
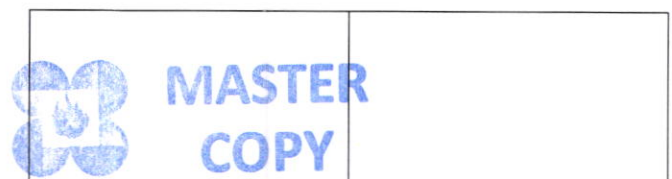



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## 6.0 Planning

### 6.1. Actions to address risks and opportunities

- 6.1.1. PSHSS considers risks and opportunities when taking actions within the quality management system, as well as when implementing or improving the quality management system; likewise, these are considered relative to products and services.
- 6.1.2. PSHSS shall consider the results of the SWOT Analysis and relevant requirements of the relevant interested parties to determine the risks and opportunities that need to be addressed to:
  - 6.1.2.1. Give assurance that the quality management system can achieve its intended results;
  - 6.1.2.2. Enhance desirable effects;
  - 6.1.2.3. Prevent, or reduce, undesired effects;
  - 6.1.2.4. Achieve improvement.
- 6.1.3. PSHSS shall conduct risk/opportunity assessment when there are changes to the SWOT Analysis and relevant requirements of the relevant interested parties.
- 6.1.4. PSHSS actively seek out opportunities which could enhance its position. For example:
  - 6.1.4.1. enhancing program offerings that are within the scope of capabilities of PSHSS
  - 6.1.4.2. establishing new linkages, including national and international competitions
  - 6.1.4.3. enhancing facilities, equipment and technology
  - 6.1.4.4. streamlining existing processes to improve efficiency and reduce costs
- 6.1.5. As a result of the assessment, PSHSS shall plan actions to address these risks and opportunities. These actions shall be monitored and reviewed for their effectiveness.
- 6.1.6. Risks are managed with a focus on decreasing their likelihood, and minimizing their impact if they should occur.



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- 6.1.7. Opportunities are managed to increase their likelihood, and to maximize their benefits if they should occur.
- 6.1.8. Where risks and opportunities overlap, the best appropriate method for managing them shall be ascertained, given the situation at hand. Elements of such “blended” uncertainties may require methods which both address the negative risk and positive opportunity.
- 6.1.9. PSHS shall use the Likelihood and Consequence Matrix for its risk/opportunity assessment as shown below:

		CONSEQUENCE				
		1	2	3	4	5
LIKELIHOOD	5	5	10	15	20	25
	4	4	8	12	16	20
	3	3	6	9	12	15
	2	2	4	6	8	10
	1	1	2	3	4	5

Low – 1 to 4

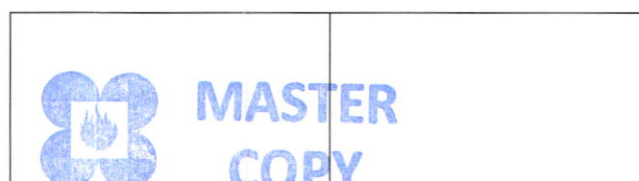
Moderate – 5 to 9


Significant – 10 to 12

High – 15 to 25

#### 6.1.9.1. Likelihood Scale and Definition for Operational Activities

Likelihood	Definition (Operational Activities)
5 – Almost Certain	At least once a week (1-7 days)
4 – Likely	At least once a month but not weekly (8-31 days)
3 – Possible	At least once per quarter but not monthly (32-90 days)
2 – Unlikely	At least once a year but not quarterly (91-365 days)
1 - Rare	Will not happen or will not happen within the year or every year (0 or >365 days)



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#### 6.1.9.2. Likelihood Scale and Definition for Periodic Activities

<b>Likelihood</b>	<b>Definition (Periodic Activities)</b>
5 – Almost Certain	Will happen 76-100% in a year, or affect 76-100% of the population
4 – Likely	Will happen 51-75% in a year, or affect 51-75% of the population
3 – Possible	Will happen 26-50% in a year, or affect 26-50% of the population
2 – Unlikely	Will happen 1-25% in a year, or affect 1-25% of the population
1 - Rare	Will not happen or affect the population, or will not happen within the year (0%)

