



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
GENERAL SOLANO ST., SAN MIGUEL, MANILA

BIDDING DOCUMENTS
FOR THE
CAPACITY DEVELOPMENT PROGRAM TO
SUSTAIN REFORMS BEYOND 2016
(PART I)

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SECTION I. REQUEST FOR EXPRESSION OF INTEREST

CAPACITY DEVELOPMENT PROGRAM TO SUSTAIN REFORMS BEYOND 2016

1. The Department of Budget and Management (DBM), through the authorized appropriation under the FY 2015 General Appropriations Act, intends to apply the sum of Six Million Pesos (P6,000,000.00) being the Approved Budget for the Contract (ABC) to payments under the contract, "Consulting Services for the Capacity Development Program to Sustain Reforms Beyond 2016." Bids received in excess of the ABC shall be automatically rejected at the opening of the financial proposals.
2. The DBM now calls for the submission of eligibility documents for Consulting Services for the Capacity Development Program to Sustain Reforms Beyond 2016 (the Project). Detailed service requirements are indicated in the Terms of Reference (TOR) of the Project (see Annex A).
3. The DBM will hold a meeting on the eligibility documents with the interested consultants (i.e., Consulting Firm/Group) on August 11, 2015, 10:00 a.m. at the Bids and Awards Committee (BAC) Conference Room, Ground Floor, DBM Building III, General Solano St., San Miguel, Manila, which shall be open to all interested parties.
4. Interested consultants must submit their eligibility documents on or before August 25, 2015, 10:00 a.m. at the BAC Conference Room, Ground Floor, DBM Building III, General Solano St., San Miguel, Manila. Applications for eligibility will be evaluated based on a non-discretionary "pass/fail" criterion.
5. The BAC shall draw up the short list of consultants from those who have submitted Expressions of Interest and have been determined as eligible in accordance with the provisions of Republic Act (R.A.) No. 9184, otherwise known as the "Government Procurement Reform Act," and its Implementing Rules and Regulations (IRR). The short list shall consist of five (5) interested consultants who will be entitled to submit bids. In accordance with Section 24 of R.A. No. 9184 and its IRR, the criteria and rating system for short listing are:
 - (i) Applicable experience and capability of the consultant and members, in case of joint ventures, considering both the overall experience of the firms or, in the case of new firms, the individual experiences of the principal and key staff, including the times when employed by other consultants (45 points);

- (ii) Qualification of personnel who may be assigned to the Project vis-à-vis extent and complexity of undertaking (40 points); and
 - (iii) Current Workload Relative to Capacity (15 points).
6. Bidding will be conducted through open competitive bidding procedures using non-discretionary “pass/fail” criterion as specified in the IRR of R.A. No. 9184.
- Bidding is restricted to Filipino citizens/sole proprietorships, partnerships, or organizations with at least sixty percent (60%) interest or outstanding capital stock belonging to citizens of the Philippines.
7. The DBM shall evaluate bids using the Quality-Cost Based Evaluation (QCBE). The criteria and rating system for the evaluation of bids shall be provided in the Instructions to Consultants.
8. The contract shall be completed within one (1) year from receipt of Notice to Proceed.
9. The DBM reserves the right to reject any and all bids, annul the bidding process, or not award the contract at any time prior to contract award, without thereby incurring any liability to the affected consultant or consultants.
10. For further information, please refer to:

DBM BAC Secretariat
Department of Budget and Management
General Solano Street
San Miguel, Manila
Tel. no. 7912000 loc. 3121
Email address: rdiaz@dbm.gov.ph
vumali@dbm.gov.ph

ATTY. JANET B. ABUEL
Undersecretary
Chairperson, DBM BAC

SECTION II. ELIGIBILITY DOCUMENTS

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CHECKLIST OF ELIBILITY REQUIREMENTS

I. Class “A” Documents –

Legal Documents

- 1. Registration Certificate from:
 - Securities and Exchange Commission (SEC) - for partnerships/corporations; or
 - Department of Trade and Industry (DTI) - for sole proprietorship; or
 - Cooperative Development Authority (CDA) for cooperatives.
- 2. Mayor’s Permit issued by the city or municipality where the principal place of business of the interested consultant is located;
- 3. Tax Clearance per Executive Order No. 398, series of 2005, as finally reviewed and approved by the Bureau of Internal Revenue (BIR).

Technical Documents

- 4. Eligibility Documents Submission Form accompanied by the company’s Secretary’s Certificate or Special Power of Attorney (Use Annex B)
- 5. Statement of all Government and Private Contracts Completed which are Similar in Nature (Use Annex C)
- 6. Certificate of Good Standing and Satisfactory Completion or equivalent document (for Completed Contracts)
- 7. Statement of all Ongoing Government and Private Contracts Including Contracts Awarded but not yet Started (Use Annex D)
- 8. Statement of the Consultant’s Nationality (Use Annex E)
- 9. Curriculum Vitae for the Proposed Professional Staff (Use Annex F)

Financial Document

- 10. Audited Financial Statements (AFS) for year 2014.

II. Class “B” Document –

Legal Documents

- 11. Valid Joint Venture Agreement (JVA) if joint venture is in existence or duly notarized statements from all the potential joint venture partners stating that they will enter into and abide by the provisions of the JVA in the event that the bid is successful.

