



# **LAND BANK OF THE PHILIPPINES INTEGRATED MANAGEMENT SYSTEM MANUAL**

UNCONTROLLED

**Approval Date : 18 September 2017**



**LAND BANK OF THE PHILIPPINES  
INTEGRATED MANAGEMENT SYSTEM MANUAL**

**TABLE OF CONTENTS**

**UNCONTROLLED COPY**

Revision:	00
Effectivity Date:	18 September 2017
Page:	1 of 2

	<b>No. of Pages</b>
<b>IMS Manual Approval Page</b>	<b>i</b>
<b>Distribution List</b>	<b>ii</b>
<b>Amendment History</b>	<b>iii</b>
<b>1.0 SCOPE AND APPLICABILITY</b>	<b>1</b>
<b>2.0 REFERENCES</b>	<b>1</b>
<b>3.0 DEFINITION OF TERMS AND ACRONYMS</b>	<b>1-6</b>
<b>4.0 ORGANIZATIONAL PROFILE</b>	<b>1-10</b>
<b>4.1 Organizational Description</b>	
4.1.1 Context of the Organization	
<b>4.2 Interested Parties</b>	
4.2.1 Stakeholder Groups	
4.2.2 Customer Groups	
4.2.3 Partner Groups	
4.2.4 Regulatory Bodies	
<b>4.3 Scope of IMS</b>	
<b>4.4 Integrated Management System</b>	
4.4.1 Business Process	
4.4.2 Documented Information	
<b>5.0 LEADERSHIP</b>	<b>1-2</b>
<b>5.1 Commitment</b>	
<b>5.2 IMS Policy</b>	
<b>5.3 Organizational Roles, Responsibilities and Authorities</b>	
<b>6.0 PLANNING</b>	<b>1-4</b>
<b>6.1 Actions to Address Risks and Opportunities</b>	
6.1.1 General	
6.1.2 Environmental Aspects	
6.1.3 Compliance Obligations	
6.1.4 Planning Actions	
<b>6.2 Planning</b>	
6.2.1 Strategic Planning	
6.2.1 Setting, preparation and Review of Environmental OTPs	
<b>6.3 Management of Change</b>	



**LAND BANK OF THE PHILIPPINES  
INTEGRATED MANAGEMENT SYSTEM MANUAL**

**TABLE OF CONTENTS**

**UNCONTROLLED COPY**

Revision:	00
Effectivity Date:	18 September 2017
Page:	2 of 2

	<b>No. of Pages</b>
<b>7.0 SUPPORT</b>	<b>1-5</b>
<b>7.1 Resources</b>	
7.1.1 General	
7.1.2 People	
7.1.3 Infrastructure	
7.1.4 Environment	
7.1.5 Monitoring and Measuring Resources	
7.1.6 Organizational Knowledge	
<b>7.2 Competence</b>	
<b>7.3 Awareness</b>	
<b>7.4 Communication</b>	
<b>7.5 Documented Information</b>	
<b>8.0 OPERATION</b>	<b>1-4</b>
<b>8.1 Operational Planning and Control</b>	
8.1.1 QMS Operational Planning and Control	
8.1.2 EMS Operational Planning and Control	
8.1.3 Emergency preparedness and Response	
<b>8.2 Requirements for Products and Services</b>	
<b>8.3 Design and Development of Products and Services</b>	
<b>8.4 Control of Externally Provided Processes</b>	
<b>8.5 Control of Non-Conforming Outputs</b>	
<b>9.0 PERFORMANCE EVALUATION</b>	<b>1-3</b>
<b>9.1 Monitoring Measurement, Analysis and Evaluation</b>	
<b>9.2 Internal Audit</b>	
<b>9.3 Management Review</b>	
9.3.1 General Requirements	
9.3.2 Review Inputs	
9.3.3 Review Output	
<b>10.0 MONITORING, MEASUREMENT, ANALYSIS AND EVALUATION</b>	<b>1-2</b>
<b>10.1 General Requirements</b>	
<b>10.2 Non Conformity and Corrective Action</b>	
<b>10.3 Continual Improvement</b>	



**LAND BANK OF THE PHILIPPINES  
INTEGRATED MANAGEMENT SYSTEM MANUAL**

**APPROVAL PAGE**

**UNCONTROLLED COPY**

Revision:	00
Effectivity Date:	18 September 2017
Page:	i

The Land Bank of the Philippines Integrated Management System Manual has been prepared, reviewed and approved for its accuracy, clarity and alignment with the bank's mission, vision and objectives. Implementation of this Manual is mandatory for all levels of the bank.

Approved by:

  
**ALEX V. BUENAVENTURA**  
President and CEO

*Approved by the Management Committee through ManCom Resolution No. 2017-(09)-23*





**LAND BANK OF THE PHILIPPINES  
INTEGRATED MANAGEMENT SYSTEM MANUAL**

**MANUAL DISTRIBUTION**

**UNCONTROLLED COPY**

Revision:	00
Effectivity Date:	18 September 2017
Page:	ii

This Manual shall be distributed within LANDBANK and in accordance with the approved distribution list, controlled by the **Head, Quality Management Department**. It shall be the responsibility of the holder to safe keep the copy.

Uncontrolled copy of the Manual maybe issued to outsider agencies/parties for general information duly marked with "uncontrolled copy" at the time of distribution.

An uncontrolled copy of the Manual has no contractual obligation with LANDBANK. A separate records and sequential numbers shall likewise be maintained for uncontrolled copies issued.



**LAND BANK OF THE PHILIPPINES  
INTEGRATED MANAGEMENT SYSTEM MANUAL**

**CHANGE HISTORY**

**UNCONTROLLED COPY**

Revision:	00
Effectivity Date:	18 September 2017
Page:	iii

This Manual only contains pages issued by the LANDBANK that are duly approved for use. The **Head, Quality Management Department** is responsible for processing all authorized changes of this manual. Amended documents will have their revision status and issue date updated accordingly. All amendments shall be distributed to all controlled copy holders.

REVISION NO.	SECTION NO./PAGES	DETAILS OF AMENDMENT	APPROVAL	DATE
00	All	First Issuance of LBP IMS Manual	AVB	09.18.17



**LAND BANK OF THE PHILIPPINES  
INTEGRATED MANAGEMENT SYSTEM MANUAL**

**SECTION 1: SCOPE AND  
APPLICABILITY**

**UNCONTROLLED COPY**

Revision:	00
Effectivity Date:	18 September 2017
Page:	1 of 1

Land Bank of the Philippines's Quality and Environmental Integrated Management System (LANDBANK QE IMS) Manual describes its Banking Operations, namely, agrarian, branch banking, lending, treasury/investment banking and trust including all its management and support processes.

The established integrated management system is in accordance with the ISO 9001:2015 (Quality Management), ISO 14001:2015 (Environmental Management), the Philippine Quality Award (PQA) framework and pertinent statutory and regulatory requirements governing government financial institutions (GFIs). This manual aims to align and improve systems and processes, fulfill all the requirements as mandated and enhance customer satisfaction.

This manual embodies the operational policies, procedures and work instructions that govern the operations of the LANDBANK and its various sites throughout the country.





