

## Gov't eyes private sector role in target setting

By Louella D. Desiderio (The Philippine Star) Updated July 29, 2012 12:00 AM Comments (0) [View comments](#)

Manila, Philippines - The government is looking for a role for the private sector in coming up with standards for the assessment of the performance as well as grant of incentives to public institutions, officials said yesterday.

“There should be a lot of private sector participation in setting performance targets and criteria to be used for the government agencies,” Guillermo Luz, private sector co-chair of the National Competitiveness Council said during the SMEs (small and medium enterprises) as a Major Force in Promoting Integrity and Accountability in Business Conference organized by the Asian Institute of Management yesterday.

Giving a role to the private sector in the crafting of performance targets or standards, he said, would make it easier for government to come up with a scorecard.

Luz is pushing for the private sector to have advisory capacity in the creation of performance indicators, given the sector’s expertise on the matter.

For his part, Arsenio Balisacan, socioeconomic planning chief and a member of the inter-agency task force on performance-based incentives program said in the same event the government is willing to conduct consultations with the private sector in coming up with performance indicators.

“We really have to consult them (private sector). For the private sector, it is common for them to have an incentive system. It is common practice to them so we just need to adapt some of their practices,” he said.

The government is working on identifying a set of standards to assess the performance of government agencies and officials under its performance-based incentives program.

Under Administrative Order (AO) 25 issued in December last year by President Benigno Aquino III, an inter-agency task force was created to develop a common set performance scorecard and design to be used as basis to determine entitlement to performance-based allowances, incentives or compensation of government agencies or personnel.

But while the AO pushes for a common scorecard, Luz is recommending to have a unique set of indicators for each government agency since the public institutions have different functions.

Balisacan said the program is still a work-in-progress but noted the government wants to start the pilot implementation of the performance-based incentives program this year in select government agencies.

“We are planning to implement a bureaucracy-wide (performance-based incentives program) next year,” he said.

The government, he said, is offering performance-based incentives to government agencies and officials as part of efforts to promote good governance and put a stop to corruption.

By fighting corruption, he said, the government would be able to provide an environment that is conducive for business and would enable SMEs to grow.

Aquino mentioned in his State of the Nation Address on Monday that the government would start to implement this year a system in which bonuses would be given based on the agency’s abilities to meet their annual targets.

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