PHILIPPINES

PERFORMANCE MEASUREMENT AT THE LOCAL LEVEL

Final Report

May 2006

CURRRENCY EQUIVALENTS

Currency Unit – Philippines peso
(as of 30 March 2006)

P51.15 = $1.00

NOTE

The fiscal year of the Government starts on 1 January and ends on 31 December.

This report was prepared by Nathaniel von Einsiedel, Consultant with assistance of Rashel Pardo and finalized by Xuelin Liu, Country Economist, ADB. The draft report was reviewed by Claudia Buentjen (Senior Governance Specialist, ADB), Ming Zhang (Senior Economist, World Bank), and Jesper Steffensen (Consultant, World Bank); Thomas Crouch (Philippines Country Office, ADB); as well as by representatives of government agencies, local government units, academe, and development partners. Aleli Rosario and Buena-Marie Manansala (ADB) provided assistance in finalizing the report.

ABBREVIATIONS

ADB	Asian Development Bank
AIM	Asian Institute of Management
BLGF	Bureau of Local Government Finance
BLGS	Bureau of Local Government Supervision
CCP	county countrywide planning
CDS	city development strategy
DFID	Department for International Development
DILG	Department of Interior and Local Government
DOF	Department of Finance
DSWD	Department of Social Welfare and Development
FiMa	Financial Management
HES	human ecological security
IECs	information and education campaigns
ILO-IRAP	Integrated Rural Accessibility Program
IRA	internal revenue allotment
LCP	League of Cities of the Philippines
LGC	Local Government Code of 1991
LGPMS	Local Governance Performance Management System
LGU	local government unit
LPPMS	Local Productivity and Performance Measurement System
MBN	Minimum Basic Needs Survey
MODA	Municipal Organization and Development Administration
NEDA	National Economic Development Authority
NGO	nongovernment organization
PES	Performance Evaluation System
PIS	Performance Indicator System
PISDA	Performance Indicators and Standards for Development Administration
POPCOM	Commission on Population
POPDEV	Population Development
RC on MDGs	Report Card on Millennium Development Goals
SCP	Sustainable Cities Programme
SDEP	Service Delivery Enhancement Program
SMEs	small and medium enterprise
SPRING	Services and Procedures Rationalization and Improvement in Government
SRA	social reform agenda
TUGI	The Urban Governance Initiative
UDLE	Urban Development through Local Efforts
UHEEP	The Urban Hygiene and Environmental Education Programme
UMP	Urban Management Programme
UNCHS	United Nations for Human Settlements or UN-Habitat
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNOPS	United Nations Office of the Project Services
WB	World Bank
WDDP	Water District Development Project
WHO	World Health Organization

CONTENTS

Page

EXECUTIVE SUMMARY i

I. INTRODUCTION 1

II. RESEARCH METHODOLOGY 3

III. PERFORMANCE INDICATOR SYSTEMS USED BY PHILIPPINE LGUS 4
- A. Summary of Performance Indicators Used at the Local Level 4
- B. Some Performance Indicator Systems Used at the Local Level 7

IV. EVALUATION OF USAGE OF PERFORMANCE INDICATOR SYSTEMS AT THE LOCAL LEVEL 14
- A. Analysis of Survey Results from Selected LGUs 14
  1. Profile of Surveyed LGUs 14
  2. LGUs' Level of Usage of PISs 16
  3. Level of Influence of PISs on Major Issues 18
  4. Common Problems LGUs Encounter with PISs 20
  5. Common Factors Influencing Voting Behavior 21
  6. Common Recommendations of LGUs for Improvement of PISs 22
- B. Key Findings 23

V. SUMMARY OF COMPARISON BETWEEN PERFORMANCE INDICATOR SYSTEMS USED LOCALLY AND ABROAD 26

VI. EVALUATION OF THE EFFECTIVENESS/USEFULNESS OF PERFORMANCE INDICATOR SYSTEMS USED AT THE LOCAL LEVEL 27
- A. Commonly Used Performance Indicator Systems 27
- B. Different Types of Data/Indicators 27
- C. Evaluation of the Five Performance Indicator Systems 28
- D. Suitability/Usefulness of Performance Indicator Systems 45
- E. Incentives and Disincentives for Implementation of Performance Indicator Systems 52

VII. CONCLUSIONS AND RECOMMENDATIONS 55

APPENDIX
1. Local Governance Performance Management System 66
2. Sample Questionnaires
   - A. For Local Government Units 74
   - B. For National Government Agencies 77
3. Report on Field Visits 79
4. Report on Focus Group Discussions 94
5. Report on Survey Questionnaire Responses from Selected Local Government Units 105
6. Report on Survey Questionnaire Responses from Some National Government Agencies 128

7. Survey Results
   A. Summary Report 133
   B. Supporting Tables 159
8. Some Performance Indicator Systems Used Abroad 167
9. Sample Ecological System and Level of Development Matrix 176

REFERENCES

EXECUTIVE SUMMARY

A. Introduction

1. The adoption of the Local Government Code of 1991 (LGC) has prompted national government agencies as well as multilateral and bilateral funding agencies to assist in furthering the objectives of decentralization and in implementing the provisions of the LGC. In light of decentralization, certain powers, functions and resources have been devolved to local government units (LGUs). Thus, they are faced with greater leadership and management responsibilities. It is, therefore, imperative for LGUs to exercise good governance to ensure the efficient and effective performance of these responsibilities, and to optimize the support of national government and external assistance agencies to promote development at the local level.

2. The LGC has become a yardstick of LGUs' performance. However, since its passage, there have been concerns that the objectives of local autonomy, through the devolution of functions to LGUs, have been only partially achieved. To address the issue and keep up with the worldwide trend on the development of measurable local performance indicators and service standards, a wide range of projects to measure LGUs' various development areas (i.e., social, economic, environmental, financial, and institutional sectors) has been undertaken in the Philippines, such as: indicator systems, benchmarks, and citizen satisfaction surveys.

3. While LGUs have been given or may have developed their own performance measurement systems, it is not clear whether there have been any appreciable improvements in service delivery, poverty reduction, and voting behavior arising from the use of such systems. Therefore, the critical questions are: (i) are the performance indicator systems being used by LGUs effective in achieving their stated objectives (e.g., poverty reduction, improvement of service delivery), (ii) do LGUs use performance indicators properly, and (iii) if not, why?

4. This paper summarizes the situation of performance measurement at the local level, and analyzes the level of usage and effectiveness of such indicator systems. In addition, certain actions are recommended to build upon the success and further strengthen implementation of performance assessment of Philippine LGUs.

B. Research Methodology

5. The assessment involved the following tasks: (i) desk review of relevant studies and particularly the existing performance indicator systems used or intended to be used by local governments, (ii) conduct of survey questionnaires, (iii) field visits, (iv) interviews with selected representatives of national government agencies, (v) focus group discussions among Metro Manila planning officers, (vi) interviews with program officers of the United Nations Development Programme, and (vii) use of a set of criteria to quantitatively evaluate the effectiveness and usefulness of systems used at the local level.

C. Performance Indicator Systems Used by Philippine LGUs

6. **Summary of Performance Indicators Used at the Local Level.** Performance and capabilities of LGUs are measured in terms of the different development areas by third parties,

such as national government agencies, academe, civil society, etc., or by LGUs themselves. Through the years, performance indicators have evolved and taken various forms such as a self-assessment tool, citizen satisfaction survey, academic undertaking, competitiveness appraisal or development diagnosis, and combinations of indices of human development, sustainable development, and leadership excellence, to name a few.

7. **Most Commonly Used Performance Indicator Systems at the Local Level.** Among the many projects undertaken, certain systems stand out because their approach to LGU assessment is multisectoral and they are applicable to various types of LGUs. These are the following:

(i) **Local Productivity and Performance Measurement System (LPPMS)** – self-assesses LGU performance by measuring multisectoral impact and presence/number of services, facilities, projects, plans, programs and policies, as well as good governance and administration.

(ii) **Local Governance Performance Management System (LGPMS)** – self-assesses LGU performance by measuring multisectoral impact and effectiveness/quality of services, facilities, projects, plans, programs and policies with emphasis on good governance and administration (including, among others, people participation, equity, service orientation, and human capital).

(iii) **Minimum Basic Needs Survey (MBN)** – assesses presence of basic services and facilities at the barangay level, and their impact to residents.

(iv) **Integrated Rural Accessibility Program (ILO-IRAP)** – assesses accessibility of facilities and services, especially in the primary industry.

(v) **Population Development (POPDEV) Indicators** – assesses socioeconomic characteristics based on demographic information;

8. **Other Performance Indicator Systems Used at the Local Level.** These are some of the systems which were either project-related or piloted by national government agencies concerned in some LGUs. Thus, such systems were only utilized by selected LGUs or used by the LGUs only for the project:

(i) **Performance Indicators and Standards for Development Administration** – advocates need for indicators to be developed through a participatory process, should be outcome-based, and designed to assess the level of satisfaction of the LGU's constituents (patterned after the Citizen Score Card Project in Bangalore, India).

(ii) **Report Card on the Millennium Development Goals (RC on MDGs): The Naga City Experience** – incorporates the report card system of The Urban Governance Initiative (TUGI) and the MDGs and relates these models to Naga City's own model of good governance. Its good governance model is an interconnection of the three aspects of participation, partnership, and progressive perspective. Topics included: senior citizen (good governance principle: responsiveness), education (good governance principle: equity), and solid waste.

(iii) **Fiscal/Financial Performance Indicators** – provides a brief assessment of the financial health of the LGUs. Specifically, this system is an effective tool in strategic planning and forecasting, performance accounting and benchmarking, early warning system, quality management, and incentive system.

(iv) **Philippine Cities Competitiveness Ranking Project** – assesses the cities' capacities to provide an enabling environment for dynamic local industries and enterprises, and evaluates the capability of cities to attract city dwellers and business entities to locate in their localities.

(v) **Seven Norms of Good Urban Governance** – includes the following principles: sustainability, decentralization and subsidiarity, equity, efficiency, transparency and accountability, civic engagement and citizenship, and security.

(vi) **Local Governance Scorecard** – measures good governance principles with indicators such as citizen-centeredness, transparency, accountability, empowerment, participatory governance, predictability, professional bureaucracy, and credibility.

D. Evaluation of Usage of Performance Indicator Systems at the Local Level

9. **Analysis of Survey Results from Selected LGUs.** A survey was administered to 48 LGUs spread over 11 regions of the country. Of the 48 LGUs, 20 are cities and 28 are municipalities. They represent a broad cross-section of LGUs based on income, ranging from first class cities to fifth class municipalities.

10. **Key Findings.** The results of the analysis are as follows: (i) The most commonly used Performance Indicator Systems are those which have been institutionalized and supported by national government. (ii) There is widespread appreciation and understanding of the main purpose of PISs, but a significant number of LGUs feel that the PISs developed by national government are not exactly suited to local conditions and do not satisfy the political objectives of local elected officials. (iii) High usage of PIS corresponds to LGUs' high level of understanding on the significance of PIS. (iv) PISs are generally believed to have considerable influence on improvements in service delivery and pro-poor objectives. (v) PISs are generally perceived to be internal management tools, the results of which need not necessarily be disseminated to the public. (vi) A significant number of LGU leaders do not extend adequate support to the proper conduct of PISs because of the above-cited political consideration. (vii) Performance information in the form and coverage expected have limited influence on voting behavior. (viii) Limited assistance from national government agencies concerned to encourage and educate LGUs on the significance and use of the performance criteria has, in a way, caused the improper and/or inadequate use of PISs.

E. Summary of Comparison between Performance Indicator Systems Used Locally and Abroad

11. It is evident that the performance indicator systems used locally and abroad generally differ from each other for reasons, such as (i) disparity in the budget allocated or funding support for such activities; (ii) difference in the level of local autonomy and appreciation of the

functions of a decentralized government; (iii) contrast in the level of political maturity that influences the usage and support of performance criteria at the local level; and (iv) varied needs and composition of local governments here and abroad.

F. Evaluation of the Effectiveness and Usefulness of Performance Indicator Systems Used at the Local Level

12. Indicators can be classified into different types depending on the nature and usage of the indicator, such as: profiling data; and input, output, and outcome indicators. Some indicators though can be classified into more than one type. A profiling indicator can serve as an output or outcome indicator in subsequent measurement periods. The five most commonly used PISs (namely, MBN, LPPMS, LGPMS, POPDEV, and ILO-IRAP) were evaluated in terms of (i) type of data/indicators in each of the system, and (ii) quality or effectiveness of each system. The first evaluation showed that three of the PISs (i.e., MBN, ILO-IRAP, and POPDEV) are predominantly profiling indicators, while the remaining two (LPPMS and LGPMS) are combinations of input, output, and outcome indicators. However, there are more input and output indicators than outcome indicators.

13. **Suitability/Usefulness of Performance Indicators Systems.** The results of the previous evaluations showed that there is a need to improve the set of data/indicators required by performance indicator systems used at the local level (e.g., MBN, ILO-IRAP, POPDEV, LGPMS, and LPPMS), particularly by making them more adequate, economical, and comprehensive. The elements of the five most commonly used PISs were combined, along with other important elements to form a more comprehensive database/benchmark which distinguishes between urban and rural LGUs. The recommended sets of performance indicators are classified under the following main areas of focus: (i) social conditions and poverty; (ii) economic productivity; (iii) equity, governance, and participation; (iv) financial capacity and performance; (v) transportation; and (vi) environment.

14. **Incentives and Disincentives for Implementation of Performance Indicator Systems.** A carrot-and-stick approach is necessary to motivate LGUs to implement PISs, and more importantly, improve their performance in service delivery and poverty reduction. Motivation may be in a form of monetary incentives, such as speedy budget approval or access to discretionary funds. On the other hand, the absence of monetary incentives may be the corresponding disincentive. A fairly innovative approach is the Proposed Amendments to the Local Government Code of 1991 (House Bill 7845). HB 7845 supports the LGUs' need for higher shares in IRA and, at the same time, includes a performance criterion which will push LGUs to efficiently collect their taxes; thus making LGUs more financially independent rather than highly dependent on central government transfers or IRA. To further enhance the carrot-and-stick approach, a target-setting component, given an agreed time frame, must be included to motivate well-performing LGUs with incentives and penalize poorly performing LGUs. To account for the distinct needs and capabilities of LGUs, varying weights for each data/indicator or area of focus could be set.

G. Conclusions and Recommendations

15. The PISs used by LGUs in the Philippines are either externally generated (i.e., those developed by national government or international support agencies and externally imposed on the LGU, such as MBN and LPPMS) or internally developed (i.e., those developed by LGUs themselves, such as Palayan's Scalogram and Muñoz's Expanded MBN). The former is

generally universalistic in application and often do not meet certain specific needs of a particular LGU. The results of the survey questionnaire, focus group discussions, and interviews confirm this finding. For this reason, some of the LGUs surveyed have internally developed, installed, and implemented their own PISs, although they are still using the service standards promulgated by national government.

16. Philippine LGUs can be said to have a good general understanding of performance measures. However, their implementation of the existing systems—whether externally generated or internally developed—falls short of expectations. Yet, most of the surveyed LGUs claimed that their use of PISs has helped improve local service delivery and poverty reduction. This claim, though, is difficult to validate since performance information is generally not disseminated by the LGUs to their constituents.

17. In partnership with stakeholders, LGUs may develop their own service standards, improvement targets, and corresponding performance indicators based on the set of core indicators recommended in this paper. The National Government could provide technical assistance and support. However, LGUs must be willing and able to deal effectively with certain issues, such as:

- Issue 1: Difficulty in assembling and regularly updating data, and overemphasis on input as opposed to output and outcome indicators.
- Issue 2: Limited resources needed to support and maintain the implementation of PISs.
- Issue 3: Training needs of LGU officials and staff who will use the PISs, and the retention of trained officials and staff considering the high turnover of elective and appointive officials.
- Issue 4: The countervailing cultural, social, and political factors that militate against objective measurement and application of indicators, as well as regular dissemination of monitoring results.

18. In summary, the success and sustainability of poverty reduction and service delivery improvement programs can be greatly enhanced if these are carried out under a partnership arrangement between the LGU and its key stakeholders. Local key stakeholders should be involved in every step of the entire program. Their involvement would translate into a sense of local ownership of the program as a whole, as well as the performance indicators used. This sense of ownership can help build public trust, empower citizens, and motivate both the LGUs and its constituencies to pursue sustained improvements in the quality of life in their communities.

I. INTRODUCTION

1. The Philippines has become one of the most decentralized countries in the region. Since the adoption of the Local Government Code of 1991 (LGC), various forms of national government assistance and continuous multilateral and bilateral funding agency interventions have been provided to spur local development by establishing the policy atmosphere and enabling environment to attract the private sector and empower the public. With the decentralization policy firmly in place, local government units (LGUs) are faced with greater management responsibilities inasmuch as powers, functions, and resources have been devolved to them. These responsibilities include: mobilization and utilization of resources; delivery of basic services; and institutionalization of mechanisms ensuring accountability (DAP, 2000). It has become imperative, therefore, for LGUs to exercise good governance, ensure the effective performance of their responsibilities, and optimize the support of national government and external assistance agencies to promote development at the local level.

2. Against this backdrop, poverty remains a particularly major challenge to LGUs. Poverty in the country, in general, is attributed to overpopulation causing scanty delivery of basic services. Urban poverty, in particular, is caused primarily by the labor force's lack of skills and access to livelihood opportunities brought about by limited access to education and training, and other basic services. The country's elusive goal of poverty reduction has pushed the government to direct population management measures and promote small-scale, labor-intensive industries to narrow the poverty gap in urban and rural areas. Table 1 shows that incidence of poverty is gradually declining through the years. However, the 1997 Asian financial crisis has caused poverty incidence to worsen (Presidential Task Force on the 20/20 Initiative, 2003).

Table 1: Poverty Incidence in the Philippines
(%)

Year	1991	1994	1997	2000
Incidence of Poverty	39.90	35.50	31.80	34.20

Source: Presidential Task Force on the 20/20 Initiative, The 20/20 Report 2003, Development Academy of the Philippines, Pasig City, 2003. (*based from the National Statistics Coordination Board*).

3. With decentralization, the delivery of basic social services such as education, nutrition, health, and water and sanitation has become a responsibility of LGUs. Worsening incidence of poverty puts more pressure on the government to deliver basic services, especially to the low-income population. Thus, the government aims to achieve human development goals given limited resources. Table 2 summarizes the status of the Philippines' efforts in achieving these goals.

Table 2: Philippine Progress Towards Development Goals, 2002

Targets	Progress
1. Halve the proportion of people suffering from hunger * undernourished people (as a percentage of total population)	Far behind
2. Ensure that all children can complete primary education * net primary enrolment ratio * children reaching grade 5	Far behind On track
3. Eliminating gender disparity in all levels of education * female gross primary enrolment ratio as of % of male ratio * female gross secondary enrolment ratio as of % of male ratio	On track Achieved
4. Reduce under-5 and infant mortality rates by two thirds * under-f mortality rate (per 1,000 live births)	On track
5. Halve the proportion of people without access to improved water sources * population using improved water sources	Far behind

Source: Presidential Task Force on the 20/20 Initiative, The 20/20 Report 2002-2003, Development Academy of the Philippines, Pasig City, 2003. (*based from Human Development Report, 2002*).

4. Since the passage of the LGC, there have been concerns that the objectives of local autonomy, through the devolution of functions to LGUs, have only been partially achieved. Some LGUs have individually achieved remarkable improvements in the management of their affairs but these are exceptions to the general situation. In spite of the support extended by national government, as well as international support agencies, a significant number of LGUs has generally not met the performance expectations for more efficient, effective, and responsive local governance.

5. In keeping with the worldwide trend on the development of measurable local performance indicators and service standards, a wide range of projects has been undertaken in the Philippines. With monitoring and evaluation of LGUs' performance as a common objective, the outputs of these projects have taken various forms, such as indicator systems; benchmarks; and citizen satisfaction surveys to measure LGUs' social, economic, environmental, financial, and institutional development. Some of these outputs are focused on specific sectoral concerns; for example, health, while others cover the LGUs' performance of the functions assigned to them under the LGC and other laws.

6. While LGUs have been given or may have developed their own performance measurement systems, it is not clear whether there have been any appreciable improvements in service delivery, poverty reduction, and voting behavior arising from the use of such systems. It should be noted that incidence of poverty, low quality of basic services, and traditional politics are still evident in many LGUs. Indicator systems alone cannot provide the solutions to these problems but they are essential tools of good governance and decision-making processes. The proper use of performance indicator systems (PISs) by the LGUs is critical in influencing the management style at the local level and, in turn, affects the kind of local leaders people vote into office. The critical questions are (i) are the performance indicator systems being used by LGUs effective in achieving their stated objectives (e.g., poverty reduction and improvement of service delivery), and (ii) do LGUs use performance indicators properly, and (iii) if not, why?

- This paper summarizes the manner by which LGUs in the Philippines apply performance assessment at the local level and analyze the indicator systems being used. The use of the indicator systems will be analyzed in terms of achievement of the LGU's main purpose and the degree of influence to the local government's pro-poor objectives, service delivery, and citizen's voting behavior. In addition, locally used performance measurement systems are compared with systems used abroad for the purpose of identifying aspects of the local systems that need to be sustained and areas that need to be further improved. The paper also evaluates the effectiveness and usefulness of the most commonly used PISs at the local level and recommends a set of core indicators to further enhance the existing systems. Furthermore, it proposes approaches to motivate LGUs to implement PISs and ensure the sustainability of such systems at the local level.

II. RESEARCH METHODOLOGY

7. The evaluation utilized both quantitative and qualitative analysis of the "what" and "why" of performance indicators used (or intended but not used) at the local government level. Also, a combination of external analysis and internal self-assessment (by selected LGUs) was employed. The assessment involved the following specific activities:

- Desk review of the existing performance indicator systems used or intended to be used by local governments as well as related documents and studies. Performance indicators' achievement of main purpose and capacity to address issues in service delivery, poverty, and voting behavior were determined.

- Detailed data-gathering involved interviews through field visits in the following LGUs: cities of Cabanatuan, Palayan, and Muñoz of the Nueva Ecija Province; City of Legazpi and Municipality of Daraga of the Province of Albay, and City of Naga of Camarines Sur Province; City of Cebu and Mandaue of the Cebu Province; Bacolod City of Negros Occidental; City of Cagayan de Oro of Misamis Oriental Province; and City of Malaybalay of the Province of Bukidnon. Survey questionnaires were conducted in selected municipalities in the following provinces: Cagayan (i.e., Piat and Sto. Niño), Nueva Vizcaya (i.e., Solano and Kasibu), Quirino (i.e., Diffun and Saguday), Benguet (i.e., La Trinidad and Sablan), Ifugao (i.e., Banaue and Hingyon), Camarines Norte (i.e., Vinzons, Daet, San Lorenzo Ruiz, and Labo), Leyte (MacArthur, Mayorga, Tolossa, and La Paz), Zamboanga del Sur (i.e., Ramon Magsaysay, Tukuran, Labangan, and Guipos), and South Cotabato (Sto. Niño, Tampakan, Tantangan, and T'boli).

- Conduct of survey questionnaires and interviews with selected representatives from different sectors in national government agencies to achieve a deeper understanding of questionnaire responses and to determine the LGUs' appreciation of performance indicator systems.

- Focus group discussions among local development planning officers of Metro Manila, specifically: Caloocan City, Las Piñas City, Makati City, Mandaluyong City, Manila City, Marikina City, Pasay City, Pasig City, Quezon City, San Juan and Valenzuela City were conducted to further confirm responses to the survey questionnaires and enable the identification of common experiences in using performance indicator systems.

- Interviews were also conducted with program officers of the United Nations Development Programme (UNDP) concerned with local development and governance. Relevant documents on various UNDP-supported programs were also reviewed. In addition, dialogue with the League of Cities of the Philippines (LCP) was conducted to gather recent performance measurement systems it has developed for and now implemented by their member-cities.

- Moreover, the modified clear, relevant, economic, adequant and monitorable (CREAM) test, a set of criteria with quantitative assessment developed to suit the needs of the Study, was utilized to further evaluate the effectiveness and usefulness of most commonly used PISs at the local level. Such evaluation was useful to identify the weaknesses of the existing systems and was instrumental in the identification of the proposed list of core indicators.

III. PERFORMANCE INDICATOR SYSTEMS USED BY PHILIPPINE LGUS

A. Summary of Performance Indicators Used by Philippine LGUs

8. The Local Government Code has been instrumental in raising awareness of national government agencies and LGUs to develop measurement systems to assess the ability of local governments to perform their functions. The Bureau of Local Government Supervision (BLGS) of the Department of Interior and Local Government (DILG) has been in the forefront of developing LGU performance measurement systems and initiating improvements thereto. Good governance, in the viewpoint of decentralized government, is evaluated through (i) the LGUs' capability to perform their functions effectively and efficiently; and (ii) their ability to deliver basic services to their constituents effectively, efficiently, and equitably.

9. Performance and capabilities of LGUs are measured in terms of the different development areas (i.e., social sector, economic sector, environmental sector, and institutional/governance sector) by third parties such as national government agencies, academe, civil society, etc., or by LGUs themselves. Through the years, performance indicators have evolved and taken various forms, such as a self-assessment tool; citizen satisfaction survey; academic undertaking; competitiveness appraisal or development diagnosis; and combinations of indices of human development, sustainable development, and leadership excellence, to name a few.

10. Specifically, the performance indicators developed and/or used locally include the parameters mentioned below. Majority of these indicators are included in the Local Governance

Performance Management System (LGPMS), which is further discussed in page 8 (also, see Table A1.1 in the appendix for a detailed breakdown of the number and type of indicators used in LGPMS, as well as the appendix pages after Table A1.1 for the complete list of indicators included in the said system). Among the other locally used systems, the LGPMS appears to have the most number of variations of indicators sectorwide. Table 3 illustrates the direct impact of these indicators to pro-poor objectives and service delivery improvements of the local sector.

11. **Social Development and Basic Needs**, which measure the basic social services of LGUs:

- (i) **Health and nutrition** – indicates health conditions, life expectancy rate, ratio of health facilities to population, and ratio of health workers to population.
- (ii) **Education** – indicates educational status, literacy rate, ratio of educational facilities to students, and ratio of teachers to students.
- (iii) **Housing and basic utilities** – indicates status of home ownership, and access to basic services such as water, electricity, sanitary toilets.
- (iv) **Transportation and mobility** – indicates level of congestion, and adequacy of public transport system.
- (v) **Peace, security, and disaster preparedness** – indicates the peace and order situation, and the ratio of police, fire prevention and disaster preparedness facilities and response services to population.

12. **Economic Development**, which assess the role of LGUs in various sectors:

- (i) **Agricultural and fisheries development (primary industry)** – indicates adequacy of livelihood for farmers and fisher folks.
  - (a) **Employment** – indicates the employment, unemployment and underemployment rate, and presence of livelihood opportunities.
  - (b) I**ncome** – indicates the purchasing power and standard of living of the citizens, and incidence of poverty.
- (ii) **Enterprise, business and industry promotion (secondary and tertiary industries)** – indicates conduciveness of environment to private sector investment.
  - (a) **Employment** – indicates the employment, unemployment and underemployment rate, and presence of livelihood opportunities.
  - (b) I**ncome** – indicates the purchasing power and standard of living of the citizens, and incidence of poverty.

13. **Environmental Management,** which measures the functions of LGUs in various environment areas:

- (i) **Natural resources management** – indicates extent of protected areas, condition of coastal/marine and forest ecosystem.
- (ii) **Waste management and pollution control** – indicates the sanitation condition; extent of solid waste collection and disposal; presence of sewerage facility; percentage of industries with pollution control facilities; and extent of smog, dust, odor, and noise.

14. **Institutional Development/Good Governance,** which measures LGUs' capacity in dealing with governance issues:

(i) **Accountability** – indicates quality of internal control system, financial management system, and prequalification bids and awards committee.

(ii) **Transparency** – indicates presence of performance billboard and public information office/desk.

(iii) **Citizen participation** – indicates ratio of accredited civil society organizations to population, conduct of citizen satisfaction surveys, number of LGU projects, programs, and policies in partnership with local civil society.

(iv) **Equity** – indicates presence of policies eliminating economic gap, gender disparity and cultural bias, and presence of local poverty reduction programs.

(v) L**ocal legislation** – indicates percentage of ordinances passed and fairly enforced in support of social development, economic development, and environmental management.

(vi) **Development planning** – indicates effectiveness of the Local Development Council, number of public consultations as part of development planning and review process, adequacy of database to support local development planning, and availability and quality of development plans.

(vii) **Resource generation** – indicates tax collection efficiency rate, percentage of planned annual income realized, presence of comprehensive revenue generation plan, and presence of updated Local Revenue Code.

(viii) **Resource allocation and utilization** – indicates presence of Executive Budget approved within the budget calendar, percentage of departments maintaining a record of appropriations and expenditures, ratio of total expenditures to total income, percentage of total budget spent on personnel services and development programs/projects.

(ix) **Human resource management and development** – indicates competence and effectiveness of local government personnel.

(x) **Organization, management and customer service** – indicates presence of LGU Manual of Operations, presence of Annual Accomplishment Report, percentage of serviceable equipment and vehicles, response/process time in the issuances of permits and documents.

Table 3: Summary of Performance Indicators

Performance Indicators	Pro-Poor	For Service Delivery
A. Social Development and Basic Needs		
1. Health and Nutrition	√	√
2. Education	√	√
3. Housing and Basic Utilities	√	√
4. Transportation and Mobility	√	√
5. Peace, Security, and Disaster Preparedness	√	√
B. Economic Development		
1. Agriculture and Fisheries Development (Primary Industry)	√	√
2. Business, Enterprise, and Industrial Promotion (Secondary and Tertiary Industries)	√	√
C. Environmental Management		
1. Natural Resources Management		√
2. Waste Management and Pollution Control		√
D. Institutional Development/Good Governance		
1. Financial Accountability		√
2. Transparency		√
3. Citizen Participation	√	√
4. Equity	√	√
5. Local Legislation	√	√
6 Development Planning	√	√
7. Resource Generation	√	√
8. Resource Allocation and Utilization	√	√
9. Human Resource Management and Development		√
10. Organization, Management, and Customer Service		√

Source: Department of Interior and Local Government (DILG), Local Governance Performance Management System, Quezon City, 2004.

B. Some Performance Indicator Systems Used at the Local Level

15. From desk reviews, it was found that there were several projects undertaken in the Philippines to measure LGU performance. Among these projects, some seem to stand out because of a multisectoral approach to LGU assessment and applicability to various types of LGUs (i.e., any income class of province, city, municipality, or barangay). Thus, these systems are used by many LGUs. Examples of these are:

1. Local Productivity and Performance Measurement System (LPPMS)

16. The LPPMS was initiated in 1980 by the then Ministry of Local Governments (MLG) as one of its major programs. Until 1985, the MLG central office was provided annually with LPPMS implementation reports from all provinces, cities and municipalities, reflecting their respective service delivery capabilities and limitations, budgetary prioritization per major service, and issues and concerns beyond the capability of the LGU concerned to resolve. In 1986, after the People Power Revolution, the implementation of the LPPMS was decentralized to the MLG

regional offices. From a centrally administered program, the LPPMS evolved into a self-assessment system in 1998. The current LPPMS was designed by the DILG central office and Region Office No. XI to assist LGUs in their monitoring and evaluation functions. The LPPMS evaluates LGUs' capabilities in service delivery and assess areas where improvement is needed. Information resulting from the application of the system is deemed useful in the advocacy and implementation of development policies and programs in the local level. Underlying the system are six concepts, namely: (i) productivity, (ii) performance, (iii) efficiency, (iv) adequacy, (v) equity, and (vi) elient orientation. The LPPMS also has three major components, such as (DILG 2000):

- **Performance Measurement** – evaluates the governance and management capability of LGUs, specifically focuses on the internal capacity of LGUs in the areas of local financial administration, local legislation, organization and management, and local development planning;

- **Productivity Measurement** – assesses the delivery of services in the social, economic, political, and environmental sectors, wherein degree of productivity is determined by comparing the actual LGU services against service standards prescribed by national government agencies concerned.

- **Service Delivery Outcome Assessment** – determines the effect of the services delivered by the LGUs to the citizens' quality of life, particularly the impact of the services to the socioeconomic conditions of the residents, especially the poor.

2. Local Governance Performance Management System (LGPMS)

17. The LGPMS is executed by the DILG and implemented by the BLGS in cooperation with the Canadian International Development Agency (CIDA) through Local Government Support Program (LGSP), Asian Development Bank (ADB), UNDP, League of Provinces of the Philippines (LPP), League of Cities of the Philippines (LCP), and League of Municipalities of the Philippines (LMP). The LGPMS is currently being piloted in 110 selected LGUs nationwide since early part of 2004 and its national launching targeted in June 2005. The LGPMS is a LGU management system, which incorporates both the LPPMS (measures the state of local governance) and the Local Development Watch or DevWatch (evaluates the state of local development). It is designed to enable LGUs to monitor and assess their state of governance (in terms of assessing performance and productivity) and development (in terms of measuring the outcome or progress in the locality). It has five performance areas with the following corresponding service areas (DILG, 2004):

- **Governance** – measures the LGU's performance through the following: effectiveness of guidelines, structures, and systems for accounting, internal control and procurement; effectiveness of information dissemination for the public; effectiveness of procedure for regular public consultations; effectiveness of policies, plans, and resources resulting in promotion of equity; and effectiveness of legislative mechanisms.

- Financial Accountability
- Transparency
- Citizen Participation
- Equity
- Local Legislation

- **Administration** – measures the performance of the local government through the following aspects: effectiveness of structures, consultative process, and systems supporting local development and land use planning; viability of plans and mechanisms for generating revenues at the local level; effectiveness of budgeting and optimum use of resources; effectiveness of programs and mechanisms developing and managing human resources; and effectiveness of systems resulting in improved customer-orientation.

  - Development Planning
  - Revenue Generation
  - Resource Allocation and Utilization
  - Human Resource Management and Development
  - Customer Service

- **Social Services** – measures the LGU performance based on the following: suitability of structures, human resources, and facilities ensuing provision of health and nutrition services; appropriateness of structures, human resources, and facilities resulting in provision of education services; effectiveness of structures and programs resultant of provision of socialized housing and basic utilities; and effectiveness of structures and plans for peace and order, fire prevention, and disaster preparedness services.

  - Health and Nutrition
  - Education and Basic Facilities
  - Peace, Security, and Disaster Management

- **Economic Development** – measures the local government performance according to the following: relevance and aptness of policies, strategies, programs, facilities, and resources ensuing development in agriculture and fisheries; and effectiveness of policies, structures, and resources attracting private sector investment.

  - Agriculture and Fisheries
  - Business Enterprise and Industrial Promotion

- **Environmental Management** – measures the performance of LGU on the basis of the effectiveness of policies and programs resulting in the preservation, conservation, and rehabilitation of natural resources; and effectiveness of structures and programs resultant of management of waste and pollution.

  - Natural Resource Management
  - Waste Management and Pollution Control

3. Minimum Basic Needs Survey (MBN)

18. The MBN Survey was introduced during the administration of President Fidel Ramos in accordance to the Social Reform Agenda (SRA) and supported by the Department of Social Welfare Development (DSWD). This survey is administered at the barangay level. The survey assists LGUs in determining the basic profile and economic status of households in each barangay. It includes the following: (i) basic demographic profile (i.e., civil status, religion,

mother tongue, occupation, educational attainment, etc.); (ii) type of housing facilities; (iii) access and quality of services and facilities provided in the locality (i.e., [a] source and type of water, [b] kind of drainage system, [c] type of solid waste disposal, [d] types of educational facilities, [e] kinds of health service workers, (f) kinds of professional services available, [g] kinds of recreational facilities, [h] types of telecommunications facilities, [i] kinds of personal service facilities, [j] types of commercial establishments, [k] types of transportation facilities); and (iii) income status (i.e., [a] kinds of home appliances owned, and [b] number of vehicles owned). The MBN Survey allows the LGUs to identify the barangays which are lacking services and facilities, and barangays which need improvements in their existing services and facilities. The information is valuable to local governments towards adopting a responsive approach to development planning. Given the common concern of resource constraint, the LGUs are able to prioritize programs and projects in accordance with the data made available by the survey. (MBN Data Capture Form, undated)

4. Integrated Rural Accessibility Program (ILO-IRAP)

19. The ILO-IRAP is a survey assisting LGUs in profiling selected barangays according to location of amenities, services, and facilities, and in relation to the residents' socioeconomic characteristics. Through the ILO-IRAP, access time and mode of travel to economic and social activities are measured. It is composed of the usual demographic profiling (e.g., education level and facilities, health services, etc.). What makes it different from other barangay surveys is that it focuses on the primary industry (i.e., production and facilities for crops, sea and freshwater products, etc.), and the kind of travel modes available and necessary for the residents' day-today living. (ILO-IRAP Survey Form, undated)

5. Population Development Indicators (POPDEV)

20. The core indicators for population development planning at the local level were initiated by the Commission on Population and assisted by the Statistical Research and Training Center of the National Economic and Development Authority. The performance measurement system allows local governments to utilize the indicators for their planning and monitoring functions and relate the data gathered with their respective local population development programs. Users of the system are asked to specify in the data form the following information in relation to the POPDEV indicators: (i) availability of data (whether annual, semiannual, etc.); (ii) source of data (whether national, local, or person in-charge of computation); (iii) department, office, or unit in-charge (whether a local government department, a national government agency, etc.); and (iv) purpose of data utilization (whether for reference, planning, analysis, presentation, etc.). Some of the POPDEV indicators are as follows: crude birth rate; mortality rate; total fertility rate; maternal mortality rate; annual population growth rate; age cohorts (i.e., percentage of population by 5-year age groups and by sex, and percentage of urban population by sex); percentage distribution of local government expenditure by specific activities; labor force participation rate by sex; length of local government roads by surface type; elementary and secondary cohort survival rates; doctor to population ratio; hospital bed to population ratio; percent of births attended by health personnel; contraceptive prevalence rate; percentage distribution of households by type of housing unit occupied; percentage distribution of households by main source of water supply; percentage distribution of household by type of toilet facilities being used; percentage distribution of households by type of garbage disposal; crime rate by type; percentage distribution of DSWD clienteles served by type and sex; unemployment rate, total and by sex; average family income; literacy rate by sex; percentage of malnourished children 7–10 years old; percentage of infants with low birth weight; and morbidity rates by leading causes. (Commission on Population, undated)

21. Other performance measurement systems used by LGUs are either project-related or still not fully executed by corresponding national government agencies. Hence, they are only utilized by selected LGUs or became merely one-shot exercises. Some of the selected LGU-respondents of the Study are mentioned in the discussion of some of the PISs below as participants/users of the systems, but these particular PISs do not appear in the list of systems utilized by certain LGUs in the survey responses. Examples of these are:

6. Performance Indicators and Standards for Development Administration (PISDA)

22. The PISDA was initiated in 2001 by the Development Academy of the Philippines (DAP) with support from the Philippine-Australia Government Facility (PAGF) and the Asian Development Bank (ADB). The objectives of PISDA were (i) to develop a set of indicators for local government administration, (ii) to establish a collection and dissemination system, and (iii) to field test the system in several locations. The proposed system advocates that the indicators be developed through a participatory process; should be outcome-based; and designed to assess the level of satisfaction of the LGU's constituents. It proposed the use of a balanced score card, patterned after the Citizen Score Card Project in Bangalore, India. (DAP) The system was pilot-tested in Metro Manila involving the cities of Manila, Quezon City, Makati, Pasig, Parañaque, Marikina, Pasay, Muntinlupa, and Mandaluyong. The five services evaluated were garbage management, public markets, permits and licensing, public safety management, and traffic management. Through a consultative process, 69 indicators grouped in 11 domains were identified. These indicators were also classified into four categories, namely: (i) input indicators; (ii) process indicators; (iii) output indicators; and (iv) outcome indicators. The 11 domains are as follows:

- Accountability and Participation
- Intergovernmental Relations
- Strategic Direction and Leadership
- Training and Information Technology
- Fiscal Discipline
- Administrative Effectiveness
- Service Delivery and Social Programs
- Economic Development and Poverty Reduction
- Sustainable Environment
- Land Use and Infrastructure
- Safety and Order

7. Report Card on the Millennium Development Goals (RC on MDGs): The Naga City Experience

23. The RC on MDGs is patterned after the report card system introduced by The Urban Governance Initiative (TUGI). It is an evaluation tool designed to assess the level of good governance in cities. It allows the citizens to evaluate the performance of their local authorities and encourages a feedback mechanism to the city government. Presently, the report card system is being field-tested in various cities in Asia and the Pacific. The Millennium Development Goals (MDGs) are clear quantifiable targets agreed upon at the Millennium Summit in September 2000 which foster sustainable development and poverty reduction. The eight MDGs identified to achieve the objective are as follows: (i) eradicate extreme poverty and hunger; (ii) achieve universal primary education; (iii) promote gender equality and empower

women; (iv) reduce child mortality; (v) improvement of maternal health; (vi) combat HV/AIDS, malaria, and other diseases; (vii) ensure of environmental sustainability; and (viii) and develop a global partnership for development. (UNDP, 2003)

24. The RC on MDGs in Naga City incorporates the report card system of TUGI and the MDGs and relates these models to Naga City's own model of good governance. Its good governance model is an interconnection of the three aspects of participation, partnership, and progressive perspective. Given such premises, the process of RC on MDGs in Naga City includes the involvement of the Naga City Good Urban Governance Council and a technical working group, formulation of indicators, and pilot-testing in selected barangays. The Naga City Good Urban Governance Council is headed by the city mayor and its members are composed of representatives from accredited nongovernment organizations or people's organizations as well as some members of the city government. On the other hand, the technical working group is composed of representatives from the city government, particularly the City Planning and Development Office and the Naga City People's Council. The city has started data gathering on the following topics: senior citizen (good governance principle: responsiveness), education (good governance principle: equity), and solid waste.

8. Fiscal/Financial Performance Indicators

25. The fiscal/financial performance indicators were developed by the Bureau of Local Government Finance (BLGF) of the Department of Finance (DOF) to provide a brief assessment of the financial health of the LGUs. Although this system has not been widely disseminated to LGUs yet, this has been used by the BLGF in monitoring the fiscal and financial situation of selected LGUs such as Lipa City, Batangas, and Makati City, Manila City, and Quezon City, Metro Manila. Specifically, this system is a tool in strategic planning and forecasting; performance accounting and benchmarking; early warning system; quality management; and incentive system. These indicators attempt to measure LGUs' fiscal/financial health beyond mere cash surpluses and presence of physical infrastructure. The system is composed of the three basic elements of fiscal/financial policy (i.e., revenues, expenditures, and debt) which determine the overall financial performance of LGUs. These elements are processed as follows: (i) revenue indicators – revenue target accomplishment rate, real property tax accomplishment rate, cost to collection ratio, and revenue per capita; (ii) expenditure indicators – expenditure rate, social expenditure rate, economic expenditure ratio, personal services expenditure ratio, internal financing ratio, and expenditures per capita; and (iii) debt indicators – debt servicing ratio; and overall financial indicators – cash target accomplishment rate, savings or dissaving rate, and enterprise profitability rate. Key factors arising from the interaction of the said elements provide a better understanding of the LGUs' financial position. These factors are quality and efficiency of resource mobilization; quality and sustainability of spending; and capability to manage expenditure and the debt burden. Financially strong and financially weak LGUs may be identified after the application of the performance indicators. Simply, LGUs are considered financially weak if at least one third of the benchmarks fail and its regular operation incur cash deficit. Otherwise, they are financially strong. It is advisable to sort LGUs by income class, political level (i.e., municipalities, cities, and provinces), or by level of internal revenue allotment before application of the fiscal/financial performance indicators to make the assessment fair and meaningful (BLGF, undated).

9. Philippine Cities Competitiveness Ranking Project

26. The Asian Institute of Management (AIM) Policy Center introduced the Philippine Cities Competitiveness Ranking Project to assess the cities' capacities in providing enabling

environments for dynamism, local industries and enterprises. In addition, the Project evaluates the capability of cities to attract city dwellers and business entities to locate in their localities. Furthermore, cities are categorized as metro cities, and small- and medium-sized cities, and the Project provides a mechanism that allows each city to measure their competitiveness vis-à-vis other cities. Moreover, it helps identify the strengths and weaknesses of participating cities. The Project conducts its evaluation within the following premises: (i) cost of doing business – cost of power for industrial use, average rent of commercial space, and average cost of acquiring telephone services for communication; (ii) dynamism of local economy – average household income, local inflation rate, percentage of top 200 companies in the city, population versus fastfood chain locators, market size, status of local revenues, and status of tourism industry in the city; (iii) linkages and accessibility – availability and proximity of raw materials for production, and presence or proximity of international entry and exit points (i.e., ports, airports, etc.); (iv) quality of human resources – number of tertiary educational institutions, and quality and quantity of skilled labor; (v) infrastructure – number of banks, road density, and presence of basic utilities (i.e., reliable water service, reliable power service, adequate mobile phone signals, adequate internet service providers, easy telephone line connection, and adequate garbage management facilities), (vi) responsiveness of LGU to business – percentage of IRA to total LGU revenue, period of acquisition of business permits, transparent, secured city government, effective Clean and Green Program, reasonable business taxes imposed, implementation of city development plan, and reasonable and flexible land use regulations; and (vii) quality of life – percentage of informal settlers to population, incidence of crime (i.e., theft and murder) per 100,000 population, clean roads, open spaces, and bodies of water, and adequate rest and recreational facilities in the city. (AIM, 2002)

10. Seven Norms of Good Urban Governance

27. The Seven Norms of Good Urban Governance was initiated by the UN-Habitat and implemented by the League of Cities of the Philippines (LCP). The system was field-tested in the 31 participating cities of the City Development Strategy (CDS) Program which are: Antipolo, Calapan City, Candon City, Dagupan City, Ligao City, Marikina City, Masbate City, Science City of Muñoz, Muntinlupa City, Naga City, Palayan City, San Carlos City, San Fernando City, San Jose City, Sorsogon City, Tagaytay City, Tuguegarao City, Bais City, Bayawan City, Cadiz City, Calbayog City, Dumaguete City, Iloilo City, Kabankalan City, Maasin City, Mandaue City, Bislig City, Iligan City, Malaybalay City, Panabo City, and Island Garden City of Samal. The abovementioned cities were asked to evaluate their local government based on the following principles: (i) sustainability – balanced social, economic, and environmental priorities; (ii) decentralization and subsidiarity – local autonomy and accountability; (iii) equity – resource allocation and empowerment; (iv) efficiency – management and service delivery, efficient investment in infrastructure; (v) transparency and accountability – transparent and accountable decision-making processes; access to information; and high standards of ethics and professional conduct; (vi) civic engagement and citizenship – leadership for public participation and stakeholder involvement and responsibility, building democratic culture, and enablement; (vii) security – environmental management, disaster preparedness, personal safety, crime control and prevention, and security of tenure and livelihoods. While these indicators of good governance have been incorporated by the participating cities in their CDS reports, they still need to be institutionalized in these cities' planning and decision-making processes. (LCP, undated$_b$)

11. Local Governance Scorecard

28. The Local Governance Scorecard introduced by the Asia Foundation with the assistance of the LCP was piloted initially in seven cities in Mindanao, namely Cotabato, Dapitan, General Santos, Iligan, Island Garden City of Samal, Marawi and Surigao, and followed by five more cities outside Mindanao, namely Balanga, Muñoz, Muntinlupa, Puerto Princesa, and Valencia. The scorecard employed their own set of good governance principles with some of the indicators: (i) citizen-centeredness – degree of professionalism, clarity of steps in availing of public service, reasonable number of documents, reasonable waiting time, and citizen awareness of the steps to be undertaken in availing of public services; (ii) transparency – access to information on financial transactions, budget, plans, programs and projects, actual performance against targeted outcomes and results; (iii) accountability – bidding and procurement process, system of check and balance, merit-based system of recruitment and promotion, and adherence to the rules governing nonperforming and erring employees; (iv) empowerment – awareness of employees of their respective department's mandate, functions, authority and jurisdiction; (v) participatory governance – mechanism ensuring citizen participation in governance, consultations and dialogues with other sectors of society, addressing customer complaints, feedback and suggestions, compliance with prescribed number of representatives in the local special bodies, and participation of civil society in enforcing and monitoring ethical conduct and practices; (vi) predictability – simplicity and clarity of systems and procedures, processing and issuance of permits, licenses and civil documents, and adherence to rules, policies and programs; (vii) professional bureaucracy – exchange of information on best practices with other LGUs; and (viii) credibility – adherence to the code of ethical conduct and practices, initiatives enjoining transparency, accountability, and work ethics. These indicators are asked in a questionnaire form, and the survey respondents selected to evaluate the local government practices and initiatives regarding good governance are representatives from the local government, civil society, and business sector. (LCP, undated$_a$)

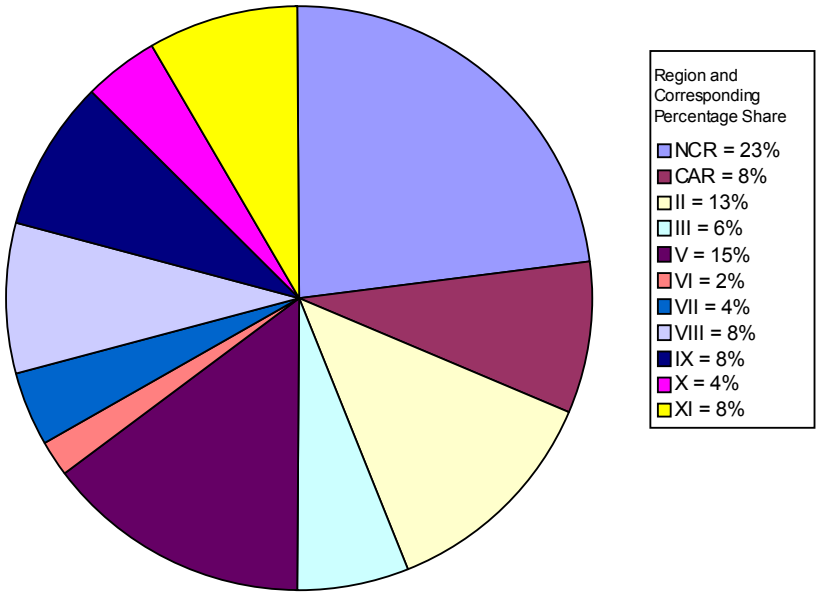
IV. EVALUATION OF USAGE OF PERFORMANCE INDICATOR SYSTEMS AT THE LOCAL LEVEL

A. Analysis of Survey Results from Selected LGUs

1. Profile of Surveyed LGUs

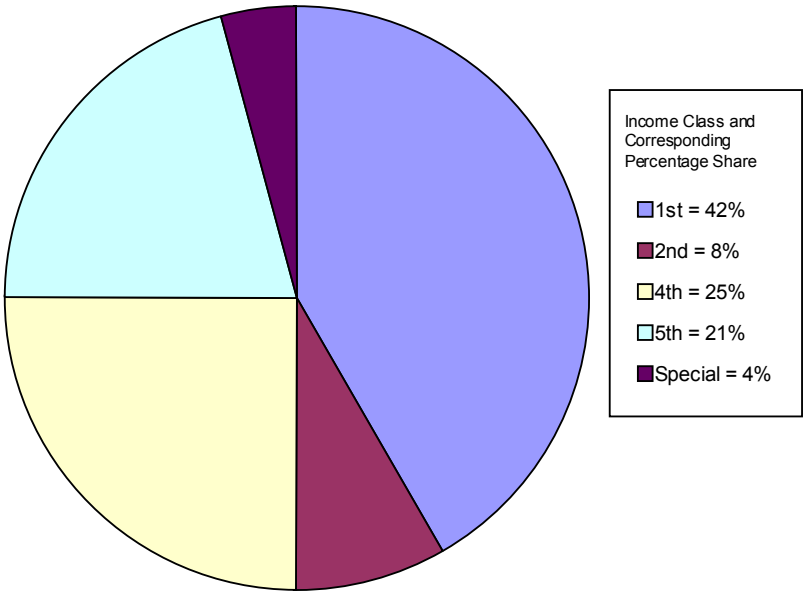
29. The survey questionnaire was administered to 48 LGUs spread over 11 regions all over the country. Of the 48 LGUs, 20 are cities and 28 are municipalities. They represent a broad cross-section of LGUs based on income, ranging from first class cities to fifth class municipalities. The objective for the geographic and income distribution of respondent LGUs was to gather diverse perceptions of PIS usage from LGUs of different sociocultural and economic backgrounds. However, it has been initially assumed that the level of appreciation and usage of PISs is much higher among high-income LGUs than lower-income LGUs. Thus, it is expected that failure of high-income LGUs to fully appreciate and properly use PISs may mean the same or even be a worse case for lower income LGUs. Such an assumption, as well as the accessibility of high-income LGUs for data gathering due to their proximity to transport facilities, resulted in the significant number of first income class LGUs in the survey, which account for 42 percent of the total number of respondents. See Figures 4.1a and 4.1b for the profile of the participating LGUs, and also Table A7.1 in the appendix.

Figure 4.1a Breakdown of LGUs by Region



Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

Figure 4.1b Breakdown of LGUs by Income Classification

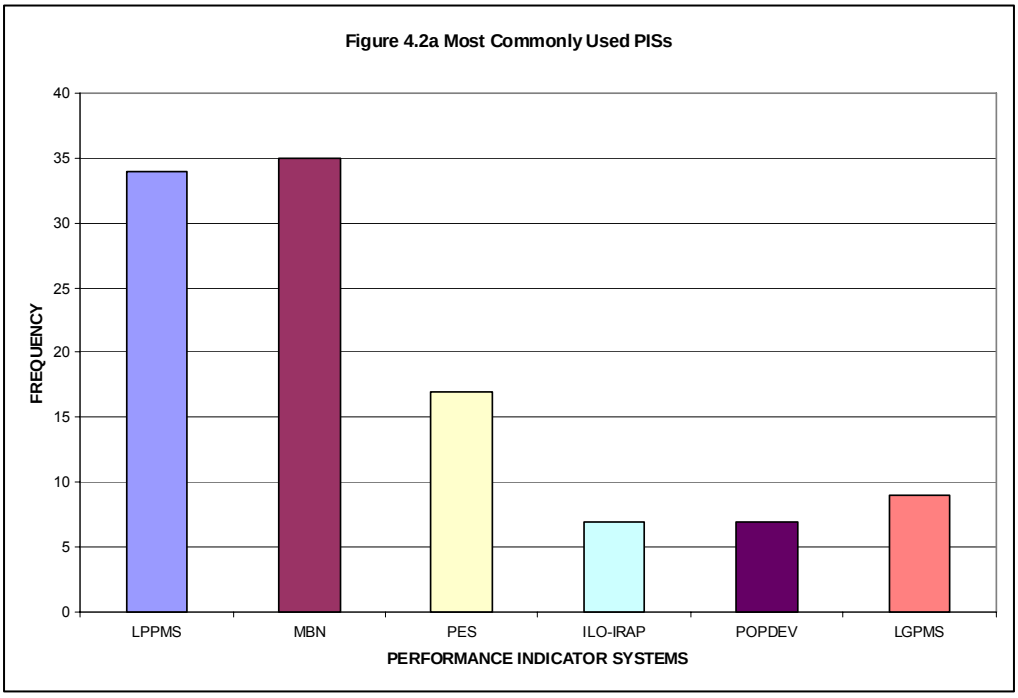


Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

2. LGUs' Level of Usage of PISs

30. Figure 4.2a presents the commonly used PISs (also see Table A7.2 in the appendix). The most used PISs are the following (according to order): MBN, LPPMS, PES, LGPMS, ILO-IRAP, and POPDEV. These PISs are prescribed by various national government agencies (i.e., DILG, DSWD, Civil Service Commission and Commission on Population), which make these PISs more common than the others. The high degree of usage of MBN and LPPMS can be attributed to the fact that these are the "oldest" among the PISs used by LGUs, having been introduced by national government in the early 1990s. The MBN is also generally regarded by LGUs as not being politically threatening since it is carried out by local health workers. The conduct of the LPPMS is supervised by the DILG representatives assigned to LGUs, and thus, gets more attention than other PISs. The PES' high rating can be attributed to the fact that it is promoted by the Civil Service Commission (CSC) which has administrative control over all government personnel. The relatively high rating of ILO-IRAP, POPDEV, and LGPMS can be attributed to the greater efforts of the national agencies concerned in promoting these. Specifically, LGPMS is currently being pilot-tested in a number of LGUs nationwide and DILG representatives, as well as representatives from each of the pilot-LGUs, are assigned to supervise, gather necessary data and accomplish the data capture forms, thus the LGPMS is commonly used. The low patronage of most of the PISs is because of the following reasons: some PISs are developed by a particular LGU for their own use and, therefore, does not concern other LGUs (i.e., Palayan's Scalogram, Muñoz' Expanded MBN, Legazpi's Barangay Survey, Cebu City's SPRING, Pasay's Peewee's Way, Makati's Customer Satisfaction Survey, Makati's Key Indicators); some PISs are project-based (i.e., World Bank's WDDP); and some PISs are pilot-tested in selected LGUs only. Furthermore, the most commonly used PISs, particularly LGPMS, LPPMS, MBN, POPDEV, and ILO-IRAP are multisectoral and comprehensive (i.e., these PISs evaluate social, economic, built and natural environment, and institutional development), thus they give a more complete picture of an LGU's performance which accounts for their being used more often than other PISs.

