

PRODUCTIVITY & DEVELOPMENT CENTER**Technology Management Office****2024 Project Accomplishment Report****I. Project Information**

Project Code	QEGAX
Project Title	GQMP 2024: Development of a Quality Management System Certifiable to ISO 9001:2015 Standard for the Municipal Government of Candelaria, Zambales
Project Start	1 March 2024
Project End	30 August 2024
Project Price	PhP 630,000.00
Client Organization	Municipal Government of Candelaria, Zambales
Status	Terminated and Closed

II. Project Team

Project Manager	Ador G. Paulino
Team Member	Aileen A. Ricohermoso, , Natasha Michelle V. Abaya, Ritchell T. Furigay-Cunanan, Maria Veronica P. Angeles, Ronald Armin F. Ocampo, Ma. Elizabeth F. Estanislao, Marion Jasper V. Portea, Janina Angeli M. Ferrer, April Ponce Espino, Hazelyn Anne V. Baure, Orlando Jr. B. Botero, and Arnel D. Abanto
Supervising Fellow	Samuel C. Rosal
Resource Persons	Antonio P. Santos

III. Project Details**A. Project Description**

The Administration is committed to achieving economic and social transformation for a prosperous, inclusive, and resilient society as detailed in the Philippine Development Plan (PDP) 2023-2028. In pursuing this overarching goal, the practice of open, efficient, and accountable governance is required. Chapter 14 Outcome 3 of the PDP 2023-2028 on government functions, systems, and mechanisms rationalized and strengthened identified raising of productivity performance of agencies as one of its strategies. Contributory to this strategy is the strengthening of the implementation of the Government Quality Management Program, results-based performance management system standards, and the Development Academy of the Philippines' (DAP) productivity capability development programs, as well as the adoption of the Philippine Quality Award performance excellence framework.

This imperative direction in the PDP 2023-2028 further strengthens the need for government agencies to comply with Executive Order numbered 605, s. 2007 *Institutionalizing the Structure, Mechanisms, and Standards to Implement the Government Quality Management Program (GQMP)*.

The DAP, as the National Productivity Organization and the advocacy and capability-building arm of the Government Quality Management Committee (GQMC), continues to

levelling up its quality improvement initiatives aimed at enhancing government agencies' performance in delivering quality services and broadening government-wide quality improvement to ensure that Filipino citizens greatly benefit from the process and system improvement initiatives.

Consequently, the Municipal Government of Candelaria (MGC) created by virtue of the decree issued on 2 December 1872 by the Spanish Governor General who was then the Chief Executive of the Province of Zambales, is mandated to ensure and support, among other things, the preservation and enrichment of culture, promote health and safety, enhance the right of the people to a balanced ecology, encourage and support the development of appropriate and self-reliant scientific and technological capabilities, improve public morals, enhance economic prosperity and social justice, promote full employment among their residents, maintain peace and order, and preserve the comfort and convenience of their inhabitants, the MGC seeks to continually improve the delivery of its services and transform its current management system into an ISO 9001:2015-certified Quality Management System (QMS). The MGC signified its interest and commitment and was selected as one of the GQMP Beneficiary Agencies that will receive technical assistance from the DAP for the establishment of a QMS certifiable status eligible to ISO 9001:2015 Standard.

In this regard, the DAP implemented the project entitled, *Development of a Quality Management System Certifiable to ISO 9001:2015 Standard for the Municipal Government of Candelaria, Zambales*.

B. Project Objectives

At the outset, the project aimed at establishing a QMS in the MGC eligible to and/or certifiable to the ISO 9001:2015 Standard, to cover its management, support, and core processes in the provision of public services, legislation, programs, and projects in the areas of health, social welfare, public information, environmental management, public infrastructure, tourism, public safety, and economic development, as well as effect improvements in the quality of its services. Specifically, it sought to:

- 1) Enhance the understanding of key officers and staff on the principles and requirements of ISO 9001:2015 Standard;
- 2) Develop the capabilities of key officers and staff in preparing for and sustaining the ISO 9001:2015 certification;
- 3) Prepare the documentation needed for the implementation and sustainability of the established QMS; and,
- 4) Exhibit verifiable process and/or service quality improvement in the provision of UPSPA's services.