## References

LANDBANK Integrated Management System (IMS) was drafted and finalized utilizing the following references :

1. ISO 9001 : 2015 - Quality Management Systems – Requirements
2. ISO 14001 : 2015 - Environmental Management Systems – Requirements with Guidance for Use
3. Philippine Quality Award 2015 Application Report
4. Annual Reports
5. Sustainability Reports

Other documents and records used as reference include but not limited to the following :

- a. Aspects, Impacts, Risk Assessment Registry
- b. Compliance Library for Statutory and Regulatory Requirements
- c. Executive Orders
- d. Special Orders
- e. EMS and QMS Manuals
- f. EMS and QMS Procedures
- g. Work Instructions
- h. Balanced Score Card
- i. Enterprise Risk Management and other Risk Frameworks
- j. Internal Capital Adequacy Assessment Plan
- k. Performance Agreement Negotiation with the GCG
- l. Business Continuity Plan
- m. Emergency Preparedness Plan
- n. Job Description
- o. Minutes of Meetings
- p. Masterlist of Forms





### Definition of Terms and Acronyms

For the purposes of this manual, the terms and its definition as presented below shall apply:

<b>AC</b>	- Accounting Center
<b>ADLS</b>	- Agricultural and Development Lending Sector
<b>ALCO</b>	- Assets and Liabilities Committee
<b>ALD</b>	- Administrative Legal Department
<b>AMLC</b>	- Anti-Money Laundering Council
<b>AOC</b>	- Agrarian Operations Center
<b>APE</b>	- Annual Physical Exam
<b>ARTA</b>	- Anti-Red Tape Act
<b>ASG</b>	- Agrarian Services Group
<b>ATM</b>	- Automated Teller Machine
<b>Audit</b>	- Systematic, independent documented process for obtaining audit evidence and evaluating it objectively to determine to which audit criteria are fulfilled
<b>Audit Criteria</b>	- Set of policies, procedures, and requirements necessary for the scope of audit
<b>Audit Evidence</b>	- Includes records, factual statements; and other verifiable information that is related to the audit criteria being used
<b>Auditee</b>	- Unit being audited
<b>Audit Findings</b>	- Results of the evaluation of collected audit evidence against audit criteria
<b>Auditor</b>	- Person possessing specified qualification to conduct audit
<b>Audit Plan</b>	- Description of arrangement and activities for the conduct of audit
<b>Audit Scope</b>	- Focus, extent of a particular audit
<b>BBS</b>	- Branch Banking Sector
<b>BBSD-MIS</b>	- Branch Banking Support Department – Management Information System
<b>BCP</b>	- Business Continuity Plan
<b>BIR</b>	- Bureau of Internal Revenue
<b>BOD/Board</b>	- Board of Directors
<b>BODP</b>	- Branch Officers Development Program



**SECTION 3: DEFINITION OF TERMS  
AND ACRONYMS**

Revision:	00
Effectivity Date:	18 September 2017
Page:	2 of 6

<b>BRD</b>	- Business Requirements Definition
<b>BRS</b>	- Back-up Recovery Site
<b>BSC</b>	- Balanced Scorecard
<b>BSP</b>	- Bangko Sentral ng Pilipinas
<b>CASA</b>	- Codified Approving and Signing Authorities
<b>CCC</b>	- Customer Care Center
<b>CEO</b>	- Chief Executive Officer
<b>CER</b>	- Certified Emission Reduction
<b>Certification</b>	- Confirmation of certain characteristics of an object, person, or organization
<b>Certifying Body</b>	- is an organization accredited by a recognized accrediting <b>body</b> for its competence to audit and issue <b>certification</b> confirming that an organization meets the requirements of a standard
<b>CFI</b>	- Countryside Financial Institution
<b>CMISD</b>	- Central Management Information System Department
<b>CMO</b>	- Compliance Management Office
<b>CNA</b>	- Collective Negotiation Agreement
<b>Conformity</b>	- Compliance with standards, rules, or laws
<b>Correction</b>	- Any action that is taken to eliminate non conformity
<b>Continual Improvement</b>	- Activities that the bank carries out in order to enhance its ability to meet requirements
<b>Corrective Action</b>	- Steps that are taken to eliminate the causes of existing nonconformities in order to prevent recurrence. The corrective action process tries to make sure that existing nonconformities and potentially undesirable situations will not happen again
<b>CPEPSD</b>	- Corporate Planning and Economics and Policy Studies Department
<b>CQS</b>	- Customer Queuing System
<b>CRM</b>	- Customer Relationship Management
<b>CSC</b>	- Civil Service Commission
<b>CSPDD</b>	- Customer Service and Product Development Department
<b>CSR</b>	- Corporate Social Responsibility
<b>CSS</b>	- Corporate Services Sector
<b>Customer Satisfaction</b>	- Customer's perception of the degree to which the customer's requirements have been fulfilled
<b>CY</b>	- Calendar Year
<b>DA</b>	- Department of Agriculture
<b>DAR</b>	- Department of Agrarian Reform





<b>DBM</b>	- Department of Budget and Management
<b>DENR</b>	- Department of Environment and Natural Resources
<b>DOF</b>	- Department of Finance
<b>DOLE</b>	- Department of Labor and Employment
<b>DRP</b>	- Disaster Recovery Plan
<b>Document</b>	- Any source of information relating to the bank's integrated management system to ensure effective planning, operation and analysis.
<b>EDD</b>	- Environmental Due Diligence
<b>Effectiveness</b>	- A degree to which a planned effect is achieved
<b>EIS</b>	- Environmental Impact Statement
<b>EMS</b>	- Environmental Management System
<b>EO</b>	- Extension Office
<b>EO#</b>	- Executive Order Number
<b>EPMD</b>	- Environmental Program and Management Department
<b>ERM</b>	- Enterprise Risk Management
<b>EVP</b>	- Executive Vice President
<b>FGD</b>	- Focus Group Discussion
<b>FMD</b>	- Facilities Management Department
<b>FMS</b>	- Financial Management System
<b>FPSG</b>	- Facilities and Procurement Services Group
<b>FSCP</b>	- Food Supply Chain Program
<b>FU</b>	- Field Unit
<b>FVP</b>	- First Vice President
<b>GCG</b>	- Governance Commission for GOCCs
<b>GFI</b>	- Government Financial Institution
<b>GHG</b>	- Greenhouse Gas
<b>GOCC</b>	- Government Owned and Controlled Corporation
<b>GS</b>	- Government Securities
<b>GSIS</b>	- Government Service Insurance System
<b>HDMF</b>	- Home Development Mutual Fund
<b>HO</b>	- Head Office
<b>HOBAC</b>	- Head Office Bids and Awards Committee
<b>HR</b>	- Human Resource
<b>HRIS</b>	- Human Resource Information System
<b>HRMG</b>	- Human Resource Management Group



**LAND BANK OF THE PHILIPPINES  
INTEGRATED MANAGEMENT SYSTEM MANUAL**

**SECTION 3: DEFINITION OF TERMS  
AND ACRONYMS**

**UNCONTROLLED COPY**

Revision:	00
Effectivity Date:	18 September 2017
Page:	4 of 6

<b>IAG</b>	- Internal Audit Group
<b>ICAAP</b>	- Internal Capital Adequacy Assessment Process
<b>ICT</b>	- Information and Communications Technology
<b>IMS</b>	- Integrated Management System
<b>Internal Audit</b>	- First party audit where organization audit themselves for internal purposes to declare compliance with the set standards and legal requirements
<b>ISO</b>	- International Organization for Standardization
<b>IT</b>	- Information Technology
<b>KRA</b>	- Key Result Areas
<b>LANDBANK</b>	- Land Bank of the Philippines
<b>LDP</b>	- Leadership Development Program
<b>LEAP</b>	- LANDBANK e-Learning Access Portal
<b>LGU</b>	- Local Government Unit
<b>LPMG</b>	- Lending Programs Management Group
<b>LSD-MIS</b>	- Lending Support Department – Management Information System
<b>LSG</b>	- Legal Services Group
<b>Major Non Conformity</b>	<ul style="list-style-type: none"> <li>- It is the absence or total breakdown of a system to meet the requirements of the ISO 9001 Standards and/or the Bank's integrated management system.</li> <li>- A number of nonconformities which represents consistent repeated similar deficiencies against a requirement.</li> </ul>
<b>Management Review</b>	- Conducted to evaluate the suitability, adequacy, and effectiveness of an organization's integrated management system and look for improvement opportunities, assess opportunities to review the bank's policies and objectives, address resource needs, etc.
<b>MANCOM</b>	- Management Committee
<b>Manila Bay SUNSET</b>	- Manila Bay <u>S</u> ocially Responsible and <u>U</u> nited in <u>N</u> urturing and <u>S</u> ustaining the <u>E</u> nvironment <u>I</u>
<b>MFO</b>	- Major Final Output
<b>Minor Non Conformity</b>	<ul style="list-style-type: none"> <li>- A nonconformity that is not likely to: <ul style="list-style-type: none"> <li>- Result in the failure of the quality system, or</li> <li>- Reduce its ability to assure controlled processes, or</li> <li>- Result in the probable delivery of nonconforming product or service.</li> </ul> </li> </ul>





