



PRODUCTIVITY AND DEVELOPMENT CENTER 2019 PROJECT ACCOMPLISHMENT REPORT

I. Project Information

Project Code	: QCRQC
Project Title	: Development of a QMS Certifiable to ISO 9001:2015 for the LBP Leasing and Finance Corporation
Project Start	: November 5, 2018
Project End	: May 31, 2019
Project Price	: PHP 980,000.00
Client Organization	: LBP Leasing and Finance Corporation

II. Project Team

Supervising Fellow	: Evangeline M. Macariola
Project Manager	: Raymond L. Agcaoili
Technical Staff	: Ritchell F. Cunanan, Natasha Michelle V. Abaya, Samantha Sheane T. Chico, Rose May O. De Leon, Angela C. Vargas, Ronald Armin F. Ocampo, Aleli D. Briones
Administrative Staff	: Dayanara Betty Angelica C. Imbang, Aleli D. Briones, Carolyn N. Caudilla, Anneraine M. Colobong
Consultant/Resource Person	: (n/a)
Center Head	: Arnel D. Abanto

III. Project Description

The LLFC established its quality management system (QMS) based on the requirements ISO 9001:2015, a globally recognized standard, to improve the quality of service of the corporation's growth and development endeavors.

The establishment of LLFC's QMS based on ISO 9001: 2015 is in line with Executive Order No. 605 and with LLFC Management's quality direction to ensure effective management and good governance within the corporation and have the strong will to serve the people at its best.

In this regard, the LLFC partnered with the Development Academy of the Philippines – Productivity and Development Center (DAP-PDC) in the

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establishment of their QMS to ensure that all applicable requirements of the ISO 9001:2015 standards are effectively complied with in the processes covered by its QMS.

IV. Project Objectives

The project aimed to provide the necessary interventions to facilitate the establishment of ISO 9001:2015 QMS for the LLFC covering the activities related to the provision of non-bank financial services to government offices and LBP borrowers in support of the National Government Agenda.

Specifically, it:

- Enhanced understanding and appreciation of the LLFC officers and staff on the principles and requirements of ISO 9001:2015 QMS;
- Developed the capabilities of key officers and staff of the LLFC in preparing for and sustaining the ISO 9001 certification; and,
- Prepared the documentation and implementation requirements for the certification and for maintaining and sustaining the established QMS of the LLFC.

Focus Area

Public Sector Productivity

Project Type

Regular

Project Beneficiary

Government Agencies/ Public Sector

Regional Coverage

National Capital Region (NCR)

V. Project Accomplishments (2019)

a. Project Workplan

- The DAP Project Team prepared the Project Workplan that defined and scheduled the deliverable activities of the project. The work plan was submitted on 29 October 2018 and was subsequently approved by the LLFC Top Management.

b. Orientation on ISO 9001:2015

- The DAP Project Team conducted the orientation on 5 November 2018.
- The importance and principles of productivity and quality improvement approaches and ISO 9001:2015 QMS, as well as, the requirements from the Top Management, QMS Core Team members and general employees of the LLFC were discussed during the orientation. Their roles and responsibilities in the development of their QMS certifiable to ISO 9001:2015 were explained. The project overview, methodology, components and roadmap were presented.
- Thirty-seven (37) Top Management, Unit Heads/process owners and QMS Core Team members attended the half-day session.

c. Training Course on ISO 9001:2015 QMS Requirements and Documentation

- The DAP Project Team conducted the training course on 7, 8 & 9 November 2018.
- The course provided the participants with an in-depth understanding of the QMS concepts, principles and requirements. The training included the initial preparation of the required documented information. The course utilized discussions, exercises and workshops.
- Eighteen (18) QMS Core Team members and key officers attended the workshop.

d. Workshop on Process Mapping and Risk-Based Quality Planning

- The DAP Project Team conducted the workshop on 14, 15 & 20 November 2018.
- The workshop enabled the participants to draft the quality policy, formulate quality objectives and develop corresponding implementing action plans at relevant functions. Participants identified the significant

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issues, as well as, risks and opportunities that the LLFC has to address through risk-based quality planning. The training also covered the preparation of a process map that illustrates the interfaces of the management, core and support processes.

- Twenty (20) participants composed of QMS Core Team members and key officers and staff attended the workshop.

e. *Workshop on QMS Documentation*

- The DAP Project Team conducted the workshop on 22, 26 & 27 November 2018.
- DAP Project Team facilitated the formulation of structure and controls for the LLFC's documented information which are necessary for the effective implementation of the QMS. The workshop ensured the adequacy and effectiveness of the QMS documented information; likewise, it evaluated the existing management approaches of the LLFC based on the ISO 9001:2015 standard.
- Twenty (20) participants composed of QMS Core Team members and key officers and staff attended the workshop.

f. *Technical Guidance on Enhancement of Operational Controls and Procedures*

- The DAP Project Team conducted the technical guidance sessions on 12, 13 & 14 February 2019.
- The technical guidance enabled the participants to develop and review the existing controls and documentation of the LLFC's core, operational, and support processes. Analysis of existing process activities to identify possible work simplification was discussed during the sessions. The activity ensured the alignment of the LLFC's operational and support processes to the minimum requirements of the ISO 9001:2015 QMS.
- Twenty (20) participants, composed of QMS Core Team members and key officers and staff, attended the sessions.

g. *Seminar-Workshop on 5S Good Housekeeping*

- The DAP Project Team conducted the seminar-workshop on 19 February 2019.
- The seminar-workshop provided an opportunity for the participants to appreciate the practice of 5S Good Housekeeping in improving the

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productivity and quality in the workplace, and its applications to complement in the effective implementation of the ISO 9001 QMS.

- Seventeen (17) participants, composed of QMS Core Team members and key officers and staff, attended the seminar-workshop.

h. Technical Guidance on QMS Implementation

- The DAP Project Team conducted technical guidance sessions on 22 February; 13 & 14 March 2019.
- The DAP Project Team provided technical guidance to the QMS Core Team members to effectively implement the requirements of the ISO 9001:2015 QMS. On-site checking of the actual implementation of the established QMS was conducted to determine preparedness of the process owners of the identified process scope and to properly cascade the QMS to all employees.
- Eighteen (18) participants, composed of QMS Core Team members and key officers and staff, attended the sessions.

i. Training Course on Auditing Quality Management System

- The DAP Project Team conducted the training course on 19, 20, 21 & 22 March 2019.
- The training course enabled the participants to understand, interpret and audit QMS requirements, as well as, address audit findings. The training course discussed the roles and responsibilities of auditors and utilized discussions, exercises, workshops, and simulation audit to guide and enhance auditing skills of the participants.
- Nineteen (19) participants, composed of QMS Core Team members and key officers and staff, attended the workshop.

j. Workshop on Auditing Quality Management System

- The DAP Project Team conducted the workshop on 4 and 5 April 2019.
- The workshop enabled the trained auditors of the LLFC to prepare the audit programme, audit plan, and audit checklist, as well as, to prepare the audit reports that they will be using for the actual internal quality audits that they will be conducting henceforth.
- Twenty (20) participants, composed of QMS Core Team members, key officers and staff, attended the training course.



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k. Training Course on Root Cause Analysis and Corrective Action Formulation

- The DAP Project Team conducted the training course on 3 & 4 December 2018.
- The training course developed awareness and enhanced the capability of the selected LLFC personnel in effectively using practical tools and techniques for analyzing and validating the root cause of existing nonconformities, and formulating solutions for preventing the nonconformities from recurring and/or occurring.
- Nineteen (19) participants, composed of QMS Core Team members, key officers and staff, attended the training course.

l. Technical Guidance on Management Review

- The DAP Project Team conducted the technical guidance on 29 April and 14 May 2019.
- The DAP Project Team provided a technical guidance on the preparation and finalization of the inputs needed for the management review such as Management review presentation templates. It also provided guidance on the actual conduct of the management review and feedback/ recommendations to enhance the conduct of management review and the effectiveness of the QMS.
- Eighteen (18) participants, composed of QMS Core Team members, key officers and staff, attended the Management Review.

m. Readiness Assessment

- The DAP Project Team conducted the assessment on 29 & 31 May 2019.
- The activity identified necessary actions to eliminate the gaps and recommended final preparations for ISO 9001:2015 certification.
- Twenty-eight (28) participants, composed of QMS Core Team members, key officers and staff, attended the Readiness Assessment report presentation.

VI. Lessons Learned

A. Facilitating Factors

1. The LLFC key officers, particularly the VP-Administration and concurrently the QMR and the AVP- Risk Management, were very supportive of the project. The QMR made sure that training, workshops and technical guidance sessions started promptly.

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2. DAP team and the LLFC QMR regularly discussed and assessed issues and concerns that may cause delay in the project completion. Both parties immediately addressed these issues and with proper consultation with approving authorities.
3. Top Management, particularly the LLFC President, showed interest in reviewing and approving the QMS documented information prepared by the Core Team; likewise, reacted favorably on the recommendations /suggestions made by the DAP Project Team.

B. Hindering Factors

1. There were instances during the conduct of workshops and technical guidance sessions when discussions were monopolized by high-ranking officers. Some of the discussions have turned out to be lengthy and too technical. The DAP Resource Person, on several occasions, was put in an awkward situation to close the discussions.
2. Due to his office workload, the Leader of the Secretariat was not as organized as we wanted him to be in keeping track of the accomplishments / outputs from each activity. The DAP Project Team discussed this concern with the QMR and, eventually, requested for his replacement.

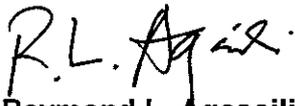
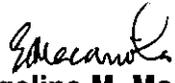
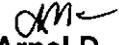
VII. Project Impact

1. More effective management of processes – the division heads were involved in enhancing the activities and controls of their documented processes, and in preparing risk-based quality plans to mitigate the impact that future events may have on the ability of their processes to continually and consistently deliver quality service to their customers.
2. Improved internal communication – the division heads/process owners realized the importance of proper communication among themselves to effectively interface their processes and provide the needs and expectations of their customers (both internal and external).
3. Management of risks – the division heads' understanding and eventual implementation of the various risk management tools and techniques were beneficial in the effective management of their respective processes and in sustaining the QMS, altogether.



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<i>Prepared by:</i>	<i>Reviewed by:</i>	<i>Noted / Approved by:</i>
 Raymond L. Agcaoili	 Evangeline M. Macariola	 Arnel D. Abanto
Project Manager	Director Advocacy and Institutional Development Office	Managing Director Productivity and Development Center

ONE-POINT LESSON

Project	DEVELOPMENT OF A QUALITY MANAGEMENT SYSTEM CERTIFIABLE TO ISO 9001:2015 FOR THE LBP LEASING AND FINANCE CORPORATION
Prepared by	Raymond L. Agcaoili <i>R.L. Agcaoili</i>
Noted by	Arnel D. Abanto <i>Arnel D. Abanto</i>
Center	PDC
Date Prepared	August 19, 2019
File number	

Subject/Activity:

1. Enhancement of Operational Controls and Procedures

Actual Date (if applicable): 4-7 Sept. 2018

What happened?	What should have been done?
1. When the QMS project started early November 2018, the LLFC was in the process of revising their procedures in line with its recent reorganization. During the Technical Guidance Session on Enhancement of Operational Controls and Procedures in mid-February 2019, the participants argued as to whether they should enhance the current, approved procedure or the revised procedures that are still being drafted.	After a thorough discussion, the participants decided to enhance the activities and controls of the <u>revised procedures</u> that they are still preparing. However, their condition is that these revised, enhanced procedures will have been finalized, approved and implemented for at least one (1) month before the external auditors will be engaged for the LLFC QMS ISO 9001 certification.

Instructions:

- Fill-out all items briefly and completely. Please refer to guidelines for further information. Limit to 1 to 5 sentences. Illustrations can be used.
- One template = One Lesson
- Submit One-Point Lesson to osvpp@dap.edu.ph

Guidelines in filling out the One-Point Lesson Template v3

- **PROJECT** – Input project title or event in this field
Ex. Training on the Formulation of Service Charter
Joint Graduation for MMC 5 and Sec 3
- **PREPARED BY** – Name of staff who documented the one-point lesson. The staff is ideally a team member of the project or has a personal knowledge of the lesson.
- **NOTED BY** – Name and Signature of Center Head
- **CENTER** – Mother Group or Implementing Center of the project

- **DATE** – Date prepared
- **FILE NUMBER** – Tracking number to be issued by OSVPP for archiving and identification purposes
- **SUBJECT/ACTIVITY** – Specific activity/event in the project where the lesson arises or any subject of an improvement/trouble cases.
Ex. Arrival and Registration of Participants
 Stage Set-Up for PMDP Joint Graduation
- **WHAT HAPPENED?** – Actual accounts of the opportunity for improvement, technical problem encountered, and/or bad practices observed in the execution of the program or activity mentioned. The immediate action/solution done by the team is documented.
- **WHAT SHOULD HAVE BEEN DONE?** – These are the Work-around solutions, Troubleshooting steps and/or Graphical Illustrations that the project team/employee could have been done, this includes both correction (band-aid) and preventive action.