

GUIDELINES ON THE PROCESS RESULTS CRITERION FOR THE FY 2024 PERFORMANCE-BASED BONUS (PBB) CYCLE

1. NOMINATION OF SERVICES

1.1. For the FY 2024 PBB Cycle, an agency must nominate **one (1) critical service** of the agency, which may either be a citizen- or external client-facing service based on the mandated function of the agency, or an internal client-facing, support to operations, or administrative service. The nominated service shall refer to one (1) specific, distinct, and complete service only. A service must be clearly defined with a single process including all the necessary steps, requirements, costs, and output, consistent with its presentation in the Citizen's Charter.

1.1.1. **External services** are those government services applied for or requested by citizens, external clients, or those who do not form part of or belong to the government agency or office.

1.1.2. **Internal services** are those government services applied for or requested by internal clients or individuals within the respective government agency or office, such as, but not limited to, its personnel or employees, whether regular or contractual. Internal services include, but are not limited to, back-end/support services to regulatory functions related to permitting, licensing, and issuance of a privilege, right, reward, clearance, authorization, or concession.

1.1.3. Any service that will be nominated by the agency that, upon validation by the ARTA, has no triggering request from the transacting client or output from the office, or is not service-oriented, will be treated as a function. Consistent with the definition provided in Section 3.1.2.2 of ARTA Memorandum Circular 2019-002-A,¹ a function is an activity that the office or agency does by the very nature of its mandate such that a request from a client is not needed. Nominated services that will be determined later as a function will not be considered for validation.

1.1.4. The nominated service must be declared in the agency's FY 2023 and/or FY 2024 Citizen's Charter, as certified through the agency's Certificate of Compliance (CoC), officially submitted to the Anti-Red Tape Authority.

For government offices not covered by RA No. 11032, such as constitutional bodies, the Citizen's Charter or any official documents/reports that explicitly include/declare said nominated critical service will be accepted.

1.1.5. Agencies that will submit general or multiple services or a developed Information Technology (IT) system intending to scope several services, will not be subjected to evaluation. Submission of multiple services, grouped services, umbrella services, or systems covering several

¹ Supplemental Guidelines on ARTA Memorandum Circular No. 2019-002 series of 2019 or the "Guidelines on the Implementation of the Citizen's Charter in Compliance with RA No. 11032, otherwise known as the 'Ease of Doing Business and Efficient Government Service Delivery Act of 2018,' and its Implementing Rules and Regulations"

transactions or processes (e.g., IT platforms or portals encompassing different processes) shall not be subjected to evaluation.

- 1.1.6. In cases where reported process improvements resulted in a change in service name, reclassification, disaggregation or introduction of a new service, the same shall not be considered for baseline comparison, unless duly justified.

However, in cases where reported process improvements resulted in the introduction of a new service, the same **shall not be considered** for evaluation for lack of baseline comparison.

- 1.2. In nominating the services to be submitted by the agency for the FY 2024 PBB Cycle, agencies shall consider any or a combination of the following factors:

- (a) The service is a **core service**, whose delivery is integral in fulfilling the overall mission and objectives of the public sector organization, provided by the agency to its clients **upon request**. These services may refer to those that are aligned with the agency's mandate and main functions;
- (b) The service is the **most complained service** with the greatest number of complaints received by the agency and other complaints-handling agencies;
- (c) The service recorded the **greatest number of pending transactions or backlogs** that went beyond its prescribed processing time as declared in the agency's Citizen's Charter;
- (d) The service **generates income/revenue** for the government;
- (e) The service is **attributable to the PREXC**/programs of agencies; or
- (f) The service **involves inter-agency action** to complete the transaction.

- 1.3. Agencies are highly encouraged to nominate a service that has not been submitted for the Process Results criterion in previous PBB cycles. However, agencies may nominate the critical service previously reported in FY 2023 Process Results Report, if there are new improvements introduced with verifiable results (e.g., number or percentage of reduction in total processing time, steps, requirements, costs, etc.)

