

Performance Governance System [PGS] USER'S GUIDE

Improve
capacities of 2.3
million Pantawid
Families

Increase SWD
Coverage of 5.2
Million NHTS-PR
Identified
Families

Increase Fully
Functional
LSWDOs to 40
provinces



DSWD

Department of Social Welfare and Development

OFFICE OF STRATEGY MANAGEMENT

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INTRODUCTION

PGS OVERVIEW

In 2008, the Philippines decided to take a fresh approach in pursuing a number of key Policy Improvement Processes (PIPs) that would address issues related to the Control of Corruption (COCs) indicators in the Millennium Challenge Corporation (MCC) scorecard to reach compact status by building on current public and private sector initiatives.

Then in September 2010, by virtue of the grant by MCC for the expansion and improvement of the KALAHI-CIDSS project formerly known as KC-OBAMA, the Department of Social Welfare and Development (DSWD) was enjoined to adopt the Performance Governance System. One of the requirements set forth by MCC was the installation of a Policy Improvement Processes (PIPs) which consequently paved for the adoption of the Performance Governance System (PGS) – Balanced Scorecard (BSc).

PGS – BSc was identified as a mechanism to curb corruption since it provides framework for government agencies and citizens to work together in crafting a long-term reform program anchored on a strategy roadmap complete with internally-generated set of specific outputs, performance milestones and measurable targets which collectively comprise the Enterprise Scorecard.

With its unprecedented increase in budget accredited to its three (3) major projects, DSWD then joined the first batch of National Government Agencies mandated by the Office of the Executive Secretary to institutionalize the system, to wit; (1) Department of Education (DEPED); (2) Department of Health (DOH); (3) Department of Public Works and Highways (DPWH); (4) Department of Transportation and Communication (DOTC); (5) Bureau of Internal Revenue (BIR) and (6) Philippine National Police (PNP).

Selection of these NGAs were based on the following criteria: (1) significant revenue generation; (2) high levels of procurement; (3) major spending on infrastructure; and (4) institutional gains in improving their integrity systems based in their higher than average scores in the Integrity Development Review conducted by the Office of the Ombudsman in 2008.

LEGAL BASES

DSWD has issued a number of orders with the end view of adopting the PGS-BSc for achieving good governance and transformative results.

1. Administrative Order No. 6 Series of 2011 adopting the PGS-BSc Strategy Map and Enterprise Scorecard. This Order recognizes PGS – BSc as part of concretizing the Social Welfare and Reform Agenda to upgrade DSWD capacities to implement and deliver programs and services to reduce poverty and eventually empower people.

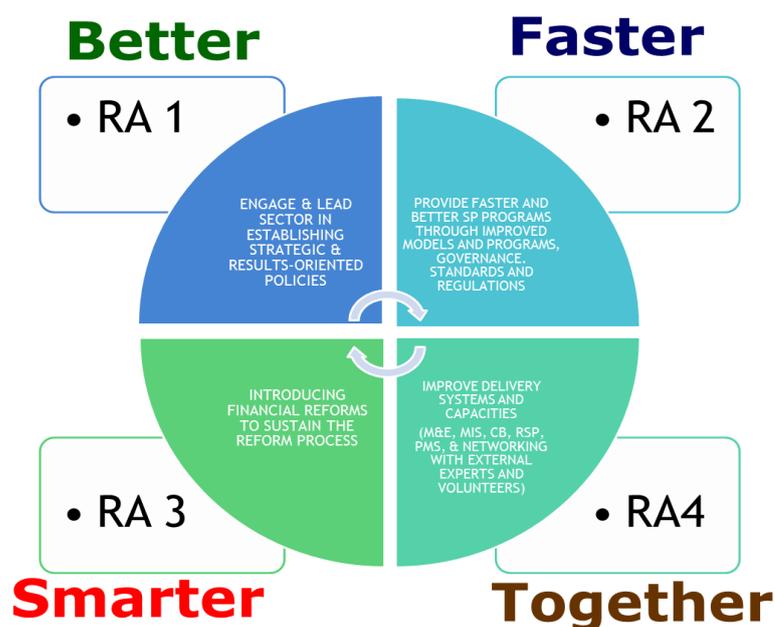
2. Memorandum Circular No. 1 Series of 2012 re-clustering the Offices, Bureaus, Services and Units (OBSUs) ensuring closer and constant collaboration among concerned OBSUs to concretize the DSWD Reform Agenda.
3. Memorandum Circular No. 10 Series of 2012 establishing the Office of Strategy Management (OSM) enumerating its primary, coordinating and integrating functions corresponding to its Key Result Areas.
4. Administrative Order No. 2 Series of 2015 directing the re-composition of DSWD Central Office Clusters to ensure clarified lines of accountability, further strengthen the Department's operations and support offices, increase efficiency, effectiveness and synchronicity of the different OBSUs in the achievement of DSWD's mission, vision and reform agenda and set up interim organization while completing its proposed Rationalization Plan 2.
5. Special Order No. 2406 Series of 2015 (amending Special Order 2313 Series of 2012) designating PGS Focal Persons across the CO-OBSUS and FOs and its parallel functions.

INTEROPERABILITY OF PGS WITH OTHER SYSTEMS/Frameworks

Anchored on the Balanced – Scorecard, a strategic management system developed by Dr. Robert Kaplan and Dr. David Norton of the Harvard Business School, the Performance Governance System (PGS) was introduced in the Philippines by the Institute for Solidarity in Asia (ISA) in 2004. Though it is usually adopted in the private sector, PGS is intended to guide agencies/Departments translate its vision into actual results leading to breakthrough performance. Specifically, PGS is a strategic planning and management tool that emphasizes the importance of aligning strategy, improving communications and monitoring performance of the Department in the delivery of desired results. On a larger scheme, PGS uses the BSc technology to manage reform and evaluation of local governments, civil society groups and public agencies in the Philippines with the end view of carrying out breakthrough results.

In the context of the new normal and its complexity of process, PGS provides a strategic focus amidst the whirlwind of operations and offers paradigm shift to the “here and now” concept to a more strategic long-term mindset. It also allows the Department to provide greater services for the community, increase financial credibility, mainstream internal processes and increase public satisfaction rating. Moreover, as an implementing agency, PGS helped the Department to manage funds and resources effectively vis-a-vis quality program delivery and management.

The PGS was used as a mechanism to complement and concretize the Social Welfare and Development Reform Agenda in upgrading the Department's capacities and improving systems to implement and deliver programs and services that will redound to empowerment especially of the poor, vulnerable and disadvantaged sectors. This is aptly demonstrated by the illustration below.



Due to the rising magnitude of poverty and demand for better social protection coverage, the Department engaged in developing a Social Welfare and Development Reform Agenda (RA). This aimed to improve the delivery of social services to the poor and enhance the capacity of the DSWD to lead in social protection.

Reform Area 1 focuses on the development and implementation of a social protection framework and an objective and transparent targeting system for the poor. Reform Area 2 focuses on the improvement and integration of the different DSWD modes of service delivery and improvement of coordination with local government units, stakeholders and partners. Reform Area 3 focuses on securing a more predictable funding for core DSWD functions including strategically allocating budget resources and augmenting the resources of LGUs and other partners. Reform Area 4 focuses on the enhancement of cross-cutting and systemic changes such as improving monitoring and evaluation systems and management information systems as well as enhancing organizational capacity and technical know-how.

On the other hand, the Organizational Performance Indicator Framework¹ (OPIF) serves as the primary vehicle for institutionalizing results-oriented budgeting in the whole bureaucracy. At the department/agency level, it is a system of identifying Major Final Outputs (MFOs) which they are mandated to deliver to their external clients/stakeholders and determining priority programs/activities/projects (PAPs) to realize these outputs that will in turn help achieve desired socio-economic and development outcomes.

