accreditation and Board-Approved ISSP 2020-2022 as Submitted to DICT
	Sub-total		20%					
	TOTAL		100%					