While Objective #1 above was partly attained to some degree, the overall project objective, however, was not because of the LGU's non-compliance in submitting the basic requirement to submit a resolution issued by its Municipal Council (*Sanggunian*) giving authority to the Municipal Mayor to sign for the LGU the Memorandum of Understanding (MOU) between the MGC and DAP for this purpose. Thus, the project was terminated and closed because of this reason.

- C. **Focus Area:** Public Sector Productivity
D. **Project Type:** GAA
E. **Project Beneficiary:** LGUs
F. **Coverage:** R3, Central Luzon

IV. Project Accomplishments

A. Key Activities Implemented

Date	Activity
16-17 May 2024 (Online)	<u>Initial Quality Performance Assessment.</u> Provided a profile of the initial assessment of the agency's quality performance in terms of delivering consistent and continual quality products and services.
18 Jun 2024 (Online)	<u>Orientation on ISO 9001:2015 Quality Management System (QMS) Standard.</u> An orientation on ISO 9001:2015 QMS was conducted to deepen awareness of top management and general employees on the QMS concepts, principles, and requirements, as well as their critical roles and responsibilities in the establishment and sustainability of the ISO 9001:2015 QMS in MGC. The orientation emphasized the importance and benefits of implementing QMS in improving service quality and productivity in the public sector. The project's overview, methodology, components, and roadmap were also presented during the orientation.
21-24 May 2024 (Online)	<u>Training Course on ISO 9001:2015 QMS Requirements and Documentation.</u> The course developed the participants' knowledge and understanding of quality concepts and principles, the requirements defined in ISO 9001:2015 Standard, and relevant statutory and regulatory requirements relevant to MGC. The discussions provided an overview of how to establish, implement, maintain, and continually improve the QMS.
30-31 May & 7 Jun 2024 (Online)	<u>Workshop on Process Mapping and Risk-Based Quality Planning.</u> The workshop defined the scope of the QMS and determined the different processes to be covered. It included the review and enhancement of identifying relevant internal and external issues; needs and expectations of interested parties, quality policy, associated risks and opportunities, and quality objectives, among others, that may need to be addressed through risk-based quality planning.
9-11 Jul 2024 (Onsite)	<u>Workshop on QMS Documentation.</u> The workshop formulated the structure and controls for QMS-documented information. It determined specific documented information to be maintained to describe the QMS, established quality controls for its processes aligned with ISO 9001:2015 requirements to ensure consistent delivery of quality products and services. Moreover, it enhanced the high-level business process map that integrated and aligned processes to achieve the organization's desired outcomes. In the documentation process, existing management approaches were evaluated <i>vis-à-vis</i> the requirements of ISO 9001:2015 Standard to ensure the availability, adequacy, and effectiveness of the QMS documented information.

Date	Activity
	The workshop also introduced knowledge management to develop participants' awareness and understanding of the importance of managing organizational knowledge for improved efficiency of processes. It focused on determining, documenting, and maintaining the organizational knowledge necessary for the operation of processes, and making it available, to the extent necessary, to achieve conformity of products and services.

B. Major Outputs

- 1) The commitment of MGC to improve their service quality delivery and not for compliance only through their QMS journey.
- 2) Enhanced/Final version of the following documented information:
 - a) Business Process Map
 - b) QMS Scope Statement
 - c) Quality Policy
 - d) List of internal and external issues
 - e) RIP's needs and expectations

C. Project Impacts

Accordingly, the completed activities prior to the project's termination/closure were delivered by the DAP Project Team as per the agreed schedule although with minor adjustments as requested by the MGC through the QMS Focal Person. The major impact of the project's termination/closure, to wit:

- 1) Delayed or Halted Progress Towards ISO 9001:2015 Certification

The journey of the MGC's towards achieving ISO 9001:2015 certification has been completely stopped notwithstanding if there are any plans from the LGU to pursue the same later. The five completed activities, while valuable, are likely insufficient for full certification. Without the grant and DAP's direct assistance, the LGU lost the structured support, expertise, and potentially the initial momentum needed to proceed.