Clearly, as PGS is harmonized with existing frameworks and processes like the Reform Agenda (RA), overall results framework and Organizational Performance Indicator Framework (OPIF), these initiatives are seen to facilitate the attainment of the DSWD's long-term vision of

¹ Department of Budget and Management Circular No. 2012 – 09

becoming the world's standard for the delivery of coordinated social services and social protection for poverty reduction by 2030.

The Overall Results Framework (ORF) specifies the social impact of the Department and related organizational outcomes with interventions clustered under the Programs, Activities and Projects (PAPs). The line of accountability demarcates where DSWD is contributory and accountable. The Societal Impact implies the main agenda of the President for Inclusive Growth. It enumerates the two (2) contributions of the Department namely; (1) Reduction of multi-dimensional poverty; and (2) generation of jobs and livelihood.

The ORF operationalized the four (4) Major Final Outputs of the DSWD:

- MFO 1 – Social Protection Policy Services
- MFO 2 – Social Protection Services
- MFO 3 – Capacity Building Services
- MFO 4 – Regulatory Services



The OPIF through the major final outputs (MFOs) of the DSWD clearly shows the link to the Department's higher level goals and outcomes specifically in pursuing efforts in the four (4) reform areas up to 2014 and ultimately in the long-term vision of DSWD by 2030. The harmonization also reinforces DSWD's envisioned strong leadership role in the social protection sector in government and how this steering role is further translated into convergence and policies through existing structures such as the Human Development and Poverty Reduction Cluster (HDPKC), NEDA – Social Development Committee (SDC) and Regional Development Councils (RDCs).

The DSWD's PGS – BSC Journey in 2011 strongly enforced driving results for DSWD in implementing its reform agenda and its support to OPIF towards good governance. The presence of RAs, OPIF, ORF and PGS in the Department has helped the organization spur a paradigm shift away from the “business as usual” and “here and now” mindset to aiming to achieve results through transparency, accountability and efficiency.

DEFINING THE DESTINATION

To clearly define its destination and envisage the future, in May 2010, representatives from the Development Academy of the Philippines (DAP), ISA and DSWD convened and discussed the installation of the PGS – BSc in the Department. For this reason, a Technical Working Group was created help the Department formulate and define its vision and mission which was duly approved by the Executive Committee (EXECOM).



The formulation of the DSWD Vision and Mission underscored critical elements, organizational values and core values which took into consideration internal and external challenges that will impede the achievement of the Department’s Vision and Mission. It also highlighted the areas DSWD is aptly recognized in terms of its passion to serve, public trust and steering role.

PGS Pathways

The PGS follows an iterative stages namely: Initiation, Compliance, Proficiency and Institutionalization. Each stage necessitates specific requirements outlining strategy identification and formulation leading to strategy execution and evaluation. Compliance to this requirements is vital in transition from one stage to another.

During the Initiation Stage held on 21 September 2010, the Department presented its Governance Charter Statement made up of the Departments Core Values, Core Purpose, Strategy Map, Governance Scorecard and Strategic Initiatives.

The Compliance Stage required cascading the strategy through a Communication Plan, crafting of Office Scoreboards, linking the Strategy Initiatives to Budget and the creation of the Multi-Sectoral Governance Coalition (MSGC).

The hallmark of Proficiency Stage is the successful strategy execution, helmed by an Office of Strategy Management (OSM). At this stage, the Enterprise Scorecard is translated into Office Scoreboards which evolve from just mere performance – tracking document to drivers of inherent processes and guide the management team in decision making resulting to emerging breakthrough results.

For the Institutionalization Stage, DSWD is expected to install mechanism and tools for data tracking and Reporting to serve as a platform for impact evaluation to determine breakthrough results.

BASIC GOVERNANCE DOCUMENTS

The basic governance documents are live documents that instill discipline in strategy execution. It serves as guide and at the same time a reference for the Department for its strategy management. These include the 2030 DSWD Strategy Map, DSWD Enterprise Scorecard, 2016 DSWD Time Slice Strategy Map, Strategic Initiatives and the DSWD Strategic Goals.

2030 DSWD STRATEGY MAP

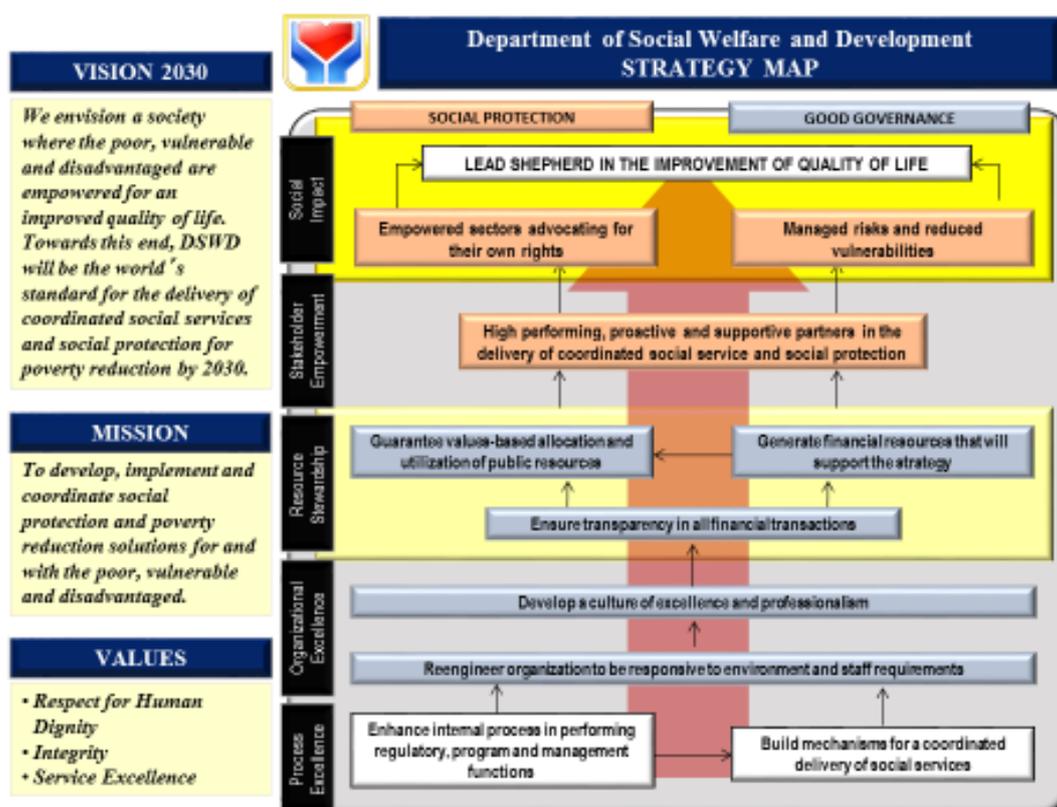
The 2030 DSWD Strategy Map is a visual representation of the strategic directions and transformative objectives of the Department by illustrating the reinforcing connection and relationship along the five (5) perspectives, namely (1) process excellence, (2) organizational excellence, (3) resource stewardship, (4) stakeholder empowerment, and (5) social impact. By espousing the 2030 Strategy Map, DSWD becomes a Strategy-Focused Organization requiring the Department to row in one direction by aligning the OBSUs, FOs and Attached Agencies to the overall Vision of the Department with each Office contributing its stake along the aforementioned perspectives.

The 2030 DSWD Strategy Map demonstrates the critical strategies needed to achieve the DSWD's aspiration of having a society where the poor, vulnerable and disadvantaged sectors are

empowered for an improved quality of life. To make this a reality, the DSWD envisions itself to be the world’s standard for the delivery of coordinated social services and social protection by 2030. However, it is to be emphasized that DSWD is not the sole agency responsible for poverty reduction. By facilitating coordinated efforts and convergence of different partners and stakeholders, DSWD will be able to mobilize and steer social protection and social services to address poverty reduction.

