

THE FILIPINO REPORT CARD ON PRO-POOR SERVICES*

I. Abstract

The Filipino Report Card survey was conducted in spring 2000 by the World Bank in collaboration with Social Weather Stations (SWS), an independent survey research organization in the Philippines.¹ The survey included 1,200 households distributed across four regions. The Report Card asked poor Filipinos about constraints they encountered in accessing public services, their views on the quality and adequacy of services, and the responsiveness of government officials. In keeping with global best practice, the client satisfaction with Philippine public services was measured by comparing it with customer satisfaction with private sector services.²

Through the Report Card, the Filipinos could voice their opinion and demand improvement in services meant to benefit the poor. The Report Card feedback revealed a high degree of dissatisfaction among the poor clients. The analysis of survey results provided insight into citizens' priorities and problems and raised the issue of how different services could better meet people's needs—especially the needs of the poor. The citizens now have the authority and control over the quality of services that they receive and through the Report Card they can express their satisfaction or hold the agencies accountable if they are not satisfied. To assure continuous improvement in service delivery to the citizens, the government is now keen on getting such feedback regularly and there is a felt need to institutionalize these report cards.

II. Background

The Report Card on Pro-Poor Services was undertaken as a follow-up to the World Bank's Philippines Poverty Assessment in 2000. The survey was conducted at a national level through Social Weather Stations (SWS) to obtain information on clients'

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¹ In the Philippines, SWS is recognized as a premier, independent, nonpartisan, and credible survey research organization. SWS is a private academic institute established in 1985, which conducts survey research on topics of public interest for governmental, public, and private organizations. Its national surveys are conducted in Tagalog, Ilocano, Bikol, Cebuano, and Ilonggo. Sources: Social Weather Stations, Inc. (SWS), Quezon City, ISSP Members—Institute Profile, Philippines. URL: <http://www.issp.org/philippi.htm>; World Bank 2001b. See also <http://www.worldbank.org/participation/philsocial.htm> for information on the Philippines social “weather stations” system.

² The American Customer Satisfaction Index (ACSI), developed jointly by the University of Michigan Business School (an academic institution), American Society for Quality (a professional society), and Arthur Andersen (a private consulting firm), was selected as the tool for assessing the performance of the federal agencies. The GSA engaged the consortium to undertake the 1999 Customer Satisfaction Survey of Federal Agencies in the United States. The survey focused on 29 federal agencies, which included most of the high-impact agencies that dealt with 90 percent of the Federal government's customers. Service provision by public agencies was assessed using the private sector as a benchmark. The results of the survey were presented to Congress. Thus, a link between agency performance, as measured by a report card based on client feedback, and the budget allocations to the agencies has been established. Source: Filipino Report Card on Pro-Poor Services, Executive Summary, 2001, p. 22. URL: http://www.adb.org/Documents/Events/2001/Report_Card_Surveys/report.pdf

satisfaction with public services targeted at the poor. The survey was conducted during March-April 2000 and covered a sample of 1,200 households divided into 4 main areas depending upon population distribution: Manila, the rest of Luzon (excluding Manila), the Visayas, and Mindanao.

The primary poverty measure in the Report Card was based on household expenditures. Households with expenditures at the bottom 30 percent were classified as poor, those in the next 30 percent as middle-income, and those in the top 40 percent as rich. The Report Card questionnaire asked for information on awareness, access, use, and satisfaction related to pro-poor public services in five areas: healthcare, primary education, housing, water, and subsidized rice distribution.

For improved governance and accountability, the government committed itself to treat the Filipinos as clients and not as beneficiaries, moving away from a paternalistic approach to a more entrepreneurial one where service provision is linked to user satisfaction. Regular feedback from “citizen-customers” and its subsequent use were identified as key components of the government’s agenda.

III. Impact/Results

The feedback obtained through report cards showed a high degree of dissatisfaction among the poor regarding the public services. However, the report card tool emerged as a strong means to obtain credible and collective citizen feedback on the performance of the services provided by public agencies in the five areas.

