

MATERIAL RISK FACTORS AND MEASURES<sup>1</sup>  
 NATIONAL HOUSING AUTHORITY

RISK CATEGORY	BRIEF DESCRIPTION	RISK	MEASURES
Program Design and Delivery	Threats and opportunities associated with an organization's design and delivery of specific programs, which may impact on the organization's overall objectives	Climate Change Natural Calamities  Lack of adherence to existing site selection and planning standards for housing projects	-Regular review of housing design and land development standards  -Adoption of resilient housing design for calamity affected areas  Stricter Project Monitoring
Policy Development and Implementation	Threats and opportunities associated with an organization's design, implementation and compliance with government-wide policies as well as its own internal policies and procedures.	NG reforms on good governance, budget reforms, Strategic Performance Management System (SPMS)	Compliance to good governance, budget reforms and SPMS
Project Management	Threats and opportunities associated with an organization's process and practice of developing and managing major projects in support of its overall mandate, as well as risks associated with specific projects that may require ongoing management	Capability of contractors for bid-out projects  Forward Planning/Project Packaging  Inadequate Disengagement Program for completed projects	Stricter Implementation and monitoring of calibrated actions on contracts particularly those with negative variances  Technical Skills Development/Project Management  Creation of a Project Disengagement Committee

<sup>1</sup> **Definition of RISK: EFFECT OF UNCERTAINTY ON OBJECTIVES. RISK CAN BE CHARACTERIZED AS A NEGATIVE UNCERTAINTY, COMMONLY REFERRED TO AS A THREAT, AS WELL AS A POSITIVE UNCERTAINTY, COMMONLY REFERRED TO AS AN OPPORTUNITY**  
 Other definition of RISK: A probability or threat of damage, injury, liability, loss or any negative occurrence that is caused by external or internal vulnerabilities and that may be avoided by pre-emptive action

<p>Stakeholders and Partnerships</p>	<p>Threats and opportunities associated with an organization's partners and stakeholder demographics, characteristics and activities.</p>	<p>Clamor of CSOs/POs for in-city resettlement</p> <p>LG Request/demand for regional housing projects</p> <p>Increased demand for Formal housing –housing for low salaried government employees</p> <p>Absorptive capacity of host resettlement projects by LGUs with regard to provision of socio-economic activities to resettled families</p>	<p>Market Segmentation</p> <p>Continuing review of housing programs to include review of subsidies and cost recovery arrangements</p> <p>Partnership strategies (e.g joint venture and other partnership arrangements)</p> <p>Propose and Support for legislation (eg. Transfer of IRA of sending LGUs to host LGUs)</p>
<p>Financial Management</p>	<p>Threats and opportunities associated with the structures and processes of an organization to ensure sound management of financial resources and its compliance with financial management policies and standards.</p>	<p>Credit risk (type of client- Informal settler families and low income formal sector)</p> <p>Market risk (fluctuating interest rates; investments)</p>	<p>-Targeted Subsidy schemes</p> <p>-Graduated amortization payments</p> <p>-Modes of payment and incentives</p> <p>-Access to Livelihood Interventions</p> <p>-Savings Schemes</p> <p>Regular review of policies (eg. Policy on restructuring and lowering of interest)</p>
<p>Resource Management</p>	<p>Threats and opportunities associated with the availability and level of resources of an organization to deliver on its mandate, as well as the organization's management of these resources.</p>	<p>Lack of a long term Asset management framework</p> <p>Idle Assets</p> <p>Illegal occupancy of NHA properties /projects</p>	<p>Resource management strategies</p> <p>Creation of an Asset Management Group under the proposed Rationalization Plan</p> <p>Tighter security measures</p>

Human Resource Management	Threats and opportunities associated with staff/management turnover; employment/work culture; recruitment, retention and staffing processes and practices; succession planning and talent management; and employee development, training and capacity building	Aging work force; no immediate succession of next in rank and transfer of skills	Approval and Implementation of Rationalization Plan  Implementation of the Junior Professional Development Program  Career Development Plan/Succession Planning Scheme (eg. Appropriate trainings; Implementation of Rewards , Incentives and Sanctions)
Legal	Threats and opportunities associated with an organization's management of its legislative, advisory and litigation activities, including the development and renewal of, and compliance with, laws, regulations, international treaties / agreements and policies.	Repeal of fiscal incentives RA Tax Reform Act of 1997  Overlapping of functions within the housing sector (eg. NHA vs. SHFC; DILG)	Legislative Agenda and monitoring  Advocacy to ensure non-duplication of functions within the housing sector