The DSWD’s Mission is also stipulated in the 2030 Strategy Map. As the Department “develops, implements and coordinates social protection and poverty reduction solutions for and with the poor, vulnerable and disadvantaged,” it transforms beneficiaries from program/project recipients to empowered and active partners in the development of social protection and poverty reduction solutions. This effort clearly provides premium on the rights of beneficiaries as members of the society where they take actively take part in nation building.

The same document also signifies the three (3) core values of DSWD, namely: (1) Respect for Human Dignity, (2) Integrity, and (3) Service Excellence. The DSWD officials and employees are expected to imbibe these core values in pursuit of the Department’s Vision and Mission. These core values are further translated to the Leadership Brand of DSWD; (1) Magiliw; (2) Matapat and (3) Mahusay.



The DSWD 2030 Strategy Map also describes the Department’s themes for the long-term which are (1) Good Governance, (2) Social Protection, and (3) Lead Shepherd in the improvement of Quality Life. These themes provide a big yet concise overview of the steps that need to be taken to implement the strategies.

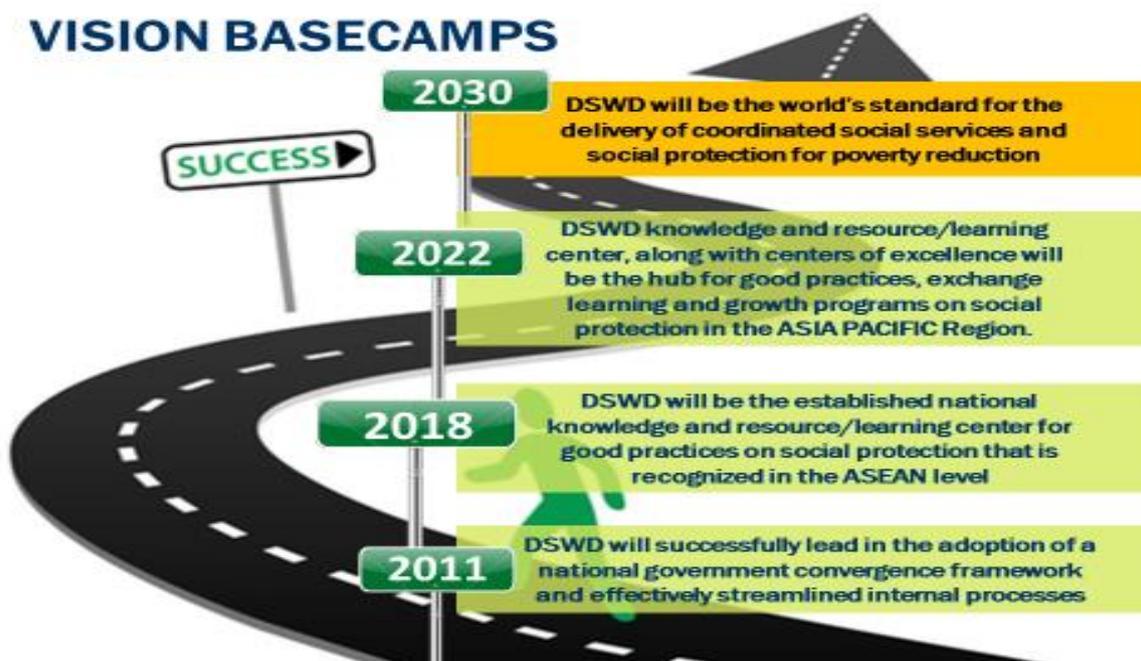
As gleaned from the 2030 DSWD Strategy Map, Good Governance involves strategic objectives under Resource Stewardship/Finance and Organizational Excellence. Social Protection is comprised of the strategic objectives under the Stakeholder Empowerment and Social Impact. The Lead Shepherd Theme is a cluster of strategic objectives under Process Excellence.

DSWD ENTERPRISE SCORECARD²

The DSWD Enterprise Scorecard reflects the numerous strategies to achieve the 2030 Vision and 2016 Strategic Goals as well as key indicators and performance targets per perspective to measure the success of its endeavors. This includes the critical milestones collectively labelled as Strategic Initiatives.

VISION BASECAMPS

Corollary to the 2030 Vision is the formulation of Vision Basecamps detailing critical milestones divided by Administration periods which should be undertaken to realize the 2030 Vision. The vision basecamps can be periods for the Department to assess, monitor and evaluate its milestones vis-à-vis the breakthroughs expected per Basecamp in particular and the 2030 Vision in general.

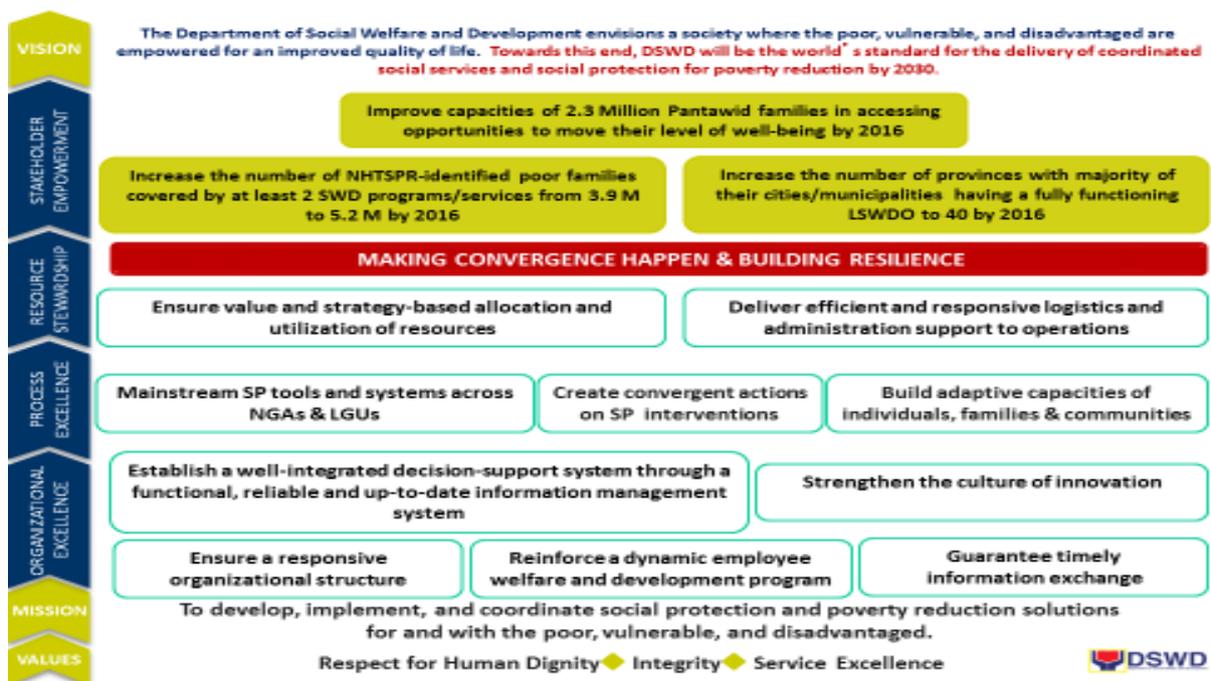


As indicated in the Vision Basecamp, in 2011, the Department should have successfully led the adoption of a national government convergence framework and effectively streamlined internal process. It is noteworthy that the DSWD as Chair of the NEDA SDC-Sub-Committee on Social Protection (SCSP) can be leveraged to influence and engage NGA, LGUs and the CSOs in implementing collaborative social protection programs to address the risks and vulnerabilities of the poor and vulnerable sectors.