The feedback on public services was very revealing. For example, despite the fact that a larger percentage of the poor were sick, they used health facilities less than those with higher incomes. Satisfaction with healthcare was lowest in urban areas. Tuition fees in private schools were ten times those of public schools. Water supplied by all sources was considered unsafe for drinking. A third of the population had to look for their own water. The poor who buy water from vendors consumed just 15 liters per day, close to the survival minimum. The government subsidy on rice benefited the non-poor more than the poor. The *Lingap Para sa Mahihirap* (or Caring for the Poor) poverty reduction program aimed to reduce the number of poor Filipinos from 24 million in 1997 to 17 million by 2004. However, after the first year of its implementation, the non-poor received the bulk of the benefits of this program due to an ineffective beneficiary selection mechanism. According to the respondents the program requires a major overhaul or termination.

As a tool, the Report Card is having a significant development impact. The Report Card findings are already being used by the new administration in revising the Philippines Medium Term Development Plan, crafting the new poverty alleviation strategy, and designing the poverty programs. A number of “localized” report card initiatives are also underway in various cities across the Philippines. The Filipino experience generated considerable interest among a number of other countries, like Vietnam and Albania, in

replicating the Filipino Report Card model as a means to gather citizen feedback on public services.³

The Report Card recommendations have already been incorporated in the new Medium Term Philippine Development Plan 2001–2004. The national government is now piloting performance-based budgeting and the Department of Budget and Management (DBM) has agreed to use the Report Card as one way to assess the performance of public agencies. This would bring the aspirations and concerns of citizens directly into the budget allocation process.

IV. Key Elements of Empowerment

Access to Information

The Report Card emerged as a means to provide the government relevant information for improving service delivery to citizens. The Report Card helped obtain information on users' awareness, access, use, and satisfaction with public services. The classification of families into rich, middle-income, and poor helped link the quantitative poverty information from the expenditure module of the Annual Poverty Indicators Survey (APIS)⁴ with client feedback on pro-poor services in the Report Card. The information obtained through report cards complemented the expert analysis and findings in the Poverty Assessment with a “bottom-up” assessment of pro-poor services in the five sectors. The information also provided vital inputs for policy formulation.

The translation of documents into local languages and the production of simplified documents with key messages proved vital in information dissemination, particularly at local levels. For instance, the bilingual survey questionnaire, with English as the second language, facilitated citizens' direct response. The Report Card survey findings and original data can be accessed at SWS Survey Data Bank; however, SWS reserves the right to charge a fee.⁵ SWS findings are also published in fortnightly Social Weather Bulletins, SWS occasional papers, research reports, and in newspaper articles.

The Report Card is being used by the country's administration to revise the Philippines Medium Term Development Plan and to develop new poverty alleviation strategies and programs. The DBM intends to institutionalize client feedback and “performance-based budgeting” so that all public agencies will use the information generated by the survey

³ During the World Bank organized international workshop on *Voices and Choices at the Macro Level: Participation in Country-Owned Poverty Reduction Strategies*, Washington, D.C., April 3–5, 2001, senior government representatives from 7 (out of 12) developing countries indicated considerable interest in preparing client report cards, based on the Philippine experience, in their countries.

⁴ In wake of the Asian Economic crisis, the National Statistics Office (Philippines) with technical support of the World Bank implemented the Annual Poverty Indicators Survey (APIS) in 1998 as a tool for regular monitoring of poverty and other social indicators during and after economic crisis. Source: Gaurav Datt, Implementation Completion Report, Project ID: PH-TA-P064156, Philippines: Enhanced Poverty Monitoring, World Bank, 2002. URL: [http://lnweb18.worldbank.org/eap/eap.nsf/Attachments/Philippines+Enhanced+Poverty+Monitoring+-+TF021064+ICM/\\$File/Philippines+Enhanced+Poverty+Monitoring+-+TF021064+ICM.pdf](http://lnweb18.worldbank.org/eap/eap.nsf/Attachments/Philippines+Enhanced+Poverty+Monitoring+-+TF021064+ICM/$File/Philippines+Enhanced+Poverty+Monitoring+-+TF021064+ICM.pdf).

⁵ SWS Survey Data Bank archives time series data on general social and political concerns in the Philippines. Source: Social Weather Stations, Inc. (SWS), Quezon City, ISSP Members—Institute Profile, Philippines. URL: <http://www.issp.org/philippi.htm>.

and other measurement tools for allocating funds. The DBM has planned to contract out the client survey, analysis of the findings, and the preparation of a report to a credible and independent civil-society organization, like SWS, *Pulse Asia*, and others, which have expertise in such activities.