Eligibility Documents

1. Eligibility Criteria

- 1.1. The following persons/entities shall be allowed to participate in the bidding for Consulting Services:
 - (a) Duly licensed Filipino citizens/sole proprietorships;
 - (b) Partnerships duly organized under the laws of the Philippines and of which at least sixty percent (60%) of the interest belongs to citizens of the Philippines;
 - (c) Corporations duly organized under the laws of the Philippines and of which at least sixty percent (60%) of the outstanding capital stock belongs to citizens of the Philippines;
 - (d) Cooperatives duly organized under the laws of the Philippines, and of which at least sixty percent (60%) interest belongs to citizens of the Philippines; or
 - (e) Persons/entities forming themselves into a joint venture, *i.e.*, a group of two (2) or more persons/entities that intend to be jointly and severally responsible or liable for a particular contract: Provided, however, that Filipino ownership or interest thereof shall be at least sixty percent (60%). For this purpose, Filipino ownership or interest shall be based on the contributions of each of the members of the joint venture as specified in their JVA.
- 1.2. When the types and fields of Consulting Services involve the practice of professions regulated by law, those who will actually perform the services shall be Filipino citizens and registered professionals authorized by the appropriate regulatory body to practice those professions and allied professions specified in the **EDS**.
- 1.3. If the Request for Expression of Interest allows participation of foreign consultants, prospective foreign consultants may be eligible subject to the qualifications stated in the **EDS**.
- 1.4. Government corporate entities may be eligible to participate only if they can establish that they (a) are legally and financially autonomous, (b) operate under commercial law, and (c) are not dependent agencies of the Government of the Philippines (GOP) or the Procuring Entity.

2. Eligibility Requirements

- 2.1. The following eligibility requirements shall be submitted on or before the date of the eligibility check specified in the Request for Expression of Interest and Clause 5 for purposes of determining eligibility of interested consultants:

(a) Class “A” Documents –

Legal Documents

- (i) Registration Certificate from SEC, DTI for sole proprietorship, or CDA for cooperatives, or any proof of such registration as stated in the **EDS**;
- (ii) Mayor’s Permit issued by the city or municipality where the principal place of business of the interested consultant is located;
- (iii) Tax Clearance per Executive Order No. 398, series of 2005, as finally reviewed and approved by the BIR.

Technical Documents

- (iv) Statement of the interested consultant of all its ongoing and completed government and private contracts, including contracts awarded but not yet started, if any, whether similar or not similar in nature and complexity to the contract to be bid, within the relevant period provided in the **EDS**. The statement shall include, for each contract, the following:
 - (iv.1) the name and location of the contract;
 - (iv.2) date of award of the contract;
 - (iv.3) type and brief description of consulting services;
 - (iv.4) consultant’s role (whether main consultant, subcontractor, or partner in a joint venture)
 - (iv.5) amount of contract;
 - (iv.6) contract duration; and
 - (iv.7) certificate of satisfactory completion or equivalent document specified in the **EDS** issued by the client, in the case of a completed contract;
- (v) Statement of the consultant specifying its nationality and confirming that those who will actually perform the service are registered professionals authorized by the appropriate regulatory body to practice those professions and allied professions in accordance with Clause 1.2 including their respective curriculum vitae.

Financial Document

- (vi) The consultant’s audited financial statements, showing, among others, the consultant’s total and current assets and liabilities, stamped “received” by the BIR or its duly accredited and authorized institutions, for the preceding calendar year which should not be earlier than two (2) years from the date of bid submission.

Financial Document

(vii) The consultant's audited financial statements, showing, among others, the consultant's total and current assets and liabilities, stamped "received" by the BIR or its duly accredited and authorized institutions, for the preceding calendar year which should not be earlier than two (2) years from the date of bid submission.

(b) Class "B" Document –

Valid joint venture agreement (JVA), in case a joint venture is already in existence. In the absence of a JVA, duly notarized statements from all the potential joint venture partners stating that they will enter into and abide by the provisions of the JVA in the instance that the bid is successful, shall be included in the bid. Failure to enter into a joint venture in the event of a contract award shall be ground for the forfeiture of the bid security. Each partner of the joint venture shall submit the legal eligibility documents. The submission of technical and financial documents by any of the joint venture partners constitutes compliance.

- 2.2. In the case of foreign consultants, the foregoing eligibility requirements under Class "A" Documents may be substituted by the appropriate equivalent documents, if any, issued by the foreign consultant's country.
- 2.3. The eligibility requirements or statements and all other documents to be submitted to the BAC must be in English. A translation of the documents in English certified by the appropriate embassy or consulate in the Philippines must accompany the eligibility requirements under Classes "A" and "B" Documents if they are in other foreign language.
- 2.4. Interested consultants may obtain a full range of expertise by associating with individual consultant(s) and/or other consultants or entities through a joint venture or subcontracting arrangements, as appropriate. However, subcontractors may only participate in the bid of one short listed consultant. Foreign consultants shall seek the participation of Filipino consultants by entering into a joint venture with, or subcontracting part of the project to, Filipino consultants.
- 2.5. If an interested consultant has previously secured a Certification from the Procuring Entity to the effect that it has previously submitted the above-enumerated Class "A" Documents, the said Certification may be submitted in lieu of the requirements enumerated in Clause 2.1 above.

3. Format and Signing of Eligibility Documents

- 3.1. Interested consultants shall submit their eligibility documents through their duly authorized representative/s on or before the deadline specified in Clause 5.

- 3.2. Interested consultants shall prepare an original and copies of the eligibility documents. In the event of any discrepancy between the original and the copies, the original shall prevail.
- 3.3. The eligibility documents, except for unamended printed literature, shall be signed, and each and every page thereof shall be initialed, by the duly authorized representative/s of the interested consultant.
- 3.4. Any interlineations, erasures, or overwriting shall be valid only if they are signed or initialed by the duly authorized representative/s of the interested consultant.

4. Sealing and Marking of Eligibility Documents

- 4.1. Unless otherwise indicated in the **EDS**, interested consultants shall enclose their original eligibility documents described in Clause 2.1, in a sealed envelope marked “ORIGINAL – ELIGIBILITY DOCUMENTS”. Each copy of which shall be similarly sealed in an envelope and duly marked as “COPY NO. ___ - ELIGIBILITY DOCUMENTS”. These envelopes containing the original and the copies shall then be enclosed in one single envelope.
- 4.2. The original and the number of copies of the eligibility documents as indicated in the **EDS** shall be typed or written in indelible ink and shall be signed by the interested consultant or its duly authorized representative/s.
- 4.3. All envelopes shall:
 - (a) contain the name of the contract to be bid in capital letters;
 - (b) bear the name and address of the interested consultant in capital letters;
 - (c) be addressed to the Procuring Entity’s BAC specified in the **EDS**;
 - (d) bear the specific identification of this Project indicated in the **EDS**; and
 - (e) bear a warning “DO NOT OPEN BEFORE...” the date and time for the opening of eligibility documents, in accordance with Clause 5.
- 4.4. If the eligibility documents are not sealed and marked as required, the Procuring Entity will assume no responsibility for its misplacement or premature opening.

