

PHILIPPINE DEPOSIT INSURANCE CORPORATION

Monitoring Report on Corporate Performance

As of 31 December 2022

	Component				Target	Accomplishment as of 31 December 2022	Rating	
	Strategic Objective (SO)/Strategic Measure (SM)	Formula	Weight	Rating System				
Socio-economic Impact	SO 1. Contribute to confidence in the financial system through public awareness and financial literacy on deposit insurance to promote financial inclusion							
	SM 1	Level of public awareness on deposit insurance	Actual accomplishment	5	All or nothing	100% implementation of programs on public awareness ¹	80.6%	4.03%
	Sub-total			5				4.03%
Financial	SO 2. Maintain Deposit Insurance Fund (DIF) to adequately cover the deposit insurance cost							
	SM 2	Adequate Capital against Deposit Insurance Cost	12-month average DIF/ 12-month average EID ²	15	All or nothing	5.5% ³	8.40% <i>(based on an 11-month average as of report date, to be adjusted to a 12-month average once the 2022 FS is approved)</i>	15%
	SO 3 Efficient Budget Utilization							
	SM 3	Efficient Utilization of Corporate Budget	Total Disbursements / Total Board-approved Corporate Operating Budget (both net of PS) ⁴	5	(Actual / Target) x Weight	90%	96.04%	5%
Sub-total			20				20%	
Customers / Stakeholders	SO 4. Enhance client experience in PDIC services							
	SM 4a	Percent of Satisfied Customers - Borrowers	No. of respondents who gave a rating of at least satisfactory / Total number of survey respondents	2.5	(Actual/Target) x Weight 0% = If less than 80%	90%	86% <i>(subject to additional borrower-respondents served from November 19 to December 29)</i>	2.39%
	SM 4b	Percent of Satisfied Customers - Depositors	No. of respondents who gave a rating of at least satisfactory / Total number of survey respondents	2.5	(Actual/Target) x Weight 0% = If less than 80%	90%	80%	2.22%
	SM 4c	Percent of Satisfied Customers - Member Banks	No. of respondents who gave a rating of at least satisfactory / Total number of survey respondents	5	(Actual/Target) x Weight 0% = If less than 80%	90%	98%	5%
Sub-total			10				9.61%	

	Component				Target	Accomplishment as of 31 December 2022	Rating	
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Internal Process	SO 5 Settle valid deposits/claims of depositors in closed banks within the applicable processing time ⁵							
	SM 5	Settlement of Valid Deposits Promptly within Applicable Turn-Around-Time (TAT in line with EODB) - For Accounts with Less than or Equal to P100,000 Balances	Number of valid deposits paid within TAT/ Total number of valid deposits for Accounts with Less than or Equal to P100,000 balances	10	(Actual / Target) x Weight	100% of claims settled within TAT ⁶ with new TAT under "New Normal"	100% of claims settled within TAT ⁷	10%
	SM 6	Settlement of Valid Claims Promptly within Applicable Turn-Around-Time (TAT in line with EODB) - For Accounts with More than P100,000 Balances	Number of valid claims settled within TAT / Total number of valid claims filed during field operations claims settlement (FOCS)	10	(Actual / Target) x Weight	100% of claims settled within TAT ⁶ with new TAT, reckoning time and formula under "New Normal"	100% of claims settled within TAT ⁸	10%
	SO 6. Distribute assets to creditors and terminate liquidation of closed banks							
	SM 7	Asset Distribution Plans (ADP) of closed banks filed with the Liquidation Court	Actual Accomplishment	20	(Actual / Target) x Weight	43 ADPs	42 ADPs	19.53%
	SO 7. Contribute to financial stability by ensuring financial crisis preparedness							
	SM 8	Readiness Level for Participation in the Conduct of Financial Crisis Simulation	Actual Accomplishment	5	All or Nothing	Conduct/Report of internal simulation exercise of the integrated Crisis Management Plan	100% completed Reyes, Tacandong and Co.'s (RT&Co.) Independent Assessment Report based on the Internal Financial Crisis Simulation Exercise (IFCSE) was approved by the PDIC BOD on 21 December 2022. The 2-day (IFCSE) was conducted on 17 and 18 November 2022 by external facilitator and assessor RT&Co.	5.00%
	Sub-total			45				44.53%