Inclusion/Participation

The Report Card survey used a “bottom-up” approach and procured the views of ordinary citizens on public services in Philippines. The inclusion of poor in the survey revealed their awareness of and access to the social programs aimed to help them.

A highly participatory approach was used to prepare the Report Card. The process began with planning the survey through workshops involving key stakeholders from government, the private sector, civil society, and selected academic institutions in the Philippines. World Bank staff and SWS⁶ jointly drafted the survey questionnaire with inputs from sector specialists, different stakeholders, and outside experts.

After completion of the fieldwork, the initial findings were presented to stakeholders during regional workshops at Manila, Clark, and Cebu in June 2000. The workshop participants, including central government officials, local government units, private sector providers, and civil society organizations, helped identify the discrepancies between the Report Card results and sector level data from different sources. They provided feedback that helped validate the preliminary results from the Report Card survey. The stakeholders suggested areas for further analysis and additional tabulations in the Report Card, which are now getting implemented. The strong stakeholder participation in the preliminary workshops suggested their interest in the Report Card findings, which was a positive sign for the follow-up.

A number of World Bank sector specialists and national experts prepared the write-ups on the five sectors utilizing the final data tables. A number of initiatives and actions are already under way to address some of the constraints identified by the users. For instance, “performance-based budgeting” is an unprecedented measure by DBM to obtain regular citizen feedback on key public services, thus bringing citizens directly into the budget allocation process.

Accountability

The whole process of the Report Card survey aimed at strengthening accountability and bringing transparency in service delivery to the citizens. The citizens, including the poor, got to speak out on quality and affordability. Citizens graded services’ quality and adequacy, as well as the treatment they got from providers. They voiced out their satisfaction or dissatisfaction with the services. They rated fees as affordable or beyond their means, besides sharing their experience in dealing with public officials. The Report Card has enabled the citizens to hold officials and service providers accountable for the

⁶ The SWS staff includes qualified researchers in economics, political science, sociology, and statistical analysis.

state of public services. This accountability is further strengthened through the transparency due to information dissemination by SWS.

Steps are underway to address some of the constraints identified by the Report Card respondents. For instance, the implementation of the Health Sector Reform Agenda that addresses various issues mentioned by the clients has begun. The involvement of various stakeholders, the government, private sector, civil society, and service agencies helped establish transparency in operations at the initial stage.

The Report Card has emerged as a strong means to get relevant citizen feedback. The citizens now have the capacity and authority to comment upon the quality of services. However, to maintain the accountability mechanism and assure continuous improvement in service-delivery practices by the service agencies, it is quite essential to institutionalize the Report Card survey. This will facilitate periodic surveys for obtaining regular client feedback that will help improve services from a “bottom-up” perspective.

During the whole process, SWS became apparent as a credible and unbiased intermediate body, which the citizens as well as government can trust. SWS-conducted quarterly Social Weather Surveys are supported by institutional and individual funding, yet SWS can independently publish its survey data and results without requiring permission from subscribers or project sponsors.

V. Issues and Lessons

Challenges

- There has been growing concern about the performance and accountability of public agencies that deliver services to Filipinos, especially to the poor. The past accountability mechanisms for public agencies focused on inputs such as staffing levels, facilities, and expenditures, and occasionally on broad outcome indicators, such as literacy and mortality rates. Beyond the arithmetic, little was known about the quality of services. The third-party evaluations and assessments were seldom done from clients’ perspective. The Report Card survey is an innovative way of gathering feedback from the citizen clients, which is vital in order for the government as well as public service agencies to improve services and thereby improve the standard of living.
- The “Executive Summary” of the 2001 Filipino Report Card on Pro-Poor Services mentioned that no single sample of 1,200 households, no matter how carefully selected and representative, can fully represent a country like the Philippines, which is full of diversity. Nevertheless, the Report Card does provide valuable feedback from a wide spectrum of Filipinos on pro-poor services. The client assessments have been made through well-tested survey techniques that meet international standards. Several concepts and measures used in the pilot phase are

- supposed to undergo iterative refinements as the Report Card is repeated and institutionalized.⁷
- While a considerable effort has been made to develop the Filipino Report Card as an instrument for ensuring improved governance and accountability, attention also needs to be paid to the form and modalities of the dissemination process. Discussions on the Report Card have recognized the need for “different versions of the Report Card depending on the target audience.” In this regard, “busy policymakers may require a short note summarizing the key findings. On the other hand, sector specialists may require more in-depth analysis and ordinary citizens may value yet another form which demystifies service provision and provides them with simple information based on which they could advocate for better performance from service providers.”⁸

