



TOURISM INFRASTRUCTURE AND ENTERPRISE ZONE AUTHORITY

CONTEXT REGISTRY

Document Code: TIEZA.QF.02	Rev. No.: 0	Effectivity Date: 15 February 2022
Updated by: <u>Atty. NINO RUPERTO F. AQUINO</u> (Printed Name and Signature) _____ Date _____	Approved by: _____ (Printed Name and Signature) _____ Date _____	

Establish the Context & Objectives

Sector / Division / Department _____

Process objectives:	
Identify objectives, e.g. objectives relating to:	
Quality (e.g. conformity with requirements)	Implement quality infrastructure and development projects
Stakeholder perspective (incl. customer satisfaction)	Achieve satisfactory rating on satisfaction surveys from travel tax customers, Local Government Units, etc.
Service levels (level of operations, business continuity)	Achieve targets set in the Performance Scorecards submitted to GCG
Environment and sustainability	Be a catalyst for inclusive and sustainable socio-economic growth
Health and safety	Comply with the minimum health standards in the workplace
Compliance obligations	Comply with public policies and all statutory requirements, and the requisites of the ISO 9001:2015
Financial	Achieve 90% budget utilization rate
Others	

The Context:

Establish the context which might impact achieving objectives, e.g. factors relating to:

Internal Context	STRENGTHS	WEAKNESSES
Manpower (Human Resource)	<ol style="list-style-type: none"> 1. Competent, trained, and experienced manpower; 2. Cross-functional teams; Multi-generational, agile, resilient and flexible workforce; 3. Cross-functional teams; 4. Established competency-based human resource; 5. Employment of locals; and 6. Enthusiastic and proactive personnel 	<ol style="list-style-type: none"> 1. No approved updated OSSP; 2. Inadequate plantilla positions (AAES & AMS) which results in the hiring of JO personnel; 3. No TIEZA Post-Retirement Program; Onboarding and institutionalization of off boarding mechanisms; and 4. High turn-over rate of employees (TAXD)
Money (Financial)	<ol style="list-style-type: none"> 1. TIEZA has own sources of funds; 2. Commitment of management to fund assets development/rehabilitation; 3. Investment opportunities from TIEZA assets, TEZs and tourism infrastructure; 4. Increasing and recovering travel tax collection; 5. Good financial management; and 6. Austerity measures in place. 	<ol style="list-style-type: none"> 1. Limited funding due to decreased travel tax collection, low income from operating entities, hence non-implementation of asset rehabilitation and development plans and less infra projects; 2. Low budget utilization due to travel restrictions and unavailability of meetings; 3. Budget Planning and Programming (additional PPMP at the start of the year, overbudgeting); 4. Over projection of income and expenses; and Dependence of TIEZA on travel tax collection
Machines (Facilities and Equipment)	<ol style="list-style-type: none"> 1. Provision and availability of equipment (hardware and software) and supplies to support the workforce and office operations; 2. Maximum utilization of existing facilities and equipment 3. Availability of service vehicle; and 4. Adoption to new online learning platforms such as Zoom, MS Teams. 	<ol style="list-style-type: none"> 1. Disposal of obsolete and fully depreciated equipment; 2. Limited space to store surrendered serviceable/unserviceable items; 3. No own building; 4. Software policy / procurement; 5. Inability to maintain/repair equipment due to absence of repair shops in areas such as in the FTEZs