5. Deadline for Submission of Eligibility Documents

Eligibility documents must be received by the Procuring Entity’s BAC at the address and on or before the date and time indicated in the Request for Expression of Interest and the **EDS**.

6. Late Submission of Eligibility Documents

Any eligibility documents submitted after the deadline for submission and receipt prescribed in Clause 5 shall be declared “LATE” and shall not be accepted by the Procuring Entity.

7. Modification and Withdrawal of Eligibility Documents

7.1. The interested consultant may modify its eligibility documents after it has been submitted; provided that the modification is received by the Procuring Entity prior to the deadline specified in Clause 5. The interested consultant shall not be allowed to retrieve its original eligibility documents, but shall be allowed to submit another set equally sealed, properly identified, linked to its original bid marked as “ELIGIBILITY MODIFICATION” and stamped “received” by the BAC. Modifications received after the applicable deadline shall not be considered and shall be returned to the interested consultant unopened.

7.2. An interested consultant may, through a letter of withdrawal, withdraw its eligibility documents after it has been submitted, for valid and justifiable reason; provided that the letter of withdrawal is received by the Procuring Entity prior to the deadline prescribed for submission and receipt of eligibility documents.

7.3. Eligibility documents requested to be withdrawn in accordance with this Clause shall be returned unopened to the interested consultant concerned. An interested consultant may also express its intention not to participate in the bidding through a letter which should be received and duly stamped by the BAC before the deadline for submission and receipt of eligibility documents. An interested consultant that withdraws its eligibility documents shall not be permitted to submit another set, directly or indirectly, for the same project.

8. Opening and Preliminary Examination of Eligibility Documents

8.1. The Procuring Entity’s BAC will open the envelopes containing the eligibility documents in the presence of the interested consultant’s representative/s who choose to attend, at the time, on the date, and at the place specified in the **EDS**. The interested consultant’s representative/s who are present shall sign a register evidencing their attendance.

8.2. Letters of withdrawal shall be read out and recorded during the opening of eligibility documents and the envelope containing the corresponding withdrawn eligibility documents shall be returned unopened to the withdrawing interested consultant. If the withdrawing interested consultant’s representative/s is present during the opening, the original eligibility documents and all copies thereof shall be returned to the representative/s during the opening of eligibility documents. If no representative is present, the eligibility documents shall be returned unopened by registered mail.

8.3. The eligibility documents envelopes and modifications, if any, shall be opened one at a time, and the following read out and recorded:

- (a) the name of the interested consultant;
- (b) whether there is a modification or substitution; and
- (c) the presence or absence of each document comprising the eligibility documents vis-à-vis a checklist of the required documents.

8.4. The eligibility of each interested consultant shall be determined by examining each consultant's eligibility requirements or statements against a checklist of requirements, using non-discretionary "pass/fail" criterion, as stated in the Request for Expression of Interest, and shall be determined as either "eligible" or "ineligible." If an interested consultant submits the specific eligibility document required, he shall be rated "passed" for that particular requirement. In this regard, failure to submit a requirement, or an incomplete or patently insufficient submission, shall be considered "failed" for the particular eligibility requirement concerned. If an interested consultant is rated "passed" for all the eligibility requirements, he shall be considered eligible to participate in the bidding, and the BAC shall mark the set of eligibility documents of the interested consultant concerned as "eligible." If an interested consultant is rated "failed" in any of the eligibility requirements, he shall be considered ineligible to participate in the bidding, and the BAC shall mark the set of eligibility documents of the interested consultant concerned as "ineligible." In either case, the BAC chairperson or his duly designated authority shall countersign the markings.

9. Short Listing of Consultants

- 9.1. Only interested consultants whose submitted contracts are similar in nature and complexity to the contract to be bid as provided in the **EDS** shall be considered for short listing.
- 9.2. The BAC of the Procuring Entity shall draw up the short list of interested consultants from those declared eligible using the detailed set of criteria and rating system to be used specified in the **EDS**.
- 9.3. Short listed consultants shall be invited to participate in the bidding for this project through a Letter of Invitation to Bid issued by the BAC of the Procuring Entity.
- 9.4. Only bids from short listed consultants shall be opened and considered for award of contract. These short listed consultants, whether single entities or joint ventures, should confirm in their bids that the information contained in the submitted eligibility documents remains correct as of the date of bid submission.

10. Protest Mechanism

Decision of the procuring entity at any stage of the procurement process may be questioned in accordance with Section 55 of the IRR of R.A. No. 9184.

SECTION III. ELIGIBILITY DATA SHEET

Eligibility Documents	
1.2	No further instructions.
1.3	No further instructions.
2.1 (a)(i)	For corporations/partnerships: the following shall also be submitted: Latest Articles of Incorporation/Partnership By-Laws duly approved by the Securities and Exchange Commission.
2.1 (a)(iv)	The Statement of all Ongoing Government and Private Contracts Including Contracts Awarded but not yet Started shall include all such contracts prior to August 11, 2015 (see Annex D for format). Likewise, the Statement of Government and Private Contracts Completed which are Similar in Nature shall be submitted (see Annex C for format).
2.1 (iv.7)	Proponent must show certification or any equivalent document from each of their client, as stated in the Statement of Completed Contracts form, that they are in good standing and have implemented similar projects (clause 9.1) to their client's expectations. This particular requirement of submitting certification or equivalent document shall only apply to contracts that are similar in nature to the project at hand.
4.1	Each interested consultant shall submit one (1) original and two (2) copies of its eligibility documents.
4.3(c)	Department of Budget and Management Bids and Awards Committee DBM Building III, Ground Floor General Solano St., San Miguel, Manila
4.3(d)	The name of the Project is "Capacity Development Program to Sustain Reforms Beyond 2016."
5	The address for submission of eligibility documents is BAC Conference Room, Ground Floor, DBM Building III, General Solano St., San Miguel, Manila.
8.1	The deadline of submission of eligibility documents is August 11, 2015, 10:00 a.m., at the above-mentioned address.
9.1	Similar contracts shall refer to conduct of training and coaching programs focused on individual and organizational development.