#### 6.1.9.3. Likelihood Scale and Definition for Opportunities

<b>Likelihood</b>	<b>Definition (Opportunity-Capability)</b>
5 – Almost Certain	Have 76-100% capability/resources
4 – Likely	Have 51-75% capability/resources
3 – Possible	Have 26-50% capability/resources
2 – Unlikely	Have 1-25% capability/resources
1 – Rare	No capability/resources (0%)

#### 6.1.9.4. Consequence Scale and Definition for Adverse Health and Safety Impact


<b>Consequence</b>	<b>Definition (Health and Safety)</b>
5 – Catastrophic	Death
4 – Major	Permanent Disability
3 – Moderate	Partial Disability
2 – Minor	Temporary Disability
1 - Insignificant	Minor Discomfort/Injuries

#### 6.1.9.5. Consequence Scale and Definition for Financial Loss

<b>Consequence</b>	<b>Definition (Financial Loss)</b>
5 – Catastrophic	>Php10M loss
4 – Major	>Php5M; <=Php10M loss
3 – Moderate	>Php1M; <=Php5M loss
2 – Minor	>Php100K; <=Php1M loss
1 - Insignificant	<=Php100K loss



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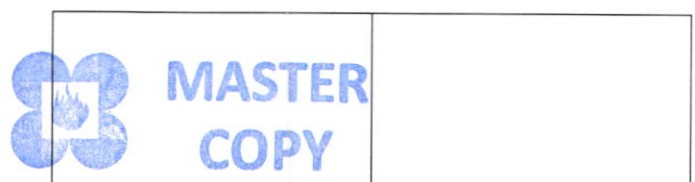
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6.1.9.6. Consequence Scale and Definition for Adverse Environment and Community Impact

<b>Consequence</b>	<b>Definition (Environment &amp; Community)</b>
5 – Catastrophic	Irreversible long term environmental harm; Community outrage
4 – Major	Prolonged environmental impact; High-profile community concerns (municipal level)
3 – Moderate	Moderate environmental impact; Moderate-profile community concerns (barangay level)
2 – Minor	Minor environmental impact; Low-profile community concerns (written complaint)
1 - Insignificant	Insignificant environmental impact; No community concern

6.1.9.7. Consequence Scale and Definition for Security (Physical and Information) and Natural Calamity

<b>Consequence</b>	<b>Definition (Security/Natural Calamity)</b>
5 – Catastrophic	Cessation of Operation for > 1 Month
4 – Major	Cessation of Operation for > 2 Weeks but <= 1 Month
3 – Moderate	Cessation of Operation for > 1 Week but <= 2 Weeks
2 – Minor	Cessation of Operation for > 2 Days but <= 1 Week
1 - Insignificant	Insignificant or No Impact, <= Cessation of Operation for 1 to 2 Days



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6.1.9.8. Consequence Scale and Definition for Adverse Image/Reputation/Legal and Compliance Impact

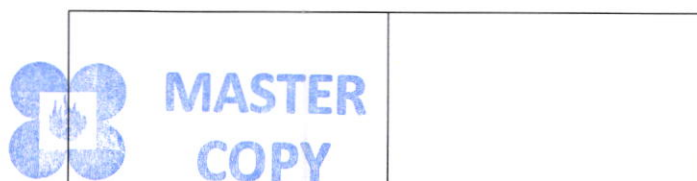
<b>Consequence</b>	<b>Definition (Image/Reputation/Legal and Compliance)</b>
5 – Catastrophic	International press/media reporting over several days
4 – Major	National press/media reporting over several days (more than two days reporting)
3 – Moderate	Major complaint; mentioned in national press/media for a day or two
2 – Minor	Minor complaint
1 - Insignificant	Insignificant or No Impact