	<p>It may be either</p> <ul style="list-style-type: none"> <li>- An isolated, inconsistent failure to fulfill a specified requirement, or</li> <li>- Of no impact to the achievement of customer's specified requirements, needs or expectations</li> </ul>
<b>MIP</b>	- Merit Increase Program
<b>MLDP</b>	- Management and Leadership Development Program
<b>MSME</b>	- Micro, Small and Medium Enterprises
<b>MTP</b>	- Management Training Program
<b>MTPoD</b>	- Maximum Tolerable Period of Disruption
<b>Non Conformity</b>	- Refers to a failure to comply with requirements. For purposes of this Manual, requirements shall refer to those specified under the Bank's integrated management system
<b>NPCP</b>	- New Position Classification Plan
<b>OCS</b>	- Organization Climate Survey
<b>ODD</b>	- Organization Development Department
<b>ODP</b>	- Officers Development Program
<b>OHS</b>	- Occupational Health and Safety
<b>OP</b>	- Office of the President (of the Republic)
<b>OS</b>	- Operations Sector
<b>Outsourced Process</b>	- Any process that is part of the bank but is performed by a party that is external to the bank
<b>PAD</b>	- Personnel Administration Department
<b>PAN</b>	- Performance Agreement Negotiation
<b>PDCA</b>	- Plan, Do, Check, Act
<b>PDP</b>	- Philippine Development Plan
<b>PES</b>	- Performance Evaluation System
<b>PESTEL</b>	- Political, Economic, Sociological, Technological, Environmental & Legal
<b>PRAISE</b>	- Program on Awards and Incentives for Service Excellence
<b>Procedure</b>	- Specified way to carry out activities which transforms inputs to outputs
<b>PSO</b>	- Physical Security Office
<b>PTWAR</b>	- Performance Target Worksheet and Appraisal Report
<b>QMD</b>	- Quality Management Department



**LAND BANK OF THE PHILIPPINES  
INTEGRATED MANAGEMENT SYSTEM MANUAL**

**SECTION 3: DEFINITION OF TERMS  
AND ACRONYMS**

**UNCONTROLLED COPY**

Revision:	00
Effectivity Date:	18 September 2017
Page:	6 of 6

<b>QMS</b>	- Quality Management System
<b>RA</b>	- Republic Act
<b>RATA</b>	- Representation Allowance/ Transportation Allowance
<b>Record</b>	- Type of document that provides evidence that activities have been performed and results have been achieved
<b>RMG</b>	- Risk Management Group
<b>RPO</b>	- Recovery Point Objective
<b>RTM</b>	- Requirements Tracking Matrix
<b>RTO</b>	- Recovery Time Objective
<b>SAP-HRIS</b>	- Systems, Applications and Products – Human Resource Information System
<b>SB</b>	- Selection Board
<b>SDLC</b>	- System Development Life Cycle
<b>SOBA</b>	- State Of the Bank Address
<b>SPG</b>	- Strategic Planning Group
<b>SPMS</b>	- Strategic Performance Management System
<b>SVP</b>	- Senior Vice President
<b>SWOT</b>	- Strengths, Weakness, Opportunities, Threats
<b>TAT</b>	- Turn-around Time
<b>TIBS</b>	- Treasury and Investment Banking Sector
<b>TMG</b>	- Technology Management Group
<b>TOR</b>	- Terms of Reference
<b>TWG</b>	- Technical Working Group
<b>VMV</b>	- Vision, Mission and Core Values
<b>Work Environment</b>	- All conditions and factors that affect work i.e., physical, social, psychological and environmental conditions





#### 4.1 Organizational Description

LANDBANK is a government financial institution established on August 8, 1963, by virtue of Republic Act (RA) 3844 known as the Agricultural Land Reform Code, as amended by RA 10374 extending its corporate life for another 50 years. It was created to finance the acquisition and distribution of agricultural estates for division and resale to small landholders as well as the purchase of the landholding by the agricultural lessee. It was granted universal and expanded commercial banking powers with a social mission of spurring countryside development. The Comprehensive Agrarian Reform Laws (RA 6657 as amended by RA 9700) identifies LANDBANK as a financial intermediary of the Government for the comprehensive agrarian reform program of the government.

As a universal bank, LANDBANK provides its retail and institutional clients with a wide variety of financial products, services and programs. The main product offerings that constitute the core operations of the Bank are summarized below:

##### **AGRARIAN OPERATIONS** - *Bank's mandate as the financial intermediary for CARP*

- Agrarian Reform Bonds
- Landowners Assistance
- Land Transfer Claims Processing
- Lending for Landowners & Bondholders
- Bond Transactions

##### **BRANCH BANKING OPERATIONS**

**Deposit Products** - *Generates the funds used by the Bank for its lending operations and supports the Bank's thrust on financial inclusion, and in delivering services to the unbanked and under banked areas*

- Peso and other foreign currencies
- Card and electronic Products (ATM/Cash Card, e-Card, i-Access, weAccess, Mobile Banking, Credit & Debit Card)

**Ancillary Services** - *Strengthens relationships with its clients and generates additional income*

- Revenue Collection Agreement (i.e. BIR, SSS, HDMF)
- Payroll Services, Deposit Pick-Up Services
- Modified Disbursement Scheme (eMDS)
- Safety Deposit Box
- Demand Draft, Manager's Check, LANDBANK Gift Check

**LENDING OPERATIONS** - *Supports the Bank's mandate to extend financial services to SFFs and other priority sectors; and generates the income necessary for the Bank to sustain its operations*

##### **Credit Facilities**

- Short Term Loans, Long Term Loans
- Mortgage Loans (Housing Loans)
- Consumer Loans
- LANDBANK Mobile Loan Saver

**Support to National Government Programs** (i.e. Food Supply Chain Program, Public-Private Partnership Program, Agricultural Production Credit Program, SIKAT SAKA Program)

**Specialized Lending Programs** (i.e. Credit Support Fund Program, MILK, Climate SAFE Program)





**LAND BANK OF THE PHILIPPINES  
INTEGRATED MANAGEMENT SYSTEM MANUAL**

**SECTION 4: ORGANIZATIONAL  
PROFILE**

**UNCONTROLLED COPY**

Revision:	00
Effectivity Date:	18 September 2017
Page:	2 of 10

**TREASURY OPERATIONS and INVESTMENT BANKING OPERATIONS** - *Generates the income necessary for the Bank to sustain its operations*

- Government Securities
- LANDBANK Issuances
- Corporate Securities
- Debt and Equity Underwriting
- Financial Advisory
- Loan Arrangement/Syndication
- Structured Finance/Securitization

**TRUST OPERATIONS** - *Generates the income necessary for the Bank to sustain its operations and completes the Bank's products and services as a universal bank*

- Trust Arrangements
- Institutional Trust Accounts
- Other Institutional Services
- Investment/Portfolio Management
- Special Purpose Trust

LANDBANK is an institution that takes pride in the role it plays in promoting inclusive growth and national development. Its mandate is inherently distinct being the only bank in the country which performs the role of a financial intermediary for the CARP.

LANDBANK's operations are anchored on three business goals – *Pursuit of Mandate, Institutional Viability, and Customer Service* as shown below. The profits derived from its commercial banking operations are used to finance the Bank's developmental programs and initiatives. Over the years, the Bank has continued the expansion of its loan portfolio in favor of its priority sectors:

1. Mandated Sector – Small farmers including agrarian reform beneficiaries and their associations; small fishers and their associations
2. Support for Agriculture and Fisheries – agri-business, aqua-business, agri-aqua related projects of LGUs and GOCCs
3. Support for national Government Priority Programs – micro, small & medium enterprises, communications, transportation, housing (socialized, loan medium cost), education, health care, environment-related projects, tourism, utilities and others.