9.2	<p>The BAC shall rank the consultants in descending order based on their total scores considering the criteria presented below, and identify the top five (5) eligible consultants as short listed consultants. Should less than the required number apply for eligibility and short listing, pass the eligibility check, and/or pass the minimum score required in the short listing, the BAC shall consider the same.</p> <p>Scoring shall be based on eligibility documents submitted considering the following evaluation criteria:</p> <ul style="list-style-type: none"> (i) Applicable experience and capability of the consultant and members, in case of joint ventures, considering both the overall experience of the firms or, in the case of new firms, the individual experiences of the principal and key staff, including the times when employed by other consultants (45 points); (ii) Qualification of personnel who may be assigned to the Project vis-à-vis extent and complexity of undertaking (40 points); and (iii) Current workload relative to capacity (15 points). <p>The minimum score required for each criterion is as follows:</p> <ul style="list-style-type: none"> (i) Applicable experience of the firm or firms in a joint venture (23 points) (ii) Qualification of personnel (20 points); and (iii) Current workload relative to capacity (7 points).
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TERMS OF REFERENCE

CAPACITY DEVELOPMENT PROGRAM
TO SUSTAIN REFORMS BEYOND 2016

I. Background

Completing the last remaining year of the Aquino administration and strengthening public institutions to sustain good governance is both a **challenge** and an **opportunity**. Since 2010, the Philippines has achieved unprecedented gains both in forging the national economy and fighting the long-standing corruption that has afflicted the country. At the forefront of the national reform agenda that has helped the Philippines rise to become one of Asia's fastest-growing countries¹ are innovations and reforms introduced by the **Department of Budget and Management** (DBM).

DBM initiated game-changing efforts to make the budget cycle more open and transparent, and government spending more effective and efficient. Among others, these include:

- The implementation of **Performance-Informed Budgeting**: a budgeting approach that uses performance information in determining where the public funds will go.
- The introduction of the **Bottom-up Budgeting Process**: a mechanism that facilitates grassroots consultation for the drafting of the budget, as opposed to the conventional top-to-bottom approach.
- The implementation of the **General Appropriations Act (GAA) as a Release Document**: In an effort to speed up budgetary releases, GAA as a Release Document means that the budgets of agencies are considered released as allotments as soon as the GAA takes into effect.

As a result of the government's collective effort to curb corruption and improve government accountability, the Philippines leaped from 59th to 52nd in the 2014 Global Competitiveness Report released by the World Economic Forum (WEF). Since 2010, the country has climbed 33 places, the farthest over the period (2010-2014) among all 144 countries covered by the report.²

WEF highlighted that, "The recent success of the government in tackling some of the most pressing structural issues provides evidence that **bold reforms can yield positive results relatively quickly.**" To this, DBM Secretary Florencio "Butch" Abad asserted that, "The transformation of our budget processes towards increased transparency, accountability, and openness are central to the economic gains we've been making."³

¹ Cris Larano, "As Economy Soars, Philippines No Longer 'Sick Man of Asia'," <http://www.wsi.com/articles/philippines-economy-picks-up-pace-in-second-quarter-1409197042>, (August 28, 2014).

² "PH jumps seven notches in WEF competitiveness rankings," Rappler, <http://www.rappler.com/business/economy-watch/68023-philippines-2014-world-economic-forum-global-competitiveness-ranking>, (September 4, 2014).

³ "PH jumps seven notches in WEF competitiveness rankings," Rappler.

A. The Challenge

In the midst of analysts and investors raving about the country, there are fears looming. While the reforms proved to be effective, the government needs to be more steadfast to allay investors' and the citizens' fears. Contributing to these reservations are the upcoming 2016 elections and change in the administration.⁴ The market responded positively to the administration's good governance initiatives but the challenge is how to sustain this kind of response after 2016, and to institutionalize existing reforms within agencies. Because of the magnitude of innovations and reforms that have taken root at DBM, the changes initiated in the last few years must be firm across the board, and must be able to withstand changes in leadership for growth to be truly inclusive.

One of DBM's strategies to address this challenge is to **focus inward**. While public sector organizations are notorious for neglecting its internal elements, such as people, organization, and knowledge management and development, there have been various efforts globally that aimed to correct this. A common thread in all these efforts is the acknowledgment that **culture, leadership, and people development are crucial elements in governance reforms**.

The task at hand is gargantuan. Harvard Business Review (HBR) article "Change Management in Government" described that, in reality, **highly functional government agencies are similar to well-performing companies**. "Both have worthy goals, well-designed, rational processes, strict accountability, and effective leaders. **But the profound differences in their purposes, their cultures, and the contexts within which they operate conjure up quite different obstacles.**" The most difficult hurdle in achieving significant and sustainable change among civil servants is not identifying the right solutions but tackling the following obstacles, which make the public sector a different playing field from the private sector⁵:

- **The nature of agency leaders:** They are not usually chosen because of their commitment to reform or because of their track record in leading extensive change efforts but are sometimes appointed based on their expertise in policy or the technical aspect of the agency's work, and their political connections.
- **Limitation in the duration of service:** Agency leaders often have a limited amount of time to initiate change in their agencies.
- **Limited organizational flexibility:** Public sector rules covering procurement, personnel, and budgeting have shaped workplaces that are less flexible than those in the private sector.
- **The nature of a democracy:** The public has a stake in the agency.

The reality is that leaderships will change, especially in a sector as volatile as the government. As Jose Maria Mendoza and Steven Rood of The Asia Foundation said, "Institutionalized

⁴ Gilberto Llanto, "The Philippine economy is powering into 2015," <http://www.eastasiaforum.org/2015/01/29/the-philippine-economy-is-powering-into-2015/>. (January 29, 2015).

