

The following table describes the four phases and tools applied in the pilot cities of Ormoc and Bacolod

| Phases | Description | Timeline |
|----------------|---|----------------------|
| Diagnosis | A Time and Motion Study was conducted by external consultants to provide the baseline information. Findings and recommendations were validated by SMEs that participated in the workshop. | Dec 2004 to Jan 2005 |
| ↓ | | |
| Planning | An action planning workshop was held with multistakeholders from the LGU and the private sector to discuss the results of the baseline assessment and develop an action plan for the implementation of the recommendations. The Good Practice of Muntinlupa City's streamlined business registration procedures was shared as a model practice / benchmark. | Mar to Apr 2005 |
| ↓ | | |
| Implementation | Implementation of the action plan with technical advice from external consultants. Activities in this phase included the conduct of training, information dissemination and provision of equipment. | Aug to Dec 2005 |
| ↓ | | |
| Evaluation | A second Time and Motion Study evaluated the outcomes of the change process including procedural improvements and customer satisfaction. The evaluation also provided additional recommendations which were validated by the participating SMEs and LGUs. | Jan to Apr 2006 |

In the pilot cities of Ormoc and Bacolod, the whole process from diagnosis to evaluation took about one and a half years, from December 2004 to April 2006. The time and motion studies were conducted during the annual registration period in January 2005 and January 2006.

Key Results

The table below shows that the required procedures of, the number of steps in and the time it takes for the business registration process have significantly been reduced. Customer satisfaction has improved. The increase in business permits approved can be partly attributed to the greater efficiency and effectiveness of LGU services.

The following are the outcomes of the process

- capacity of LGU to provide streamlined and more efficient services strengthened
- increased customer satisfaction
- LGU-NGA-Private Sector dialogue strengthened.

Lessons Learned

- building consensus through consultations builds ownership
- simplification of business registration procedures requires reorganization which may result in a loss of power of some LGU officials. A Local Chief Executive who has the will to follow through strategic decisions and secure buy in from her or his constituents spells the difference

- signing a Memorandum of Agreement should be a prerequisite to start the process
- bringing in the Good Practice of Muntinlupa City as a benchmark of simplified business registration procedures was an effective way in securing buy in of all stakeholders
- it is important to keep the stakeholders at the national level informed about experiences and developments at the local level
 - o chances to overcome resistance to change of local stakeholders increase when there is support at the national level
 - o awareness as well as demand for replication in other LGUs and policy reform at the national level is created. LGUs need to be capacitated to evaluate and monitor the business registration procedures themselves.

Success Factors

The success of simplifying business registration procedures depends largely on the following factors

- political will and commitment of the Local Chief Executive in adopting changes
- full support of the Business Permits and Licensing Office (BPLO) Chief
- participatory process that brings together private and public partners and builds consensus and local ownership
- flexibility and process orientation.

| Indicators | Bacolod | | Ormoc | |
|---|---------------|---------------|---------------|---------------|
| | 2005 | 2008 | 2005 | 2008 |
| No. of steps to get permit - renewal / new | 19 / 21 | 10 / 10 | 14 / 17 | 5 / 5 |
| No. of days to get permit - renewal / new | 7 / 16 | 2 / 3 | 17 | 0.28 / 0.38 |
| No. of documents and forms required - renewal / new | 15 / 16 | 10 / 10 | 12 | 7 / 7 |
| Customer satisfaction (SMEs) | below average | above average | below average | above average |