

SYSTEM OF RANKING DELIVERY UNITS AND INDIVIDUALS

PhilEXIM hereby adopts a results and performance based evaluation system in line with the Civil Service Commission Memorandum Circular No. 6, series of 2012, "Guidelines in the Establishment and Implementation of Agency Strategic Performance Management System", herein referred to as the PhilEXIM Strategic Performance Management System ("System").

I. Scope and Coverage

The System applies to all regular officers, middle managers, supervisors, and rank and file employees of the PhilEXIM as an individual and/or as a member of an organizational unit and/or the whole organization. Pertinent provisions may also be adopted and applied to non-career employees whenever appropriate.

II. Rating Period

Performance evaluation of employees, whether officers, middle managers, supervisors or rank and file employees, is undertaken once in a given performance year. The minimum appraisal period is at least ninety (90) calendar days which shall be made applicable to newly hired, reemployed or reinstated personnel. For those personnel reassigned or transferred from one organizational unit to another within the organization, they will be rated accordingly by raters in the organizational unit where they came from and rater in the new unit where they are now assigned. To determine the final rating, the raters in the present unit will compute the average of the two (2) ratings with the ratee's length of stay in each unit proportionately.

The review of the organization's accomplishments on the corporate goals or business plan is likewise done annually.

III. Rating Period

Setting the Performance Commitments, Targets and Standards

3.1. Organizational Commitments and Targets

- 3.1.1 Before the start of the rating period, there will be a planning session to determine the organizational targets/goals (semi-annual or annual) which are the expected accomplishments set to be achieved by each organizational unit and the Corporation

within a given period of time taking into account the Performance Agreement with the government.

- 3.1.2 During the middle part of the year, a review of accomplishments *vis-à-vis* the goals set before the start of the year may be conducted. When there are changes in the thrust or targets of organizational units concerned or the Corporation as a whole, as approved by the Board of Directors, the same shall be properly reflected in the OPCR by the CPCO.

Within fifteen (15) days from the approval or modification, the CPCO shall notify and furnish the **Performance Management Team (PMT)** and HRAD of a copy of the revised OPCR of the concerned organizational unit/s for future review by the **PMT** of ratings of affected employees.

3.2. Employee Commitments and Targets

- 3.2.1 Using the prescribed IPCR and guided by the OPCR, each ratee prepares his/her success indicators which define the performance targets and measures, duties and work assignments given by the rater to the employee/ratee with the work output of each duty clearly stated by the rater and understood by the ratee based on the targets of the organizational units established during the planning session. Success Indicators shall be defined in accordance with the major final output categories set out in the OPCR, namely, strategic priority, core functions, and support functions.

- 3.2.2 The rater and the ratee shall discuss and state the success indicators which will be the yardstick against which actual performance shall be measured and assessed. This includes measures of quality, timeliness and efficiency, whichever is applicable.

- 3.2.2.1 Quality/Effectiveness – The extent to which actual performance compares with targeted performance. The degrees to which objectives are achieved and the extent to which targeted problems are solved. In management, effectiveness relates to *“getting the right things done”*.

- 3.2.2.2 Timeliness – Measures whether the deliverables was done on time based on the requirements of the law/policy and/or clients/stakeholders. Time-related performance indicators evaluate such elements as project completion deadlines, time management skills and other time sensitive expectations.

- 3.2.2.3 Efficiency – The extent to which time or resources is used for the intended task or purpose. Measures whether targets are accomplished with a minimum

amount of quantity of waste, expense or unnecessary effort.

- 3.2.3. The rater and the ratee shall also establish a predetermined weight in percentage form on each success indicator against which actual performance shall be appraised.

3.3. Approval and Confirmation

- 3.3.1 The President and CEO will submit to the Board of Directors the Corporate Business Plan and Strategies for approval which will incorporate the targets of the various organizational units and the Corporation as a whole.
- 3.3.2 The performance targets and measures of rank and file employees shall be subject to approval/concurrence by the supervisor or the head of the organizational unit concerned which shall be subject to confirmation by the **PMT** within fifteen (15) days from the time the HRD has forwarded the same to the **PMT**. IPCRs of employees will be considered confirmed in case the PERC fails to act on them within fifteen (15) days upon receipt thereof.