LANDBANK is also a major contributor to the government's coffers – remitting cash dividends from its net income which form part of LANDBANK's support to the government's revenue generation efforts and fiscal consolidation program. For the past 3 years, LANDBANK has been the highest remitter of cash dividends among GOCCs.







#### 4.1.1 Context of the Organization

The Bank's vision, mission and core values (VMV) shown below.

##### VISION

By 2018, LANDBANK will be the top universal bank that promotes inclusive growth and improves the quality of life especially in the countryside through the delivery of innovative financial and other services in all provinces, cities and municipalities.

---

##### MISSION

###### To Our Clients and Publics:

We will use the best technology solutions to deliver responsive financial and support services to our clients, while promoting sustainable development, and environmental protection.

###### To Our Employees:

We will develop and nurture talents that will exemplify the highest standards of ethics and excellence consistent with the best in the world.

---

##### CORE VALUES

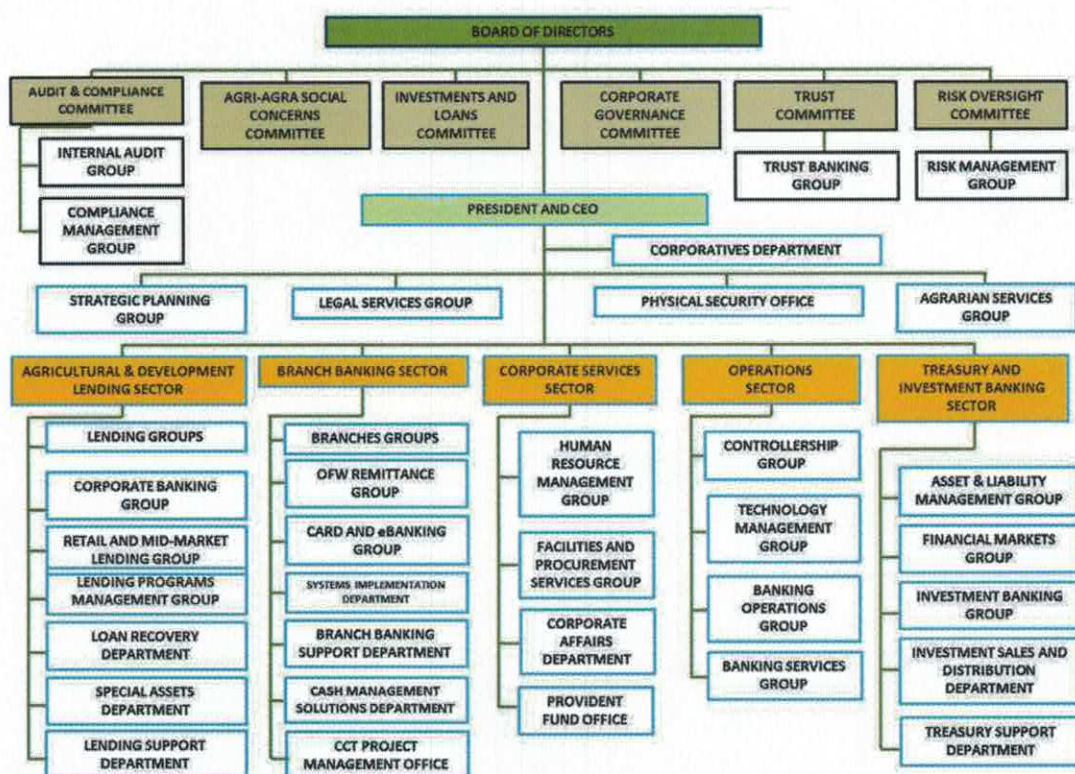
Social Responsibility  
Collaboration  
Accountability  
Innovation  
Excellence  
Customer Focus

The Bank is governed by its Board of Directors (Board/BOD) with the President and Chief Executive Officer (CEO) as the Head of the institution and the Board's Vice Chairman. As a wholly-owned government bank, members of the Board are appointed by the President of the Philippines with none of them having a shareholding in the Bank. The Board is composed of nine members – five ex-officio and incumbent secretaries of the Departments of Finance, Agrarian Reform,



Agriculture and Labor & Employment and four private sector representatives, two of whom represent the agrarian reform beneficiaries.

### LANDBANK'S Organizational Structure



The LANDBANK Board of Directors establishes the overall policies and strategic direction which serve as the guidepost of the management and operating units. It serves as an oversight and ensures that the Bank remains accountable to its various stakeholders.

The Management Committee (MANCOM), comprised of the President and CEO and the Heads of Corporate Services Sector, Agricultural and Development Lending Sector, Branch Banking Sector, Treasury and Investment Banking Sector, Operations Sector, Strategic Planning Group, Technology Management Group and Legal Services Group, is responsible for implementing and guiding the activities of the organization to achieve its goals and objectives.





**LANDBANK:**

- Is ranked fourth in terms of assets, loans and deposits among the top five universal banks in the country;
- Is the primary depository bank of the National Government (NG) servicing more than half of government accounts;
- Has the most extensive branch network in terms of presence in all provinces across the country
- Is the largest single provider of loans to farmers and fishers cooperatives and small and medium enterprises (SMEs) and local government units;
- Is the largest remitter of cash dividends to the NG; and
- Is one of the largest taxpayers in the country.

In its strategic planning process, the Bank identifies strategic challenges and advantages using Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis.

**4. 2 Interested Parties**

**4.2.1 Stakeholder Groups**

As a government entity and a universal bank, LANDBANK considers its stakeholders and interested parties as key players in its operations due to their impact and relevance to the business. Updates on their activities and other pertinent information that may affect LANDBANK are monitored and acted upon accordingly. The table below provides a description of the Bank's stakeholders and interested parties, their requirements, needs and expectations as well as the concerned Bank Unit that ensures requirements are met:

<i>Stakeholder Groups</i>	<i>Requirements/Expectations</i>	<i>Concerned Unit</i>
Clients	Quality customer service, secured, reliable and convenient banking, financial access, profit generation and business management, responsive to needs	All Bank Units
Partners	Mutually-beneficial relationship; project sustainability and impact	All Bank Units
National Government	Dividends remittance, transparency and good governance, payment of taxes, landowners compensation, land valuation & contribution to national goals	LBP Board, Management, SPG, CG, ASG



**LAND BANK OF THE PHILIPPINES  
INTEGRATED MANAGEMENT SYSTEM MANUAL**

**SECTION 4: ORGANIZATIONAL  
PROFILE**

**UNCONTROLLED COPY**

Revision:	00
Effectivity Date:	18 September 2017
Page:	6 of 10

Regulatory Bodies	Compliance with laws, rules, regulations and policies	CMG
Employees	Fair compensation and benefits	HRMG
Management	Supports the Bank's goals & objectives	SPG
Communities	Financial inclusion and literacy, corporate social responsibility	CAD
Service Firms, Suppliers	Professionalism, ethical standards, good governance, transparency and accountability, timeliness of deliverables and payments, upholding contracts	All Bank Units ProcD
Media	Public information, promotion and publicity, availability for issues clarification	CAD

#### **4.2.2 Customer Groups**

The Bank's key customer groups that comprise the clients of the Bank are:

1. Individuals
2. Institutional Clients
  - Government (Local Government Units, National Government Agencies, Government Owned and Controlled Corporations)
  - Private (Corporations, Micro Small and Medium Enterprises, Rural Banks)
  - Organizations (Coops, Non-Government Organizations, Irrigators Associations)

These customer groups require and expect: (1) quality customer service, (2) secured, reliable and convenient banking, (3) financial access, (4) profit generation and (5) business management. Institutional clients have the same but more complex requirements and higher expectations.