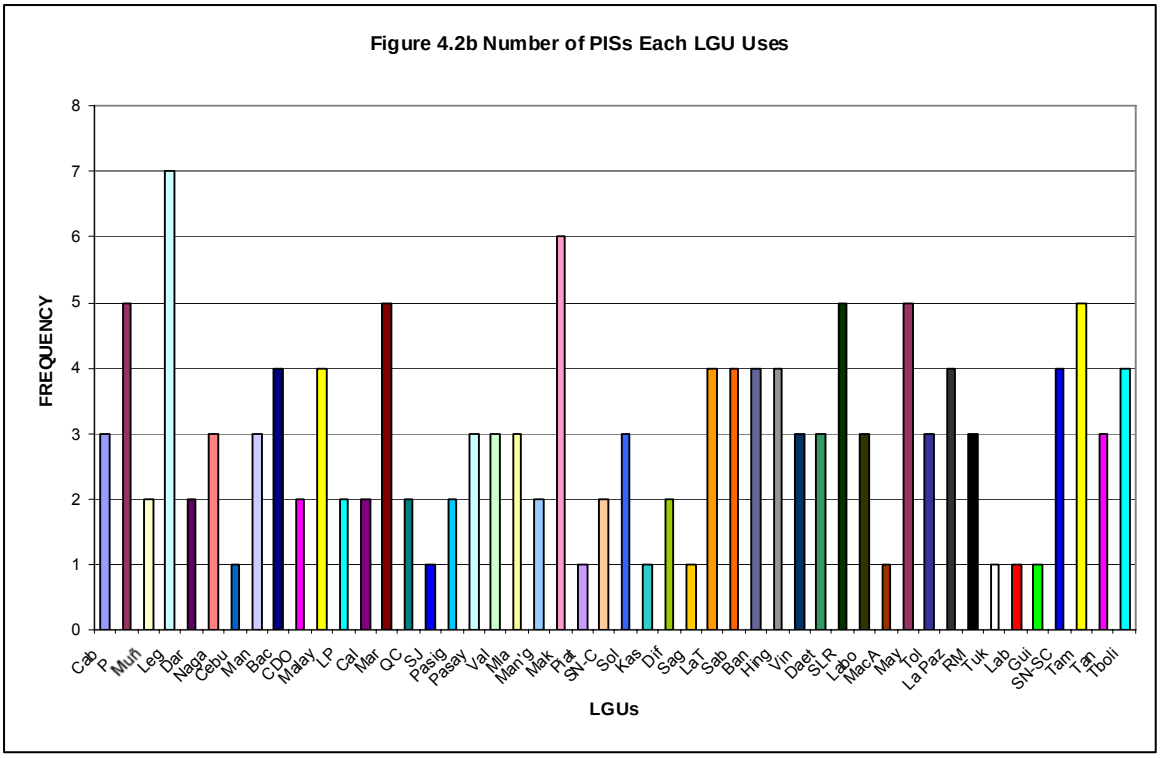
Figure 4.2a Most Commonly Used PISs



Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

31. Figure 4.2b shows the number of PISs used by each LGU (also see Table A7.2 in the appendix). It shows that Legazpi City uses the most number of PISs, followed by Makati City, Palayan City, Marikina City, San Lorenzo Ruis, Mayorga, and Sto. Niño – South Cotabato. These LGUs used a combination of common PISs such as LPPMS, MBN, POPDEV, ILO-IRAP, PES, and LGPMS, along with the PISs they have developed themselves (in the case of Legazpi City and Palayan City), and utilized PISs not in the mainstream as well, such as CCP and PQA (in the case of Marikina City). There are nine LGUs (19%) which use only one out of the 35 PISs being reviewed, and these are: Cebu, Guipos, Labangan, Kasibu, MacArthur, Piat, Saguday, San Juan, and Tukuran. Almost all of these LGUs (except Cebu) are low-income municipalities. Low patronage of PISs may be attributed to an LGU's financial limitations, since implementation of PISs requires costly data collection and employs additional manpower. Cebu, on the other hand, intentionally uses only one PIS, the one it has developed: SPRING. Cebu believes that the SPRING is effective, thus the city government opted not to utilize other PISs. Furthermore, there appears to be some correlation between the number of PISs used and the management style of the LGU mayor concerned. Four out of seven LGUs which use five or more PISs are cities whose incumbent mayors are reputed to be good managers (i.e., reelectionist Mayor Noel Rosal of Legazpi City, reelectionist Mayor Jejomar Binay of Makati City, former Mayor Lorelei Fajardo of Palayan City,[1] and reelectionist Mayor Marides Fernando of Marikina City). Furthermore, high usage of PISs implies a high level of understanding of the LGUs on the significance of PISs because of the willingness of the local government to shoulder additional expenses and perform extra tasks to implement such systems and be benefited by good performance. However, the LGU's level of development or income class does not dictate the number of PISs it uses.

Figure 4.2b Number of PISs Each LGU Uses



Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

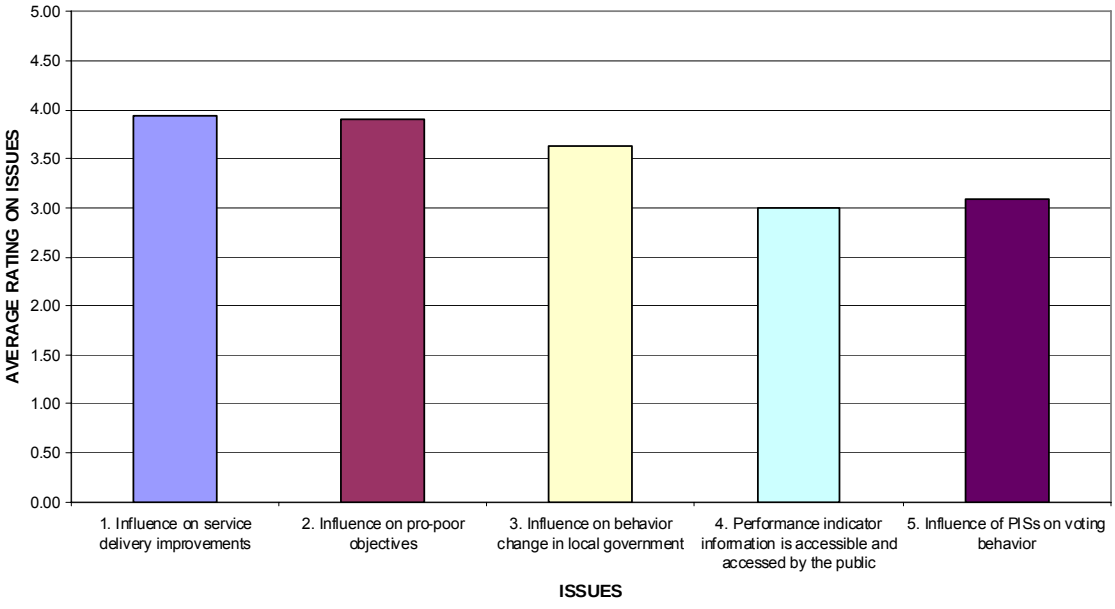
[1] Former Palayan City Mayor Lorelei Fajardo was the incumbent mayor when this Study started.

3. Level of Influence of PISs on Major Issues

32. Based on the survey conducted, it was found that there is a fairly high level of understanding by LGUs of the main purpose of each PIS, and LGUs are aware that these PISs have not fully achieved their main purpose. Furthermore, a large number of LGUs find POPDEV, MBN, LGPMS, and LPPMS to be the most closely oriented to improvements in service delivery and poverty reduction. A similarly large number of LGUs are generally satisfied with regard to the degree to which the PISs are pro-poor and for service delivery (see Figures A7.3a to A7.3d and A7.4a to A7.4d in the appendix). However, a high level of understanding does not necessarily mean high usage of the PIS.

33. Figure 4.3a indicates that among the issues raised, it is influence on service delivery improvements which received the highest average rating (3.94), followed by influence on pro-poor objectives (3.90), influence on behavior change in local government (3.63), influence of PISs on voting behavior (3.08), and performance indicator information being accessible and accessed by the public received the lowest average rating (3.00) (also see Table A7.5 in the appendix). LGUs, in general, are highly satisfied with the PISs' influence on service delivery improvement and pro-poor objectives. This assessment is consistent with their understanding and appreciation of the PISs' main purpose.

Figure 4.3a Rating on Performance Indicator Systems Per Issue



Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

a. Satisfaction of LGUs on Influence of PISs on Service Delivery Improvements

34. Among the issues presented, the PISs is most influential in the aspect of improvement of service delivery because the PISs have enabled LGUs to evaluate facilities and services, as well as target areas in need of support. For example, Science City of Muñoz claimed that MBN was instrumental in assisting the city government in targeting barangays in

need of potable water supply and irrigation system. In fact, the city found the concept of MBN very useful, and has even created an improvement of the MBN, which is referred to as the Expanded MBN. The expanded MBN included monitoring of the primary sector since a significant share in the city's economy is agriculture. In addition, the City of Palayan even devised a chart (Palayan's Scalogram) which shows presence or absence of facilities and services in each of their barangays for ease of monitoring.

b. Satisfaction of LGUs on Influence of PISs on Pro-Poor Objectives

35. On the other hand, influence on pro-poor objectives received the next highest rating because it is very much related to service delivery improvements, wherein upgrade or downgrade of public facilities/services very much affects people-in-need, since these are the population who are heavily dependent on government assistance.

c. Satisfaction of LGUs on Influence of PISs on Behavior Change in Local Governments

36. The influence of PIS on behavior change in the local government ranked third. This may be attributed to the fact that there has been a gradual appreciation of management-oriented politics, leadership excellence, service orientation, and good performance, which are further emphasized through LGU performance recognition of programs such as the *Gawad Galing Pook*, Local Government Leadership Awards, and others.

d. Satisfaction of LGUs on Influence of PISs on Voting Behavior

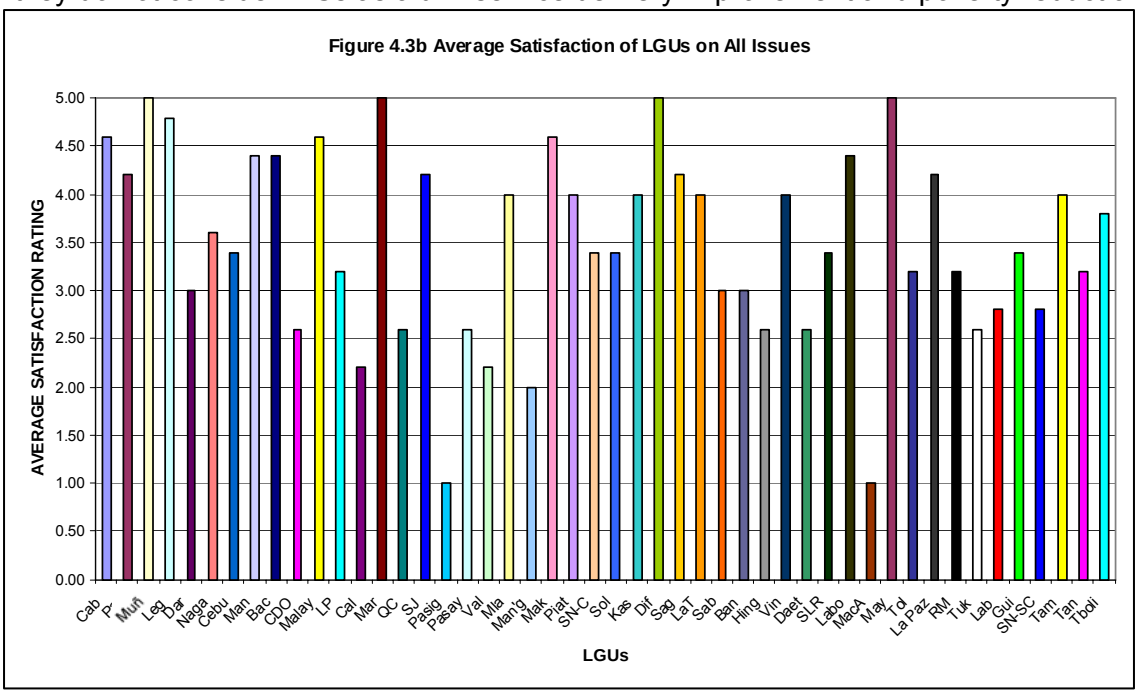
37. Influence of PIS on voting behavior ranked fourth because, despite the gradual awareness on performance orientation, Philippine elections are still tainted with vote buying and popularity contests.

e. Satisfaction of LGUs on Accessibility of Performance Indicator Information to Public

38. The accessibility of performance indicator information to the public ranked the lowest because there are still many local leaders who fear that the information on unsatisfactory or bad performance is likely to be used against them by political rivals, thus performance information is kept from the public. Some exceptions are Science City of Muñoz, Legazpi City, Mandaue City, Marikina City, Diffun, and Mayorga, wherein these LGUs claim that performance indicator information is widely disseminated to the public through accomplishment reports, newsletters, radio programs, and others.

39. Figure 4.3b shows the average satisfaction of each LGU on all issues (also see Table A7.5 in the appendix). Generally, LGUs which are highly satisfied with the PISs' influence on major issues (i.e., service delivery improvements, pro-poor objectives, behavior change in the local government, accessibility of performance indicator information, and voting behavior) are those which utilize five or more PISs (except Muñoz and Diffun which use only two PISs). Consequently, these LGUs believe that PISs have achieved their specific purposes, which are mainly for the improvement of service provision and reduction of poverty. On the other hand, LGUs which are extremely unsatisfied with the PISs' influence on major issues are those which utilize very few PISs, suggesting a lack of appreciation for the value of PISs (i.e., Pasig City uses only two PISs, while MacArthur uses only one). Also, both LGUs are consistently

unsatisfied with the PISs per se. They find PISs unsuccessful in achieving their main purposes, and they do not consider PISs as aid in service delivery improvement and poverty reduction.



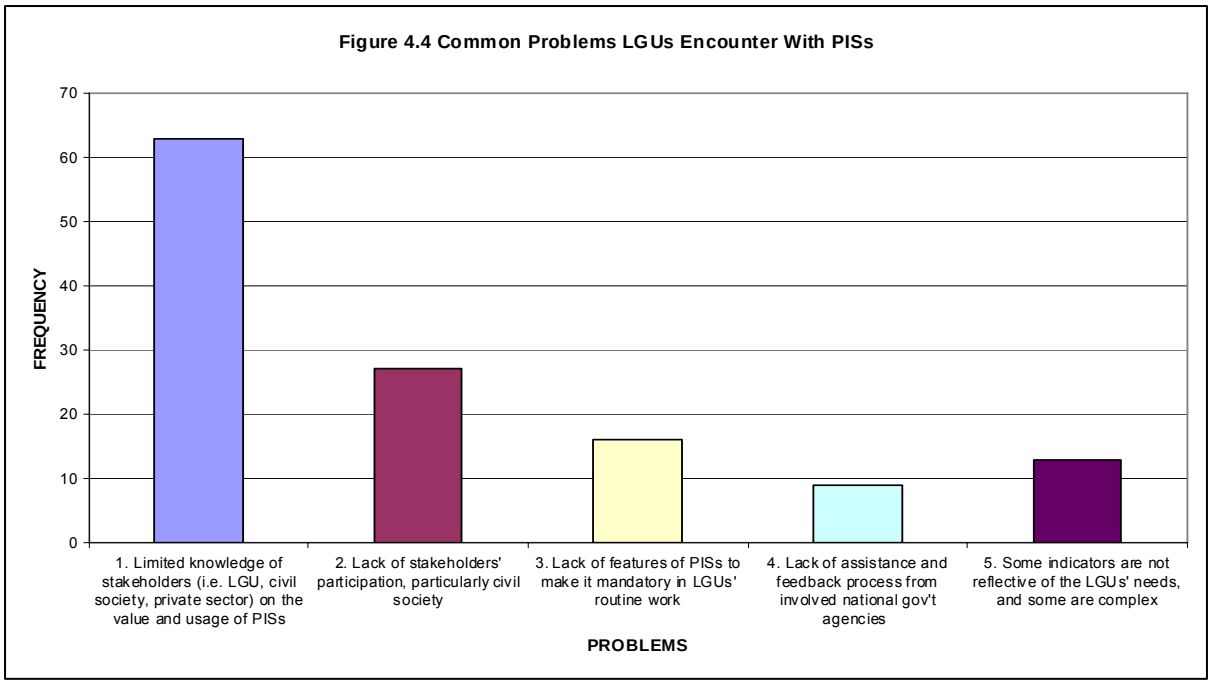
Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

4. Common Problems LGUs Encounter with PISs

40. Figure 4.4 presents the common problems with PISs as identified by the LGUs (also see Table A7.6 in the appendix). It states that the most common problem LGUs encounter are (i) stakeholders' limited knowledge on the value and usage of PISs; (ii) lack of community participation; (iii) lack of directives to institutionalize PISs into the bureaucracy; (iv) indicators' complexity and lack of local characteristics; and (v) lack of assistance and feedback process from national government agencies concerned. The figure clearly indicates that stakeholders' limited knowledge about PISs is the greatest problem encountered by LGUs. Most of the survey respondents are technical persons and have had some degree of training on the use of PISs. However, they generally find the LGU's higher level decision-makers lacking in understanding and appreciation of PISs used and, therefore, are unsupportive of its conduct and dissemination of results.

41. Upon further analysis, it was found that the LGUs' level of satisfaction on PISs, the number of PISs used by LGUs, and the LGUs' level of development or income class did not seem to have any bearing on the number of problems LGUs meet when implementing PISs. However, the number of PISs LGUs use and the level of satisfaction of LGUs on PISs seem to have a relationship with the type of problems encountered by LGUs with PISs. In general, LGUs which utilize five or more PISs, and LGUs which are highly satisfied with PISs encounter problems affecting implementation and sustainability of PISs (i.e., limited knowledge of stakeholders which deters people from appreciating and actually using PISs; lack of stakeholders' participation which connotes minimal support from the public and does not encourage local government to regularly and accurately disseminate performance information to public; lack of features of PISs to make it madatory on LGUs' routine work which does not allow

an environment suitable for implementation of PISs – an activity that incurs additional LGU task and expense; and lack of assistance, recognition, and feedback process from involved national government agencies which does not offer LGUs incentives to perform better). Generally, these LGUs do not encounter problems with PISs per se (i.e., suitability and complexity of indicators). This analysis is consistent with the fact that these LGUs are satisfied with the outcome of use of PIS, and would like to continue implementing PISs despite major obstacles in the sociopolitical and economic structure of Philippine LGUs, wherein the major culprit for non-use of PISs are lack of financial capability to implement and sustain PISs, and lack of political maturity to face the challenges presented by PISs results.



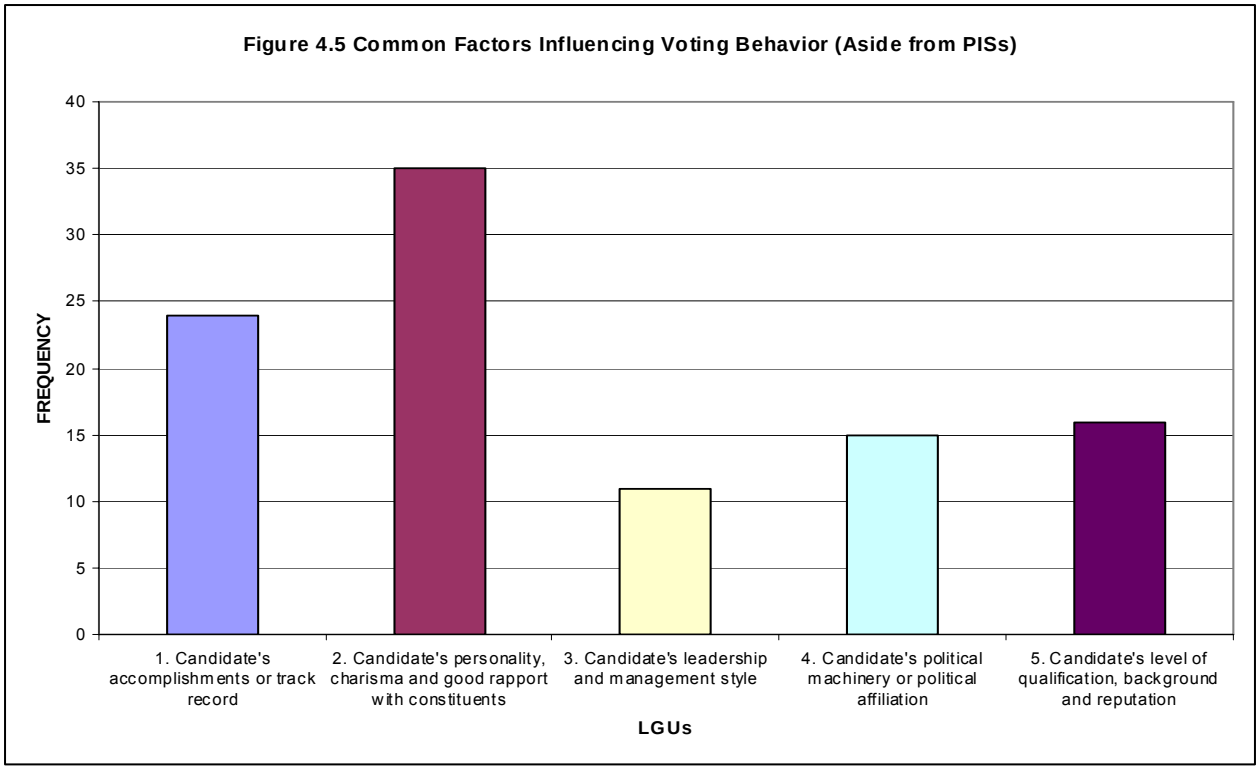
Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

5. Common Factors Influencing Voting Behavior (Aside from PISs)

42. Figure 4.5 shows the common factors influencing voting behavior (aside from PISs) (also see Table A7.7 in the appendix). It states that the most common factors influencing voting behavior aside from PISs are the following: (i) candidate's personality, charisma and good rapport with constituents; (ii) candidate's accomplishments or track record; (iii) candidate's political machinery and political affiliation, and candidate's level of qualification, background, and reputation; and (iv) candidate's leadership and management style.

43. The figure illustrates the parochial mentality of the electorate because, among the other factors affecting voting behavior aside from PISs, the candidate's personality and relationship with its constituents is the most influential, and, unfortunately, the candidate's leadership and management style is the least influential. All the LGUs (except San Juan) which did not indicate other factors affecting voting behavior are low-income municipalities. Note that the LGUs which did not identify any factors affecting voting behavior (aside from PISs) may not necessarily mean that only PISs influence their locality's voting behavior, but may mean that there was simply no response to the question at hand. Generally, low-income municipalities do not consider the candidate's political machinery or political affiliation as a major factor affecting

their constituents' voting behavior, unlike the candidate's personality, charisma, and good rapport with the people. On the other hand, high-income LGUs also consider the candidate's personality, charisma and good rapport with public as a major factor affecting the voting behavior of their constituents, as well as the candidate's accomplishments or track record.

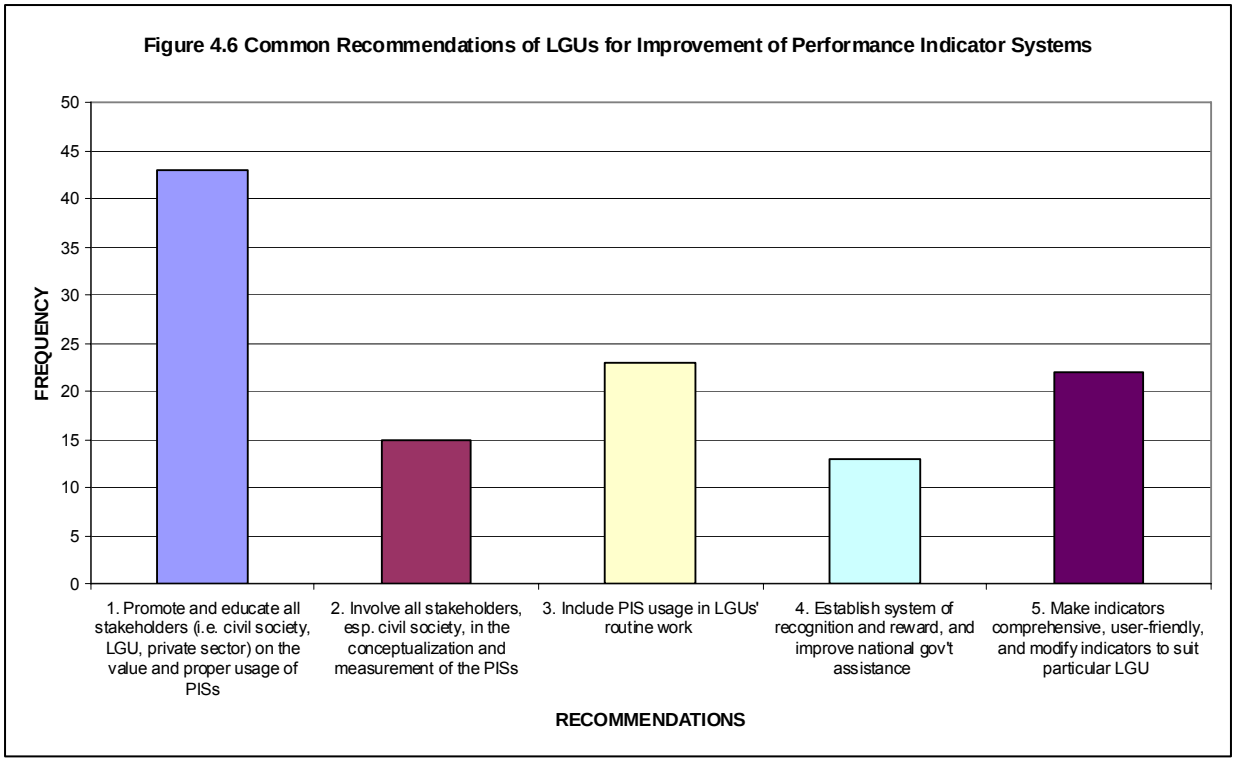


Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

6. Common Recommendations of LGUs for Improvement of PISs

44. Figure 4.6 shows the common recommendations identified by LGUs for improvement of PISs (also see Table A7.8 in the appendix). It shows that the most common advice or recommendations given by LGUs to improve the effectiveness of PISs are (i) promotion and education of all stakeholders on the importance and proper usage of PIS; (ii) conceptualization of comprehensive, user-friendly, and locally suited indicators; (iii) institutionalization of PISs; (iv) involvement of all stakeholders in the conceptualization of PISs and measurement of local performance; and (v) establishment of recognition and reward system and improvement of national government assistance in the usage of PISs. The figure suggests the significant need to advocate and educate all stakeholders (not only the LGUs' technical staff) on the value and proper usage of PISs. It reflects, in a sense, the frustration of the respondents with the lack of support from higher-level LGU officials on the conduct of PISs. However, it is significant to note that the respondents also find it necessary to tailor the PISs to suit local circumstances and to make them more user-friendly. There appears to be an implied suggestion that PISs should be designed by LGUs themselves, instead of national government imposing a system that does not fit local conditions. It can be assumed that, indirectly, the reason for the overwhelming response related to promoting and educating stakeholders on the value and proper use of PISs is that through knowledge and appreciation of PISs, the other common recommendations will be gradually employed. Understanding the significance of PISs will motivate stakeholders to

participate in the PIS process and be vigilant of the services facilities accorded to them by the local government; encourage local government officials to utilize PISs in their monitoring and evaluation functions; promote awareness and interest on performance rating; and aid in identifying suitable performance indicators for certain types of LGUs.



Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

45. The summary of the major findings of the survey results and further analyses is discussed in the next part.

B. Key Findings

46. To complement the survey questionnaires, field visit interviews and focus group discussions were conducted. These provided a deeper understanding of the LGUs' appreciation of performance measures as a management tool and the PISs prescribed by national government. These also provided the opportunity to determine first hand how LGUs use these PISs in decision-making and service delivery, and how much the performance information influence the manner by which they manage the affairs of their locality. The key overall findings are presented in the succeeding paragraphs.

47. The most commonly used PISs are those which have been institutionalized and supported by national government. At the top of the list are the MBN and LPPMS, followed by PES, ILO-IRAP, and POPDEV, which are conducted with assistance from the national government staff and require regular reporting. In the case of MBN, LPPMS, LGPMS, POPDEV, and ILO-IRAP, it may be inferred that these are commonly used PISs since they are able to

provide a more wholistic perspective of LGU performance, thus LGUs choose to implement these over the other PISs.

48. There is widespread appreciation and understanding of the main purpose of PISs, but a significant number of LGUs feel that the PISs developed by national government to measure improvements in poverty reduction and service delivery are not exactly suited to local conditions and do not satisfy the political objectives of local elected officials. Also, some indicators are not applicable to certain types of LGUs setting since services being assessed are not devolved functions of the LGU (i.e., ratio of policemen to population), making assessment difficult, if not impossible. Thus, aside from the national mandates and multilateral/bilateral interventions, some LGUs have developed their own systems. In most cases, these systems are used in parallel with other PISs to allow for a more responsive assessment of development in the locality. These LGUs developed their own set of indicators to further improve the quality of information used for development planning and management. The Cities of Muñoz, Legazpi, and Cebu saw it fit to create their own parameters of development. In the case of Muñoz, it simply added some indicators suited to the profile and needs of their locality to the existing MBN survey. On the other hand, Legazpi City found it appropriate to develop an entirely new set of indicators for their barangay survey to broaden their appreciation of the situation at the barangay level. With regard to Cebu City, its Services and Procedures Rationalization and Improvement in Government (SPRING) indicators provide an internal assessment of the operations and procedures of the local government and its capability to deliver quality services to its citizens. Specifically, the frontline services cluster of this system responds to the service targets and indicators developed by the City Government's department heads.

49. High usage of PIS corresponds to LGUs' high level of understanding on the significance of PIS because of their willingness to shoulder additional costs and perform extra tasks to implement PISs and benefit from use of PISs. However, the number of PISs LGUs use is not necessarily dependent on the LGU's level of development or income class despite the costs implementation of PISs incurs. In addition, LGUs using only one or few PISs does not imply that they do not value the importance of PISs, rather it is the way the PISs are used that reflects the political maturity of the elected leaders and the public.

50. PISs are generally perceived to have considerable influence on improvements in service delivery and pro-poor objectives. Most of the LGUs relate performance measures to service delivery improvements, as well as poverty reduction. Many of them use performance information in various management functions, such as (i) material for the Mayor's State of the City's Address at the annual opening session of the local council; (ii) basis for setting annual operational targets of service departments; and (iii) reference for political action. These LGUs attribute improvements in their service delivery to their having PISs.

51. PISs are generally perceived to be internal management tools, and thus its results are not necessarily disseminated to the public. Limited appreciation and understanding of local government officials and personnel of the systems limit the dissemination of performance information. There appears to be the general view that performance information need not be disseminated to the public as long as improvements in poverty reduction and service delivery are being achieved. The lack of resources is often cited as the reason for this, but there is a political factor involved. That is, when the performance is poor, the incumbent political leaders tend to keep the information to themselves for fear of the information being used by political rivals. However, the information appears to bring about some behavioral change among the incumbent leaders and their staff.

52. Because of the above-cited political consideration, a significant number of LGU leaders do not extend adequate support to the proper conduct of PISs. Much of the LGU support in usage of PISs, if any, is superficial, often merely to comply with minimum requirements of national government. The result is erratic implementation of the systems and ineffective utilization of the information generated by these.

53. Performance information in the form and coverage expected, have limited influence on voting behavior. Only a few of the LGUs surveyed regularly disseminate the results of the PISs they are using. Hence, voting behavior is hardly influenced by this information. The voting public's preference on candidate's personality over leadership and management style, or level of accomplishment or track record reflects the people's lack of political maturity. While this is largely the case, the performance information is often manipulated, eliminating or downplaying its negative elements, and selectively disseminated in various forms to cater to different audiences. Such information is used, for example, in an LGU's regular newsletter and radio programs, but mainly in a "diluted" form mainly for public relations purposes.

54. Limited assistance from national government agencies concerned to encourage and educate LGUs on the significance and use of the performance criteria has, in a way, caused the improper and/or inadequate use of PISs. Some LGUs view PISs as politically threatening, while some see them as additional workload and expense. In addition, the inadequate national government support on PIS usage is reflected in their limited and often long-delayed feedback on PIS results.

55. Most LGUs share common experiences with regard to use of PISs. Their general suggestions to further improve the effectiveness of these performance measurement systems are similar to the recommendations of the interviewed representatives from some national government agencies. The recommendations of respondents are as follows:

(i) **Institutionalize use of performance appraisal by relating it directly to LGU plans, programs and budgets.** Convergence of performance evaluation and local legislation activities will ensure that implementation of PISs will not be put to waste, rather PIS results may be used to actually determine the LGUs needs and capacities. Thus, information will guide decision-makers in the crucial stages of planning, programming and budgeting and help them craft responsive measures to address local concerns/issues.

(ii) **Promote wider appreciation and use of performance indicator systems among elected officials, especially the local chief executive.** It is important to promote and educate stakeholders on the value and proper use of PISs because it is key to PISs' sustained implementation. Local authorities must be properly educated and informed on the significance and methodology of performance measurement to win their support and patronage, and to enable the system to generate accurate results. Once stakeholders have a good appreciation of the PISs, awareness and interest on good performance will follow suit.

(iii) **Consider the locality's needs and capacities.** Performance indicators must be developed or modified to fit the particular circumstances of different categories of LGUs (i.e., income class, geographic characteristic, economic base, etc.). Also, local and central government functions must be clearly defined so that LGU performance evaluation must only be confined with devolved functions.

(iv) **Strengthen the capacity of LGU staff in implementing performance indicator systems.** Aside from information campaign/training of local government officials and employees in the significance and proper usage of PISs, some financial support may be given to LGUs, especially low-income rural localities to enable them to afford a wide coverage and accurate PIS implementation.

(v) **Institutionalize feedback mechanism and establish a system of reward and recognition for effective use of performance indicator systems through regular public consultation.** Comments of national government agencies concerned are important in ensuring the proper and sustained use of PISs. A feedback process may encourage good local performance with incentives and discourage bad local performance with disincentives, and raise awareness of non-participating LGUs and motivate participating LGUs to achieve better results through information dissemination (e.g., circulate locally and nationally published results of the performance assessment).

V. SUMMARY OF COMPARISON BETWEEN PERFORMANCE INDICATOR SYSTEMS USED LOCALLY AND ABROAD

56. The Study reviewed some performance indicator systems used abroad which promote exchange of ideas and updates on local performance between the government and the public, and development of strong database for local service delivery improvements. Such performance indicator systems reviewed in the Study are composed of citizen polls, benchmarking, corporate plans, and programs initiated by funding agencies (See Appendix VIII). These PISs came from the following towns and countries, and institutions: Metropolitan Melbourne, Australia (i.e., Environmental Indicators for Metropolitan Melbourne, Customer Satisfaction Survey and City Perceptions Monitor); Wollongong City, Australia (i.e., Corporate Plan 1997-2000); Metropolitan King Country, Washington, U.S.A (i.e., Benchmark Task Force Report); Carlton City, Iowa, U.S.A. (i.e., All Purpose, Generic Citizen Survey); Tucson City, Arizona, U.S.A. (i.e., Livable Tucson Vision Program); Colombo City, Sri Lanka (i.e., Poverty Profile); Penang, Malaysia (i.e., The Sustainable Penang Initiative); United Nations for Human Settlements (i.e., Sustainable Cities Programme); His Majesty's Government of Nepal and the Federal Republic of Germany (i.e., The Urban Development Through Local Efforts Programme or UDLE); United Nations Development Programme (i.e., the Urban Governance Initiative or TUGI); World Health Organization (i.e., The Healthy Cities Project); and Cities Alliance and United Nations for Human Settlements (i.e., China City Development Strategy Performance Indicators or CDS).

57. Compared with systems used abroad, locally developed performance measurement systems tend to employ numerous indicators to fulfill a wide-range of purposes which allow users to see the entirety of the LGU's accomplishments and performance. The systems' comprehensive nature assists varied stakeholders in their specific functions and operations. Regrettably, some of the indicators introduced to LGUs are not reflective of the specific circumstances and needs of the local government. Furthermore, some of the data required are not available at the local level. In response to this situation, some innovative LGUs have created their own performance criteria suited to their locality by improving the current systems prescribed by national government agencies, and have adopted some indicators of performance measurement systems used abroad.

58. The foreign performance measurement systems reviewed in this Study are primarily from developed countries or initiated by multilateral or bilateral institutions. Most, if not all, of the performance assessment used abroad undergo various institutionalized consultative processes and require participation and partnership of key local stakeholders, namely the local government, civil society and the private sector. Also, the foreign performance indicator systems promote the bottom-up approach to encourage the participation of the public and ensure their support and usage of the systems. In addition, most of the foreign performance assessment systems mentioned are integral to citizen satisfaction surveys, giving premium to people's opinion and thus promoting development planning and management strategies responsive to the locality's needs. Furthermore, computations and derivation of results seem to be simple and easy because most of the performance evaluation methods used abroad are descriptive in nature. Various stakeholders draw interest on the systems due to their ease of reference brought about by the simplicity of their documentation.

59. It is evident that the performance indicator systems used locally and abroad generally differ from each other due to several reasons, such as (i) disparity in the budget allocated or funding support for such activities, (ii) difference in the level of local autonomy and appreciation of the functions of a decentralized government, (iii) contrast in the level of political maturity that influences the usage and support of performance criteria at the local level, and (iv) varied needs and composition of local and foreign local governments. For example, the systems used abroad, particularly the citizen satisfaction surveys, strongly recognize the significance and impact of transportation and traffic management, and environmental protection and management in the locality compared with locally used systems. Perhaps, the developed countries have somehow reached the satisfactory level in some areas; for example, education and health facilities, and therefore have more opportunity to focus on other important aspects of the local government (i.e., transportation and traffic management, and environmental protection and management).

VI. EVALUATION OF THE EFFECTIVENESS/USEFULNESS OF PERFORMANCE INDICATOR SYSTEMS USED AT THE LOCAL LEVEL

A. Commonly Used Performance Indicator Systems

60. The Study indicates that there are 35 performance indicator systems used by LGUs. However, 28 of these are used by only an LGU each. The six commonly used PISs are the Minimum Basic Needs (MBN), Local Productivity and Performance Measurement System (LPPMS), Performance Evaluation System (PES), Local Governance Performance Management System (LGPMS), Population Development Indicators (POPDEV), and Integrated Rural Accessibility Program (ILO-IRAP. The most widely used PIS among these six are the MBN and the LPPMS (see Figure 4.2a).

61. The PES was not included in the evaluation of usefulness to the LGUs since it only measures the performance of government employees. Therefore, it does not assess the total performance of an LGU in terms of pro-poor objectives and quality of facilities provided, to name a few.

B. Different Types of Data/Indicators

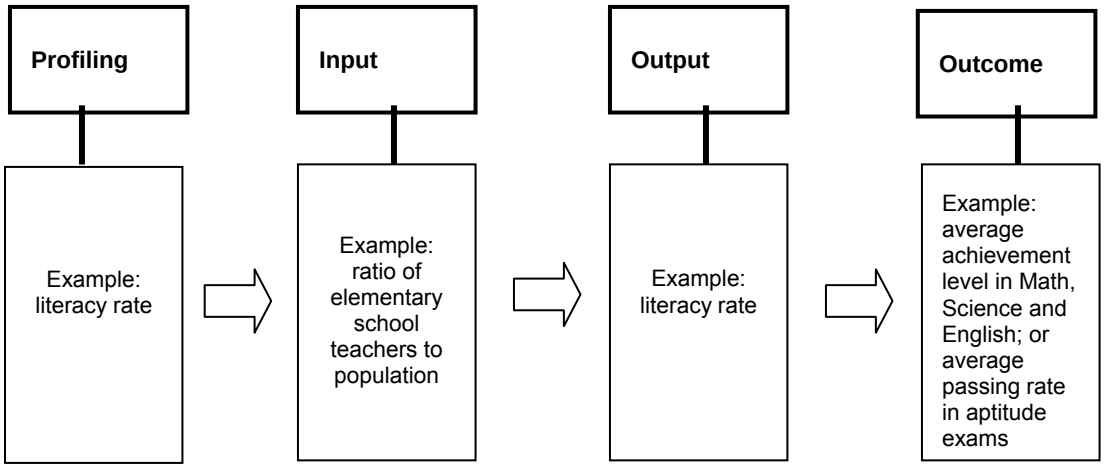
62. Indicators can be classified into different types depending on the nature and usage of the indicator (see Figure 6.1). These different types are profiling, input, output, and outcome

indicators. However, some indicators can be classified in more than one type. A profiling indicator can serve as an output or outcome indicator in subsequent measurement periods.

63. Profiling reflects the situation and characteristics of the LGU and provides a sound basis for determining gaps, problems, issues, weaknesses, and strengths. Profiling indicators serve as baseline data which provide a benchmark for subsequent measurement and analysis. Examples of profiling are (i) number of health centers in the locality, (ii) total number of school age population, (iii) number of employees in local public information office, and (iv) number of employees in local treasury office.

64. Input indicators are parameters measured against mandated standards and requirements. These parameters are basic minimum requirements which guide LGUs in providing adequate services and facilities. These are indicators which show the quantity of services, programs and facilities, such as ratio of public health workers to population, ratio of teachers to population, effective systems and mechanisms for making information available to citizens and effective guidelines, systems and structures for accounting, internal control and procurement.

Figure 6.1 Sample Profiling Datum, Input, Output, and Outcome Indicators



Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Evaluation of Indicator Systems.* Unpublished.

65. Output indicators are the result of inputs provided by the LGU. These indicators measure the ability of LGUs to satisfy and achieve national and/or local objectives. These indicators aim to measure the quality of the services, programs and facilities provided by the LGUs such as percentage of pregnant women given prenatal care, percentage of children immunized, elementary and secondary school enrollment rate, presence of performance billboard, and presence of certified financial statements.

66. Outcome indicators measure the impact of services and facilities provided by the LGU on the citizenry. These indicators determine the effectiveness of LGU services and programs in providing an improvement in the quality of life of the citizens. Examples of these are (i) healthy citizens as shown by decrease in mortality rate, (i) educated citizens as illustrated by secondary graduation rates, (iii) decrease in proportion of non-owner households to total households, (iv) lower crime rate, and (v) lower unemployment rate.

67. Output and outcome indicators can also be used as profiling indicators as well since these indicators provide the new benchmarks against which performance can be subsequently measured.

C. Evaluation of the Five Performance Indicator Systems

68. The five most commonly used PISs were evaluated in terms of (i) type of data/indicators in each of the system, and (ii) quality or effectiveness of each system. Firstly, data/indicators in each system were categorized by type (i.e., profiling data, or input, output, or outcome indicators). Classification of the five most commonly used PISs by typology of data/indicators shows how distinctly different each system is in terms of its specific thrusts/purposes by the kind of information they require. On the other hand, the second assessment shows the strengths and weaknesses of each system based from a set of criteria which evaluates the usefulness and quality of each PIS as a system of local performance measurement.

69. The five most commonly used PIS, composed of MBN, ILO-IRAP, POPDEV, LGPMS, and LPPMS have their respective thrusts/purposes. The major features of each PISs are as follows:

- **MBN** – concerned with the presence of basic services and facilities, and their impacts on residents; allows LGUs to identify the barangays which are lacking or needing improvements on certain services and facilities; includes types/kinds of services and facilities provided in the locality (i.e., social sector: education, health and nutrition, safety, sports and recreation, housing, culture, and basic demographic profile; built and natural environment sector: transport, water supply, power supply, road and drainage, information and communications; and waste management and pollution control; and economic sector: agriculture and fishery, income and employment, and business enterprises and services).

- **ILO-IRAP** – concerned with the accessibility of services and facilities in various sectors specifically in the rural areas (i.e., social sector: education, health and nutrition, and basic demographic profile; built and natural environment: transport; water supply, and power supply; and economic sector: agriculture and fishery, income and employment, and business enterprises and services).

- **POPDEV** – concerned with the socioeconomic characteristics of the demography covering social sector: education, health and nutrition, safety, housing, and basic demographic profile; built and natural environment: water supply, and road and drainage; and economic sector: income and employment.

- **LGPMS** – self-assessment system concerned with measuring multisectoral impact and effectiveness of LGU services, facilities, projects, plans, programs and policies with emphasis on good governance (i.e., social sector: education, health and nutrition, safety, and housing; built and natural environment: waste management and pollution control and natural resource management; economic sector: agriculture and fishery, income and employment, and business enterprises and services; and institutional sector: financial accountability, transparency, public participation, equity, local legislation, development planning,

revenue generation, revenue allocation and utilization, human capital management and development, and service orientation).

- **LPPMS** – self-assessment system concerned with measuring multisectoral impact and presence of LGU services, facilities, projects, plans, programs and policies (i.e., social sector: education, health and nutrition, safety, and sports and recreation; built and natural environment: transport, power supply, road and drainage, information and communications, waste management and pollution control and natural resource management; economic sector: agriculture and fishery, income and employment, and business enterprises and services; and institutional sector: financial accountability, transparency, public participation, equity, local legislation, development planning, revenue generation, and revenue allocation and utilization).

70. The first evaluation is the categorization by typology of data/indicator, wherein it showed that three of the PISs (i.e., MBN, ILO-IRAP and POPDEV) are predominantly profiling indicators, while two (LPPMS and LGPMS) are combinations of input, output and outcome indicators. However, there are more input and output indicators than outcome indicators (see Table 4).

Table 4: Number and Type of Data/Indicators in Systems

Performance Indicator Systems (PISs)	Specific Thrust/ Purpose	Profiling Data	Input Indicators	Output Indicators	Outcome Indicators
MBN	assess presence of basic services and facilities and their impacts on residents	160 (approx.)	0	0	0
ILO-IRAP	Assess accessibility of facilities and services, especially in the primary sector	71 (approx.)	0	0	0
POPDEV	Assess socioeconomic characteristics of the demography	24 (approx.)	0	0	0
LGPMS	self-assess LGU performance by measuring multisectoral impact and effectiveness of services, facilities, plans, projects, programs, policies with emphasis on good governance	0	46	51	25
LPPMS	self-assess LGU performance by measuring multisectoral	0	40	21	35

	impact and presence of services, facilities, projects, plans, programs, policies, as well as good governance and administration				

Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Evaluation of Indicator Systems.* Unpublished.

71. The following are the detailed observations and insights on the data/indicators utilized at the local level:

Observation 1. Profiling indicators are basically associated with the locality's demography and are composed of a wide variety of sectoral indicators (i.e., percentage of population served by piped water, mortality rate, literacy rate, etc.). Ideally, it is useful to conduct surveys of this kind annually (i.e., ILO-IRAP, MBN, POPDEV, etc.). In addition, data collection for profiling should be co-terminus with elected local officials' term of office (every 3 years) since the information collected may serve as a benchmark, and later on used for assessment of the local leaders' administration.

72. **Observation 2.** Measurement of input indicators, to evaluate the performance of LGUs in providing the necessary services and facilities required by law or national government agencies, may be done every year in a 3-year period through: assessment of increments of improvements or declines in service delivery and pro-poor objectives; and/or number of plans, projects, and programs implemented related to service delivery and pro-poor objectives. Unlike profiling, measurement of input indicators requires less resources (i.e., time and manpower) because these may be done internally by local government staff within the various departments of the LGU and does not need household survey for data collection. Thus, it is less costly. Also, measurement of input indicators should be done alongside accomplishment reports submitted by various departments every year because majority of the data required by measurement of input indicators are provided in accomplishment reports.

73. **Observation 3.** Measurement of output indicators may actually be done through conduct of profiling on the third year to assess the capability of the LGU to provide basic services and facilities to its constituents.

74. **Observation 4.** Measurement of outcome indicators may be done through evaluation of the output indicators to assess the quality of interventions of LGUs in the improvement of its constituents' quality of life (i.e., service and facilities provided to the public) every 3 years.

75. The second assessment is the Evaluation Matrix, which is composed of a set of criteria that evaluate the usefulness of the performance indicator systems (see Tables 6.2 to 6.6 in the succeeding pages). The PISs being evaluated are still the ones most commonly used (i.e., MBN, ILO-IRAP, POPDEV, LGPMS, and LPPMS). The criteria used was influenced by the CREAM test of Schiavo-Campo and Tommasi (1999), a criteria designed to assess effectiveness of performance indicators (Philippine Journal of Public Administration Vol. XLV 2001). The CREAM. test stands for the following: "C" – clear; "R" relevant; "E" – economic; "A" – adequate; and "M" – monitorable. However, an alteration on the variables in the CREAM test

was made to suit the requirements of the Study, which is to evaluate the performance indicator systems (and not performance indicators alone).

76. The logic behind comparing the information on the data/indicators of each PISs with both the requirements of their specific thrust/purpose and the requirements as a local performance measurement per se is to show the disparity in their information requirements, and therefore, usage of such methodologies must not be loosely interchanged. The inclusion of the assessment of the PISs' comprehensiveness was deemed appropriate to ensure that all sectors of development management and planning, i.e., social, economic, built and natural environment, and institutional sectors were considered. The criterion "comprehensiveness" evaluates the coverage and completeness of the PIS' basic objectives/specific items measured.

77. The effectiveness and usefulness of the basic objectives/specific items measured of the five PISs are evaluated by the following criteria: clarity, relevance, adequacy and comprehensiveness. On the other hand, the actions required from LGUs to execute PISs reflect the ease of implementation of the PISs, thus the PISs' is considered easy to implement if it is economical and monitorable.

78. The identification of a set of simple and general subsectors was made to determine the ideal composition of each sector mentioned earlier. The subsectors identified in the Study are a combination of the various PISs reviewed. The subsectors particularly in the institutional sector were based from the LGPMS and LPPMS of DILG. Firstly, for social sector, the following subsectors are: education, health and nutrition, safety, sports and recreation, housing, and culture. Secondly, for built and natural environment, the subsectors are: transport, water supply, power supply, road and drainage, waste management and pollution control, and natural resource management. Thirdly, for local economic development, the subsectors included are: agriculture and fishery, business enterprises and services, income and employment. Lastly, for institutional sector, the subsectors are: financial accountability, transparency, participation, equity, local legislation, development planning, revenue generation, revenue allocation and utilization, human resource capital management and development, and customer service.

Table 5: MBN Evaluation Matrix

PIS	THRUST/ PURPOSE	Social Develop-ment	C	R1	R2	A1	A2	Built and Natural Environment	C	R1	R2	A1	A2	Local Economic Development	C	R1	R2	A1	A2	Institutional Development	C	R1	R2	A1	A2	ACTIONS REQUIRED FROM LGUs	E	M	OVERALL RATING	REMARKS
MBN	* assess presence of basic services and facilities, and their impacts on residents	Education	5	5	5	5	5	Transport	5	5	5	5	2	Agriculture and Fishery	4	5	5	3	2	Financial Accountability	0	0	0	0	0	* ideally, conduct of annual household surveys to evaluate efficiency and effective-ness of services and facilities with regard to provision of needs of residents	2	5	3.20	good but needs a little enhancement
		Health and Nutrition	5	5	5	5	5	Water Supply	5	5	5	5	5	Income and Employment	5	5	5	5	5	Transparency	0	0	0	0	0					
		Safety	5	5	5	5	2	Power Supply	5	5	5	5	4	Business Enterprises and Services	5	5	5	4	1	Public Participation	0	0	0	0	0					
		Sports and Recreation	5	5	5	5	5	Road and Drainage	3	5	5	3	2							Equity	0	0	0	0	0					
		Housing	4	5	5	5	2	Information and Communica-Tions	5	5	5	5	2							Local Legislation	0	0	0	0	0					
		Culture	5	5	5	5	4	Waste Management and Pollution Control	5	5	5	5	2							Development Planning	0	0	0	0	0					
		Population	0	0	0	0	0	Natural Resource Management	0	0	0	0	0							Revenue Generation	0	0	0	0	0					
																				Revenue Allocation and Utilization	0	0	0	0	0					
																				Human Capital Management and Development	0	0	0	0	0					
																				Service Orientation	0	0	0	0	0					
	* type of data: profiling	Criterion Average	4.8	5.0	5.0	5.0	3.8	Criterion Average	4.7	5.0	5.0	4.7	2.8	Criterion Average	4.7	5.0	5.0	4.0	2.7	Criterion Average	0	0	0	0	0					
		Sector Average	4.5					Sector Average	4.2					Sector Average	4.1					Sector Average	0.0									
		Comprehen-siveness	4.4					Comprehen-siveness	4.1					Comprehen-siveness	4.1					Comprehen-siveness	-1.0									

LEGEND OF CRITERIA

C	clarity
R1	relevance to specific thrust/purpose
R2	relevance to local performance measurement
E	economical
A1	adequacy in reference to thrust/purpose
A2	adequacy in reference to local performance measurement
M	monitorable
Compre-hensive-ness	completeness; multisectoral coverage

SCORING FOR CLARITY, RELEVANCE 1 & 2, ECONOMICAL AND MONITORABLE: EVALUATION OF INTERNAL DATA/INDICATORS (INFORMATION REQUIRED IN THE FIVE PISs) BY EACH CRITERION

5	100% of contents
4	75%-99% of contents
3	50%-74% of contents
2	25%-49% of contents
1	1%-24% of contents
0	no contents

SCORING FOR ADEQUACY 1 & 2: COMPARISON BETWEEN INTERNAL DATA/INDICATORS (INFORMATION REQUIRED IN THE FIVE PISs) AGAINST EXTERNAL DATA/INDICATORS (INFORMATION REQURIED FROM OTHER PISs WITH SIMILAR THRUST/PURPOSE)

5	100% of contents
4	75%-99% of contents
3	50%-74% of contents
2	25%-49% of contents
1	1%-24% of contents
0	no contents

SCORING FOR COMPREHENSIVENESS: EVALUATION OF COVERAGE OR COMPLETENESS OF PISs' BASIC OBJECTIVES/SPECIFIC ITEMS MEASURED

5	100% of contents
4	75%-99% of contents
3	50%-74% of contents
2	25%-49% of contents
1	1%-24% of contents
0	no contents

EQUIVALENT REMARKS FOR OVERALL RATING

excellent	5.00
very good, has potential to be better	4.00-4.99
good, but needs a little enhancement	3.00-3.99
needs improvement	2.00-2.99
needs a lot of improvement	1.00-1.99
not suitable for measuring local performance	0.00

Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Evaluation of Indicator Systems.* Unpublished.

Table 6: ILO-IRAP Evaluation Matrix

PIS	THRUST/ PURPOSE	Social Develop-ment	C	R1	R2	A1	A2	Built and Natural Environment	C	R1	R2	A1	A2	Local Economic Development	C	R1	R2	A1	A2	Institutional Development	C	R1	R2	A1	A2	ACTIONS REQUIRED FROM LGUs	E	M	OVERALL RATING	REMARKS
ILO-IRAP	* assess accessi-bility of facilities and services, especially in primary industry	Education	5	5	5	5	2	Transport	5	5	5	5	5	Agriculture and Fishery	4	5	5	5	5	Financial Accountability	0	0	0	0	0	* ideally, conduct of more detailed annual (or more frequent_ household surveys, specifically in rural areas to capture profile of residents; determine accessi-bility of facilities and service, particularly in the primary sector; and assess needs of residents	1	5	2.90	needs improvement
		Health and Nutrition	5	5	5	5	3	Water Supply	5	5	5	5	5	Income and Employment	5	5	5	5	5	Transparency	0	0	0	0	0					
		Safety	0	0	0	0	0	Power Supply	5	5	5	5	2	Business Enterprises and Services	5	5	5	5	1	Public Participation	0	0	0	0	0					
		Sports and Recreation	0	0	0	0	0	Road and Drainage	0	0	0	0	0							Equity	0	0	0	0	0					
		Housing	0	0	0	0	0	Information and Communica-Tions	0	0	0	0	0							Local Legislation	0	0	0	0	0					
		Culture	0	0	0	0	0	Waste Management and Pollution Control	0	0	0	0	0							Development Planning	0	0	0	0	0					
		Population	5	5	5	5	2	Natural Resource Management	0	0	0	0	0							Revenue Generation	0	0	0	0	0					
																				Revenue Allocation and Utilization	0	0	0	0	0					
																				Human Capital Management and Development	0	0	0	0	0					
																				Service Orientation	0	0	0	0	0					
	* type of data: profiling	Criterion Average	5.0	5.0	5.0	5.0	2.3	Criterion Average	5.0	5.0	5.0	5.0	4.0	Criterion Average	4.7	5.0	5.0	5.0	3.7	Criterion Average	0	0	0	0	0					
		Sector Average	4.1					Sector Average	4.7					Sector Average	4.5					Sector Average	0.0									
		Comprehen-siveness	3.5					Comprehen-siveness	4.1					Comprehen-siveness	4.5					Comprehen-siveness	-1.0									

LEGEND OF CRITERIA

C	clarity
R1	relevance to specific thrust/purpose
R2	relevance to local performance measurement
E	economical
A1	adequacy in reference to thrust/purpose
A2	adequacy in reference to local performance measurement
M	monitorable
Compre-hensive-ness	completeness; multisectoral coverage

SCORING FOR CLARITY, RELEVANCE 1 & 2, ECONOMICAL AND MONITORABLE: EVALUATION OF INTERNAL DATA/INDICATORS (INFORMATION REQUIRED IN THE FIVE PISs) BY EACH CRITERION

5	100% of contents
4	75%-99% of contents
3	50%-74% of contents
2	25%-49% of contents
1	1%-24% of contents
0	no contents

SCORING FOR ADEQUACY 1 & 2: COMPARISON BETWEEN INTERNAL DATA/INDICATORS (INFORMATION REQUIRED IN THE FIVE PISs) AGAINST EXTERNAL DATA/INDICATORS (INFORMATION REQURIED FROM OTHER PISs WITH SIMILAR THRUST/PURPOSE)

5	100% of contents
4	75%-99% of contents
3	50%-74% of contents
2	25%-49% of contents
1	1%-24% of contents
0	no contents

SCORING FOR COMPREHENSIVENESS: EVALUATION OF COVERAGE OR COMPLETENESS OF PISs' BASIC OBJECTIVES/SPECIFIC ITEMS MEASURED

5	100% of contents
4	75%-99% of contents
3	50%-74% of contents
2	25%-49% of contents
1	1%-24% of contents
0	no contents

EQUIVALENT REMARKS FOR OVERALL RATING

excellent	5.00
very good, has potential to be better	4.00-4.99
good, but needs a little enhancement	3.00-3.99
needs improvement	2.00-2.99
needs a lot of improvement	1.00-1.99
not suitable for measuring local performance	0.00

Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Evaluation of Indicator Systems.* Unpublished.

Table 7: POPDEV Evaluation Matrix

PIS	THRUST/ PURPOSE	Social Development	C	R1	R2	A1	A2	Built and Natural Environment	C	R1	R2	A1	A2	Local Economic Development	C	R1	R2	A1	A2	Institutional Development	C	R1	R2	A1	A2	ACTIONS REQUIRED FROM LGUs	E	M	OVERALL RATING	REMARKS
POPDEV	* assess socioeconomic characteristics of the demo-graphy	Education	5	5	5	5	2	Transport	0	0	0	0	0	Agriculture and Fishery	0	0	0	0	0	Financial Accountability	0	0	0	0	0	* ideally, conduct of annual household surveys to capture profile of residents and assess their needs	2	5	2.90	needs improvement
		Health and Nutrition	5	5	5	5	3	Water Supply	5	5	5	5	2	Income and Employment	5	5	5	4	2	Transparency	0	0	0	0	0					
		Safety	5	5	5	3	1	Power Supply	0	0	0	0	0	Business Enterprises and Services	0	0	0	0	0	Public Participation	0	0	0	0	0					
		Sports and Recreation	0	0	0	0	0	Road and Drainage	5	5	5	5	1							Equity	0	0	0	0	0					
		Housing	5	5	5	5	1	Information and Communica-tions	0	0	0	0	0							Local Legislation	0	0	0	0	0					
		Culture	0	0	0	0	0	Waste Management and Pollution Control	0	0	0	0	0							Development Planning	0	0	0	0	0					
		Population	5	5	5	2	2	Natural Resource Management	0	0	0	0	0							Revenue Generation	0	0	0	0	0					
																				Revenue Allocation and Utilization	0	0	0	0	0					
																				Human Capital Management and Development	0	0	0	0	0					
																				Service Orientation	0	0	0	0	0					
	* type of data: profiling	Criterion Average	5.0	5.0	5.0	4.0	1.8	Criterion Average	5.0	5.0	5.0	5.0	1.5	Criterion Average	5.0	5.0	5.0	4.0	2.0	Criterion Average	0	0	0	0	0					
		Sector Average	3.9					Sector Average	3.8					Sector Average	4.0					Sector Average	0.0									
		Comprehen-siveness	3.6					Comprehen-siveness	3.1					Comprehen-siveness	3.3					Comprehen-siveness	-1.0									

LEGEND OF CRITERIA

C	clarity
R1	relevance to specific thrust/purpose
R2	relevance to local performance measurement
E	economical
A1	adequacy in reference to thrust/purpose
A2	adequacy in reference to local performance measurement
M	monitorable
Compre-hensive-ness	completeness; multisectoral coverage

SCORING FOR CLARITY, RELEVANCE 1 & 2, ECONOMICAL AND MONITORABLE: EVALUATION OF INTERNAL DATA/INDICATORS (INFORMATION REQUIRED IN THE FIVE PISs) BY EACH CRITERION

5	100% of contents
4	75%-99% of contents
3	50%-74% of contents
2	25%-49% of contents
1	1%-24% of contents
0	no contents

SCORING FOR ADEQUACY 1 & 2: COMPARISON BETWEEN INTERNAL DATA/INDICATORS (INFORMATION REQUIRED IN THE FIVE PISs) AGAINST EXTERNAL DATA/INDICATORS (INFORMATION REQURIED FROM OTHER PISs WITH SIMILAR THRUST/PURPOSE)

5	100% of contents
4	75%-99% of contents
3	50%-74% of contents
2	25%-49% of contents
1	1%-24% of contents
0	no contents

SCORING FOR COMPREHENSIVENESS: EVALUATION OF COVERAGE OR COMPLETENESS OF PISs' BASIC OBJECTIVES/SPECIFIC ITEMS MEASURED

5	100% of contents
4	75%-99% of contents
3	50%-74% of contents
2	25%-49% of contents
1	1%-24% of contents
0	no contents

EQUIVALENT REMARKS FOR OVERALL RATING

excellent	5.00
very good, has potential to be better	4.00-4.99
good, but needs a little enhancement	3.00-3.99
needs improvement	2.00-2.99
needs a lot of improvement	1.00-1.99
not suitable for measuring local performance	0.00

Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Evaluation of Indicator Systems.* Unpublished.