The 2018 and 2022 Vision Basecamps illustrates the progression of DSWD from a national knowledge and resource center for good practices on social protection recognized in the ASEAN level into being a hub for good practices, exchange learning and growth programs on social protection in the ASIA PACIFIC Region. These targets once achieved will advance the realization of the 2030 Vision.

2016 DSWD STRATEGY MAP

The 2016 Strategy Map serves as time slice of the 2030 DSWD Vision crafted along the four (4) perspectives founded on making convergence happen and building resilience to adapt to human-induced, disaster-related circumstances and economic shocks. This document specifically details significant strategies the DSWD have to achieve by 2016 particularly giving emphasis on imperatives under the organizational excellence perspective. The strategic objectives clearly provides an impetus on the importance of institutional reforms to facilitate organizational maturity in coping with the evolving demands of the new normal.



2016 STRATEGIC GOALS

As a result of the Strategic Refresh conducted in February, 2013, the Department repositioned itself by seeking the improved well-being of the Pantawid Pamilya families identified in the LISTAHAN or the National Household Targeting System for Poverty Reduction (NHTS-PR) database. As the core of the 2016 DSWD Strategic Goals is hinged on “transforming lives” this can only be realized through: (1) an accurate targeting system developed, implemented and shared to other National Government Agencies and Local Government Units, and (2) Local Social Welfare and Development Offices (LSWDOs) are capacitated and empowered to deliver devolved SWD programs and services.

DSWD STRATEGIC GOALS



Improve capacities of 2.3 Million Pantawid families in accessing opportunities to move their level of well-being by 2016

Increase the no. of NHTSPR-identified poor families covered by at least two SWD Programs from 3.9 Million to 5.2 Million by 2016

Increase the no. of provinces with majority of their municipalities/cities having a fully functioning LSWDO to 40 by 2016

The Strategic Goal (SG) 1 is the primary goal of the Department. With this in mind and to ensure consistency with the DSWD Organizational Outcome (OO) 1, the SG 1 was reformulated in April 2015 to focus more on the Department's core mandate of improving the capacities of the targeted Pantawid Pamilya beneficiaries in transitioning them to an improved level of well-being by 2016.

Crucial in the delivery of the Strategic Goals is the need to strengthen external convergence as well as honing of the capacities of partners.

INDICATORS OF THE STRATEGIC GOALS

<p>SG 1: Improve capacities of 2.3 Million Pantawid families in accessing opportunities to improve their level of well-being by 2016.</p> 	<p>Indicators enumerated in the Social Welfare and Development Indicators (SWDI):</p> <ul style="list-style-type: none"> • Employable skills • Education • Health • Water and Sanitation • Employment Facilitation or provision of livelihood/microenterprise • Social Security and access to financial institution • % of Pantawid Families participating in local decision-making activities (e.g., brgy. assemblies, PSA, resource allocation) • % of NCDDP brgys with poverty reduction action plan prepared with the involvement of community members thru participatory process • % of Pantawid beneficiaries employed during sub-project implementation disaggregated by sex
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	<ul style="list-style-type: none"> • % of Pantawid families benefitting from completed community identified sub-projects.
<p>SG 2: Increase the number of NHTS-PR identified poor families covered by at least 2 SWD programs/services from 3.9 to 5.2M by 2016.</p> 	<p>DSWD Programs and Projects</p> <ul style="list-style-type: none"> • Pantawid Pamilya • Sustainable Livelihood Program • KC-NCDDP • Social Pension • Supplementary Feeding Program • E-AICS (Education)* <p>Other NGA-initiated Programs and Projects</p> <ul style="list-style-type: none"> • Resettlement • Electrification • Universal Health Care • Technical Skills Training • Scholarships • Nutrition • DA Assistance to Pantawid benes <p><i>Note: The targets for this SG are based in the Pantawid Pamilya enrollees per year. It is assumed that as enrollees in the said program, they are already assured of at least two (2) services among those extended by the Department including Philhealth. Hence, at one hand, the Field Offices should cover under this SG even non-Pantawid beneficiaries who are poor and are included in the NHTS-PR database. On the other hand, SG1 would ideally require more than two (2) of such programs to deliver target (as discussed in the Memorandum from the Secretary dated 04 November 2013.</i></p> <p><i>*Among the services offered through E-AICS, only education was considered since those included under SG 2 are “developmental” programs/services.</i></p>
<p>SG 3: Increase the number of provinces with majority of their cities/municipalities having a fully functioning LSWDO to 40 provinces by 2016.</p> 	<p>A fully functional LSWDO must meet all indicators under the five (5) key Areas of MC 16 s. 2014 (Standards for LSWDO Functionality)</p> <ul style="list-style-type: none"> • Implementing SWD Programs/Projects • With Local Council for the Protection of Children (LCPC) • Contributing to the Local DRRMC • With Staff Complement – presence of RSW • With budget for SWD programs/services

STRATEGIC INITIATIVES

To realize the Strategic Goals by 2016 and to bolster the emerging role of DSWD amidst the new normal, the Department identified the following ten (10) Strategic Initiatives (SIs), when once done, shall move the SGs forward and contribute to the Vision 2030 of becoming the world's standard in the coordinated delivery of social services and social protection for poverty reduction. Also, SIs are means by which SGs are translated into practice. These Strategic Initiatives are collection of finite, discretionary projects and programs that are designed to help the organization achieve its target performance and desired results.

There are ten (10) Strategic Initiatives that support or contribute to the realization of the 2030 Vision and to the 2016 Strategic Goals with corresponding process owners, which are termed as Strategic Units.

1. **Strengthening the DSWD Convergence Strategy.** This strategy calls for the synchronization and rationalization of processes and implementation of DSWD's social protection programs and interventions in active partnership with Local Government Units (LGUs), National Government Agencies (NGAs), Civil Society Organizations (CSOs) and the private sectors in uplifting the well-being and quality of life of the poor, vulnerable and disadvantaged sectors of the society. It provides premium on alliance/coalition building with these sectors to catalyze socio-economic initiatives at different levels with the end view of fostering complementation of poverty reduction programs in terms of coverage and scope.
2. **Towards the Functionality of Local Social Welfare and Development Offices (LSWDOs).** This initiatives aims to ensure that all partner LGUs particularly the target provinces with majority of their municipalities/cities have fully functional Local Social Welfare and Development Offices (LSWDOs) by 2016. It also entails capacitating of LSWDOs and provision of necessary Technical Assistance and Resource Augmentation (TARA) to perform their devolved functions under the 1991 Local Government Code (LGC) categorized under different work areas.
3. **Strategic Social Marketing.** This is the popularization and education of internal and external stakeholders on the organization's strategic priorities as committed in the DSWD Strategy Roadmap and Enterprise Scorecard. It also attempts to clarify and communicate the change agenda which is being pursued by the Department in terms of transforming the lives of its target clientele.
4. **Competency-Based Recruitment, Selection and Placement System (CBRSPS).** This project is a move to anchor HR systems or functions such as recruitment and selection, performance management, employee training, workshop planning, leadership development and succession and career development. Subsequently, this includes identifying competencies and instituting competency models at the office/organizational level and at the position level. A competency-based HR system, warranted by a Competency-Based Recruitment, Selection and Placement System (CBRSPS) allows this various HR functions a common reference point that will lead employees to higher productivity.