2. PARAMETERS

- 2.1. Ease of transaction initiatives include approaches such as **reengineering, streamlining, digitalization** and other **technological applications**, and other types of process innovations implemented in the agencies including their regional, satellite, and extension offices.
- 2.2. For the FY 2024 PBB Cycle, an agency must have attained **substantial improvements** in the nominated external or internal service. The agency must be able to demonstrate **at least 15% reduction or increase**, as appropriate, in any one of the following parameters:

(a) **At least 15% reduction** in the following parameters:

- (1) **Actual documentary requirements** for a transaction, such as duplicative, unnecessary or non-value-adding documents, and various prerequisites to be obtained from other government offices, as well as compliance requirements that may be simplified to reduce of administrative burden on both the client and the agency by minimizing the effort required to prepare and process documents.
- (2) **Total processing time** of the service, measured from the submission of the request up to the delivery of the final output. This should be reported in days, hours, and/or minutes, based on actual completed transactions;
- (3) **Total Processing Steps / Hand-offs** refers to minimizing the number of steps that a client must undertake to complete a transaction, as well as reducing multiple hand-offs involved in the process, resulting to a more streamlined process.

Processing steps refer to the end-to-end sequence of activities required to complete the transaction, while *hand-offs* pertain to the transfer of a transaction between personnel, offices, or systems, including instances where the transacting public needs to go to several offices and/or windows in order to complete a transaction, as well as the elimination of multiple reviews and approvals to complete a transaction. The reduction of hand-offs, however, should likewise result in a corresponding reduction in client-facing processing steps.

- (4) **Overall transaction cost** to obtain the service. While the official fees cannot be reduced unless authorized, the other transaction costs on the part of the transacting public (both visible and not visible) could be reduced.

4.1. Direct costs refer to all out-of-pocket monetary expenditures incurred by the client that are directly attributable to accessing or complying with government service requirements. These include officially authorized fees (e.g., application, processing, certification fees) and necessary ancillary expenses such as transportation, documentation, and payment charges.

4.2. Indirect costs refer to non-monetary or opportunity-based burdens incurred by the client in the process of obtaining government service. These include, but are not limited to, time spent on travel, waiting, and processing, as well as foregone income, productivity losses, and administrative burden. Basis for estimates should be provided.

The overall transaction cost shall be supported by measurable and verifiable indicators, which may include, but are not limited to, the total fees and other payments made.

- (b) **At least 15% increase in access to the service** that makes the transaction very easy, convenient, without or only with very minimal cost, reliable, and predictable.

(1) Access to Service can be achieved through introduction of alternative delivery channels in year **2024**, through which clients may obtain a government service, including physical offices, annex or satellite offices, mobile service units, online systems, and other alternative delivery mechanisms.

Improvement in Access to Service shall be measured strictly in terms of the increase in clients served through these channels. Improvements resulting from the expansion of service delivery channels that lead to improvements in any of the parameters cited in Section 2.2.a (1-4) of this Guidelines can also be reported and accounted for under the corresponding parameter/s.

3. REPORTING OF ACCOMPLISHMENTS

- 3.1. The Process Results Report (**Online Modified Form A**) of the agency shall highlight substantial improvements in the nominated service. To effectively measure the process improvements of an agency, it is imperative that it translates to ease of transaction through tangible and quantifiable improvements **from the viewpoint of the transacting client**.

For this purpose, the establishment of a clear baseline (FY 2023) and corresponding improvement data (FY 2024) shall be the primary basis for comparison and assessment. Hence, the improvements made in the nominated service for the FY 2024 PBB Cycle shall be **compared against the previous year**, i.e., FY 2023, through the means of verification (MOVs) provided by the agency.