Table 8: LGPMS Evaluation Matrix

PIS	THRUST/ PURPOSE	Social Development	C	R1	R2	A1	A2	Built and Natural Environment	C	R1	R2	A1	A2	Local Economic Development	C	R1	R2	A1	A2	Institutional Development	C	R1	R2	A1	A2	ACTIONS REQUIRED FROM LGUs	E	M	OVERALL RATING	REMARKS
LGPMS	* self-assess LGU performance by measuring multisectoral impact and effectiveness/ quality of services, facilities, projects, plans, programs and policies, with emphasis on good governance and administration (e.g., people participation, equity, service orientation & human capital development, etc.)	Education	5	5	5	3	3	Transport	0	0	0	0	0	Agriculture and Fishery	5	5	5	4	4	Financial Accountability	5	5	5	5	5	* ideally, use of Annual Accomplishment Reports and annual data collection in various departments/ offices in the local government to measure responsiveness, effectiveness/ quality and efficiency of local government activities; and conduct of annual household surveys to capture profile of residents and assess their needs	3	5	4.10	very good, has potential to be better
		Health and Nutrition	5	5	5	3	3	Water Supply	0	0	0	0	0	Income and Employment	5	5	5	2	2	Transparency	5	5	5	4	4					
		Safety	5	5	5	3	3	Power Supply	0	0	0	0	0	Business Enterprises and Services	5	5	5	3	3	Public Participation	5	5	5	5	5					
		Sports and Recreation	0	0	0	0	0	Road and Drainage	0	0	0	0	0							Equity	5	5	5	5	5					
		Housing	5	5	5	3	3	Information and Communications	0	0	0	0	0							Local Legislation	5	5	5	5	5					
		Culture	0	0	0	0	0	Waste Management and Pollution Control	5	5	5	3	3							Development Planning	5	5	5	4	4					
		Population	0	0	0	0	0	Natural Resource Management	5	5	5	4	4							Revenue Generation	5	5	5	4	4					
																				Revenue Allocation and Utilization	5	5	5	5	5					
																				Human Capital Management and Development	5	5	5	5	5					
																				Service Orientation	5	5	5	5	5					
	* type of data: input, output and outcome indicators	Criterion Average	5.0	5.0	5.0	3.0	3.0	Criterion Average	5.0	5.0	5.0	3.5	3.5	Criterion Average	5.0	5.0	5.0	3.0	3.0	Criterion Average	5.0	5.0	5.0	4.7	4.7					
		Sector Average	4.3					Sector Average	4.5					Sector Average	4.3					Sector Average	4.9									
		Comprehensiveness	3.9					Comprehensiveness	3.8					Comprehensiveness	4.3					Comprehensiveness	4.9									

LEGEND OF CRITERIA

C	clarity
R1	relevance to specific thrust/purpose
R2	relevance to local performance measurement
E	economical
A1	adequacy in reference to thrust/purpose
A2	adequacy in reference to local performance measurement
M	monitorable
Comprehensiveness	completeness; multisectoral coverage

SCORING FOR CLARITY, RELEVANCE 1 & 2, ECONOMICAL AND MONITORABLE: EVALUATION OF INTERNAL DATA/INDICATORS (INFORMATION REQUIRED IN THE FIVE PISs) BY EACH CRITERION

5	100% of contents
4	75%-99% of contents
3	50%-74% of contents
2	25%-49% of contents
1	1%-24% of contents
0	no contents

SCORING FOR ADEQUACY 1 & 2: COMPARISON BETWEEN INTERNAL DATA/INDICATORS (INFORMATION REQUIRED IN THE FIVE PISs) AGAINST EXTERNAL DATA/INDICATORS (INFORMATION REQURIED FROM OTHER PISs WITH SIMILAR THRUST/PURPOSE)

5	100% of contents
4	75%-99% of contents
3	50%-74% of contents
2	25%-49% of contents
1	1%-24% of contents
0	no contents

SCORING FOR COMPREHENSIVENESS: EVALUATION OF COVERAGE OR COMPLETENESS OF PISs' BASIC OBJECTIVES/SPECIFIC ITEMS MEASURED

5	100% of contents
4	75%-99% of contents
3	50%-74% of contents
2	25%-49% of contents
1	1%-24% of contents
0	no contents

EQUIVALENT REMARKS FOR OVERALL RATING

excellent	5.00
very good, has potential to be better	4.00-4.99
good, but needs a little enhancement	3.00-3.99
needs improvement	2.00-2.99
needs a lot of improvement	1.00-1.99
not suitable for measuring local performance	0.00

Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Evaluation of Indicator Systems.* Unpublished.

Table 9: LPPMS Evaluation Matrix

PIS	THRUST/ PURPOSE	Social Develop-ment	C	R1	R2	A1	A2	Built and Natural Environment	C	R1	R2	A1	A2	Local Economic Development	C	R1	R2	A1	A2	Institutional Development	C	R1	R2	A1	A2	ACTIONS REQUIRED FROM LGUs	E	M	OVERALL RATING	REMARKS
LPPMS	* self - assess LGU perform-ance by measuring multisectoral impact and presence/ number of services, facilities, projects, plans, programs and policies, as well as good governance and adminis-tration	Education	5	5	5	4	3	Transport	5	5	5	2	1	Agriculture and Fishery	5	5	5	1	1	Financial Accountability	5	5	5	4	3	* ideally, use of Annual Accom-plishment Reports and annual data collection in various depart-ments/ offices in the local government to assess presence of local government services, facilities, activities, etc.; and conduct of annual household surveys to capture profile of residents and assess their needs	3	5	3.90	good but needs a little enhancement
		Health and Nutrition	5	5	5	2	1	Water Supply	0	0	0	0	0	Income and Employment	5	5	5	2	2	Transparency	5	5	5	5	4					
		Safety	5	5	5	4	3	Power Supply	5	5	5	2	1	Business Enterprises and Services	5	5	5	2	1	Public Participation	0	0	0	0	0					
		Sports and Recreation	5	5	5	1	1	Road and Drainage	5	5	5	3	1							Equity	0	0	0	0	0					
		Housing	0	0	0	0	0	Information and Communica-tions	5	5	5	2	1							Local Legislation	5	5	5	5	5					
		Culture	0	0	0	0	0	Waste Management and Pollution Control	5	5	5	3	2							Development Planning	5	5	5	5	4					
		Population	0	0	0	0	0	Natural Resource Management	5	5	5	1	1							Revenue Generation	5	5	5	5	4					
																				Revenue Allocation and Utilization	5	5	5	3	3					
																				Human Capital Management and Development	0	0	0	0	0					
																				Service Orientation	0	0	0	0	0					
	* type of data: input, output and outcome indicators	Criterion Average	5.0	5.0	5.0	2.8	2.0	Criterion Average	5.0	5.0	5.0	2.2	1.2	Criterion Average	5.0	5.0	5.0	1.7	1.3	Criterion Average	5.0	5.0	5.0	4.5	3.8					
		Sector Average	4.0					Sector Average	3.7					Sector Average	3.8					Sector Average	4.6									
		Comprehen-siveness	3.6					Comprehen-siveness	3.6					Comprehen-siveness	3.8					Comprehen-siveness	4.2									

LEGEND OF CRITERIA

C	clarity
R1	relevance to specific thrust/purpose
R2	relevance to local performance measurement
E	economical
A1	adequacy in reference to thrust/purpose
A2	adequacy in reference to local performance measurement
M	monitorable
Compre-hensive-ness	completeness; multisectoral coverage

SCORING FOR CLARITY, RELEVANCE 1 & 2, ECONOMICAL AND MONITORABLE: EVALUATION OF INTERNAL DATA/INDICATORS (INFORMATION REQUIRED IN THE FIVE PISs) BY EACH CRITERION

5	100% of contents
4	75%-99% of contents
3	50%-74% of contents
2	25%-49% of contents
1	1%-24% of contents
0	no contents

SCORING FOR ADEQUACY 1 & 2: COMPARISON BETWEEN INTERNAL DATA/INDICATORS (INFORMATION REQUIRED IN THE FIVE PISs) AGAINST EXTERNAL DATA/INDICATORS (INFORMATION REQURIED FROM OTHER PISs WITH SIMILAR THRUST/PURPOSE)

5	100% of contents
4	75%-99% of contents
3	50%-74% of contents
2	25%-49% of contents
1	1%-24% of contents
0	no contents

SCORING FOR COMPREHENSIVENESS: EVALUATION OF COVERAGE OR COMPLETENESS OF PISs' BASIC OBJECTIVES/SPECIFIC ITEMS MEASURED

5	100% of contents
4	75%-99% of contents
3	50%-74% of contents
2	25%-49% of contents
1	1%-24% of contents
0	no contents

EQUIVALENT REMARKS FOR OVERALL RATING

excellent	5.00
very good, has potential to be better	4.00-4.99
good, but needs a little enhancement	3.00-3.99
needs improvement	2.00-2.99
needs a lot of improvement	1.00-1.99
not suitable for measuring local performance	0.00

Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Evaluation of Indicator Systems.* Unpublished.

79. Furthermore, another modification on the CREAM test was made to measure quantitatively and objectively the effectiveness of the PISs. A simple form of quantitative assessment was developed to address this need. Such quantitative assessment may not be the most accurate way of computing for the quality of PISs because of its simplicity, but it is able to satisfy the requirements of comparing data/indicators against the criteria identified earlier (i.e., "C – clear; "R1" – relevant to specific thrust/purpose; "R2" – relevant to local performance measurement; "A1" – adequate in reference to specific thrust/purpose; "A2" – adequant in reference to local performance measurement; "E" – economical; "M" – monitorable; and "comprehensiveness") because it allowed easy assessment of PISs, sectors and subsectors. It is recommended that a computation, such as this, be included in the assessment of performance indicators to generate impartial results, rather than skewed ones brought about by mere gut-feel.

80. The PISs ratings were computed in terms of the data/indicators' clarity; economic and monitorable characteristics; and relevance, adequacy, and comprehensiveness as local performance measurement systems and the following are the basis of ratings given: "0" – does not contain any data/indicators; "1" – 1–24% of data/indicators complied with the requirements of/satisfied the criterion; "2" – 25–49% of data/indicators complied with the requirements of/satisfied the criterion; "3" – 50–74% of data/indicators complied with the requirements of/satisfied the criterion; "4" – 75–99% of data/indicators complied with the requirements of/satisfied the criterion; and "5" – 100% of data/indicators complied with the requirements of/satisfied the criterion.

81. On the other hand, the overall rating evaluates PISs as whole, considering their clarity, relevance, adequacy, their economical and monitorable feature, and their comprehensiveness. The overall rating, therefore, is the basis for determining how useful and effective each of the five PISs being reviewed are, and has the following implications: "0" – set of data/indicators is not suitable for measuring local performance; "1" – set of data/indicators needs a lot improvement; "2" - set of data/indicators needs impvoement; "3" – set of data/indicators is good but needs some enhancement; "4" – set of data/indicators is very good and has potential to be better; and "5" – set of data/indicators is excellent in measuring performance at the local level. Below are the steps of the computation.

82. **Step 1: Compute for the Criterion Average.** The average rating per sector per criterion (criterion average) is computed by dividing the sum of each criterion to the number of subsectors with entries (subsectors with ratings 1–5). Subsectors with no entries (subsectors with rating 0) are not included in the computation because this will distort the final rating and the criteria clear, relevant, adequate, economical and monitorable cannot assess entries that do not exist anyway. Example: "C" clarity average of MBN's social development sector is computed as follows (see Evaluation Matrix also):

Social Development	**C**
Education	5
Health and Nutrition	5
Safety	5
Sports and Recreation	5

Housing	4
Culture	5
Population	0

a. Add ratings per subsector (do not include subsectors with rating 0)

   Add 5 (*Education*), 5 (*Health and Nutrition*), 5 (*Safety*), 5 (*Sports and Recreation*), 4 (*Housing*) and 5 (*Culture*) = 29

b. Divide sum by the number of subsectors with rating 1–5 to get average rating per sector per criterion

Divide 29 by 6 (*education, health and nutrition, safety, sports and recreation, and housing*) = 4.8

Average clarity rating of social development sector of MBN is 4.8.

83. **Step 2: Compute for the Sector Average.** The sector average is computed by dividing the sum of the average ratings of "C" clarity, "R2" relevance to local performance measurement, "A2" adequacy in reference to local performance measurement for each sector (social development, built and natural environment, local economic development and institutional development) by 3.

84. Example: Average of MBN's social development sector is computed as follows (see Evaluation Matrix also):

Criterion Average	**Social Development**				
	C	R1	R2	A1	A2
	4.8	5.0	5.0	5.0	3.8

a. Add average ratings of C, R2 and A2 in the sector.

   Add 4.8, 5.0 and 3.8 = 13.6

   Average ratings of R1 and A1 are not included in the computation because these evaluate the relevance and adequacy, respectively, of data/indicators with regard to the specific thrusts/purposes of each PIS and does not reflect the relevance and adequacy with regard to local performance measurement. Ratings on R1 and A1 are, actually, not necessary in the evaluation of PISs' effectiveness or usefulness as methodologies of performance measurement. The rationale for evaluating R1 and R2 is to illustrate the wide variety of information required to measure local performance. On the other hand, the logic behind evaluating A1 and A2 is to emphasize that not all methodologies or systems have the same information requirement, thus should not be loosely interchanged.

b. Divide sum by 3 to get their average

   Divide 13.6 by 3 = 4.5

   The social development sector average of MBN is 4.5.

85. **Step 3: Compute for the Comprehensiveness of the Sector.** The comprehensiveness of the PIS is computed by getting the percentage of subsectors with entries (subsectors with ratings 1–5) and adding it to the sector average less 1. This is a very critical criterion because it evaluates the ability of the system to measure performance in a multisectoral perspective, hence a large weight is assigned to this criterion. A high sector average may be pulled down if comprehensiveness rating is not favorable, in the same manner that a low sector average may be pulled up if comprehensiveness rating is favorable.

86. Example: Comprehensiveness of the social development sector of MBN is computed as follows (see Evaluation Matrix also):

Social Development	**C**	**R1**	**R2**	**A1**	**A2**
Education	5	5	5	5	5
Health and Nutrition	5	5	5	5	5
Safety	5	5	5	5	2
Sports and Recreation	5	5	5	5	5
Housing	4	5	5	5	2
Culture	5	5	5	5	4
Population	0	0	0	0	0
Criterion Average	**4.8**	**5.0**	**5.0**	**5.0**	**3.8**
Sector Average	**4.5**				

a. Divide the number of subsectors with entries over the total number of subsectors

   Divide 6 over 7 = 0.9

b. Add result of step a to the sector average minus 1

   Deduct 1 from 4.5 = 3.5, then add 0.9 and 3.5 = 4.4

   The comprehensiveness rating of the social development sector of MBN is 4.4.

87. **Step 4: Compute for the Overall Rating of Each PIS.** The overall rating of each PIS is computed by firstly, getting the average of comprehensiveness ratings of all sectors, such as (i) social development, built and natural environment, local economic development, and institutional development (comprehensiveness of the basic objectives/ specific items measured by the PIS or its contents); and (ii) getting the average of "E" economical and "M" monitorable ratings (implementability of the PIS). The result is generated by dividing the sum of the two averages by 2.

88. Example: Overall rating of MBN is computed as follows (see Evaluation Matrix also):

Average Rating	Social Development					Built and Natural Environment					Local Economic Development					Institutional Development				
	C	R1	R2	A1	A2	C	R1	R2	A1	A2	C	R1	R2	A1	A2	C	R1	R2	A1	A2
Criterion Average	4.8	5.0	5.0	5.0	3.8	4.7	5.0	5.0	4.7	2.8	4.7	5.0	5.0	4.0	2.7	0.0	0.0	0.0	0.0	0.0
Sector Average	4.5					4.2					4.1					0.0				
Compre-hensiveness	4.4					4.1					4.1					-1.0				

a. Add figures on comprehensiveness of the social development, built and natural environment, local economic development, and institutional development sectors.

   Add 4.4, 4.1, 4.1 and -1.0 = 11.6

b. Divide sum by 4 to get their average

   Divide 11.6 by 4 = 2.9 (this is the comprehensiveness rating of the "contents" or the basic objectives/specific items measured by the PIS)

c. Get average of E and M ratings

Rating	E	M
	2.0	5.0

   Add 2.0 and 5.0, then divide by 2 = 3.5 (this is the assessment on the implementability of the PIS)

d. Divide sum of averages in step b (comprehensiveness of the contents of the PIS) and step c (implementability of the PIS) by 2

   Add 2.9 and 3.5, then divide by 2 = 3.2

   The overall rating of MBN is 3.20.

89. The generated ratings, averages, and overall ratings from the computations of the five PISs, their sectors and subsectors resulted in a set of observations which may be generally applicable to other local PISs. Below are the key points observed from the Evaluation Matrices.

90. Data/indicators of the five PISs are, generally, easy to understand, i.e., they are not ambiguous or vague, and the terms used are simple (see Evaluation Matrices for ratings on "C" clear). Data/indicators usually become unclear when assessment requires subjective or

qualitative judgment without further qualifications (terms such as: “effectiveness of…”, “quality of …”).

91. Data/indicators of the five PISs are relevant to their specific thrusts/purposes (see Evaluation Matrices for ratings on “R1” relevance to specific thrust/purpose). This means that the current systems being used by LGUs are designed appropriately because their data/indicators are suited to their own particular objectives. Firstly, MBN was made to assess the presence of basic services and facilities and their impact on the residents. Secondly, ILO-IRAP was formulated to assess the accessibility of services and facilities, particularly in the agriculture sector, as well as evaluate the residents’ socioeconomic profile. Thirdly, POPDEV was created to specifically assess the socioeconomic characteristics of residents. Fourthly, LPPMS was prepared as a self-assessment tool for LGUs to assist them in measuring the multisectoral impact of services, facilities, projects, plans, programs and policies they provide and implement. This involves evaluation of governance and administration capabilities of LGUs. Lastly, LGPMS was designed as an improvement of the LPPMS, thus it is also as a self-assessment tool. Similar to the LPPMS, it measures the multisectoral impact of services, facilities, projects, plans, programs and policies LGUs provide and implement, with particular emphasis on good governance and administration and inclusion of concepts such as people participation, equity, human capital management and development, and service orientation.

92. Data/indicators of the five PISs are relevant to local performance measurement (see Evaluation Matrices for ratings on “R2” relevance to local performance measurement). Measurement of local performance requires a wide variety of information, thus it is very costly. There is indeed a need to identify responsive indicators which will be able to address as many issues as possible with limited costs (see Core Indicators to Measure Local Performance). All the information required from the data/indicators is appropriate in measuring local performance, thus “R1” and “R2” received a rating of “5” all throughout.

93. Data/indicators of the five PISs are, generally, adequate with regard to their specific thrusts/purposes (see Evaluation Matrices for ratings on “A1” adequate in reference to specific thrust/purpose). This means that the existing systems being used by LGUs are designed adequately because the data/indicators are sufficient to their own particular objectives. Data/indicators become inadequate when PISs fail to include vital information to measure such subsectors (e.g., MBN may include length and surface type of government roads, frequency of road maintenance in Road and Drainage; fish catch, post-harvest facilities in Agriculture and Fishery; and presence of and quality with regard to compliance with standards of markets, slaughterhouses, in Business Enterprises and Services. The indicators mentioned are still within the specific thrust/purpose of MBN, which is to assess presence of basic services and facilities and their impact on residents. POPDEV may include percentage of households severely affected by natural disasters in Safety. This information is still within the specific thrust/purpose of POPDEV, which is to assess the socioeconomic characteristics of residents).

94. Data/indicators of the five PISs are, generally, inadequate with regard to local performance measurement (see Evaluation Matrices for ratings on “A2” adequate in reference to local performance measurement). This happens because local performance measurement, as mentioned earlier, requires a lot of information. Therefore, most of the individual PISs do not meet the sufficient information required to effectively assess the performance of local government units.

95. Data/indicators of existing PISs are, generally, insufficient measurement of local performance. Even if the data/indicators of the PISs were, generally, developed adequately to

suit their specific thrusts/purposes, they were always found to be insufficient measurement of local performance, thus ratings on “A1” are, generally, higher than ratings on “A2” (see Evaluation Matrices for ratings on “A1” adequate in reference to specific thrust/purpose and ratings on “A2” adequacy in reference to local performance measurement). This is very evident on the “A1 and “A2” ratings on profiling type systems such as MBN, ILO-IRAP, and POPDEV. However, the case of LGPMS is different because its main thrust involves measuring multisectoral impact and effectiveness/quality of services, facilities, projects, plans, programs and policies, with emphasis on good governance and administration (including, among others, people participation, equity, service orientation and human capital development) of LGUs, and the comprehensiveness of the information required by its specific thrust/purpose is an example of a measurement of local performance. Thus, the “A1” and “A2” ratings of LGPMS are equal. LPPMS is similar to LGPMS’ specific thrust/purpose except for some disparities (less focus on quality or effectiveness of services, facilities, projects, plans, programs and policies, and more focus on quantity and presence of such).

96. Data/indicators of PISs which are strictly composed of profiling type of data (i.e., MBN, ILO-IRAP and POPDEV) are not economical because implementation requires numerous information and costly household surveys (see Evaluation Matrices for ratings on “E” economical). On the other hand, data/indicators of PISs which are composed of input, output and outcome indicators are less costly since information required is not solely sourced from expensive household surveys. Some information may be readily available in various departments/offices in the local government, as well as some national government agencies (see Evaluation Matrices for ratings on “E” economical).

97. Data/indicators of the five PISs are monitorable with regard to local performance measurement (see Evaluation Matrices for ratings on “M” monitorable) because all the information required by the data/indicators is examinable, measurable and collectible.

98. Data/indicators of the five PISs are, generally, incomprehensive/incomplete (see Evaluation Matrices for ratings on “comprehensiveness”). This is unfortunate because the comprehensiveness of a performance measurement system is imperative to ensure the PISs’ effectiveness since the criterion comprehensiveness evaluates the magnitude or broadness of the systems’ perspective and multisectoral impact, hence given a big weight in the computation (see Step 3 of the Evaluation Matrix’s computation process).

99. Logically, the LGPMS got the highest overall rating with overall rating 4.10, followed by LPPMS with overall rating 3.90 because both LGPMS and LPPMS were designed specifically as local performance measurement systems (see Table 6.7). LGPMS obviously has a higher rating than LPPMS because the former is an improvement of the latter. Among the profiling systems, MBN got the highest overall rating of 3.20, while both ILO-IRAP and POPDEV received an overall rating of 2.90. The profiling systems got a much lower overall rating due to the fact that they were not comprehensive (lacked institutional sector data/indicators) and not economical compared with LGPMS and LPPMS. On the other hand, LGPMS and LPPMS may have received a higher overall rating if they had more profiling data/indicators.

Table 10: Summary of Evaluation Matrices

PIS	Thrust/Purpose	Type of Data	Actions Required from LGUs	Overall Rating	Remarks
MBN	assess presence of basic services and facilities and their impacts on residents	profiling	ideally, conduct of annual household surveys to evaluate efficiency and effectiveness of services and facilities with regard to provision of needs of residents	3.20	good, but needs a little enhancement
ILO-IRAP	assess accessibility of facilities and services, especially in the primary industry	profiling	ideally, conduct of more detailed annual (or more frequent) household surveys, specifically in rural areas to capture profile of residents; determine accessibility of facilities and services, particularly in the primary sector; and assess needs of residents	2.90	needs improvement
POPDEV	Assess socioeconomic characteristics of the demography	profiling	ideally, conduct of annual household surveys to capture profile of residents and assess their needs	2.90	needs improvement
LGPMS	self-assess LGU performance by measuring multisectoral impact and effectiveness/quality of services, facilities, projects, plans, programs and policies, with emphasis on good governance and administration (including, among others, people participation, equity, service orientation and human capital development)	input, output and outcome indicators	ideally, use of Annual Accomplishment Reports and annual data collection in various departments/offices in the local government to measure responsiveness, effectiveness/quality and efficiency of local government activities; and conduct of annual household surveys to capture profile of residents and assess their needs	4.10	very good, has potential to be better
LPPMS	self-assess LGU performance by measuring multisectoral impact and presence/number of services, facilities, projects, plans, programs and policies, as well as good governance	input, output and outcome indicators	ideally, use of Annual Accomplishment Reports and annual data collection in various departments/offices in the local government to assess presence of local government services, facilities,	3.90	good, but needs a little enhancement

	and administration		activities, etc.; and conduct of annual household surveys to capture profile of residents and assess their needs		

Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Evaluation of Indicator Systems.* Unpublished.

100. Based on the evaluation of the five PISs, it is observed that the two basic types (profiling and input/output/outcome indicator systems) of PISs can be used together as two parts of a system. The profiling data/indicators can be used first to establish a database for the LGU to have a comprehensive perspective of the situation in the locality and have a sufficient basis for identifying problems, gaps, issues and concerns as well as strengths. Furthermore, the profiling data/indicators will help define benchmarks against which performance can be subsequently measured.

101. Input/output/outcome indicator systems can be used after establishing the database and benchmarks to measure different levels of performance. These levels of performance can be in terms of inputs (mandated systems, institutional arrangements, human resources, procedures, laws, and/or standards), outputs (services, programs and or facilities) and/or outcomes (impact on citizens and or the general quality of life/environment in the locality). However, data for outcome indicators might be more difficult to collect since these would require primary data collection from the citizens of the locality. It would also take a much longer time as the impact of some LGU services, programs and facilities may take some time to be achieved.

D. Suitability/Usefulness of Performance Indicator Systems

102. In the process of completing the Evaluation Matrices, it was found that each PIS required numerous data/indicators, and that there were several similar data/indicators among the five PISs, whether they are profiling in nature or are composed of input, output and outcome indicators.

103. **Identification of Core Indicators.** The results of the modified C.R.E.A.M. test, illustrated by the Evaluation Matrices, showed that there is a need to improve the set of data/indicators required by performance indicator systems used at the local level (e.g., MBN, ILO-IRAP, POPDEV, LGPMS, and LPPMS), particularly by making them more adequate, economical and comprehensive. Also, based from the evaluation of the five most commonly used PISs, it was found that each has its own specific thrust/purpose, and since many LGUs use more than one PIS, overlapping of some data/indicators occur. In addition, the different performance indicator systems used by LGUs include hundreds of indicators. Each indicator varies in terms of degree of importance in providing a performance profile of the LGUs. Many present more detailed aspects of broader indicators, while others show different perspectives of the same indicator. Furthermore, there are also different types of indicators in terms of what they illustrate. Some provide basic information and profile of the LGUs, while others pertain to inputs or outputs and some others show outcomes. Thus, a new set of core indicators, which consolidates various information required by (i) both urban and rural LGUs, (ii) urban LGUs only, and (iii) rural LGUs only are necessary to ensure a more appropriate and sufficient set of data/indicators which, in turn, involves less information requirements, less time and less monetary and manpower costs.

104. Elements of the five most commonly used PISs (i.e., MBN, ILO-IRAP, POPDEV, LGPMS and LPPMS) were combined, along with additions to fill the gaps and form a more comprehensive database/benchmarks for urban and rural LGUs. The indicators in the five PISs evaluated were found to be overlapping, thus they are essentially similar with very slight differences in terms of indicators not included in one PIS or the other. Among all data/indicators, there are several main areas of focus which, together, provide an adequate profile of the conditions and performance of local governments. These main areas of focus are

- social conditions and poverty;
- economic productivity;
- equity, governance, and participation;
- financial capacity and performance;
- transportation; and
- environment.

105. These main areas of focus provide an adequate profile of the LGU by showing social problems such as poverty conditions as well as economic growth potential and productivity. These also illustrate both the financial capability and institutional capability of the LGU; the quality of service provided and received and the degree of participation of its residents in the development effort. They also illustrate the deficiency/sufficiency of key infrastructure and services such as education; health; housing; road and transportation; water and sanitation. Lastly, these provide a picture of environmental quality and economic productivity in the LGU which affect both poverty and social conditions.

106. These main areas of focus cover a number of performance indicators which provide a concise but clear profile of the LGUs. The Study suggests six main areas of focus and identifies corresponding core indicators for each area of focus. These can serve as a “menu” which LGUs can choose from in developing the system that suits their specific circumstances.

107. While the six areas of focus are common to all LGUs, it is recommended that core indicators for some areas of focus be differentiated to appropriately capture variations due to different levels of development such as between a highly urbanized or metropolitan city and a sixth class rural municipality; and differences in ecological systems or locational factors such as lowland, upland, coastal or riverine and island LGUs (see Table A9.1 in the appendix).

108. Thus, of the six areas of focus, two have common core indicators for all LGUs while five have different core indicators which reflect variations due to levels of development and ecological systems. The common area of focus is Social Conditions and Poverty. The five areas of focus which have different core indicators are (i) economic productivity; (ii) equity, governance, and participation; (iii) financial capacity and performance; (iv) transportation; and (v) environmental quality (see Table 6.8).

109. The formulation of the list of core indicators began with the list of core poverty indicators being promoted by national government agencies (see succeeding paragraph on Core Local Poverty Indicators Monitoring System or CLPIMS) and later expanding the list to come up with a multisectoral performance measurement system. However, the CLPIMS only

provides the necessary information requirements which comprehensively evaluates the multisectoral impact of local governments' services, facilities, projects, plans, and programs, and not the detailed list of information requirements according to type (i.e., profiling data, input, output, and outcome indicators).

Table 11: List of Core Indicators

Area of Focus	Common	Rural	Urban
1. Social Condition and Poverty	1. infant mortality [a]		
	2. maternal mortality [a]		
	3. malnutrition [a]		
	4. access to safe water [a]		
	5. access to sanitary toilet [a]		
	6. squatter households [a]		
	7. households with makeshift housing [a]		
	8. poverty threshold [a]		
	9. food threshold [a]		
	10. three meals a day [a]		
	11. unemployment rate [a]		
	12. elementary school participation [a]		
	13. high school participation [a]		
2. Economic Productivity		1. crop production [c]	1. gross investments [j]
		2. fowl and livestock production [b]	2. gross sales [j]
		3. sea and freshwater fish production [c]	3. gross revenues [j]
		4. cottage industry production [b]	4. number of establishments by industry group [j]
		5. availability and capacity of post harvest facilities [c]	5. employment by industry group and by skills [j]
		6. availability and effectiveness of extension services [e]	6. job creation rate [j]
		7. availability and sufficiency of agricultural credit [e]	7. employment/ unemployment rate [e]
		8. marketing system [e]	8. cost of doing business [g]
		9. employment and underemployment [e]	9. ease of securing a business permit [g; h]
		10. average family income [b; c]	10. presence of incentives [j]
			11. average family income [b; c]
3. Equity, Governance, and Participation			

a. Participation and Equity	1. effective systems and mechanisms for making information available to citizens [e]		
	2. effective consultation mechanisms and systems for constituent participation [e]		
	3. effective process to conduct independent surveys of citizen satisfaction [e]		
	4. active and meaningful citizen participation in local governance [e]		
	5. equitable provision of services with emphasis on population-in-need [e]		
	6. effective policies, plans and resources to mainstream the population-in-need, cultural minorities and marginalized communities in public decision-making processes [e]		
b. Development Planning	1. adequacy of database to support local development planning [e]	1. effectiveness of plans and programs to ensure optimum management of the natural environment [j]	1. effectiveness of plans and programs to ensure optimum management of the built environment [j]
c. Institutional Capacity		2. presence of institutional units, systems and mechanisms for promoting sustainable agricultural development [j]	2. presence of institutional units, systems and mechanisms for promoting sustainable urban economic growth [j]
		3. presence of institutional units to deliver efficient and effective basic services [j]	3. adequacy of institutional units for the efficient and effective management of urban services and growth [j]
d. Staff Capability		1. availability of competent staff to promote sustainable agricultural development [j]	1. availability of competent staff to promote sustainable urban economic growth [j]
		2. availability of competent staff to deliver efficient and effective basic services [j]	2. availability of competent staff to provide efficient and effective management of urban services and growth [j]
4. Financial Capacity and Performance	1. presence of comprehensive Revenue Generation Plan [e]	1. real property tax collection rate [e; f]	1. locally sourced revenue collection rate including real property tax, business tax, licenses, permits and fees [i]

	2. presence of Local Revenue Code [e; f]	2. percentage of IRA to total annual income [e]	2. percentage of locally sourced revenues to total annual income [i]
	3. percentage of total expenditures to total income [l]	3. percentage of social expenditures to total expenditures [i]	3. value of private sector investments in local project provision [j]
	4. percentage of expenditures for personal services to total expenditures [i]		4. percentage of economic expenditures to total expenditures [i]
5. Transport		1. distance of barangay to poblacion [c]	1. road vehicle ratio [j]
		2. travel time between barangay and poblacion [c]	2. adequacy of road system [j]
		3. mode(s) of transport between barangay and poblacion [c]	3. average travel time within the city; between city and other destinations [j]
		4. availability and frequency of service of public transport [c]	4. availability of air and sea transport facilities; frequency of service and capacity of carriers [j]
		5. availability of transport infrastructure and facilities between barangay and Poblacion and between barangays [c]	5. availability and sufficiency of mass transit system [j]
			6. efficiency of traffic management systems [j]
6. Environment		1. percentage of forest and vegetative cover to total land area [e; j]	1. water pollution index, causes and extent of water pollution [j]
		2. condition of coastal and seas; rivers and other bodies of water [j]	2. air pollution index, causes and extent of air pollution [j]
		3. condition of coral reefs and other marine areas [e]	3. solid waste generation, collection and disposal rates [j]
		4. environmentally critical areas [j]	4. percentage of households with toilet facilities [b; d]

[a] – CLPIMS (Core Local Poverty Indicators Monitoring System); [b] – MBN (Minimum Basic Needs); [c] – ILO-IRAP (Integrated Rural Accessibility Program); [d] – POPDEV (Population Development Indicators); [e] – LGPMS (Local Governance and Performance Management System); [f] – LPPMS (Local Performance and Productivity Measurement System); [g] – PCCRP (Philippine Cities Competitiveness Ranking Project); [h] – DB 2005 (Doing Business 2005, World Bank); [i] – FFPI (Fiscal/Financial Performance Indicators, Bureau of Local Government of Finance, Department of Finance); [j] – Consultant's inputs based from other indicator systems/projects.
Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Evaluation of Indicator Systems.* Unpublished.

110. **Social Conditions and Poverty.** The Department of Interior and Local Government identified 13 indicators which were derived from several Performance indicator systems (LGPMS, MBN and ILO-IRAP) and called these the Core Local Poverty Indicators Monitoring System (CLPIMS). These Core Local Poverty Indicators were formally institutionalized at the local level through an en banc resolution of the National Anti-Poverty Commission on March 2003, and subsequently supported by a DILG Memorandum Circular providing for its adoption in local planning. For purposes of this Study, these 13 core indicators are also being adopted.

111. **Economic Productivity**. Core indicators for this would vary between rural municipalities and highly urbanized or metropolitan cities. Since the main economic activities in rural municipalities are agricultural in nature, the core indicators which will be used for such type of LGUs will focus on measuring agricultural potential and productivity. Highly urbanized cities on the other hand will have core indicators which focus on urban economic activities such as manufacturing, commerce and services. The various information suggested for this area of focus include data/indicators from the MBN, ILO-IRAP, Philippine Cities Competitiveness Ranking Project (PCCRP), World Bank's Doing Business 2005 (DB), as well as the consultant's inputs.

112. **Equity, Governance, and Participation.** This area of focus integrates (i) the level of participation of citizens in the development efforts within their communities; (ii) the coverage of government services in terms of the different groups within the municipality or city particularly disadvantaged groups; (iii) the level of transparency of government activities; and (iv) indicators for development planning, quality of service, institutional capacity, and staff capability. The indicators recommended for this area of focus are largely derived from the LGPMS.

113. Like the other areas of focus, this will have different core indicators for rural and urban areas. For development planning, the core indicators for rural municipalities will focus on the efficiency and effectiveness of the LGU in planning and managing the natural environment while the core indicators for highly urbanized cities will concentrate on measuring the efficiency and effectiveness of the LGU in planning and managing the built environment. In terms of institutional capacity and staff capability, the core indicators for rural municipalities will focus on the presence and efficiency of institutional units which address the provision of basic social services and support to agricultural productivity. Moreover, it will have core indicators which show sufficiency of number and capacity of staff to provide basic services, support productivity and manage government operations. On the other hand, core indicators for urban cities will focus on presence, capacity and efficiency of institutional units and staff capabilities to address a wider range of services such as infrastructure, traffic management, housing, drainage and flood control, economic planning and development among others.

114. **Financial Capacity and Performance**. This area of focus covers revenue generation and resource allocation. There will also be some difference in the core indicators since rural municipalities have very limited revenue-raising capacity in terms of locally sourced revenues and are heavily dependent on IRA. Urban LGUs have wider opportunities for locally sourced revenues and are generally less dependent of IRA. Private sector participation in the provision of services and infrastructure will be more a factor in urban areas than rural areas. Thus, it is a core indicator for urban LGUs. Furthermore, rural municipalities will have different budgetary thrusts compared with urban cities. Rural municipalities tend to focus more on social expenditures while urban LGUs concentrate more on economic expenditures. However, there are common indicators for both rural and urban such as those pertaining to the level of allocation of resources for population or groups in need such as the poor, senior citizens, disabled, minorities and children and youth. This area of focus is a combination of indicators form the LGPMS, LPPMS, Fiscal/Financial Performance Indicators of the Bureau of Local Government Finance (FFPI), as well as some suggested indicators to fill the gaps.

115. **Transportation**. Transportation-related needs differ between rural and urban LGUs. In rural municipalities the emphasis is on accessibility, in terms of access to far-flung barangays and access to markets from farms. Access means both infrastructure and facilities such as roads, bridges, ports and wharves as well as modes such as jeeps, horse drawn carriages,

boats and other transport modes. Urban cities, however, focus more on mobility and ease of circulation. This pertains to adequacy of road space, availability of ports and airports, frequency of service by ships and planes, availability of mass transit systems, and efficiency of traffic management. The indicators for rural LGUs in this area of focus are based on the ILO-IRAP, while the indicators for urban LGUs in this area of focus are based on the operational experience of highly urbanized cities.

116. **Environment**. The emphasis in rural municipalities is the natural environment, while the focus of urban LGUs is the built environment and the consequences of such. Thus, the core indicators for rural municipalities will provide a profile of the condition of forests, coastal areas and seas, rivers and other bodies of water, mining areas and effect on surrounding environment. On the other hand, the core indicators for urban cities focus on solid wastes, domestic and industrial waste water, air quality, noise pollution, quality of ground and surface water among others. This area of focus is composed of indicators from MBN, POPDEV, LGPMS, and the experience in urban LGUs.

117. Subjecting the data/indicators recommended to measure LGU performance through some evaluation criteria may further improve their effectiveness/usefulness. The modified CREAM test may be applied to evaluate the effectiveness of the performance measurement system itself and subsequently another set of criteria may be used to specifically assess the efficiency and effectiveness of service delivery. In the particular context of the Philippines, the most important evaluation criteria for LGU performance in service delivery would include (Sosmeña, Guillermo, and Sapuay 2004):

- **Adequacy** – the level of satisfaction that the LGU service or program is able to achieve with respect to the service goals, the perceived outcome in the community as well as the expectations of the LGU's constituency.

- **Responsiveness** – whether the service directly and positively meets the needs and/or problems of the target clientele. This is a prime attribute of the service that is client-oriented.

- **Equity** – concerned with the fairness and justice in accessing a service and in the enjoyment of resultant benefits by all constituents regardless of economic and social circumstances.

- **Appropriateness** – concerned with properly fitting and matching a service to solve a prevailing problem or to meet a need consistent with the values and norms of the community.

- **Timeliness** – refers to prompt delivery of service to the LGU's constituents at the time such service is needed.

- **Effectiveness** – concerned with whether a delivered service results in maximum achievement of a valued outcome.

- **Efficiency** – refers to the minimization of the cost of inputs but maximization of the outputs which emanate from such inputs.

E. Incentives and Disincentives for Implementation of Performance Indicator Systems

118. A number of LGUs might find some difficulty in providing both human and financial resources to institutionalize the PIS as an integral part of the local development program because of the work required to operationalize PISs. Moreover, results of the PIS may not be widely circulated as needed because of the potential adverse sociopolitical implications of lower than generally expected levels of performance. Self-assessment can also be misconstrued as self-criticism in less developed LGUs and could hinder the usefulness of the PIS as a tool for improved governance, productivity and efficiency.

119. Given these constraints, a carrot and stick approach is necessary to motivate LGUs to implement PISs, and more importantly improve their performance in service delivery and poverty reduction. A fairly innovative approach is the Proposed Amendments to the Local Government Code of 1991 (HB 7845), authored by Rep. Romeo Candazo which recommends, among others, revisions on the IRA formula to further improve its responsiveness to the needs of both the central and local government.

120. The first issue attempted to be addressed by the Bill is: LGUs need more transfers from the central government to support their operations. The Candazo Bill recommends: "LGUs shall have 40% share in the gross national internal revenue taxes based on the SECOND (instead of THIRD) fiscal year preceding the current fiscal year." By doing so, LGUs will receive higher IRA, because gross national internal revenue increases through time. To change IRA formula may not be realistic at the moment. However, it is plausible to use PISs to help the government in setting up a system to provide incentives to LGUs.

121. The second issue attempted to be addressed: The national government would like to introduce performance measurement in setting up a grant system to motivate LGUs to be more financially independent and achieve fiscal autonomy. By doing so, the national government will be able to address issues of efficiency (through tax effort) and equity (through equalization of LGUs based on their specific fiscal capacity and needs).

122. Such performance criterion will push LGUs to efficiently collect their taxes, thus making them more financially independent rather than highly dependent on central government transfers or IRA.

123. In this light, a good incentive for LGUs to implement PISs should work hand in hand with HB 7845 to (i) address issues of efficiency through inclusion of tax collection efficiency rate, preferably real property accomplishment rate (see Financial Capacity and Performance in Table 6.8) due to easy data collection and because it is a sufficient measure of LGUs' fiscal capacity; and (ii) serve as basis of LGUs' expenditure needs through data/indicators on social, economic, built and natural environment, and institutional sectors (e.g., core indicators and other profiling data such as presence and quality of sector-wide services and facilities provided by the LGUs, etc.).

124. In summary, the national government transfers must be a combination of (i) fixed (unconditional) transfers to promote equity, and (ii) performance-based (conditional) transfers to promote efficiency. In the Philippine setting and in light of decentralization, more weight (bigger share) must be placed on unconditional transfers to address disparities in needs and fiscal capacities of LGUs. However, the present fiscal crisis, and more importantly, the real essence of local autonomy may only be realized once LGUs are fiscally/financially autonomous, thus

inclusion of performance-based criteria in the budget allocation process should take place, to ensure the sustainability of the decentralization program. Offices and councils concerned may integrate performance criteria in the process of budget approval. The following may apply performance indicators in the budget approval process: Department of Budget and Management for the local budget of Metro Manila LGUs; Department of Budget and Management Regional Offices for the local budget of provinces and highly urbanized cities; provinces for the budget of component cities and municipalities; and cities and municipalities for the budget of barangays. The Countryside Development Fund, the Presidential Social Fund, and other discretionary funds may also use performance criteria in targeting people-in-need and priority areas.

125. The amendment of House Bill 7845 on the existing IRA formula, specifically, the shift from third to second fiscal year preceding the current fiscal year as basis of LGUs' share in the gross national internal revenue is not feasible at present due to the current fiscal crisis which induce the national government to even reduce LGUs' IRA share. However, as the country's finances stabilize in the future and in the light of various existing proposals from Congress aiming to increase LGUs' IRA share, House Bill 7845 may serve as a good starting point in rationalizing LGUs' IRA share (Pardo, 2004). Thus, to further enhance HB 7845, a target-setting component must be included to motivate well-performing LGUs with incentives and penalize poorly-performing LGUs given an agreed time frame. This target-setting component may be integrated in the criteria which HB 7845 will be using to assess local performance.

126. To efficiently implement the target-setting component, the identified indicators should be given weights depending on the level of development of a certain LGU. Weights should vary depending on the needs and capability of the LGU. Highly urbanized cities will likely put more weight on economic productivity indicators compared with fourth–sixth class municipalities which would put more weight on social equity and poverty indicators.

127. Different weights are recommended for each core indicator, depending on the hierarchy of the LGU since the varying category level of LGUs reflect their varying needs and capacities (see Table 6.9 for a sample weighting matrix). For example, the biggest weight recommended for metropolitan cities is economic productivity (32%) because economic activities are the lifeline of such LGUs, and they are less dependent on government assistance due to their higher earning capacities. On the other hand, the biggest weight recommended for fourth–sixth class municipalities is social conditions and poverty (35%), followed by participation and equity (17%) because these LGUs do not have the necessary economic and fiscal capacities and capabilities to solely generate and fund their operations. They are highly dependent on central government assistance, thus societal welfare is the focus. The score of each indicator will be based on the performance of the LGU (see Table 6.10 for a sample score sheet). Logically, the scoring shows higher scores for well-performing LGUs, and lower score for poorly-performing LGUs.

128. The higher scoring LGUs may receive the following incentives: a higher share in the increment of IRA, speedy approval of local budget, and more access to the Presidential Social Fund, Countryside Development Fund and other discretionary funds (depending on the thrust of the funds, weights may vary).

129. The lower scoring LGUs may receive the following disincentives: a lower share in the increment of IRA, less access to the Presidential Social Fund, Countryside Development Fund and other discretionary funds.

Table 12: Sample Weighting Matrix

Core Indicators	Development Hierarchy				
	Metropolitan Cities	Highly Urbanized Cities	Independent Cities	1st – 3rd Class Municipalities	4th – 6th Class Municipalities
Social Conditions and Poverty	14%	18%	24%	29%	35%
Participation and Equity	10%	11%	12%	16%	17%
Economic Productivity	32%	28%	24%	16%	10%
Governance	10%	10%	10%	10%	10%
Financial Capacity and Performance	12%	11%	10%	10%	8%
Transportation	15%	14%	12%	10%	10%
Environment	7%	8%	8%	9%	10%
Total	**100%**	**100%**	**100%**	**100%**	**100%**

Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Evaluation of Indicator Systems.* Unpublished.

Table 13: Sample Score Sheet

Core Indicators	Development Hierarchy					
	Metropolitan Cities			4th – 6th Class Municipalities		
	Score	Weights	Percentage of Performance	Score	Weights	Percentage of Performance
Social Conditions and Poverty	80	14%	11.2%	85	35%	29.8%
Participation and Equity	75	10%	7.5%	90	17%	15.3%
Economic Productivity	89	32%	28.5%	75	10%	7.5%
Governance	60	10%	6.0%	80	10%	8.0%
Financial Capacity and Performance	60	12%	7.2%	80	8%	6.4%
Transportation	80	15%	12.0%	75	10%	7.5%
Environment	75	7%	5.3%	90	10%	9.0%
PERFORMANCE SCORE	**77.7%**			**83.5%**		

Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Evaluation of Indicator Systems.* Unpublished.

130. Each weight will vary each year to implement the carrot and stick approach. The weight of poverty incidence indicator for fouorth–sixth class municipality, for example, will be reduced each year and increasing the weights on other aspects such as economic productivity. While for metropolitan areas additional weights will be added to important indicators such as economic productivity. Thus, the PIS should be done yearly to monitor the performance of each LGU encouraging them to monitor their performance and to further motivate the LGUs to perform better.

VII. CONCLUSIONS AND RECOMMENDATIONS

131. The PISs used by LGUs in the Philippines are either externally generated or internally developed. The former are those developed by national government or international support agencies and imposed on the LGU, while the latter are PISs developed by particular LGUs. Examples of externally generated PISs include the MBN and the LPPMS. This type of PIS is generally indicative and universalistic in application and thus, often do not meet certain specific needs of a particular LGU. The results of the survey questionnaire, focus group discussions, and interviews confirm that, indeed, many LGUs find this type of indicators to be inconsistent with their needs. The PISs are all self-assessed systems and nationwide there is no PIS which can be used by the national government to assess performance of LGUs and set up a grant-based system.

132. For this reason, some of the LGUs surveyed have internally developed, installed and are implementing their own PISs, although, they are still using the service standards promulgated by national government. While most of these internally developed PISs are, in general, still in their infancy, they give the LGU concerned a psychological ownership which is a dynamic and self-regulating mechanism to strive that the performance standards and indicators are operationalized with a minimum or even without the prodding by higher levels of government. These local PISs are self-implementing systems, based on the LGU's competencies and resources and thus, are internalized by the LGUs without any external assistance.

133. A major distinction between these two types of PISs, in addition to particular characteristics, is that externally generated PISs are utilized also by other entities, such as NGOs, academic institutions and national government agencies to monitor LGU performance. On the other hand, internally developed PISs are often used only by the LGUs concerned but in some cases, its outputs are either not disseminated to the public, or manipulated for public relations purposes. Over time, LGUs can be expected to use much more effective PISs that are suitable to their own specific environments. But in the meantime, it would be beneficial to promote both types to ensure a system of check-and-balance in LGU performance.

134. Based upon the results of the survey, LGUs in the Philippines can be said to have a good general understanding of performance measures. However, their implementation of the existing systems – whether externally generated or internally developed – falls short of expectations. Yet, most of the LGUs that participated in the survey claimed that their use of PISs has helped improve local service delivery and poverty reduction. This is difficult to validate, however, without verifying the evaluation results. What is clear, as borne out by the survey, is that performance information is generally not disseminated by the LGUs to the public. Therefore, it is difficult to verify if LGU performance in service delivery indeed satisfies the needs of its constituents. This can be attributed to a number of interrelated factors.

135. Firstly, only a few of the LGUs established benchmarks for their services and poverty reduction initiatives. Many do not have regularly updated data banks or socioeconomic profiles, much less poverty profiles, which could serve as benchmarks for establishing performance targets. Without such benchmarks, service delivery is arbitrary, often conducted on the basis of mere "gut-feel".

136. Another reason is that most of the indicators used in current PISs are quantitative and thus, tend to result in superficial compliance with nationally prescribed standards (e.g., population to hospital bed ratio). The widely used PISs are externally generated by national government and thus, have indicators that are universalistic which are designed mainly to

enable cross-comparison of performance results. These comparisons tend to be limited to quantitative measures and are often used to rank LGUs. This ranking is perceived by many LGUs as unfair, thus leading to minimum compliance with monitoring and reporting requirements.

137. The relatively short term of office (3 years) of elected LGU officials is another factor that tends to result in ineffective use of PISs. The general tendency is to resort to "quick fix" solutions with minimal improvements to existing conditions. This short term of office tends to negate a more systematic approach to the management of the LGU's affairs. Therefore, without such a management orientation, performance monitoring, assessment and feedback – which are integral components of management – is not given adequate attention.

138. The development of both externally and internally generated performance indicators has largely not involved the LGUs' constituents. Thus, the LGU's clientele for services are generally either not aware of the PISs being used or, if they are, they are indifferent to it. And since performance information is not widely disseminated, they are kept in the dark as to whether service delivery improvements, if any, are actually taking place. As a result of all these, PISs have minimal effect on voting behavior, and as the survey results indicate, voters are influenced by many other factors.

139. Many of the PISs used by LGUs, especially those which are externally generated, are implemented independently of local plans and programs. Because of their universalistic character, such PISs are promoted more as ends in themselves rather than means to an end. They are often not integrated into the formulation and implementation of local service delivery programs. They tend to be treated by LGUs as impositions of national government and hence, as additional burden on the LGUs' already long list of responsibilities.

140. Given all these factors, an optimal situation would be for LGUs, in partnership with its stakeholders, to develop their own service standards improvement targets and corresponding performance indicators, with national government providing technical assistance and support. It will still be necessary for national government to prescribe nonnegotiable minimum standards and a set of indicators to help ensure achievement of national development goals and to enable comparability of performance outcomes. But in any case, LGUs must be willing and able to deal effectively with certain issues, such as

- difficulty in assembling data and regularly updating these;
- the need to train LGU officials and staff who will use the PISs including its operational aspects such as data computerization and analysis, as well as participatory approaches;
- the retention of trained officials and staff, considering the high turnover of elective and appointive officials;
- limited resources needed to support and maintain the implementation of PISs;
- the overemphasis on input as opposed to output and outcome indicators; and
- the countervailing cultural, social, and political factors that militate against objective measurement and application of indicators as well as regular dissemination of monitoring results.

141. The issues mentioned above may be addressed by implementing the following recommendations:

142. **Issue 1: Difficulty in assembling data and regularly updating these, and overemphasis on input as opposed to output and outcome indicators.** There is a need to build upon existing systems and develop an ideal PIS, which includes a combination of elements of profiling systems (i.e., MBN, ILO-IRAP, POPDEV) and elements of systems composed of input, output and outcome indicators (i.e., LGPMS, LPPMS) to provide for a comprehensive and integrated PIS measuring the performance of LGUs.

143. Most of the systems reviewed involve more profiling, input and output indicators than outcome indicators. While profiling, input and output indicators are important, and are prerequisites in measuring impact of local government service to people, performance indicator systems should focus more on the effects of these services on beneficiaries. More detailed attention on outcome indicators is recommended to avoid duplication of indicators, and results of performance measurement to be appreciated more by LGU constituents. There is a need to increase the number of outcome indicators to determine more comprehensively the impact of LGU services, programs and facilities on the citizens. In addition, it should cover a wider range of services as well as more extensive analysis of sectoral performance. Examples of these are:

- **education sector**
  - samples of existing information required: graduation or participation rates
  - issue to be addressed: need to be broadened to assess the actual impact of education on beneficiaries
  - additional information needed: indicators to measure the achievement level of grade school students in math, science and English; indicator to track the status of graduates of local high schools/colleges in terms of further education or employment

- **local economic development**
  - samples of existing information required: crop production for rural LGUs, number of business establishments for urban LGUs
  - issue to be addressed: need to be expanded to capture the economic situation and performance of urban areas in terms of non-agricultural economic activities
  - additional information needed: indicators on business, investments, sales, income, employment size, labor force, family and personal income, consumption patterns, informal economic activities, construction profile, real estate industry performance and gross local product; additional indicators to track and map poverty incidence and migration

144. An ideal PIS must be composed of a set of core indicators which is an appropriate and sufficient substitute for the numerous PISs being utilized at the local level. It should be able to completely measure local performance by itself. Hence, there is no need to implement various systems.

145. In the course of this Study, a list of core indicators incorporating six main areas of focus (see Table 6.8) was developed to serve as a comprehensive list of indicators for assessment of LGU performance whether rural or urban, or both. The new set of ore indicators identified is believed to be able to lessen the workload and resource costs of local government offices concerned since it is multisectoral, and, at the same time, is able to provide the apparent

distinction between the needs and capacities of rural and urban LGUs or different development levels of LGUs. The core indicators are composed of the following areas of focus:

- social conditions and poverty;
- economic productivity;
- equity, governance, and participation;
- financial capacity and performance;
- transportation; and
- environment.

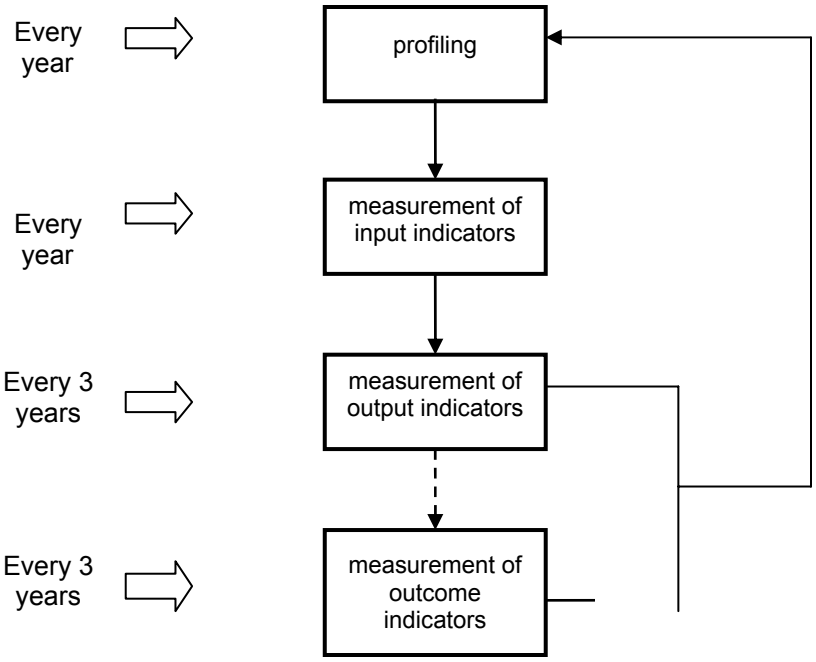
146. The “long” list of core indicators provides the LGUs with the flexibility to select the indicators applicable to their specific circumstances, provided that each of the six main areas of focus are represented by the chosen indicators. The inclusion of all six main areas of focus is mandatory because it is the basic framework which provides an adequate profile of the conditions and performance of local governments.

147. In developing its own set of indicators, the LGU can further enhance the service delivery components in the core indicators by inclusion of the following criteria: adequacy, responsiveness, equity, appropriateness, timeliness, effectiveness, and efficiency (Sosmeña, Guillermo, and Sapuay 2004). These criteria allow local government to easily target interventions required.