3.4. Modification

- 3.4.1 At any time during the rating period, the rater and the ratee may renegotiate goals and success indicators (targets and measures), whenever applicable and necessary, especially if there are changes in the thrust and programs of the organizational unit. Modification of the originally planned targets may also be allowed in cases where an employee is given special assignments that would significantly affect the accomplishments of the original plan and targets. In such case, the special assignment will no longer be treated as an intervening task.
- 3.4.2 The Unit Head shall concur with the adjustments in individual targets while change in the organizational unit target and that of the Corporation must be concurred in by the Board of Directors.
- 3.4.3 The Unit Head shall immediately notify and furnish the HRAD and the **PMT** of a copy of the modified OPRC to serve as a guide in the future review of ratings of affected employees.

3.5. Progress Review

At this phase, the unit head/managers/supervisors and coaches play a crucial role. The focus should be on the critical function of managers and supervisors as coaches and mentors in order to provide an enabling environment/intervention to improve team performance and manage and develop individual potentials.

- 3.5.1 The rater will regularly monitor the ratee's progress on the job using the Performance Monitoring and Coaching Journal (Annex C) and Periodic Monitoring (Annex D). Periodic feedback sessions may be conducted through scheduled meetings and one-on-one consultations. Discussions may focus on problems and difficulties encountered, ways to resolve problems and checkpoints in terms of schedule and output to ensure accomplishment of targets and measures.
- 3.5.2 The immediate supervisor/rater will see to it that every significant observation, either positive comments or suggestions for improvement, if any be properly recorded during the performance monitoring and evaluation period.
- 3.5.3 In relation to the immediately preceding provision, the ratee may submit in written form his/her corresponding reaction, explanation or plan of action for further improvement of performance which will be the subject for discussion between the rater and the ratee. Whatever will be the result of the discussion will also be properly documented and be used as a reference at the end of the evaluation period. The written explanation of the ratee should be attached to the monitoring forms.

3.6 Performance Review and Evaluation Proper

3.6.1 Office Performance Assessment (*Within 10 days*)

3.6.1.1 At the end of the rating period –

3.6.1.1.1 The CPCD shall provide the actual performance figures of each revenue center to be distributed to the concerned revenue center; and

3.6.1.1.2 The Finance Services Department shall provide the actual budget utilization/actual expense (PS & MOOE) of each center to be furnished to the HRD for computation of the efficiency (savings/expense) component.

3.6.1.2. Using the prescribed OPCR Form (Annex A), the actual results/ accomplishments shall be reflected against the success indicator.

3.6.1.3 The OPCR shall be submitted to the **PMT** for calibration and recommendation to the Head of the Agency. The Head of the Agency shall determine the final rating of offices/units.

This will serve as basis of officers in the assessment of individual staff members.

3.6.2 Performance Assessment for Individual Employees

3.6.2.1 Using the prescribed IPCR Form , the ratee writes down the actual results/accomplishments against each success indicator.

3.6.2.2. The rater will assess the ratee's actual job performance as against targets and established work measures. The rater will also refer to documented prior observations and agreements between them.

The rater and the ratee will then meet and discuss the final rating and settle any differences, if there are any.

3.6.2.3. The rater may write his/her qualitative comments, observations and recommendations in the space provided for in the IPCR Form, to include competency assessment and critical incidents to serve as guide in improving ratee's performance in subsequent evaluation periods and in other appropriate personnel actions.

3.6.2.4. Finally, the rater and the ratee will affix their corresponding signatures to the IPCR, to be concurred in by the next higher supervisor or officer, as the case maybe.

All OPCR's of officers should be duly approved by their Group Head and concurred by the President and CEO.

3.6.2.5. The average of all individual performance assessments shall not be higher than the collective performance assessment of the office/unit.