5. **Formulation of Successor DSWD Corporate Plan 2016-2022 and Medium-Term Expenditure Plan (MTEP).** The formulation of these documents shall provide the Department's priority directions for the medium-term given the internal and external environment and developments.
6. **Mainstreaming Social Protection (SP).** This is a strategy of the Department to ensure that Social Protection (SP) permeates local development processes as well as to encourage the cooperation of the Local Government Units (LGUs) in pursuing efforts in planning and in implementing responsive and innovative social protection programs. Part of the mainstreaming are provision of capacity building and conduct of roll-out for the utilization of the Social Protection Handbook which shall serve as the primary reference manual in planning, implementing, monitoring and evaluating social protection interventions at the local level.
7. **Development of an Integrated Enterprise Data Warehouse.** This is the development of interoperable information systems to support the coordinated implementation of social protection programs, projects and services and strategic administrative support services in the Department. Part of this is the data warehouse portal information sharing and reporting mechanism to ensure that all NHTS-PR identified poor families will be recipient of at least two (2) Social Welfare and Development (SWD) programs and services.
8. **Establishment of DSWD Strategic Performance Management System (DSPMS).** It follows the themes of alignment, integration, results/outcomes focused guided by but not limited to the following systems: (1) Organizational Performance Indicator Framework (OPIF); Unified Results – Based Monitoring and Evaluation System (URBMES) and Performance Management System (PGS).
9. **Development of the DSWD Rationalization Plan (RatPlan) 2.** This initiative aims to develop a thorough Plan in focusing the Department's effort on vital/core functions and improving the Department's efficiency and effectiveness (accountability and transparency) in its programs/projects/service delivery and support systems. It seeks to rationalize the existing organizational structure and staffing pattern to make it more responsive to the needs and realities affecting employee and organizational coherence.
10. **Strengthening Service Delivery through Quality Management System (QMS).** This aims to reduce and eventually eliminate non-conformance to specifications, standards and stakeholders' expectations in the most-effective and efficient manner. These standards include documents and records control, procurement and internal quality control. This system, when in place, is expected to increase the Department's transparency and accountability while ensuring efficiency and quality in the performance of the Department's core and primary functions.

SCOREBOARDING 101

Along with the recalibration of the strategy was the introduction of the Four Disciplines of Execution (4DX). Implementing the 4DX as a strategic deployment methodology allowed the Department and its individual staff to focus on the execution of the strategy amidst the whirlwind of regular operations.

The 4 Disciplines are as follows:

1. **Focus on the Strategic Goals** (also known as the Wildly Important Goals) – focusing the organization's effort on the two or three goals that will make all the difference.
2. **Act on the Lead Measures** - identifying lead measures that will become the key leverage points for achieving the goal.
3. **Keep a Compelling Scoreboard** – placing the dashboard in a visible area so everyone is up-to-date whether the organization or OBS/FO is winning or not.
4. **Create a Cadence of Accountability** – conducting regular accountability sessions.

KEY CONCEPTS

Scoreboard

It is a technology used for measuring the strategic performances of OBS/FO at a given implementation period. In each OBS/FO, the divisions, units and individuals are considered adept with the Scoreboard set by their respective OBS/FO. This technology inspires the Department in making the strategy everyone's business for both organizational and individual alignments. In other words, the scoreboard is a mechanism for tracking progress of Breakthrough Goal and Lead Measures. The basic components of the Scoreboard are one (1) Breakthrough Goal and two (2) Lead Measures.



Breakthrough Goals

These are outcome measures and are focused on the performance results at the end of a time period or activity. It also articulates the outcome or end-result for the year contributing to or supporting the SGs.

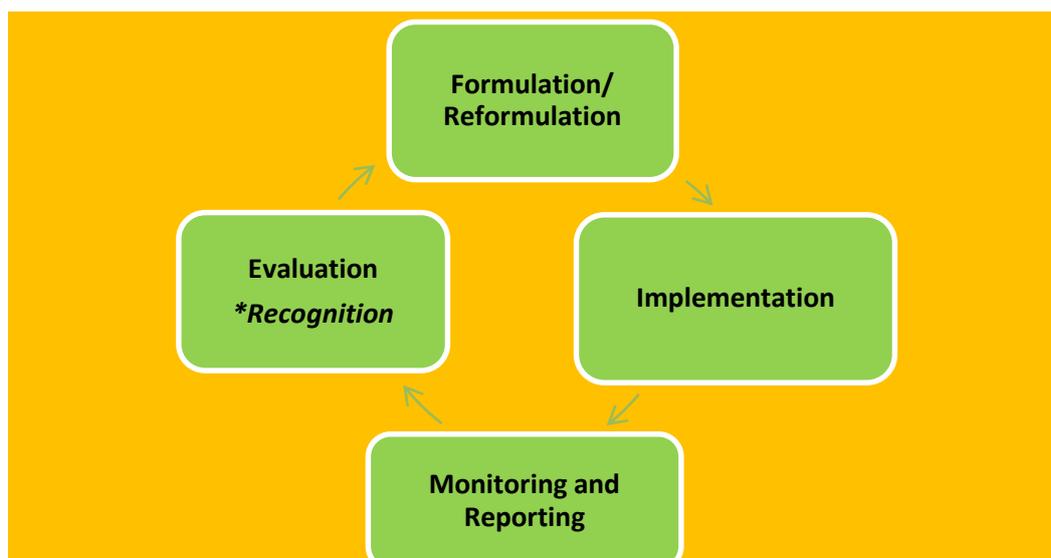
Lead Measure

Lead measures are performance indicators that qualify and quantify intermediate processes, activities/actions and behaviors which will drive the BGs and serve as key leverage points for OBs/FOs in achieving their BGs.

There are two (2) kinds of LMs:

1. Leveraged Behaviors (LM1) – are specific actions that enable the organization to adopt a new behavior that it must exhibit with quality and consistency. The measure owner is accountable for performing the action, rather than producing the result.
2. Small Outcomes (LM2) – are intermediate results that drive the breakthrough and the measure owner is accountable for delivering the results.

THE SCOREBOARDING PROCESS



A. FORMULATION

Getting started. Before proceeding with the identification of the Breakthrough Goal and Lead Measures and the crafting of the Scoreboard, an OBS/FO needs to:

- Know the 2030 DSWD Strategy Map, 2016 Strategy Map and Enterprise Scorecard.
- Know the OBS/FO's mandate, core processes and key result areas.
- Create its Value Chain. The Value Chain presents an integrated set of processes that deliver value to the OBS/FO's clients or customers.

Determining the Breakthrough Goal. After familiarization with the enterprise strategy and revisiting its functions, the OBS/FO's can identify in which part of the strategy can they contribute to, directly determine its Breakthrough Goal through the help of the following trigger questions:

1. Assuming current level of resources, which one aspect of OBS/FO's core process would you want to improve the most so you can contribute to the enterprise strategy?
2. What are the greatest strengths of your OBS/FO that can be leveraged to accomplish the enterprise strategy?
3. What aspects of your core process need improvement so you can better contribute to the enterprise strategy?

The Breakthrough should be predictive or supportive of the enterprise strategy. Moreover, it should be clear, measurable and time-bound. Thus, it must be stated using this format: ***Simple Verb + Lag Measure (from X to Y by when)***. An example of a good articulation of a Breakthrough Goal is: **Improve Office absorptive capacity from 20% to 60% by December 31, 2016.**

Before finalizing the Breakthrough Goal, it should adhere to the following criteria to ensure standard and quality control:

- ✓ **Consultative:** Does your Breakthrough Goal emerge from a brainstorming list generated by your team?
- ✓ **Alignment:** Is your Breakthrough Goal aligned with a strategic goal/objective/initiative? Has your leadership/management team confirmed its alignment?
- ✓ **Predictive:** Will your Breakthrough Goal have a clear, predictable impact on the enterprise strategic goal/objective/initiative, not just on the performance of your OBS/FO?
- ✓ **Impact:** Is your Breakthrough the most impactful thing that you can do to drive achievement of the enterprise strategic goal/objective/initiative?
- ✓ **Influenceable:** Does your OBS/FO have the power to achieve the Breakthrough without heavy dependence on other OBS/FOs?
- ✓ **Team Game:** Does the Breakthrough Goal require the focus of the entire OBS/FO, not just the leader or a sub-unit?
- ✓ **Articulation:** Can you simplify the Breakthrough further? Does your Breakthrough begin with a simple verb and end with a clear lag measure? Is the lag measure written in the format from X to Y by when?