The ISO certification, it must be noted, requires sustained effort, resources (human and non-human, especially financial, e.g., grant funds and counterpart funds), and a systematic approach to quality management. The termination meant the LGU now lacks the external push and expertise to continue mapping processes, developing documentation, conducting internal audits, and preparing for external certification audits. This translates that the LGU has been set back indefinitely, making it harder to realize the benefits of certification.

- 2) Loss of Potential Benefits and Opportunities from ISO 9001:2015 Certification

By not attaining certification, the LGU missed out on the numerous strategic and operational advantages that ISO 9001:2015 provides. These benefits are the primary drivers for any organization to pursue certification. Among others, these lost benefits include:

- a) Improved Efficiency and Effectiveness. ISO helps streamline processes, reduce waste, and improve service delivery to citizens.
- b) Enhanced Reputation and Credibility. Certification signals a commitment to quality and good governance, potentially attracting more investments, partnerships, and public trust.
- c) Increased Citizen Satisfaction. Better managed processes often lead to more consistent and reliable public services.
- d) Better Risk Management. The standard helps identify and mitigate risks in operations.
- e) Eligibility for Certain Grants/Partnerships. Some future funding opportunities or collaborations might require or prefer ISO-certified entities.
- f) Internal Culture of Quality. The LGU lost the opportunity to embed a systematic approach to continuous improvement.

3) Wasted Investment (Time, Effort, Resources) for Both Parties and the Government

At the end of the day, the Government is the one to lose much because the beneficiary agency and the DAP are government entities. Both DAP and the LGU have already invested significant time, effort, and resources into the five completed activities. This investment now yields diminished returns, as it is not leading to the intended certification outcome. Specifically:

- a) For the LGU. They invested staff time, potentially reallocated internal resources, and committed to the initial stages of the project. This internal effort is now, in essence, “stranded” without the next steps.
- b) For the DAP. Funds, staff hours, and expertise on the initial activities were expended. While those activities might have provided some immediate value, the overall grant objective (LGU attaining certifiable status) was not met, representing an inefficient use of grant resources in the larger context. This also impacts DAP’s success metrics for this GQMP grant.

4) Damage to Future Collaboration Prospects and Trust (Potentially)

The inability of the LGU to fulfill a fundamental grant requirement, leading to termination, can create a ripple effect on future collaborations, not just with the DAP alone but potentially with other grant-giving bodies. Accordingly:

- a) For the LGU. This incident might flag the LGU as a higher-risk partner for future grants, particularly the non-compliance was attributable to internal procedural issues or a lack of understanding of grant requirements. The LGU may face increased scrutiny. There might also be a perception among the LGU’s staff that the effort was futile, potentially leading to cynicism about future initiatives.
- b) For the DAP. While the DAP acted appropriately by terminating the grant due to non-compliance, it still represents a project that did not reach its full potential. A review of DAP’s due diligence process in the screening of beneficiary agencies or engagement strategies for future LGU partnerships to prevent similar issues.

Lessons Learned

- 1) **DAP's due diligence process in the screening of beneficiary agencies.** Despite the significant reduction in the 2025 budget allocated for the GQMP when compared to the 2024 budget, the DAP must go back to the drawing table and scrutinize the screening process of determining beneficiary agencies. An ocular visit of the applicant-beneficiary agency may prove worthwhile in this instance. This is a must because PhP1.8 million per agency is PhP1.8 million.
- 2) **Top management commitment is construed as 'lip service'.** While the LGU's chief executive was among the 'early birds' who registered to attend the MOU signing ceremony at the DAP early this year, sending only representatives for such important affair initially reflected the commitment of the LGU for the undertaking. The local chief executive attending an important event as an excuse is quite unacceptable because the MOU is of equal importance.

V. Attachments

- 1) Letter of Project Termination/Closure from PMVR to the Municipal Mayor of Candelaria, Zambales.
- 2) Certificate of Project Deliverable Accepted (CPDA) for the completed activities, which can be viewed from the ePMIS.

Prepared by:


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Noted/Approved by:


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