

Mechanics of the Rating System of the EDTs

The guide questions in the EDT can be classified into three (3) types of approaches with its respective rating qualifications as described below:

Type of Assessment Questions	Rating Qualifications
<p>(AQ1) are guide questions validating the existence of certain registrations, permits, certifications, compliance, and other documents or records.</p>	<p>0 – Non-existent and the enterprise does NOT have any idea/appreciation on its importance 1 – Non-existent but the enterprise DOES HAVE an idea and appreciation on its importance 2 – Application/compliance is on process 3 – Existing but not renewed, sustained, valid, nor active 4 – Existing and is currently valid and does religiously comply to its renewal/maintenance; or the subject matter is not applicable to the respondent</p>
<p>(AQ2) are for questions aimed to assess existence and responsiveness of certain competencies, capacities, and capabilities such as allotted resources, practices, mechanisms, manuals, and systems.</p> <p>These questions usually start with “Does the enterprise have...”</p>	<p>0 – Non-existent and the enterprise have no knowledge and appreciation on the importance of the subject matter 1 – Non-existent but the enterprise has little idea, knowledge, and appreciation on the subject matter 2 – Existing but not concretely established nor functional. The enterprise has not invested efforts to improve its competencies and capabilities on the subject matters 3 – Existing and functional but requires further assistance to improve, refine, and/or develop to achieve its desired outcomes 4 – Existing, functional, and impressive; or the subject matter is not applicable to the respondent</p>
<p>(AQ3) are for other questions that are aimed to qualitatively assess the competencies, capacities, and capabilities of the enterprises such as scalability, potential, competitive advantages, opportunities, strengths, and etc.</p> <p>These questions usually start with “How or What does the enterprise...”</p>	<p>0 – Very Bad/Low 1 – Bad/Low 2 – Satisfactory 3 – Good/High 4 – Very Good/High</p>

The ratings appropriate to the assessment for every guide question are assigned with weights depending on the established importance of the subject matter. The assessor’s ratings shall then be multiplied by the assigned weight in percentage, and the summation of which will then determine the Assessment Rating of a particular analytical dimension as illustrated in figure 1.

Figure 1: Assessment Rating Table

Assessment Rating: (Total W X AR) = 1.20							
Weight	A.1 (15%)	A.2 (15%)	A.3 (15%)	A.4 (10%)	A.5 (15%)	A.6 (15%)	A.7 (15%)
Assessor's Rating	2	3	2	0	0	0	1
W x AR	.3	.45	.4	0	0	0	.15

After comprehensively rating the capacities, competencies, and capabilities of the enterprise in every criterion in the EDT of which also has its assigned weight, the overall maturity rating of the enterprise shall be computed as illustrated in figure 2.

Figure 2: Computation of the Overall Enterprise Maturity Rating

Criteria	AR	Weight	Total
A. Legal and Regulatory Compliance	1.20	7%	0.084
B. Strategic Direction of the Enterprise	3.30	6%	0.198
C. Product Competitiveness and Export Readiness	3.00	10%	0.3
D. Marketing, Promotion, and Brand Equity Management	2.95	8%	0.236
E. Sales, Distribution, and Revenue Generation	3.20	10%	0.32
F. Production and Supply Chain Management	2.90	10%	0.29
G. Historical Financial Performance	3.1	8%	0.248
H. Financial Management	2.60	7%	0.182
I. Organizational Management	2.85	7%	0.1995
J. Human Resource Management and Development	2.75	6%	0.165
K. Technology and Innovation	2.95	6%	0.177
L. Resource Generation from Enabling Institutions, Affiliations, and FSPs	3.1	5%	0.155
M. Risk Management	3	5%	0.15
N. Gender Equality, Social Inclusion, and Environmental Sustainability	3.05	5%	0.1525
Overall Enterprise Maturity Rating:			2.857

Once the overall enterprise maturity rating has been determined as illustrated in figure 2 above, the enterprise category shall then be identified based on DTI's Enterprise Development Track as described below:

Categories	Overall Enterprise Maturity Rating	Description According to DTI's Enterprise Development Track, Ver. 3, as of February 23, 2022
Potential Entrepreneurs	0- .99	On framing individuals and/or entities in an enabling path, this level relates to the embrace of correct and positive entrepreneurial mindset and the basic know-hows and how-tos of entrepreneurship.
Nurturing Startup	1 – 1.99	Business idea is materialized, hence the establishment of a new enterprise offering a product /service. This level relates to formalization of the business through

		registration with appropriate agencies as well as seeking the necessary licenses and the promotion of start-up that will boost the chances on creating competent new enterprises.
Growing Enterprises	2 – 2.99	Enterprise is now fully registered and is equipped to reap wider, diverse opportunities and tap resources to foster enterprise’s growth. This level relates to the increase in capital and production capacity, and investment in new technologies that will yield greater product sales or service income while minimizing the cost of operation.
Expanding Enterprises	3 – 3.99	Enterprise is already prominent and well- established, thus is capable to penetrate wider markets—new market segments and geographic expansion. This level relates to the access of enterprise into other markets and possible shift to a more efficient business model whether via sub-contracting, branching, or franchising, licensing, among others.
Sustaining Enterprises	4	Enterprise is thriving in the industry and ready to operate the business on its own pace. This level relates to the enterprise’s steady gaining of market share, achievement of economies of scale in production while maintaining/continually improving product/service quality, heightening market linkages, product variation/diversification, innovation, corporate social responsibility, among others.