Materials (Supplies)	<ol style="list-style-type: none"> 1. Good inventory and supply management; and 2. Provision and availability of supplies including COVID-19 PPE supplies and disinfection materials 	<ol style="list-style-type: none"> 1. Inadequate Project Procurement and Management Planning; 2. Delayed supply and delivery of supplies resulting in unavailability of materials; and 3. Web restrictions and internet access (due to TIEZA internet policy)
Method (Process Flows)	<ol style="list-style-type: none"> 1. ISO accredited - moving towards excellence; 2. Business Continuity plan is in place; 3. Availability of Work Instructions and ongoing review of the same with continuous effort to streamline processes; 4. Revised Operations Manual for operating entities; 5. Adoption of online system and processes; and 6. Existence of appropriate guidelines and rules and regulations 	<ol style="list-style-type: none"> 1. Inflexibility of existing rules and regulations (especially those affecting travel tax, accounting, and human resources); 2. Shifting trends in customer/client requirements; Required compliance to documentary requirements for the titling of assets; 3. Unclear Work Instructions; 4. Delayed work execution due to lack of technical and permanent employees; 5. Long procurement process; 6. Need to strengthen document control system (hard copies), handling and safe storage from destruction (fire, flood, and other fortuitous events); and 7. Change of policy directions as a result of change in leadership
Values	<ol style="list-style-type: none"> 1. Upholding core values of Excellence, Integrity and Innovation towards customer-centric service; 2. Adherence to policies; and 3. Mutual respect among employees 	<ol style="list-style-type: none"> 1. Promotion/Reinforcement of corporate and ethical values needs improvement; and 2. Lack of sustained campaign to instill and practice core values to benefit internal and external customers
Culture	<p>Positive workplace culture as manifested by having <i>malasakit</i> culture; highly collaborative and team focused members; flexibility to multi-task; ability of seniors to blend with younger ones; respect for the expression of ideas; conducive work environment; and being competitive, socially-involved</p>	<ol style="list-style-type: none"> 1. Reinforcement of the culture of continuous learning needs improvement; 2. Tendency to change or evolve depending on administration; 3. Urgent deadlines and uneven delegation of tasks became a culture in the office; 4. Mental health issue due to pandemic and social restrictions; and 5. Cultural Differences
Knowledge	<ol style="list-style-type: none"> 1. Established competency gaps analysis and Learning and Development (L&D) strategies; 2. Key personnel are highly innovative and proficient; 3. Diversity in knowledge; 4. Assistance from OGCC on legal opinion/cases; and 5. Acquisition of new knowledge and experience in compliance and implementation of the new policy 	<ol style="list-style-type: none"> 1. Insufficient technological know-how; 2. Unclear interpretation of applicable laws and lack of awareness; and 3. No health and safety guidelines
Performance Management	<ol style="list-style-type: none"> 1. Compliance to internal and external issuances and rules and regulations; 2. Strong collaboration between ADSD and COPD to improve current Performance Management System; 3. Alignment of Office and Individual commitments with corporate goals; 4. Utilization of weekly, monthly, and semestral accomplishment reports to monitor achievement of targets; 5. Ability to meet performance targets inspite of restrictions; and 6. Supportive management in the deliverables of Sectors 	<ol style="list-style-type: none"> 1. Performance needs constant improvements as new tasks and situation arises; and 2. Targets of some offices are not achieved; and 3. Late submission of OPCR and IPCR
External Context	<p>OPPORTUNITIES</p>	
Political	<ol style="list-style-type: none"> 1. Rationalization of current travel tax imposition; 2. Alignment with National Development Plans and/or government plans and vision; 3. Mandanas ruling adjustments relative to tourism infrastructure projects; 4. Support from lawmakers in the amendment of RA 9593; 5. Established institutional ties and coordination with LGUs and their willingness to partner in the implementation of Infra projects by subscribing counterpart; 6. The political changes will bring new and fresh ideas and policies that can adapt to the current situation and alleviate the work environment and processes; and 7. New corporate perspectives with new set of BOD 	<p>THREATS</p> <ol style="list-style-type: none"> 1. Political influences affecting operations such as selection of projects and uses of funds considering Mandanas ruling and upcoming budget hearing. 2. Existing top management priorities may not be aligned to the policy direction of the new administration

Economic	<ol style="list-style-type: none"> 1. Tourist Sector Recovery Program; 2. Business sustainability vis-a-vis economic change, open to venture for new / pioneering source of revenue as mandated; 3. Mobilize/recalibrate resources to address economic goals of the organization Enhancement of implementation of Business online payment transactions (EO 170 series of 2022) 4. 5th and 6th class LGUs, NGAs, and other agencies as partners for tourism development 5. More projects to the depressed provinces, 5th and 6th class LGUs, that have tourism potentials would mean more contribution to employment generation and inclusive growth as well as infrastructure development for the area 6. The number of TEZ projects registered to TIEZA would translate to additional income to TIEZA 7. The TEZ and Flagship TEZ development framework significantly contributed to the increased capital input and output in the local host community. 8. More development opportunities in tourism 9. Context-based development of tourism infrastructure projects per NTDP 2023-2028 	<ol style="list-style-type: none"> 1. On-going austerity measures affect TIEZA operations. 2. Economic downturn brought about by the pandemic, on-going war and other similar occurrences in the future (e.g. unemployment, closure of entities); 3. DOF recalling undisbursed funds from the agency; and 4. Due to adverse economic impact of the COVID-19 pandemic to TEZ/RTE operators, there has been delay of availment of incentives and the corresponding remittance of 1/3 of 5% of TIEZA's share in their GIT
Social / Cultural	<ol style="list-style-type: none"> 1. Collaboration / partnership with other GAs for strategic PAPs 2. Active participation in government social initiatives 3. Institutionalization of CSR based on GCG guidelines on good governance 4. DOT and tourism industry focus on domestic travel 5. New directions towards inclusive business development (TouRIST Program) 6. TEZ Framework has been a vital mechanism for channeling economic resources across all social strata. 7. Support tourism infrastructure projects from stakeholders for the community 8. Adherence with the regulation for GAD/PWD, Senior Citizens, and pregnant facilities and access in the review of TIEZA development plans. 	<ol style="list-style-type: none"> 1. IATF guidelines/restrictions and limited face to face communications due to pandemic 2. Possible Resistance by affected stakeholders in the implementation of projects. 3. Reluctance to travel by some sectors 4. Shifting trends in customer/client requirements
Technological	<ol style="list-style-type: none"> 1. Enhancement of digitalization of processes and onsite services for RA 11032 "Ease of Doing Business (EODB)" and EO 170 series 2022 2. Adoption to new online learning platforms such as google meet, webex, and other online platforms 3. Continue digitization of other materials making less prone to risk and maximizing the available technological resources to complete the work output. 	<ol style="list-style-type: none"> 1. Possible breach on Data privacy and security 2. Poor internet connection and downtime due to technical issues 3. Unavailability of internet connection and limited modern technological equipment/communication in some areas 4. Evolving technology/AI capability which may necessitate skills retooling and training. 5. New policy requirements in the procurement of technology investments.

Legal	<ol style="list-style-type: none"> 1. Full devolution of basic services relative to E.O. 138 (Mandanas Ruling) 2. With the adoption of the interim SIPP, tourism enterprises outside the TEZ may now be registered by TIEZA. 3. Amendment of the RA 9593 (Tourism Act of 2009) and Travel Tax Laws (new) 4. Mandated 5% GAD funds 	<ol style="list-style-type: none"> 1. Possible impact of Mandanas ruling 2. Encroachment and Informal settlers in TIEZA Assets and pending Legal Cases and other Legal Issues concerning TIEZA Assets LGU/Proponents not strictly abiding what is stipulated in the MOA Possible exclusion of "zone developer" in the SIPP as an activity eligible for incentives. 3. The frequent changes in the policies introduced by policy-making and regulatory bodies affect the delegation of duties and operations in the office 4. Right of way issues for Infrastructure Projects 5. Travel tax abolition
Environmental	<p>Continues development of Integrated Systems for paperless reporting</p> <ol style="list-style-type: none"> 1. Business continuity in the midst of force majeure events 2. Conduct/implementation of green initiatives, carbon footprinting, etc. 3. Global & national recognition of the environment as an integral part of business development 4. Increase awareness on environmental protection issues 5. Promotion of sustainable area development which is an increasingly common and valuable form of competitive advantage 6. Application of sustainable tourism best practices 	<ol style="list-style-type: none"> 1. Disruption of services and endangerment of personnel due to natural calamities and pandemics 2. Inability to implement water, sewage, and solid waste management plan 3. Lengthy process in acquiring with the Environmental Compliance Certificate from DENR causing the delay in the full designation of TEZs and RTEs. 4. In the case of San Vicente Flagship TEZ, non-reclassification of the timberland areas into alienable and disposable despite presence of TRE operators.