Lessons Learned

- Once negotiations have taken place, an enabling environment can be fostered in most contexts by disseminating information and fostering a dialogue. Sharing information is a key component of the participatory process, which can be used throughout the planning, implementation, and monitoring stages of national- and local-level poverty reduction strategies. Sharing information allows transparency in governance, accountability in public actions and expenditure, and meaningful consultations for policy development at a later stage.
- The Filipino Report Card experience shows that governments that keep a wide range of stakeholders informed about the process and content of their policymaking and implementation tend to have greater credibility in civil society and can hold the stakeholders’ interest for a long time. Governments are able to implement their programs more effectively by building trust between various stakeholders, both within and outside the government.
- Users can provide useful feedback on programs meant to benefit them. While users cannot comment on technical matters, they are experts on whether public services meet their expectations. They can judge whether specific services are satisfactory or unsatisfactory. They can say whether the concerned agency is responsive, accountable, and reliable.
- In the given case, the element of information did not come up as a means used by the citizens, but it has come up as the means used by the surveying agencies to assess the real condition of and satisfaction among the poor regarding public services. This finding can acquaint the public service agencies about the quality of their work as perceived by the citizens and prompt them to work proactively to improve people’s standard of living.
- Governments now use feedback mechanisms to improve their performance. Today, in countries from Canada to Uzbekistan, surveys rate the performance of public agencies, giving ordinary citizens a voice in service delivery. Surveys yield specific data on the quality of pro-poor services and how they can be improved.

⁷ Filipino Report Card on Pro-Poor Services, “Executive Summary,” Asian Development Bank, 2001.

⁸ PP 12, S. Tikare, D. Youssef, P. Donnelly-Roark and P. Shah, Organizing Participatory Processes in the PRSP, pp 12-13, Draft for comments, April 2001.

Service providers believe such information is important for them to become more responsive to their clients. Civil society actors are turning collective dissatisfaction into data triggers for public pressure and pushing reforms in service delivery.⁹

- The inclusion of people belonging to the three classes helped figure out the constraints and discrepancies faced by the poor in comparison to the other two classes. For instance, it was found that poor households spent higher proportions of their monthly expenditure on water than rich households.
- Treating citizens as customers or clients rather than beneficiaries requires that their voices are counted in the design, delivery, and assessment of public services. Private firms operating in a competitive environment utilize the information gathered through client surveys to redesign their products to meet customer needs and enhance customer loyalty. User feedback is especially important for public service agencies as they often operate as monopolies or oligopolies, where people, particularly the poor, have hardly any viable and affordable alternatives. Aspects such as quality and timeliness of services and responsiveness of agency personnel may need improvement. However, except for the government, no other entities such as private sector agencies are involved in delivering services and hence, there is no market pressure from competition. In such situations client feedback is a much-needed corrective to check deficiencies and improve services.
- Experience shows that similar assessments in the past have failed to make a lasting impact because they were one-time exercises that lacked follow-through. Incentives for reform and improvement are more likely to succeed if service providers know they will be monitored again. The Philippines experience points to the need to institutionalize the report card system as a process to periodically assess progress (or lack thereof) in service delivery. Also, the presence and inclusion of locally active national bodies like SWS can help in conducting comprehensive surveys regularly.

Outlook

The Filipino Report Card is set to empower ordinary citizens in allocating public resources. However, a one-shot report card will not do. The welfare and opinions of the poor must be monitored regularly, to assess whether public agencies are becoming more responsive to their clients. Fortunately, the Philippine government has plans to institutionalize the Report Card and is also piloting performance-based budgeting. The Department of Budget and Management intends to track the performance of public agencies and use the information for allocating funds in the future. The DBM has agreed to use the Report Card as one way to assess the performance of public agencies. This would bring the aspirations and concerns of citizens directly into the budget allocation process.

⁹ Source: Filipino Report Card on Pro-Poor Services, Summary, The World Bank.
URL: <http://www.worldbank.org/participation/FilipinoReportCard-Summary.pdf>.

VI. Further Information: References and World Wide Web Resources

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