#### **4.2.3 Partner Groups**

LANDBANK establishes and maintains a string of partnerships with various agencies and entities in order to facilitate a more efficient delivery of financial assistance and banking services as well as achieve a wider reach for its development programs.

Type of partner groups include bank conduits, National Government, Remittance partners, multi-lateral and bilateral funding agencies, and CSR partners.





#### **4.2.4 Regulatory Bodies**

LANDBANK is a highly regulated entity. The Bank monitors and ensures compliance of all regulatory requirements through the Compliance Management Group. A list or compliance library as well as a clear process for monitoring is being maintained in order to effectively keep track of the Bank's compliance status.

#### **4. 3 Scope of IMS**

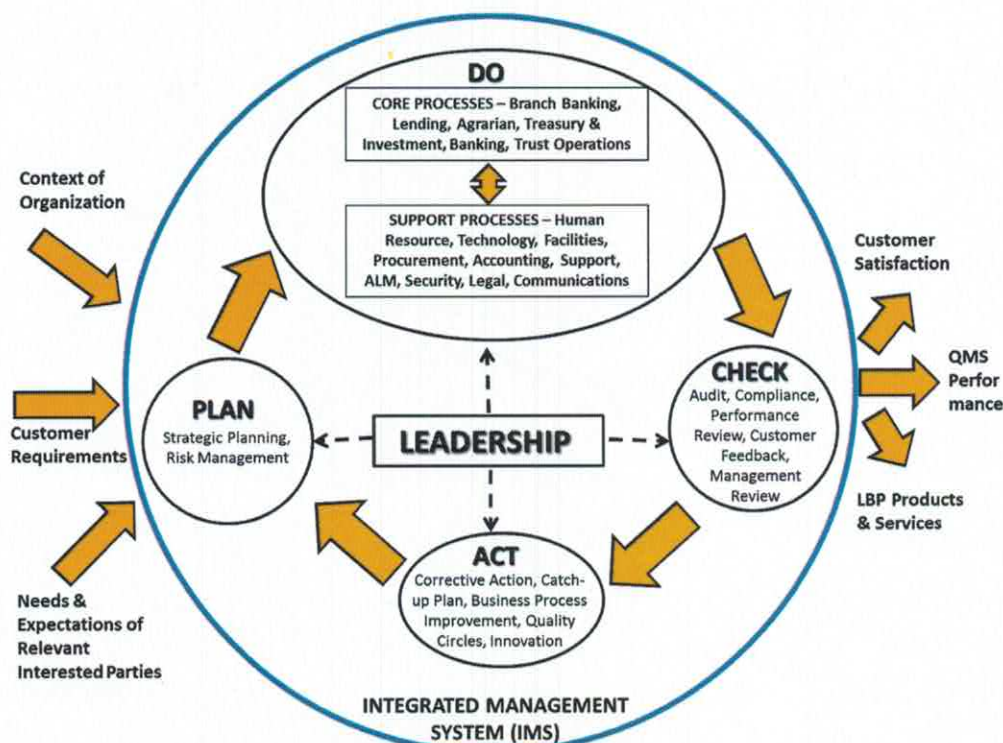
This manual is an overall guide to the IMS of the bank. Refer to Section 1 of this manual for its identified scope.

#### **4. 4 Integrated Management System**

The established, documented, implemented and maintained LANDBANK integrated management system ensures its ability to consistently provide quality products and services that meet stakeholders' expectations, promote environmental protection, employee and community development as well as comply with applicable statutory and regulatory requirements, thereby enhancing customer satisfaction.

##### **4.4.1 Business Process**

LANDBANK's integrated management system describes the sequential processes that make up the bank's core business including other management and support processes needed and their interactions. Below is an illustration of the Bank's IMS using the Plan-Do-Check-Act model.



LANDBANK determines processes needed for the integrated management system through the following:

- Inputs required and outputs expected – SIPOC
- Process sequence and interactions – Manual of Operations
- Criteria and method for effective operation and control – OPCR/IPCR
- Resources needed and assurance of availability – Unit Budget
- Responsibilities and authorities – Units' organizational set-up and job descriptions
- Address risks and opportunities – Risk Control Self-Assessment
- Evaluate processes and implement changes to achieve planned results – performance review and monitoring

The integrated management system is in accordance with the ISO 9001:2015 (QMS) and ISO 14001:2015 (EMS) standards. Above key processes are monitored, measured (where applicable) and analysed against the perspectives of the LANDBANK's Balanced Scorecard (BSC) and through Office and Individual Performance Commitment and Reviews (OPCR and IPCR) and internal audits.





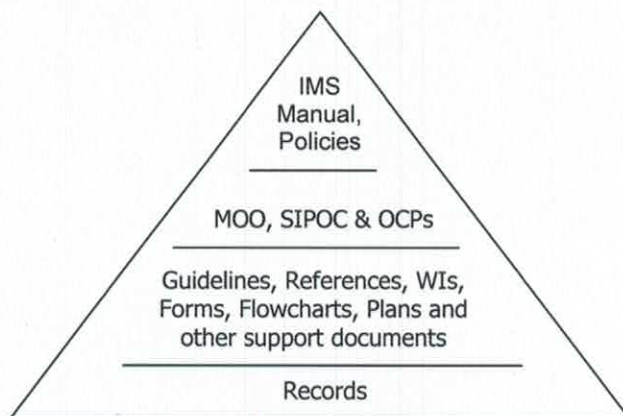
Environmental aspects, business impact and risks applicable to all LANDBANK activities, products and services are identified, controlled and monitored by the Bank.

#### 4.4.2 Documented Information

The Bank maintains and retains documented information to support its operations and processes.

The Bank's Integrated Management System documentation is consist of "maintained documented information", also referred to as documents, and "retained documented information", also referred to as records, throughout the IMS.

The Bank's documentation hierarchy is structured as follows:



**IMS Manual** – Summarizes how the IMS fits together. Describes how LANDBANK conforms to the requirements of IMS, both for quality and environmental standards.

- Describes the system's core elements ( and how the elements relate to each other)
- Provides direction to related documentation

**Manual of Operations and Work Instructions** – Details on how the Integrated Management System should be implemented. This describes the purpose, scope, responsible person, flow of a system and the reference procedures and forms.

**Guidelines and References** – How-to instructions and supporting documents in implementing the IMS.



Revision:	00
Effectivity Date:	18 September 2017
Page:	10 of 10

**IMS Records, Forms and Flowcharts** – support the above documents to implement the system. This is designed for recording information for communication to relevant personnel and for documenting evidence of conformity to the IMS requirements (i.e., management review, internal audit reports, nonconformity reports, customer related information, transaction records, emergency response plans, etc.)

The Integrated Management System includes bank-wide documents, as follows:

- Control of Documents
- Control of Non-Conforming Output
- Environmental Aspects Impact
- Business Continuity Management
- Internal Audit
- Management Review
- Control of Records





### **5. 1 Commitment**

LANDBANK's top management takes accountability over the performance of the Bank and its impact on its stakeholders. It also ensures that strategic objectives are aligned with the set thrust and directions of the Bank attuned with its vision and mission.

The LANDBANK leadership is committed to spur countryside development, strengthen its existing programs and undertake new initiatives to advance development objectives, fortify institutional viability and improve customer service.

Sustainable development is promoted within the organization consistent with its three business goals (Section 4 page 2). An integral part of financial assistance delivery is the promotion of environmental awareness among our clients and partners. The financial assistance extended to these sectors builds more roads, public markets, schools and other basic infrastructure. Alignment of its operations are encouraged to comply with the proper management of materials and natural resources, pollution prevention, climate change mitigation and adaptation, as applicable.

Top management is directly involved in the continuous development, innovation and improvement of products to sustain the delivery of world class banking services. They listen to the ideas and consensus of people inside and outside LANDBANK through meetings and dialogues with clients, employees and business partners. These are avenues to determine what products and services should be developed, improved or changed to address customer needs.