⁵ Frank Ostroff, "Harvard Business Review: Change Management in Government," <https://hbr.org/2006/05/change-management-in-government>, (May 2006).

change remains inextricably linked to Aquino’s successor, and therefore, very much in the hands of the electorate.”⁶ While this is true, it is not impossible to cope with this reality.

From the onset, DBM has deliberately made efforts to shift its paradigm from within—by **understanding the existing culture within the organization, the needs of its people, and creating spaces for learning and development**. In doing so, DBM envisioned to develop a well-performing organization with highly competent, empowered, and resilient people who can adapt to innovations, collaborate, imbibe the agency’s reforms, and continue the good governance agenda that the agency has begun. With only a year left before the 2016 elections, the agency endeavors to embark on a **multilevel capacity-development program** that will cut across its staff and mid-level officials, and will be instrumental in the continuous development of the organization.

B. The Opportunity

The challenge may be daunting, but the time is ripe for DBM to fully invest in developing its people, the lifeblood of the organization. As David Paschane, an organizational architect in the US government argued, “We often forget that the essence of an organization is its people. Public sector organizations are notorious for this oversight. If we expect them to be successful, innovative, and improve the organization, we need to focus on how we produce leaders and what we expect from the process.”⁷

According to author Frank Ostroff in his HBR article “Change Management in Government,” “For organizations to perform at a superior level, the full range of factors—**leadership, structure, infrastructure, people, and performance management**—must be integrated and aligned.”⁸

The last year that’s left for DBM’s leadership to focus on organizational development comes at the most opportune time because of the groundwork that the agency has already laid in recent years. Based on the factors previously enumerated, DBM has immense potential to be an organization performing superiorly:

- **Leadership:** The main goal of DBM’s recent Strategic Planning Conference held in Bohol last April 9 to 11, 2015 was to institutionalize the agency’s structural and policy reforms. This deliberate move is proof that DBM’s management and leadership are serious about continuing the reforms that have been introduced since 2010.
- **Structure:** DBM also just recently adopted institutional strengthening measures to upgrade its organizational capability and improve service delivery. DBM adopted an organizational set-up that will enhance its capacity to lead reforms in the budget and management process while considering the proper delineation of functions and responsibilities of its Senior Officials.⁹
- **People:** If the government has any intention to keep pace with the changes brought about by rapid globalization and changing technology, it is imperative that the

⁶ Jose Maria Mendoza and Steven Rood, “Is Aquino Moving the Philippines Closer to Good Governance,” <http://asiafoundation.org/in-asia/2013/05/29/is-aquino-moving-the-philippines-closer-to-good-governance/>, (May 29, 2013).

⁷ Paschane, David. “The Performance Leadership as an Agency’s Outcome.” GovLoop 12 January 2012: n. pag. Web. 31 July 2012.

⁸ Frank Ostroff, “Harvard Business Review: Change Management in Government”.

⁹ Department Order 2015-7: Implementation of the DBM Strengthening Efforts under an Interim Set-Up, April 13, 2015.

government continuously educates its workforce. According to Eugene Monaco, Executive Director of the Professional Development Program at the University at Albany in New York, “**Providing just-in-time education and training programs has now surfaced as a strategy for sustaining and improving the effectiveness, efficiency, and competitiveness of today’s public sector workers.**”¹⁰

At DBM, the current leadership has already heavily invested in staff training and development and will continue to do so. In 2012, the Office of the Secretary implemented DBM 100, a program whose overarching goal was to prepare DBM to become the Performance Leader in government, and aim for 100% performance delivery of its own outputs and results, so that it may serve as a guidepost for other agencies.

C. The Organizational Context

DBM’s leadership acknowledges that for any of its organizational development and change management efforts to succeed, it must first get the pulse of its employees.

“Public sector staff often stay at their agencies for a long time, typically much longer than their agencies’ leaders. And many have watched change efforts come and go—to little effect. But staffers’ longevity can actually be helpful to a leader seeking change. That is because those employees know a lot about how their agencies run and where they falter. By actively eliciting operational knowledge from them, leaders not only lay the intellectual foundation for the change effort, they also help gain the employee support needed for it to succeed.”¹¹

From November 12 to 26, 2014, the Internal Audit Service (IAS) engaged the employees in informal talks to cull their views and perceptions, identify factors that hinder performance of the employees, and pinpoint possible sources of inefficiencies. A total of 436 rank-and-file employees (regular, contractual, and job order personnel) out of the 491 employees from 20 Bureaus/Services/Offices (B/S/Os), and employee groups at the DBM Central Office participated in the Focus Group Discussions.

The assessment report covered the following key issues: **organization and staffing; career path and personnel development; performance evaluation and performance-based incentive; work systems and procedures; compensation and other benefits; and infrastructure, facilities, and equipment.**

The salient points from the assessment to be addressed by this proposal are the gaps that fall under **career path and personnel development.** Based on the report, the following must be addressed:

- Apparent lack of career opportunities, which leads to fast employee turnover
- Absence of guidelines on the management of training programs
- Need for an effective Training Needs Analysis (TNA)
- Need for a handbook or manual to provide guidelines on career development, personnel actions, and employee conduct and behavior

¹⁰ Eugene Monaco, “Investing in Public Sector Training—A Smart Choice,” http://www.pdp.albany.edu/Media/PDF/CommuniquePDF/V28_PDP_Communique.pdf, (Spring 2012).

¹¹ Jose Maria Mendoza and Steven Rood, “Is Aquino Moving the Philippines Closer to Good Governance”.