- 3.2. Agencies shall report objectively verifiable evidence of achievements in ease of doing business/ease of transaction from the completed transactions of the nominated service using the **Online Modified Form A**. In accomplishing the form, the agency shall highlight the tangible results of ease of transaction and expediting public service delivery by quantifying the improvements made in the external and internal services, specifically on the following:

3.2.1. Processing time in days, hours, and minutes;

3.2.2. Number of steps;

3.2.3. Number of requirements;

3.2.4. Costs incurred by the clients; and

3.2.5. Number of clients served

- 3.3. In supporting the claims of substantial improvements for the nominated service, agencies shall provide documentary evidence such as but not limited to the following:

- 3.3.1. Latest agency Citizen's Charter reflecting the nominated service and the improvements related thereto made in 2024 as against their 2023 Citizen's Charter (based on the agency's submission to ARTA);
- 3.3.2. Department/Agency/Office policy issuance that leads to improvements in the parameters being measured (e.g. Memorandum Circulars prescribing the guidelines);
- 3.3.3. System-generated and/or verified transaction logs for CY 2023 (as the baseline) and CY 2024 (as the improvement), including summary data showing the average data on either processing time, steps, requirements, or clients served.
- 3.3.4. Documents and evidence showing results of improvements in the selected services or any official documents/reports showing significant differences in numbers in processing time, steps, costs, requirements, and/or clients served. **Other documents or certifications (e.g., ISO certification) that do not explicitly reflect improvements in these process parameters shall not be accepted as proof of improvement**

4. PROCESS RESULTS ONLINE SUBMISSION PORTAL

- 4.1. The ARTA's Online Modified Form A: Process Results Report shall serve as the official platform for the submission, validation, and monitoring of agency Process Results report for the FY 2024 PBB Cycle.
- 4.2. All participating agencies shall exclusively use the Process Results Online Submission Portal in submitting their Process Results Report, including all required MOVs. Submissions made outside the portal shall not be considered valid.
- 4.3. All submissions must be completed and successfully encoded in the portal within the prescribed deadline set forth in the FY 2024 PBB Guidelines. Upon submission, the entry shall be deemed final. The access to the portal for further modifications shall be closed, and the submission shall thereafter be subject to validation by ARTA.
- 4.4. The portal may be accessed through the official link:
<https://onlinemodified-form-a.web.app/ProcessResultsFY2024>
- 4.5. Access to the portal shall be restricted and secured. Unique user credentials shall be issued and sent to the agency's designated PBB Focal Person, who shall be responsible for managing access and submission of Process Results within the agency. The contact details of the designated PBB Focal Person shall be secured by ARTA from the EO 61 Secretariat, which maintains the said relevant records.\

5. SUMMARY OF PROCESS RESULTS VALIDATION

The validation for Process Results criterion under the Performance-Based Bonus (PBB) system shall be undertaken in accordance with the prescribed workflow of ARTA as the validating agency.

- 5.1. **PBB Cycle Preparation.** ARTA shall initiate the validation process by creating the applicable PBB cycle for the fiscal year and encoding the official list of agencies based on validated directories provided by the EO61 Secretariat. The ARTA Compliance Monitoring and Evaluation Office (CMEO) shall ensure that agency directories are verified prior to endorsement for clearance.
- 5.2. **Transmittal of System Access to Participating Agencies.** Upon clearance by the authorized officials, ARTA shall generate and transmit to participating agencies a system-generated notification containing a secure access link and corresponding personal identification number (PIN). Said access credentials shall be used exclusively for the submission of required validation inputs.
- 5.3. **Agency Submission of Compliance Report.** Participating agencies shall access the online submission portal using the provided credentials, complete the prescribed form, and submit all required data and supporting documents within the prescribed timeline. Submission through the system shall constitute official transmission to ARTA.
- 5.4. **ARTA Evaluation and Transmittal.** ARTA, through the CMEO, shall evaluate the submitted Process Results Report and validate the process improvement of the agency. The results of the evaluation shall be endorsed to the EO61 Secretariat for further processing.
- 5.5. **Review of evaluation from ARTA.** The EO61 Secretariat / AO25 Secretariat shall review the evaluation results and may coordinate with ARTA and concerned agencies for any further clarification on the validation results.
- 5.6. **Finalization and Approval of Process Results Validation.** Upon completion of review and resolution of the validation, the EO61 Secretariat shall approve the Process Results validation of agencies, which shall be reflected in the Final Eligibility Assessment (FEA) of the agency.

-Nothing follows-