148. Furthermore, to appropriately and adequately address the issues in performance measurement, a responsive set of data/indicators (see List of Core Indicators or Table 6.8) coupled with a 3-year cyclical pattern of performance evaluation (see Figure 7.1) must be adopted to ensure continuity of performance monitoring. The 3-year cyclical pattern of performance measurement is not only able to evaluate the local leaders’ term of office, but also gives LGUs adequate time to actually realize the impact of local governments’ services, facilities, plans, projects, and programs. A sample of a set of data/indicators in a 3-year cyclical performance measurement cycle is illustrated by Figure 7.2.

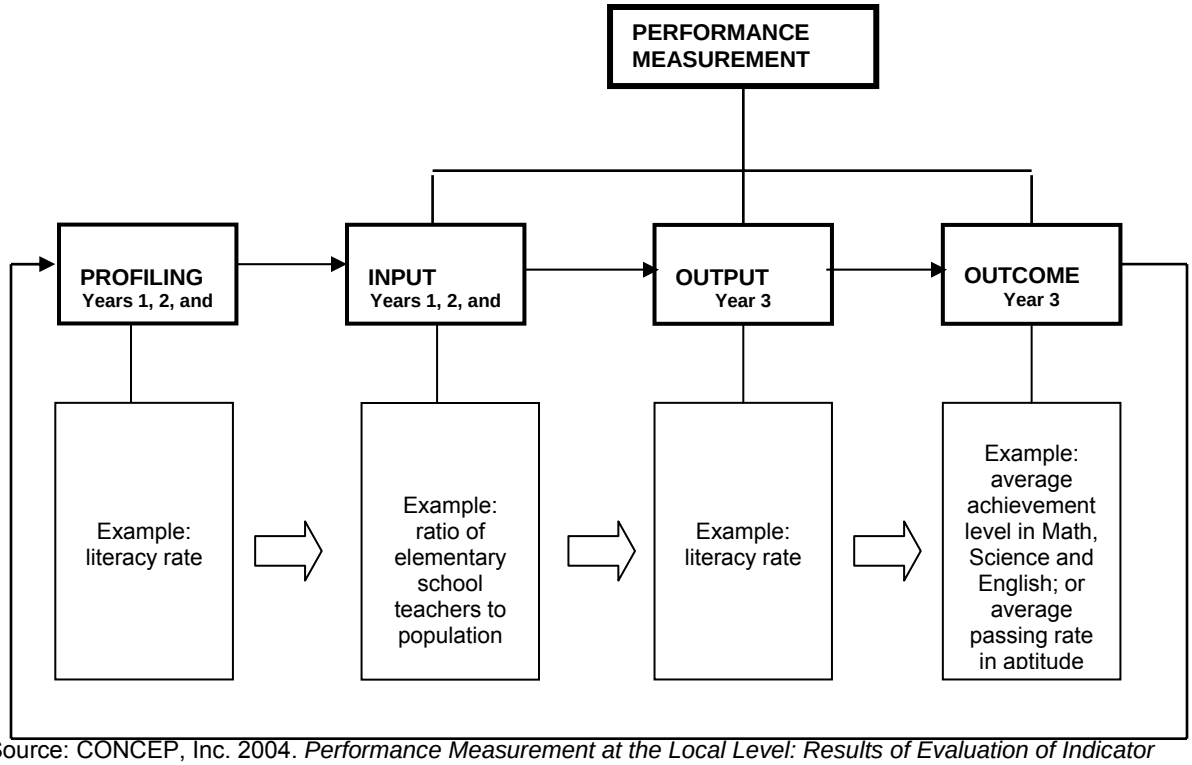
149. Figures 7.1 and 7.2 are ideal scenarios in local performance measurement because these frameworks provide timely, accurate and adequate information. However, annual collection of household data required by profiling data and, at the same time, annual assessment of input indicators may be costly. Therefore, the 3-year cyclical pattern of local performance measurement may be adjusted so that it will only require yearly assessment of input indicators and allow extrapolation of household data with reference to annual population growth rates and forecasts to avoid costly annual household survey. The rationale for this is that the annual population growth rates and forecasts, alongside the yearly assessment of services, facilities, projects, plans, and programs provided and implemented by LGUs may be sufficient to cover the information requirements of some profiling data.

Figure 7.1: LGU Performance Measurement Cycle



Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Evaluation of Indicator Systems.* Unpublished.

Figure 7.2: Sample of Profiling Datum, Input, Output and Outcome Indicators, and Performance Measurement Cycle



Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Evaluation of Indicator Systems.* Unpublished.

150. **Issue 2: Limited resources needed to support and maintain the implementation of PISs.** Despite the meager resources provided to LGUs to allow them to religiously implement PISs, usage of PISs must still be institutionalized. The approach does not necessarily require additional funding to realize the implementation of PISs, rather a strategy to ensure that PISs are implemented inspite of limited resources. It is therefore recommended that a performance-based feature be introduced in the requirements for internal revenue allocation of LGU shares, approval of local budgets and access to various discretionary funds (i.e., Countryside Development Fund, Presidential Social Fund, etc.) to encourage LGUs to perform well, and at the same time ensure the sustainability of PISs, since these will be the source of information of various offices, institutions, and national government agencies in the approval of budgets and funding. Moreover, a performance improvement target-setting component with a specific time frame must be included in the performance criteria to motivate well-performing LGUs and penalize poor-performing LGUs.

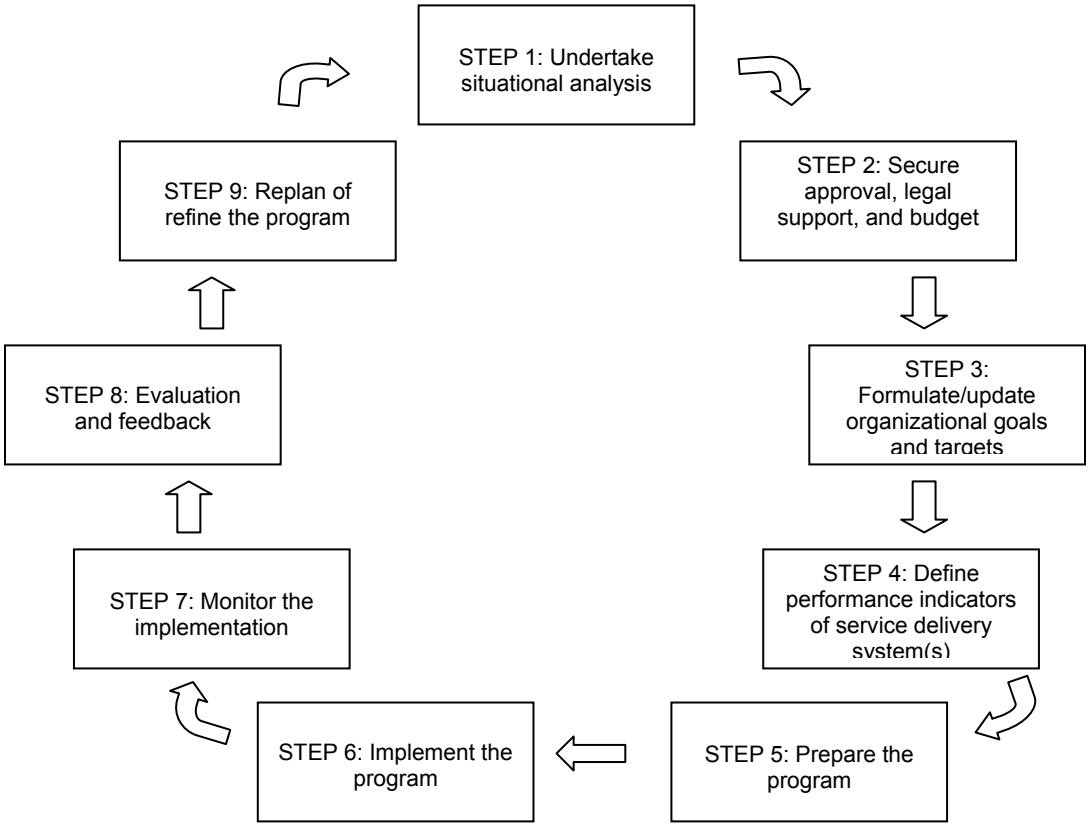
151. However, it is important that the target-setting component of the performance criteria will be able to do the following: (i) increase targets regularly to push LGUs to perform better continuously; and (ii) create a level playing field for the different development levels of LGUs to make each LGU comparable with each other despite varying capacities and needs. If the target-setting component of the performance criteria is composed of the two factors mentioned, then, it shall be able to apply appropriate incentives and disincentives.

152. **Issue 3: The need to train LGU officials and staff who will use the PISs.** Operational aspects such as data computerization and analysis must be improved; participatory approaches must be adopted; and the retention of trained officials and staff, considering the high turn-over of elective and appointive officials must be carried out. Once performance measurement has been institutionalized, such that it is incorporated in the approval of local budget, access to funds, and other requirements necessary for LGUs to sustain their operations, LGUs will not need any external pressure to train LGU officials. LGUs will realize that they have to invest in providing their offices with the necessary equipment, as well as their employees with the appropriate skills to properly measure local performance, because it is only then that they can be rewarded by incentives.

153. **Issue 4: The countervailing cultural, social, and political factors that militate against objective measurement and application of indicators, as well as regular dissemination of monitoring results.** The retention of trained employees considering the short term of local officials may be a difficult issue to address, because local leaders may force their respective trained employees to show favorable monitoring results since these results reflect the performance during their term of office. Also, since results of the PISs are not widely disseminated to the public because of their political implications which may affect local politicians' career, self-assessment of one's performance may be prone to abuse. Therefore, there is a need to set up performance indicators which can be used by the national government to assess the performance of LGUs. To further minimize the constraints raised in the previous issues, and to further improve the assessment of LGUs' service delivery, the Service Delivery Enhancement Program (SDEP) may be adopted. It can be implemented in 3-year cycles to ensure the sustainability of the performance measurement system (Sosmeña, Guillermo and Sapuay 2004). Again, this not only corresponds with elective officials' terms of office, but also provides the necessary dynamics to deal with various changes in the performance as well as capability of the LGU in providing the service. The SDEP further enhances the performance measurement cycles mentioned earlier (see Figures 7.1 and 7.2) because the SDEP is a system that allows public participation in conceptualization and measurement of service delivery. While the previously mentioned performance measurement cycles (i.e., Figures 7.1

and 7.2) basically provide the framework for performance measurement at the local level by stating the type of data and frequency of data collection, the SDEP, on the other hand, illustrates the process involved in the actual measurement of performance, particularly in service delivery. Operationally, the SDEP involves a series of steps in a cyclical manner, as illustrated by Figure 7.3.

Figure 7.3 Service Delivery Enhancement Program Process (Sosmeña, Guillermo and Sapuay 2004)



Source: Gaudioso Sosmeña, Mariano Guillermo, and Samuel Sapuay, *Measuring Local Government Performance*, Local Government Development Foundation (LOGODEF), Manila, 2004.

Step 1: Situational Analysis. The assessment of the existing environment and situation (including existing levels of services) in the LGU are for an overall understanding of the problems and concerns that the program will be addressing. This step will be important in leveling off expectations on the services to be enhanced. This step is ideally undertaken in partnership with LGU's stakeholders, and integrated in the annual updating of the LGU's socioeconomic profile and preparation of the Annual Investment Plan/Budget for the following year.

154. **Step 2: Secure Approval, Support, and Budget.** This establishes the mandate of the SDEP, especially the approval, legal and budgetary support of the local chief executive and legislative council.

155. **Step 3: Formulate/Update Organizational Objectives and Targets.** Based on the situational analysis and approval, this step involves the setting of the LGU's objectives and

targets that should fulfill the requirements of its constituencies, based upon certain quality standards or competence and budget limitations.

156. **Step 4: Define Performance Indicators.** The LGU, particularly its service departments, should define and establish performance indicators of specific service delivery systems which the Situation Analysis has identified to need improvement. These indicators shall serve as the measures in the evaluation process.

157. **Step 5: Prepare the Program.** This will involve the identification of the program's components, activities, implementation schedule, responsibilities, required personnel and related logistical requirements.

158. **Step 6: Implementation.** After defining the program, its implementation commences to actualize the intent of the SDEP.

159. **Step 7: Monitoring.** Integral to implementation is regular monitoring of the progress of the program to ensure that the activities are on schedule and conform to stated objectives.

160. **Step 8: Evaluation, Reporting, and Feedback.** During and after implementation, progress of the program shall be evaluated and reported. Feedback shall be solicited for further assessment and to form the bases for revisions or requirements.

161. **Step 9: Replanning or Refinement of the Program.** The final step is a diagnosis of how the program has progressed toward achieving the stated objectives and targets, focusing on components of the service delivery systems. This may require refinement of the indicators used.

162. It is preferred that the entire program be carried out every 3 years to synchronize with elected officials' terms of office. After all the steps are accomplished within the 3-year period, the results should be published and disseminated to the public through various media forms, and the entire process starts all over again. The SDEP involves public participation which may pave the way in easing cultural, social and political tensions that hinder the objective implementation of PISs. The public's involvement in the conceptualization and assessment of service delivery performance will induce citizens to be watchful and observant of the services local governments provide, and in turn make them more critical of the effectiveness and efficiency of these services. Furthermore, this sense of vigilance from the residents will compel LGUs to release monitoring results to the public. Therefore, it is recommended that the basic framework for local performance measurement (i.e., profiling data, input, output and outcome indicators are regularly assessed, as illustrated by Figures 7.1 and 7.2) be integrated with the actual process involved in measuring performance/service delivery at the local level as represented by the SDEP or Figure 7.3 (refer to Steps 1–9), to generate an evaluation system which is comprehensive, institutionalized, and consultative.

163. In summary, regular conduct of local performance evaluation should be beneficial to both local government and residents. Continuous proper use of performance measurement systems will aid local leaders in selecting and prioritizing projects and programs; delivering adequate assistance to target beneficiaries; and monitoring and evaluating local plans and budgets to address concerns. Once performance measurement is institutionalized in the LGU's planning, programming, budgeting, implementation, monitoring and feedback system, residents' awareness of the local situation will be raised; community participation will be strengthened; interaction and initiatives of local stakeholders on community development will increase; and

significant improvements in service delivery, poverty reduction and overall quality of life can be realized. However, obstacles caused by interrelated factors that hinder the regular and proper use of performance indicator systems should be overcome. In summary, the following are this Study's key recommendations:

(i) Develop an integrated PIS that combiness the following: (a) profiling data, and input, output and outcome indicators (with special emphasis on outcome indicators to effectively measure impact of services) which serves as reliable database of the local government for development planning and management; (b) six major areas of focus (i.e., social conditions and poverty; economic productivity; equity, governance and participation; financial capacity and performance; transportation; and environment (see List of Core Indicators in Table 6.8), which are the essential elements in measurement of local performance and guide to LGUs in developing their own set of performance indicators; and (c) service delivery criteria (i.e., adequacy, responsiveness, equity, appropriateness, timeliness, effectiveness and efficiency) which easily monitor service performance and quickly target LGU interventions required in delivery of services.

(ii) Support the use of both internally and externally generated PISs for a few more years, until local officials have internalized the significance and value of PISs in managing LGU affairs. While it was found that externally developed PISs (e.g., PISs developed by national government, funding agencies, etc.) are not completely responsive to the varying needs and capacities of LGUs with different development levels and characteristics, these systems are still valuable in providing standards of performance. Once LGUs have institutionalized proper use of performance measurement, then gradually, externally generated PISs may be replaced by PISs developed by LGUs.

(iii) Institutionalize local performance measurement by applying the results/information directly to the process of local development planning and management. Such approach involves the following mechanism: (a) use of performance results/information as database/benchmark in local planning and financial management; (b) recognize LGUs who uphold proper use of PISs through circulation of performance results to their respective localities and/or LGU associations to disseminate information and promote wider appreciation and use of PISs, and encourage replication of good practice; (c) regular feedback and guidance from national government agencies concerned on the manner of implementation of PISs at the local level to ensure their proper and sustained use; (d) inclusion of an incentives system which involves a mechanism of target-setting and assignment of varying weights on different performance indicators depending on the development level and characteristics of LGUs to encourage good performance and penalize bad performance, as well as linking results of PISs to the approval of a portion of LGU budget and (e) integrate the basic framework for local performance measurement (i.e., profiling data, input, output and outcome indicators are regularly assessed in 3-year cycles, as illustrated by Figures 7.1 and 7.2) with the actual process involved in measuring performance/service delivery at the local level (i.e., service delivery enhancement program or SDEP which encourages constant public participation, see Figure 7.3) to generate an institutionalized evaluation system which is regularly conducted, comprehensive and consultative.

164. In support of the key recommendations mentioned, the following related actions are suggested. The recommended actions for local government units are

(i) LGU must put premium on the institutionalization and implementation of PISs through the establishment of a regularly updated data bank and regular conduct of surveys and data collection.

(ii) Local government authorities ought to inform the residents on the importance of performance measurement to the community so that they will understand the key objective of the PISs and thus cooperate and actively participate in measuring local government performance whenever possible.

(iii) LGU should engage public participation in measuring local performance to ensure that information is accurate and interventions are targeted.

(iv) Local government must widely disseminate results of performance measurement and solicit feedback from key local stakeholders.

(v) If an LGU does not find existing PISs appropriate for its needs and capacities, then, the national government must develop a set of performance indicators suited for its locality but should integrate service standards established by the national government.

165. The recommended actions for the citizens and private sector (i.e., constituents, people's organizations, nongovernment organizations, business groups, etc.) are

(i) Stakeholders should participate as much as possible in local performance measurement, particularly in the conceptualization of a new set of performance indicators (if any) to ensure that indicators are responsive to the local residents' needs.

(ii) The residents must be vigilant and participate in the actual measurement of local government performance, or conduct their own independent assessment (i.e., citizen's satisfaction survey) to compel the LGU to improve its delivery of services.

166. The recommended actions for external assistance by the national government and/or funding agencies are

(i) There is a need to develop a set of performance indicators for LGUs to make it link with a grant system. The current LGPMS designed by GILG can be used as the base for a performance-based grant system.

(ii) Local government authorities and employees should be trained further to understand the significance of local performance measurement, and properly analyze and utilize performance information as part and parcel of local development and management (i.e., planning, budgeting, programming, and monitoring).

(iii) Funding support should be made available in assisting LGUs to establish, institutionalize and properly conduct locally responsive PISs.

(iv) Further review the existing PISs at the local level to ensure that the systems are responsive to the varying circumstances, needs and capacities of LGUs, and that the systems promote national standards and policies.

167. Indeed, the success and sustainability of performance measurement systems can be greatly enhanced if it is integral to the LGU's routine management system and carried out under a partnership arrangement between the LGU and its key stakeholders. The LGU's clientele, for whom the improvements in service delivery are aimed at, should in fact be involved in every step of the entire program – from situation analysis to monitoring, replanning, and refinement. Involving the LGU's clientele in the conceptualization and measurement of service delivery performance would translate into a sense of local ownership of the improvement program as a whole, as well as of the performance indicators used. This sense of ownership is crucial in building public trust, empowering citizens, and motivating both the LGUs and its constituencies to pursue sustained improvements to the quality of life in their communities.

LOCAL GOVERNANCE PERFORMANCE MANAGEMENT SYSTEM
Table A1: Number of Local Governance Performance Management System (LGPMS) Indicators by Type (DILG 2004)

Performance Area	Service Area	Profiling	Input Indicators	Output Indicators	Outcome Indicators
Governance	Financial Accountability	0	3	4	
	Transparency	0	2	2	
	Citizen Participation	0	2	3	
	Equity	0	3	2	
	Local Legislation	0	2	1	
Administration	Development Planning	0	3	2	
	Resource Generation	0	3	4	
	Resource Allocation and Utilization	0	2	3	
	Human Resource Management and Development	0	3	3	
	Customer Service	0	1	2	
Social Services	Health and Nutrition	0	3	2	4
	Education	0	3	3	2
	Housing and Basic Utilities	0	2	3	3
	Peace, Security and Disaster Preparedness	0	4	4	1
Economic Development	Agriculture and Fisheries Development	0	3	4	4
	Business, Enterprise and Industrial Promotion	0	3	3	3
Environmental Management	Natural Resources Management	0	2	3	5
	Waste Management and Pollution Control	0	2	3	3
Total Number of Indicators		**0**	**46**	**51**	**25**

Source: Department of Interior and Local Government, Local Governance Performance Management System, Quezon City, 2004.

Explanation for the indicators in Table A1.1 is as follows (DILG 2004):

A. Governance

1. Financial Accountability

INPUTS: EFFECTIVE GUIDELINES, SYSTEMS, AND STRUCTURES FOR ACOUNTING, INTERNAL CONTROL, AND PROCUREMENT

a. quality of internal control system
b. effectiveness of financial management system
c. effectiveness of prequalification bids and awards committee

OUTPUTS: FINANCIAL TRANSACTIONS ARE MADE AND RECORDED IN ACCORDANCE WITH PRESCRIBED ACCOUNTING AND AUDITING RULES AND REGULATIONS

d. percentage of disbursements disallowed in immediately preceding fiscal year
e. number of unliquidated cash advances beyond 1 month in immediately preceding fiscal year
f. presence of certified financial statements for the immediately preceding fiscal year
g. percentage of contracts awarded in compliance with procurement and contracting

2. Transparency

INPUTS: EFFECTIVE SYSTEMS AND MECHANISMS FOR MAKING INFORMATION AVAILABLE TO CITIZENS

a. presence of performance billboard
b. presence of public information office or desk

OUTPUTS: INFORMATION ABOUT LGU OPERATIONS IS READILY AVAILABLE TO CITIZENS

c. accessibility of records of government transactions, contracts, and other public documents
d. accessibility of information on LGU plans, programs, and special events

3. Participation

INPUTS: EFFECTIVE CONSULTATION MECHANISMS AND SYSTEMS FOR CONSTITUENT PARTICIPATION

a. presence of CSO desk or other mechanism to support the development of local NGOs and people's organizations (POs)
b. effective process to conduct independent surveys of citizen satisfaction

OUTPUTS: ACTIVE AND MEANINGFUL CITIZEN PARTICIPATION IN LOCAL GOVERNANCE

c. number of accredited NGOs and POs per 10,000 population
d. number of LGU projects implemented in partnership with local NGOs and Pos
e. number of policies, programs, projects or activities modified in response to citizen surveys

4. Equity

   INPUTS: EFFECTIVE POLICIES, PLANS, AND RESOURCES TO PROMOTE EQUITY
   a. presence of an ordinance to mainstream the population-in-need, cultural minorities and marginalized communities in public decision-making processes, policies, programs or projects
   b. quality of local poverty reduction action plan
   c. quality of gender and development plan

   OUTPUTS: EQUITABLE PROVISION OF SERVICES WITH EMPHASIS ON POPULATION-IN-NEED
   d. percentage of total budget allocated to programs or projects targeting the population-in-need
   e. percentage of 20% development fund allocated to social or human development services for the population-in-need

5. Local Legislation

   INPUTS: EFFECTIVE LEGISLATIVE MECHANISMS, SYSTEMS, AND PROCEDURES
   a. presence of legislative agenda that is consistent with the Executive Agenda
   b. effectiveness of legislative tracking system

   OUTPUTS: RELEVANT LEGISLATION
   c. percentage of ordinances passed in the immediately preceding year in support of social, economic development and environment management

A. Administration

1. Development Planning

   INPUTS: EFFECTIVE STRUCTURES, CONSULTATIVE MECHANISMS, AND TOOLS TO SUPORT DEVELOPMENT AND LAND USE PLANNING
   a. effectiveness of local development council
   b. number of public consultations held in the immediately preceding year as part of the development planning and review process
   c. adequacy of database to support local development planning

   OUTPUTS: COMPREHENSIVE AND EFFECTIVE DEVELOPMENT PLANS
   d. quality of Comprehensive Development Plan
   e. quality of Comprehensive Land Use Plan or Physical Framework Plan

2. Revenue Generation

   INPUTS: VIABLE PLANS, TOOLS AND SYSTEMS FOR INCREASING LGU REVENUES
   a. presence of Comprehensive Revenue Generation Plan
   b. efficiency of system of real property tax assessment and collection
   c. presence of updated Local Revenue Code

OUTPUTS: SUFFICIENT REVENUES TO MAXIMIZE LOCAL DEVELOPMENT
d. percentage of planned annual income realized
e. real property tax collection efficiency rate
f. percentage of IRA to total annual income
g. public enterprise annual profitability rate

3. Revenue Allocation and Utilization

INPUTS: EFFECTIVE BUDGETING AND ACCOUNTING SYSTEMS
a. presence of Executive Budget approved within the budget calendar
b. percentage of departments maintaining a record of appropriations and expenditures

OUTPUTS: EFFECTIVE ALLOCATION AND OPTIMUM UTILIZATION OF RESOURCES
c. ratio of total expenditures to total income
d. percentage of total budget expended on personal services
e. percentage of total budget expended on development programs and projects

4. Human Resource Management and Development

INPUTS: EFFECTIVE STRUCTURES, SYSTEMS, AND PROGRAMS FOR MANAGING AND DEVELOPING HUMAN RESOURCES
a. effectiveness of Human Resource Management and Development Office
b. quality of HRMD policies, plans and supporting materials
c. effectiveness of HR selection, appraisal and promotion system

OUTPUTS: COMPETENT AND EFFECTIVE PROFESSIONAL LOCAL GOVERNMENT PERSONNEL
d. percentage of plantilla positions filled in accordance with selection procedures
e. percentage of plantilla staff participating in staff development activities in immediately preceding year
f. percentage of plantilla staff recognized or awarded for good performance in immediately preceding year

5. Customer Service

INPUTS: CUSTOMER-ORIENTED ADMINISTRATIVE SYSTEMS
a. streamlined civil application systems

OUTPUTS: EFFICIENT CUSTOMER SERVICE
b. processing time in the issuance of business permits
c. processing time in the issuance of real property documents

B. Social Services

1. Health and Nutrition

INPUTS: APPROPRIATE STRUCTURES, HUMAN RESOURCES, AND FACILITIES TO PROVIDE HEALTH AND NUTRITION SERVICES
a. effectiveness of Local Health Board
b. percentage of barangays with functioning Barangay Health Centers
c. ratio of public health workers to population

OUTPUTS: EFFECTIVE PROVISION OF HEALTH AND NUTRITION SERVICES
d. percentage of pregnant women provided with prenatal care
e. percentage of children immunized

OUTCOMES: HEALTHY CITIZENS
f. percentage of malnourished children
g. infant mortality rate
h. mortality rate
i. morbidity rate

2. **Education**

INPUTS: APPROPRIATE STRUCTURES, HUMAN RESOURCES, AND FACILITIES TO PROVIDE EDUCATION SERVICES
a. effectiveness of Local School Board
b. percentage of barangays with functioning daycare or pre-school centers
c. ratio of elementary school teachers to pupils

OUTPUTS: EQUITABLE ACCESS TO EDUCATION
d. elementary school enrolment rate
e. secondary school enrolment rate
f. adult participation rate in nonformal and extension courses

OUTCOMES: LITERATE AND EDUCATED CITIZENS
g. secondary graduation rate
h. tertiary or vocational graduation rate

3. **Housing and Basic Utilities**

INPUTS: EFFECTIVE STRUCTURES AND PROGRAMS TO PROVIDE SOCIALIZED HOUSING AND BASIC UTILITIES
a. effectiveness of Local Housing Board
b. quality of socialized housing program

OUTPUTS: ENHANCED ACCESS TO ADEQUATE SHELTER AND BASIC UTILITIES
c. percentage of planned houses of dwelling units built
d. percentage of households with potable water supply
e. percentage of households with electricity

OUTCOMES: CITIZENS LIVING IN DECENT HOUSING SERVICED WITH BASIC UTILITIES
f. proportion of non-owner with electricity
g. percentage of households with sanitary toilets

h. percentage of households living in informal settlements or makeshift houses

4. **Peace, Security, and Disaster Preparedness**

INPUTS: EFFECTIVE STRUCTURES AND PLANS FOR PEACE AND ORDER, FIRE PREVENTION, AND DISASTER PREPAREDNESS SERVICES

a. effectiveness of Local Disaster Coordinating Council
b. effectiveness of Local Peace and order Council
c. effectiveness of Women's and Children's Desk
d. quality of Integrated Area Community Public Safety Plan

OUTPUTS: EFFECTIVE POLICE, FIRE PREVENTION, AND DISASTER PREPAREDNESS AND RESPONSE SERVICES

e. presence of an LGU emergency calling system
f. percentage of barangays with organized barangay tanods or other civilian volunteer organizations
g. number of inter-personal disputes resolved through Lupong Tagapamayapa
h. percentage of disaster victims receiving relief and rehabilitation assistance

OUTCOMES: COMMUNITIES PREPARED FOR AND PROTECTED FROM FIRE AND OTHER DISASTERS

i. incidence of crime

C. Economic Development

1. Agriculture and Fisheries Development

INPUTS: RELEVANT POLICIES, STRATEGIES, PROGRAMS, FACILITES, AND RESOURCES TO SUPPORT IMPROVEMENTS IN FARMING AND FISHING PROACTICES

a. percentage of farmers and fisher folk accessing extension and development activities that provided technical training and quality inputs to enhance their productivity
b. percentage of farmers and fisher folk accessing extension and development activities that assisted them in marketing, post-harvest processing or accessing micro-finance
c. quality of LGU research and development facilities to support farmers and fisher folk to test and adopt new products, practices and technologies

OUTPUTS: EFFECTIVE AGRICULTURAL AND FISHERIES EXTENSION AND DEVELOPMENT SERVICES

d. percentage of fisher folk and farmers who are members of cooperatives or other collective organizations
e. percentage of farming households benefiting from agricultural development programs
f. percentage of fishing households benefiting from fishery development programs
g. percentage of barangays connected to town or city center by farm-to-market roads

OUTCOMES: FARMERS AND FISHER FOLK WITH ADEQUATE LIVELIHOOD; ENHANCED FOOD SECURITY

h. percentage of prime lands over total agricultural land
i. crop yield
j. river classification
k. fish catch in coastal fishing grounds

2. Enterprise, Business and Industry Promotion

INPUTS: EFFECTIVE POLICIES, STRUCTURES, AND RESOURCES TO PROMOTE PRIVATE SECTOR INVESTMENT

a. effectiveness of Small and Medium Enterprise Development Council
b. presence of basic infrastructure and utilities in areas zoned for business and industry
c. processing time in the issuance of business permits (*also used in customer service*)
d. quality of Local Investment Incentive Code

OUTPUTS: CONDUCIVE PRIVATE SECTOR INVESTMENT CLIMATE

e. number of marketing events, industry fairs or trade missions supported by LGU
f. number of new jobs created in the immediately preceding year
g. number of new SMEs registered in the immediately preceding year

OUTCOMES: VIBRANT LOCAL ECONOMIC ENTERPRISES, LOCAL EMPLOYMENT OPORTUNITIES, LOCAL REVENUES, AND IMPROVED QUALITY OF LIFE

h. income per capita
i. poverty incidence
j. unemployment rate

D. Environmental Management

1. Natural resources management

INPUTS: EFFECTIVE POLICIES AND PROGRMAS TO PROTECT, CONSERVE, AND REHABILITATE NATURAL RESOURCES

a. quality of Environment Code
b. percentage of barangays reached by IECs to reduce illegal harvesting of animal and plant life in restricted areas and to conserve natural resources

OUTPUTS: EFFECTIVE AND PARTICIPATIVE NATURAL RESOURCE MANAGEMENT

c. quality of LGU-NGO partnerships in the management of their natural resources
d. number or natural resource rehabilitation projects implemented or supported by the LGU
e. number of reported violations of ordinances pertaining to the protection of forests, waterways, coastal and marine resources

OUTCOMES: SUSTAINABLE NATURAL RESOURCE MANAGEMENT

f. percentage of forest cover in the forest land
g. ratio of reforestation to deforestation
h. rate of protected areas cleared into other uses
i. percentage of mangroves remaining
j. percentage of live coral reef remaining

2. Waste management and pollution control

INPUTS: EFFECTIVE STRUCTURES AND PROGRAMS TO MANAGE WASTE AND POLLUTION

a. effectiveness of Solid Waste Management Board
b. presence of solid waste management program

OUTPUTS: EFFECTIVE PREVENTION OF POLLUTION AND MANAGEMENT OF WASTE

c. percentage of households and commercial establishments covered by solid waste collection service
d. percentage of solid waste collected that is properly disposed percentage of industries with pollution control facilities

OUTCOMES: IMPROVED AIR QUALITY, REDUCED POLLUTION, AND AIR POLLUTION-RELATED DISEASES

e. presence of smog, dust, odor and noise
f. presence of Solid Waste Heaps
g. marine squatter household on coastline

SAMPLE QUESTIONNAIRES

PERFORMANCE MEASUREMENT AT THE LOCAL LEVEL
Questionnaire for Local Government

LGU: _____

Address: _____

Tel #: _____ **Fax#:** _____ **Email Address:** _____

Contact Person: _____ **Position:** _____

1. Please list down and briefly describe the kinds of performance indicator system(s) currently being used by the local government in assessing local development, service delivery and pro-poor objectives. *(Kindly attach detailed documentation and cite if the performance indicator system(s) are developed and required by the national government or developed by the local government.)*

2. Given the performance indicator system(s) identified, please check appropriate boxes as to:

Performance Indicator System(s)	A. Achievement of Main Purpose *(1 - minimal; 5 - to a large extent)*	B. Degree to Which they are "Pro-Poor" and for Service Delivery *(1 - minimal; 5 - to a large extent)*
a) _____	1 2 3 4 5	1 2 3 4 5
b) _____	1 2 3 4 5	1 2 3 4 5
c) _____	1 2 3 4 5	1 2 3 4 5
d) _____	1 2 3 4 5	1 2 3 4 5
e) _____	1 2 3 4 5	1 2 3 4 5

3. How far have the performance indicator system(s) influenced the following?:
(1 - minimal; 5 - to a large extent)

	1	2	3	4	5
a) service delivery					
b) pro-poor objectives					
c) behavior change in local Government					

4. To what degree have the performance indicator system(s) been accessible to and accessed by the electorate to take informed decisions and influence local leadership behavior?
(1 - minimal; 5 - to a large extent)

1	2	3	4	5

5. If the answer to no. 4 is "minimal", please list down the three major reasons for this.

a) _____

b) _____

c) _____

6. To what degree have the performance indicator information influenced voting behavior?
(1 - minimal; 5 - to a large extent)

1	2	3	4	5

7. If the answer to no. 6 is "minimal", please choose 3 among the options below, and rank according to dominance. *(1 - major reason; 3 - minor reason)*

Rank	
	Dissemination of performance information is minimal
	performance information are disseminated to public but not understandable to ordinary citizens
	citizens are simply not aware of the performance information
	candidate's personality is a more important criterion than his/her performance
	citizens do not give importance to the performance information because they were not involved in the conceptualization of indicators and measurement of the LGU's performance
	others _____

8. In your view, what other factors (aside from performance indicator information) influence voting behavior? Please list three factors according to dominance.

a) _____

b) _____

c) _____

9. Please list at least three suggestions to further improve the effectiveness of performance indicator System(s) at the local level.

a) _____

b) _____

c) _____

d) _____

e) _____

PERFORMANCE MEASUREMENT AT THE LOCAL LEVEL
Questionnaire for National Government Agency

Agency: _____

Address: _____

Tel #: _____ **Fax#:** _____ **Email Address:** _____

Contact Person: _____ **Position:** _____

1. Please list down and briefly describe the kinds of performance indicator system(s) currently being used by the local government in assessing local development, service delivery and pro-poor objectives. *(Kindly attach detailed documentation and cite if the performance indicator system(s) are developed and required by the national government or developed by the local government.)*

2. Given the performance indicator system(s) identified, please check appropriate boxes as to:

Performance Indicator System(s)	A. Achievement of Main Purpose *(1 - minimal; 5 - to a large extent)*					B. Degree to Which they are "Pro-Poor" and for Service Delivery *(1 - minimal; 5 - to a large extent)*				
	1	2	3	4	5	1	2	3	4	5
a) _____										
b) _____										
c) _____										
d) _____										
e) _____										

3. How far have the performance indicator system(s) influenced the following?:
(1 - minimal; 5 - to a large extent)

	1	2	3	4	5
a) service delivery					
b) pro-poor objectives					
c) behavior change in local government					

4. If the impact of the performance indicator system(s) above has been "minimal", please list down the three major reasons for this.

a) _____

b) _____

c) _____

5. Please list at least three suggestions to further improve the effectiveness of performance indicator system(s) at the local level.

a) _____

b) _____

c) _____

d) _____

e) _____

REPORT ON FIELD VISITS

City:	**Cabanatuan, Nueva Ecija**
Date of Visit:	**7 June 2004**
Interviewee:	**Ms. Lucille S. Batalla, City Planning and Development Office**

A. Background

1. Cabanatuan City is strategically at the center of the Nueva Ecija Province and is approximately 117.00 kilometers north of Metro Manila. On its north are the municipalities of Talavera and General Natividad; on its east is the City of Palayan and the municipality of Laur; on its south is the Municipality of Sta. Rosa. The city is bounded by the Pampanga River on the northwest and the Cabu River on the east. It has a total land area of 19,069.00 hectares and a population of around a quarter of a million.

B. Performance Indicator Systems Used

2. The city uses three performance measurement system namely (i) Local Productivity and Performance Measurement System (LPPMS); (ii) Minimum Basic Needs Survey (MBN); and (iii) Water District Development Project (WDDP) Performance Indicators. The WDDP Performance Indicators was introduced by the World Bank as a requirement on a water district project in Cabanatuan City during the late 1990s and is currently being used by the city in almost all its infrastructure projects.

3. In terms of achievements of its main purposes, the city gave the LPPMS a rating of 5; the MBN 5; and the WDDP 5.

4. In terms of achievement of pro-poor objectives and improvement in service delivery, the city gave LPPMS a rating of 4; the MBN 4; and the WDDP 3.

5. The city believes that such performance indicator systems have been fundamentally their basis for the citizens' needs. The city also feels that these performance criteria have helped them achieve their pro-poor objectives and improvements in service delivery as development and improvements are seen. However, there is room for improvement since there are still issues on poverty and lack of basic services that need to be addressed. In addition, the city believes that the performance indicator systems have influenced the positive behavior change in local government. Mayor Julius Cezar Vergara, a re-electionist, has led his service-oriented term by utilizing the incurred salaries savings brought about by the 50% slash on the local government personnel to development projects.

6. In terms of the performance indicator systems being accessible to and accessed by the electorate, the city gave a rating of 4 because it is only the key LGU officials including the Local Chief Executive and the Department Heads and the City Planning Development Office who are fully aware of such performance criteria. However, these public management tools are translated into performance information and are being utilized as aid for development planning during meetings of the Barangay Development Council and City Development Council. In addition, the city also has a hotline number which provides the citizens the opportunity to air their grievances and concerns through text messages sent to the Mayor. Also, the city has a

radio program which features reports on local programs and projects and emphasizes critical issues. In addition, the city also has an annual report of accomplishments.

7. With regard to the influence of performance indictor information on voting behavior, the city official gave the rating of 5 because she believes that the performance of the incumbent Mayor is primarily the reason why he is voted to office again. Other factors which may affect voting behavior are combination of infrastructure projects and improvements in service delivery, qualification of candidate, and good rapport with constituents.

C. Recommendations

8. The city official interviewed identified the following suggestions to make local development performance measures more effective:

(i) make the public aware of and understand the performance indicator system; and
(ii) simplify the data required by the indicators.

City:	**Palayan, Nueva Ecija**
Date of Visit:	**7 June 2004**
Interviewee:	**Mr. Roberto C. Bolinao, City Planning and Development Coordinator**

A. Background

9. Palayan City is the official capital of the Province of Nueva Ecija. It is bounded on the east by the City of Cabanatuan and the Municipality of Sta. Rosa; on the south by the Municipalities of San Leonardo and General Tinio; on the west by the Municipality of Laur; and on the north by the Municipalities of Gen. Natividad and Bongabon. It has a total land area of 17,229.80 hectares.

B. Performance Indicator Systems Used

10. The city uses five performance indicator systems such as (i) the Local Productivity and Performance Measurement System (LPPMS); (ii) Minimum Basic Needs Survey (MBN); (iii) Human Ecological Security (HES) Survey; 4) Performance Evaluation System (PES); and (v) Scalogram. The HES was introduced by the Department of Interior and Local Government (DILG). The PES is a program of the Civil Service Commission. The city used the Integrated Rural Accessibility Program (ILO-IRAP) only once during 2001 since it is not mandated by the national government. In addition, the city official believes that it is a mere duplication of the MBN and is also costly. In addition, the city conducts a monthly and quarterly reporting system aside from the prescribed annual accomplishment to further improve their monitoring evaluation functions. Unlike the other performance indicator systems, the Scalogram is developed by the City Government of Palayan to further improve their service delivery in the barangay level. The Scalogram simply reflects the services provided and lacking in the barangay level.

11. In terms of achievement of its main purposes, the city gave LPPMS a rating of 4; MBN rated 5; HES rated 5; PES rated 5; and Scalogram rated 1.

12. In terms of achievement of pro-poor objectives and improvement in service delivery, the city rated LPPMS with a 5; the MBN with a 5; the HES with a 5; the PES with a 4; and the Scalogram with a 5.

13. Indeed, the performance indicator systems used by the City of Palayan have influenced the aspect of improved service delivery and reduction of poverty to a large extent. These indicators have also caused a positive behavior change in the local government brought about by the LGU employees' consciousness on productivity and sense of volunteerism. However, there is still room for improvement in this aspect as not all have imbibed this attitudinal change. The City of Palayan has developed the Buklod Barangay Cluster Development Strategy wherein barangays are grouped based on their topography, physical attributes, and proximity to one another. This clustering allows the City Government to efficiently provide facilities and services due to economies of scale and the barangays' common characteristics and needs.

14. The performance indicator information is accessible to the public by means of barangay assemblies and meetings of the City Development Council. Also, the city has a semi-annual newsletter and an annual report of accomplishments. Unfortunately, ordinary citizens are not aware of the performance indicator information. The information has not been a strong influence to voting behavior. Other factors which affect the electorate's decision are the following: personality of candidate, platform of candidate, and political machinery.

D. Recommendations

The city official suggested the following to further improve the effectiveness of local performance indicator system.

(i) regular conduct of Performance Evaluation Meeting;
(ii) political will of leaders;
(iii) available or prepared Development Plans/Projects; and
(iv) mandates from higher government agencies.

City:	**Muñoz (Science City of Muñoz), Nueva Ecija**
Date of Visit:	**8 June 2004**
Interviewee:	**Mr. Eric Tubalinal, City Mayor's Office** **Engr. Randy Baldedara, City Planning and Development Office**

A. Background

15. The Science City of Muñoz of the Nueva Ecija Province is bounded on the north by the Municipality of Lupao; on the west by the Municipalities of Talugtug and Guimba; on the south by Sto. Domingo, on the southwest by Talavera; and on the east by the City of San Jose and the Municipality of Llanera. It has a total land area of 16,035.00 hectares and a population of less than 100,000 growing at an annual rate of 2.28%. The agglomeration of various agricultural research agencies has earned Muñoz the name Science City.

B. Performance Indicator Systems Used

16. The city uses two performance indicator systems such as: the Local Productivity and Performance Measurement System (LPPMS) and the Expanded Minimum Basic Needs Survey. The Expanded MBN, which was developed by the city, is based from the MBN Survey. Additional indicators were incorporated in the Expanded MBN to suit the city's needs and situation. The Expanded MBN Survey questionnaire is translated in Filipino for ease of reference.

17. In terms of achievement of main purpose, the city rated LPPMS with a 3 and the expanded MBN with 5.

18. In terms of achievement of pro-poor objectives and improvement in service delivery, the city rated LPPMS with a 3 and the expanded MBN with a 5.

19. Both performance indicator systems influence service delivery and pro-poor objectives to a large extent. The City Government was able to identify barangays which need potable water and irrigation system by using their expanded MBN. Also, the same survey allowed them to provide livelihood opportunities to areas in dire need of additional income. The strong influence of the systems is also reflected on the positive behavior change in local government. The City Government of Muñoz minimizes hiring of contractors and promotes bidding by administration. By personally delivering services to the people and shortening the process, they are in effect minimizing the costs of projects.

20. The performance indicator information is accessible to the public through barangay assemblies, meetings of City Development Council and Department Heads. Key stakeholders such as NGOs, POs and representatives of research agencies in the city are made aware of such information.

21. The city officials claim that performance information has been very influential to the voting behavior of the citizens of Muñoz as reflected in the recent elections. Responsive development projects brought about by performance indicators and survey have been to some extent, responsible for Mayor Nestor Alvarez' re-election. The electorate was aware of the Local Chief Executive's performance. Other factors which influence voting behavior are: candidate's capability to lead and manage resources, government rapport with constituents and good platforms.

C. Recommendations

22. The city officials suggested the following to make performance indicator systems more effective at the local level.

(i) make performance indicator systems more comprehensive and reflective of the city's needs;
(ii) improve their ability to assist local governments in policy-making; and
(iii) conduct citizen satisfaction survey which will provide a more comprehensive perception of the situation of the city.

City:	**Legazpi, Albay**
Date of Visit:	**9 – 10 June 2004**
Interviewee:	**Engr. Joseph B. Esplana, City Planning and Development Coordinator** **Ms. Grace Bachiller, City Planning and Development Office** **Ms. Elena Cabales, City Planning and Development Office**

A. Background:

23. The City of Legazpi is the provincial capital of the Province of Albay. It is located 532.00 kilometers south of Manila. It has a total land area of 20,420.40 hectares and a population close to 200,000 with an annual growth rate of 2.23%.

B. Performance Indicator Systems Used

24. The city uses several performance indicator systems such as the Local Productivity and Performance Measurement System (LPPMS); the Regional Project Monitoring and Evaluation System (RPMES); the Performance Evaluation System (PES); Integrated Rural Accessibility Program (ILO-IRAP); Population Development Indicators (POPDEV); Minimum Basic Needs Survey (MBN); and the Legazpi City Barangay Socio-Economic Survey. The RPMES was introduced by the National Economic Development Authority (NEDA). The ILO-IRAP was introduced during the administration of President Joseph Estrada by the International Labor Organization to conduct a quick assessment of the situation and profile of barangays in selected LGUs. The MBN is translated in the local dialect for ease of reference. The city developed the Legazpi City Barangay Socio-Economic Survey to allow the city a more comprehensive profiling of the barangays.

25. The city officials believe that all performance indicator systems achieve their main purpose to a large extent by the rating of 5 given to all systems.

26. Also, they feel that all the performance indicator systems achieve pro-poor objectives and service delivery improvements to a large extent, again, with the rating of 5 for all systems. Thus, performance indicator systems have great influence over poverty reduction initiatives and provision of quality services. In addition, the city believes that the performance indicator systems influence the positive behavior change in local government brought by various trainings conducted to equip local government personnel of necessary skills and knowledge and further improve the quality of services provided.

27. The performance information is accessible to and accessed by the public through the annual video presentation of “Ulat ng Bayan” which the City Government takes great pride in. The “Ulat ng Bayan” is an accomplishment report done by the Mayor every first quarter of the year. It is usually held in the town plaza. According to the city officials, citizens even engage the Mayor in a forum and raise their queries during this activity.

28. Performance information influence voting behavior to a large extent as reflected by the recent elections. Mayor Noel Rosal, a re-electionist, has been voted into office again because of his proven performance. Other factors which influence voting behavior are the following: good

rapport with constituents, elected officials' barangay presence, and combination of social services and infrastructure provided by the City Government.

C. Recommendations

29. The city officials suggest the following to further improve the effectiveness of performance indicator systems:

(i) need for a feedback mechanism regarding performance reports submitted to the National Government;
(ii) focus indicators on the needs of the basic sector as they serve as human development indices; and
(iii) a current need for legislative support to expedite projects and gain financial support.

Municipality:	**Daraga, Albay**
Date of Visit:	**9 June 2004**
Interviewee:	**Ms. Marissa C. Pangilinan, Municipality Planning and Development Coordinator**

A. Background

30. The Municipality of Daraga is located in the southwest portion of the Albay province. It is bounded on the north and east by the City of Legazpi; on the south by the Province of Sorsogon, particularly the Municipality of Pilar; and on the west by the Municipalities of Camalig and Jovellar. Daraga is a first class municipality with a land area of 11,860.00 hectares and a population of around 100,000 growing at an annual rate of 1.70%.

B. Performance Indicator System Used

31. The Municipality uses both Local Productivity and Performance Measurement System (LPPMS) and Performance Evaluation System (PES). The Municipality used the MBN once in 1997.

32. In terms of achievement of main purpose, the Municipality gave LPPMS a rating of 3 and PES a rating of 3 as well.

33. In terms of achievement of pro-poor objectives and improvements in service delivery, the Municipality gave LPPMS a rating of 4 and the PES a rating of 3.

34. The Municipality official feels that the performance indicator systems mentioned above have influenced, to a certain extent, their achievement of service delivery improvements and pro-poor objectives; however, plans, programs and projects are primarily based from other factors such as mandates from the national government, priority projects of the local chief executive and programs and projects discussed in barangay assemblies and the Local Development Council.

35. The performance information is accessible to and accessed by the electorate to a minimal extent brought about by the citizens' non-appreciation of performance indicators and the failure of the top LGU officials to appreciate the significance of performance criteria.

36. Furthermore, influence of performance information to voting behavior is limited due to LGU's minimal dissemination of performance information, low level of citizens' appreciation of the performance information, and the fact that citizens do not give much importance to the performance information since they were not involved in the conceptualization of indicators and measurement of the LGU's performance. Other factors which affect voting behavior are: personality of candidate, qualification of candidate, and moral values of candidate.

C. Recommendations

37. The Municipality official suggested the following to further improve the effectiveness of performance indicator systems.

(i) cooperation among offices in the Municipality for easy access to information (to promote information-sharing);
(ii) disseminate performance information at a large scale; and
(iii) make LGU officials appreciate performance indicator systems more.

City:	**Naga, Albay**
Date of Visit:	**10 June 2004**
Interviewees:	**Arch. Juan O. Villegas, Jr., City Planning and Development Coordinator** **Ms. Rosemarie Ciudadano, City Planning and Development Office**

A. Background

38. The City of Naga is located at the heart of the Province of Camarines Sur. The city is approximately 377.00 kilometers south of Manila and is 100.00 kilometers north of Legazpi City, Albay. It is bounded on the north by the Municipalities of Canaman and Magarao; on the east by Mt. Isarog and the Municipality of Pili, the town capital of the province; on the south by the Municipality of Milaor; and on the west by the Municipality of Camaligan. It has a total land area of 8,448.00 hectares and a population of around 150,000 growing at an annual rate of 1.65%.

B. Performance Indicator Systems Used

39. The city uses the following performance indicator systems: Local Productivity and Performance Measurement System (LPPMS), Local Governance Performance Management System (LGPMS) and the Report Card on the Millennium Development Goals (RC on MDGs). The RC on MDGs was introduced by The Urban Governance Initiative (TUGI) and the city is one if not the only pilot LGU for the RCs on MDGs in the country. Naga's RC on MDGs evaluates the city's responsiveness to the needs of senior residents, the city's ability to provide equitable access to education, and the city's strategy for a sustainable solid waste management.

40. In terms of achievement of main purpose, the city gave LPPMS a rating of 4, and the RC on MDGs a rating of 5.

41. In terms of achievement of pro-poor objectives and improvements in service delivery, the city gave both LPPMS and RC on MDGs a rating of 5.

42. The city believes that the performance indicator systems are influential in the improvement of service delivery and achievement of pro-poor objectives. However, the city feels that performance indicator systems partially influence behavior change in local government since prior local government initiatives have been adopted in the past to improve the attitude of local government employees towards service delivery. Examples of these local initiatives are the creation of the Good Urban Governance Council; the Productivity Improvement Program which evolved to the Quality Service Improvement Program and now known as the Public Service Excellence Program; the creation of the Naga City People's Council; and the presence of Performance Pledges on all offices at the City Government, which indicates the kind of, response time and person in-charge of frontline services in the respective departments.

C. Recommendations

43. The city is oriented towards delivery of quality services to its residents and would like to further improve their performance through the aid of responsive performance indicator systems. The city officials suggested the following:

(i) allow LGUs room to innovate indicators suited to their specific needs (some of the indicators established by national government agencies have unattainable benchmarks, while some indicators are not even adaptable to certain LGUs); and
(ii) establish recognition or acknowledgment program for exemplary service delivery of LGUs to motivate all LGUs to take performance indicator systems seriously and put premium on performance.

City:	**Cebu, Cebu**
Date of Visit:	**14 June 2004**
Interviewee:	**Mr. Rene Sanapo, Consultant, City Government of Cebu**

A. Background

44. The City of Cebu is located on the central eastern part of Cebu Province, an island at the center of the Visayas in Southern Philippines. It is bound by Mandaue City on the north, the City of Talisay oin the south, Mactan Channel on the east, and the Municipality of Balamban and the City of Toledo on the west. Cebu City has a land area of 29,124.78 hectares and is highly urbanized.

B. Performance Indicator Systems Used

45. The city uses the Services and Procedures Rationalization and Improvement in Government (SPRING) indicators which the city developed. The city is not using any other performance indicator systems because the City Government feels that the SPRING indicators are adequate and more responsive to the needs of the city and its residents.

46. In terms of achievement of main purpose, the city gave SPRING a rating of 2 since it is still a work in progress.

47. In terms of achievement of pro-poor objectives and improvements in service delivery, the city gave SPRING a rating of 5.

48. The performance indicator systems have greatly helped the achievement of the city's pro-poor objectives and improvements in service delivery. The city also feels that SPRING has influenced behavior change in the local government as it has raised awareness on the significance of quality of service and customer satisfaction.

49. The performance information is accessible to and accessed by the public to a minimal extent since the SPRING indicators are treated as an internal program for service improvement.

50. The performance information has a minimal influence on voting behavior because dissemination of performance information is minimal, citizens are simply not aware of these information, and they do not give importance to the performance information because they were not involved in the conceptualization of indicators and measurement of the LGU's performance. Factors which greatly influence voting behavior are self-help projects, innovations in service delivery, and candidate's perception, performance and political machinery.

C. Recommendations

51. The city suggested the following to further improve the effectiveness of performance indicator systems:

(i) involvement of citizens in conceptualization and measurement;
(ii) raise awareness and disseminate performance information to a large extent; and
(iii) do service improvement projects continually which means to have more SPRING case studies and projects.

City:	**Mandaue, Cebu**
Date of Visit:	**14 June 2004**
Interviewees:	**Mr. Serafin Blanco, City Administrator** **Arch. Delia Rodrigo, City Planning and Development Coordinator**

A. Background

52. Mandaue is the smallest city in the Province of Cebu with a land area of 4,410.00 hectares. It is bounded on the north by the Municipality of Consolacion; on the south and west by Cebu City; on the east by the Mactan Strait. The City of Mandaue is only seven kilometers away from Cebu City. It is highly urbanized with a population of more than a quarter of a million growing annually at a rate of 1.50%.

B. Performance Indicator Systems Used

53. The city uses five performance indicator systems, namely: Local Productivity and Performance Measurement System (LPPMS, Local Development Watch (DW) and Local Governance Performance Management System (LGPMS). The Minimum Basic Needs Survey (MBN) and the Integrated Rural Accessibility Program (ILO-IRAP) were used prior to the LPPMS and DW. Both LPPMS and DW were introduced by the Department of Interior and Local Government (DILG).

54. The city feels that both LPPMS and DW have achieved their main purpose to a large extent.

55. Also, the city believes that to a large extent both LPPMS and DW are pro-poor and for service delivery.

56. The performance indicator systems have greatly influenced improvements in service delivery. These systems also helped the city achieve their pro-poor objectives. These criteria have raised awareness on the significance of monitoring and evaluation of performance. Regular communication between department heads, barangay officials and key stakeholders, and the Local Chief Executive requiring all department heads monthly accomplishment reports are some of the improvements being experienced by the City Government.

57. The performance information is accessible to and accessed by the public by means of barangay assemblies, local development council meetings and department heads meetings; and through the presence of a large performance billboard in the plaza and newsletter circulated every 6 months.

58. Performance information partially influences voting behavior because dissemination of information is minimal. Other factors which influence voting behavior are: accomplishment and qualification of the candidate; candidate's good rapport with constituents; and political machinery.

C. Recommendations

59. The city official identified the following suggestions to further improve the effectiveness of performance indicator systems:

(i) inform all stakeholders of these systems;
(ii) encourage all stakeholders in the conceptualization of indicators; and
(iii) institutionalize performance indicator systems.

City:	**Bacolod, Negros Occidental**
Date of Visit:	**15 June 2004**
Interviewees:	**Mr. Henry C. Liboon, City Planning and Development Coordinator (OIC)** **Ms. Ann D. Belicena, City Planning and Development Office**

A. Background

60. The City of Bacolod is located on the northwest coast of the Province of Negros Occidental. It is bounded on the northwest by the City of Talisay; on the east by the City of Silay and the City of Victorias; on the east and southwest by the town of Murcia; on the southwest by the City of Bago; and in the west by the Guimaras Strait. The city has a land area of 16,145.00 hectares with a population of close to half a million growing at 1.39% annually. Bacolod City is highly urbanized.

B. Performance Indicator Systems Used

61. The city uses the Local Productivity and Performance Measurement System (LPPMS) but has employed Minimum Basic Needs Survey (MBN), Population Development Indicators (POPDEV) in support of their planning functions before. The DILG Systems Citizens Welfare Monitoring (DSCWM) is still in its infancy stage and encoding has not been completed.

62. In terms of achievement of main purpose, the city noted the LPPMS with a 5; the DSCWM with a 3; the POPDEV with a 3; and the MBN with a 4.

63. In terms of achievement of pro-poor objectives and improvements in service delivery, the city rated the LPPMS with a 5, the DSCWM with a 5, POPDEV 2, MBN 5.

64. These performance indicator systems are indeed influential in the improvement of service delivery, achievement of pro-poor objectives and positive behavior change in local government. The local officials and local government employees take these performance indicator systems seriously. The indicators made them aware of their duties and functions, and conscious of their performance as seen in the improvement of processing time and revenue collection.

65. The performance information is accessible to and accessed by the public through barangay assemblies and meetings of the City Development Council and Department Heads. In addition, a large performance billboard is posted outside the City Hall.

66. The city officials believe that performance information influence voting behavior; however, other factors affect the electorates' decision, such as the candidate's credibility, political machinery, and his money to sustain campaigns.

C. Recommendations

67. The city officials find the various performance indicator systems as beneficial to development planning and have suggested the following to further improve their effectiveness.

(i) institutionalization of performance indicator systems through memorandum circular from DILG or even an Executive Order by the President (every performance indicator systems developed are important and helpful to development planning, however, use of these systems must be closely and properly monitored and evaluated by a committee to ensure its staying power and effectiveness);
(ii) mainstreaming indicators in the barangay level to promote harmonious service delivery in the local government; and
(iii) raise awareness on performance indicator systems through information and education campaign (IEC).