Interested Parties

Interested Parties	Needs	Expectations	Frequency of Interaction	Means of Getting Feedback
Internal				
Board of Directors	Results of operation	Attainment of agency mandate and adherence to managerial policies	Regular for scheduled meetings	Performance appraisal
Employees	Employee Welfare, compensation and benefits	Respect, equitable and just compensation, personal and professional development	Always	Feedback form
External				
Department of Budget and Management	Budget documents and accountability reports	Accurate, reliable and timely reports	Regular	Certification of compliance
Commission on Audit	Financial statements, reports and other financial records	Accurate, reliable and timely reports	Regular	AARs and AOMs
Governance Commission for GOCCs (GCG)	Compliances to governance	Accurate, reliable and timely reports	Seldom	Agency Assessment
Bureau of Internal Revenue (BIR)	Tax remittances	Accurate taxes are remitted on time	Regular	Certification of compliance
Government Procurement Policy Board (GPPB)	Procurement-related compliances	Accurate, reliable and timely reports	Seldom	Certification of compliance
Local Government Units (LGUs)	Technical and funding support	Ease of doing business and efficient service delivery	Always	Customer Satisfaction Survey
TEZ Investors	Designation and Registration of TEZs and RTEs	Ease of doing business and efficient service delivery	Always	Customer Satisfaction Survey
International Passengers	Payment of travel tax	Effective and efficient service delivery	Always	Customer Satisfaction Survey
Guests	Overall experience in operating entities	Effective and efficient service delivery	Always	Customer Satisfaction Survey
Civil Service Commission	Appointments and other human resource actions	Accurate, reliable and timely reports	Regular	CSC accreditation through PRIME-HRM

Note: Additional rows per section may be added, if needed.



TOURISM INFRASTRUCTURE AND ENTERPRISE ZONE AUTHORITY

RISK AND OPPORTUNITY REGISTER

Doc Code: TIEZA-OF-01	Rev No.: 0	Effectivity Date: 15 February 2022	Updated by: <i>Nino Ruperto F. Aquino</i> Aty. NINO RUPERTO F. AQUINO	Date updated: 23 May 2022
			Reviewed & approved by: <i>Mark T. Lapid</i> MARK T. LAPID	Date approved:

1. Identify and analyze risk/opportunity affecting the intended output of the risk category.
 2. Actions on risks include avoiding risks, taking risk to pursue an opportunity, eliminating risk source, changing likelihood or consequence, sharing risk, retaining risk by informed decision.
- Team Members:** Ma. Zenaida Quinahan; Josefina Soriano; Eva Yu; Ermina Palomique; Althea Reynoso; Guillan Castillo; Emma Valdez; Isabel Martinez; Gory Pecor; Ma. Lina Melanio; Leo Malcolm Mendoza; Paula Casabuenar; Mentors: Mark Unseg; Kristina Saloni; and Sector TAS