While the DBM management addresses the issues of offering better career opportunities, conducting an effective TNA, and updating the agency's manuals on personnel development and conduct, what this proposal aims to address is an issue that remains underlying among DBM staff, and that is **the pressing need to transform the agency, through its lifeblood—the people, into a learning organization** where “people continually expand their capacity to create the results they truly desire, where new and expansive patterns of thinking are nurtured, where collective aspiration is set free, and where people are continually learning to see the whole together.”¹²

While the issues that were identified in the report are valid concerns, they came about because at the core of DBM, the people still need to learn to create, collaborate, and collectively aspire. The public sector is a much more complicated territory to navigate compared with other organizations. However, truly performing public servants don't need to be handheld. They must have the initiative to create opportunities for themselves and their organization. Their mindsets are shifted from silo thinking to collaboration. They collectively aspire—bottom-up and top-to-bottom—towards the ultimate purpose of their organization.

It will certainly not be easy but it can be done. **“Public servants need to improve their core competency through knowledge management, work as members of a team, and commit to a shared responsibility and aspiration to achieve the ultimate result of total customer satisfaction.”**¹³

II. Program Description

This program covers two simultaneous waves of capacity development and the approach is two-tiered. As mid-level managers (Directors and Assistant Directors, Unit Heads/Team Leaders) learn about coaching as a leadership and management tool, the staff and teams are being given training on personal leadership, effective communication and paradigm shifts, and on accepting feedback (with providing feedback as a coaching method).

Both are social preparation platforms for further performance challenges, collaboration and innovation. This program will run from **August 2015 to May 2016**. The main objectives of this **capacity development program** are to:

- **Embed performance leadership** in the DBM culture with Executive Coaching as a tool.
- **Conduct seminars on Performance Excellence and Intensive Leadership** as a supplement to the well-received FLEX training program two and a half years ago. This second run will deepen and reinforce the values of Integrity, Responsibility, Teamwork, Commitment, and Patriotism among the DBM workforce.

A. Performance Excellence

During the run of DBM 100, its opening module was the two-day Foundations of Leadership Excellence (FLEX) training program. The entire DBM workforce underwent the workshop facilitated by the Organizational Change Consultants Inc. (OCCI). Furthermore, then DBM

¹² Senge, Peter. The Fifth Discipline. USA: Doubleday, 2006 Print

¹³ Malek Shan Bin Yusoff, The public service as a learning organization: the Malaysian experience, 2005.

Directors underwent additional training on Systems Thinking¹⁴ and its application on Results-Focused budgeting.

The first run of the FLEX training received positive feedback from the employees who participated and based on their feedback, they were open to support the reform agenda of the government. It has been two and a half years since FLEX was first implemented at DBM, and despite the passage of time, leadership concepts of FLEX are still remembered by the graduates of the program and they continue to appreciate the ongoing reforms.

In order to take advantage of this momentum, DBM wishes to implement a leveled-up version of FLEX, which will be focused on **Performance Excellence**. The goal is for employees to assimilate previous lessons they learned from FLEX to their Self-concept and Leadership journey to further inculcate the values of **Integrity, Responsibility, Teamwork, Commitment, and Nation Building**.

Under this module, we will build on the foundation set by FLEX and capacitate the DBM staff to have a fuller sense of self-mastery and develop self-leadership.

FLEX	Performance Excellence
Personal Mastery: Refers to one's personal vision and the creative tension to achieve that vision	Deeper Interpersonal and Intrapersonal Skills (through behavior modification, insight development, self-awareness/self-mastery)
Shared Vision: The discipline of collective aspiration of the group one is part of	Inductive Processing/Reasoning
Team Learning: The discipline of group interaction	Action Learning/Creative Problem-solving
Systems Thinking: The discipline of interdependency and change	Review and Application of Systems Thinking
Awareness of Mental Models: The discipline of reflection and empathy with people in the group	

Program component implementation

1. All regular employees (staff level) shall participate in the SLP. *Number of participants: 600 from the Central Office and 300 from the Regional Offices (Total of 900)*

¹⁴ Systems Thinking is the process of understanding how things influence one another within a whole. In organizations, systems are people, structures, and processes.

2. It will be a two-day activity to be held for the following groups:
 - 20 batches of 45 participants each: Mix of staff from the Central Office and the Regional Offices (Total of 900 Participants)
3. The DBM shall shoulder the transportation, accommodation, and meals of the participants from the Regional Offices (in accordance to Executive Order No. 298)
4. The facilitators shall provide a Final Report at the end of the program's implementation. The prescribed format for the Final Report is:
 - I. Introduction
 - II. Objectives
 - III. Methodology
 - IV. Assessment (Pre-intervention)
 - V. Post-evaluation and Workshop results
 - VI. Recommendations

Component schedule and outputs¹⁵

Period of Completion	Activity	Participants	Output/Deliverable	Contract Amount
Within two weeks after notice to proceed	Preparation of module		Module as approved (With assessment process)	20% of the tranche of payment due for Performance Excellence Workshop
Within three months after module preparation	20 batches of the Performance Excellence workshops	20 batches of 45 Participants (mix of Central Office and Regional Offices staff)	Workshops	60% of the tranche of payment due for Performance Excellence Workshop
Within three weeks after workshop implementation	Submission of Final Report		Final Report	20% of the tranche of payment due for Performance Excellence Workshop

¹⁵ Indicative schedule only

B. Executive Coaching

Alongside building the capacity of DBM employees across the board, the agency also endeavors to develop the capacity of its mid-level managers through executive coaching. **Throughout the introduction and implementation of budget and management reforms at DBM since 2010, the agency's mid-level officials exhibited that they are adept with technical budget skills because of their tenure in the organization; however, their soft skills have space for improvement.** These skills range from project management, effective communication, relationship management acumen to higher order thinking.

Under the leadership of these mid-level managers are the very people who drive the machinery of the organization, and **no matter how well-oiled the machinery is on top, performance has to trickle down to the staff.** Therefore, the lapses in skills among the managers have, over the years, led to decreased productivity and demotivation among DBM's workforce. The real danger here is people performing for mere compliance and not for excellence.