In the area of employee development, Management adheres to good labor practices by creating a professional and healthy work environment while promoting work-life balance and volunteerism. They strengthen LANDBANK's workforce by training and compensating talents and providing a succession planning program that hones the capabilities of future leaders.



## 5.2 Integrated Quality and Environmental Policy (IMS)

LANDBANK's IMS Policy approved and communicated to all its stakeholders is as follows:

**As a universal bank with a social mission, LANDBANK endeavors to deliver quality financial and support services while promoting sustainable development.**

**Toward this end, LANDBANK will:**

- **Promote a culture of service excellence, professionalism, and social responsibility across all ranks, from the Board, Management, officers and staff;**
- **Ensure that services are effective, at par with local and international standards, and responsive to the changing needs of clients and stakeholders;**
- **Comply with applicable laws, regulations and covenants that it subscribe to and incorporate best practices in all its operations; and**
- **Continuously improve its integrated management system.**

**We believe that giving premium to quality and environmental sustainability is one of the best ways to show how much we value our relationship with our clients, partners and all our stakeholders.**

The LANDBANK Leadership revisits the Bank's existing Integrated Management Policy for its continued relevance to the organization. Likewise, the Bank communicates, demonstrates and reinforces the IMS policy to its clients, employees and other stakeholders through formal and informal channels.

## 5.3. Organizational Roles, Responsibilities and Authorities

The responsibility, authority and interrelation of personnel, who manage, perform and verify work affecting the integrated management system, are defined, and included in the Job Description, Bank Issuances and Orders (e.g. Executive Orders, Special Orders, etc.), Codified Approving and Signing Authority (CASA), Manual of Operations, Charters and its Organizational and Functional Charts.





## 6.1 Actions to Address Risks and Opportunities

LANDBANK takes a proactive stance in dealing with possible or probable scenarios that would affect its operations, including those that might require rapid adjustments in its performance measurement system. To address vulnerabilities in its manifold businesses, the Bank has embarked on an Enterprise Risk Management (ERM) project, which also helps cushion the Bank against the impact of sudden organizational or external changes.

### 6.1.1 General

Risk Management (RM) is strongly embedded in the Bank's business strategy. It is an integrative component of good governance wherein the LANDBANK Board, through the Risk Oversight Committee (RISKCOM) and Senior Management ensures the adequacy of framework, policies, internal controls, RM systems and procedures to manage risks considering the issues, requirements from and compliance obligations to interested parties, and its environmental conditions.

The Bank's RM approach is governed by the Board-approved Enterprise Risk Management (ERM) anchored on its mission, vision and strategic objectives. The Bank's implementation of ERM system with defined pro-active RM across various operations of the Bank is beyond compliance.

The LANDBANK, through its Operational Risk Management (ORM), ensures that existing and potential hazards are identified within its current and future operations, including new services, and its impact on the employees, customers, society and the environment.

Risks associated with the Bank's environmental aspects and impacts to its activities/products/services are identified with corresponding operational controls.

The process of determining risks and opportunities are also identified to enable the Bank to maximize the benefits arising from risk controls.

LANDBANK also ensures effective implementation of controls to manage the risks identified in accordance with the established procedures. (*refer to Risk Control Self-Assessment, Internal Capital Adequacy Assessment Process documents and Business Continuity Plan*)



### **6.1.2 Environmental Aspects**

LANDBANK establishes and maintains orderly procedures for identifying the environmental aspects and impacts from the Bank's activities, products and services.

The environmental aspects within the defined EMS scope including direct and indirect, actual and potential aspects, aspects related to new or planned development or new or modified activities, products and services of the Bank are identified and evaluated. Significant aspects are determined using established criteria and are recorded in the aspects and impacts registry, and subsequently communicated to the organization.

Environmental aspect evaluation is implemented giving consideration to the following:

- a.) Normal operating conditions
- b.) Abnormal operating conditions
- c.) Potential emergency conditions

In terms of degree of control, the environmental aspects of the Bank's activities, products and services are classified into direct and indirect aspects:

- a.) Direct Aspects are those activities that the Bank has control and have immediate interaction with the environment such as the consumption of water, energy and office supplies (i.e. paper), etc.
- b.) Indirect or influence aspects are those that LANDBANK does not have direct control, as contributed by the Bank's customers and suppliers and those from lending operations and technical assistance that neither dictate nor influence clients' activities and services, which in turn interact with the environment

### **6.1.3 Compliance Obligations**

The Bank determines and has access to compliance obligations related to its environmental aspects, activities, products and services and determines how these compliance obligations are complied with.





#### 6.1.4 Planning Action

The Bank plans or takes actions to address its significant environmental aspects, compliance obligations, and the risks and opportunities identified.

It integrates and implements actions into its IMS and business processes and evaluates effectiveness of its actions.

#### 6.2 Planning

LANDBANK Management actively steer the strategic planning process to establish attainable targets for LANDBANK. Key factors are identified and challenges for each of the targets and inputs are solicited from the concerned sectors. With the active participation of selected senior officers of LANDBANK, all inputs are discussed and analysed. During the process, steps are laid down to aid in the accomplishment of the set targets.

Key performance indicators are established per identified target to ensure consistent monitoring. In instances of shortfalls, units are required to formulate catch-up plans to assure achievement of their goals and objectives.

##### 6.2.1 Strategic Planning Process

Prior to the adoption of LANDBANK's Strategic Execution Framework, the Bank conducts its Strategic Medium-Term Planning by doing four activities namely: (1) Business Planning Lecture, (2) Strengths, Weaknesses, Opportunities & Threats (SWOT) Analysis, (3) Direction-setting workshops, and (4) Final group workshop which identifies and selects the strategic initiatives that will be included in LANDBANK's Medium-Term Plan for the next five years.

##### 6.2.2 Setting, Preparation and Review of Environmental Objectives, Targets and Programs

LANDBANK, likewise, establishes implements and evaluates environmental objectives, targets and programs (OTPs) to achieve compliance with the environmental policy and to continuously improve its environmental performance.



### 6.3 Management of Change

In managing significant changes, LANDBANK considers:

- the purpose of the changes and their potential consequences
- the integrity of the quality management system
- the availability of resources and
- the allocation or reallocation of responsibilities and authorities





## **7.1 Resources**

### **7.1.1 General**

To sustain the Bank's business goals and social mandate and to ensure consistency of operations, LANDBANK provides the resources needed to support the current action plans. Yearly, a corporate budget which specifies proposed allocations based on projected expenditures for the budget year is prepared and approved. This is aligned with the annual operational and technology requirements duly approved by the Board. The budget incorporates the resources for targets and action plans of all sectors relating to their mandate & support to the Bank's strategic plans.

As a business strategy, LBP also engages some of its functions or processes in outsourcing for a more efficient and cost effective delivery of products and services. These outsourcing arrangements are controlled, monitored and reported in accordance with the Bank's policies and regulatory requirements.

### **7.1.2 People**

Like most successful organizations, LANDBANK believes that the human capital is the most important pillar of its long-term institutional sustainability. As such, LANDBANK is fully committed to continuously enhance its human resources to be better equipped and responsive to the growing demands of a dynamic and highly competitive environment as well as responding to the ever-changing demands of its customers and clients.

To ensure that LANDBANK organizations maintain highly qualified and competent personnel, the Personnel Administration Department (PAD) implements a system for hiring in accordance with standards set by the Civil Service Commission and the competency requirements needed to carry out the operations of the Bank. Aside from the Qualification Standards, the PAD also ensures that recruitment of personnel is within the LBP Corporate Policies on Hiring.

### **Training and Evaluation**

The Land Bank of the Philippines continuously invests in programs and initiatives to equip its human resources with sufficient competencies and the required skills to help them become more effective contributors to the Bank's mission of developing a more prosperous countryside.

The Organization Development Department (ODD) takes the lead in determining competency interventions and enhancements needed by LBP personnel, and in the development and design of training programs, including the facilitation of the training program implementation and management of the evaluation and verification



of effectiveness of actions taken to develop and enhance the competencies of the Banks' personnel.