Risk Identification			Analysis & Evaluation				Risk Treatment/Action			Effectiveness, Monitoring & Review										
Date	Process	Description of Risk / Opportunity	R/O	Source Cause	Effect Consequence	Current Control / Existing Situation	Initial R/O		Grade	R/O Owner	Action	PIC	Due date	Related Process	Residual R/O		Further action required? if yes state action, if no state "retain"	Actual Action Completion Date	Result/ Remarks	
							Consequence Likelihood	Total							Consequence Likelihood	Total				
07/15/2021	Travel Tax Collection	TIEZA may collect a uniform fee from all travelers going out of the country in lieu of travel tax.	O	Bill to be filed with the House of Representatives and/or Senate	Despite the abolition of travel tax, TIEZA will be able to meet its performance scorecard targets and fund tourism-related infrastructure projects, rehabilitation of assets, and operational requirements of the Authority (including those of CHED and NCCA).	Looking for possible sponsors in the Congress and monitoring the progress of pending bill re Tourism Development Fund	5	3	15	C	FOR MONITORING (TIEZA will prepare Position Paper for presentation to possible sponsors in the Congress)	LEGD: TAXD	10/31/2022	Legal Opinion/ Legislative Listing/ Lobbying						
05/23/2022	TIEZA Processes	TIEZA's processes may be disrupted due to natural hazards and disasters.	R	Lack of adequate institutional mechanism to manage crisis/emergencies and address the adverse impact	Disruption in TIEZA processes will result to clients' dissatisfaction and/or complaints.	Creation of the Corporate Communications Unit (CCU), Emergency Response Group (ERG), Data Breach Response Team.	5	4	20	B	TIEZA Management ACTION PLAN (TIEZA to formulate its Business Continuity Plan)	ADSD: COPD	10/31/2022	Emergency/Crisis Management; Occupational Safety and Health; Business Continuity Planning						
05/23/2022	TIEZA Management and Policy Direction	TIEZA's existing directions, policies, programs, activities and projects may be changed by the new leaders or management.	R	Election of new President and subsequent appointment of new DOT Secretary, Board Members and COO. Separation from service of incumbent leaders. During change in administration, new leaders may not share the same directions and priorities with their predecessors.	This will result to discontinuance of existing strategic plans/initiatives, projects, programs and activities. Stakeholders may be dissatisfied and complain.	Strategy Map, Plans, Objectives, Initiatives and commitments are approved by the Board and the Governance Commission for GOCCs	3	4	12	C	TIEZA Management FOR MONITORING (Comprehensive Briefing of new leaders to appreciate current directions, plans and initiatives of the Authority)	COPD: OCCOS	within 30 days from appointment of new Board members	Induction/ Orientation; Strategic Planning						
05/23/2022	TIEZA Management and Policy Direction	TIEZA's directions, policies, programs, activities and projects may be updated or changed for the better by the new leaders or management.	O	Election of new President and subsequent appointment of new DOT Secretary, Board Members and COO. Separation from service of incumbent leaders. During change in administration, new leaders may not share the same directions and priorities with their predecessors.	TIEZA's policies, projects, programs and activities will be revisited and improved/updated with the support of the new leadership/management.	Strategy Map, Plans, Objectives, Initiatives and commitments are approved by the Board and the Governance Commission for GOCCs	4	3	12	C	TIEZA Management FOR MONITORING (TIEZA to update its Strategic Plan, OPRs, and Corporate Scorecard)	COPD	11/30/2022	Strategic Planning						
12/1/2021	TIEZA Management and Reorganization	TIEZA personnel may have to multi-task and be overburdened.	R	Limited plantilla positions and outdated organizational structure	This will result to deterioration of TIEZA personnel's well-being and reduced productivity or reduced excellence in service.	Filling-up of vacant positions, Hiring of COSS/JOs to augment manpower requirements. Submitted proposed OSSP to GCG. Capacity Building; Health & Wellness Program	5	3	15	C	TIEZA Management FOR MONITORING (rightsizing and updating of OSSP for submission to the new DOT Secretary)	ADSD	11/30/2022	Recruitment, Selection & Placement; Reorganization; Wellness Program						
12/1/2021	Succession Planning and Hiring Process	There may be no readily available pool of personnel with required qualifications and competencies to assume critical positions to be vacated by retiring officers.	R	No Succession Plan yet or not updated	There is possible leadership vacuum with no ready successors in place resulting to delays in the attainment of set targets.	Identified next-in-rank personnel are appointed as Officer-in-Charge; Hiring of external applicants.	3	3	9	D	TIEZA Management ACCEPT (formulation/finalization of TIEZASuccession Plan)	ADSD	10/30/2022	Succession Planning; Recruitment, Selection & Placement						