City:	**Cagayan de Oro, Misamis Oriental**
Date of Visit:	**9 June 2004**
Interviewees:	**Engr. Emmanuel Abejuelo, City Adminstrator**
	Engr. Isidro Borja, Chief, Program Evaluation Office
	Arch. Erlinda Noval, City Planning and Development Office

A. Background

68. Cagayan de Oro is the regional capital of Region X. It is located between the central coastline of Macajalar Bay to the north and the mountains of Bukidnon and Lanao del Norte to the south. Immediately to its west is the municipality of Opol, while on its east is the municipality of Tagoloan. Classified as highly urbanized, the city is one of the major trading and commercial centers along the Cagayan de Oro – Iligan corridor. It has a total land area of 46,589 hectares and a population of more than half a million people growing at the rate of 1.63% annually.

B. Performance Indicator Systems Used

69. The city uses two performance indicator systems, namely the Local Productivity and Performance Measurement System (LPPMS) and the Citizens Welfare Program (CWP). The CWP is a component of the Philippine Regional Municipal Development Project (PRMDP) supported by AusAid and Asian Development Bank. The city used the CWP to establish base indicators. The city was using the Minimum Basic Needs (MBN) monitoring system prior to adopting the LPPMS.

70. Cagayan de Oro finds both the LPPMS and the CWP as having only partially achieved both their main purpose and pro-poor service delivery improvement objectives (rated 3 in a scale of 1 to 5). They attribute this to the inclusion of national standards/indicators over which the local government unit (LGU) has no control over, such as the ratio of policemen and firemen to population. The city also cites the long period of time it takes the DILG central office – to whom the LPPMS report is submitted – to approve the report for transmittal to the City Council. The City Administrator also raised doubts as to the validity of all the reported accomplishments since the LPPMS is a self-rating system.

71. The LPPMS is conducted once a year by a joint committee of the city government and DILG, with the Mayor as Chair and the DILG City Director as Vice Chair. The results are presented to the City Council and key stakeholder groups, but are not disseminated to the

public. Citizens are not involved in the monitoring and assessment. The city uses the performance information for directing the planning and delivery of services.

72. The CWP monitoring system has been linked by the city to the preparation of comprehensive development plans of all barangays, thus providing the basis for evaluating performance at the barangay level. In 2003, all barangays completed the development plans. The city is presently undertaking the monitoring but plans to establish the monitoring system at the barangay level in the near future.

73. The city reported that the performance indicator systems have yet to be accessible to and accessed by the local electorate (rated minimal in the questionnaire). While the Mayor uses the performance information to direct the city departments in the delivery of services, and has a weekly radio program which provides people with the opportunity to air their grievances and concerns, the city reports that performance information is not a major factor in the decisions of the electorate. The three major reasons cited for this are:

(i) the city considers the LPPMS to be "owned" by DILG and not truly by the city;
(ii) local citizens lack the political maturity to use performance information in making informed decisions; and
(iii) the city's website, where performance information is to be featured on a regular basis, is still being developed.

74. Related to the above, the city officials see other factors to be of stronger influence on voting behavior. These factors, listed according to their perceived degree of influence, are

(i) candidate's personality;
(ii) citizens are either not aware or do not give importance to performance information;
(iii) dissemination of performance information is minimal; and
(iv) citizens lack the political maturity to give performance more importance.

C. Recommendations

75. The city officials interviewed identified the following suggestions to further improve local development performance measures:

(i) have the performance monitoring conducted by an independent organization such as an NGO or academic institution;
(ii) include qualitative indicators, perhaps through a citizens satisfaction survey;
(iii) involve citizens in getting feedback, especially from those living outside the poblacion area, where services are lacking;
(iv) establish a city web site where performance information can be presented; and
(v) establish a barangay-level performance monitoring system on a continuing basis.

City:	**Malaybalay, Bukidnon**
Date of Visit:	**10 – 11 June 2004**
Interviewees:	**Hon. Florencio T. Flores, Jr., City Mayor** **Mr. Herculano Ronolo, City Planning and Development Coordinator**

A. Background

76. Malaybalay City is only 5 years old and still very much as its infancy stage. As the first and capital city of the Province of Bukidnon, it hosts the Provincial Government offices and national government agencies, major schools, and the Provincial hospital. In 2001, it recorded a total population of 123,672 growing at 1.95% per annum. It has a total land area of 108,589 hectares, of which 65% is forestland and only 35% is alienable and disposable. The city plays an important role in the protection of headwater source. Several watersheds are located within its forestland, which provide drinking water, irrigation, hydro-electric power, as well as venue for recreational and tourism activities.

77. The city's economy is mainly agricultural although there has been a proliferation of agro-industries in recent years, particularly commercial poultries and piggeries. It is subdivided into 46 barangays, 11 of which are in the urban center, 7 are considered urbanizing, and the remaining 28 are rural.

B. Performance Indicators Systems Being Used

78. The city uses four performance measurement systems, namely: Local Productivity and Performance Measurement System (LPPMS); Local Government Services Program (LGSP); Personnel Evaluation System (PES); and Local Level Program Implementation (LLPI). The LGSP is a local governance capacity building program supported by the Canadian International Development Agency (CIDA). The LLPI is primarily a nutrition program supported by the Nutrition Council of the Philippines. Both the LPPMS and LGSP are conducted annually while the PES is conducted twice a year. The LLPI is also reported annually but some indicators are monitored as frequently as twice a month.

79. In terms of achievement of its main purposes, the city rated the LPPMS with a rating of 4 (with 5 as the highest score); the LGSP with a 4; the PES with a 4; and the LLPI with a 5.

80. In terms of achievement of pro-poor objectives and improvements in service delivery, the city rated LPPMS with a 5; the LGSP with a 5; the PES with a 4; and the LLPI with a 5.

81. Related to the above, the city believes its performance indicator systems have significantly helped the achievement of the city's pro-poor objectives and improvements in service delivery. The city also feels that these systems have greatly contributed to behavior change in local governance including at the barangay level.

82. The latter is attributed to the fact that the performance information is accessible to the public through a number of means including barangay assemblies, meetings of the City Development Council and city department heads, a bimonthly city newsletter, and an annual report. While the city has not installed a formal feedback mechanism on performance information, it has a 3-times-a-week radio program which features reports on local programs

and projects, and provides citizens with the opportunity to air their grievances and concerns. The city also maintains a 24-hour, 7-days-a-week emergency telephone number (117) in the office of the Mayor which not only responds to calls for assistance but also receives complaints on a wide variety of issues.

83. With regard to the influence of performance information on voting behavior, the city officials believe that this has been the case in Malaybalay that the electorate has voted into office the candidates with proven performance. (Note: Mayor Flores was re-elected based on his performance during his first term of office.) However, they also cited other factors which strongly influence voting behavior, such as media exposure, party affiliation, and personality of the candidate.

C. Recommendations

84. Not all the city department staff is aware of the LPPMS although the department heads fill in the assessment forms which are subsequently consolidated for the annual report by the joint staff of the City Planning and Development Office and DILG City Director. Each department has its own set of performance measures, usually sectoral in nature and often program or project based. They also have their own way of assessing performance. Most of these indicators are quantitative, and data are scattered among the different departments with hardly any sharing between them.

85. The city needs to have an integrated data base and an accompanying performance indicator system that all city departments can use uniformly as well as access regularly.

86. The city suggests the following to further improve the performance indicator systems:

(i) faster feedback from the DILG Central office on the LPPMS annual report;
(ii) establishment at the national level of a recognition/award program for effective performance indicator systems of LGUs; and
(iii) establishment at the LGU level of a recognition/award program for effective performance indicator systems of barangays.

REPORT ON FOCUS GROUP DISCUSSIONS

City:	**Las Piñas, Metro Manila**
Date of FGD:	**17 June 2004 (9:00am – 12:00nn)**
Resource Person:	**Engr. Leonida A. Lagrisola, City Planning Officer**
Participant:	**Mr. Arman Aguilar, City Planning Officer**

A. Performance Indicator Systems Being Used

1. The city uses the Local Productivity and Performance Measurement System (LPPMS) and the Minimum Basic Needs Survey (MBN).

2. In terms of achievement of its main purpose, the city official gave both performance measurement systems a rating of 3.

3. In terms of achievement of pro-poor objectives and improvements in service delivery, the city official gave both LPPMS and MBN a rating of 5.

4. The LPPMS and the MBN influence the city's improvements in service delivery and pro-poor objectives, as well as behavior change in the local government to some extent.

5. In terms of the performance indicator information being accessible to and accessed by the electorate, the city official gave a rating of 3.

6. With regard to the influence of performance indicator information on voting behavior, the city official gave a rating of 4. Aside from the information on performance criteria, the electorate puts premium on the candidate's capability to govern the constituents and city staff, as well as the candidate's ability to response immediately to the constituents' needs.

B. Recommendations

7. The city officials did not give any suggestions.

City:	**Caloocan, Metro Manila**
Date of FGD:	**17 June 2004 (9:00am – 12:00nn)**
Participant:	**Arch. Jonathan T. Himala, City Planning Officer**
	Mr. Arnelory De Guzman, City Planning Officer

A. Performance Indicator Systems Being Used

8. The city uses two performance indicator systems, namely: (i) Local Productivity and Performance System (LPPMS); and (ii) Minimum Basic Needs Survey (MBN). The LPPMS was introduced by DILG to the city last year, while the MBN was applied to selected barangays.

9. In terms of achievement of main purpose of each indicator system, the city officials gave LPPMS a rating of 2 and MBN a rating of 3.

10. In terms of achievement of pro-poor objectives and improvements in service delivery, both performance measurement systems received a rating of 4 from the city officials.

11. The performance indicator systems have minimal influence on service delivery improvements and behavior change in local government but have influence to pro-poor objectives to a certain extent.

12. In terms of performance indicator information being accessible to and accessed by the electorate, the city officials gave a rating of 2 because the information is only disseminated to areas of barangays targeted for the convergence of services. Also, there is a lack of advocacy on performance-based assessment.

13. With regard to the influence of performance indicator information on voting behavior, the city officials gave a rating of 2 because, primarily, the citizens are simply not aware of the performance information. Secondly, citizens do not give importance to the performance information because they were not involved in the conceptualization of indicators and measurement of the LGU's performance. Lastly, the dissemination of performance information is minimal. Other factors which influence voting behavior more than the performance indicator information are: the candidate's personality, track record and background.

B. Recommendations

14. The city officials suggested the following to further improve the effectiveness of the performance indicator systems used at the local level:

(i) make top level governance appreciate the significance of performance measurement systems; and
(ii) require performance measurement systems on the Local Budgeting System.

City:	**Marikina, Metro Manila**
Date of FGD:	**17 June 2004 (9:00am – 12:00nn)**
Participant:	**Mr. Jun Aguilar, City Planning and Development Coordinator** **Mr. Paul Sison, Consultant**

A. Performance Indicator Systems Being Used

15. The city uses five performance measurement systems, such as (i) Local Governance Performance Management System (LGPMS); (ii) Minimum Basic Needs Survey (MBN); (iii) Philippine Quality Award Performance Parameters (PQA); (iv) City Competitiveness Project (CCP) of the Asian Institute of Management; and (v) City Development Strategy of the World Bank (CDS).

16. In terms of achievement of main purpose of each indicator system, the city officials gave the following rating: LGPMS received 3; MBN received 4; PQA received 5; CCP received 5; and the CDS received 4.

17. In terms of achievement of pro-poor objectives and improvements in service delivery, the city officials gave the following rating: LGPMS received 3; MBN received 4; PQA received 5; CCP received 5; and CDS received 4.

18. The performance measurement systems greatly influence improvements in service delivery, pro-poor objectives and positive behavior change in local government as reflected by the rating of 5 given to all three.

19. In terms of the performance indicator information being accessible to and accessed by the electorate, the city officials gave a rating of 5. The LGU officials, specifically the Local Chief Executive, the Department Heads and the City Planning and Development Office are highly aware and greatly appreciate the significance of such performance criteria. Results of the performance measurements are used for development planning during Barangay Development Council and the City Development Council meetings.

20. With regard to the influence of performance indicator information on voting behavior, the city officials gave a rating of 5. Other factors which influence voting behavior, aside from the performance indicator information, are: political patronage, parochial concern and party affiliation.

B. Recommendations

21. The city officials suggested the following to further improve the effectiveness of performance measurement systems used at the local level:

(i) participate in the Philippine Quality Award and/or other related programs;
(ii) create awareness on performance indicator systems to increase their acceptability;
(iii) educate the performance indicator systems users continuously to improve the quality and accuracy of their outputs;
(iv) designate a specific unit dedicated for the purpose of improving the effectiveness of performance measurement systems, such as the "Center for Excellence" created by the City Government of Marikina; and
(v) provide incentives or internal awards to champion(s) of performance indicator systems for each category.

City:	**Quezon City, Metro Manila**
Date of FGD:	**17 June 2004 (9:00am – 12:00nn)**
Participant:	**Ms. Patti Villanueva, City Planning Officer**
	Ms. Alice Padua, City Planning Officer

A. Performance Indicator Systems Being Used

22. The city uses two performance indicator systems, such as (i) Local Productivity and Performance Measurement System (LPPMS); and (ii) Minimum Basic Needs Survey (MBN). In addition, a regular barangay survey is conducted to monitor the city's performance and the services it provides. The survey is tantamount to a citizen satisfaction survey. Also, executive meetings are conducted twice a month to monitor status of assignments and projects.

23. In terms of achievement of main purpose of each indicator system, the city officials gave the following rating: LPMMS received 3; and MBN received 3.

24. In terms of achievement of pro-poor objectives and improvements in service delivery, both LPMMS and MBN got a rating of 4 from the city officials.

25. The performance indicator systems influence service delivery improvements, pro-poor objectives and behavior change in local government.

26. In terms of performance indicator information being accessible to and accessed by the electorate, the city officials gave a rating of 1 because information is only limited to the City Government and is not disseminated to the public.

27. With regard to the influence of performance indicator information on voting behavior, the city officials gave a rating of 1 due to the following reasons: dissemination of performance indicator information is minimal; citizens are simply not aware of the performance information; and citizens do not give importance to the performance information because they were not involved in the conceptualization of indicators and measurement of the LGU's performance. Furthermore, the city officials believe that a candidate's personality and popularity influence voting behavior more.

B. Recommendations

28. The city officials believed that, to further improve the effectiveness of the performance indicator systems at the local level, the indicators adopted must be applicable to the LGU's condition since there are performances/services that cannot be measured by the existing system in the local government.

Municipality:	**San Juan, Metro Manila**
Date of FGD:	**17 June 2004 (9:00am – 12:00nn)**
Participant:	**Ms. Milagros C. Litorjua, Budget Officer and Comprehensive Integrated Delivery of Social Services (CIDSS) Technical Working Group Member**

A. Performance Indicator Systems Being Used

29. The Municipality uses the Minimum Basic Needs Survey (MBN). The MBN is used as a tool of the Municipality's Comprehensive Integrated Delivery of Social Services (CIDSS) to identify the 10 unmet needs of a barangay.

30. In terms of achievement of its main purpose, the MBN was given a rating of 4 by the city official.

31. In terms of achievement of pro-poor objectives and improvements in service delivery, the city official gave a rating of 5 to MBN.

32. The performance indicator system greatly influences improvements in service delivery and pro-poor objectives. Also, it has influence over behavior change in local government.

33. In terms of the performance indicator information being accessible to and accessed by the electorate, the city gave a rating of 3 because planning and implementation only involve the Municipal Planning and Development Office and the Municipal Social Welfare and Development Office.

34. With regard to the influence of performance indicator information on voting behavior, the city gave a rating of 4. Receiving benefits brought about by the performance indicator information's translation to projects/programs definitely influence voting behavior at barangays concerned.

B. Recommendations

35. The city official suggests the following to further improve the effectiveness of the performance indicator systems at the local level:

(i) widen coverage of the MBN survey to allow its adoption to all barangays; and
(ii) increase budget for poverty reduction programs.

City:	**Pasig, Metro Manila**
Date of FGD:	**17 June 2004 (9:00am – 12:00nn)**
Participant:	**Ms. Luisa Soriano, City Planning and Development Coordinator**

A. Performance Indicator Systems Being Used

36. The city uses the Minimum Basic Needs Survey (MBN) and The Urban Governance Initiative (TUGI) Report Card System. The TUGI Report Card System imbibes the nine characteristics of good urban governance (i.e., participation, rule of law, transparency, responsiveness, consensus orientation, equity, effectiveness and efficiency, accountability, and strategic vision) and promotes the partnership of government, business and civil society.

37. In terms of achievement of main purpose of each indicator system, both performance measurement systems received a rating of 1 from the city official.

38. In terms of achievement of pro-poor objectives and improvements of service delivery, both performance measurement systems also received a rating of 1 from the city official.

39. Performance indicator systems have very minimal impact on service delivery improvements, pro-poor objectives and behavior change in local government.

40. In terms of the performance indicator information being accessible to and accessed by the electorate, the city official gave a rating of 1 because the electorate is more concerned with visible accomplishments and seems not concerned with performance indicator information.

41. With regard to the influence of performance indicator information on voting behavior, the city official gave a rating of 1 because of the following reasons: candidate's personality is a more important criterion than his/her performance, and the citizens are simply not aware of the performance information. Other factors which influence voting behavior more are: the candidate's physical accomplishments, and the candidate’s personal relationship with the constituents.

B. Recommendations

42. The city official identified the following suggestions to further improve the effectiveness of performance indicator systems at the local level:

(i) make the Local Chief Executive fully appreciate performance indicator systems; and
(ii) shift in management style (performance indicator systems may not be effective in an organization run by personalities and not by management principles).

City:	**Pasay, Metro Manila**
Date of FGD:	**17 June 2004 (9:00am – 12:00nn)**
Participant:	**Ms. Merlita L. Lagmay, City Planning and Development Officer**

A. Performance Indicator Systems Being Used

43. The city uses three performance measurement systems, namely: (i) Local Productivity and Performance Measurement System (LPPMS); (ii) Minimum Basic Needs Survey (MBN); and (iii) "Peewee's Way" Indicator System. The last indicator system is named after the city's mayor.

44. In terms of achievement of main purpose of each indicator system, the city official gave the following rating: LPPMS received 2; MBN received 5; and "Peewee's Way" Indicator System received 4.

45. In terms of achievement of pro-poor objectives and improvements in service delivery, the city official gave the following rating: LPPMS received 2; MBN received 5; and "Peewee's Way" Indicator System received 4.

46. The performance indicator systems used influence improvements in service delivery, pro-poor objectives and behavior change in the local government.

47. In terms of performance indicator information being accessible to and accessed by the electorate, the city official gave a rating of 1. Local leaders do not like adopting the performance criteria prescribed by other government agencies. The city's own indicator system is still a work in progress, thus information dissemination is still minimal.

48. With regard to the influence of performance indicator information on voting behavior, the city official gave a rating of 1. The minimal influence of performance information on voting behavior is brought about by the following reasons: minimal dissemination of performance information; citizens are simply not aware of the performance information; citizens do not give importance to the performance information because they were not involved in the conceptualization of indicators and measurement of the LGU's performance; and the candidate's personality is a more important criterion than his/her performance. Other factors affecting voting behavior are: the candidate's personality, and the actual performance visible to the public.

B. Recommendations

49. The city official suggests the following to further improve the effectiveness of the performance measurement systems at the local level:

(i) advocate the significance of performance indicator systems; and
(ii) customize the indicator systems suitable for the locality's needs.

City:	**Valenzuela, Metro Manila**
Date of FGD:	**17 June 2004 (2:00pm – 5:00pm)**
Participant:	**Ms. Mila M. Jacinto, City Planning Officer**

A. Performance Indicator Systems Being Used

50. The city uses three performance systems, namely: (i) Minimum Basic Needs Survey (MBN), (ii) Local Governance and Performance Management System (LGPMS), and 3) Performance Evaluation System (PES).

51. In terms of achievement of main purpose of each indicator system, the city official gave the following rating: MBN received 4; LGPMS received 1; and PES received 1.

52. In terms of achievement of pro-poor objectives and improvements in service delivery, the city official gave the following rating: MBN received 5; LGPMS received 5; and PES received 5.

53. The performance indicator systems used by the city influence service delivery improvements and pro-poor objectives as reflected by the rating of 3 and 4, respectively. However, the performance indicator systems have minimal impact on behavior change in local government because the administration is focused on its own agenda.

54. With regard to the performance indicator information being accessible to and accessed by the electorate, the city official gave a rating of 1. The minimal rating is brought about by three factors such as: plans and programs are not fully implemented; problems with funding; and the local chief executive is not fully informed of the performance indicator systems being used.

55. The city official gave a rating of 2 with regard to the influence of performance indicator information on voting behavior. Other more influential factors on voting behavior are the candidate's popularity, personality, and educational background.

B. Recommendations

56. The city official identified the following suggestions to further improve the effectiveness of local development performance measures:

(i) create sustainable performance indicator systems (monitoring/updating must be done continuously;
(ii) allocate funding support to areas where performance level is minimum;
(iii) make performance indicator systems mandatory; and
(iv) mandate lead agency to be more active in training LGUs and conducting more follow-ups.

City:	**Manila, Metro Manila**
Date of FGD:	**17 June 2004 (2:00pm – 5:00pm)**
Participant:	**Mr. Rodolfo D. Reyes, City Planning Officer**

A. Performance Indicators Systems Being Used

57. The city uses three performance measurement systems, namely: (i) Local Productivity and Performance Measurement System (LPPMS); (ii) City Profile/Statistical Book; and (iii) Gender and Development. Also, the city conducts an annual target setting through its Annual Accomplishment Report.

58. In terms of achievement of main purpose of each indicator system, the city official rated gave the following rating: LPPMS received 3; City Profile/Statistical Book received 4; and Gender and Development received 4.

59. In terms of achievement of pro-poor objectives and improvements in service delivery, the city official gave the following rating: LPPMS received 3; City Profile/Statistical Book received 4; and Gender and Development received 4.

60. The performance indicator systems used by the city has strong influence over service delivery, pro-poor objectives, and behavior change in the local government as reflected by the rating of 4 given to all three.

61. In terms of the performance indicator information being accessible to and accessed by the electorate, the city gave a rating of 4. The LGU officials including the Local Chief Executive and the Department Heads and the City Planning Development Office are aware of such performance criteria. The performance information is used as aid for development planning during meetings of the Barangay Development Council and City Development Council.

62. With regard to the influence of performance indicator information on voting behavior, the city official gave the rating of 4. Also, media mileage influences the voting behavior of the residents of the city aside from the performance indicator systems being used.

B. Recommendations

63. The city official emphasizes the need for a comprehensive collection of data to further improve the effectiveness of local performance measurement systems.

City:	**Mandaluyong, Metro Manila**
Date of FGD:	**17 June 2004 (2:00pm – 5:00pm)**
Participant:	**Engr. Arman Comandao, City Planning and Development Coordinator** **Ms. Susan Gasilao, City Planning Officer**

A. Performance Indicators Systems Being Used

64. The city uses two performance measurement systems, namely: (i) Local Productivity and Performance Measurement System (LPPMS); and (ii) Minimum Basic Needs Survey (MBN).

65. In terms of achievement of main purpose of each indicator system, the city officials rated gave the following rating: LPPMS received 1; and MBN received 2.

66. In terms of achievement of pro-poor objectives and improvements in service delivery, the city officials gave the following rating: LPPMS received 1; and MBN received 2.

67. The performance indicator systems used by the city have minimal influence on service delivery, pro-poor objectives, and behavior change in the local government as reflected by the rating of 2 given to all three.

68. In terms of the performance indicator information being accessible to and accessed by the electorate, the city officials gave a rating of 2.

69. With regard to the influence of performance indicator information on voting behavior, the city officials gave the rating of 2. Other factors which may affect voting behavior are: the candidate's good rapport with the constituents and implementation of basic services.

B. Recommendations

70. The city officials suggest greater involvement of barangay officials to further improve the effectiveness of local performance measurement systems.

City:	**Makati, Metro Manila**
Date of FGD:	**17 June 2004 (2:00pm – 5:00pm)**
Participant:	**Ms. Carmelita Senga, Monitoring and Evaluation Division, Urban Development Department** **Mr. Juanito Tay, City Planning Officer**

A. Performance Indicators Systems Being Used

71. The city uses six performance measurement systems, namely: (i) POPDEV Indicator System; (ii) Local Productivity and Performance Measurement System (LPPMS); (iii) Local Development Watch (DevWatch); (iv) Customer Satisfaction Survey; (v) Minimum Basic Needs

Survey (MBN); vi) Makati Key Performance Indicators. All indicator systems require annual updating except for the MBN survey which should be conducted twice a year. The DevWatch website is inaccessible, hence DevWatch is not used recently.

72. In terms of achievement of main purpose of each indicator system, the city officials rated gave the following rating: POPDEV received 5; LPPMS received 4; DevWatch received 3; Customer Satisfaction Survey received 5; MBN received 2; and Makati Key Performance Indicators received 5.

73. In terms of achievement of pro-poor objectives and improvements in service delivery, the city officials gave the following rating: POPDEV received 5; LPPMS received 5; DevWatch received 5; Citizen Satisfaction Survey received 5; MBN received 5; and Makati Key Performance Indicators received 5.

74. The performance indicator systems used by the city greatly influence improvements in service delivery, pro-poor objectives, and behavior change in the local government as reflected by the rating of 5 given to all three.

75. In terms of the performance indicator information being accessible to and accessed by the electorate, the city officials gave a rating of 4. The LGU officials including the Local Chief Executive and the Department Heads and the City Planning Development Office are aware of such performance criteria and these public management tools are translated into performance information and in turn utilized as aid for development planning during Barangay Development Council and City Development Council meetings. In addition, the frontline service clients of the City Hall are asked to answer the city's customer satisfaction survey to further improve services provided. Also, the city also has an annual report of accomplishments.

76. With regard to the influence of performance indicator information on voting behavior, the city officials gave the rating of 4. Other factors which may affect voting behavior are: media campaign, affiliation with prominent political parties, endorsement from prominent and credible personalities, and candidate's personality/popularity.

B. Recommendations

77. The city officials identified the following suggestions to make local development performance measures more effective:

(i) present results of the performance measurement at a large scale (i.e., public presentation or publication);
(ii) adopt a set of core indicators for ease of reporting and communication of results; and
(iii) develop user-friendly computer software which can be utilized for the database of core indicators.

REPORT ON SURVEY QUESTIONNAIRE RESPONSES FROM SELECTED LOCAL GOVERNMENT UNITS

Municipality:	**Piat, Cagayan**
Date Received:	**24 August 2004**
Contact Person:	**Mr. William R. Sto. Tomas, Municipal Administrative Officer**

A. Performance Indicators Systems Being Used

1. The municipality uses the Minimum Basic Needs Survey (MBN).

2. In terms of MBN's achievement of main purpose, it received a rating of 4 from the municipal official.

3. In terms of the performance indicator system's degree to which it is pro-poor and for service delivery, the municipal official gave a rating of 5.

4. The municipal official believes that MBN has a very strong influence on service delivery improvements and pro-poor objectives (rating of 5), as well as a strong influence on behavior change in local government (rating of 4).

5. The degree to which MBN is accessible and being accessed by the electorate was given a rating of 3. The municipal official stated that limited dissemination, personnel and funds hinder the public's access to PIS, specifically MBN.

6. A rating of 3 was given to performance indicator information's influence on voting behavior specifically because, aside from the candidate's accomplishments/performance, its personality is also a major factor. Also, people's access to the candidate (or the candidate being approachable) affects voting behavior as well.

B. Recommendations

7. The municipal official provided the following recommendations to further improve the effectiveness of PISs:

(i) conduct more activities disseminating performance indicator information; and
(ii) provide more funds to support personnel involved in measuring, analyzing and disseminating performance indicator information.

Municipality:	**Sto. Niño, Cagayan**
Date Received:	**24 August 2004**
Contact Person:	**Mr. Robert D. Simeon, Municipal Planning and Development Coordinator**

A. Performance Indicators Systems Being Used

8. The Municipality of Sto. Niño, Cagayan uses the Minimum Basic Needs Survey (MBN) and the Local Governance Performance Measurement System (LGPMS).

9. In terms of the PISs' achievement of main purpose, both MBN and LGPMS received a rating of 3 from the municipal official.

10. In terms of the performance indicator systems' degree to which they are pro-poor and for service delivery, the municipal official gave MBN rating of 4 and LGPMS a rating of 3.

11. The municipal official gave a rating of 3 on the PISs' influence on service delivery improvements, a rating of 5 on the PISs' influence on pro-poor objectives, and a rating of 4 on the PISs' influence on behavior change in local government.

12. The degree to which LGPMS and MBN are accessible and being accessed by the electorate was given a rating of 2, and the degree of influence of performance indicator information on voting behavior was given a rating of 3. Aside from PISs, being decisive, approachable and consultative elect a person into office as well.

B. Recommendations

13. The municipal official suggested the following to improve the PISs:

(i) inform all sectors concerned of the society of the importance and usefulness of PISs and must treat PISs as a mean rather than an end;
(ii) PISs should be developed locally; and
(iii) PISs must be consistent with the executive and legislative agenda of local leaders.

Municipality:	**Solano, Nueva Vizcaya**
Date Received:	**24 August 2004**
Contact Person:	**Engr. Jesus P. Gragasin, Municipal Planning and Development Coordinator**

A. Performance Indicators Systems Being Used

14. The municipality uses the Minimum Basic Needs Survey (MBN), the Integrated Rural Accessibility Program (ILO-IRAP), and the Farming Systems Development (FSD).

15. In terms of the PISs' achievement of main purpose, the MBN received a rating of 4, ILO-IRAP received a rating of 3, and the FSD received a rating of 4 from the municipal official.

16. In terms of the performance indicator systems' degree to which they are pro-poor and for service delivery, the municipal official gave a rating of 4.

17. The municipal official gave a rating of 4 for the PISs' influence on service delivery improvements and pro-poor objectives, and a rating of 3 for the PISs' influence on behavior change in local government.

18. The degree to which the PISs are accessible and being accessed by the electorate was given a rating of 3.

19. The influence of the PISs on voting behavior was given a rating of 3 as well because of the following reasons: the citizens do not give importance to the performance indicator information because they were not involved in the conceptualization and measurement of the LGU's performance. Furthermore, the minimal performance indicator information disseminated to the public is not understandable to ordinary citizens.

20. The municipal official stated that the candidate's educational background and community participation are factors which affect voting behavior as well.

B. Recommendations

21. The official enumerated the following to further improve the effectiveness of PISs:

(i) update data base of the LGU;
(ii) implement monitoring and evaluation system; and
(iii) implement effective and efficient participatory governance.

Municipality:	**Kasibu, Nueva Vizcaya**
Date Received:	**24 August 2004**
Contact Person:	**Ms. Alicia Bilogon, Asst. Municipal Planning and Development Coordinator**

A. Performance Indicators Systems Being Used

22. The municipality uses the Minimum Basic Needs Survey (MBN).

23. In terms of MBN's achievement of main purpose, it received a rating of 5 from the municipal official.

24. In terms of the performance indicator system's degree to which it is pro-poor and for service delivery, the municipal official gave a rating of 5.

25. The municipal official believes that the MBN's influence on service delivery improvements, pro-poor objectives and behavior change in local government is strong (rating of 4 for all).

26. The degree to which MBN is accessible and being accessed by the electorate was given a rating of 4, while the influence of MBN on voting behavior was given a rating of 4 as well. However, aside from PIS, the management behavior of administrator/candidate influences voting behavior as well.

B. Recommendations

27. The municipal official suggested that support facilities (i.e., funding, manpower, training support) must be provided to enable the institutionalization of PISs.

Municipality:	**Diffun, Quirino**
Date Received:	**24 August 2004**
Contact Person:	**Mr. Jesse Vaquilar, Mayor's Private Secretary**

A. Performance Indicators Systems Being Used

28. The municipality uses the Minimum Basic Needs and the Local Governance Performance Management System (LGPMS).

29. In terms of the PISs' achievement of main purpose, MBN received a rating of 5 and LGPMS received a rating of 5 as well from the municipal official.

30. In terms of performance indicator system's degree to which they are pro-poor and for service delivery, the municipal official gave both MBN and LGPMS a rating of 5.

31. The municipal official believes that the PISs' have a strong influence on service delivery improvements, pro-poor objectives and behavior change in local government.

32. The PISs are accessible and being accessed by the electorate, thus the municipal official gave a rating of 5. Furthermore, the PISs have a strong influence on voting behavior as well, as proven by the Municipal Mayor's reelection. However, aside from PISs, other factors affecting voting behavior are the local leaders' transparency, accountability and participatory approach to planning, and local government's ability to foster closer collaboration with national government.

B. Recommendations

33. The municipal official suggested the following to improve the effectiveness of PISs:

(i) unity among elected officials; and
(ii) public's cooperation and support to the local government's development endeavors.

Municipality:	**Saguday, Quirino**
Date Received:	**24 August 2004**
Contact Person:	**Mary Jane Jacinto, Project Development Officer**

A. Performance Indicators Systems Being Used

34. The municipality uses the Minimum Basic Needs Survey (MBN).

35. In terms of MBN's achievement of main purpose, it received a rating of 5 from the municipal official.

36. In terms of the performance indicator system's degree to which it is pro-poor and for service delivery, the municipal official gave a rating of 5.

37. The municipal official believes that the MBN has a very strong influence on service delivery improvements and pro-poor objectives (rating of 5). The municipal official gave a rating of 3 on MBN's influence on behavior change in local government.

38. The degree to which MBN is accessible and being accessed by the electorate was given a rating of 4.

39. The MBN's influence on voting behavior was given a rating of 4 because the candidate's personality and experience as a public servant is a major factor.

B. Recommendations

40. The municipal official recommended the following to improve the effectiveness of PISs:

(i) wide-spread dissemination of PISs;
(ii) involvement and participation of all elected officials in the conceptualization and evaluation of performance indicator information; and
(iii) continue conduct of local performance measurement.

Municipality:	**La Trinidad, Benguet**
Date Received:	**25 August 2004**
Contact Person:	**Mr. Nestor Fongwan, Municipal Planning and Development Coordinator**

A. Performance Indicators Systems Being Used

41. The municipality uses three performance indicator systems, such as: Minimum Basic Needs Survey (MBN), Integrated Rural Accessibility Program (ILO-IRAP) and Local Productivity and Performance Measurement System (LPPMS).

42. In terms of the PISs' achievement of main purpose, MBN received a rating of 3, ILO-IRAP received a rating of 3 and LPPMS received a rating of 4 from the municipal official.

43. In terms of the performance indicator systems' degree to which they are pro-poor and for service delivery, the municipal official gave MBN a rating of 5, ILO-IRAP a rating of 4 and LPPMS a rating of 5.

44. The municipal official believes that the PISs have a strong influence on service delivery improvements, pro-poor objectives and behavior change in local government (rating of 4).

45. The degree to which the PISs are accessible and being accessed by the electorate was given a rating of 4.

46. The influence of the PISs on voting behavior was given a rating of 4.

47. Other factors affecting voting behavior in the locality are the following: candidate's approachability, candidate's ability to deliver his/her promises; and candidate's constant interaction with constituents.

B. Recommendations

48. The municipal official suggested the following to further improve the effectiveness of PISs:

(i) constant promotion of performance indicators to local government leaders/officials;
(ii) gather more information regarding significance of PISs; and
(iii) create a database which will aid in the monitoring and evaluation of local performance.

Municipality: **Sablan, Benguet**
Date Received: **25 August 2004**
Contact Person: **Hon. Bony Tacio, Municipal Mayor**

A. Performance Indicators Systems Being Used

49. The municipality uses four performance measurement systems: Local Anti-Poverty Program (LAPP), Minimum Basic Needs Survey (MBN), Local Productivity and Performance Measurement System (LPPMS) and Integrated Rural Accessibility Program (ILO-IRAP).

50. In terms of the PISs' achievement of main purpose, all received a rating of 3 from the municipal official.

51. In terms of the performance indicator systems' degree to which they are pro-poor and for service delivery, the municipal official gave LAPP a rating of 5, MBN a rating of 5, LPPMS a rating of 3 and ILO-IRAP a rating of 4.

52. The municipal official gave the PISs a rating of 3 on their influence on service delivery improvements and pro-poor objectives, and a rating of 4 for PISs' influence on behavior change in local government.

53. The degree to which the PISs are accessible and being accessed by the electorate was given a rating of 3.

54. The influence of the PISs on voting behavior is minimal (rating of 2) because of the following reasons: (i) citizens do not give importance to the performance information because they were not involved in the conceptualization of indicators and measurement of the LGU's performance; (ii) citizens are simply not aware of the performance information; (iii) candidate's personality is a more important criterion than his/her performance; and (iv) the minimal dissemination of performance indicator information.

55. The candidate's personality, reputation and track record are other factors which affect the public's voting behavior.

B. Recommendations

56. The municipal official recommended the following to further improve the effectiveness of PISs:

(i) educate citizens that performance indicator systems are used to measure their local government, as well as their local elected leaders' performance;
(ii) allow local officials to enhance existing PISs or develop entirely new performance indicator systems to make these more effective in the local setting; and
(iii) monitor local performance regularly through timely submissions of accomplishment reports.

Municipality:	**Banaue, Ifugao**
Date Received:	**25 August 2004**
Contact Person:	**Mrs. Roberta Dulnuan, Municipal Planning and Development Coordinator**

A. Performance Indicators Systems Being Used

57. The municipality uses four performance indicator systems, such as: Integrated Rural Accessibility Program (ILO-IRAP), Local Anti-Poverty Program (LAPP), Minimum Basic Needs Survey (MBN) and Local Productivity and Performance Measurement System (LPPMS).

58. In terms of the PISs' achievement of main purpose, all received a rating of 3 from the municipal official.

59. In terms of the performance indicator systems' degree to which they are pro-poor and for service delivery, the municipal official gave ILO-IRAP a rating of 5, LAPP received a rating of 5, MBN received a rating of 4 and LPPMS a rating of 4.

60. The municipal official gave the PISs' a rating of 3 in terms of their influence on service delivery improvements, pro-poor objectives and behavior change in local government.

61. The degree to which the PISs are accessible and being accessed by the electorate was given a rating of 3 due to the following reasons: lack of adequate funds to implement wide spread dissemination of performance indicator information; and because voters consider other factors in selecting their leaders.

62. The influence of the PISs on voting behavior was given a rating of 3 because of the following reasons: citizens do not give importance to the performance indicator information because they were not involved in the conceptualization and measurement of the LGU's performance; dissemination of performance indicator information is minimal; and candidate's personality is a more important criterion than his/her performance.

63. Other factors affecting voting behavior are: candidate's personality (i.e., being approachable, friendly, kind and helpful); candidate's ability to secure external sources of funds for implementation of projects; and candidate's proven track record as a public servant.

B. Recommendations

64. The municipal official suggested the following to improve the effectiveness of PISs at the local level:

(i) educate the electorate on the importance of PISs and impact to local development;
(ii) national government to give financial assistance for wide-spread implementation of PISs at the local level; and
(iii) review PISs to include indicators applicable to the locality and remove those impossible or impractical to implement.

Municipality:	**Hingyon, Ifugao**
Date Received:	**25 August 2004**
Contact Person:	**Engr. Lawrence Gahid, Municipal Planning and Development Coordinator**

A. Performance Indicators Systems Being Used

65. The municipality uses four performance indicator systems, namely: Local Anti-Poverty Program (LAPP), Integrated Rural Accessibility Program (ILO-IRAP), Minimum Basic Needs Survey (MBN) and Local Productivity and Performance Measurement System (LPPMS).

66. In terms of the PISs' achievement of main purpose, LAPP and MBN received a rating of 3, ILO-IRAP received a rating of 2 and LPPMS received a rating of 1 from the municipal official.

67. In terms of the performance indicator systems' degree to which they are pro-poor and for service delivery, all received a rating of 4 from the municipal official.

68. The municipal official gave the PISs' a rating of 3 in term of their influence on service delivery improvements, pro-poor objectives and behavior change in local government.

69. The degree to which the PISs are accessible and being accessed by the electorate was given a rating of 2 because the voting public are not aware of the performance indicator systems; local government's lack of funds to implement PISs at the local level; and some performance indicator systems are not applicable in the locality.

70. The influence of the PISs on voting behavior is minimal (rating of 2) because of the following reasons: citizens do not give importance to the performance indictor information because they were not involved in the conceptualization of indicators and measurement of the LGU's performance; citizens are simply not aware of the performance indicator information; and candidate's personality is a more important criterion than his/her performance.

71. Other factors which affect voting behavior are the following: candidate's personality (i.e., approachable, kind, listens sincerely to the public's problems); public's trust and confidence on the candidate; and candidate's background and reputation in the community.

B. Recommendations

72. The municipal official recommended the following to improve the PISs' effectiveness:

(i) allocate funds to municipalities to enable them to implement PISs;
(ii) conduct of training and workshops for officials to equip them with the necessary skills to improve existing performance indicator systems into systems suitable to the locality; and
(iii) require periodic reports of LGUs to allow for regular monitoring of local performance.

Municipality: **Vinzons, Camarines Norte**
Date Received: **20 August 2004**
Contact Person: **Hon. Jose T. Segundo, Municipal Mayor**

A. Performance Indicators Systems Being Used

73. The municipality uses three performance indicator systems, such as: Local Productivity and Performance Measurement System (LPPMS), Minimum Basic Needs Survey (MBN) and Performance Evaluation System (PES).

74. In terms of the PISs' achievement of main purpose, LPPMS received a rating of 3, MBN received a rating 5 and PES received a rating of 4 from the municipal official.

75. In terms of the performance indicator system's degree to which they are pro-poor and for service delivery, the municipal official gave LPPMS a rating of 3, MBN a rating of 5 and PES a rating of 4.

76. The municipal official believes that the PISs' have strong influence on service delivery improvements and pro-poor objectives (rating of 4), and a very strong influence on behavior change in local government (rating of 5).

77. The degree to which the PISs are accessible and being accessed by the electorate was given a rating of 4.

78. The influence of the PISs on voting behavior was given a rating of 3.

79. Other factors influencing voting behavior in the locality is the candidate's ability to empower its constituents through involvement in the local government's decision-making, and the candidate's vision which incorporates local policy development.

B. Recommendations

80. The municipal official suggested that local government employees be equipped with necessary human resource development training and capability-building seminars to enable them to properly monitor and evaluate performance at the local level.

Municipality:	**Daet, Camarines Norte**
Date Received:	**20 August 2004**
Contact Person:	**Ms. Emily C. Palomiano, Municipal Planning and Development Coordinator**

A. Performance Indicators Systems Being Used

81. The municipality uses three performance indicator systems, namely: Local Productivity and Performance Measurement System (LPPMS), Performance Evaluation System (PES) and Minimum Basic Needs (MBN).

82. In terms of the PISs' achievement of main purpose, all received a rating of 3 from the municipal official.

83. In terms of the performance indicator systems' degree to which they are pro-poor and for service delivery, the municipal official gave all PISs a rating of 3.

84. The municipal official gave the PISs a rating of 3 in terms of their influence on service delivery improvements, pro-poor objectives and behavior change in local government.

85. The degree to which the PISs are accessible and being accessed by the electorate is very minimal (rating of 1) because of the following reasons: the public is not interested in the performance rating of their locality; local government may not be too keen on the implementation of PISs because it is not a requirement in the municipality's internal revenue allocation; and simply because the locality is not aware of the importance of performance measurement.

86. The influence of the PISs on voting behavior was given a rating of 3 because of the following reasons: (i) citizens are simply not aware of the performance indicator information; (ii) dissemination of performance indicator information is minimal; and (iii) candidate's personality is a more important criterion than his/her performance.

87. Other factors affecting voting behavior are the following: (i) candidate's tangible projects; (ii) candidate's character and values; and (iii) media mileage.

B. Recommendations

88. The municipal official suggested the following to further improve the effectiveness of PISs at the local level:

(i) orient the local chief executive, the local legislative branch and the local government's department heads on the importance, proper usage and benefits of PISs on the locality;
(ii) disseminate and discuss results of PISs to spur local development; and
(iii) conduct performance targeting.

Municipality:	**San Lorenzo Ruiz, Camarines Norte**
Date Received:	**20 August 2004**
Contact Person:	**Engr. Rico C. Brizo, Municipal Planning and Development Coordinator**

A. Performance Indicators Systems Being Used

89. The municipality uses five performance indicator systems, namely: Local Productivity and Performance Measurement System (LPPMS), Minimum Basic Needs Survey (MBN), Performance Evaluation System (PES), Population Development Indicators (POPDEV) and Agricultural Production Indicators.

90. In terms of the PISs achievement of main purpose, MBN, PES and POPDEV each received a rating of 4, while LPPMS and Agricultural Production Indicators each received a rating of 3 from the municipal official.

91. In terms of the performance indicator systems' degree to which they are pro-poor and for service delivery, the municipal official gave LPPMS, MBN, POPDEV and Agricultural Production Indicators each a rating of 5, and a rating of 4 for PES.

92. The municipal official gave the PISs a rating of 3 in terms of their influence on service delivery improvements and pro-poor objectives, and a rating of 4 on their influence on behavior change in local government.

93. The degree to which the PISs are accessible and being accessed by the electorate was given a rating of 4 by the municipal official.

94. The influence of the PISs on voting behavior was given a rating of 3.

95. The municipal official did not state factors affecting voting behavior.

B. Recommendations

96. The municipal recommended the following to improve the effectiveness of PISs at the local level:

(i) PISs must be conceptualized in a way that would be reflective of the particular needs of the locality, in this case: construction of farm-to-market roads, improvement in health and sanitation programs, upgrade of agricultural production, and improvements in public market; and
(ii) disseminate information regarding the PISs up to the grass root level.

Municipality:	**Labo, Camarines Norte**
Date Received:	**21 August 2004**
Contact Person:	**Ms. Adela S. Federico, Municipal Planning and Development Office**

A. Performance Indicators Systems Being Used

97. The municipality uses three performance indicator systems, such as: Local Productivity and Performance Measurement System (LPPMS), Minimum Basic Needs Survey (MBN) and Performance Evaluation System (PES).

98. In terms of the PISs achievement of main purpose, each PIS received a rating of 4 from the respondent.

99. In terms of the performance indicator systems' degree to which they are pro-poor and for service delivery, the respondent gave a rating of 5 to each PIS.

100. The respondent believes that the PISs have a very strong influence on service delivery improvements, pro-poor objectives and behavior change in local government (rating of 5).

101. The degree to which the PISs are accessible and being accessed by the electorate was given a rating of 4.

102. The influence of the PISs on voting behavior was given a rating of 3.

103. The municipal official did not state factors affecting voting behavior.

B. Recommendations

104. The municipal official did not give any suggestions.

Municipality:	**MacArthur, Leyte**
Date Received:	**19 August 2004**
Contact Person:	**Engr. Fortunato B. Serafina, Municipal Planning and Development Officer**

A. Performance Indicators Systems Being Used

105. The municipality uses the Local Productivity and Performance Measurement System (LPPMS).

106. In terms of LPPMS' achievement of main purpose, it received a rating of 1 from the municipal official.

107. In terms of the performance indicator system's degree to which it is pro-poor and for service delivery, the municipal official gave a rating of 1.

108. The municipal official believes that the LPPMS' influence is minimal on service delivery improvements, pro-poor objectives and behavior change in local government.

109. The degree to which LPPMS is accessible and being accessed by the electorate is minimal because of the following reasons: it is not properly disseminated to the members of the bureaucracy, it is used for compliance only instead as development tool, and corrections made by DILG evaluators are not being observed by the LGU.

110. The influence of LPPMS on voting behavior is minimal because of the following reasons: dissemination of performance information is minimal, citizens are not simply aware of the performance indicator information and citizens do not give importance to the performance indictor information because they were not involved in the conceptualization of indicators and measurement of the LGU's performance.

111. The municipal official did not state factors affecting voting behavior.

B. Recommendations

112. The municipal official did not give any suggestions.

Municipality:	**Mayorga, Leyte**
Date Received:	**19 August 2004**
Contact Person:	**Engr. Marilyn P. Robadillo, Municipal Planning and Development Coordinator/ Municipal Budget Officer**

A. Performance Indicators Systems Being Used

113. The municipality uses five performance indicator systems such as: Local Productivity and Performance Measurement System (LPPMS), Minimum Basic Needs Approach (MBN), Performance Evaluation System (PES), Population Development Indicators (POPDEV), and Nutrition and Literacy.

114. The municipal official believes that all of the PISs they use achieve their main purposes (all five PISs received a rating of 5).

115. Also, she believes that all five PISs are, to a large extent, pro-poor and for service delivery (a rating of 5 was given to all PISs).

116. The PISs have very strong influence on the municipality's improvements in service delivery, pro-poor objectives and behavior change in the local government (rating of 5).

117. The degree to which the PISs are accessible and being accessed by the electorate was given a rating of 5.

118. The influence of the PISs on voting behavior was given a rating of 5.

119. The municipal official did not state other factors affecting voting behavior.

B. Recommendations

120. The municipal official did not give any suggestions.

Municipality:	**Tolossa, Leyte**
Date Received:	**19 August 2004**
Contact Person:	**Mr. Cecilio C. Marilla, Municipal Planning and Development Coordinator – Des.**

A. Performance Indicators Systems Being Used

121. The municipality uses three performance indicator systems such as: Local Governance and Management System (LGPMS), Performance Evaluation System (PES) and Good Governance for Local Development Index (GOFORDEV).

122. In terms of the PISs' achievement of main purpose, LGPMS and GOFORDEV received a rating of 4, and PES received a rating of 3 from the municipal official.

123. In terms of the performance indicator systems' degree to which they are pro-poor and for service delivery, the municipal official gave LGPMS a rating of 3, PES a rating of 2 and GOFORDEV a rating of 4.

124. The municipal official gave the PISs a rating of 4 in terms of their influence on service delivery improvements and pro-poor objectives, and a rating of 3 in terms of their influence on behavior change in local government.

125. The degree to which the PISs are accessible and being accessed by the electorate is minimal (rating of 2) because of the following reasons: the public is not aware of the PISs; and lack of community support and lukewarm attitude of the public on the PISs.

126. The influence of the PISs on voting behavior was given a rating of 3 because of the following reasons: (i) citizens do not give importance to the performance indictor information because they were not involved in the conceptualization of indicators and measurement of the LGU's performance; (ii) performance information are disseminated to public but not understandable to ordinary citizens; and (iii) candidate's personality is more important criterion than his/her performance.

127. The municipal official states that the other factors affecting voting behavior are the following: candidate's political machinery, personality and charisma.

B. Recommendations

128. The municipal official recommended the following to further improve the effectiveness of the PISs at the local level:

(i) involve the community in the conceptualization of performance indicators;
(ii) saturate information dissemination drive; and
(iii) improve local government officials' visibility in the conduct of activities and implementation of the PISs.

Municipality: **La Paz, Leyte**
Date Received: **19 August 2004**
Contact Person: **Engr. Diccio C. Rosalia, Municipal Planning and Development Coordinator**

A. Performance Indicators Systems Being Used

129. The municipality uses four performance indicator systems such as: Local Productivity and Performance Measurement System (LPPMS), Minimum Basic Needs Survey (MBN), Performance Evaluation System (PES) and Population Development Indicators (POPDEV).

130. In terms of the PISs' achievement of main purpose, LPPMS and PES received a rating of 4, and MBN and POPDEV received a rating of 5 from the municipal official.

131. In terms of the performance indicator systems' degree to which they are pro-poor and for service delivery, the municipal official gave LPPMS and PES each a rating of 4, and MBN and POPDEV each a rating of 5.

132. The municipal official gave the PISs a rating of 4 in terms of their influence on service delivery improvements on behavior change in local government, and a rating of 5 in terms of their influence on pro-poor objectives.

133. The degree to which the PISs are accessible and being accessed by the electorate was given a rating of 4.

134. The influence of the PISs on voting behavior was given a rating of 4.

135. The municipal official states that the other factors affecting voting behavior are the following: candidate's level of qualification or educational background (e.g., should be at least college level); candidate's political machinery; and candidate's family background (or kinship).

B. Recommendations

136. The municipal official recommended the following to further improve the effectiveness of the PISs at the local level:

(i) provide adequate funds to ensure proper implementation of PISs;
(ii) conduct regular monitoring and evaluation ; and
(iii) improve local government employees' ability to properly implement PISs through necessary training and workshop.

Municipality:	**Ramon Magsaysay, Zamboanga Del Sur**
Date Received:	**25 August 2004**
Contact Person:	**Mr. Romeo D. Magbanua, Municipal Planning and Development Coordinator – OIC**

A. Performance Indicators Systems Being Used

137. The municipality uses three performance indicator systems, namely: Local Productivity and Performance Measurement System (LPPMS), Performance Evaluation System (PES) and Minimum Basic Needs Survey (MBN).

138. In terms of the PISs' achievement of main purpose, LPPMS and PES both received a rating of 4, and MBN received a rating of 3 from the municipal official.

139. In terms of the performance indicator systems' degree to which they are pro-poor and for service delivery, the municipal official gave LPPMS and PES both a rating of 4, and MBN a rating of 3.

140. The municipal official gave the PISs a rating of 4 in terms of influence on service delivery improvements, and a rating of 3 in terms of their influence on pro-poor objectives and behavior change in local government.

141. The degree to which the PISs are accessible and being accessed by the electorate was given a rating of 3.

142. The influence of the PISs on voting behavior was given a rating of 3.

143. The municipal official believes that good governance, delivery of quality services and implementation of programs and projects with socioeconomic impact are some of the factors which affect the public's voting behavior.

B. Recommendations

144. The municipal official suggested the following to further improve the effectiveness of the PISs at the local level:

(i) proper briefing on the objectives of implementation of PISs before collection of data for efficiency and accuracy;
(ii) involve civil society organizations in the conceptualization and actual measurement of local performance;
(iii) apply and enforce deficiencies and recommendations resulting from implementation of PISs; and
(iv) conduct of after exit conference for continuity of actions and programs which are recommended by the results of the PISs.

Municipality:	**Tukuran, Zamboanga Del Sur**
Date Received:	**25 August 2004**
Contact Person:	**R. Cabrales, Municipal Planning and Development Coordinator**

A. Performance Indicators Systems Being Used

145. The municipality uses the Local Productivity and Performance Measurement System (LPPMS).

146. In terms of LPPMS' achievement of main purpose, it received a rating of 3 from the municipal official.

147. In terms of the performance indicator system's degree to which it is pro-poor and for service delivery, the municipal official gave a rating of 2.

148. The municipal official gave the LPPMS a rating of 3 in terms of its influence on service delivery improvements and behavior change in local government, and a rating of 2 in terms of its influence on pro-poor objectives.

149. The degree to which LPPMS is accessible and being accessed by the electorate is minimal, wherein a rating of 2 was given by the municipal official.

150. The influence of LPPMS to voting behavior was given a rating of 3.

151. The municipal official did not state factors affecting voting behavior.

B. Recommendations

152. The municipal official recommended the following to improve the effectiveness of the PISs at the local level:

(i) conduct of information and education campaign to promote PISs further; and
(ii) elected leaders to be more determined in implementing the PISs.

Municipality:	**Labangan, Zamboanga Del Sur**
Date Received:	**25 August 2004**
Contact Person:	**Mr. Anthony c. Mocorro, Municipal Planning and Development Coordinator**

A. Performance Indicators Systems Being Used

153. The municipality uses the Local Productivity and Performance Measurement System (LPPMS).

154. In terms of LPPMS' achievement of main purpose, it received a rating of 3 from the municipal official.

155. In terms of the performance indicator system's degree to which it is pro-poor and for service delivery, the municipal official gave a rating of 3.

156. The municipal official believes that the LPPMS have a strong influence on service delivery improvements, pro-poor objectives and behavior change in local government (rating of 4).

157. The degree to which LPPMS is accessible and being accessed by the electorate is minimal (rating of 1) because of the following reasons: inadequate information and education campaign on PISs at the barangay level; and lack of dialogues between the government and the public on programs with regard to local performance measurement.

158. The influence of LPPMS to voting behavior is minimal because of the following reasons: (i) citizens do not give importance to the performance indicator information because they were not involved in the conceptualization of indicators and measurement of the LGU's performance; (ii) citizens are not simply aware of the performance indicator information; and (iii) dissemination of performance information is minimal.

159. The municipal official did not state factors affecting voting behavior.

B. Recommendations

160. The municipal official suggested the following to improve the effectiveness of the PISs at the local level:

(i) conduct more information and education campaign on the importance and implementation of PISs;
(ii) disseminate results of the PISs; and
(iii) monitor and evaluate PISs regularly for improvement and development of the locality.

Municipality:	**Guipos, Zamboanga Del Sur**
Date Received:	**25 August 2004**
Contact Person:	**Hon. Francisco N. Oraiz, Jr., Municipal Mayor** **Ms. Emilia Lonzaga, Municipal Planning and Development Officer - OIC**

A. Performance Indicators Systems Being Used

161. The municipality uses the Local Governance Performance Management System (LGPMS).

162. In terms of LGPMS' achievement of main purpose, it received a rating of 3 from the municipal official.

163. In terms of the performance indicator system's degree to which it is pro-poor and for service delivery, the municipal official gave a rating of 3.

164. The municipal official gave LGPMS a rating of 4 in terms of its influence on service delivery improvements and pro-poor objectives, and a rating of 3 in terms of its influence on behavior change in local government.

165. The degree to which LGPMS is accessible and are being accessed by the electorate was given a rating of 3.

166. The influence of LGPMS on voting behavior was given a rating of 3.

167. Other factors affecting voting behavior are the following: candidate's political affiliation; candidate's extent of help or support to individuals especially in times of dire need; and candidate's strong personal relationship with the constituents.

B. Recommendations

168. The municipal official suggested the following to further improve the effectiveness of the PISs, particularly the LGPMS, at the local level:

(i) LGPMS must be implemented earlier so that LGPMS results can be a useful source in the formulation of the Executive-Legislative Agenda (ELA);

(ii) some of the indicators in the LGPMS can be improved, such as the Environmental Management Area:
  (a) percentage of denuded forest areas;
  (b) number of landslide incidence;
  (c) number of illegal logging incidence
(iii) present results of the LGPMS to local key stakeholders and solicit comments and suggestions.

Municipality:	**Sto. Niño, South Cotabato**
Date Received:	**25 August 2004**
Contact Person:	**Mr. Rene M. Formacion, Municipal Planning and Development Coordinator**

A. Performance Indicators Systems Being Used

169. The municipality uses four performance indicator systems, such as: Local Productivity and Performance Measurement System (LPPMS), Performance Evaluation System (PES), Minimum Basic Needs Survey (MBN) and Population Development Indicators (POPDEV).

170. In terms of the PISs' achievement of main purpose, each received a rating of 4 from the municipal official.

171. In terms of the performance indicator systems' degree to which they are pro-poor and for service delivery, the municipal official gave LPPMS, MBN and POPDEV a rating of 4, and PES a rating of 3.

172. The municipal official gave the PISs a rating of 4 in terms of their influence on service delivery improvements, and a rating of 3 in term of their influence on pro-poor objectives and behavior change in local government.

173. The degree to which the PISs' are accessible and are being accessed by the electorate was given a rating of 3.

174. The influence of the PISs' influence on voting behavior is very minimal (rating of 1) because of the following reasons: (i) candidate's personality is a more important criterion that his/her performance; (ii) citizens do not give importance to the performance indictor information because they were not involved in the conceptualization of indicators and measurement of the LGU's performance; and (iii) dissemination of performance information is minimal.

175. According to the municipal official, other factors affecting voting behavior are as follows: (i) candidate's personality/popularity; (ii) candidate's involvement in community affairs and lastly; and (iii) the candidate's strong campaign strategies.

