School report cards contain metrics with corresponding scores that are based on how students perform in specific learning domains within a given period. Public sector organizations using the Institute for Solidarity in Asia’s (ISA) Performance Governance System (PGS) as a governance reform program also follow the report card system, this time making use of “governance scorecards” that record progress and transformation according to a specific timeframe. One of these public sector organizations, the Philippine Army, recently completed all four stages of the PGS, prompting a review of which motivations, innovations, and best practices enabled the organization to make the grade.

After being perceived as an instrument that assisted in prolonging authoritarian rule during the Martial Law period, the Philippine Army developed a controversial image—emblematic of extrajudicial killings and human rights abuses. In media reports, large-scale corruption and embezzlement by top officials also disenchanted many Filipinos who became dismissive of the organization’s successful execution of frontline services during internal conflicts and natural disasters.

Reform seemed difficult to imagine, let alone achieve, for the Philippine Army. Previous leadership had focused on personalities and short-term tactical problems, and remained unable to establish critical processes and systems that could address organization-wide dysfunctions. Frustrations toward the Armed Forces’ Modernization Program and Philippine Defense Reform Program further compounded the organization’s limited resources for new equipment, hardware and technology.

An organized revolution

Challenged by intractable problems that had plagued the organization for decades, the organization’s leadership team finally determined that no less than a revolution was needed to plant the seeds of reform. Drawn to initial success stories shared by other public sector organizations that had partnered with ISA in order to learn and apply the PGS, the Philippine Army began its transformation journey in 2010, preparing an 18-year strategic plan called the “Army Transformation Roadmap 2028” (ATR 2028) that would become the organization’s guiding document toward achieving its vision of becoming “a world-class Army that is a source of national pride.” It was approved for implementation in July 2010.

ATR 2028 captures the Philippine Army’s reform agenda in a roadmap and scorecard that cover all of its operations. It is proof of the organization’s commitment to undertake a genuine transformation program founded on the principles of good governance and performance excellence. Specifically, the goals of ATR 2028 are to transform the Philippine Army into “a more credible, dynamic, responsible, capable, and professional organization” and to “institutionalize the various reform efforts being undertaken by the organization; to successfully optimize their impact; and to provide a solid, rational, and long-term basis for the programs, projects, and thrusts of the Philippine Army.”

After the approval of ATR 2028, the organization’s work proceeded with urgency. In September 2010, the Philippine Army
successfully completed Initiation, the first stage of the PGS. Its transformation program prospered as it went on to pass the second and third stages—Compliance and Proficiency—by March 2013.

In October 2014, the Philippine Army felt that it was prepared to undergo a final evaluation that would validate the presence of breakthrough results and the institutionalization of governance mechanisms that could ensure the sustainability of ATR 2028 and its successes.

Making the grade

An independent, third-party auditing group, the Institute of Internal Auditors Philippines (IIA-P) visited Philippine Army Headquarters in Metro Manila, and travelled to Philippine Army offices across Luzon, Visayas, and Mindanao to check for the integration of governance mechanisms into daily operations as well as for proof of breakthrough results and impact on internal and external stakeholders.

Based on field visits and interviews, IIA-P observed a higher level of transparency, efficiency, and responsiveness in the Philippine Army resulting from serious efforts to implement reforms. Their findings indicated that the standards required by PGS could be sustained because of “strong support and commitment for the ATR 2028 from across the organization, especially from the leadership of the PA [Philippine Army]”. Furthermore, “military discipline harmonized the transition from an administrative or SOP-based organization to a more strategic organization where initiatives are geared towards the attainment of its long term goals.”

IIA-P was also able to confirm breakthrough results at the enterprise level, citing that the Philippine Army had received a score of +75 in terms of Net Trust Rating and +70 in terms of Net Satisfaction Rating in a country-wide survey conducted by Club Media Asia, Inc. and its research arm IPSOS.1

1IPSOS is a global market research company with headquarters in Paris, France. It is currently ranked the 7th largest research agency in the world.
“Considering that military organizations are known to isolate themselves due to the confidentiality of their operations, asking for guidance from multi-sector representatives can be regarded as an act of emerging from the shell.”

The organization far exceeded its goal of scoring +20 in both areas in response to the survey which gauged soldier engagement in civilian undertakings, military presence in communities, and willingness of youth to join the Philippine Army. Its present ratings make the organization the most trusted service in the Armed Forces of the Philippines.

IIA-P also found that despite limited funds, the Philippine Army was able to bring its percentage of serviceable equipment up to 91.66% from a benchmark figure of 62% and make use of its financial resources with an efficiency rating of 99.98%. On the ground, these figures represent prompt and timely processing of funds as well as improved rebuild and repair programs.

In terms of integrating governance mechanisms into existing systems and processes, the Philippine Army was considered to have made good progress in launching the Army Governance and Strategy Management Office (AGSMO), which plays a key role in coordinating with internal and external stakeholders in order to bring ATR 2028 to fruition. IIA-P likewise observed significant improvement in communication and image-building initiatives.

