



# Performance of Personnel and Customer Satisfaction of Home Development Mutual Fund in Antipolo Branch

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## Abstract:

In this study, it is the researcher purpose to validate the correlation between the performance of personnel and satisfaction of its customer with regards to efficiency of the current set up particularly in Customer Satisfaction through customer feedback survey in HDMF-Antipolo Branch. To confirm the researcher hypothesis that the current set-up is efficient and effective in delivering Front line services in line with the performance of its personnel, a survey instrument will be administered to the client. This study also consist brief analysis about duties and responsibility of each employee that can affect to the frontline servicing function. Should there be a significant finding that contradicts the researcher hypothesis, it is the researcher's intention to give suggestions or corrective actions to enhance its quality service.

## Index Terms:

- 1. Customer Satisfaction Survey** - a methodology employed by the Fund to determine, monitor, and measure the satisfaction level of external and internal customers with the Fund's processes and services.
- 2. Relevant Feedback** - refers to valid feedback with timeframe and action taken.
- 3. Suggestion** - a proposal made or an idea communicated by any customer or employee which may be considered for the improvement of the Fund's programs and services.
- 4. Feedback** - any perceived positive or negative impression concerning the experience with a particular process service or interaction, expressed either verbally or documented through social media, survey forms, suggestion box, electronic or snail mails or other forms of correspondence, telephone or personal meeting. Feedback includes comments, **suggestions**, and commendations.
- 5. Correction** - immediate action taken to correct nonconformity.
- 6. Corrective Action** - actions taken to eliminate cause/s of a detected nonconformity, defect or other undesirable situation, to prevent recurrence.
- 7. Corrective Action Report (CAR)** - a monitoring tool wherein identified nonconformities, and opportunities for improvements are recorded and monitored throughout its life cycle.
- 8. Client/Customers** - refers to the recipient of the services provided by the branch/concerned unit. Client/Customers may be external or internal to the Fund. Customer refers to members, employers, and all other relevant interested parties.
- 9. Commendation** - an expression of satisfaction about the Fund's programs, services, personnel, or relating to a particular matter.
- 10. Complaint** - an expression of a specific dissatisfaction, notified verbally or in writing, resulting from any validated non-fulfillment of customer requirements and expectation in which a correction and/or corrective action is required.

## I. INTRODUCTION

What is the correlation between performances of personnel to the satisfaction of its customer? The objective of this study is to be able to enhance the quality service for the existing client servicing functions of HDMF Antipolo Branch by assessing the performance of Front-line servicing through customer satisfaction. To monitor and determine the level of customer's satisfaction and perception with HDMF's frontline services and to align with the Lingkod HDMF Campaign with Tagline "Lingkod Pag-IBIG: Tapat na serbisyo mula sa Puso", as well as to perfect the services in each client and customer service and to protect the credibility of the services and existence of organization the survey instrument will be administer. To give the reader an overview about the setting inside the HMDF Antipolo branch below are enumerated counters as follows; there are 10 Front-liners who are manned by different personnel assigned with servicing counter that the branch offers particularly: Counters1-4- membership registration: In

this counter the marketing personnel shall assist the clients for walk-in registrant upon presenting duly accomplished MDF verify if the registrant has existing Pag-IBIG MID Number, validate information with registrant and guide and assist the registrant to designated computers to register online. Counters 5&6 contribution verification: In this counter the front liners shall request valid IDs to the member before verification of its contribution counter 7 -Provident claims: In this counter the Front liner shall verify and validate if the member is already qualified for contributions withdrawal. Counters 8&9- STL processing: In this counter the front liner shall review, evaluate and validate if the member is qualified for Short term loan. Counter 10- Fund Coordinator Lane: This is the special lane for liaison personnel of fund coordinators officer. The above stated counters are the Front-line servicing that need to assess by the researcher through customer satisfaction survey and to prove if their significant findings that affect the satisfaction of their customer the above mention counters who catered different services will assess by the customers if they meet the