B. Recommendations

176. The municipal official suggested the following to improve the effectiveness of the PISs at the local level:

(i) create a more comprehensive and more detailed local performance assessment tool;
(ii) closely monitor Key Result Areas; and
(iii) create practical and situational indicators.

Municipality:	**Tampakan, South Cotabato**
Date Received:	**25 August 2004**
Contact Person:	**Mr. Arturo A. Denaga, Municipal Planning and Development Coordinator**

A. Performance Indicators Systems Being Used

177. The municipality uses five performance indicator systems, namely: Local Governance Performance Management System (LGPMS), Performance Evaluation System (PES), Minimum Basic Needs Survey (MBN), Health Monitoring Board and Executive-Legislative Agenda (ELA).

178. In terms of the PISs' achievement of main purpose, PES, MBN and Health Monitoring Board each received a rating of 5; the LGPMS received a rating of 4; and ELA received a rating of 3 from the municipal official.

179. In terms of the performance indicator systems' degree to which they are pro-poor and for service delivery, the municipal official gave MBN and Health Monitoring Board a rating of 5, LGPMS and ELA both received a rating of 4, and PES received a rating of 3.

180. The municipal official gave the PISs a rating of 4 in terms of their influence on service delivery improvements, pro-poor objectives and behavior change in local government.

181. The degree to which the PISs are accessible and are being accessed by the electorate was given a rating of 4.

182. The influence of the PISs on voting behavior was given a rating of 4.

183. Other factors affecting voting behavior are the following: (i) the candidate's ability to resolve land owner-tenant conflicts; (ii) candidate's ability to provide livelihood programs and job opportunities; and (iii) candidate's charisma.

B. Recommendations

184. The municipal official believed that accomplishing and implementing PISs regularly will improve its effectiveness.

Municipality:	**Tantangan, South Cotabato**
Date Received:	**25 August 2004**
Contact Person:	**Mr. Edgar C. Nono, Municipal Planning and Development Coordinator**

A. Performance Indicators Systems Being Used

185. The municipality uses three performance indicator systems, such as: Local Productivity and Performance Measurement System (LPPMS), Minimum Basic Needs Survey (MBN) and Performance Evaluation System (PES).

186. In terms of the PISs' achievement of main purpose, all received a rating of 3 from the municipal official.

187. In terms of the performance indicator systems' degree to which they are pro-poor and for service delivery, the municipal official gave each a rating of 3.

188. The municipal official gave the PISs a rating of 4 in terms of their influence on service delivery improvements and behavior change in local government, and a rating of 3 in terms of their influence on pro-poor objectives.

189. The degree to which LPPMS is accessible and are being accessed by the electorate was given a rating of 3.

190. The influence of LPPMS to voting behavior is minimal (rating of 2) because of the following reasons: (i) the populace simply do not care much on what is happening to the environment; (ii) dissemination of performance information is minimal; (iii) candidate's personality is a more important criterion than his/her performance; (iv) citizens do not give importance to the performance indicator information because they were not involved in the conceptualization of indicators and measurement of the LGU's performance; (v) performance information are disseminated to public but not understandable to ordinary citizens; and (vi) citizens are simply not aware of the performance indicator information.

191. Other factors affecting voting behavior in the locality are the following: (i) the voters' indebtedness to the candidate; (ii) the candidate's personality (e.g., being approachable); and (iii) the economic status of voters where the vote of the less needy are not easily bought and the vote of the more needy are more likely to be bought easily.

B. Recommendations

192. The municipal official recommended the following to further improve the effectiveness of the PISs at the local level:

(i) results of the PISs results/information should be easily understood by the local officials; and
(ii) performance measurement mechanism must be institutionalized.

Municipality:	**T'boli, South Cotabato**
Date Received:	**25 August 2004**
Contact Person:	**Mr. Rogen E. Guardaya, Municipal Planning and Development Officer**

A. Performance Indicators Systems Being Used

193. The municipality uses four performance indicator systems, namely: Local Productivity and Performance Measurement System (LPPMS), Minimum Basic Needs Survey (MBN), Performance Evaluation System (PES) and Integrated Rural Accessibility Program (ILO-IRAP).

194. In terms of the PISs' achievement of main purpose, LPPMS, MBN and ILO-IRAP each received a rating of 4, and PES received a rating of 3 from the municipal official.

195. In terms of the performance indicator systems' degree to which they are pro-poor and for service delivery, the municipal official gave LPPMS, MBN and ILO-IRAP a rating of 4; and PES a rating of 3.

196. The municipal official gave the PISs a rating of 4 in terms of their influence on service delivery improvements and pro-poor objectives, a rating of 3 in terms of their influence on behavior change in local government.

197. The degree to which the PISs are accessible and are being accessed by the electorate was given a rating of 4.

198. The influence of the PISs on voting behavior is strong (rating of 4).

199. Other factors affecting voting behavior are the following: (i) candidate's good family background; (ii) candidate's cultural affiliation; and (iii) candidate's well implemented programs/projects and efficient delivery of services.

B. Recommendations

200. The municipal official recommended the following to improve the effectiveness of PISs at the local level:

(i) continue surveys and data collection necessary for the implementation of PISs;
(ii) modify indicators and rating scheme of some PISs to suit the locality's needs and character; and
(iii) empower the Municipal Development Council for strict implementation of the annual investment plan so that areas of concerns identified by the conduct of PISs may be used appropriately.

REPORT ON SURVEY QUESTIONNAIRE RESPONSES FROM SOME NATIONAL GOVERNMENT AGENCIES

Agency:	**Bureau of Local Government Supervision, Department of Interior and Local Government**
Date:	**11 May 2004**
Contact Person:	**Mr. Paul de Castro, Division Chief**

A. Performance Indicator Systems Being Used

1. The agency introduced the Local Governance Performance Management System (LGPMS), the Citizen Satisfaction Index System (CSIS), Local Development Watch (DevWatch), and Local Productivity and Performance Measurement System (LPPMS).

2. In terms of achievement of their main purposes, the DILG official gave the following rating: LGPMS received a 5, CSIS received a 5, DevWatch received a 2, and LPPMS received a 1.

3. With regard to the degree to which the systems are pro-poor and for service delivery, the official gave the following rating: LGPMS received 5, CSIS received 5, DevWatch received 5, and LPPMS received 5.

4. The official believes that the performance measurement systems strongly influence local governments in improvements on service delivery, pro-poor objectives and behavior change by the rating of 5 given to all three aspects.

B. Recommendations

5. The DILG official suggested the following to further improve the effectiveness of the performance indicator systems used at the local level:

(i) enhance the ability of such systems in assisting in policy-making;
(ii) enhance the ability of such systems in improving the delivery of services especially to people in need;
(iii) simplify the system of measurement to encourage more users; and
(iv) make LGU officials appreciate the significance of performance measurement systems and influence their perspective wherein performance criteria is not just a mere score card but also a tool for development.

Agency:	**Bureau of Local Government Finance, Department of Finance**
Date:	**4 June 2004**
Contact Person:	**Mr. Lito R. Pardo, Deputy Executive Director**

A. Performance Indicator Systems Being Used

6. The agency formulated the Fiscal/Financial Performance Indicators and has initially utilized the system to evaluate and monitor the fiscal/financial performance of LGUs and determine the necessary interventions required. However, BLGF has not yet turned over the use of such system to the LGUs.

7. The DOF official regret that since the utilization of the Fiscal/Financial Performance Indicators is still at its infancy stage, it is impossible to substantially give an assessment based on the system's achievement of main purpose and its impact on service delivery improvement, poverty reduction and behavior change in local government. However, he qualifies that the indicator system provides for a mechanism that will allow the users to monitor the financial standing of the LGUs (whether weak or strong) and further monitor where revenues and expenditures are allocated. Thus, the system may indirectly involve the aspects of service delivery improvement and poverty reduction.

B. Recommendations

8. The DOF official suggested the following to further improve the effectiveness of the performance indicator systems used at the local level:

(i) thorough LGU briefing on the importance and usage, as well as mechanics and dynamics of the performance indicators for the LGUs to appreciate the real objectives of using such performance indicators;
(ii) implementation of incentives and disincentives to encourage and sustain good governance behavior and discourage negative governance behavior; and
(iii) institutionalization of performance monitoring through stakeholders' participation.

Agency:	**Cabanatuan City Office, Department of Interior and Local Government**
Date:	**8 June 2004**
Contact Person:	**Mr. Ruben G. Diaz, City Director**

A. Performance Indicator Systems Being Used

9. The DILG City Director mentioned two performance indicator systems currently being used at the local level and they are the Local Governance Performance Management System (LGPMS) and the Minimum Basic Needs (MBN) Survey.

10. In terms of achievement of their main purposes, the official gave LGPMS a rating of 5 and MBN a rating of 4.

11. In terms of the indicator systems' degree to which they are pro-poor and for service delivery, the official gave LGPMS a rating of 5 and the MBN a rating of 4.

12. The DILG official believes that both performance indicator systems influence LGUs' pro-poor objectives, improvements on service delivery and behavior change by the rating of 4 he gave to all three.

B. Recommendations

13. The DILG official believed that it is important to incorporate a client feedback mechanism on all performance indicator systems to better improve the effectiveness of the performance criteria implemented at the local level.

Agency:	**Albay Provincial Office, Department of Interior and Local Government**
Date:	**9 June 2004**
Contact Person:	**Mr. Ricardo B. Casin, Provincial Director**

A. Performance Indicator Systems Being Used

14. The representative of the DILG Provincial Office in Albay identified the Local Governance Performance Management System (LGPMS) as the performance indicator system currently being used at the local level. The LGPMS, developed by the DILG, is presently being piloted at selected LGUs.

15. In terms of achievement of main purpose of the indicator system, the DILG official gave LGPMS a rating of 4.

16. In terms of achievement of pro-poor objectives and improvements in service delivery, the LGPMS received a rating 4 also.

17. The performance indicator systems have influence on service delivery improvements, pro-poor objectives and behavior change in local government. However, the DILG official believes that the performance indicator system can have a broader impact if not for the following reasons: lack of appreciation of the local chief executive due to the fact that the system may reflect its poor performance and jeopardize his/her professional career; non-performance of the team assigned to assess and conduct data gathering; and lack manpower skilled in technical writing and documentation.

B. Recommendations

18. The DILG official suggested the following to further improve the effectiveness of the performance indicator systems used at the local level:

(i) reorientation of team assigned to gather, assess and analyze data;

(ii) deeper understanding of the local chief executive on the significance of performance indicator system to discount the fact that the result of such measurement simply determines poor performance and to clarify that factors other than poor performance are being considered such as financial aspect, legislative support, etc.; and
(iii) designation of skilled technical staff and competent LGU officer that will look into the gathering, assessment and analysis of data for the performance indicator system.

Agency:	**Regional Office No. 8, Department of Interior and Local Government**
Date:	**16 June 2004**
Contact Person:	**Engr. Ofelia M. Pido, Local Government Operations Officer V**

A. Performance Indicator Systems Being Used

19. The representative of DILG Regional Office No. 8 identified the Local Productivity and Performance Measurement System (LPPMS) as the performance indicator system currently being used at the local level. The LPPMS is developed by the DILG and introduced to LGUs nationwide.

20. The DILG official did not indicate any rating in terms of achievement of main purpose of the indicator system, and the degree to which the system satisfies pro-poor objectives and improvements in service delivery. However, the official indicated that the performance indicator systems have minimal influence on service delivery improvements, pro-poor objectives and behavior change in local government. The DILG official believes that the reasons behind the low impact of the performance indicator system are caused by the elected officials' varying political parties which limits cooperation among the officials; and lack of support from the local chief executive on the usage of performance criteria.

B. Recommendations

21. The DILG official suggested that to further improve the effectiveness of the performance indicator systems used at the local level, assessment should include representatives from other national government agencies aside from DILG, nongovernment organizations and selected local officials to achieve the following:

(i) consideration of real sentiments, aspirations and needs of the locality;
(ii) integration of the locality's sentiments, aspirations and needs in the priority programs, projects and activities;
(iii) consistency of both the Legislative Agenda and the Executive Agenda;
(iv) formulation of achievable and sensible indicators; and
(v) publication of performance indicator system results (both locally and nationally) to raise awareness of non-participating LGUs and motivate participating LGUs to achieve better results in succeeding assessments.

Agency:	**Regional Office No. 11, Department of Interior and Local Government**
Date:	**16 June 2004**
Contact Person:	**Ms. Gale Marie S. Gravador, Local Government Operations Officer V**

A. Performance Indicator Systems Being Used

22. The DILG official stated the Local Performance and Productivity Measurement (LPPM), the DILG Region 11 Version, as the performance indicator system currently being used at the local level in the Davao Region.

23. In terms of LPPM' achievement of main purpose, the official gave a rating of 5.

24. In terms of the indicator system's degree to which it is pro-poor and for service delivery, the official gave a rating of 5.

25. The DILG official believes that the LPPMS strongly influences LGUs' pro-poor objectives, improvements on service delivery and behavior change by her rating of 5 to all three.

B. Recommendations

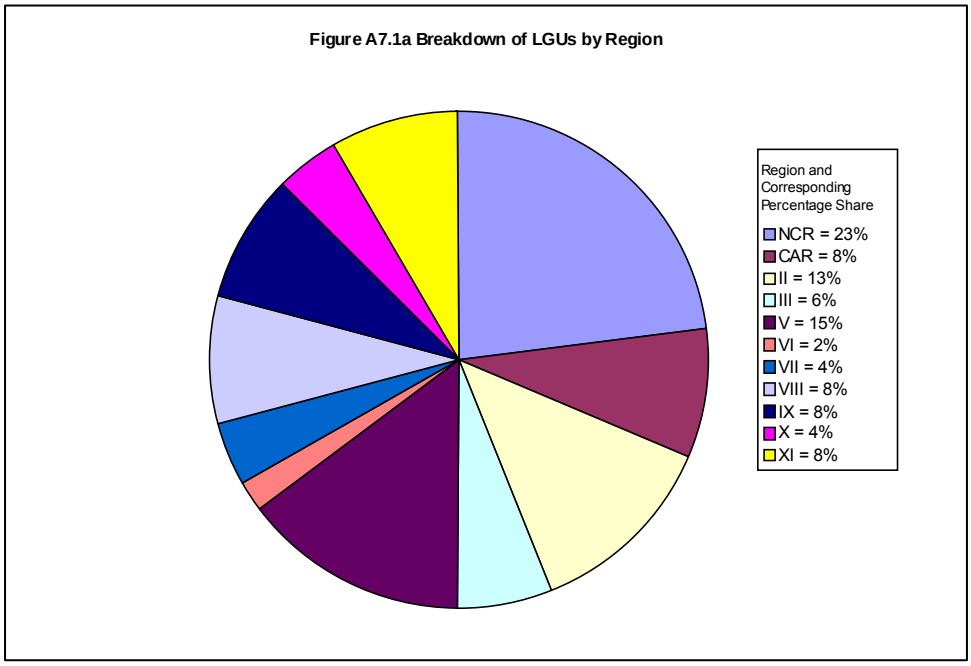
26. The DILG official implied that the implementation of the new performance indicator system known as the Local Governance Performance Management System (LGPMS) shall improve the efficacy of performance criteria implemented at the local level.

SURVEY RESULTS

A. Summary of Survey Results

1. The survey questionnaire was administered to 48 LGUs spread over 11 regions in the country. Of the 48 LGUs, 20 are cities and 28 are municipalities. They represent a broad cross-section of LGUs based on income, ranging from first class cities to fifth class municipalities. See Figures A7.1a, A7.1b and A7.1c for detailed illustrations of the profile of the participating LGUs, and also, see Table A7.1 in the appendix.

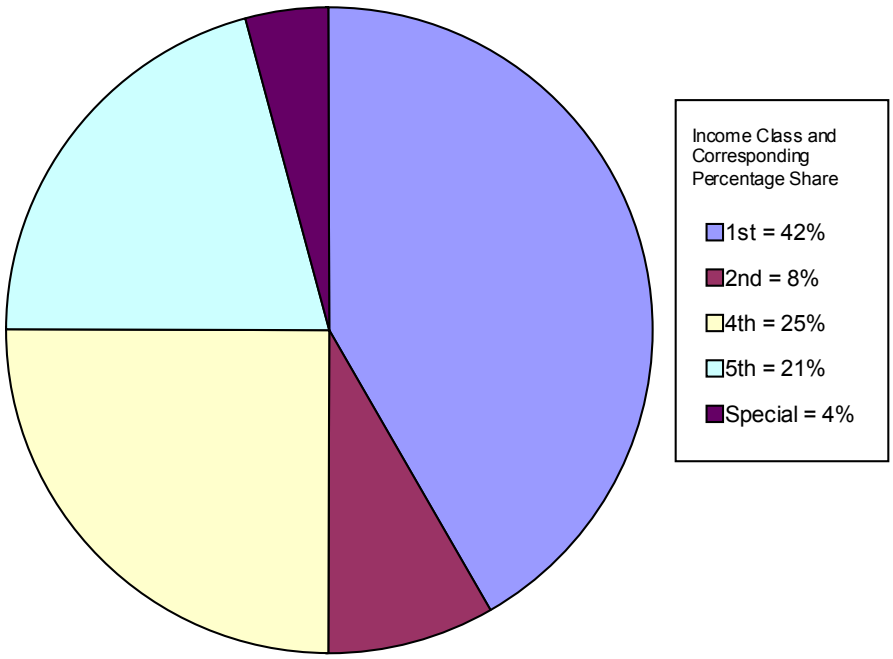
2. Figures A7.1a shows the distribution of LGUs included in the Study by region. Eleven LGUs (10 cities, such as Las Piñas, Caloocan, Marikina, Quezon City, Pasig, Pasay, Valenzuela, Manila, Mandaluyong and Makati, and the Municipality of San Juan) are from the National Capital Region (NCR) which account for 23%. There are four municipalities from the Cordillera Administrative Region (CAR), namely: La Trinidad, Sablan, Banaue and Hingyon which account for 8%. Region II or Cagayan Valley Region is represented by six municipalities (i.e., Piat, Sto. Niño (Cagayan), Solano, Kasibu, Diffun and Saguday) and account for 13%. Region III or Central Luzon Region is represented by the Cities of Cabanatuan, Palayan and the Science City of Muñoz (6%). Region V or Bicol Region is represented by two cities (i.e., Legazpi and Naga) and five municipalities (i.e., Daraga, Vinzons, Daet, San Lorenzo Ruiz and Labo), and account for 15%. Region VI or Western Visayas Region is represented by Bacolod City (2%). Region VII or Central Visayas Region is represented by two cities, namely: Cebu and Mandaue (4%). Region VIII or the Eastern Visayas Region is represented by four municipalities, such as MacArthur, Mayorga, Tolossa and La Paz (8%). Region IX or Western Mindanao Region is represented by four municipalities, namely: Ramon Magsaysay, Tukuran, Labangan and Guipos (8%). Region X or Northern Mindanao Region is represented by two cities (i.e., Cagayan de Oro and Malaybalay) and account for 4%. Region XI or Southern Mindanao Region is represented by four municipalities (8%) such as: Sto. Niño (South Cotabato), Tampakan, Tantangan and T'boli.



Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

3. Figures A7.1b presents the distribution of the LGUs included in the Study by income classification. Twenty LGUs, specifically 15 cities (i.e., Cabanatuan, Legazpi, Naga, Cebu, Mandaue, Bacolod, Cagayan de Oro, Las Piñas, Caloocan, Marikina, Pasig, Pasay, Valenzuela, Mandaluyong and Makati) and five municipalities (i.e., Daraga, San Juan, La Trinidad, Daet and Labo) belong to the first income class (42%). Four LGus belong to the second income class, namely Science City of Muñoz, Municipality of Solano, Municipality of Diffun and Municipality of T'boli, and account for 8%. Twelve LGUs (25%) belong to the fourth income class, such as: cities of Palayan, Malaybalay, municipalities of Piat, Sto. Niño (Cagayan), Kasibu, Banaue, Vinzons, Tukuran, Labangan, Sto. Niño (South Cotabato), Tampakan and Tantangan. Ten municipalities belong to the fifth income class (21%), namely: Saguday, Sablan, Hingyon, San Lorenzo Ruiz, MacArthur, Mayorga, Tolossa, La Paz, Ramon Magsaysay and Guipos. The Bureau of Local Government Finance classifies Quezon City and Manila City to the "special" income class. None of the LGUs in the Study belong to the third income class.

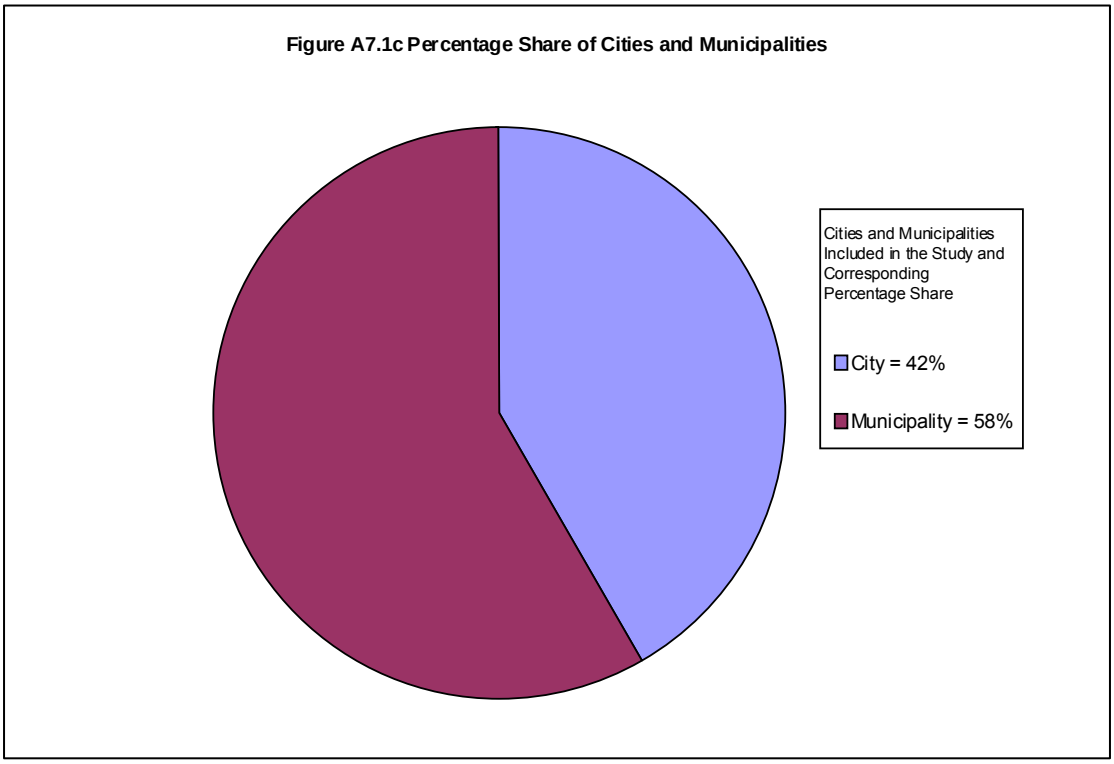
Figure A7.1b Breakdown of LGUs by Income Classification



Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

4. Figures A7.1c shows the percentage share of cities and municipalities included in the Study. There are 20 cities or 42 percent (i.e Cabanatuan, Palayan, Science City of Muñoz, Legazpi, Naga, Cebu, Mandaue, Bacolod, Cagayan de Oro, Malaybalay, Las Piñas, Caloocan, Marikina, Quezon City, Pasig, Pasay, Valenzuela, Manila, Mandaluyong and Makati) and 28 municipalities or 58 percent (i.e., Daraga, San Juan, Piat, Sto. Niño (Cagayan), Solano, Kasibu, Diffun, Saguday, La Trinidad, Sabalan, Banaue, Hingyon, Vinzons, Daet, San Lorenzo Ruiz, Labo, MacArthur, Mayorga, Tolossa, La Paz, Ramon Magsaysay, Tukuran, Labangan, Guipos, Sto. Niño (South Cotabato), Tampakan, Tantangan and T'boli).

Figure A7.1c Percentage Share of Cities and Municipalities



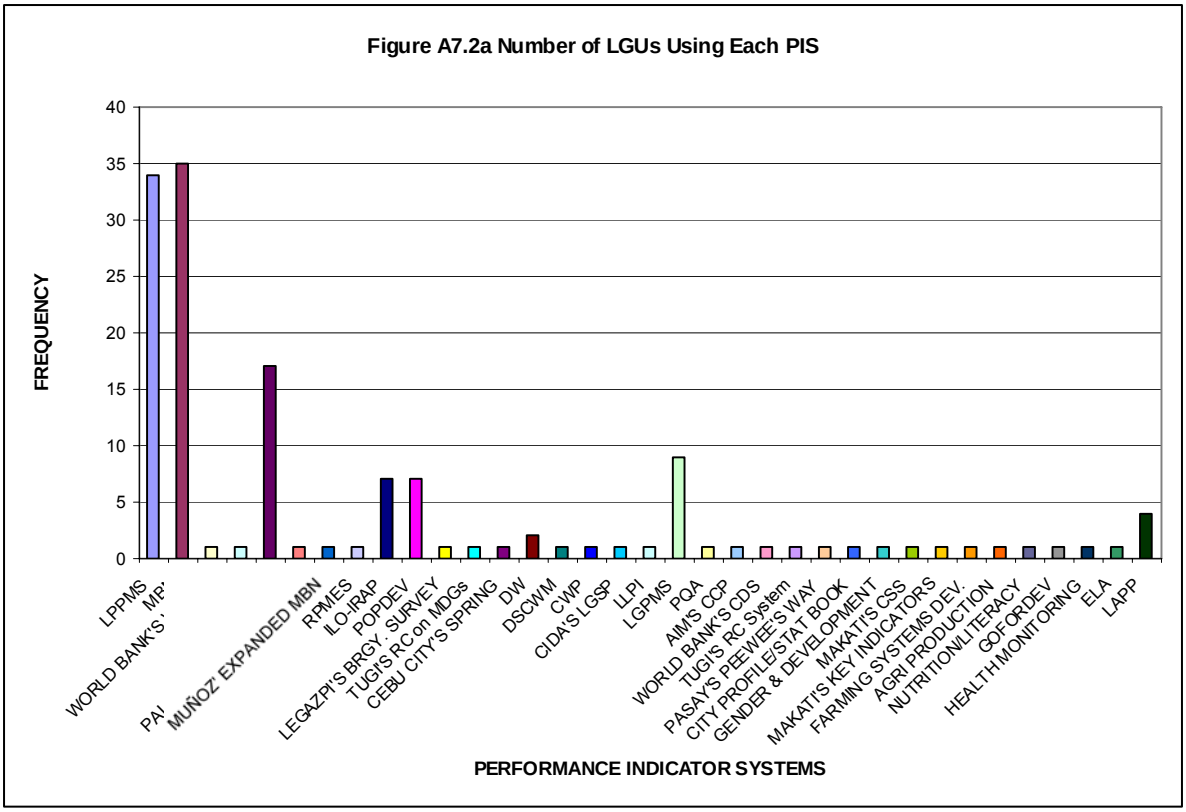
Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

5. The survey questionnaire, which was also used as the interview guide, contained the following questions:

- What is the extent of PISs' achievement of main purpose?
- What is the degree to which PISs are pro-poor and for service delivery?
- How far have the PISs influenced service delivery improvements, pro-poor objectives and behavior change in the local government?
- What is the degree to which PISs been accessible and accessed by the electorate?
- What is the degree to which performance indicator information influenced voting behavior?
- What other factors (aside from performance indicator information) influence voting behavior?
- What are some recommendations to further improve the effectiveness of the PISs?

6. The following paragraphs, figures, and charts present the answers to these questions.

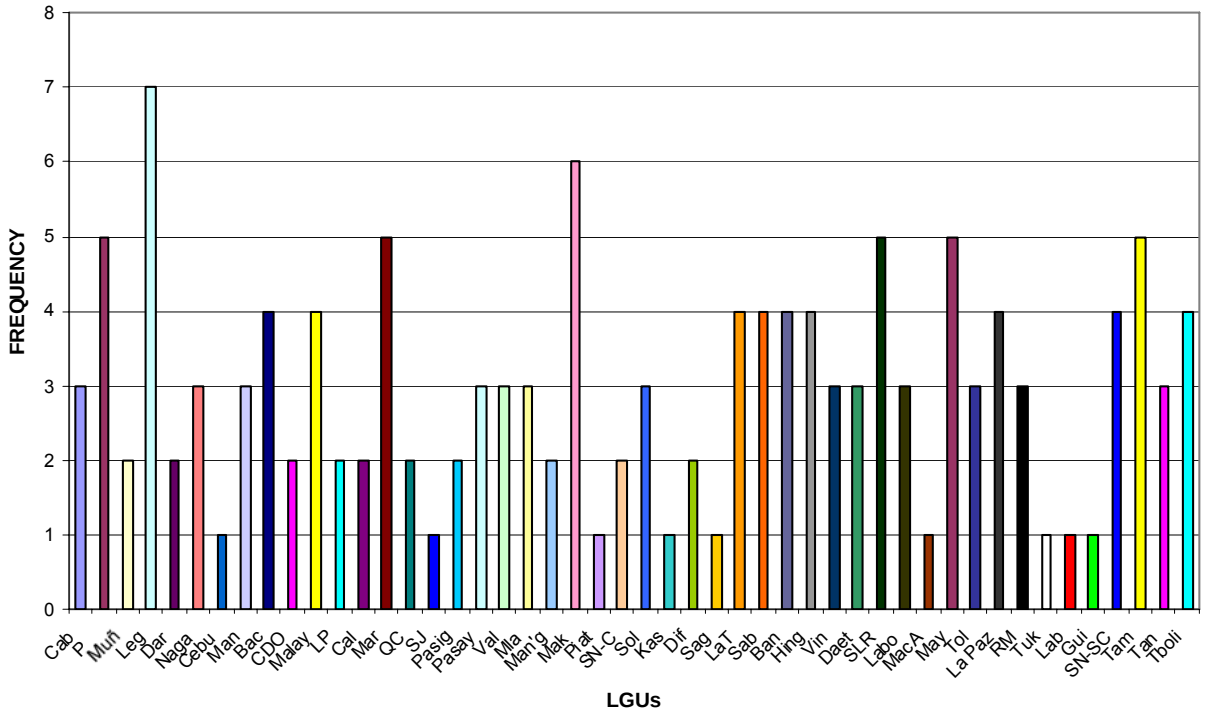
7. Figure A7.2a presents the number of LGUs patronizing each PIS mentioned by respondents (also see Table A7.2 in the appendix). It illustrates that among the most used performance indicator systems, MBN rated the highest wherein 35 out of 48 LGUs utilize it, followed by LPPMS (34 out of 48 LGUs), PES (17 out of 48 LGU participants), LGPMS (9 out of 48 LGUs), and ILO-IRAP and POPDEV (both 7 out of 48 LGUs). These PISs are prescribed by various national government agencies (i.e., DILG, DSWD, Civil Service Commission and Commission on Population) which make these PISs more common than the others. The high degree of usage of MBN and LPPMS can be attributed to the fact that these are the "oldest" among the PISs used by LGUs, having been introduced by national government in the early 1990s. The MBN is also generally regarded by LGUs as not being politically threatening since it is carried out by local health workers. The conduct of the LPPMS is supervised by the DILG representative assigned to the LGU and thus gets more attention than other PISs. The PES' high rating can be attributed to the fact that it is promoted by the Civil Service Commission (CSC) which has administrative control over all government personnel. The relatively high rating of ILO-IRAP, POPDEV and LGPMS can be attributed to the greater efforts of the national agencies concerned in promoting these. The low patronage of most of the PISs (wherein 27 cases, or 77%, show that certain PISs were used by only 1 out of the 48 LGU participants; one case shows that 2 out of 48 LGUs use DW; and another one case which shows that 4 out of 48 LGUs utilize LAPP) is because of the following reasons: some PISs are developed by a particular LGU for their own use (i.e., Palayan's Scalogram Muñoz' Expanded MBN, Legazpi's Barangay Survey, Cebu City's SPRING, Pasay's Peewee's Way, Makati's Customer Satisfaction Survey, Makati's Key Indicators); some PISs are project-based (i.e., World Bank's WDDP); and some PISs are pilot-tested in selected LGUs. See Figure A7.2c for the percentage shares.



Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

8. Figure A7.2b shows the number of PISs used by each LGU (also see Table A7.2 in the appendix). It states that Legazpi City uses the most number of PISs (7 out of the 35 PISs), followed by Makati City (6 out of the 35 PISs), Palayan City, Marikina City, San Lorenzo Ruis, Mayorga and Sto. Niño – South Cotabato (each use 5 out the 35 PISs). These LGUs used a combination of common PISs such as LPPMS, MBN, POPDEV, ILO-IRAP, PES and LGPMS, along with the PISs they have developed themselves (in the case of Legazpi City and Palayan City), and utilized PISs not in the mainstream as well, such as CCP and PQA (in the case of Marikina City). There are nine cases (19%) which state that 4 out of the 35 PISs are being used by certain LGUs (i.e., Bacolod, Malaybalay, La Trinidad, Sablan, Banaue, Hingyon, La Paz, Sto. Niño – South Cotabato and T'boli); 13 cases (27%) which show 3 out of the 35 PISs are being utilized by some LGUs (i.e., Cabanatuan, Naga, Mandaue, Pasay, Valenzuela, Manila, Solano, Vinzons, Daet, Labo, Tolossa, Ramon Magsaysay and Tantangan); 10 cases (21%) which show that 2 out the 35 PISs are being used by LGUs such as Muñoz, Daraga, Cagayan de Oro, Las Piñas, Caloocan, Quezon City, Pasig, Mandaluyong, Sto. Niño – Cagayan and Diffun; and there are 9 cases (19%) which show that 1 out of the 35 PISs are being utilized by the following LGUs: Cebu, San Juan, Piat, Kasibu, Saguday, MacArthur, Tukuran, Labangan, and Guipos. See Figure A7.2d for the percentage shares.

Figure A7.2b Number of PISs Each LGU Uses

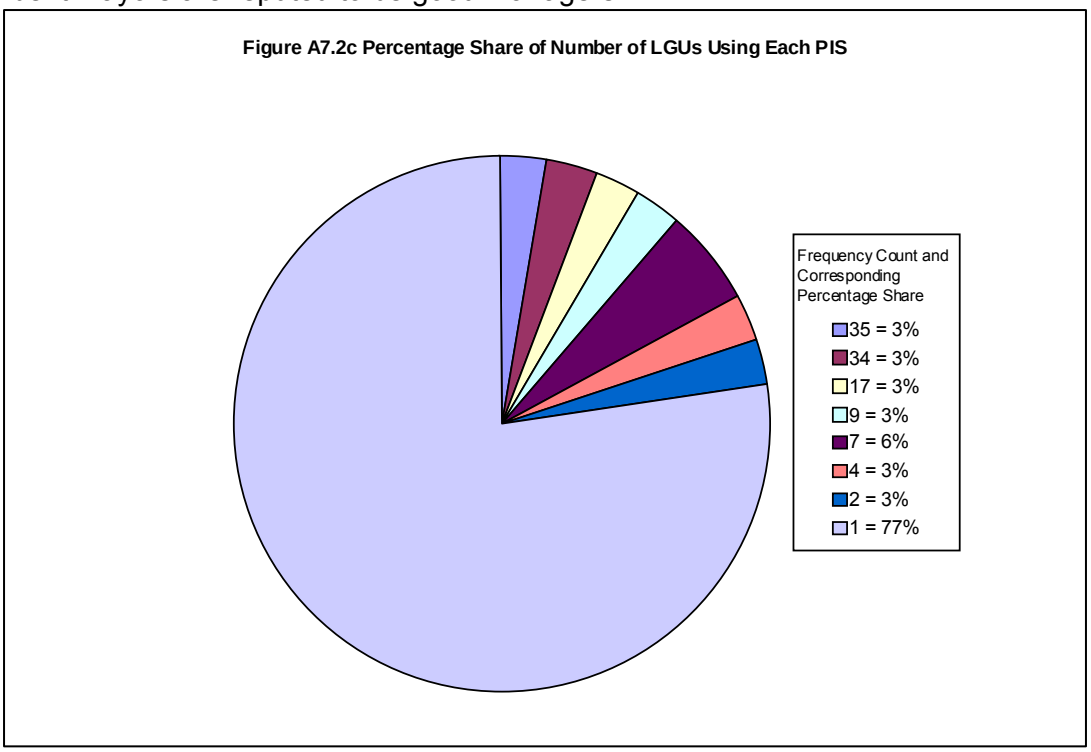


Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

9. Figures A7.2a, A7.2b, A7.2c and A7.2d do not lend themselves to any meaningful interpretation, except perhaps that a fairly large number of LGUs (19%) use only one PIS, and that almost all of these LGUs (except Cebu) are lower-class municipalities. Also, there appears to be some correlation between the number of PISs used and the management style of the LGU

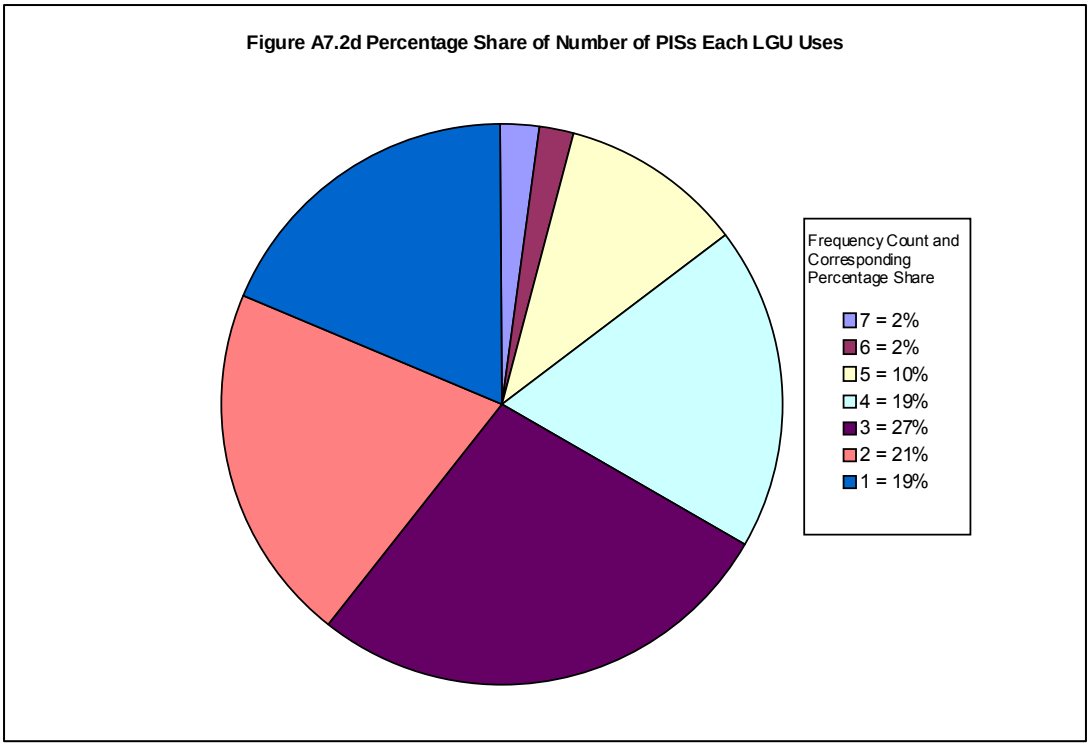
mayor concerned. Four out of seven LGUs which use five or more PISs are cities whose incumbent mayors are reputed to be good managers.

Figure A7.2c Percentage Share of Number of LGUs Using Each PIS

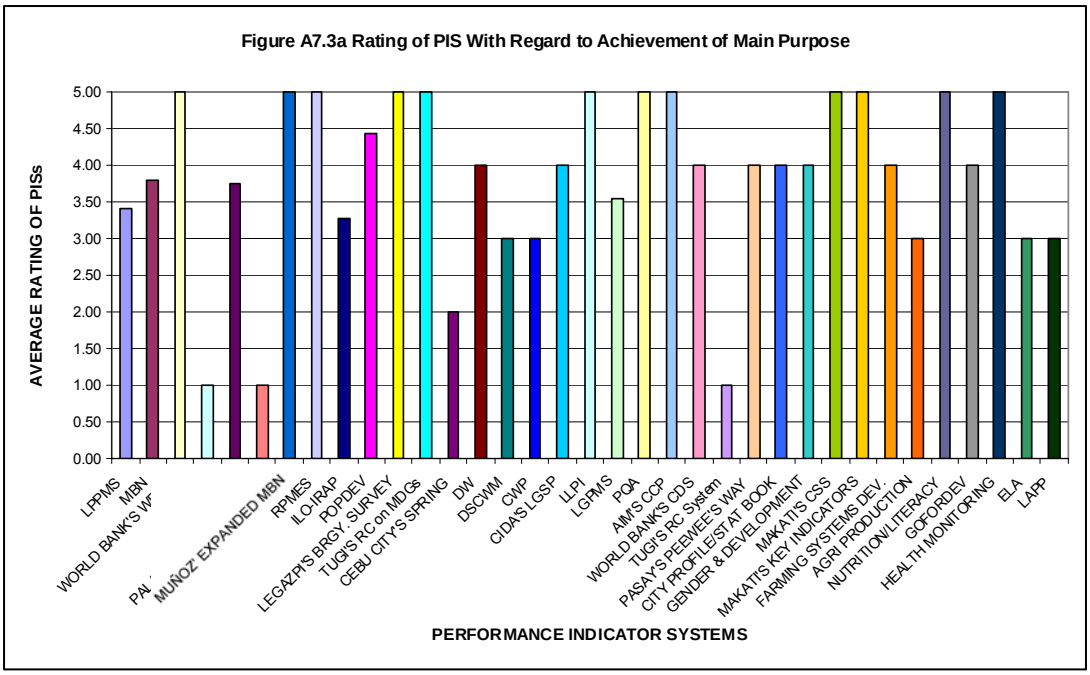


Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

Figure A7.2d Percentage Share of Number of PISs Each LGU Uses



Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

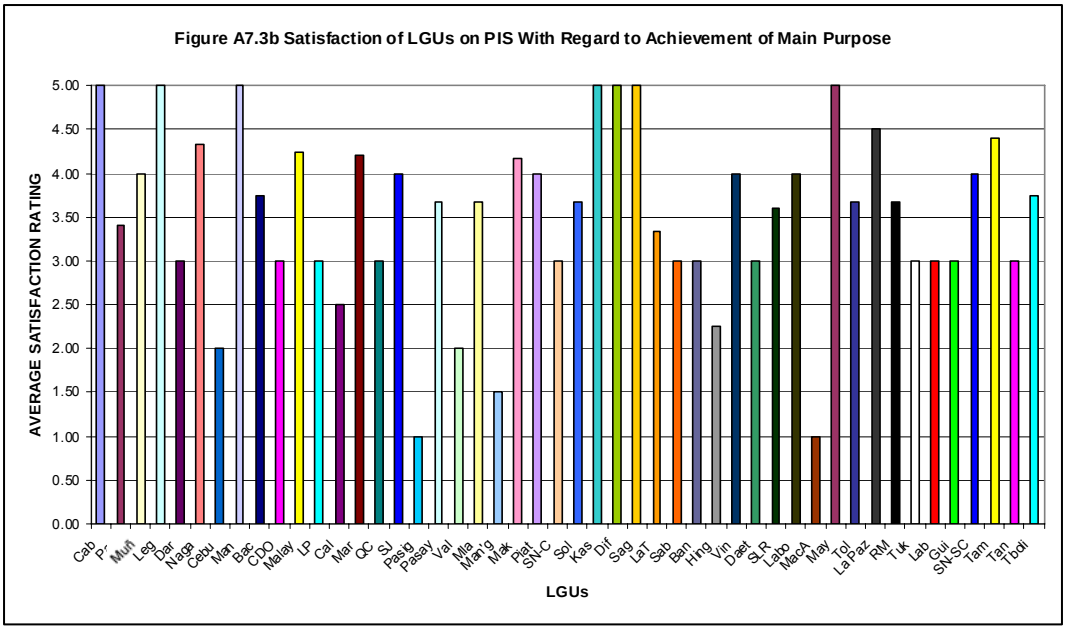


Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

10. Figure A7.3a illustrates the average rating given by the LGUs on each PIS with regard to their interpretation of the PIS' main purpose (also see Table A7.3 in the appendix). It shows that the PISs which received very high average ratings (rating of 5.00 which accounts for 34%) or very low average ratings (rating of 1.00 which accounts for 9%) with regard to interpretation of the PIS's main purpose are each being used by only one LGU (i.e., PISs developed by the LGUs themselves, project-based PISs, site-specific or pilot-tested PISs). The PISs which received average ratings greater than 3.00 but less than 5.00 account for 40% and include, among others, the more commonly used PISs such as: POPDEV received the highest rating (average rating: 4.43, rank: 13), followed by MBN (average rating: 3.80, rank: 22), PES (average rating: 3.76, rank: 23), LGPMS (average rating: 3.56, rank: 24), LPPMS (average rating: 3.41, rank: 25), and ILO-IRAP (average rating: 3.29, rank: 26). On the other hand, the PISs which received average ratings of 3.00 account for 14%, and all these PISs, except LAPP, are each used by only one LGU. Lastly, the PISs which received low average ratings account for 11%, namely: Cebu's Spring (rating: 2.00), HES (rating: 1.00), Scalogram (rating: 1.00), and TUGI's RC System (rating: 1.00). See Figure A7.3c for percentage shares.

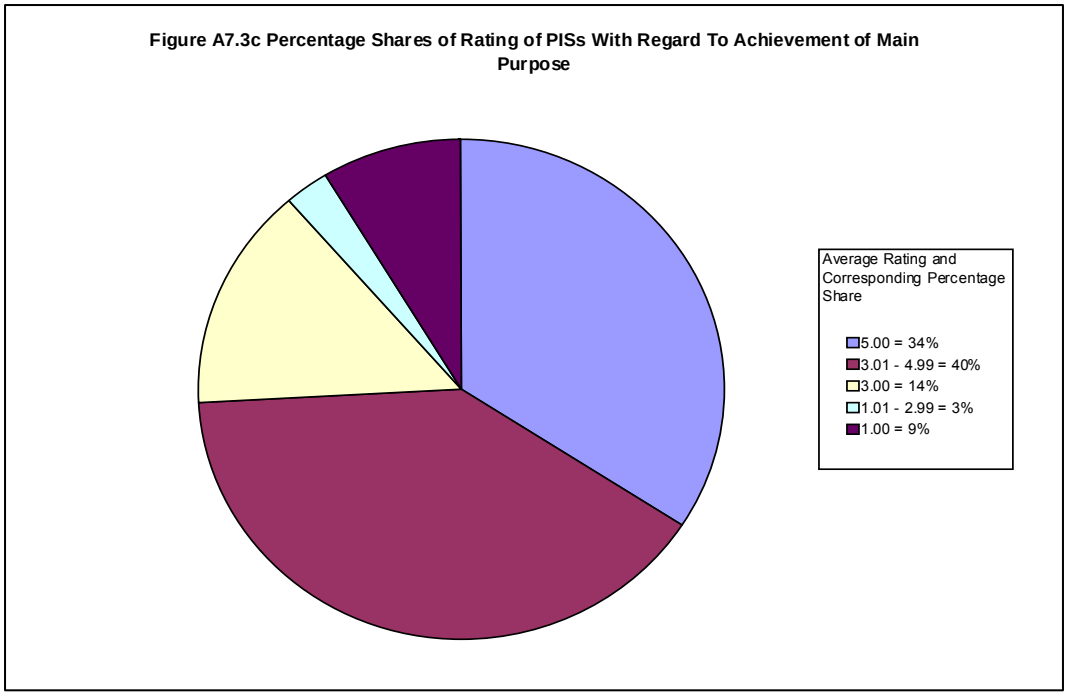
11. Figure A7.3b shows the average satisfaction of each LGU on the PIS they use with regard to achievement of main purpose (also see Table A7.3 in the appendix). It presents the average satisfaction level of LGUs in terms of achievement of main purpose of the PISs they use. Cabanatuan, Legazpi, Mandaue, Kasibu, Diffun, Saguday, and Mayorga, which account for 15%, have the highest average satisfaction level (rating of 5.00). LGUs with average satisfaction level greater than 3.00 but less than 5.00 account for 46%, such as Palayan, Muñoz, Naga, Bacolod, Malaybalay, Marikina, San Juan, Pasay, Manila, Makati, Piat, Solano, La Trinidad, Vinzons, San Lorenzo Ruis, Labo, Tolossa, La Paz, Ramon Magsaysay, Sto. Niño – South Cotabato, Tampakan and T'boli. Meanwhile, 25 %of the LGU participants have 3.00 average level of satisfaction, namely: Daraga, Cagayan de Oro, Las Piñas, Quezon City, Sto. Niño – Cagayan, Sablan, Banaue, Daet, Tukuran, Labangan, Guipos and Tantangan. On the other hand, LGUs with average satisfaction level greater than 1.00 and less but 3.00 account for 10%.

Pasig and MacArthur, which account for 4%, have the lowest average satisfaction level (rating of 1.00). See Figure A7.3d for percentage shares.



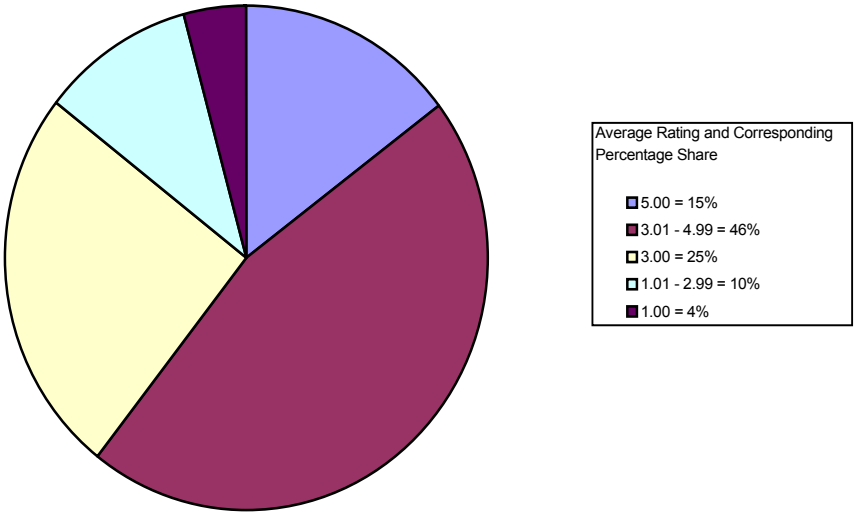
Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

12. Figures A7.3a, A7.3b, A7.3c and A7.3d illustrate a fairly high level of understanding by LGUs of the main purpose of each PIS. They also appreciate that these PISs have not fully achieved their main purpose.



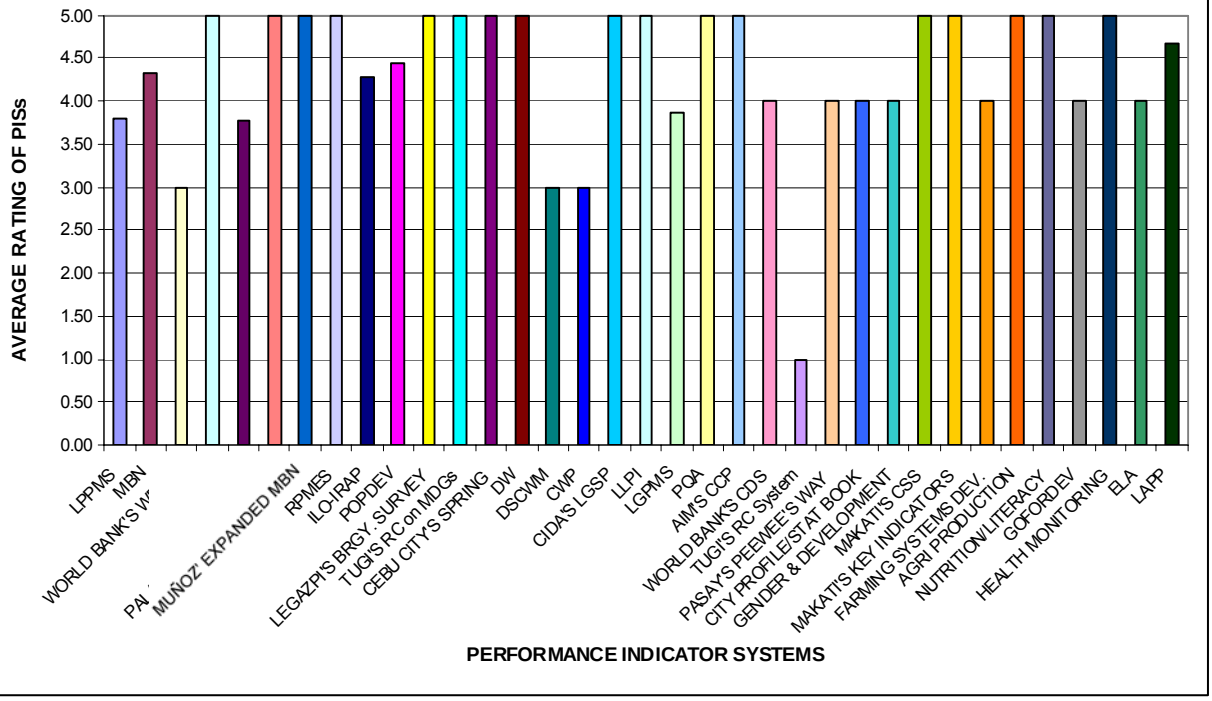
Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

Figure A7.3d Percentage Share of Satisfaction of LGUs on PIS With Regard to Achievement of Main Purpose



Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

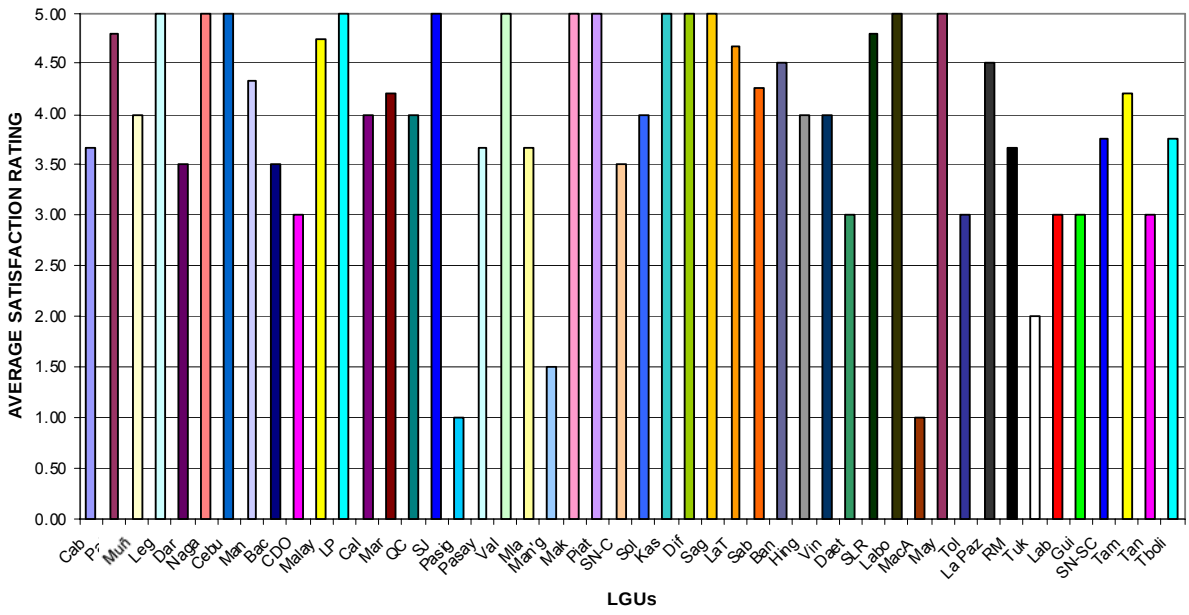
Figure A7.4a Degree To which PISs Are Pro-Poor and For Service Delivery



Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

13. Figure A7.4a shows the average rating given by respondents on each PISs with regard to degree to which they are pro-poor and for service delivery (also see Table A7.4 in the appendix). It states that the PISs which received the highest and lowest average ratings in terms of degree to which the PISs are pro-poor and for service delivery (rating of 5.00 which accounts for 49%, and rating of 1.00 which accounts for 3%) are, again, each being used by only one LGU (i.e., PISs developed by the LGUs themselves, project-based PISs, site-specific or pilot-tested PISs). The PISs which received average ratings greater than 3.00 but less than 5.00 account for 40% and among them are the mainstream PISs (i.e., POPDEV received the highest rating which is 4.43 and ranked 19th, MBN received a rating of 4.31 and ranked 20th, ILO-IRAP received a rating of 4.29 and ranked 21st, LGPMS received a rating of 3.88 and ranked 29th, LPPMS received a rating of 3.80 and ranked 30th, and PES received a rating of 3.76 and ranked 31st). World Bank's WDDP, DSCWM and CWP (each also being used by only one LGU) received average ratings of 3.00 and account for 9%. See Figure A7.4c for percentage shares.