### **7.1.3 Infrastructure**

LANDBANK Plaza is a 34-storey building, which serves as the Bank's main office. It houses the major bank technologies and equipment that facilitate its operations as well as other facilities for the employees such as the Gym, Chapel/Prayer Room, Music Room, Day Care Center and Lactation Station. LANDBANK has also an extensive network in its field units nationwide:

- Branches and Extension Offices (EOs)
- LANDBANK Easy Access Facilities (LEAFs)
- Cash Centers, FX and Teller Booths
- Provincial Lending Centers,
- Accounting Centers (ACs) and Accounting Units
- Agrarian Operations Centers (AOCs)
- Field Legal Services Units
- Treasury and Trust Hubs

Facility maintenance for LBP Plaza is in the direct control of Facilities Management Department, while the field offices have designated building administrators.

### **7.1.4 Environment**

All units monitor and maintain the appropriate work environment to ensure the smooth flow of the product realization processes in order to achieve conformity to client requirements. All work areas are maintained in a clean and tidy manner.

Bank units have direct control over the communications, software and hardware tools used by the department staff to carry out their job functions, e.g. phones, desktop computers, printers, software, etc. This is in close coordination with the Technology Management Group (TMG) and Systems Implementation Department (SID).

Management of the work environment intends to influence motivation, satisfaction and performance of the employees in order to enhance the performance of the organization. This is done through the provision of the needed equipment, advocating good housekeeping and instituting safety practices.

The Human Resources Management Group also implements various incentives and benefits as a means of motivating personnel towards higher productivity and having a more innovative approach to work. At the Head Office, programs supporting work





life balance are undertaken through the facilities such as LBP Gym, Day Care Center and the LBP Recreation Center. The campaign for health in the workplace was intensified through the issuance of medical bulletins and conduct of various briefings on health-related issues.

#### 7.1.5 Monitoring and Measuring Resources

Customer satisfaction is among the strategic measures for 2017 organizational performance. Through the nationwide customer satisfaction survey which will be conducted this year, the Bank intends to gather feedback to serve as input for enhancing customer service.

As a primary measure of the performance of our management system, Bank units monitor information relating to client perception as to whether they are meeting client requirements.

These requirements are determined by means of:

- Customer Satisfaction Survey (CSS)
- Review of positive and negative client feedback reports
- Complaints Handling
- Performance Feedback Survey
- Mystery Client Survey

#### Performance Analysis and Review

Data that are gathered and selected are aligned and integrated across various levels in the organization, where they are used in performance analysis and reviews. Some reviews entail simple consolidation of information for the purposes of monitoring and reporting, while others necessitate the comparison of performance data against previous performance to ensure the accomplishment of targets and alignment to strategic objectives.

Apart from the Strategy Refresh and Strategy Review Meetings, the various unit and sectoral meetings serve as venues for performance review. The business units conduct performance reviews during formal meetings held in varying frequencies. Catch-up and improvement plans for slow-moving targets are taken up as necessary, based on performance data.

#### 7.1.6 Organizational Knowledge

The Bank manages knowledge within the organization to improve performance, innovate and share lessons learned. It has different sources and repositories of knowledge, and the management of these is being handled by various units of the Bank.



At present, the various touch points as identified for clients and stakeholders serve as channels for the collection and transfer of knowledge to various stakeholders, including senior leaders, employees, regulatory and oversight bodies, customers, suppliers, partners and collaborators.

As a result of performance analysis and review, best practices are shared within the organization and through the following processes:

- Data are analyzed to establish performance level on a particular measure
- High performing units are determined
- Best practices of high-performing units are established.

## 7.2 Competence

LANDBANK's continuing efforts towards the development and implementation of competency-based HR processes was made possible through the crafting of its Competency Framework. Competencies clarify the knowledge, skills and abilities required for successful performance. These are typically evaluated based on demonstration of observable behaviors. A competency framework provides the foundation for performance management, career pathing and planning, learning and development, and succession management.

## 7.3 Awareness

LANDBANK ensures that all business units, officers and staff are aware of the vision, mission, strategic thrusts and directions, the integrated management system policy. This also includes corresponding performance measures that will monitor their contribution to the business and to check effectiveness of the management system in accordance with established Bank policies and procedures.

## 7.4 Communication

### *Internal Communication*

All vital information for all LANDBANK management, its employees and stakeholders are cascaded via the channels available and accessible to them. Some of these information sharing channels include publications, advertising and promotion, bank documents and events & activities.

LANDBANK has instituted a transparent workplace by sharing information across the organization. Teamwork and positive relationships at work are reinforced by camaraderie and open communication between supervisors and staff and among co-





workers. The Bank's performance management system has been designed in such a way that employees are aware and informed of how well they have performed or are performing in their jobs. Members of the workforce can report any impropriety in the Bank's operations through the Ethics Hotline.

In cases of disruptions and emergencies that may impact business delivery, a Business Continuity and Emergency Preparedness Mechanism was established to ensure the continuity of services.

### ***External Communication***

The Bank manages and administers the bank's media and external relations program through the Communications Plan. External relations program includes advertising, sponsorships, exhibits and special events. The Bank also manages the internal and external communications including institutional campaigns and corporate branding.

### **7.5 Documented Information**

Several systems and documents serve as repository of the Bank's data, information and knowledge. To ensure their accuracy, integrity, reliability, timeliness, security and confidentiality, several controls, policies, procedures and standards are in place for all IT systems and manually handled data or transactions.



## 8.1 Operational Planning and Control

### 8.1.1 QMS Operational Planning and Control

LANDBANK's overall operations consist of key work processes as they relate to stakeholders' requirements whose results are aligned to the strategic objectives and business goals of the Bank. The structure is more responsive to the requirements of all stakeholders.

The development or enhancement of the work processes are triggered by the following key factors such as:

- compliance to regulatory requirements,
- voice of the customer,
- management directives,
- industry trends And
- thrust of the national government

The key work process implementation shows alignment of work processes with the integrated management system of the Bank and key measures for the identified processes. Each bank process is guided by a set of rules defined in the specific Bank issuances and are likewise documented in the Units' Manual of Operations. Any enhancement in the process is documented by issuing amendments or revisions of the policies and procedures.

Relative to the above, changes within the system are being made according to business lines. Each business unit (BBS, ADLS, TIBS, OS and CSS) has the responsibility of managing the processes to improve the Bank's delivery of products and services. The performance reviews are being conducted by the business units concerned in varying frequencies depending on the demands of its operations.

### 8.1.2 EMS Operational Planning and Control

LANDBANK identifies the operations and activities associated with significant environmental aspects and impacts that are also in line with the Bank's environmental policy and OTPs.

Operational Control Procedures on environmental management are established and maintained considering relevant hierarchy of controls and life cycle perspective in order to continually control and monitor operations, activities, products and services of significant environmental aspects and impacts, especially those activities wherein absence of a procedure could lead to deviations from environmental policy and/or OTPs. Where applicable, these procedures will be communicated to suppliers, service providers and contractors.





### 8.1.3 EMS Emergency Preparedness and Response

LANDBANK establishes and maintains guidelines and procedures that identify and respond to emergency situations involving life and property, and environment and the prevention and mitigation of significant environmental impacts that may be associated with them.

LANDBANK establishes implements and maintains Emergency Preparedness and Response (EPR) plans and procedure(s) to:

- a.) Identify and assess potential emergency situations/incidents and accidents, including breach of security;
- b.) Respond to such emergency situations/incidents and accidents taking into account the needs of relevant interested parties, e.g. emergency services; and;
- c.) Prevent or mitigate associated adverse health and safety consequences, environmental impact and security breach.

The Environmental Changes and LANDBANK Plaza Emergency Response Team (ECLPERT), in coordination with the departments, implement the emergency preparedness plan for LANDBANK Plaza and the Field Unit Emergency Response Team (FUERT) for FUs.