efficiency set by the HDMF and its effectiveness. To provide a standard procedure and to determine the level of quality of services of HDMF through its customer perspective the researcher validate if the sustainability of its quality management system is implemented. This research starts from the preparation of monthly feedback management plan up to validation of implementation and effectiveness of action taken on the identified complaint/s, results of internal/external Pag-IBIGCSat surveys and customer feedback from all contact points. The risk associated with the process and results on feedback management shall be taken into consideration. HDMF or Home Development Mutual Fund also known as Pag-IBIG Fund Antipolo Branch needs to assess the effectiveness and efficiency of front-line servicing to meet the highest standard of its quality management system, because customer servicing is crucial part of the Branch's operation it has major impact to surpass the required target. In any organization, Front-line servicing is the first line of defense that renders public service. The result of Front-line servicing serves impression either good or bad that reflect to the image of its branch. To achieve goals and objectives of the Fund, the different department sets manpower requirements based on the department goals, evaluation of current and future performance and evaluation of capabilities of personnel. Based on assessment, the Fund is able to determine whether training or cross training for the existing manpower is a better option than hiring new personnel to achieve the department goals and objectives. To continuously improve and upgrade efficiencies in the delivery of member services as well as ensure the Fund's responsiveness to change, the Human Resource Development Department (HRDD), through the Performance Management and Organizational Development (PMOD) is responsible for evaluating the manpower requirements of the Fund by reviewing the organizational structure and staffing pattern. The history of HDMF will also discuss here. The birth of the Home Development Mutual Fund (HDMF), more popularly known as the Pag-IBIG Fund, was an answer to the need for a national savings program and an affordable shelter financing for the Filipino worker. The Fund was established on 11 June 1978 by virtue of Presidential Decree No. 1530 primarily to address these two basic yet equally important needs. Under the said law, there were two agencies that administered the Fund. The Social Security System handled the funds of private employees, while the Government Service Insurance System handled the savings of government workers. Less than a year after on 1 March 1979, Executive Order No. 527 was signed. The order directed transferring the administration of the Fund to the National Home Mortgage Finance Corporation, which was one of the operating agencies of the then Ministry of Human Settlements. Seeing the need to further strengthen the stability and viability of the two funds, Executive Order No. 538 was issued on 4 June 1979, merging the funds for private and government personnel into what is now known as the Pag-IBIG Fund. However, it was only on 14 December 1980 when Pag-IBIG was made independent from the NHMFC with the signing of PD 1752, which amended PD 1530. With the improved law in effect, the Fund's rule-making power was vested in its own Board of Trustees. Likewise, PD 1752 made Pag-IBIG membership mandatory for all SSS and GSIS member-employees. 1 January 1987 marked the return of the Pag-IBIG Fund to a voluntary program under Executive Order No. 90. While many companies chose to discontinue their Pag-IBIG membership, quite a number, including big companies like PLDT and Dole Philippines, nevertheless opted to retain their membership to the Fund despite the voluntary nature of registration. Confronted with the sudden reduction in its

membership base, Pag-IBIG stood unfazed and took the challenges head on. As a first step, the Fund implemented an intensified marketing campaign that focused on membership retention and generation. It was during the years as a voluntary fund that Pag-IBIG evolved from an institution primarily for savings and housing into an agency with a wider reach that covers almost all other needs. Pag-IBIG introduced innovative benefit programs that heeded the calls for expansion of membership to include self-employed groups with informal income, overseas Filipino workers, and non-earning spouses. It also launched other novel programs such as the Multi-Purpose Loan for its short-term loans program, and shelter programs that address both individual and institutional housing requirements. Clearly, the voluntary nature of Pag-IBIG membership did not stop the Fund from growing in depth and breadth. During the period, the Pag-IBIG Fund has claimed its rightful place in the country's economic and financial system, finally gaining the acceptance of its members, not by force, but by its continuing efforts to impress upon the members that the Fund exists solely for their benefit as well as their beneficiaries. After eight years as a voluntary fund, the nature of Pag-IBIG membership reverted to mandatory on 17 June 1994 when President Fidel V. Ramos signed Republic Act 7742. The new law became effective on 1 January 1995. Today, more than a decade after the universal Pag-IBIG coverage law was implemented, the Pag-IBIG Fund continues to be a strong partner in realizing Filipino workers' dreams. Over the years, it initiated more programs and projects, particularly those that address the needs of members belonging to the bottom economic level. The Fund has established special housing partnerships with teachers and uniformed men, among others. The Rent-to-Own Program was introduced, providing members another affordable way of home ownership. The Fund's efforts towards housing the Filipino did not go unnoticed. During the World Habitat Day celebration in October 2006, Pag-IBIG was given the prestigious Scroll of Honour Awards by the United Nations Human Settlements Program (UN-Habitat) for "making the dream of affordable housing a reality for hundreds of thousands of households." Pag-IBIG is the first Philippine government agency to be awarded such recognition. The Fund likewise strengthened its partnership with accredited developers by way of its various institutional lending programs, among which is the much-sought after program for the development of medium and high-rise condominium buildings. The program provides a ready inventory of condominium units for sale at affordable prices, and allows members to experience condominium style living in areas close to their places of work. In recent years, the Fund has embarked on its successful bid in the financial market, moving a step closer to its vision of becoming a premier and globally competitive provident financial institution. In 2001, the Fund floated P2 billion-worth of Pag-IBIG Housing Bonds to generate additional funds for its shelter financing programs, which was warmly received by both institutional and individual investors. The bonds matured in late 2006. Recognizing HDMF's contributions through the years and the need to further strengthen its capability as the biggest source of housing finance in the country to date, President Gloria Macapagal-Arroyo signed into law Republic Act No. 9679 or the Home Development Mutual Fund Law of 2009. The law was signed on 21 July 2009. Under the new HDMF law, membership to the Pag-IBIG Fund is made mandatory for all SSS- and GSIS-covered employees; uniformed members of the AFP, BFP, BJMP and PNP; as well as Filipinos employed by foreign-based employers. Now more than ever, Filipino workers will enjoy the benefits that are