Figure A7.4b Satisfaction of LGUs on PIS Being For Service Delivery and Pro-Poor

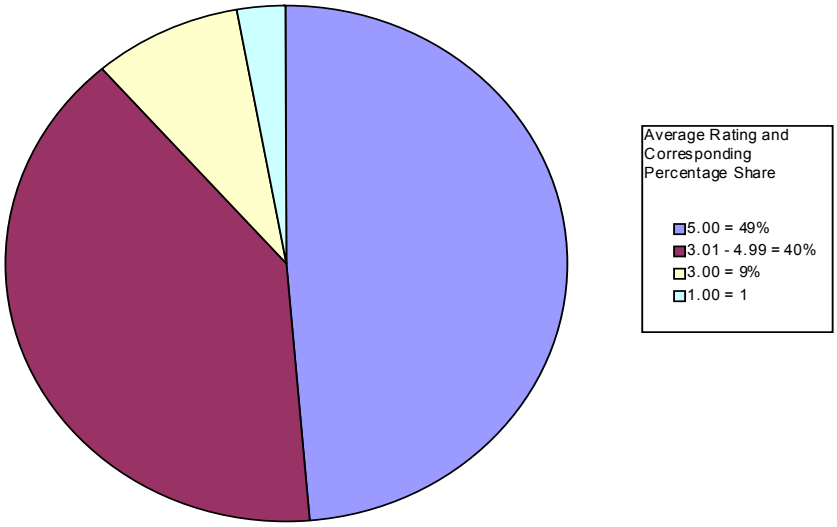


Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

14. Figure A7.4b presents the average satisfaction level of each LGU on the PISs they use for being pro-poor and for service delivery (also see Table A7.4 in the appendix). It shows the average satisfaction level of LGUs with regard to degree to which the PISs they use are pro-poor and for service delivery. The LGUs with the highest average satisfaction level (rating of 5.00), such as: Legazpi, Naga, Cebu, Las Piñas, San Juan, Valenzuela, Makati, Piat, Kasibu, Diffun, Saguday, Labo and Mayorga account for 27%. LGUs with satisfaction ratings greater than 3.00 but less than 5.00 account for 50% and they are Cabanatuan, Palayan, Muñoz, Daraga, Mandaue, Bacolod, Malaybalay, Caloocan, Marikina, Quezon City, Pasay, Manila, Sto. Niño – Cagayan, Solano, La Trinidad, Sablan, Banaue, Hingyon, Vinzons, San Lorenzo Ruiz, La Paz, Ramon Magsaysay, Sto. Niño, Tampakan and T'boli. There are 6 LGUs (13%) which have 3.00 average levels of satisfaction, such as Cagayan de Oro, Daet, Tolossa, Labangan, Guipos and Tantangan. LGUs with the average satisfaction levels greater than 1.00 but less

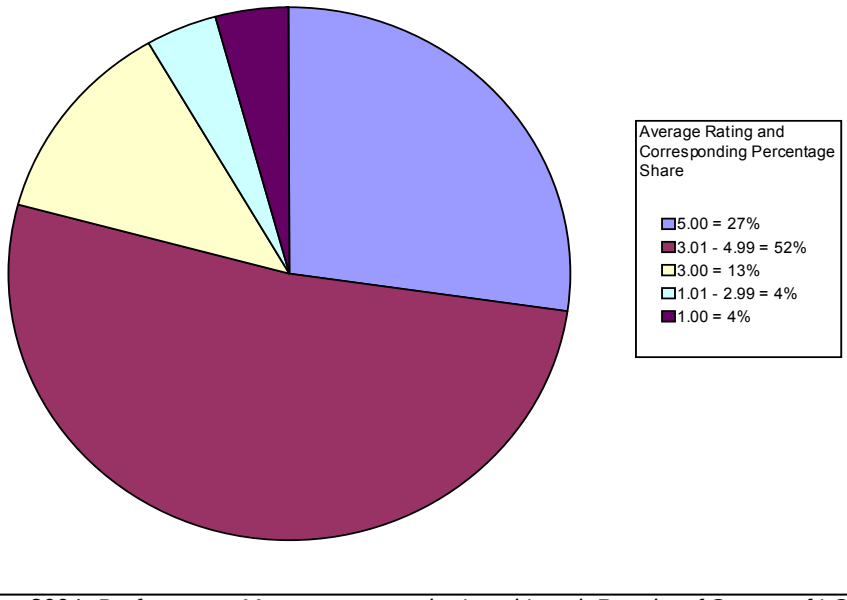
than 3.00 are Mandaluyong and Tukuran (4%). LGUs with the lowest average satisfaction level (rating of 1.00) are: Pasig and MacArthur. See Figure A7.4d for percentage shares.

Figure A7.4c Percentage Share of Degree To Which PISs Are Pro-Poor and For Service Delivery



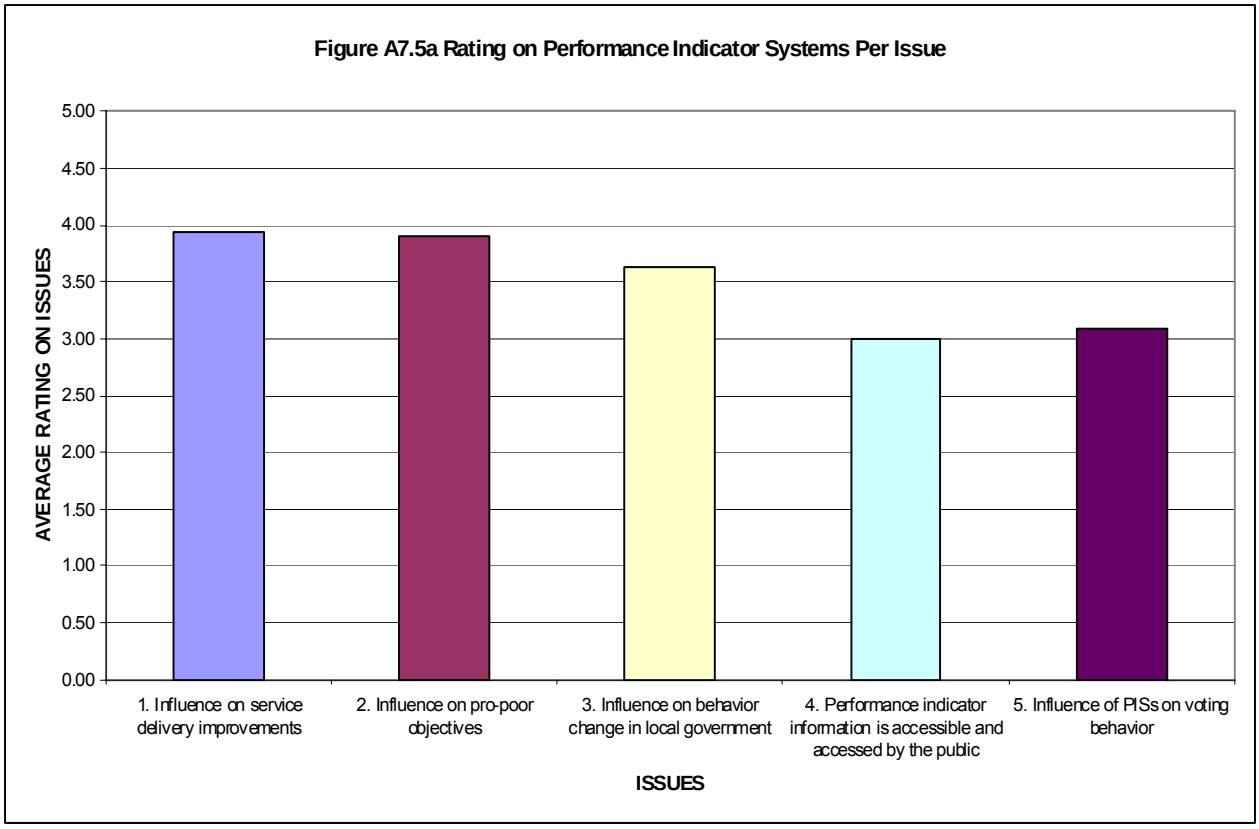
Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

Figure A7.4d Percentage Share of Satisfaction of LGUs on PISs Being For Service Delivery and Pro-Poor



Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

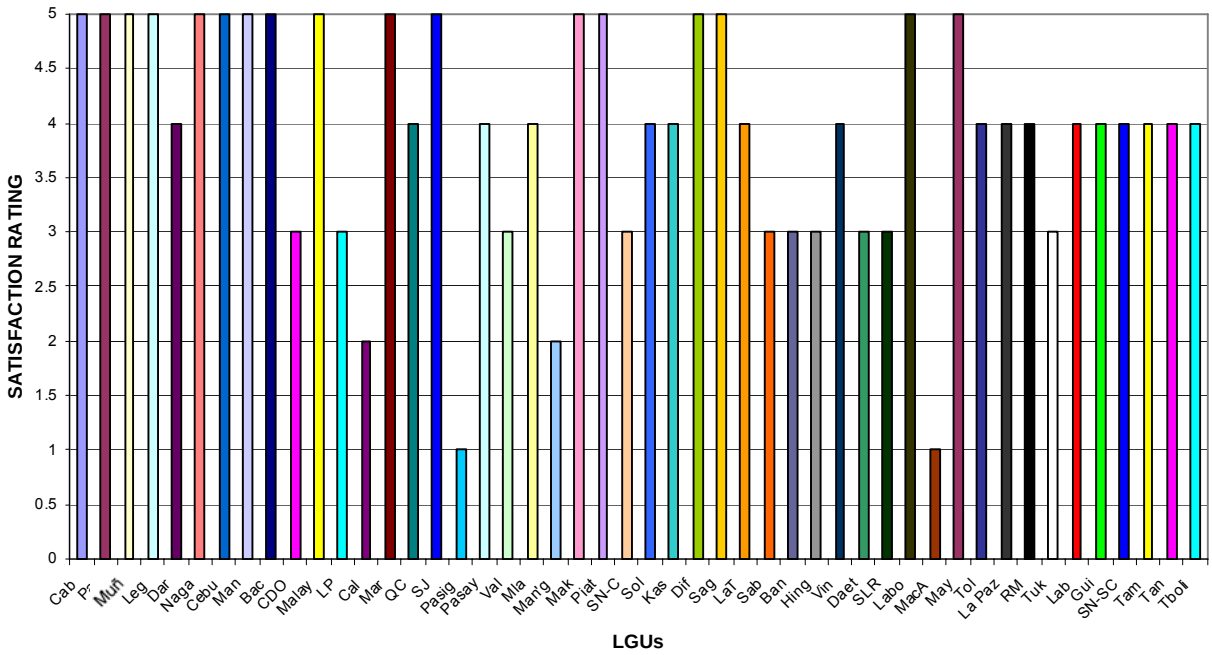
15. Figures A7.4a, A7.4b, A7.4c and A7.4d indicate that a large number of LGUs find POPDEV, MBN, LGPMS and LPPMS to be the most closely oriented to improvements in service delivery and poverty reduction. A similarly large number of LGUs are generally satisfied with regard to the degree to which the PISs are pro-poor and for service delivery.



Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

16. Figure A7.5a summarizes the average rating given by the LGU respondents on the following issues: influence on service delivery improvements, influence on pro-poor objectives, influence on behavior change in local government, PISs being accessible and accessed by electorate, and influence of PISs on voting behavior (also see Table A7.5 in the appendix). It presents that among the issues raised, it is influence on service delivery improvements which received the highest average rating (3.94), followed by influence on pro-poor objectives (3.90), then influence on behavior change in local government (3.63), then followed by influence of PISs on voting behavior (3.08), and performance indicator information being accessible and accessed by the public received the lowest average rating (3.00).

Figure A7.5b Satisfaction of LGUs on Influence of PISs on Service Delivery Improvements

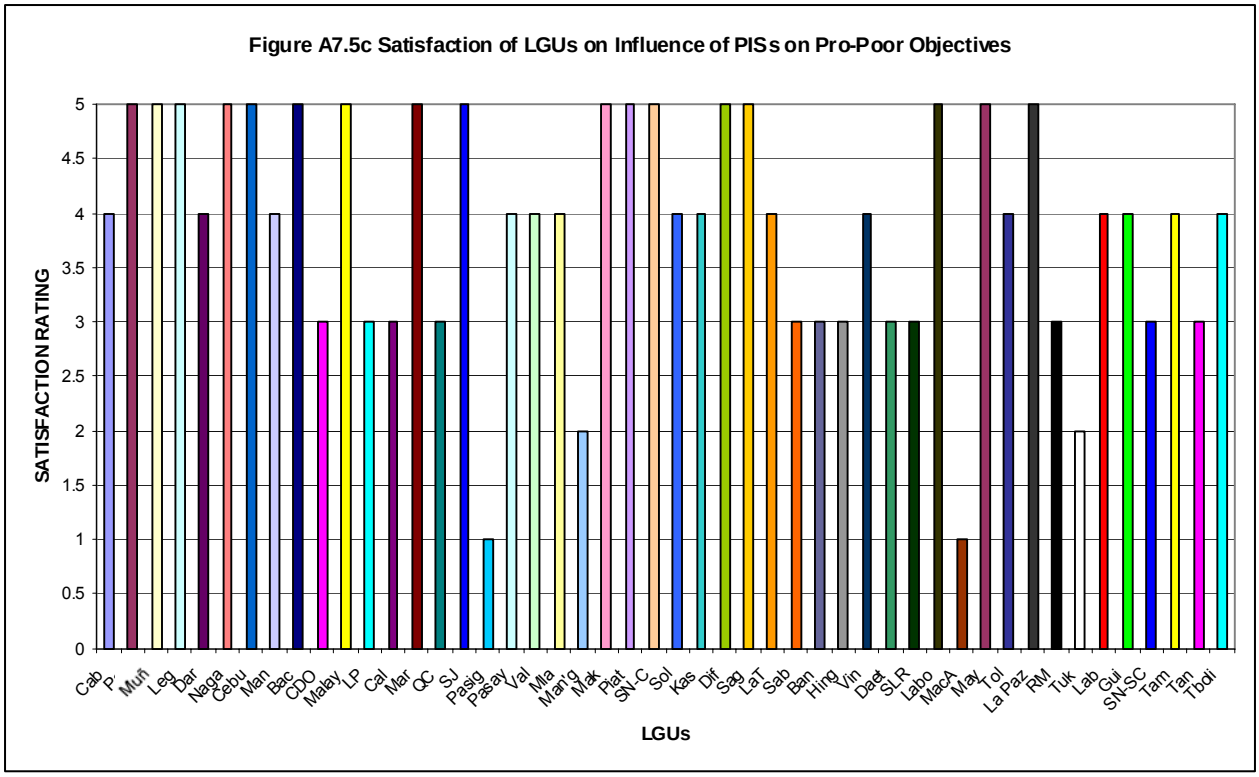


Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

17. Figure A7.5b shows the satisfaction of each LGU on the issue of PISs' influence on service delivery (also see Table A7.5 in the appendix). It states that Cabanatuan, Palayan, Muñoz, Legazpi, Naga, Cebu, Manduae, Bacolod, Malaybalay, Marikina, San Juan, Makati, Piat, Diffun, Saguday, Labo and Mayorga have the highest satisfaction levels (rating of 5) with regard to the PISs they use having influence on service delivery improvements in their local government and account for 35%. LGUs with satisfaction level of 4 account for 35% and these are: Daraga, Quezon City, Pasay, Manila, Solano, Kasibu, La Trinidad, Vinzons, Tolossa, La Paz, Ramon Magsaysay, Labangan, Guipos, Sto. Niño – South Cotabato, Tampakan, Tantangan and T'boli. Ten LGUs acquired the satisfaction level of 3 which account for 21% (i.e., Cagayan de Oro, Las Piñas, Valenzuela, Sto. Niño – Cagayan, Sablan, Banaue, Hingyong, Daet, San Lorenzo Ruiz and Tukuran. Caloocan and Mandaluyong have the satisfaction level of 2 (4%). Pasig and MacArthur are consistent with their very low levels of satisfaction (satisfaction level is 1). See Figure A7.5h for percentage shares.

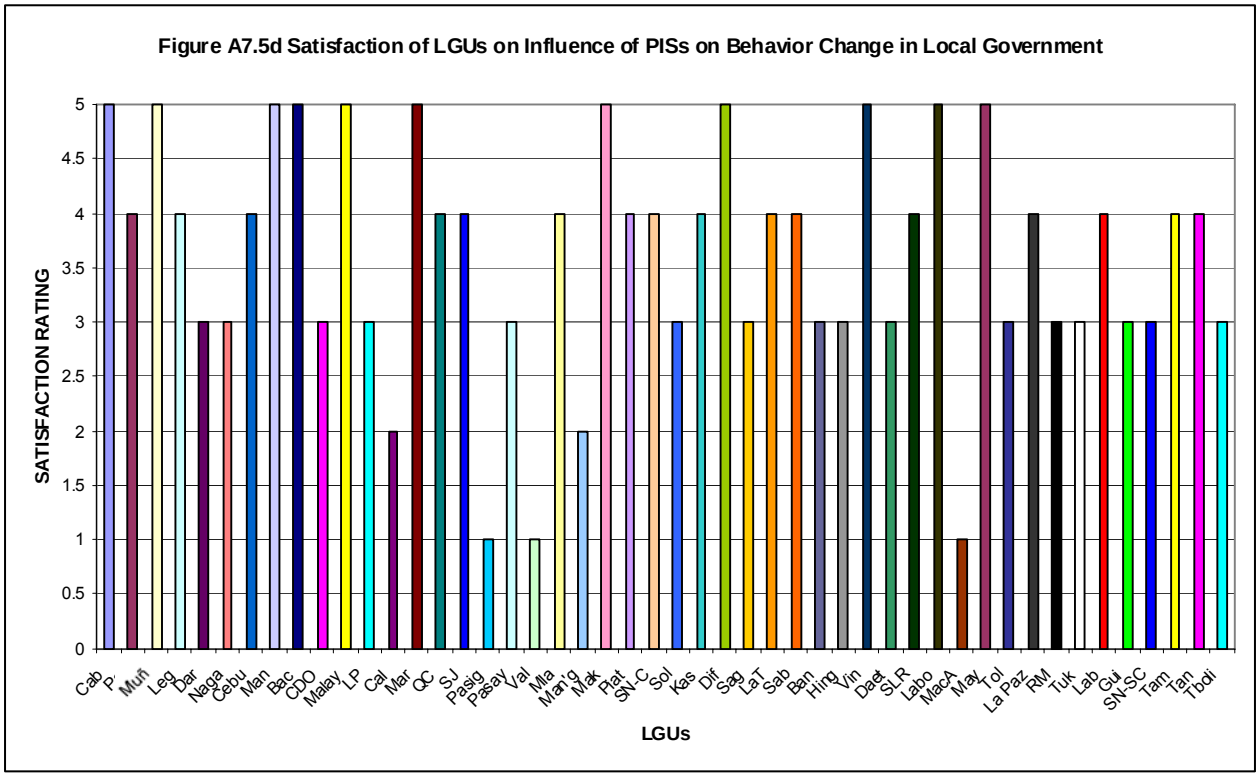
18. Figure A7.5c presents the satisfaction of each LGU on the issue of PISs' influence on pro-poor objectives (also see Table A7.5 in the appendix). It states that Palayan, Muñoz, Legazpi, Naga, Cebu, Bacolod, Malaybalay, Marikina, San Juan, Makati, Piat, Sto. Niño – Cagayan, Diffun, Saguday, Labo, Mayorga, and La Paz, which account for 35%, have the highest level of satisfaction with regard to the PISs they use having influence on pro-poor objectives of their locality (rating of 5). LGUs with satisfaction level 4 account for 31% (i.e., Cabanatuan, Daraga, Mandaue, Pasay, Valenzuela, Manila, Solano, Kasibu, La Trinidad, Vinzons, Tolossa, Labangan, Guipos, Tampakan and T'boli. Cagauan de Oro, Las Piñas, Caloocan, Quezon City, Sablan, Banaue, Hingyon, Daet, San Lorenzo Ruiz, Ramon Magsaysay, Sto. Niño – South Cotabato and Tantangan have satisfaction level 3 (account for

25%). Again, Pasig and MacArthur have the lowest satisfaction level (rating is 1). See Figure A7.5i for percentage shares.



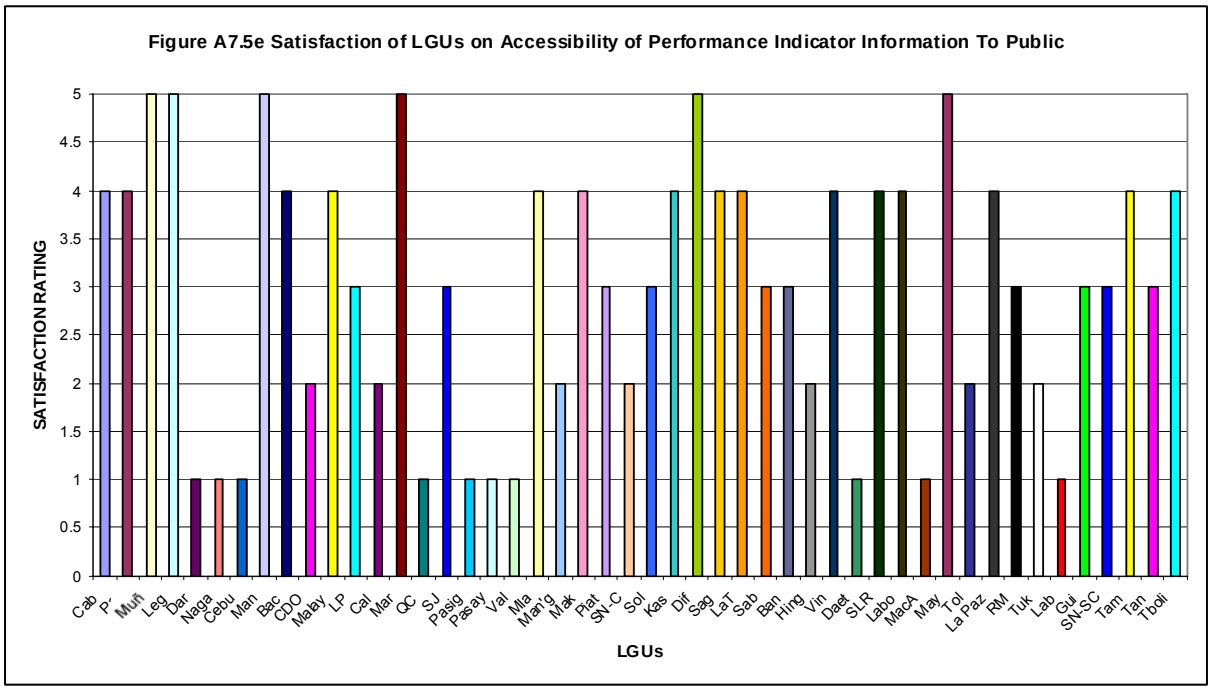
Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

19. Figure A7.5d illustrates the satisfaction of each LGU on the issue of PISs' influence on behavior change (also see Table A7.5 in the appendix). It shows that Cabanatuan, Muñoz, Mandaue, Bacolod, Malaybalay, Marikina, Makati, Diffun, Vinzons, Labo and Mayorga are the LGUs most satisfied on the influence of PISs on behavior change in the local government (rating of 5 which account for 23%. 33% have satisfaction rating of 4 and these LGUs are: Palayan, Legazpi, Cebu, Quezon City, San Juan, Manila, Piat, Sto. Niño – Cagayan, Kasibu, La Trinidad, Sablan, San Lorenzo Ruiz, La Paz, Labangan, Tampakan and Tantangan. Another 33% are LGUs with satisfaction level of 3, namely: Daraga, Naga, Cagayan de Oro, Las Piñas, Pasay, Solano, Saguday, Banaue, Hingyon, Daet, Tolossa, Ramon Magsaysay, Tukuran, Guipos, Sto. Niño – South Cotabato and T'boli. Caloocan and Mandaluyong have satisfaction level 2 (account for 4%). Pasig and MacArthur continue to display very low satisfaction levels, as well as Valenzuela (rating of 1). See Figure A7.5j for percentage shares.

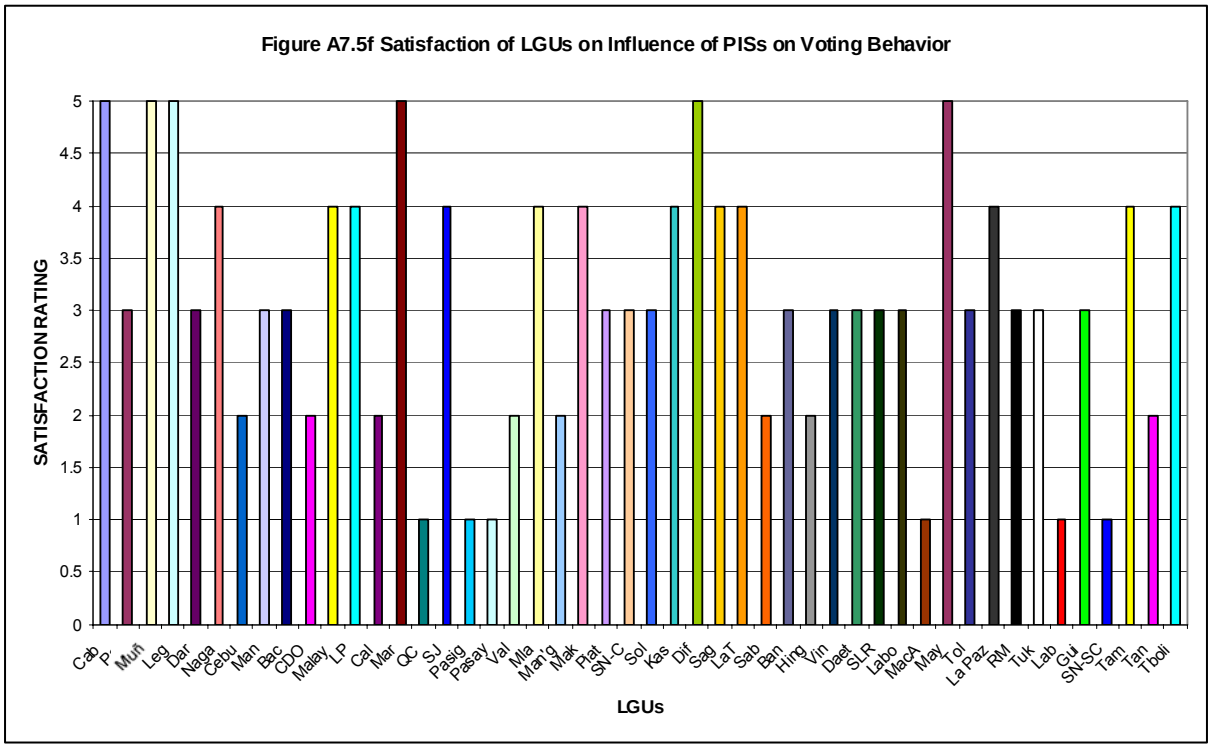


Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

20. Figure A7.5e presents the satisfaction of each LGU on the issue of accessibility of performance indicator information to the public (also see Table A7.5 in the appendix). t shows that Muñoz, Legazpi, Mandue, Marikina, Diffun and Mayorga strongly believe that performance indicator information resulting from the PISs they use is accessible to the public (rating of 5 which account for 13%). LGUs with satisfaction level of 4 account for 31% and these are: Cabanatuan, Palayan, Bacolod, Malaybalay, Manila, Makati, Kasibu, Saguday, La Trinidad, Vinzons, San Lorenzo Ruiz, Labo, La Paz, Tampakan and T'boli. LGUs with satisfaction level of 3 are: Las Piñas, San Juan, Piat, Solano, Sablan, Banaue, Ramon Magsaysay, Guipos, Sto. Niño – South Cotabato and Tantangan (account for 21%). LGUs with satisfaction level of 2 are the following LGUs: Cagayan de Oro, Caloocan, Mandaluyong, Sto. Niño – Cagayan, Hingyon, Tolossa and Tukuran (account for 15%). The LGUs which strongly believe that performance indicator information is not accessible to the public (rating of 1 which account for 21%) are the following: Daraga, Naga, Cebu, Quezon City,
Pasig, Pasay, Valenzuela, Daet, MacArthur and Labangan. See Figure A7.5k for percentage shares.



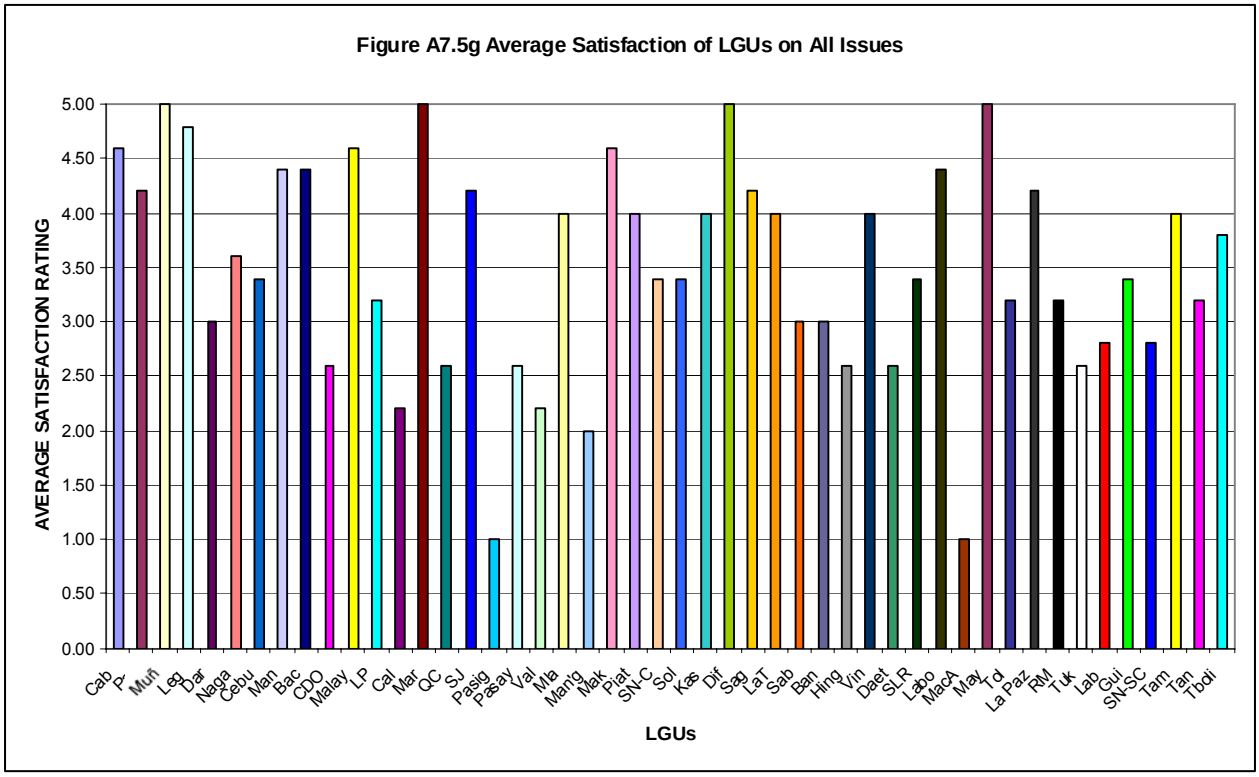
Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.



Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

21. Figure A7.5f states the satisfaction of each LGU on the issue of PISs' influence on voting behavior (also see Table A7.5 in the appendix). It shows that Cabanatuan, Muñoz, Legazpi, Marikina, Diffun and Mayorga are very certain that PISs influence voting behavior in their locality

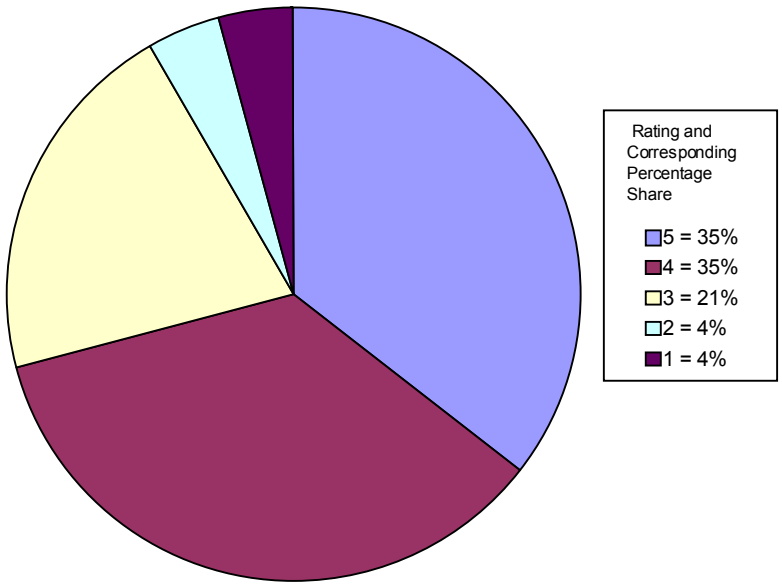
(rating of 5 which account for 13%). Twenty-five% have satisfaction level 4, such as: Naga, Malaybalay, Las Piñas, San Juan, Manila, Makati, Kasibu, Saguday, La Trinidad, La Paz, Tampakan and T'boli. 33% have satisfaction level 3 and these LGUs are: Palayan, Daraga, Mandaue, Bacolod, Piat, Sto. Niño – Cagayan, Solano, Banaue, Vinzons, Daet, San Lorenzo Ruiz, Labo, Tolossa, Ramon Magsaysay, Tukuran and Guipos. 17% have satisfaction level 2 and these are the following LGUs: Cebu, Cagayan de Oro, Caloocan, Valenzuela, Mandaluyong, Sablan, Hingyon and Tantangan. PISs have minimal influence (rating of 1) on the voting behavior in Quezon City, Pasig, Pasay, MacArthur, Labangan and Sto. Niño – South Cotabato (account for 13%). See Figure A7.5l for percentage shares.



Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

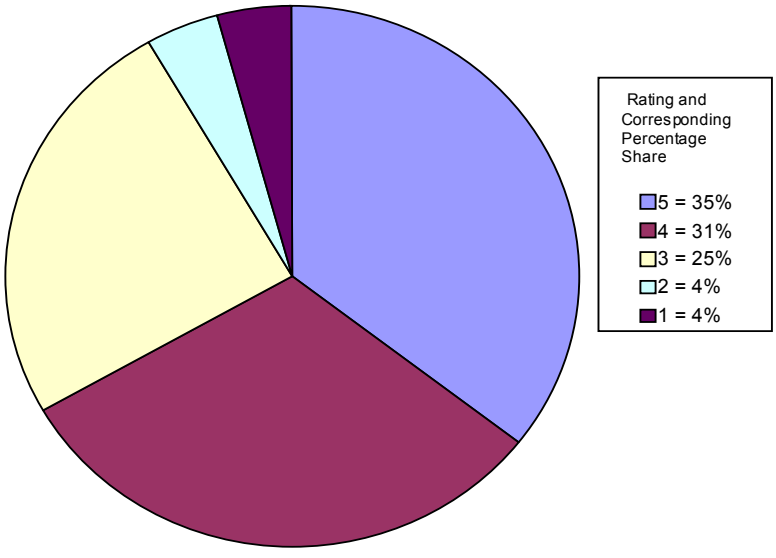
22. Figure A7.5g shows the average satisfaction of each LGU on all issues (also see Table A7.5 in the appendix). It presents that Muñoz, Marikina, Diffun, and Mayorga have the highest average level of satisfaction (rating of 5.00) in terms of the issues mentioned above, which account for 8%. 58% have average satisfaction levels greater than 3.00 but less than 5.00 and these LGUs are: Cabanatuan, Palayan, Legazpi, Naga, Cebu, Mandaue, Bacolod, Malaybalay, Las Piñas, San Juan, Manila, Makati, Piat, Sto. Niño – Cagayan, Solano, Kasibu, Sogoday, La Trinidad, Vinzons, San Lorenzo Ruiz, Labo, Tolossa, La Paz, Ramon Magsaysay, Guipos, Tampakan, Tantangan and T'boli. Daraga, Sablan and Banaue have average satisfaction levels 3.00 which account for 6%. 23% have satisfaction levels greater than 1.00 but less than 3.00 and these LGUs are: Cagayan de Oro, Caloocan, Quezon City, Pasay, Valenzuela, Mandaluyong, Hingyon, Daet, Tukuran, Labangan and Sto. Niño – South Cotabato. Pasig and MacArthur still have the lowest average level of satisfaction (rating of 1.00). See Figure A7.5m for percentage shares.

Figure A7.5h Percentage Share of Satisfaction of LGUs on Influence of PISs on Service Delivery Improvements



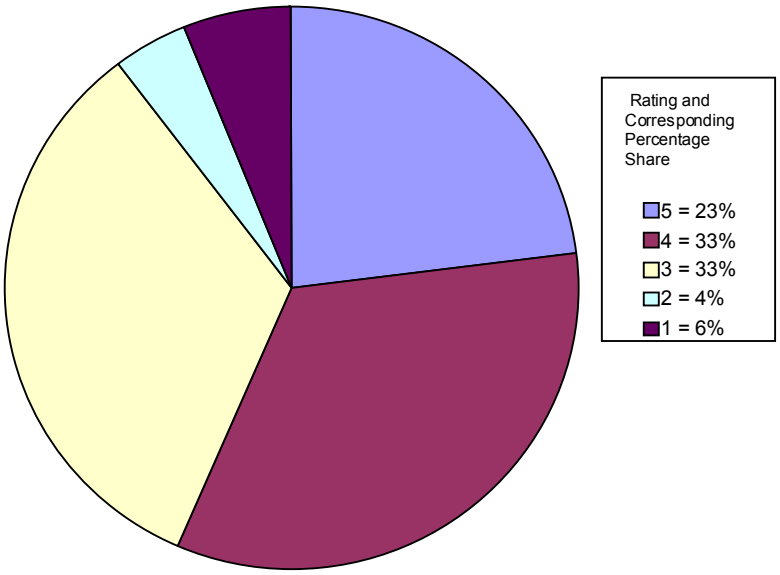
Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

Figure A7.5i Percentage Share of Satisfaction of LGUs on Influence of PISs on Pro-Poor Objectives



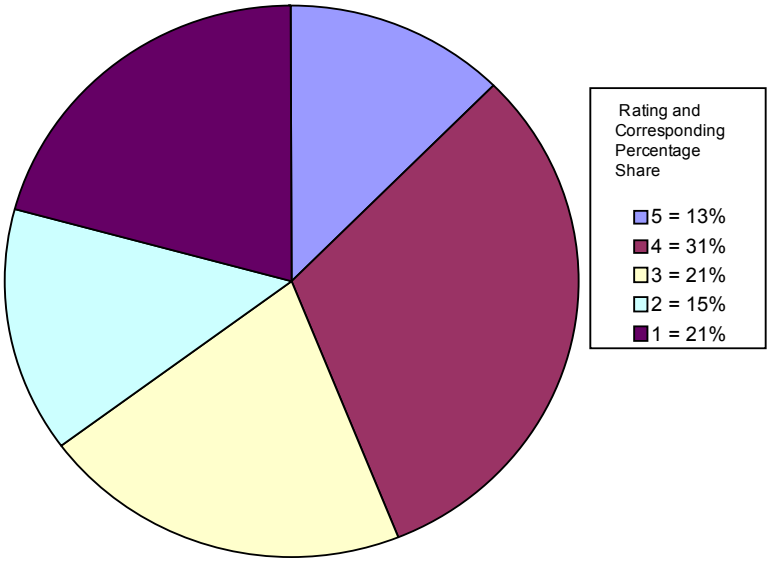
Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

Figure A7.5j Percentage Share of Satisfaction of LGUs on Influence of PISs on Behavior Change in Local Government



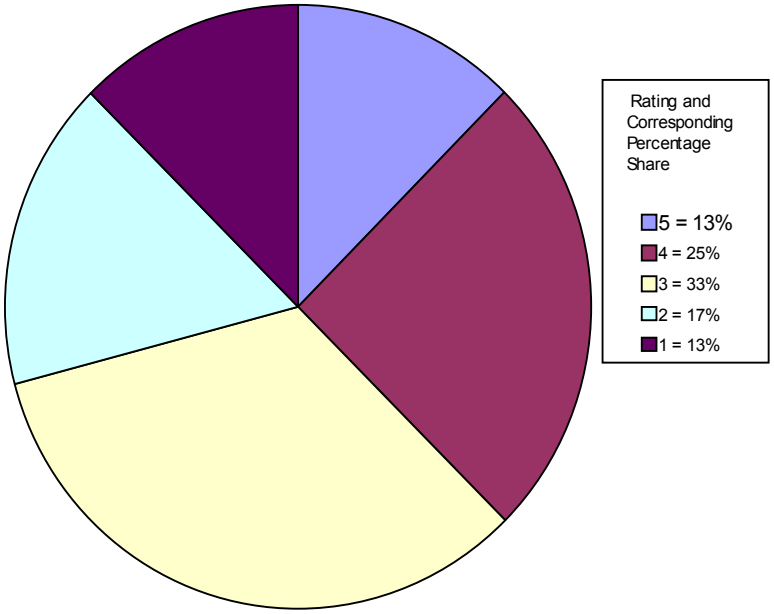
Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

Figure A7.5k Percentage Share of Satisfaction of LGUs on Accessibility of Performance Indicator Information To Public



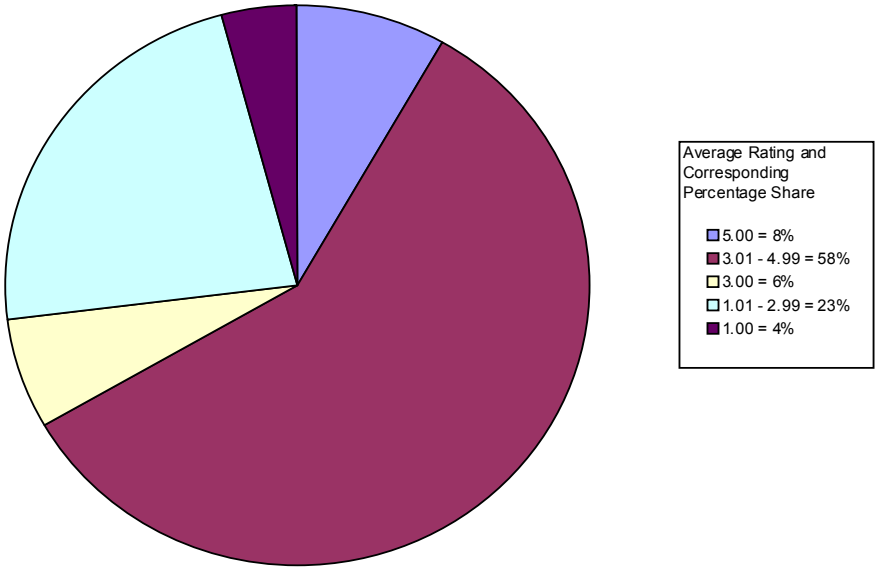
Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

Figure A7.5l Percentage Share of Satisfaction of LGUs on Influence of PISs on Voting Behavior



Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

Figure A7.5m Percentage Share of Average Satisfaction of LGUs on All Issues

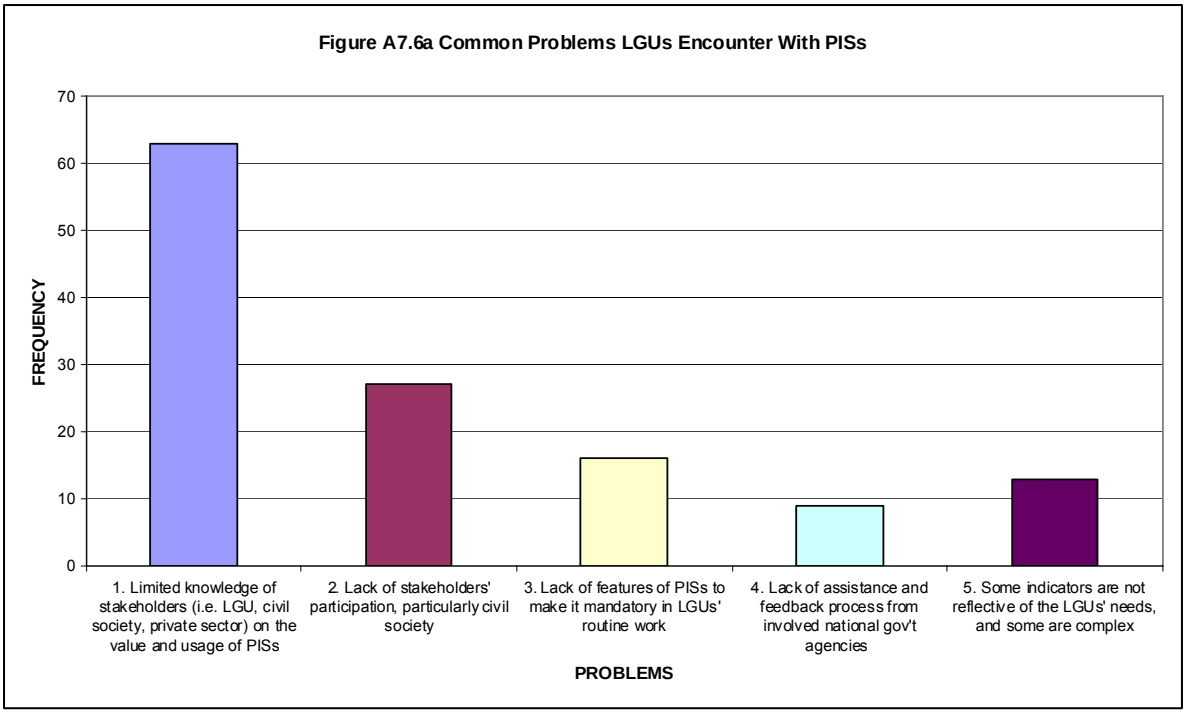


Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

23. Figures A7.5a until A7.5m illustrate that LGUs, in general, regard the PISs' influence on service delivery improvement to be of greatest achievement, immediately followed by influence on pro-poor objectives. This response is consistent with their understanding and appreciation of the PIS' main purpose. The survey results also indicate that the LGUs which have reported low levels of satisfaction with the PISs are the same LGUs which use only one or two PISs, suggesting a lack of appreciation for the value of PISs. Relatedly, the same LGUs rated influence on behavioral change in local government personnel to be low. Of particular interest is the relatively large number of LGUs who rated satisfaction with public access to performance indicator information to be low. Similarly, only a minority of the LGUs believes PIS information influence voting behavior.

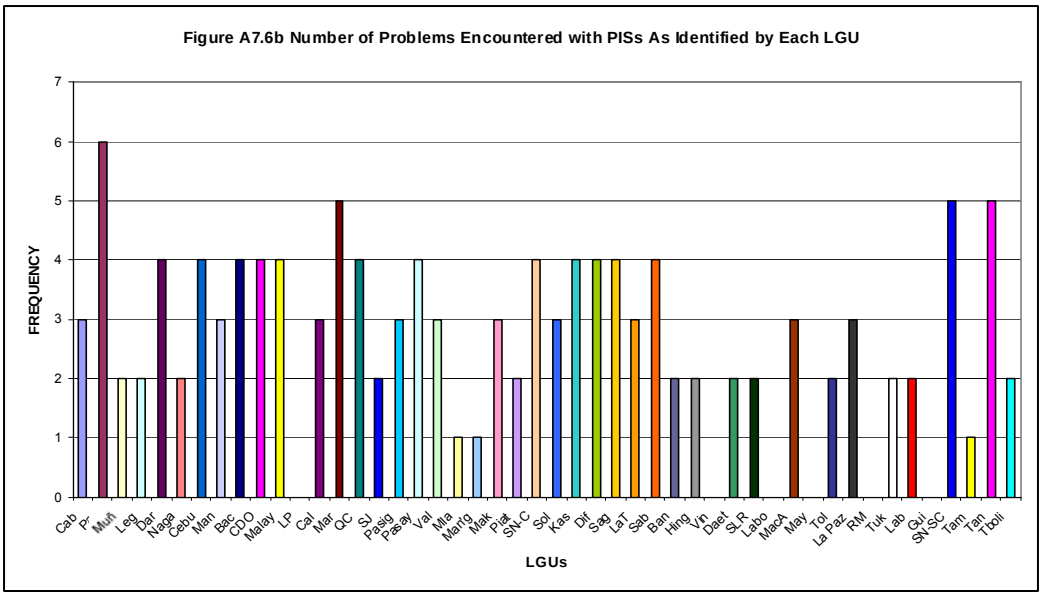
24. Figure A7.6a presents the number of occurrence of common problems with PISs as identified by the LGUs, such as limited knowledge of stakeholders (i.e., LGU, civil society, private sector on the value and usage of PISs), lack of stakeholders' participation particularly civil society, lack of features of PISs to make it mandatory in LGUs' routine work, lack of assistance and feedback process from involved national government agencies, and some indicators are not reflective of the LGUs' needs and some are complex (also see Table A7.6 in the appendix). It states that the most common problems LGUs encounter are (i) stakeholders' limited knowledge on the value and usage of PISs; (ii) lack of community participation; (iii) lack of directives to institutionalize PISs into the bureaucracy; fourthly, indicators' complexity and lack of local characteristics; and (iv) lack of assistance and feedback process from national government agencies concerned. The figure clearly indicates that limited knowledge of stakeholders about PISs is the greatest problem encountered by LGUs in the use of PISs. Most of the survey respondents are technical persons and have had some degree of training on the use of PISs. However, they generally find the LGU's higher level decision-makers lacking in understanding and appreciation of PISs used and, therefore, are unsupportive of its conduct and dissemination of results.

Figure A7.6a Common Problems LGUs Encounter With PISs

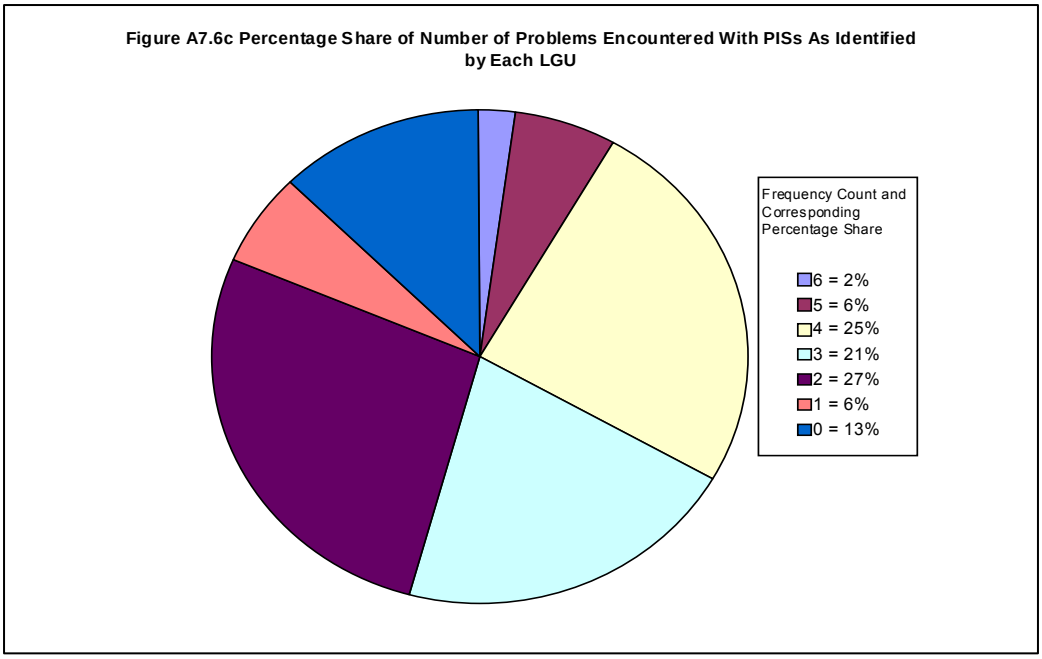


Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

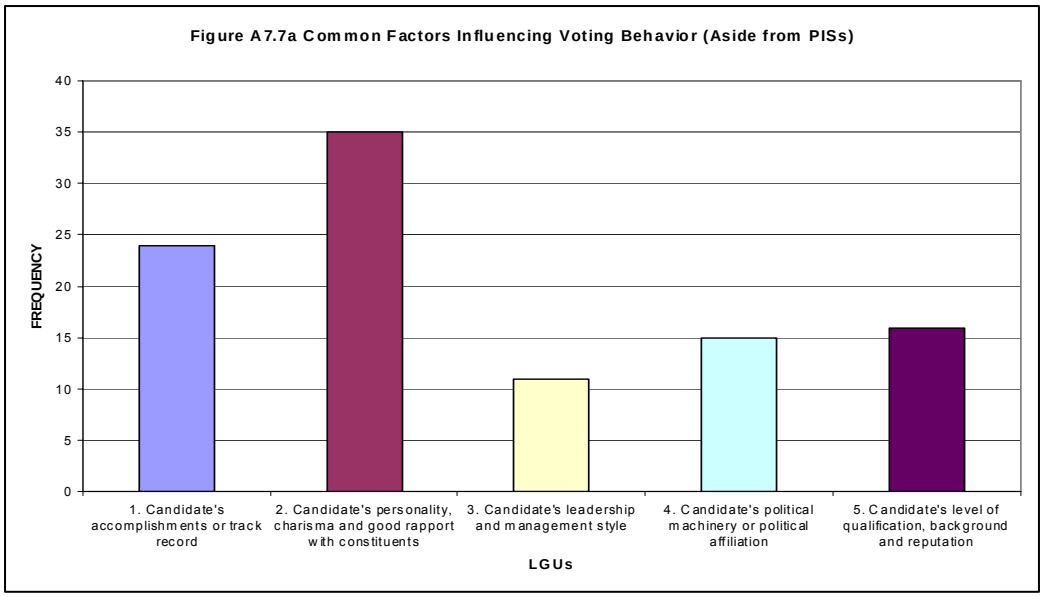
25. Figure A7.6b shows the number of problems each LGU encounters with PISs (also see Table A7.6 in the appendix). It presents that Palayan has identified the most number of problems with PIS (6 problems), followed by Marikina, Sto. Niño – South Cotabato and Tantangan (5 problems each). Most of the LGUs have identified two to four problems (2 problems: 27%, 3 problems: 29%, and 4 problems: 25%). 6% have identified only one problem, such as Manila, Mandaluyong and Tampakan. 13% did not identify any problem (i.e., Las Piñas, Vinzons, Labo, Mayorga, Ramon Magsaysay and Guipos). See Figure A7.6c for percentage shares.



Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

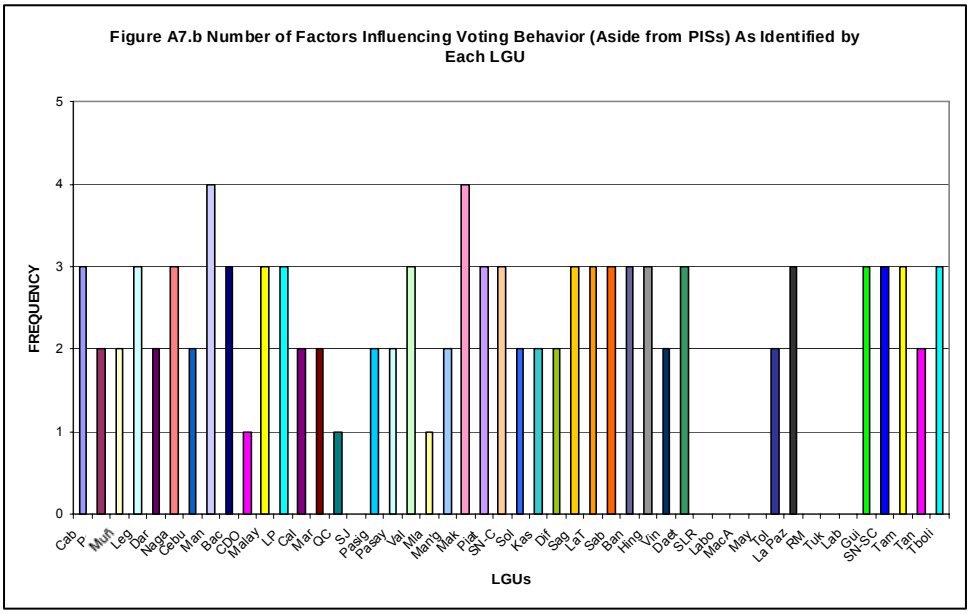


Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.



Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

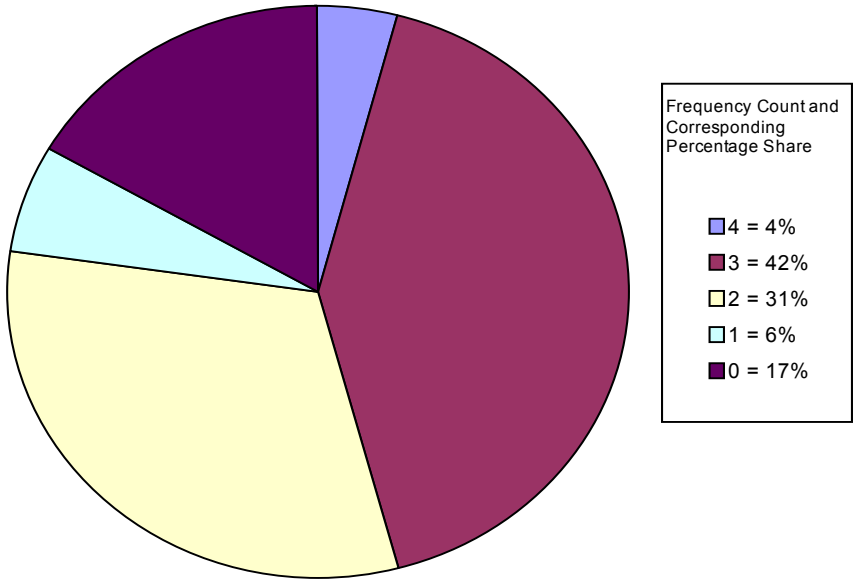
26. Figure A7.7a shows the common factors influencing voting behavior (aside from PISs) such as candidate's accomplishments or track record; candidate's personality, charisma and good rapport with constituents; candidate's leadership and management style; candidate's political machinery or political affiliation; and candidate's level of qualification, background and reputation (also see Table A7.7 in the appendix). It states that the most common factors influencing voting behavior aside from PISs are the following: (i) candidate's personality, charisma, and good rapport with constituents; (ii) candidate's accomplishments or track record; (iii) candidate's political machinery and political affiliation, and candidate's level of qualification, background and reputation; and (iv) candidate's leadership and management style.



Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

27. Figure A7.7b presents the number of factors influencing voting behavior for each LGU (also see Table A7.7 in the appendix). It illustrates that Mandaue and Makati have identified the most number of factors influencing voting behavior (four factors which account for 4%). Twenty LGUs (i.e., Cabanatuan, Legazpi, Naga, Bacolod, Malaybalay, Las Piñas, Valenzuela, Piat, Sto. Niño – Cagayan, Saguday, La Trinidad, Sablan, Banaue, Hingyon, Daet, La Paz, Guipos, Sto. Niño – South Cotabato, Tampakan and T'boli) identified three factors (account for 42 percent). Fifteen LGUs identified two factors (31 percent). Cagayan de Oro, Quezon City and Manila mentioned one factor (6 percent). Eight LGUs (i.e., San Juan, San Lorenzo Ruiz, Labo, MacArthur, Mayorga, Ramon Magsaysay, Tukuran and Labangan) did not identify factors affecting voting behavior (account for 17 percent). See Figure A7.7c for percentage shares.

Figure A7.7c. Percentage Share of Number of Factors Influencing Voting Behavior As Identified by Each LGU



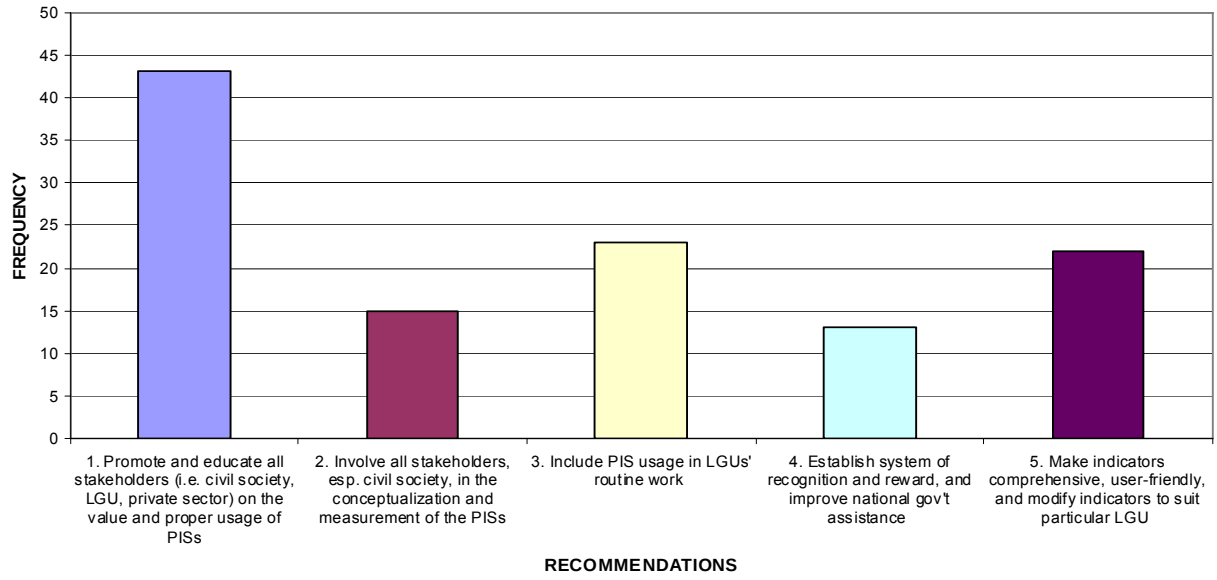
Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

28. Figures A7.7a, A7.7b and A7.7c illustrate the parochial mentality of the electorate because, among the other factors affecting voting behavior aside from PISs, the candidate's personality and relationship with its constituents is the most influential, and, unfortunately, the candidate's leadership and management style is the least influential. Also, the LGUs which did not identify any factors affecting voting behavior (aside from PISs) may not necessarily mean that only PISs influence their locality's voting behavior, but may have only meant that there was simply no response to the question at hand. Furthermore, all the LGUs (except San Juan) which did not indicate other factors affecting voting behavior are low-income municipalities.