6.1.9.9. Consequence Scale and Definition for Unexpended Budget

<b>Consequence</b>	<b>Definition (Unexpended Budget)</b>
5 – Catastrophic	>40% of total budget
4 – Major	>30% to <=40% of total budget
3 – Moderate	>20% to <= 30% of total budget
2 – Minor	>=10 to <=20% of total budget
1 - Insignificant	< 10% of total budget

6.1.9.10. Consequence Scale and Definition for Beneficial Image/Reputation Impact

<b>Consequence</b>	<b>Definition (Image/Reputation)</b>
5 – Very Significant	International recognition
4 – Major	National recognition
3 – Moderate	Regional recognition
2 – Minor	District or division recognition
1 - Insignificant	Insignificant or No Impact



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6.1.9.11. Consequence Scale and Definition for Productivity Improvement

<b>Consequence</b>	<b>Definition (Productivity Improvement)</b>
5 – Very Significant	>90%
4 – Major	61%-90%
3 – Moderate	31%-60%
2 – Minor	10%-30%
1 - Insignificant	<10%

6.1.9.12. The identified risks and opportunities shall undergo risk/opportunity assessment using the abovementioned definitions.

6.1.9.13. The acceptable levels shall be as follows:

- Risk – 9 and below
- Opportunity – 10 and above

6.1.9.14. Action plans shall be prepared for risk levels outside the acceptable level, which may include one or more of the following:

- Reduce (likelihood and/or consequence)
- Transfer the risk
- Share the risk
- Avoid the risk


6.1.9.15. Analysis of any opportunity will generally result in one of the following possible determinations:

- Pursue the opportunity
- Explore the opportunity in greater detail before proceeding
- Accept the opportunity, but under limited and controlled conditions
- Decline the opportunity, typically based on a high expected cost or low anticipated benefit

6.1.9.16. If an opportunity includes a negative aspect, management may elect to conduct a risk assessment on the negative aspect, as defined above.



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## 6.2. Quality objectives and planning to achieve them

- 6.2.1. From the Institution's Quality Policy, measurable quality objectives are determined, relevant to the quality management system taking into account applicable requirements and enhancement of customer satisfaction, at the various offices through the setting of "metric" or Key Performance Indicator (KPI), which is then measured to determine the process' ability to meet the quality objective. These are communicated to the areas concerned to ensure they are aware of their responsibilities to the achievement of the quality objectives.
- 6.2.2. To support the achievement of quality objectives, the KPI shall include:
- 6.2.2.1. Activities to meet the target;
  - 6.2.2.2. Responsibility for the activities;
  - 6.2.2.3. Timeline for the activities;
  - 6.2.2.4. Resources needed; and
  - 6.2.2.5. Means of verification or evaluation of the target.
- 6.2.3. Throughout the year, metrics data is measured and gathered by process owners or other assigned Heads, in order to present the data to the Execom and Mancom. The data is then analyzed by the Execom and Mancom in order that Execom and Mancom may set goals and make adjustments for the purposes of long-term continual improvement.
- 6.2.4. The KPIs shall be monitored through the submission of quarterly accomplishment reports.
- 6.2.5. When a process does not meet a goal, or an unexpected problem is encountered with a process, the unattained target shall be analyzed to determine appropriate corrective action to be implemented to resolve the issue. In addition, opportunities for improvement are sought and implemented, for the identified processes.
- 6.2.6. The KPIs may be updated as appropriate.



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### 6.3. Planning of Changes




6.3.1. When PSHSS determines the need for changes to the quality management system or its processes, the changes shall be carried out in a planned manner.

6.3.2. PSHSS shall consider:

- 6.3.2.1. the purpose of the changes and their potential consequences;
- 6.3.2.2. the integrity of the quality management system;
- 6.3.2.3. the availability of resources;
- 6.3.2.4. the allocation or reallocation of responsibilities and authorities.

### 6.4. Revision History

DCR No.	Section	Amendment/s	Revision No.	Implementation Date
		-Initial Implementation-	0	December 5, 2016
18-00-055	6.2.4	Changed <i>monthly</i> accomplishment reports to <i>quarterly</i> accomplishment reports	01	November 21, 2018

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