	Component				Target	Accomplishment as of 31 December 2022	Rating	
	Strategic Objective (SO)/Strategic Measure (SM)	Formula	Weight	Rating System				
Learning and Growth	SO 8. Recruit, build up and retain a motivated and competent workforce							
	SM 9	Percentage of Employees Meeting Required Competencies	Competency Baseline ⁹ 2022 - Competency Baseline 2021	10	All or Nothing	Improvement on the Competency Baseline of the Organization based on the 2021 year-end assessment ¹⁰	Improvement in Competency Level (CL) of the Organization by 0.09987 from 1.19400 in 2021 to 1.29387 in 2022 or 8.36% increase in the CL ¹¹	10%
Learning and Growth	SO 9. Build a responsive organization equipped with the necessary ICT and other systems to support operations							
	SM 10	Implementation of Information Systems Strategic Plan (ISSP)	Actual Accomplishment	5	All or Nothing per target ICT and information system	100% implementation of information and communication technology (ICT) and information systems projects based on the ISSP ¹²	83.33% 5 out of 6 ICT and information systems projects completed ¹³	4.17%
	SM 11	ISO Certification	Actual Accomplishment	5	All or nothing	Maintain ISO Certification for Assessment of Member Banks (AMB), Claims Settlement Operations (CSO), Loans Management (LM), Real Property Disposal (RPD), Bank Examination (BE) or Corporate Certification	100% - CSO and AMB re-certified with ISO Certification dated 25 May 2022 - RPD re-certified with ISO Certification dated 20 December 2022 - LM and BE passed the 2nd surveillance audit on 21 November 2022.	5%
		Sub-total			20			19.17%
		TOTAL			100			97.34%

	Component				Target	Accomplishment as of 31 December 2022	Rating
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- 1 - See Appendix 1 for the Strategic Communication Plan, Major Milestones of Component Programs 2021 - 2023. Rating is based on (Actual/Target) x Weight which is subject of a pending request for consideration by the GCG, based on PDIC's letter to GCG dated 25 November 2022.
- 2- Capturing the period January to December 2022
- 3 - Ratio of DIF to estimated insured deposits (EID) – minimum of 5.50% (based on the current Maximum Deposit Insurance Coverage (MDIC) of P500,000; If any MDIC increase is implemented within the year, the resulting DIF/EID, which may fall below 5.5%, shall be considered on target.
- 4 - Rating is based on additional exclusions of bank closure-related expenses and interest expense on loans payable to BSP for banks with financial assistance and other items that can only be determined for exclusion by yearend due to third party dependencies and uncontrollable circumstances, which is subject of consideration by the GCG, based on PDIC's letter to GCG dated 16 August 2022.
- 5 - A valid claim is considered settled when it is paid or dispatched to the Philippine Postal Corporation (PPC), or offset with an obligation, or in excess of the maximum deposit insurance coverage. Valid claims refer to claims for deposit accounts examined to be legitimate and eligible for deposit insurance. For depositors with valid deposit balances of Php 100,000 and below, filing of claim is waived for those with updated and complete mailing address, who have no obligations with the closed bank, and have not maintained the account under the name of business entity. All other depositors have to file deposit insurance claims with complete supporting evidences/documents acceptable to PDIC.
- 6 - Applicable processing time based on compliance with Republic Act No. 11032 or the Ease of Doing Business and Efficient Government Service Delivery Act of 2018.
- 7 - 15,454 valid deposits paid within 9 - 20 working days in 9 closed banks. Target TAT is 27 - 41 working days from bank takeover.
- 8 - 2,927 valid claims settled in 9 closed banks within TAT of 7 working days from receipt of valid claims or approval of Report of Validation/Register of Insured Deposits, whichever came later.
- 9 - The competency baseline of the organization shall pertain to the average percentage of required competencies met which can be computed using the following formula:

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

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

- 10 - Reassessment should cover all employees assessed in 2021 and new hires in 2022.
- 11 - 462 or 100% of qualified employees, including new hires of 2022, were assessed to establish the new Competency Baseline, which is at 1.27305
- 12 - Excludes the time from failed bidding to the resumption of bidding.
- 13 - Excludes one (1) ICT program which was rebid. Failure of bidding was declared on 19 July 2022 and rebidding resumed on 21 November 2022 and its Notice of Award was issued on 27 December 2022.

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