29. Figure A7.8a states the common recommendations for improvement of PISs as identified by LGUs such as promote and educate all stakeholders (i.e., civil society, LGU, private sector) on the value and proper usage of PISs; involve all stakeholders, especially civil society, in the conceptualization and measurement of the PISs; include PIS usage in LGUs' routine work; establish system of recognition and reward and improve national government

assistance; and make indicators comprehensive, user-friendly and modify indicators to suit particular LGU (also see Table A7.8 in the appendix). It shows that the most common advice or recommendations given by LGUs to improve the effectiveness of PISs are (i) promotion and education of all stakeholders on the importance and proper usage of PIS; (ii) conceptualization of comprehensive, user-friendly and locally suited indicators; (iii) institutionalization of PISs; (iv) involvement of all stakeholders in the conceptualization of PISs and measurement of local performance; (v) establishment of recognition and reward system and improvement of national government assistance in the usage of PISs. The figure suggests the significant need to advocate and educate all stakeholders (not only the LGUs' technical staff) on the value and proper usage of PISs. It reflects, in a sense, the frustration of the respondents with the lack of support from higher level LGU officials on the conduct of PISs. However, it is significant to note that the respondents also find it necessary to tailor the PISs to suit local circumstances and to make them more user-friendly. There appears to be an implied suggestion that PISs should be designed by LGUs themselves, instead of national government imposing a system that does not fit local conditions.

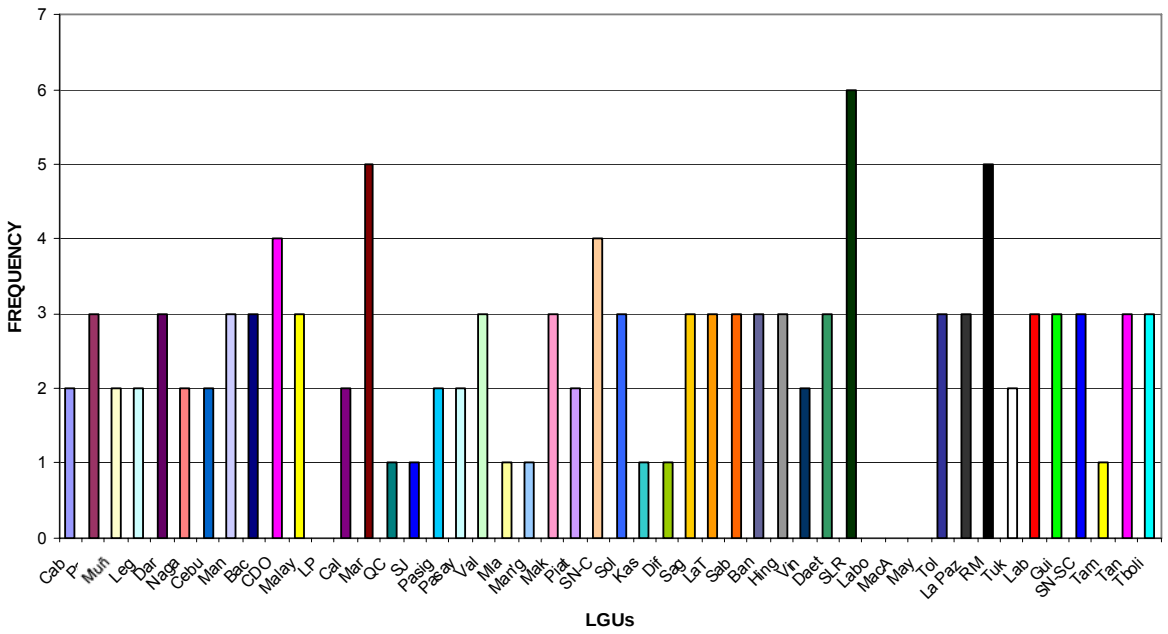
Figure A7.8a Common Recommendations of LGUs for Improvement of Performance Indicator Systems



Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

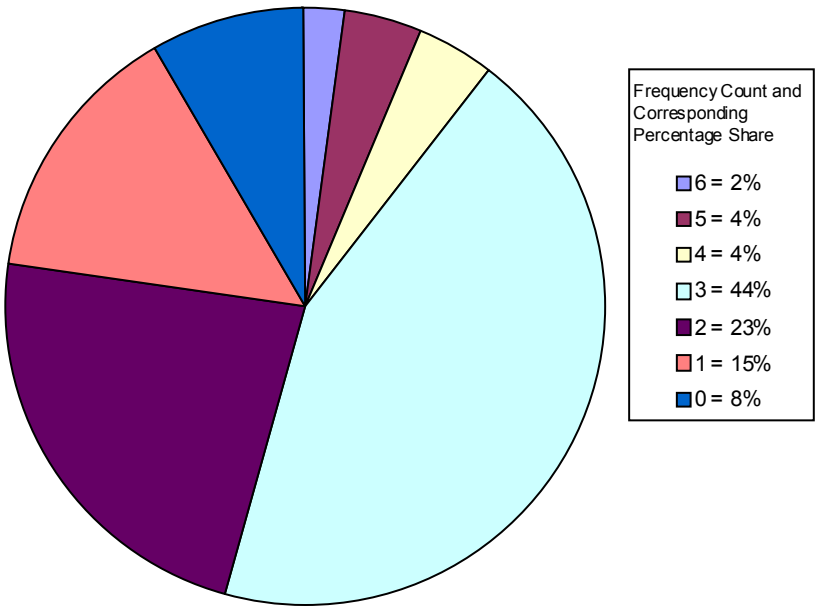
30. Figure A7.8b shows the number of advices each LGU identified to further improve the effectiveness of PISs (also see Table A7.8 in the appendix). It presents that Tantangan gave the most number of recommendations to improve the effectiveness of PIS (7 advices), followed by San Lorenzo Ruiz (6 advices), then, Marikina and Ramon Magsaysay each stated 5 advices, and Cagayan de Oro, Sto. Niño – Cagayan and La Paz each mentioned 4 advices. Most of the LGUs gave one to three advices (1 advice: 16%, 2 advices: 23%, and 3 advices: 40%). Four LGUs such as Las Piñas, Labo, MacArthur and Mayorga did not mention any advice to improve the effectiveness of PISs. See Figure A7.8c for percentage shares.

Figure A7.8b Number of Recommendations for Improvement of PISs As Identified by Each LGU



Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

Figure A7.8c Percentage Share of Number of Recommendations for Improvement of PISs As Identified by LGUs



Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

Table A7.1: List of LGUs Included in the Study by Income Class and Region

City/Municipality	Abbr.	Income Class	Reg	City/Municipality	Abbr.	Income Class	Reg
Cabanatuan City, Nueva Ecija	Cab	1st	III	Solano, Nueva Vizcaya	Sol	2nd	II
Palayan City, Nueva Ecija	Pal	4th	III	Kasibu, Nueva Vizcaya	Kas	4th	II
Science City of Muñoz	Muñ	2nd	III	Diffun, Quirino	Dif	2nd	II
Legazpi City, Albay	Leg	1st	V	Saguday, Quirino	Sag	5th	II
Daraga, Albay	Dar	1st	V	La Trinidad, Benguet	LaT	1st	CAR
Naga City, Camarines Sur	Naga	1st	V	Sablan, Benguet	Sab	5th	CAR
Cebu City, Cebu	Cebu	1st	VII	Banaue, Ifugao	Ban	4th	CAR
Mandaue City, Cebu	Man	1st	VII	Hingyon, Ifugao	Hing	5th	CAR
Bacolod City, Negros Occidental	Bac	1st	VI	Vinzons, Camarines Norte	Vin	4th	V
Cagayan de Oro, Misamis Oriental	CDO	1st	X	Daet, Camarines Norte	Daet	1st	V
Malaybalay City, Bukidnon	Malay	4th	X	San Lorenzo Ruiz, Camarines Norte	SLR	5th	V
Las Piñas City, Metro Manila	LP	1st	NCR	Labo, Camarines Norte	Labo	1st	V
Caloocan City, Metro Manila	Cal	1st	NCR	MacArthur, Leyte	Mac	5th	VIII
Marikina City, Metro Manila	Mar	1st	NCR	Mayorga, Leyte	May	5th	VIII
Quezon City, Metro Manila	QC	Special	NCR	Tolossa, Leyte	Tol	5th	VIII
San Juan, Metro Manila	SJ	1st	NCR	La Paz, Leyte	La Paz	5th	VIII
Pasig City, Metro Manila	Pasig	1st	NCR	Ramon Magsaysay, Zamboanga del Sur	RM	5th	IX
Pasay City, Metro Manila	Pasay	1st	NCR	Tukuran, Zamboanga del Sur	Tuk	4th	IX
Valenzuela City, Metro Manila	Val	1st	NCR	Labangan, Zamboanga del Sur	Lab	4th	IX
Manila City, Metro Manila	Mla	Special	NCR	Guipos, Zamboanga del Sur	Gui	5th	IX
Mandaluyong City, Metro Manila	Man'g	1st	NCR	Sto. Niño, South Cotabato	SN-SC	4th	XI
Makati City, Metro Manila	Mak	1st	NCR	Tampakan, South Cotabato	Tam	4th	XI
Piat, Cagayan	Piat	4th	II	Tantangan, South Cotabato	Tan	4th	XI
Sto. Niño, Cagayan	SN-C	4th	II	T'boli, South Cotabato	Tboli	2nd	XI

Source: Income Classification databank, Bureau of Local Government Finance, Department of Finance and LGUs concerned.

Table A-2. Performance Indicator Systems Used by LGUs

PISs	Cab	Pal	Muñ	Leg	Dar	Naga	Cebu	Man	Bac	CDO	Malag	LP	Cal	Mar	QC	SJ	Pasig	Pasag	Val	Mla	Man'g	Mak	Piat	SN-C	Sol	Kas	Dif	Sag	LaT	Sab	Ban	Hing	Yin	Daet	SLR	Labo	MacA	Mag	Tol	La Paz	RM	Tuk	Lab	Gui	SN-SC	Tam	Tan	Tboli	TOTAL NUMBER OF LGUs USING PIS	OVERALL RANK OF PISs (1 - most used;
LPPMS	1	1	1	1	1	1		1	1	1	1	1	1		1			1		1	1	1							1	1	1	1	1	1	1	1	1	1		1	1	1	1		1		1	1	34	2
MBN	1	1		1					1			1	1	1	1	1	1	1	1		1	1	1	1	1	1	1	1	1	1	1	1	1	1	1		1		1	1				1	1	1	1	35	1
WORLD BANK'S WDDP	1																																																1	9
HES		1																																															1	9
PES		1		1	1						1								1														1	1	1	1		1	1	1	1				1	1	1	1	17	3
PALAYAN'S SCALOGRAM		1																																															1	9
MUNOZ' EXPANDED MBN			1																																														1	9
RPMES				1																																														1	9
ILO-IRAP				1																					1				1	1	1	1																	1	7	5
POPDEV				1					1													1													1			1		1					1				1	7	5
LEGAZPI'S BRGY. SURVEY				1																																														1	9
TUGI'S RC on MDGs						1																																												1	9
CEBU CITY'S SPRING							1																																											1	9
DW								1														1																												2	8
DSCWM									1																																										1	9
CWP										1																																									1	9
CIDA'S LGSP											1																																								1	9
LLPI											1																																								1	9
LGPMS						1		1						1					1					1			1																		1				1		1			9	4
PQA														1																																					1	9
AIM'S CCP														1																																					1	9
WORLD BANK'S CDS														1																																					1	9
TUGI'S RC System																	1																																			1	9
PASAY'S PEEWEE'S WAY																		1																																	1	9
CITY PROFILE/STAT BOOK																				1																															1	9
GENDER & DEVELOPMENT																				1																															1	9
MAKATI'S CSS																						1																													1	9
MAKATI'S KEY INDICATORS																						1																													1	9
FARMING SYSTEMS DEV.																									1																											1	9
AGRI PRODUCTION																																			1																	1	9
NUTRITION/ LITERACY																																						1														1	9
GOFORDEV																																							1														1	9
HEALTH MONITORING																																																				1	9
ELA																																																				1	9
LAPP																													1	1	1	1																			4	7
TOTAL NUMBER OF PISs USED PER LGU	3	5	2	7	2	3	1	3	4	2	4	2	2	5	2	1	2	3	3	3	2	6	1	2	3	1	2	1	4	4	4	4	3	3	5	3	1	5	3	4	3	1	1	1	4	5	3	4		
OVERALL RANK IN TERMS OFLGUs' USAGE OF PISs USED (1 - uses most; 48 - uses least)	17	3	30	1	30	17	40	17	8	30	8	30	30	3	30	40	30	17	17	17	30	2	40	30	17	40	30	40	8	8	8	8	17	17	3	17	40	3	17	8	17	40	40	40	8	3	17	8		

Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

Table A-3. Rating of Performance Indicator Systems With Regard To Achievement of Main Purpose

PISs	Cab	Pal	Muñ	Leg	Dar	Naga	Cebu	Man	Bac	CDO	Malay	LP	Cal	Mar	QC	SJ	Pasig	Pasay	Val	Mla	Man'g	Mak	Piat	SN-C	Sol	Kas	Dif	Sag	LaT	Sab	Ban	Hing	Yin	Daet	SLR	Labo	Mac A	Mag	Tol	La Paz	RM	Tuk	Lab	Gui	SN-SC	Tam	Tan	Tboli	AVERAGE RATING OF PISs	OVERALL RANK OF PISs (1 - highest; 35 -
LPPMS	5	5	3	5	3	4		5	5	3	4	3	2		3			2		3	1	5							4	3	3	1	3	3	3	4	1	5		4	4	3	3		4		3	4	3.41	25
MBN	5	5		5					4			3	3	4	3	4	1	5	4		2	2	4	3	4	5	5	5	3	3	3	3	5	3	4	4		5		5	3				4	5	3	4	3.80	22
WORLD BANK'S WDDP	5																																															5.00	1
HES		1																																														1.00	33
PES		5		5	3						4								1														4	3	4	4		5	3	4	4				4	5	3	3	3.76	23
PALAYAN'S SCALOGRAM		1																																														1.00	33
MUNOZ' EXPANDED MBN			5																																													5.00	1
RPMES				5																																													5.00	1
ILO-IRAP				5																					3				3	3	3	2															4	3.29	26
POPDEV				5					3													5													4			5		5					4				4.43	13
LEGAZPI'S BRGY. SURVEY				5																																													5.00	1
TUGI'S RC on MDGs						5																																											5.00	1
CEBU CITY'S SPRING							2																																										2.00	32
DW								5														3																												4.00	14
DSCWM									3																																									3.00	27
CWP										3																																								3.00	27
CIDA'S LGSP											4																																							4.00	14
LLPI											5																																								5.00	1
LGPMS						4		5						3					1					3			5													4				3		4				3.56	24
PQA														5																																				5.00	1
AIM'S CCP														5																																				5.00	1
WORLD BANK'S CDS														4																																				4.00	14
TUGI'S RC System																	1																																		1.00	33
PASAY'S PEEWEE'S WAY																		4																																	4.00	14
CITY PROFILE/STAT																				4																															4.00	14
GENDER & DEVELOPMENT																				4																															4.00	14
MAKATI'S CSS																						5																													5.00	1
MAKATI'S KEY INDICATORS																						5																													5.00	1
FARMING SYSTEMS DEV.																									4																										4.00	14
AGRI PRODUCTION																																			3																3.00	27
NUTRITION/LITERACY																																						5													5.00	1
GOFORDEV																																							4												4.00	14
HEALTH MONITORING																																																	5			5.00	1
ELA																																																3			3.00	27
LAPP																														3	3	3																		3.00	27
AVERAGE SATISFACTION OF LGUs ON PISs USED	5.00	3.40	4.00	5.00	3.00	4.33	2.00	5.00	3.75	3.00	4.25	3.00	2.50	4.20	3.00	4.00	1.00	3.67	2.00	3.67	1.50	4.17	4.00	3.00	3.67	5.00	5.00	5.00	3.33	3.00	3.00	2.25	4.00	3.00	3.60	4.00	1.00	5.00	3.67	4.50	3.67	3.00	3.00	3.00	4.00	4.40	3.00	3.75		
OVERALL RANK IN TERMS OF SATISFACTION OF LGUs ON PISs USED (1 - highest; 48 - lowest)	1	28	14	1	30	10	44	1	20	30	11	30	42	12	30	14	47	22	44	22	46	13	14	30	22	1	1	1	29	30	30	43	14	30	27	14	47	1	22	8	22	30	30	30	14	9	30	20		
rating: 1 - minimal; 5 - to a large extent																																																		

Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

Table A-4. Rating on Performance Indicator Systems With Regard To Degree To Which PISs Are Pro-Poor and For Service Delivery

PISs	Cab	Pal	Muñ	Leg	Dar	Naga	Cebu	Man	Bac	CDO	Malaq	LP	Cal	Mar	QC	SJ	Pasig	Pasaq	Val	Mla	Man'g	Mak	Piat	SN-C	Sol	Kas	Dif	Sag	LaT	Sab	Ban	Hing	Vin	Daet	SLR	Labo	MacA	Mag	Tol	La Paz	RM	Tuk	Lab	Gui	SN-SC	Tam	Tan	Tboli	AVERAGE	OVERALL
LPPMS	4	5	3	5	4	5		4	5	3	5	5	4		4			2		3	1	5							5	3	4	4	3	3	5	5	1	5		4	4	2	3		4	4	3	4	3.80	30
MBN	4	5		5					4			5	4	4	4	5	1	5	5		2	5	5	4	4	5	5	5	5	5	4	4	5	3	5	5		5		5	3				4	5	3	4	4.31	20
WORLD BANK'S WDDP	3																																																3.00	32
HES		5																																																5.00	1
PES		4		5	3						4								5													4	3	4	5		5	2	4	4				3	3	3	3	3.76	31
PALAYAN'S SCALOGRAM		5																																															5.00	1
MUNOZ' EXPANDED MBN			5																																														5.00	1
RPMES				5																																														5.00	1
ILOJRAP				5																					4				4	4	5	4																4	4.29	21
POPDEV				5					2													5													5			5		5					4				4.43	19
LEGAZPI'S BRGY. SURVEY				5																																														5.00	1
TUGI'S RC on MDGs						5																																												5.00	1
CEBU CITY'S SPRING							5																																											5.00	1
DW								5														5																													5.00	1
DSCWM									3																																											3.00	32
CWP										3																																										3.00	32
CIDA'S LGSP											5																																								5.00	1
LLPI											5																																									5.00	1
LGPMS						5		4						3					5					3			5											3							3					3.88	29
PQA														5																																					5.00	1
AIM'S CCP														5																																					5.00	1
WORLD BANK'S CDS														4																																					4.00	22
TUGI'S RC System																	1																																			1.00	35
PASAY'S PEEWEE'S WAY																		4																																	4.00	22
CITY PROFILE/STAT BOOK																				4																															4.00	22
GENDER & DEVELOPMENT																				4																															4.00	22
MAKATI'S CSS																						5																													5.00	1
MAKATI'S KEY INDICATORS																						5																													5.00	1
FARMING SYSTEMS DEV.																									4																									4.00	22
AGRI PRODUCTION																																			5															5.00	1
NUTRITION/LITERACY																																						5												5.00	1
GOFORDEV																																							4											4.00	22
HEALTH MONITORING																																																5			5.00	1
ELA																																																4			4.00	22
LAPP																														5	5	4																		4.67	18
AVERAGE SATISFACTION OF LGUs ON PISs USED	3.67	4.80	4.00	5.00	3.50	5.00	5.00	4.33	3.50	3.00	4.75	5.00	4.00	4.20	4.00	5.00	1.00	3.67	5.00	3.67	1.50	5.00	5.00	3.50	4.00	5.00	5.00	5.00	4.67	4.25	4.50	4.00	4.00	3.00	4.80	5.00	1.00	5.00	3.00	4.50	3.67	2.00	3.00	3.00	3.75	4.20	3.00	3.75		
OVERALL RANK IN TERMS OF SATISFACTION OF LGUs ON PISs USED (1 - highest; 48 - lowest)	32	14	24	1	36	1	1	20	36	39	16	1	24	22	24	1	47	32	1	32	46	1	1	36	24	1	1	1	17	21	18	24	24	39	14	1	47	1	39	18	32	45	39	39	30	22	39	30		
rating: 1 - minimal; 5 - to a large extent																																																			

Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

Table A-5. Rating on Performance Indicator Systems With Regard To Issues on Service Delivery, Pro-Poor Objectives, Behavior Change in Local Government, Accessibility of Performance Indicator Information, and Voting Behavior

ISSUES	Cab	Pal	Muñ	Leg	Dar	Naga	Cebu	Man	Bac	CDO	Malag	LP	Cal	Mar	QC	SJ	Pasig	Pasag	Val	Mla	Man'g	Mak	Piat	SN-C	Sol	Kas	Dif	Sag	LaT	Sab	Ban	Hing	Yin	Daet	SLR	Labo	MacA	Mag	Tol	La Paz	RM	Tuk	Lab	Gui	SN-SC	Tam	Tan	Tboli	AVERAGE RATING OF ISSUES	OVERALL RANK OF ISSUES (1 - highest; 5
1. Influence on service delivery improvements	5	5	5	5	4	5	5	5	5	3	5	3	2	5	4	5	1	4	3	4	2	5	5	3	4	4	5	5	4	3	3	3	4	3	3	5	1	5	4	4	4	3	4	4	4	4	4	4	**3.94**	**1**
2. Influence on pro-poor objectives	4	5	5	5	4	5	5	4	5	3	5	3	3	5	3	5	1	4	4	4	2	5	5	5	4	4	5	5	4	3	3	3	4	3	3	5	1	5	4	5	3	2	4	4	3	4	3	4	**3.90**	**2**
3. Influence on behavior change in local government	5	4	5	4	3	3	4	5	5	3	5	3	2	5	4	4	1	3	1	4	2	5	4	4	3	4	5	3	4	4	3	3	5	3	4	5	1	5	3	4	3	3	4	3	3	4	4	3	**3.63**	**3**
4. Performance indicator information is accessible and accessed by the public	4	4	5	5	1	1	1	5	4	2	4	3	2	5	1	3	1	1	1	4	2	4	3	2	3	4	5	4	4	3	3	2	4	1	4	4	1	5	2	4	3	2	1	3	3	4	3	4	**3.00**	**5**
5. Influence of PISs on voting behavior	5	3	5	5	3	4	2	3	3	2	4	4	2	5	1	4	1	1	2	4	2	4	3	3	3	4	5	4	4	2	3	2	3	3	3	3	1	5	3	4	3	3	1	3	1	4	2	4	**3.08**	**4**
AVERAGE SATISFACTION OF LGUs ON ISSUES	4.60	4.20	5.00	4.80	3.00	3.60	3.40	4.40	4.40	2.60	4.60	3.20	2.20	5.00	2.60	4.20	1.00	2.60	2.20	4.00	2.00	4.60	4.00	3.40	3.40	4.00	5.00	4.20	4.00	3.00	3.00	2.60	4.00	2.60	3.40	4.40	1.00	5.00	3.20	4.20	3.20	2.60	2.80	3.40	2.80	4.00	3.20	3.80		
OVERALL RANK IN TERMS OF SATISFACTION OF LGUs ON ISSUES (1 - highest; 48 - lowest)	6	12	1	5	33	23	24	9	9	38	6	29	44	1	38	12	47	38	44	16	46	6	16	24	24	16	1	12	16	33	33	38	16	38	24	9	47	1	29	12	29	38	36	24	36	16	29	22		

minimal; 5 - to a large extent

Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

Table A-6. Common Problems LGUs Encounter With Performance Indicator Systems

PROBLEMS	Cab	Pal	Muñ	Leg	Dar	Naga	Cebu	Man	Bac	CDO	Malay	LP	Cal	Mar	QC	SJ	Pasig	Pasay	Val	Mla	Man'g	Mak	Piat	SN-C	Sol	Kas	Dif	Sag	LaT	Sab	Ban	Hing	Yin	Daet	SLR	Labo	MacA	Mag	Tol	La Paz	RM	Tuk	Lab	Gui	SN-SC	Tam	Tan	Tboli	TOTAL NO. OF LGUs WITH THIS ISSUE	OVERALL RANK IN TERMS OF NO. OF LGUs WITH THIS ISSUE (1 - highest; 5-
1. Limited knowledge of stakeholders (i.e. LGU, civil society, private sector) on the value and usage of PISs	2	3			2		2	1	2	1			1	3	2	1	3	2	1			3	1	2	2	3	3	3	2	3	1	1		2	1		2		1	1					2		4		63	1
2. Lack of stakeholders' participation, particularly civil society		1	1	1	1		1	1		2			1	1	1	1		1			1				1	1	1	1		1	1	1				1		1			2	1				1		27	2
3. Lack of features of PISs to make it mandatory in LGUs' routine work					1		1	1	2		1		1						1				1	1					1								2			1			1		1		1	16	3
4. Lack of assistance and feedback process from involved national gov't agencies		1		1		1				1	3			1					1																													9	5
5. Some indicators are not reflective of the LGUs' needs, and some are complex	1	1	1			1									1			1		1				1											1									3			1	13	4
TOTAL NO. OF PROBLEMS (RELATED TO GIVEN) PER LGU	3	6	2	2	4	2	4	3	4	4	4	0	3	5	4	2	3	4	3	1	1	3	2	4	3	4	4	4	3	4	2	2	0	2	2	0	3	0	2	3	0	2	2	0	5	1	5	2		
OVERALL RANK IN TERMS OF NO. OF PROBLEMS (RELATED TO GIVEN) PER LGU (1 - of most problems mentioned; 48 - of least problems mentioned)	17	1	27	27	5	27	5	17	5	5	5	43	17	2	5	27	17	5	17	40	40	17	27	5	17	5	5	5	17	5	27	27	43	27	27	43	17	43	27	17	43	27	27	43	2	40	2	27		

Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

Table A-7. Common Factors (Aside from Performance Indicator Systems) Influencing Voting Behavior

FACTOR	Cab	Pal	Muñ	Leg	Dar	Naga	Cebu	Man	Bac	CDO	Malag	LP	Cal	Mar	QC	SJ	Pasig	Pasag	Val	Mla	Man'g	Mak	Piat	SN-C	Sol	Kas	Dif	Sag	LaT	Sab	Ban	Hing	Vin	Daet	SLR	Labo	MacA	Mag	Tol	La Paz	RM	Tuk	Lab	Gui	SN-SC	Tam	Tan	Tboli	TOTAL NO. OF LGUs WITH SUCH FACTOR	OVERALL RANK IN TERMS OF NO. OF LGUs WITH SUCH FACTOR (1 - highest; 5-
1. Candidate's accomplishments or track record	1			1		1	1	1	1		1						1	1	2		1		1			1		1		1	1		1						2				1		2		1	24	2
2. Candidate's personality, charisma and good rapport with constituents	1	1	1	1	1			1		1	1	1		1	1		1	1			1	1	2	2	1			2	2	1	1	2	1						1				1	2	1	1		35	1
3. Candidate's leadership and management style	1		1	1		1						1												1		1	2						1						1									11	5
4. Candidate's political machinery or political affiliation		1					1	1	1		1		1	1						1		3												1					1				1	1				15	4
5. Candidate's level of qualification, background and reputation					1	1		1	1			1	1						1						1				1	1	1	1		1										1	2	16	3
TOTAL NO. OF FACTORS (RELATED TO GIVEN) PER LGU	3	2	2	3	2	3	2	4	3	1	3	3	2	2	1	0	2	2	3	1	2	4	3	3	2	2	2	3	3	3	3	3	2	3	0	0	0	0	2	3	0	0	0	3	3	3	2	3		
OVERALL RANK IN TERMS OF NO. OF FACTORS RELATED TO GIVEN PER LGUs (1 - with most suggestions; 48 - with least suggestions)	3	23	23	3	23	3	23	1	3	38	3	3	23	23	38	41	23	23	3	38	23	1	3	3	23	23	23	3	3	3	3	3	23	3	41	41	41	41	23	3	41	41	41	3	3	3	23	3		

Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

Table A-8. Common Recommendations of LGUs for Improvement of Performance Indicator Systems

ADVICE	Cab	Pal	Muñ	Leg	Dar	Naga	Cebu	Man	Bac	CDO	Malag	LP	Cal	Mar	QC	SJ	Pasig	Pasag	Val	Mla	Man'g	Mak	Piat	SN-C	Sol	Kas	Dif	Sag	LaT	Sab	Ban	Hing	Vin	Daet	SLR	Labo	MacA	Mag	Tol	La Paz	RM	Tuk	Lab	Gui	SN-SC	Tam	Tan	Tboli	TOTAL NO. OF LGUs WITH SUCH ADVICE	OVERALL RANK IN TERMS OF NO. OF LGUs WITH SUCH ADVICE (1 -
1. Promote and educate all stakeholders (i.e. civil society, LGU, private sector) on the value and proper usage of PISs	1	1			2		1	1	1	1			1	3			2	1	1			3	1	2				1	2	1	1		2	2	1					2	1	3	2	2				1		43	1
2. Involve all stakeholders, esp. civil society, in the conceptualization and measurement of the PISs			1	1				1		2				1		1					1				1		1	1										1		1			1				1	15	4
3. Include PIS usage in LGUs' routine work					1		1	1	2				1						1				1	1	2	1		1	1	1		1							2				1	1	1	1	1	23	3
4. Establish system of recognition and reward, and improve national gov't assistance		1		1		1				1	3			1					1											1	1								1		1							13	5
5. Make indicators comprehensive, user-friendly, and modify indicators to suit particular LGU	1	1	1			1									1			1		1				1						1	1	1		1	5								1	2		1	1	22	2
TOTAL NO. OF ADVICES (RELATED TO GIVEN) PER LGU	2	3	2	2	3	2	2	3	3	4	3	0	2	5	1	1	2	2	3	1	1	3	2	4	3	1	1	3	3	3	3	3	2	3	6	0	0	0	3	3	5	2	3	3	3	1	3	3		
OVERALL RANK IN TERMS OF NO. OF ADVICES RELATED TO GIVEN PER LGUs (1 - with most supportive; 48 - with least supportive)	27	6	27	27	6	27	27	6	6	4	6	45	27	2	38	38	27	27	6	38	38	6	27	4	6	38	38	6	6	6	6	6	27	6	1	45	45	45	6	6	2	27	6	6	6	38	6	6		

Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Survey of LGUs.* Unpublished.

SOME PERFORMANCE INDICATOR SYSTEMS USED ABROAD

A. Metropolitan Melbourne, Australia

1. Environmental Indicators for Metropolitan Melbourne

1. The Australian Institute of Urban Studies (AIUS) regularly publishes the Environmental Indicators bulletin to further develop the State of Environment database for metropolitan Melbourne. It covers the whole metropolitan Melbourne and provides information on five environmental themes, namely air emission, transport, litter, biodiversity, and community environmental issues and concerns. The objective of the bulletin is to monitor the environment, raise awareness on key issues and concerns, and involve the metropolitan Councils in environmental management and planning. Simply, the publication states the following: significance of the theme to the community, recent situation of the theme discussed, and ways the metropolitan Councils can address the issues raised. The bulletin uses indicators for each environmental theme to evaluate the environmental condition of metropolitan Melbourne. Extent of air emissions was assessed through sources and distribution of emissions of common air pollutants such as oxides of nitrogen, lead and compounds, particles (PM 2.5 and PM 10), and volatile organic compounds. Transport situation was measured by the following: frequency, length and purpose of daily bicycle trips, passenger journeys on public transport, and time and speed of car travel. Litter in urban areas, beaches and waterways were evaluated by litter count and type. Biodiversity here was specifically concerned with birds. Number of introduced and native bird species, those with conservation status, and those dependent on trees helped determine the current situation of biodiversity of birds. Lists of priority environmental issues and concerns specifically in Melbourne and Australia, in general, helps identify responsive and strategic programs for environmental development. (AIUS, 1999)

2. Customer Satisfaction Survey (Administered by Millward Brown Australia Market Research)

2. The survey conducted focuses on measuring the level of services provided to the citizens of metropolitan Melbourne by the Council (i.e., quality of services, response time, and staff attitude). Specifically, they are as follows: aged and disability services, animal services, arts and culture, building services, city projects and urban design, community services, customer relations, economic development, electronic business, environment, rubbish and recycling, events and festivals, family and children services, health services, information services, international relations, local laws and permits, parking and traffic regulation, parks and gardens, rates and valuations, sports and recreation, streets, roads and footpaths, tourism and visitor services, and youth services. (Millward Brown, undated)

3. City Perceptions Monitor (Administered by Sweeney Research)

3. The market research company, Sweeney Research, conducted surveys regarding the effectiveness of the Melbourne City's campaign encouraging greater visitation to the City which highlights shopping, dining, entertainment and transport. The survey intended to perform a SWOT (strengths, weaknesses, opportunities and threats) analysis on the City, specifically in the domains of shopping, dining, entertainment and transport. The survey determined characteristics of the City most liked and most disliked by the respondents. In addition, comparison between the services of the Melbourne City Centre, major shopping centers, and well-known suburbs is reflected in the survey. (Sweeney Research, 2000)

B. Corporate Plan 1997-2000, Wollongong City, Australia (Wollongong City Council, 1997)

4. Performance measurement is integral to Wollongong's planning and decision-making processes which regularly update the City Plan. The Plan aims to achieve Wollongong's vision "community focused local authority of excellence". The City hopes to provide the best possible services and facilities within limited resources and at the same time concentrating on quality through continuous improvement. The Plan puts premium on the citizens' opinion, thus, it is placed on public exhibition for 30 days to allow for feedback from the public. The Wollongong City Council's idea of strategic direction involves the partnership of the four major sectors greatly affected by business: community, councilors, staff, and suppliers. The Council identified the following goals to provide them guidance in conducting their activities (i.e., customer satisfaction, economic activity, environmental, financial, productivity/people, lifestyle, and infrastructure). The Corporate Plan is divided into 5 parts, namely: corporate management, corporate relations, city development program, infrastructure program, health and safety program, commercial development program, waste management program, environment program, recreation program, community services program, cultural services, library and community information program, and organizational services. Future direction, key objectives and performance indicators in relation to each category are discussed in detail.

5. The Corporate Management is the internal service responsible for setting the strategic direction of the Council. It provides the Council strategic, corporate and business planning processes, strategic policies, quality improvement program, and internal assessment.

6. The Corporate Relations category serves as support to corporate management. It is focused on internal and external communications, facilitation of community surveys, and management of the Wollongong City Mall.

7. The City Development Program includes four sectors. These sectors are: planning and building assessment, strategic planning; traffic and subdivision management and planning; and economic development. Planning and building assessment is involved with processing of building and development applications. On the other hand, strategic planning involves preparations for the future growth of the City and considering the environmental impact of new development. Traffic and subdivision management and planning is focused on traffic management and changes, as well as subdivision assessment. Lastly, economic development provides a wide range of support activities to the region.

8. The Infrastructure Program consists of four sectors, such as design, buildings, operational support, and civil works. Design provides internal and external customers various design services. Secondly, the buildings sector is primarily responsible for Council construction; maintenance; and review of Council owned buildings. Thirdly, operation support manages a range of plants, vehicles, and equipment required by the City Council's needs. Lastly, civil works is responsible for the Council owned roads and drainage infrastructure.

9. The Health and Safety Program is composed of two sectors, namely: health and emergency. This program is concerned with health promotion; fire safety; monitoring and inspections of cooling towers and swimming pools; hazard reduction programs; and educating the community on bushfire issues.

10. The Commercial Development Program includes five sectors, such as: property development; property management; gateway shopping centre; caravan parks; and

crematorium and cemeteries. Property development is concerned with purchasing, marketing and selling land; land reclassification; road closures and renaming of roads; and land development. Meanwhile, property management deals with administration of leases and licenses; negotiation of new leases and licenses; and grazing rights. On the other hand, gateway shopping centre sector is primarily focused on monitoring the performance of the center vis-à-vis the community's needs. The caravan parks sector is concerned with the operation of the tourist parks; maintenance of tourist park grounds and buildings; marketing; and provision of additional facilities and accommodation types. Finally, the crematorium and cemeteries sector is involved with garden placemats and development; grave preparation; and operating the cemeteries and the crematorium.

11. The Waste Management Program is composed of three sectors, such as: waste collection, waste disposal, and recycling. Firstly, the waste collection deals with the provision of domestic waste and litter collection services. Next, the waste disposal is concerned with landfill management; environmental control; and depot management. Recycling is involved with the provision of household recycling service; and information and education campaign on recycling.

12. The Environment Program consists of three sectors, namely: environmental management; environmental planning; and environmental protection. The environmental management deals with the development and maintenance of the botanic garden; production of plant stock; tree preservation; environmental education; information and education campaign on environmental management; and management and development of natural areas. In addition, environmental planning is concerned with assisting in the long-term protection of environmentally significant areas; promotion of conservation; and identification of environmentally sensitive areas. Finally, environmental protection is involved with pollution minimization; environmental audits; environmental protection; contaminated sites; and ecological sustainable development.

13. The Recreation Program includes the following sectors, such as: open space; aquatic services; and health and fitness. The open space deals with facility structure, park, landscape sports field, tree, footpaths, median strips, and roundabouts maintenance; landscape construction; and facility and infrastructure development. On the other hand, aquatic services sector is involved with the provision of pool and beach lifeguard services. Thirdly, the health and fitness sector deals with the maintenance and development of the Council's recreation facilities and infrastructure; and management of the Employee Health Program, commercial leisure centers, and the Russell Vale Golf Course.

14. The Community Services Program is composed of the following sectors, namely: youth services, community development, children's services, aged and disabilities services, and community facilities. Firstly, the youth services sector is involved with Youth Centre Programs; Neighborhood Youth Work Program; Support Helping Early Leavers Program; and provision of support and assistance to local youth services. Secondly, the community development sector is composed of provision of avenues for community participation, assistance in the provision of services and facilities, and operation of community and neighborhood centres. Thirdly, the aged and disabilities services sector includes planning for home and community care, identification of needs of elderly and disabled people, ensure community transport services of the elderly and disabled people, and provision of home respite services.

15. The Cultural Services Program facilitates cultural development in terms of support and promotion of community arts, public art, Wollongong City Gallery, and Illawarra Performing Arts Centre.

16. The Library and Community Information Program is responsible for lending of library materials, provision of library collections, reading and study facilities, reference and information assistance and local studies resources and information, and community information directory, Council information via libraries, personal inquiry service at libraries and telephone community information service.

17. The Organizational Services Program consists of six sectors, namely: administration, information technology, internal audit, financial management, human resources, and marketing.

C. Benchmark Task Force, Metropolitan King County, Washington, U.S.A.

18. The King County Benchmark Task Force was created to keep King County citizens focused on the future. The benchmark system serves as a tool to make sure development is directed towards the regional growth management priorities of the Metropolitan King County Countrywide Planning Policies (CCPs). Benchmarks provide policy-makers and the public with a method for evaluating the progress of the implementation of the CCPs. Also, it should help the various stakeholders of the county establish priorities, take joint actions, and direct resources to solve problems identified in the CPPs. Benchmarks were created through statement of the outcome of the CCPs, selection of relevant indicators for each outcome, and identification of quantifiable levels of achievement or targets for each indicator. The indicators used in the benchmark system are categorized as follows: economic development, environment, housing, land use, and transportation. Economic development includes indicators relevant to the following: jobs that add to the county's economic base; promotion of family-wage jobs; income increase and poverty reduction; formation, expansion and retention of business sector; and educational skill level increase. Environment consists of indicators associated with the following: natural ecosystem protection and enhancement; air quality improvement; water quality and quantity protection; wetlands protection; plant and wildlife diversity protection; salmon stock increase; noise level decrease; and recycling increase. Housing contains indicators related to the following: provision of sufficient affordable housing for all residents of the county; promotion of affordable home ownership opportunities; increase public efforts to provide affordable housing to low income households; promotion of equitable distribution of affordable low income housing throughout the county. Land use comprises of indicators associated with the following: encourage great share of growth in urban areas/urban centers and limit growth in rural/resource areas; urban land use efficiency; accommodation of residential and job growth in urban areas; encouragement of livable and diverse communities; jobs and household growth balance; and maintenance of natural resource lands quality and quantity. Transportation takes account of indicators connected to the following: transportation and land use linkage; availability of modes other than single occupant vehicle; modal split; commercial traffic congestion; and transportation system preservation. (King County Benchmark Task Force, 1995)

D. All Purpose, Generic Citizen Survey, City of Carlton, Iowa, U.S.A.

19. The All-Purpose, Generic Citizen Survey of Carlton City provides the local leaders the perception of the residents with regard to the services provided by their local government. Randomly selected households are given a copy of the survey form. Results of the survey will allow the Mayor, City Council members and administrators to appropriately prioritize budget and

evaluate programs. The services mentioned in the survey form are the following: snow removal from major streets; street repair; street cleaning; street lighting; ease of travel by car; ease of travel by bicycle; ease of pedestrian travel; police traffic enforcement; parks in the city; open space; Carlton public libraries; Carlton recreation centers; trash collection; and water taste. The residents are asked to assess the quality of the services provided; and the significance of these services to the overall quality of Carlton City. Furthermore, the form probed on matters regarding safety. Also, the respondents were asked what they liked best and least about living in Carlton City, their perceived biggest problems at Carlton in the next 5 years, and the best services and worst services provided by the City. (Carlton City, undated)

E. Livable Tucson Vision Program, City of Tucson, Arizona, U.S.A.

20. In 1997, the City Mayor and City Council of Tucson established the "Livable Tucson Vision Program". The Program helps identify long-term visions of the residents of the City of Tucson and influences the City budget and promotes the concept of accountability among City staff. Several public consultations were conducted to grasp the values and priorities of the members of the community. Ideas from the forums were further refined and resulted to 17 community goals. These goals are: better alternatives to automobile transportation; engaged community and responsive government; safe neighborhoods; caring, healthy families and youth; excellent public education; infill and reinvestment, not urban sprawl; abundant urban green space and recreation areas; protected natural desert environment; better paying jobs; clean air and quality water; people-oriented neighborhoods; respected historic and cultural resources; quality job training; reduced poverty and greater equality of opportunity; strong local business; efficient use of natural resources; and successful downtown. Each community goal is further discussed with a definition, community members' perception of the issue, how the City department or office is supporting the goal, key indicators for progress, and what the citizens can do to achieve the goal. (Tucson City, 1997)

F. Poverty Profile, City of Colombo, Sri Lanka

21. The Poverty Profile is committed to poverty reduction through community participation and empowerment. It is one of the major outputs of the Department for International Development (DFID) funded and Urban Management Programme (UMP)/UN-Habitat executed Urban Poverty Reduction Project in Colombo during 2001-2003. Also, it is the fist city level effort to determine the concerns and approaches to reduction of poverty in Colombo. In addition, it put together concerns, strategies and actions for urban poverty reduction base from a concerted effort of the urban poor communities, city officials and other stakeholders, thus employing a bottom-up consultative approach. Moreover, the performance criteria developed by the Poverty Profile for poverty reduction were endorsed and highly accepted by the stakeholders. These criteria, formulated on the basis of consultative process, include: participation, partnership, enabling environment, gender equity, and assets improvement. The specific indicators are as follows: organization of urban poor communities for improving social relationships and community empowerment; community participation in urban management process; opportunities for sustainable income generation activities by urban poor; security of tenure for the urban poor; basic amenities in urban poor communities; and appropriate mechanisms at municipal district level and community level for operational and maintenance of municipal services. Furthermore, it provided detailed information about the poor in Colombo and discussed crucial issues of poverty in the city in relation to their corresponding impacts and challenges. (Jayaratne, Chularathna and Premakumara, 2002)

G. The Sustainable Penang Initiative, Penang, Malaysia

22. The Sustainable Penang Initiative is a pilot project conducted by the Socio-Economic and Environmental Research Institute (SERI) of Penang on sustainable development indicators and supported by the Canadian International Development Agency (CIDA), UNDP, and United Nations Economic and Social Commission for Asia and the Pacific (ESCAP). SERI is the technical arm of the Penang Government for long-tem strategic planning and policy formulation. Firstly, the Sustainable Penang Initiative aims to create indicators to monitor Penang's development. Secondly, it hopes to integrate various development planning processes using these indicators. Lastly, it seeks to educate the public about sustainable development and ways to achieve it. The Sustainable Penang Initiative promotes participation and public consultation among the various stakeholders in the locality (i.e., government, civil society and business community). The popular community indicators include ecological sustainability, social justice, economic productivity, cultural vibrancy and popular participation. These indicators promote greater transparency and accountability in the local government. Furthermore, the public are involved in the monitoring and implementation of improved development policies through the use of the indicators (TUGI, 2000).

H. Sustainable Cities Programme, United Nations for Human Settlements (UNCHS)

23. The Sustainable Cities Programme (SCP) is a joint initiative of the United Nations for Human Settlements (UNCHS) or Habitat and the United Nations Environment Programme (UNEP) to promote sustainable urban environment through broad public participation at the local level. The SCP is active in the Philippines and 14 other countries namely, China, Chile, Egypt, Ghana, India, Malawi, Nigeria, Poland, Russia, Senegal, Tanzania, Tunisia, Zambia and Zanzibar. The Programme encourages and enables participating countries to regularly collect and use indicators and incorporate these indicators in national and local policy and development framework. The SCP ensures the achievement of economic efficiency in the utilization of development resources, social equity in the allocation of development benefits and costs, and prevention of unnecessary exclusion of future development opportunities to realize the concepts of lasting supply of natural resources and lasting security from environmental hazards. Resources of the Programme are allocated to help strengthen the capacities and abilities of the local authorities and other local stakeholders in the environmental planning and management sector. Examples of some Sustainable Cities Projects at the local level include priority issues on surface water pollution, groundwater contamination and scarcity of potable water, inadequate solid waste management, and air and noise pollution. On the other hand, SCP at the global level comprise of operational support at city, national and regional levels, development of urban environment management tools, networking among cities and international programmes, information and awareness building, and program resource mobilization and management (TUGI, 2000).

I. The Urban Development Through Local Efforts Programme or UDLE, His Majesty's Government of Nepal and the Federal Republic of Germany

24. The Urban Development Through Local Efforts (UDLE) Programme is a collaborative initiative of His Majesty's Government of Nepal and the Federal Republic of Germany. Its main objective is to help enable municipality areas of Nepal to be responsible for the management of their urban areas through increasing their capabilities to initiate and manage urban development in their localities. Although majority of the Nepalese population is still rural, its urban population growth rate, 7% annually, is one of the highest in the world, thus the UDLE Programme proves to be an essential aspect in their development planning. Furthermore, concepts of client

satisfaction, sense of ownership and community involvement are imbibed in the Programme. These concepts allow key local stakeholders to sustain benefits of the Programme even after assistances come to an end.

25. The emergence of the UDLE paved the way for the support on The Municipal Organization and Development Administration (MODA), Financial Management (FiMa), Urban Planning, and The Urban Hygiene and Environmental Education Programme (UHEEP). The MODA focuses on improving procedures, job descriptions, office layout, record keeping and other organizational and administrative concerns. On the other hand, the focal point of the FiMa is on the advancement of municipal accounting procedures through computerization and other forms of technical upgrading. Meanwhile, the Urban Planning aspect is concerned with the systematic identification and prioritization of urban development projects through public participation to address the immediate needs of the locality. The Programme assists the municipalities with local area planning, town planning legislation and by-laws as well as training in all the above fields, and later on, identified projects are matched against the available local financial resources. This intervention is known as the Integrated Action Planning (IAP). Lastly, the UHEEP aims to address the perennial problem on waste in Nepal through information and education campaign among schools, communities and households (TUGI, 2000).

J. The Urban Governance Initiative (TUGI), United Nations Development Programme

26. The Urban Governance Initiative (TUGI), a regional technical assistance of the UNDP executed by the United Nations Office of the Project Services (UNOPS), aims to assist Asia Pacific cities to become more livable primarily through good governance, strengthened capacities and enhanced administrative tools available to local authorities. Specifically, TUGI seeks to achieve the following: development of methodologies, tools and indicators for good governance, development of a mechanism that improves the quality and extent of urban governance information on sustainable human development, assistance to various key local stakeholders, particularly elected local officials with regard to local government capacity-building to ensure effective local government performance, and assistance to city government officials to fully utilize the information and network on urban governance. TUGI promotes the nine principles of good governance namely, participation, rule of law, transparency, responsiveness, consensus orientation, equity, effectiveness and efficiency, accountability, and strategic vision. TUGI is focused on a wide variety of urban issues such as urban poverty, children, elderly citizens, physically and mentally challenged, cultural heritage, corruption, gender and development, public transportation and traffic congestion, waste collection and disposal, health services, civil society participation, employment and job creation, water and sanitation, shelter and housing. TUGI promotes the involvement of the various stakeholders from local government, civil society, and private sector to ensure good urban governance. Representatives from the three groups of local actors are asked to identify indicators significant to each of the good governance principles of every urban issue and give appropriate rating for the achievement of each principle and issue. Also, TUGI aims to disseminate the lessons learned from pilot projects through information network such as development of websites and quarterly publications of Urban Links (TUGI, 2000).

K. The Healthy Cities Project, World Health Organization

27. The Healthy Cities Project of the World Health Organization (WHO) encourages development of a strategic vision for health in urban areas and improvement in the local health policies which will be responsive to the needs of all sectors in the community. The Project provided an avenue for the promotion and realization of the “Health For All” principles in the

urban setting, namely: reduction of inequalities in health as a result of greater equity; emphasis of health promotion and disease prevention to help people achieve their full physical, mental and social capacity; cooperation of various sectors of the society to ensure access of people to prerequisites for health and protection from environmental risks; community participation; focus on primary health care which provides accessible services to places of residence and work; and cooperation among international communities in cases where health problems transcend national boundaries. Healthy cities are described as the following: clean and safe physical environment of high quality; stable and sustainable ecosystem; strong, mutually supportive and non-exploitive community; high degree of participation and control on decision-making by the public; equitable distribution of basic needs (i.e., water, food, shelter, income, safety and work); access to a wide variety of experiences and resources; diverse, vital and innovative city economy; encouragement of cultural and biological heritage among city dwellers and other group; city form is compatible and enhances the previous city characteristics; optimum level of appropriate public health and sick care services accessible to all; and high health status. Furthermore, the Project must imbibe the following characteristics: strong commitment to health by recognizing the interrelation of social, mental, physical, and spiritual aspects; involvement of political decision-making for promotion of public health; support to inter-sectoral action to encourage cooperation among groups outside the health sector and contribute more to health; emphasis on community participation; utilization of innovative processes incorporating incentives, spread of knowledge and experimentation of new policies and programs; and achievement of healthy public policies. The essential requirements towards developing the Project are the following: getting started by development of a local task force, creation of a support group, appreciation of the city and the ideas, generation of financial resources, preparation of proposal; and acquisition of approval; getting organized by appointment of a partnership task force, appointment of a steering committee, assessment of the project environment, definition of project work, preparation of a Municipal Health Plan, creation of project office and appointment of coordinators, preparation of long-term strategy, and establishment of accountability mechanisms; and taking action by increase in health awareness, advocacy on strategic planning, mobilization of inter-sectoral action, encouragement of community participation, promotion of innovative processes, and achievement of public health policies. Some indicators for a Healthy City includes: health – life expectancy at birth, infant mortality, levels of nutrition, vaccination coverage, ranking of diseases by morbidity/mortality index; socioeconomic – mean years of schooling for girls and boys, adult literacy, employment; environmental – percentage of population living in poor housing conditions/slums, drinking water supply coverage, adequate basic sanitation coverage, and parasitic disease prevalence (urban malaria, filiariasis, intestinal helminths) (TUGI, 2000).

L. China City Development Strategy (CDS) Performance Indicators Project, Cities Alliance and United Nations for Human Settlements

28. The China City Development Strategy (CDS) Performance Indicators Project was funded by the Cities Alliance and managed by UN Habitat. It raised the awareness on the need for urban management interventions to be monitored against clear targets, hence, appreciation, understanding and development of performance indicators were deemed important in strategic planning and management of the CZT City Region (i.e., Changsha, Zhuzhou and Xiangtan), Guiyang and Shenyang. The CDS in China utilized the bottom-up and demand-driven approach. The bottom-up approach was considered effective since the public's involvement in the identification and conceptualization of the indicators meant that they would apply the indicators in their respective operations. Also, the bottom-up approach entailed a demand-driven strategy because it allowed the public to contribute and select the indicators suited to their needs rather than simply applying the indicators prescribed to them externally. The indicators formulated in

the Project is composed of the following: (i) economic development – (a) city product or gross domestic product, (b) industry structure, (c) fixed asset investment and total demand, (d) employment, high technology industry, e) tourism industry, and f) local government finance; (ii) social development – (a) population, (b) households, (c) vitality and public health, (d) education and human resources, and (e) income distribution and social safety net; (iii) quality of living – (a) household income, expenditure and prices, (b) housing, (c) culture and communications, (d) security; (iv) land use and land development – (a) water, electricity and gas, (b) transport, and (c) infrastructure; (v) environmental management – (a) air quality, (b) water quality, (c) waste disposal and recycling, (d) noise pollution , (e) nature, and (f) environmental protection and planning; (vi) international cooperation – (a) trade, and (b) foreign direct investment. The Project hopes to enable the participating cities to link the abovementioned indicators directly to policy formulations concerning poverty reduction (Kim, 2002).

SAMPLE ECOLOGICAL SYSTEM AND LEVEL OF DEVELOPMENT MATRIX

Table A9.1: Sample Ecological System and Level of Development Matrix

Development Hierarchy	Ecological System			
	Upland	**Lowland**	**Coastal or Riverine**	**Island**
Metropolitan				
Highly Urbanized Cities				
Independent Cities				
1st – 3rd Class Municipalities				
4th – 6th Class Municipalities				

Source: CONCEP, Inc. 2004. *Performance Measurement at the Local Level: Results of Evaluation of Indicator Systems.* Unpublished.

REFERENCES

Asian Institute of Management (AIM). 2002. *Cities on the Rise: A Competitiveness Ranking of 33 Philippine Cities 2002*, Manila.

Australian Institute of Urban Studies. 1999. *Environmental Indicators for Metropolitan Melbourne, Bulletin 2.* Melbourne, August 1999.

Brillantes, Alex B. 2003. *Innovations and Excellence: Understanding Local Governments in the Philippines. Center for Local and Regional Governance, National College of Public Administration, University of the Philippines,* Quezon City, 2003.

Bureau of Local Government Finance, Department of Finance, *Fiscal/Financial Indicators*, unpublished, no date.

City of Carlton. *The All-Purpose, Generic Citizen Survey.* Iowa, unpublished, no date.

City of Tucson. 1997. *Livable Tucson Vision Program*. Available: http://www.ci.tucson.az.us/livable.htm

Commission on Population, Data Capture form of the Core Indicators for Population Development at the Local Level (POPDEV), unpublished, no date.

Department of Interior and Local Government, *Core Local Poverty Indicators Monitoring System,* unpublished, 2003.

Department of Interior and Local Government (DILG), *Local Governance Performance Management System,* Quezon City, 2004.

Department of Interior and Local Government (DILG), *Local Productivity and Performance Measurement System.* Quezon City, 2000.

Department of Interior and Local Government (DILG). *State of Philippine Cities*. Quezon City, 2002.

Department of Social Welfare and Development, *Data Capture Form for the Minimum Basic Needs (MBN) Approach,* unpublished, no date.

Development Academy of the Philippines (DAP). *Measuring Good Governance in the Philippines*. Pasig City, 2000.

International Labour Organization, *Data Capture Form of the Integrated Rural Accessibility Program (ILO-IRAP),* unpublished, no date.

Jayaratne, K.A., H.M.U. Chularathna, and D.C.J. Premakumara. 2002. Poverty Profile of City of Colombo. Department for International Development, United Nations Development Programme, UN-Habitat, and Urban Management Programme: Colombo.

Kim, Kyung-Hwan. 2002. *China CDS Performance Indicators: Final Report.* UN Habitat-Fukuoka Office.

King County Benchmark Task Force. 1995. *Benchmark Task Force Report.* Washington, DC: Metropolitan King County Growth Management Planning Council.

League of Cities of the Philippines. *Local Governance Scorecard*, unpublished, no date.

League of Cities of the Philippines. *Seven Norms of Good Urban Governance*, unpublished, no date.

Millward Brown. City of Melbourne Customer Satisfaction Survey, unpublished, no date.

Pardo, Erlito R., Deputy Executive Director, Bureau of Local Government Finance, Department of Finance, interview, October 2004.

Philippine Journal of Public Administration Vol. XLV, National College of Public Administration and Governance, University of the Philippines, Quezon City, 2001.

Presidential Task Force on the 20/20 Initiative. Development Academy of the Philippines, 2003. *The 20/20 Report 2002-2003. Development Academy of the Philippines,* Pasig City.

Sosmeña, Gaudioso, Mariano Guillermo, and Samuel Sapuay. 2004. *Measuring Local Government Performance*. Local Government Development Foundation (LOGODEF), Manila.

Sweeney Research. 2000. City Perceptions Monitor. Melbourne, 2000.

The International Bank for Reconstruction and Development/The World Bank, *Doing Business in 2005, World Bank, International Finance Corporation and Oxford University Press,* Washington D.C., 2005.

The Urban Governance Initiative. *Action for Better Cities: Tools and Methodologies for Good Urban Governance.* Imprint Services, Selangor Darul Ehsan, 2000.

United Nations Development Programme (UNDP). *Human Development Report 2003 "Millennium Development Goals: A compact among nations to end human poverty"*. New York: Oxford University Press, Inc., New York, 2003.

Webster, Douglas, A. Corpuz, and C. Pablo. *Towards a National Urban Development Framework for the Philippines: Strategic Considerations*. National Economic Development Authority, 27 June 2002.

Wollongong City Council. 1997. *Corporate Plan 1997-2000*. *Wollongong City Council,* Wollongong City, 1997.

Zipagan, Romulo, Erlito Pardo, and Norberto Malvar. *Tranining Manual on Local Government Mobilization and Financial Management.* Manila: Local Government Academy, Department of Interior and Local Government, Manila, 1999.