David Rock, founder and CEO of Results Coaching Systems, and Ruth Done, one of their global consultants, argued that coaching's impact in organizations is already proven. "Add coaching to training and people learn more, up to [six] times as much in some cases. **Coaches are like midwives for change: they know when change is coming, when it's here, when it needs a nudge, and when it's happening too fast. As change catalysts, coaches assist with managing the speed of change and smooth transition through change.**"¹⁶

The overarching goal of this Executive Coaching Program for DBM's middle management is to embed coaching in the organization's culture. In addition, the DBM requires a specific coaching culture that will embed a sense of responsibility and accountability, a proactive approach to work, and a discerning perspective. All these are needed to ensure the sustainability of reforms and the cultivation of a new results-oriented and responsive organizational culture.

What sets this coaching program apart is that it will be customized to fit the needs and nature of work of the directors of DBM. Furthermore, the program that will run for six months will include intensive sessions with the coaches and group sessions limited to only a certain number of participants to maximize learning.

Program component implementation

This program shall run for six months with a pre-designed set of activities that will include the following:

1. Orientation and two-day team building session which shall include a two-hour session with Secretary Florencio B. Abad on the Good Governance Framework
2. Review sessions every other month (Three sessions maximum, two to three hours only)
3. Pre-scheduled weekly team meetings (One to two hour/s only)
4. Two-day seminar on management skills with specific focus on communication and relational skills, negotiation skills, positive behavior management and conflict

¹⁶ David Rock and Ruth Donde, "Driving Change with Internal Coaching Programs," http://www.davidrock.net/files/Driving_Organisational_Change_with_Internal_Coaching_Programs.pdf.

5. Two learning sessions (equivalent to a two-day seminar) on industry/sector-specific issues (i.e. expertise development on agriculture, health, social welfare, education, infrastructure, organization development, etc.) where participants will employ systems thinking, management analysis, and action learning principles (simulation) within the frame of diagnosis-planning-budgeting-execution-accountability cycle.
6. Closing: Final review session and Fellowship evening with the Executive Committee (ExCom)

Participants (primarily Directors and Assistant Directors¹⁷) shall be organized into groups of five to six individuals and each group shall be handled by one Executive Coach. Specific skills that we hope to develop include systems thinking, personal reflection and insightfulness, action learning, and self-leadership. (**Total number of participants: 60**)

The provider is expected to develop the following materials: At the beginning of the program: (1) Coaching 101 Reference Document for the participants, (2) Brochure about the program (the “curriculum”); and upon completion of the program: (3) an End-program report, and (4) Individual assessments of each participant that contains an analysis of strengths, weaknesses, and rooms for improvement of each participant—for his/her reference and that of the supervisors.

Component schedule and outputs¹⁸

Period of Completion	Activity	Participants	Output/Deliverable	Contract Amount
Within three weeks after notice to proceed	Preparation of Coaching 101 and curriculum	not applicable	Coaching 101 Reference Document and Brochure about the curriculum	30% of the tranche of payment due for Executive Coaching
One week after curriculum preparation	Orientation and two-day team building session	60 (Plenary)	Workshop	20% of the tranche of payment due for Executive Coaching
Three weeks after orientation	Seminar on management skills	60 (Plenary)	Workshop	10% of the tranche of payment due for Executive Coaching

¹⁷ The actual count of Directors and Assistant Directors at the Central Office is 64, but the proposed number of participants was reduced in consideration of their usual heavy workload. They are the priority for the program but other representatives recommended by the Executive Committee may also participate.

¹⁸ There will be weekly meetings and review sessions every other month (5-6 per batch) for the six-month duration of the Executive Coaching program.

Three weeks after seminar on management skills	First learning session on sector-specific issues	60 (Plenary)	Workshop	10% of the tranche of payment due for Executive Coaching
One month after first learning session	Second learning session on sector-specific issues	60 (Plenary)	Workshop	10% of the tranche of payment due for Executive Coaching
One month after second learning session	Final review session and Fellowship evening	60 (Plenary)	Final review session, End-program report, and Individual assessment of the participants	20% of the tranche of payment due for Executive Coaching

C. Intensive Leadership

At the end of the implementation of SLP and the Executive Coaching Program, the DBM workforce will undergo a two-day **Intensive Leadership Workshop** to look back at the agency's vision, and synthesize the lessons they've learned in their journey with DBM. The goal of this closing workshop is to allow them to **introspect personally, professionally, and as an organization, and apply the leadership skills they acquired as they plan for their next steps for 2016 to 2022.**

Program component implementation

1. Culminating Activity: Intensive Leadership Workshop (Two-day activity at the tail end of the program) *Number of participants: 650 Central Office staff and key staff from the Regional Offices (Salary Grade 22 and up)*
 - Ten batches of 50 participants each (Total of 500)
 - Two batches of 45 participants each (Total of 90)
 - One batch of the Executive Coaching participants (Total of 60)
2. The DBM shall shoulder the transportation, accommodation, and meals of the participants from the Regional Offices (in accordance to Executive Order No. 298)
3. The facilitators shall provide a Final Report at the end of the program's implementation. The prescribed format for the Final Report is:
 - I. Introduction
 - II. Objectives
 - III. Methodology
 - IV. Workshop Results: Collective Commitment and Vision
 - V. Recommendations

Component schedule and outputs

Period of Completion	Activity	Participants	Output/Deliverable	Contract Amount
Within two weeks after submission of Performance Excellence Final Report	Preparation of module		Module as approved	30% of the tranche of payment due for Intensive Leadership Workshop
Within one month and three weeks after module completion	Twelve batches of the Intensive Leadership Workshop	Ten batches of 50 Two batches of 45	Workshop	40% of the tranche of payment due for Intensive Leadership Workshop
Within one week after the first twelve batches	Batch for the Executive Coaching participants	60 participants	Workshop	10% of the tranche of payment due for Intensive Leadership Workshop
Within two weeks after the last workshop	Submission of Final Report		Final Report	20% of the tranche of payment due for Intensive Leadership Workshop

ELIGIBILITY DOCUMENTS SUBMISSION FORM

[Date]

Department of Budget and Management

Bids and Awards Committee
Building III, General Solano St.
San Miguel, Manila

Ladies/Gentlemen:

In connection with your Request for Expression of Interest dated *[insert date]* for Capacity Development Program to Sustain Reforms Beyond 2016, *[Name of Consultant]* hereby expresses interest in participating in the eligibility and short listing for said Project and submits the attached eligibility documents in compliance with the Eligibility Documents therefor.