available only to Pag-IBIG members. Likewise, the law grants the HDMF exemption from tax payments like other government provident institutions. With its tax-exempt status reinstated, Pag-IBIG will have more funds to finance housing and short-term loans as well as investments in government securities. Income from these endeavors is distributed exclusively to Pag-IBIG members in the form of dividends. The HDMF Law of 2009 also gives the Board of Trustees the authority to set the contribution rates, thereby paving the way for members to save more for their future. Similarly, this will bolster the Fund's resources for home financing. Pag-IBIG is an acronym which stands for Pagtutulungan sa Kinabukasan: Ikaw, Bangko, Industria at Gobyerno. To this day, the Pag-IBIG Fund continues to harness these four sectors of the society to work together towards providing Fund members with adequate housing through an effective savings scheme.

## II. RESULTS

Based on the *article of Kim Harrison* entitled, ("Why employee recognition is so important?") of 2010, employees recognition is the timely, informal or formal acknowledgement of a persons or teams behavior, effort or business result that supports the organizations goals and values, and which has clearly been beyond normal expectations. To be effective in your job, you need to understand the psychology of praising others for their good work, to apply the principles of employee recognition yourself and to encourage others to initiate it in their working relationships. Appreciation is a fundamental human need. Employees respond to appreciation expressed through recognition of their good work because it confirms their work is valued. When employees and their work are valued, their satisfaction and productivity rises, and they are motivated to maintain or improve their good work. Praise and recognition are essential to an outstanding workplace. People want to be respected and valued for their contribution. Everyone feels the need to be recognized as an individual or member of a group and to feel a sense of achievement for work well done or even for a valiant effort. Everyone wants a 'pat on the back' to make them feel good. Providing quality service is a never-ending effort in every institution and continual improvement is necessary in order to maintain the performance and to build trust and loyalty among the members. Suggestions received from our members are important because it allows us to get even better and to continuously give them exceptional service that they truly deserve. According to an article published by the *Queensland Ombudsman in 2013*, every organization that deals with the public receives complaints from time to time about its activities. Complaints are inevitable and have to be managed. People have a right to complain and agencies are accountable for their decisions and actions. That is why in this study the researcher validates the effectiveness of its quality service through performance of personnel and efficiency of its frontline servicing through customer satisfaction survey.

## III. SUMMARY

Efficiency and effectiveness through customer assessment and instrument survey the researcher will easily determine if the service cater by the Fund is Efficient, with this the researcher will help the organization to validate how to continually improve the standard procedure set in Quality management system Manual. According to (Leonard L. Berry, Eileen A. Wall, and Lewis P. Carbone, 2006) why is customer satisfaction and loyalty research so important? One word: *Income*. Satisfied customers spend more money, refer more

customers and patronize businesses longer than unsatisfied customers. This all leads to more revenue for businesses that can keep their customers satisfied. Quality is critical to satisfying your customers and retaining their loyalty so they continue to buy from you in the future. Quality products make an important contribution to long-term revenue and profitability. They also enable you to charge and maintain higher prices. Because customers' assessment of services is based on performances rather than objects, they rely on the numerous clues that are embedded in performance when choosing services and evaluating service experiences. The result of the personnel evaluation is one of the considerations in determining the validity of the request. To ensure the achievement of goals, the system may recommend capability building activities to supplement the need of the Fund or employ competent candidates. To ensure continuous competence development of personnel in line with Management's thrust to establish an accurate basis for assessing employee's work performance, the Fund evaluates the performance of its employees pursuant to the standards set by the Civil Service Commission (CSC). The evaluation system applies to all first, second and second level executive positions in the career service. It can also be applied to employees in the non-career service as applicable. The Pag-IBIG Customer Satisfaction Survey Result shall be prepared by the Members services II Department and shall be the basis of concerned unit in accomplishing Best Practices or Root Cause Analysis for the increase or decrease in survey result rating, as applicable, and for the formulation of correction and corrective action, as well. The said document shall also be the basis for the preparation of Pag-IBIG Customer Satisfaction Survey Report. To update the Procedure on Customer Feedback Management to include the validation of suggestion and complaint which shall depend on the situation and/or problem raised by the customer/member and to include in the business rules that all complaints shall be recorded, acted upon, and reported provided complete information of customer/member is given to serve as reference for action while invalid complaints shall be considered as suggestions. To align with new standard which focuses not only on customers but with relevant interested parties? The objectives are as follows; To align the procedure with the current need of the Quality Management System (QMS), To include Housing Loan Process, to enhance processes for continual improvement because of various business process review conducted. To enhance the procedure due to audit findings and for continual improvement because of various business process review conducted. To align with the revised Procedure on Control of Nonconformance and Corrective Action. In this study the researcher will easily determine if the HDMF Antipolo Branch is efficient and how this affect the satisfaction of the customer and if there is significant to the performance of personnel that can affect to the customer satisfaction. Should there be a significant finding that contradicts the researcher hypothesis, it is the researcher's intention to give suggestions or corrective actions to enhance its quality service.

## IV. REFERENCE

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