Formulating Lead Measures. Lead Measures are the OBS/FO's key leverage points in achieving the Breakthroughs. Lead Measures can be *small outcomes* or *leveraged behaviors*.

- **Small outcomes** – these are intermediate results that drive the Breakthrough.
- **Leveraged behaviors** – these are specific actions that enable the OBS/FO to adopt a new behavior that it must exhibit with quality and consistency.

In the formulation of the Lead Measures, the OBS/FO needs to brainstorm based on the trigger questions which are:

- **Propose new and better actions:** What could you do that you have never done before that might make all the difference in your Breakthrough?
- **Leverage pockets of excellence:** What strengths of the team can you use as leverage on the Breakthrough? What are your pockets of excellence? What do your best performers do differently?
- **Strengthen weakest link or fix inconsistencies:** What weaknesses might keep you from achieving the Breakthrough? What could you do more consistently?

Lead Measures should be primarily ranked according to its impact to the OBS/FO Breakthrough. In addition, the following criteria should also test the quality of the Lead Measure:

- ✓ **Consultative:** Do your Lead Measures come from a brainstorming list generated by your OBS/FO?
- ✓ **Ongoing:** Is this an ongoing process or a once-and-done? (The ideal Lead Measure entails behavior change that becomes habitual and brings continuous improvement).
- ✓ **Predictive:** Will the Lead Measures move the Breakthrough? Are the Lead Measures predictive, i.e. the most impactful things that the OBS/FO can do to drive achievement of your Breakthrough?
- ✓ **Influenceable:** Does your OBS/FO have at least 80% control over the measure?
- ✓ **Team Game:** Will this involve the entire OBS/FO or is this the game of the leader/management?
- ✓ **Worth Measuring:** Can you consistently track the measure? Is the effort to track the measure commensurate to the impact on your Scoreboard performance?
- ✓ **No unintended consequences:** Are the Lead Measures worth pursuing? Or will the data gathering be overly complicated and costly? Will the measures lead to serious unintended consequences?

Creating the Office Scoreboard. After determining the Breakthrough Goal and formulating the Lead Measures, the OBS/FO shall create their respective Scoreboards. The following are the criteria to ensure that the Scoreboard is compelling and will drive high performance:

- ✓ Has the entire OBS/FO been involved in creating the Scoreboard?
- ✓ Does the Scoreboard track your Breakthrough Goals and Lead Measures?
- ✓ Does the Scoreboard show alignment of your Breakthrough with an enterprise strategic goal/objective/initiative?
- ✓ Is there a full explanation of the Breakthrough and Lead Measures along with the graphs?
- ✓ Does every graph display both actual results and target results (where you are now vs. where you should be)?
- ✓ Can you tell at a glance on every measure if you are winning or losing?
- ✓ Is the Scoreboard posted in a highly visible location where the entire OBS/FO can see it easily and often?
- ✓ Is the Scoreboard easy to update?
- ✓ Is the Scoreboard personalized, a unique expression of the OBS/FO?

Mapping of Breakthroughs. The OSM shall prepare and submit a mapping of the Breakthrough Goals of all OBS and FOs every year to interlink the contributions of the office Breakthroughs with each other and confirm alignment and contribution to the DSWD Strategic Goals and to the enterprise scorecard. Recommendations on identified gaps and overlaps shall be consulted to the concerned MANCOM member and subjected to EXECOM decision, if necessary.

Approval of the Office Scoreboard (Breakthrough Goal and Lead Measures). The last and final step in the Formulation Phase is the approval of the OBS/FO Scoreboard (Breakthrough Goal and Lead Measures). Before proceeding with the next stages, the OBS/FO should get the confirmation of the OSM and approval of their respective Coach Monitors and Cluster Heads.

B. IMPLEMENTATION

Launching the Office Scoreboard. Prior to the implementation of the Scoreboard, it should ideally be launched in the entire OBS/FO. Below is a 4-point agenda for guidance in launching the OBS/FO Scoreboard:

1. Review the enterprise strategy map and goals/objectives
2. Validate the Scoreboard with the team members
3. Set ground rules for Scoreboard Meetings/Updating
 - Completion of the Scoreboard
 - Updating of the Scoreboard
 - Auditing actual performance vs. Scoreboard results
 - Conduct of regular (monthly) Scoreboard meetings/updating
 - Roles of each team member – presiding officer, documenter, etc.
4. Conduct of 1st Scoreboard Meeting/Updating

Conduct of Scoreboard Meetings/Updating. The regular conduct of Scoreboard meetings/updating drives accountability and high performance. The following are the basic parameters for the Scoreboard meetings/updating:

- ✓ Are you holding the Scoreboard meeting/updating as scheduled?
- ✓ Are you keeping the meeting brief, brisk and energetic within 45 to 60 minutes?
- ✓ Is the leader the model for reporting and making commitments?
- ✓ Do you review an updated Scoreboard?
- ✓ Do you analyze why you are winning or losing on each measure?
- ✓ Do you celebrate successes?
- ✓ Do you hold each other unconditionally accountable for your commitments?
- ✓ Does each team member make specific commitments?
- ✓ Do you clear the path for each other, finding ways to help team members who encounter obstacles to keep their commitments?

Aside from the conduct of Scoreboard Meetings, updating can also be done through e-mails, phone calls, messaging (SMS), and skype among others.

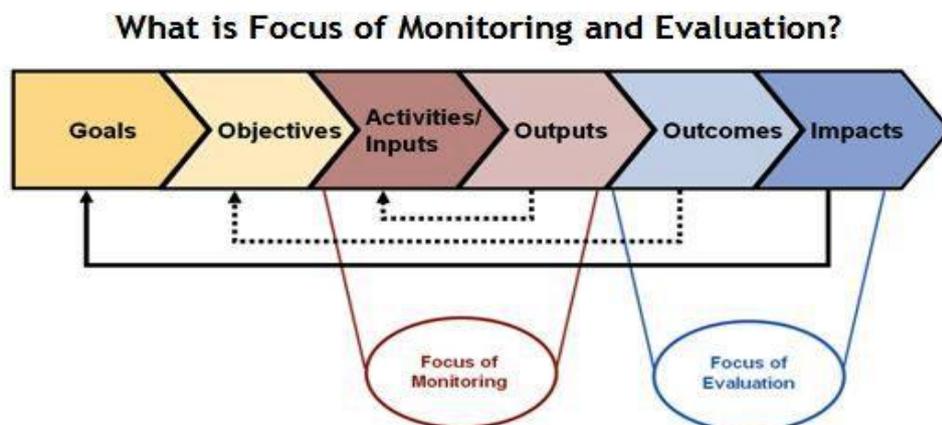
Ensuring Incorporation in the Performance Contracts. The high impact commitments of the OBS/FO and its individual staff should be incorporated in their respective Office/Individual Performance Contracts. This document should be the black-and-white evidence of their targets/performance commitments.

Allocation of Budget. The OBS/FO should ensure allocation of sufficient budget for the implementation of their Scoreboard-related activities and initiatives. The projected annual budget for these should be included in the OBS'/FO's Annual Work and Financial Plan (WFP).

C. MONITORING AND ASSESSMENT

Reporting of Monthly Scoreboard Updates through the Online Performance Management System (OPMS). The OBS/FOs should submit monthly Scoreboard Updates through the OPMS. The OPMS is an automated reporting and monitoring mechanism for the Enterprise Scorecard, Office Scoreboards, Strategic Initiatives, and Office Performance Contracts. The web-based system allows automatic aggregation of accomplishments submitted by OBS/FOs to the Enterprise Scorecard depending on their direct/indirect contribution to the agency's strategy.