In line with this submission, we certify that:

- a) *[Name of Consultant]* is not blacklisted or barred from bidding by the GOP or any of its agencies, offices, corporations, or LGUs, including foreign government/foreign or international financing institution whose blacklisting rules have been recognized by the Government Procurement Policy Board, and that each of the documents submit; and
- b) Each of the documents submitted herewith is an authentic copy of the original, complete, and all statements and information provided therein are true and correct.

We acknowledge and accept the Procuring Entity's right to inspect and audit all records relating to our submission irrespective of whether we are declared eligible and short listed or not.

Yours sincerely,

Signature
Name and Title of Authorized Signatory
Name of Consultant
Address

ANNEX C

***Statement of all Government and Private Contracts Completed
which are Similar in Nature***

Business Name: _____

Business Address: _____

Name of Client	Date of the Contract	Kinds of Consulting Services	Amount of Contract	Date of Delivery	End User's Acceptance or Official Receipt(s) Issued for the Contract
<u>Government</u>					
<u>Private</u>					

Submitted by : _____
(Printed Name and Signature)

Designation : _____

Date : _____

Instructions:

- a) Projects should be completed within the two (2) years immediately preceding August 11, 2015.
- b) Completed contract:
 - (i) If there are more than twenty (20) similar completed contracts in a year, state at least 20 completed contracts for said year.
 - (ii) If there are 20 or less similar completed contracts in a year, state all completed contracts for said year.
 - (iii) If there is no similar completed contract in a year, state none or equivalent term. This shall not be a basis for disqualification.

***Statement of all Ongoing Government and Private Contracts Including
Contracts Awarded but not yet Started***

Business Name: _____

Business Address: _____

Name of Client	Date of the Contract	Kinds of Consulting Services	Value of Outstanding Contracts	Date of Delivery
<u>Government</u>				
<u>Private</u>				

Submitted by : _____
(Printed Name and Signature)

Designation : _____

Date : _____

Instructions:

- i. State all ongoing contracts including those awarded but not yet started (government and private contracts which may be similar or not similar to the project being bid) prior to August 11, 2015.
- ii. If there is no ongoing contract including those awarded but not yet started as of the aforementioned period, state none or equivalent term.

STATEMENT OF THE CONSULTANT'S NATIONALITY

Department of Budget and Management

Bids and Awards Committee
 Building III, General Solano St.
 San Miguel, Manila

Ladies/Gentlemen:

In compliance with the requirements of the Department of Budget and Management – Bids and Awards Committee (DBM BAC) for the bidding of the Capacity Development Program to Sustain Reforms Beyond 2016, I/we hereby declare the following:

1. [Select one and delete the rest].

[If domestic entity consultant] That (Name of the consultant) is a domestic sole proprietorship/partnership/corporation/joint venture organized or formed under the laws of the Philippines;

[If foreign entity consultant] That (Name of the consultant) is a foreign sole proprietorship/partnership/corporation/joint venture organized or formed under the laws of the (Name of the country);

[If foreign entity consultant] That (Name of the consultant) is registered with the Securities and Exchange Commission and/or any agency authorized by the laws of the Philippines;

2. That the following are/is the proposed Personnel:

Name of Proposed Personnel	Proposed Position	Nationality	Proof of Identification
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			

3. That attached herewith are the Curriculum Vitae of the above-mentioned personnel (*Annex/es _____*); and

4. That the undersigned is/are the authorized representative/s for this public bidding as evidenced by herewith attached notarized authority.

Very truly yours,

Signature: _____

Name and Title of Authorized Signatory: _____

Name of Consultant/Company: _____

Address: _____ Contact No/s. _____

(Note: Please attach the notarized authority of the consultant's representative for the public bidding for this project)

FORMAT OF CURRICULUM VITAE (CV) FOR PROPOSED PROFESSIONAL STAFF

FIRM'S PROFILE

Name of Firm		
Form of Organization	Year Established	
Business Address		
Principal Contact Person		
Telephone Number	Fax Number	Email
General Description and Technical Capabilities		

Field of Specialization and Type of Services

Field	Service Provided	Experience (No. of Years)

Company Officers and Key Personnel

Name	Position	Education	Expertise	Years with Firm	Age

Current Number of Personnel

Position	Number		
	Full time	Part time	Total

Awards, Certifications, Relevant Distinctions

Name	Given By	Date

Signature: _____

Name and Title of Authorized Signatory: _____

Name of Consultant/Company: _____

CURRICULUM VITAE (CV) FOR PROPOSED KEY PROFESSIONAL STAFF

Proposed Team:		<i>Please check:</i>			
		<input type="checkbox"/>			<input type="checkbox"/>
		Key Personnel		Staff	
Name of Position:					
Personal Information					
Name of Staff					
Address		Contact No.		Email Address	
Date of Birth		Citizenship		Civil Status	
Work Experience (start from the current employment)					
Company Name	Inclusive Dates		Total <i>(Years, Months)</i>	Position Title	Actual Duties and Responsibilities
	From	To			

Current Workload *(include workload or projects from other companies, if any)*

Company Name	Inclusive Dates		Total <i>(Years, Months)</i>	Position Title	Actual Duties and Responsibilities
	From	To			

Relevant Training *(start from the most recent)*

Course Title	Inclusive Dates		Location	No. of Hours	Conducted / Sponsored by
	From	To			

Education *(start from the most recent)*

School	Inclusive Dates		Degree Course	Scholarships / Academic Honors Received
	From	To		

Certificates, Other Credentials

Title	Date Received

Certification:

I, the undersigned, certify that to the best of my knowledge and belief, these data correctly describe me, my qualifications, and experience.

Date: _____

Signature

Republic of the Philippines

gppb