The Philippine Army was assessed to have achieved best practice in identifying and transferring innovative solutions throughout the organization, ensuring a cross of ideas beyond internal structural boundaries. To this end, AGSMO designed a series of lectures and workshops around the concepts and executions of ATR 2028 and published a “game plan” booklet to guide every soldier in creating personal scorecards.

Externally, the Philippine Army was likewise found to have met best practice standards in sharing the governance reform advocacy with other organizations and in collaborating with external stakeholders for reform support through a multi-sector governance council.

Based on these results and discoveries, IIA-P concluded that the Philippine Army had successfully completed Institutionalization, the fourth and final stage of PGS. The organization was endorsed for public revalida—a presentation made before another independent multi-industry panel of concerned citizens—and formally conferred “Institutionalized” status in October 2014.

Bayanihan (“solidarity”) beyond expectation

Considering that military organizations are known to isolate themselves due to the confidentiality of their operations, asking for guidance from multi-sector representatives can be regarded as an act of emerging from the shell. Prompted by the necessity of building a better “brand image” and believing that a good soldier
should also be a good communicator, then Commanding General Arturo Ortiz accepted the challenge of organizing a multi-sectoral governance council, a civilian body whose members were to be chosen not by political affiliation but by relevant sectoral representation. After all, only the best and fairest could be depended upon to safeguard the transformation plan and see to its proper implementation in the service of Filipino industries and communities.

What is known today as the Multi-Sectoral Advisory Board (MSAB) fulfills its original purpose, acting as a conductor of dialogue and participative action. Members of the Philippine Army have come to understand that whatever criticism (sometimes jokingly described as “bullying”) is thrown their way is a product of genuine concern for the success of the organization and for ATR 2028, and officers have learned to deliver reports with candor in order to show a more accurate picture of what the Philippine Army needs in order to move forward.

Because it is only possible for the MSAB to give advice based on observing consistent processes over a significant period of time, the organization is compelled to continue projects despite constant changes in leadership. At the same time, it provides the commanding general with the unbiased, outside perspective he cannot receive from subordinates, raising his awareness and increasing the standard to which he holds his decision-making abilities.

Inside the Philippine Army, uniformed and non-uniformed officers alike were asked to rate the multi-sector governance council as a critical mechanism using a scale of 1 to 10, with 10 being the highest. It was given an overall score of 10 and cited for its effectiveness in ensuring continuity, commitment, and accountability. Using the same

Defense Secretary Voltaire Gazmin leads the founding MSAB members (L-R: Professor Solita Monsod, Dr. Jesus Estanislao, Ms. Vicky Garchitorena, Congressman Mel Sarmiento, and Mayor Oscar Rodriguez) in the oath taking ceremony at the formal launch of the board in 2011
scale, they gave their own MSAB a 10.1 for performance, saying that what it had accomplished as an advisory body far exceeded expectations. Since its launch in 2011, the MSAB assisted significantly in the transformation process with involvement ranging from taking part in committees to spearheading initiatives in the Philippine Army’s behalf.

Civil society personality Vicky Garchitorena, chair of the resource generating committee, took the initiative to recruit private experts to help conduct feasibility studies and generate funds from acquired properties. Lawyer Alex Lacson, also an author and advocate of responsible citizenship, approached donors for communication funds and succeeded in producing a video series, “Juana Change”, released on social media. Journalist Winnie Monsod contacted the Secretary of Budget and Management and convinced him to serve as a bridge between the Philippine Army and the World Bank to generate funds for a performance-monitoring project.

Prior to organizing a multi-sector governance coalition, the Philippine Army sought the counsel of public sector organizations like the Philippine Navy and the Philippine National Police. Now, it is able to offer its own as a model for other agencies to study and apply.

As an organization, the Philippine Army has gained new insight into the spirit of bayanihan or “solidarity” and how it can work for military organizations. From the enterprise level, it is bringing the concept down to lower level units, defining very specific parameters for consideration and invitation. Of these lower level units, eight have now been able to create their own MSABs. These units include the 1st, 3rd, 5th, 6th, 8th, 9th, 10th, and Mechanized Infantry Divisions and Training and Doctrine Command.

As a civilian body, the MSAB has been able to assist the organization in building its capabilities while developing a reputation of concern for local communities. Keeping close watch over the state’s protectors, the MSAB can assure Filipinos that the Philippine Army operates with respect for human rights, a desire to serve, and an end goal of peace. But perhaps, the most important contribution the MSAB has made is its dedication to the organization’s cause of becoming an institution that is “loved by the people”, one that intends to keep the promises it has made under ATR 2028 guided by the convictions of good governance.

For more information on the ATR visit [www.army.mil.ph](http://www.army.mil.ph) and [https://atr2028.wordpress.com](https://atr2028.wordpress.com).
References:


