

# City of San Fernando, Pampanga

## Governance as a Shared Responsibility

**T**ools are created to facilitate the completion of various tasks. Management tools are designed so that an organization can be steered towards achieving its goals. The City of San Fernando decided to adopt a new management tool—the Public Governance System (PGS)—to pursue its objective of becoming the foremost business center and tourist destination and gateway to Northern Philippines.

The PGS is a management system that enables executives and stakeholders to channel the entire community's energies, abilities and special knowledge towards achieving long-term strategic goals. It calls for effective, sustained and systemic contributions from individuals for the common good of their organization or community. The PGS is an adaptation of the Balanced Scorecard (BSC), a revolutionary measurement and management system used in business and developed at the Harvard Business School. Due to its success, the BSC has been used in improving the governance of many public institutions worldwide. The Institute for Solidarity in Asia (ISA) has initiated the application of the BSC in Philippine public governance. The ISA is an independent, non-partisan, not-for-profit institution that seeks to raise the standards of public governance through citizen's participation. The PGS uses scorecards to monitor and track progress, mainly as a positive instrument to improve governance, cooperation and performance.



The city mayor learned about the PGS when he attended the conference hosted by ISA in August 10, 2005. Two months later four city representatives were sent to an ISA-sponsored technical training in Makati City on October 2005. These representatives became the City Government's PGS Technical Working Group. Then, on December 21, 2005, the scorecards and the city roadmap were crafted during a working session of dedicated departments.

The distribution of responsibilities is what the PGS is all about. The city mayor has a clear set of responsibilities and a scorecard that measures his accomplishments. Apart from the mayor and city departments, the major sectors of the city also have their scorecards. Even the youth, the academe, the civic and professional organizations, business and media have their commitments and responsibilities to contribute toward

the shared goals of the city. The scorecards measure their actual performance against their commitments. The governance of the city then becomes a common responsibility of all, with officials and citizens sharing in the task of improving it, raising its standards and making it yield public benefits for the common good of all. Some of the items measured and "graded" in the scorecard are Social Services and Security, Business Friendliness, Greenness and Cleanliness, Efficiency, Infrastructure quality, etc.

There are several stages in the PGS—Initiation Stage, Compliant Stage, Proficiency Stage and Institutionalized. The City of San Fernando was declared PGS-Initiated on February 28, 2006. It was declared PGS-Compliant on August 30, 2006 and PGS-Proficient a year later. San Fernando is now close to attaining PGS-Institutionalized status.

The people of San Fernando City seek to pursue the common vision of transforming the city into a business center and tourist junction or the Gateway to Northern Philippines. They aspire to make the city as the Regional Center of Central Luzon and a Champion of Good Urban Governance in 2015. The long term goals are to make the city as the Global Gateway by 2020 and A Habitat for Human Excellence by 2030.

San Fernando has since attracted new businesses numbering 2,200 or a 16% average increase per year during the last three years. The City Government has tied up with small and medium enterprises and partnered with the local chamber of commerce to curb unemployment which was at an all time high of 17.60% in 2004. Livelihood assistance was provided to organized groups with the capacity to manage their own projects. The city also became a consistent awardee as the “Most Business-Friendly City in North Luzon,” a “Most Competitive Mid-sized City,” and the “Best LGU Practitioner in the Streamlining of the Mayor’s Permit.”

***The Public Governance System makes governance of the city a common responsibility, with officials and citizens sharing in the task of improving it, raising its standards and making it yield public benefits for the common good of all***

The city currently hosts a total of 6,587 business establishments. The city’s Business One-Stop Shop (BOSS) program has consistently adhered to the ISO 9001:2000 quality standards. In 2004, it took two to three weeks for the issuance of a Mayor’s Permit. These days, new and renewing business entities take only a minimum of two hours to a maximum of two days to obtain a permit. In 2004, the SEF was only 28 million. This year the SEF amounted to 78 million or an increase of 178%. The Internal Revenue Allotment (IRA) dependency of the city has also decreased from 52.85% in 2007 to 49% in 2008 because of increased collections from business and real property taxes.


With the leadership’s strong political will, the bureaucracy streamlined its workforce. The number of personnel was reduced from 1,297 to 1,054 with a resultant labor cost savings of PhP20.5M annually.

To strengthen the Executive-Legislative partnership, the City Mayor issued an Executive Order creating the Local Executive Development Advisory Coordinating Council (LEDACC). The LEDACC meets every year and have succeeded in formulating the ELA. In 2007, the SP was adjudged as the Regional Champion and one of the three in the National level in local legislation by the Department of the Interior and Local Government.

The City Government of San Fernando implements its policy of

transparency in governance via a strong communication advocacy. The Office of the Mayor created its Public Affairs and Media Production Unit (PAMPU) and its Management Information System (MIS) in order to ensure that information about government projects and local government operation and, more importantly, financial transactions are shared with constituents through various forms of media. The Office of Strategy Management (OSM) was put in place to undertake the following: scorecard management, organizational alignment, strategy reviews, strategy planning, strategy communication, initiative management, planning and budgeting, workforce alignment and best practices sharing.

There are areas that have yet to see improvements. One such area is barangay governance. For a long time, the culture of patronage politics permeated at this level, making it difficult to smoothly entice would-be partners and/or stakeholders to practice the PGS principles. But the city’s leadership is persistent. Thus, every effort is made to organize barangay assemblies, seminar workshops and PGS cascading through the Barangay Development Plan by tapping the Association of Barangay Councils and Association of Barangay Kagawads with the support of the DILG.

The PGS Scorecard has helped the City Government level-off, thinking in very definite ways on the same wavelength and direction and is bringing the City closer to attaining its grand goals. Pretty soon, San Fernando could emerge as one of the champions of the ISA’s Public Governance System. 

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