5/23/2022	Recruitment and Hiring Process	There may be some TIEZA personnel who are not competent or does not possess the best qualifications or competencies for their TIEZA positions, especially those technical positions.	R	Planilla positions available do not have attractive or competitive salary packages, and job mismatch	This will result to reduced service excellence.	Hiring of COS, Outsourcing of personnel from other units	3	3	9	D	TIEZA Management	ACCEPT (finalizing and updating of OSSP for submission to the new DOT Secretary)	AUSD	11/30/2022	Recruitment, Selection & Placement
5/23/2022	Budget Utilization	TIEZA will have low Budget Utilization Rate.	R	Changing circumstances resulting to failure to accurately forecast the budgetary requirements	The organization will not be able to meet performance target on budget utilization. There will be failure to deliver and promptly implement programs, activities and projects of the agency.	Monthly Budget Monitoring Reports provided to Departmental BSC; Conduct of Technical Budget Hearing prior to budget approval	5	5	25	A	TIEZA Management	(1) Revision of the Guidelines for Utilization of Funds (2) Implementation of Budget Management and Monitoring System Phase 1 (3) Inclusion of BUR in the OPCR	FISD, MISD, PMT	11/30/2022	Budget Execution, Budget and Financial Accountability Reports, SPMS
12/1/2021	Data and Information Management	Important digital data and information of TIEZA may be lost or compromised due to systems and IT equipment failure.	R	Advanced hacking mechanism, human error, computer viruses, malware, power failure, physical damage, etc; and no backup facility or data center redundancy	This will hamper critical operations of TIEZA and delay the delivery of services.	Backup of critical data is regularly done, however, storage located at the TIEZA Head Office	5	2	10	D	TIEZA Management	ACCEPT (Provision of 3-layer backup systems (cloud, actual unit, on premises)	MISD	10/31/2022	Data and Information Security
05/23/2022	Data and Information Management	Sensitive and confidential information may be stolen or disclosed through data security breach.	R	Insufficient data and information keeping and cybersecurity	This will result to violation of the Data Privacy Act. This will also result to damage to the trust in, and reputation of, TIEZA.	Designation of Data Breach Response Team (DBRT); Compliance of Data Privacy Act	4	2	8	D	TIEZA Management	ACCEPT (Implementation of Security Incident Management Policy, Cascading of said policy to TIEZA employees)	DBRT / Data Privacy Committee	11/30/2022	Data Privacy
05/23/2022	Compliance Obligations	TIEZA may fail to comply with statutory and regulatory requirements of the oversight bodies (e.g. COA, CSC, GCG, ACOS IATF, and with QMS).	R	There's a need for a more frequent monitor reporting lack of commitment from several offices Delay in submission of performance reports (SPMS) by several offices	This will result to low corporate governance scorecard rating or failure to meet performance targets which the agency will not be entitled to grant PBB and other performance incentives. Administrative sanctions will also be filed against the agency and erring officials.	Close monitoring of PBB Task Force, compliance officer and other related committees to ensure compliances.	4	2	16	B	TIEZA Management	ACTION PLAN (1)Regular monitoring and reporting to the MANCOM by the PBB TF and Compliance Officer and concerned committees. (2) And inclusion of these compliances in the OPCR)	PBB TF / Compliance Officer	[1] 15th of every month, and [2] 31/12/2022	Compliance Monitoring
05/23/2022	Registration of Tourism Enterprises	Investors in tourism enterprises may be discouraged to register with TIEZA with the new set of incentives and registration process under CREATE Act	R	The passage of CREATE Act which grants less incentives than what were previously granted in RA No. 9593 and changed the approving authority from TIEZA to FIRB.	This will reduce the applicants for registration with TIEZA resulting to less income and jobs generation in the tourism sector and less revenue for TIEZA.	Inclusion of tourism enterprises in the SIPP and roadshow presentation.	4	3	12	C	TIEZA Management	FOR MONITORING (Revisions of TIEZA Guidelines and fees to be synchronized with FIRB issuances and so that TIEZA will be at par with other IPAs.)	ATEZ	12/31/2022	Coordination and identification of evaluation parameters
05/23/2022	Operations and Management of TIEZA Assets	TIEZA may lose ownership and authority to develop some assets.	R	Some TIEZA assets are unutilized and being assessed with payment of real estate taxes	This will result to delayed development or enhancement of TIEZA assets, or failure to offer them for JV	Creation of the Pre-Titling Technical Committee, Included in the Sectoral and Departmental BSC; Formulation of business plans; Hiring of JO personnel to oversee some assets	4	4	16	B	TIEZA Management	ACTION PLAN (Pre-titling Technical Committee to formulate an Action Plan for the titling of priority assets and resolving issues on real estate taxes)	AMGT, BUDD, LEGD	11/30/2022	Titling and Appraisal of Assets; Coordination; Records Management; Legal Services
5/23/2022	Development of Infrastructure Projects	TIEZA's infrastructure projects may be limited	R	Mandanas Ruling	TIEZA's infrastructure projects will be limited to 5th and 6th class LGUs and will not cover those projects already devolved to LGUs	Discussion in the MANCOM	3	4	12	C	TIEZA Management	FOR MONITORING (prepare Position Paper and Proposed Infrastructure Projects that may be prioritized and identified within the Mandanas Ruling parameters)	LEGD, AESS, COPD	11/30/2022	Legal Research; Infrastructure Project Planning
5/23/2022	Procurement	TIEZA procurement may be delayed or violate RA 9184 and its IRR	R	Inadequate records management and lack of WI	This will result to delay in delivery of services by TIEZA or possible administrative sanctions of COA	Active monitoring of procurement activities and records keeping	4	3	12	C	TIEZA Management	FOR MONITORING (a. Formulation of Work Instruction; and b. Request additional space to store and keep records)	BAC	11/30/2022	Procurement

Prepared by: **Atty. Nino Ruperto F. Aquino**
 Chairperson, Risk Management Committee
 Date: _____