LANDBANK's EPR plans and procedures are communicated to all employees and other stakeholders, as applicable and that important contact numbers (fire department, police, etc.) are continually updated and posted in the Bank's intranet.

LANDBANK periodically test the abovementioned procedures, as practicable, involving relevant interested parties as appropriate.

Periodic review and, where necessary, revision of the EPR plans and procedure after regular testing and after the occurrence of emergency situations and accidents is done.



## 8.2 Requirements for Products and Services

In the design and development of products and services, client requirements are defined following the inputs gathered from the various channel interfaces including all legal/other regulatory requirements and other considerations that may be applicable.

LANDBANK ensures that the bank has the ability to meet the requirements for the products and services through the Product Development Cycle.

## 8.3 Design and Development of Products and Services

Different units of the Bank designs and develops financial products and services including its alternative delivery channels which include activities such as:

- market studies, survey and research
- promotion and implementation of electronic products in coordination with the Branches and EOs,
- monitoring market needs and requirements.

## 8.4 Control of Externally Provided Processes

As a general rule, LANDBANK procures only from suppliers that are qualified under the Procurement Law (RA 9184). Factors that primarily influence supplier selection are: (1) compliance of offered goods/services with LANDBANK's technical specifications, (2) availability of the goods/services within the prescribed delivery period, (3) track record of supplier and, (4) supplier's compliance with government regulations and (5) cost.

Notices for public bidding are posted in the Philippine Government Electronic Procurement System (PHILGEPS) and the LANDBANK website. Mechanisms for communication include email, meetings, phone calls and official correspondence.

## 8.5 Control of Non-Conforming Outputs

LANDBANK ensures that non-conforming outputs arising from its operations are effectively controlled.

These non-conforming outputs include deviations from specified process controls or criteria which result to errors/lapses in products/transactions relevant to the banking products and services. These errors or lapses are either detected during or after processing by concerned staff/personnel, or by relevant oversight functions and processes serving quality control functions or secondary risk control mechanisms.





**LAND BANK OF THE PHILIPPINES  
INTEGRATED MANAGEMENT SYSTEM MANUAL**

**SECTION 8: OPERATION**

**UNCONTROLLED COPY**

Revision:	00
Effectivity Date:	18 September 2017
Page:	4 of 4

All rectified non-conforming outputs are re-verified to ensure compliance to specified requirements. Records are maintained describing the non-conformity, the actions taken, and the authority deciding the action taken.

Appropriate action plans that address the root cause of these non-conformities are identified. The same are monitored and checked to ensure that these are effectively addressed the problem and that problem recurrence is avoided.



### 9.1 Monitoring, Measurement, Analysis and Evaluation

LANDBANK regularly monitors measures, analyzes and reviews its business processes and company performance and makes necessary improvements to ensure conformity to quality and environmental requirements including but not limited to:

- Conformance of services delivered to customers and statutory requirements;
- Compliance to quality and environmental standards; and
- Impact to the environment.

LANDBANK identifies and manages its interrelated processes by defining how specific activities within its system should operate to demonstrate conformity to service requirements, and by continually improving the system through proper monitoring, measurement, analysis and evaluation.

LANDBANK ensure that the established Office Performance Commitment and Review (OPCR), and Balanced Score Card (BSC) are regularly monitored. Conformity to the standards as measures of the processes are monitored and gaps (standard vs. actual) analyzed. The identification of the needed action plans vary depending on the nature of the item to be controlled, which is the responsibility of the process owner or the person-in-charge.

Some of the data and information gathered and analyzed regularly in the performance of functions

The Bank retains appropriate documented information as evidence of the monitoring, measurement, analysis and evaluation results.

### 9.2 Internal Audit

LANDBANK has a developed, established and well-maintained documented procedure for planning and conducting internal audits to verify whether quality activities and related results comply with planned arrangements, to the requirements of the standards, relevant legislations or regulations and that the IMS is effective in meeting the policy and objectives of LANDBANK.

Internal audits shall be conducted annually as scheduled in the annual audit plan, taking into consideration the status and importance of the processes and areas to





be audited, as well as the results of previous audits. Scope of audit shall cover all possible areas related to the LANDBANK's IMS, which include its business process, quality objectives, potential problem analysis, procedures, guidelines, policies and other support documentation and records used.

Audit shall be conducted through interviews, observations and record trail. The selection of auditors and conduct of audits shall ensure objectivity and impartiality of the audit process. Auditors shall not audit their own work.

### **9.3 Management Review**

#### **9.3.1 General Requirements**

Regular meetings are conducted at per Unit level while quarterly performance evaluation meetings take place at the Group level. A comprehensive management review occurs at least once a year. These are fully recorded and, as a minimum, produce formal conclusions and recommendations for improvements within each level of the organization.

LANDBANK conducts multi-tiered reviews as follows:

Tier 1: Corporate, Board Level Committees (MANCOM)

Tier 2: Sector/Group/Committees

Tier 3: Unit

In addition, State of the Bank Address (SOBA), Town Hall meetings and general assemblies are conducted as necessary.

#### **9.3.2 Review Inputs**

Management review inputs include the following information over the period covered:

1. The status of actions from previous management reviews
2. Changes in external and internal issues that are relevant to the integrated management system
3. Information on the performance and effectiveness of the integrated management system, including trends in:
  - Customer satisfaction and feedback from relevant interested parties
  - The extent to which quality objectives have been met



Revision:	00
Effectivity Date:	18 September 2017
Page:	3 of 3

- Requirements of ISO 14001
  - Process performance and conformity of products and services
  - Nonconformities and corrective actions
  - Monitoring and measurement results
  - Audit results
  - The performance of external providers
4. The adequacy of resources
  5. The effectiveness of actions taken to address risks and opportunities
  6. Opportunities for improvement

### **9.3.3 Review Output**

Management Reviews result in decisions and actions related to:

- Conclusions on the continuing suitability, adequacy and effectiveness of the integrated management system;
- Decisions related to continual improvement opportunities;
- Decisions related to any need for changes to the integrated management system, including resources;
- Actions, if needed, when IMS objectives are not achieved;
- Opportunities to improve integration of the quality and environmental management systems with other business processes, if needed;
- Any implications to the strategic directions of the Bank.

Important outputs from Management Review are made available to relevant members of the Bank for communication, consultation and appropriate action.





## 10. Improvement

### 10.1 General

The bank's policies, objectives, audit results, analysis of data corrective actions, management review and others are used to continually improve the effectiveness of the integrated management system

LANDBANK establishes a clear structure for an improvement and innovation program implemented throughout the organization to meet and exceed customers' expectations and overcome business challenges. Areas for improvement and innovation shall include, but not be limited to:

- Improving products and/or services, systems and processes, structures, relationships and work environment to meet requirements as well as to address future needs and expectations;
- Correcting, preventing or reducing undesired effects;
- Improving the performance and effectiveness of the IMS

### 10.2 Non Conformity and Corrective Action

#### 10.2.1 Correction and Corrective Action

The procedure for Corrective Action has been established and documented to identify, review and take action on non-conformities that may be observed on listed sources such as:

- Result of Customer Satisfaction Surveys
- Complaints received
- Audit non conformities
- Unmet objectives
- Other non-conformities

LANDBANK implements corrective actions in order to efficiently and adequately address non-conformities on the products offered, services performed and in the Integrated Management System (Audit reports, third party audit report, etc.).



**LAND BANK OF THE PHILIPPINES  
INTEGRATED MANAGEMENT SYSTEM MANUAL**

**SECTION 10: IMPROVEMENT**

**UNCONTROLLED COPY**

Revision:	00
Effectivity Date:	18 September 2017
Page:	2 of 2

**10.3 Continual Improvement**

LANDBANK ensures that the organization's main goal of continual improvement is to continually improve the suitability, adequacy and effectiveness of the integrated management system. Through regular review, the results and findings are translated, prioritized, deployed and incorporated bank wide for continuous improvement and innovation.