The OPMS is intended to be linked with the Unified Results-Based Monitoring and Evaluation System (URBMES) to have a common platform to be used by OBS and FOs in monitoring and reporting organizational accomplishments and outcomes.



The focus of monitoring is as follows: activities/inputs as distinguished by the outcomes and impacts which are the focus of evaluation. Results are being measured through evaluation. Monitoring of the progress is conducted on a monthly basis using the Monthly Scoreboard Updates Template submitted to the OSM.

Issues and concerns should also be reported to OSM for facilitation and assistance.

Assessing your Accomplishments vs. Targets. In monitoring the Scoreboard, the OBS/FO should always be guided by their targets as indicated in their Office Performance Contracts. They should ensure that they are implementing their Breakthroughs and Lead Measures as planned.

PGS KEY PLAYERS

EXECUTIVE MANAGEMENT (EXECOM)

Strategy management is a leadership call. Hence, policies and decisions along strategic directions and priorities emanate from the top management which in return, will provide proper cadence of responsibility and accountability ensuring cascading from top to bottom approach.

MANAGEMENT COMMITTEE (MANCOM)

The 2030 Vision and the 2016 Strategic Goals are translated to doable programs and projects which are proposed and implemented by respective CO-OBSUs. However, these OBSUs are grouped into two (2) classifications namely; (1) Strategic Units, directly contributing to the Strategic Initiatives, and (2) Support Units which provide complementary support to the SIs. Moreover, the role of each OBSU is vital in cascading and execution of the strategy.

FIELD OFFICES (FOs)

The sixteen (16) Field Offices mirror the operations of the Central Office where the 3 SGs are translated into corresponding Breakthrough Goals which form part of their Strategic Priorities.

OFFICE OF STRATEGY MANAGEMENT (OSM)

The Office of Strategy Management (OSM) was created by virtue of Memorandum Circular (MC) No. 10 Series of 2012. As stipulated in the said MC, OSM shall be the primary office responsible in devising, integrating and coordinating the development, enhancement and execution of organizational strategies to ensure achievement of the Department's vision, mission and goals.

The said MC enumerates the primary functions of OSM, to wit:

1. Integration and clearing house of existing and any future proposals for strategic frameworks and initiatives of the Department;
2. Monitor the Department's strategic performance;
3. Ensure that key initiatives are undertaken at all levels of the organization to support the strategy; and
4. Organize strategy reviews and learning meetings

Part of its coordinating and integrating functions are the following:

1. Recommend initiatives, formulate and update the strategy as needed;
2. Coordinate with Social Marketing Services (SMS) and Capacity Building Bureau (CBB) to develop a comprehensive communication and education processes respectively to promote the strategy;
3. Facilitate planning and budgeting link to the strategy;
4. Oversee the management of DSWD Enterprise Scorecard and the 2nd level strategic initiatives/Office Scoreboards;
5. Ensure alignment of key initiatives as well as initiatives of each second level OBS with the strategy; and
6. Facilitate processes to identify and share good practices.

In addition, OSM takes the lead in the ten (10) roles leading to the formulation, monitoring and execution of strategy. This roles are accurately illustrated in the OSM Process Manual.

1. **Strategy Development.** Aptly implied, OSM is primarily in-charge of facilitating the development of strategies considering the emerging opportunities and challenges of the Department. OSM ensures that crafted strategies are aligned with the overall mandate of the Department and are linked to the Work and Financial Plan (WFP) of the organization.
2. **Scorecard/Scoreboard Management.** OSM manages and facilitates the execution of strategy through scoreboard technology.
3. **Organizational Alignment.** OSM ensures alignment of all units across all levels to the strategy and ensures that organizational performance contributes to the 2016 Strategic Goals and to the Enterprise Scorecard.
4. **Operations Planning and Budgeting.** OSM coordinates with the Financial Management Service (FMS) and Policy Development and Planning Bureau (PDPB) to ascertain the allocation and provision of needed funds and resources to support the strategy and other strategy-related programs, activities and projects.
5. **Human Capital Alignment.** OSM makes certain that human resource management and development functions from proposition, engagement and advancement are aligned to the overall strategic directions of DSWD.
6. **Strategy Communication.** OSM creates effective campaigns to cascade, communicate and educate the Department's internal and external stakeholders of its strategies.
7. **Initiative Management.** OSM is primarily responsible for tracking and monitoring strategic initiatives. It also ensures proper allocation of budget and resources to move these strategic initiatives.
8. **Strategy Review Processes.** OSM facilitates the development and review of strategy particularly those enumerated in the Enterprise Scorecard. It also takes into account current and emerging developments and challenges within the internal and external context as basis for sound and informed decision-making.
9. **Best Practice Sharing.** OSM, in coordination with the Capacity Building Bureau (CBB), safeguards the good practices that are critical for the strategy that are being shared widely within the Department.
10. **MSGC Management.** OSM reports to the Multi-Sectoral Governance Coalition (MSGC) the Department's accomplishment in terms of its strategies. In response, MSGC provides feedback and recommendation. OSM shall then consolidate these feedbacks and recommendation for the Secretary's consideration and disposition.

PGS FOCAL PERSONS

The designation of PGS Focal Persons was officially mandated through Special Order (SO) 2313 series of 2012 and was later amended by SO 2406 s. 2013. These documents detailed their

functions as PGS Focal Persons. Mainly, they coordinate the implementation of PGS in their respective CO-OBSUs or Field Offices (FOs).

As OSM counterpart, they perform the following functions:

1. Assist their respective Heads of Office or Regional Directors in the following: (a) identification and management of their OBS/FO strategy; (b) defining breakthrough goals, lead measures and strategic initiatives; (c) crafting of the 3-year office performance plan or strategic plan; (d) preparing the Risk Management Plan; (e) ensuring provision of appropriate budgets for breakthrough goals, planned initiatives and critical steps; (f) monitoring of office scoreboards and strategic initiatives contributing to the Enterprise Scorecard, and (g) facilitating further cascading of the OBs/FO scorecards into the performance commitments of their division/unit/teams down to the individual staff/personnel through roll-out and training.
2. Coordinate with OSM for any concerns regarding the implementation of the PGS-BSc in their respective offices including good practices and strategy execution.
3. Participate in training and capacity building activities as maybe called upon by OSM.
4. Gather pertinent data needed in updating and providing initial review of the scoreboards of their respective offices to track the performance of each OBS and FO as regards to the strategy execution through submission of reports and updates to OSM and their respective Heads or Directors and/or Coach Monitors.
5. Safekeeping, maintenance and updating of measures and initiatives profiles, definition of customers and outcomes, change agenda, value chain and other related documents. These documents shall be copy furnished to OSM.
6. Once the Online Performance Management System (OPMS) is installed, the PGS Focal Person and his/her alternate are responsible for updating the data of their respective OBs/FOs.
7. Documentation of meetings and submission of reports to OSM as regards reviews on strategy execution or scoreboard performance in their respective OBs/FOs.
8. It is expected that both the permanent and alternate PGS Focal Persons shall work on the above functions together, should be knowledgeable about their OB/FO Scoreboard commitments and performance and be present in important PGS-BSc activities.

MULTI-SECTORAL GOVERNANCE COALITION (MSGC)

The Multi-Sectoral Governance Coalition (MSGC) is a composition of external stakeholders from different sectors (advisers and partners) whose expertise can be relied upon to monitor the performance of the Department through their resources and networks to help the organization move its goals and objectives.

It should be emphasized though that MSGC members are chosen as individuals not as representative of an organization or foundation or similar nature. Collectively, they serve as “external audit” tracking the implementation of the DSWD programs and activities. Such engagement is a clear manifestation of DSWD’s commitment to involve internal and external stakeholders along its PGS journey to establish and institute coordinated efforts in Social Welfare and Development (SWD) programs.