Approved by: **Mark T. Lapid**
 Chief Operating Officer
 Date: _____

Risk Criteria

A. Consequence

		Risk (Negative Consequence)				Opportunity (Positive Consequence)					
		Negative Effect	Customer Feedback	Fulfillment of Objectives	Budget Utilization	Return on investment	Stakeholder Value	Best Practices	Capacity/Sales/Turnaround time	Reduction in waste/cost	Product Conformity
Extremely Low	1	No negative impact at all	Minimal to no customer complaint; ≥ 96% customer satisfaction	≥ 96% target	≥ 96% utilization rate	Potential <5% ROI	No perceivable change to organization's value	No perceived value for improvement		<5%	<1% complaint reduction
Low	2	Minimal negative impact to the organization; can be possibly accepted as it is	Minor customer complaint; 90-95% customer satisfaction	90-95% of target	90-95% utilization rate	Potential 5-10% ROI	Slight increase in organization's value	Pursuing the opportunity will slightly improve good governance		5-10%	1-5% complaint reduction
Medium	3	Can result to the inconsistent implementation of QMS processes in a certain degree, resulting to inconsistent quality	Customer complaint resulting in claim; 70-89% customer satisfaction	70-89% of target	70-89% utilization rate	Potential 11-20% ROI	Considerable increase in organization's value	Pursuing the opportunity will considerably improve good governance		11-20%	6-10% complaint reduction
High	4	Can result in nonconforming product, delayed delivery, disruption of operations	50-69% customer satisfaction with a significant number of complaints	50-69% of the target	50-69% utilization rate	Potential 21-30% ROI	High increase in organization's value	Pursuing the opportunity will highly improve good governance		21-30%	11-15% complaint reduction
Extremely High	5	Can result to discontinuity of operations, legal noncompliance, loss of customer, financial loss which can result to closure, or severe damage to organization's reputation	High number of customer complaints; <50% customer satisfaction	<50% of target	<50% utilization rate	Potential >30% ROI	Very high increase in organization's value	Pursuing the opportunity will greatly improve good governance essential for sustainability		>30%	>16% complaint reduction

B. Likelihood (L) Rating

		Risk
Extremely Low	1	Rare, not known to happen, proven or completely mitigated by existing procedure
Low	2	Unlikely, very low likelihood of happening, happened once in the last 5 years, demonstrated or well mitigated by existing procedure
Medium	3	Moderate, known to happen, happened once in the last 2 years, partially demonstrated or mitigated by existing procedure
High	4	Highly likely to happen, happened once in the previous year, analytically demonstrated possible mitigate procedure
Extremely High	5	Almost certain, very likely to happen, happened more than once in a year, speculative with no mitigation procedure

		Opportunity
		No chance of success within next 12-24 months with existing condition
		1-25% chance of success within next 12-24 months with existing condition
		26-50% chance of success within next 12-24 months with existing condition
		51-75% chance of success within next 12-24 months with existing condition
		>75% chance of success within next 12-24 months with existing condition

C. Risk & Opportunity Grading

		Negative Consequence				
		VL (1)	L (2)	M (3)	H (4)	VH (5)
Likelihood	VH (5)	E (5)	D (10)	C (15)	B (20)	A (25)
	H (4)	F (4)	D (8)	C (12)	B (16)	B (20)
	M (3)	F (3)	D (6)	D (9)	C (12)	C (15)
	L (2)	F (2)	E (4)	D (6)	D (8)	D (10)
	VL (1)	E (1)	E (2)	E (3)	E (4)	E (5)

		Positive Consequence				
		VH (5)	H (4)	M (3)	L (2)	VL (1)
Likelihood	VH (5)	A (25)	B (20)	C (15)	D (10)	E (5)
	H (4)	B (20)	B (16)	C (12)	D (8)	E (4)
	M (3)	C (15)	C (12)	D (9)	D (6)	E (3)
	L (2)	D (10)	D (8)	D (6)	E (4)	E (2)
	VL (1)	E (5)	E (4)	E (3)	E (2)	E (1)

Category	Rating	Action
Extremely High	A (21-25)	Action Plan
High	B (16-20)	Action Plan
Moderate	C (11-15)	For Monitoring
Low	D (6-10)	Accept /No Action
Extremely Low	E (1-5)	Accept /No Action

*w/ action if consequence is high or extremely high