DSWD and MSGC members take part in a two-pronged relationships:

1. In its Advisory Capacity, MSGC shall:

- Assess the DSWD performance vis-a-vis its strategy change agenda through the review of Scorecard Reports and strategic initiatives employed by the agency in addressing/closing the agency’s performance gaps; and
- Provide feedback and recommendations on strategy execution towards the delivery of breakthrough results and achievement of higher level outcomes (stakeholders’ empowerment and social impact perspectives) through the implementation of strategic initiatives.

2. As the Department’s partner, the MSGC shall:

- Recommend strategy execution techniques leveraging on the DSWD’s new Leadership Brand and considering the agency’s being newly reorganized/re-clustered;
- Assist and support DSWD in identifying potential avenues for resource generation in order to carry out strategic initiatives;
- Identify potential areas from where technical assistance (e.g. through capacity building, resource generation, knowledge management) may be tapped to facilitate the Department’s achievement of its strategic initiatives; and
- Serve as communicators of external stakeholders’ feedback and perception about the DSWD’s programs and projects and as appropriate, also become effective communication channels for promoting DSWD’s programs through accurate information dissemination.

REWARDS AND INCENTIVES

EARLY WINS INITIATIVES

The DSWD Early Wins Initiative identifies and recognizes performances among DSWD Employees, Heads and Office, Bureaus, Services and Units (OBSUs) that produce breakthrough results, thus, posting early wins in their performance targets. It also aims to engage internal stakeholders across all levels, solicit their contributions to move strategies and achieve commitments and consequently, serve as a venue to recognize and exchange good and innovative practices in achieving the strategic goals of the Department by 2016.

OBJECTIVES

The objectives of the Early Wins Initiatives are as follows:

1. Annually document and share ideas and practices, those of which will either contribute to the achievement of the Department's strategic goals and Key Result Areas (KRAs) including ideas and practices that can move an individual, unit or organization to perform better;
2. Inspire the whole organization to improve, introduce, invest or install initiatives that will drive results for the DSWD scorecard measures and identify innovative ideas or good practices that will be replicated in the Department's operations; and
3. Institutionalize a recognition and incentive system for officials and employees for moving their scoreboards.

SCORECARD SUMMIT

The Scorecard Summit is an annual event organized by the OSM to feature and recognize good practices and fresh tweaks along strategy management.

AO	Administrative Order
ASEAN	Association of South East Asian Nation
BIR	Bureau of Internal Revenue
BHAG	Big, Hairy and Audacious Goal
BG	Breakthrough Goal
BSc	Balanced Scorecard
CBRSPS	Competency-Based Recruitment, Selection and Placement System
CO-OBS	Central Office - Office, Bureau and Service
COC	Control of Corruption
CSO	Civil Society Organization
DA	Department of Agriculture
DEPED	Department of Education
DPWH	Department of Public Works and Highways
DOH	Department of Health
DOTC	Department of Transportation and Communications
DSPMS	DSWD Strategic Performance Management System
DSWD	Department of Social Welfare and Development
E-AICS	Expanded Assistance to Individuals in Crisis Situations
FMS	Financial Management Service
FO	Field Offices
KALAHI-CIDDS – NCDDP	Kapit-Bisig laban sa Kahirapan – Comprehensive and Integrated Delivery of Social Services – National Community Driven Development Program
KC – OBAMA	Kapit-Bisig laban sa Kahirapan – Comprehensive and Integrated Delivery of Social Services – Operations for Barangay and Municipal Assistance
LGC	Local Government Code
LM	Lead Measures
LGU	Local Government Unit
LSWDO	Local Social Welfare and Development Office
MC	Memorandum Circular
MCC	Millennium Challenge Corporation
MFO	Major Final Output
MTEP	Medium Term Expenditure Plan
NGA	National Government Agency
NHTS-PR	National Household Targeting System for Poverty Reduction
MSGC	Multi-Sectoral Governance Coalition
OO	Organizational Outcome
OPIF	Organizational Performance Indicator Framework
OPC	Office Performance Contract
OPMS	Online Performance Management System
OSM	Office of Strategy Management
QMS	Quality Management System
PAP	Programs/Activities/Projects
PIP	Policy Improvement Process
PGS – BSc	Performance Governance System – Balanced Scorecard
PNP	Philippine National Police
RA	Reform Agenda
RSW	Registered Social Worker
SI	Strategic Initiative

SG	Strategic Goal
SO	Special Order
SWD	Social Welfare and Development
SWDI	Social Welfare and Development Indicators
SP	Social Protection
TARA	Technical Assistance and Resource Augmentation
URBMES	Unified Results-Based Monitoring and Evaluation System

DEFINITION OF TERMS

The operational definitions of the following terms are lifted from the OSM Process Manual.

Activity – refers to the procedures where projects and initiatives are screened if it contributes to the enterprise strategy.

Budget Process – refers to the procedure where projects and initiatives are screened if it contributes to the enterprise strategy.

Breakthrough Goals (or Strategic Goals) – a goal essential to carrying out the organization's mission or strategy (McChesney, Covey and Huling, 2012).

Individual Performance Contract (IPC) – specifies individual commitments to deliver and be rated on the attainment of the office targets in accordance with the indicated measures for specified rating period.

Scoreboard – a mechanism for tracking progress on lead and lag measures for the breakthrough goals. It should be visible to the entire team and consistently and regularly updated. A scoreboard is compelling if it indicates quickly and clearly whether the team is winning or not, thus motivating actions (McChesney and Huling, 2012).

Scorecard – a tool for translating the enterprise strategy into operational objectives that drive both behavior and performance based from four (4) perspectives: stakeholders, core processes, learning and growth and finance (Kaplan & Norton, 1996).

- Enterprise Scorecard/First-level Scorecard – also known as the Secretary's scorecard and the overall scorecard of the Department detailing the sum of the Department's commitment until its vision year 2030. As such, any mention herein of the word "enterprise" refers precisely to the whole of the Department which the Secretary as head is accountable.
- Second-level Scorecards – also known as the OBS and FO Level Scorecard or the Director's scorecard where commitments of various OBS and FO are indicated and adds up to the enterprise scorecard.

Strategy – is a coordinated and integrated set of choices that collectively position an organization to create sustainable advantage relative to competition and deliver superior financial returns.

Strategic Initiatives – is a set of action projects that will enable the targets for all measures to be achieved. It closes the performance gaps between current and desired performance (Kaplan & Norton, 2004). It is usually discretionary, typically cross-functional and inter-office/bureau that help accomplish strategic objectives.

Strategic Objective – refers to statements of what the strategy must achieve and what is critical to its success. These are specific goals, results or ideals that are deemed necessary for the vision to be achieved and are supported by one or more measures.

Strategy Development – the process of defining the game plan of the Department and all its OBS and FOs, setting specific goals and objectives in response to the current social welfare and development needs and challenges.

Strategy Management – the systematic analysis of the factors associated with stakeholders and impact to society (the external environment) and the organization itself (the internal environment) to provide the basis for strategic decisions focusing on outcomes, time and relative value of initiatives and in aligning policies, processes and priorities to achieve desired results.

Strategy Map – the document that details the strategy of the Department – the foundation of DSWD vision, how it seeks to attain the vision it aspires for through the objectives it sets for itself and how these objectives relate with each other creating a domino effect leading to our vision.

Online Performance Management System – is a web-based automated system that provides mechanisms to a) assist in the cascading of strategies, b) set targets and budgets, c) receive, monitor and track scoreboard performance accruing to targets set in the enterprise scorecard, particularly the Department's strategic goals.

Office Performance Contract (OPC) – refers to the Office commitments to deliver and agree to be rated on the attainment of the Department and office targets in accordance with the indicated measures for a specified rating period.