IV. Components of Performance Commitment and Review Form

1. The overall rating of employees for a given period consists of the following components: Job Performance, Efficiency and Critical Factors:

1.1 For Revenue -

- a. Job Performance (Quality & Timeliness) & Efficiency -- 60%
- b. Critical Factors – 40%

1.2 For Support –

- a. Job Performance (Quality & Timeliness) (50%) & Efficiency (50%) – 60%
- b. Critical Factors – 40%

2. Rating in this portion is derived through evaluation of actual accomplishments *versus* the success indicators, major final outputs and

planned level of performance indicated and agreed upon by both the rater and the ratee, concurred in by the next supervisor/unit head and duly confirmed by the **PMT**.

3. The rater and the ratee will agree on success indicators or work targets and measures and assign a corresponding percentage or weight on such indicator based on the nature, complexity, difficulty level and processes involved.
4. "Critical Factor" reflects the behavioral dimensions that affect the delivery and job performance of the ratee.
 - 4.1. Officers, middle managers, supervisors and rank-and-file employees have different sets of critical/behavioral characteristics, except for the Core Factors (Items A to I) which may be made applicable to all ratees, other than officers, regardless of position/pay grade level. The Core Factors include characteristics such as team work, initiative, dependability, honesty and integrity, punctuality and attendance, stress tolerance, planning and organization, judgment and decision making, innovativeness and creativity.
 - 4.2. Supervisors, middle managers and officers shall also be evaluated of additional factors such as leadership, coaching and staff development.
 - 4.3. Punctuality and attendance are rated as one and the rating of this factor should be based on records such as DTR, Bundy cards, HRIS records, pass slips and leave applications, etc.
 - 4.4. Authorized/approved sick leaves, maternity leaves, paternity leaves, mandatory and privilege leave of absences are not included in the counting of the number of days absent.
5. Performance of Intervening Tasks – These include memberships in ad-hoc committees, research work and other similar assignments which require a considerable amount of effort and time of the employees and are duly covered by an office order.
 - 5.1 This System puts premium on major final outputs toward the realization of organizational mission/vision, targets and measures. Thus, rating for planned and/or intervening tasks shall always be supported by reports, documents or any outputs as proofs of actual performance. In the absence of said bases or proofs, a particular task shall not be rated and shall be disregarded.
 - 5.2 These intervening tasks will be considered and may be given up to a maximum of 0.50 additional point to the ratee's final rating for "Job Performance" if these were done simultaneously with the planned targets, and provided all or almost all of the following criteria are met:

- said task is difficult or technical in nature or requiring special skills;
- said task is not within the regular functions of the employee or the work program/performance contract of the organizational unit;
- there is an urgency in the completion of the intervening task;
- non-compliance/performance of the intervening task will unduly prejudice the service;
- ratee's planned targets for the rating period under consideration were all accomplished and rated at least satisfactorily;
- performance or completion of said intervening tasks will require an aggregated period of one week to two months.

5.3 Special or additional assignments are no longer considered intervening tasks if they will significantly affect the performance of the ratee's targets. In such case, the same is treated as an allowable modification of a regular target.

V. Levels of Performance

For Individuals

Each employee, whether officer, middle manager, supervisor or rank and file, is rated on the basis of the levels of performance set below:

Numerical Description of Ratee's Performance	Adjectival Rating	Point Score
Exceeding targets by 110% and above of the approved targets *Performance represents an extraordinary level of achievement and commitment in terms of quality and time, technical skills and knowledge, ingenuity, creativity and initiative.	Outstanding (O)	5
Exceeding 101% to 109% of the approved targets *Performance exceeded expectations. All goals, objectives and targets were achieved above the established standards.	Very Satisfactory (VS)	4

Meeting 100% of the approved targets *Performance met expectations in terms of quality of work, efficiency and timeliness. The most critical annual goals were met.	Satisfactory (S)	3
Meeting 80% to 99% of the approved targets *Performance failed to meet expectation, and/or one or more of the most critical goals were not met.	Needs Improvement/ Unsatisfactory	2
Failing to meet 80% and below of the approved targets *Performance was consistently below expectations, and/or reasonable progress towards critical goals was not made. Significant improvement is needed in one or more important areas.	Poor (P)	1

Extremely high (5) or low (1) rating must be justified by citing specific critical incidents; Otherwise, the rating shall be automatically converted to 4 or 2, respectively.

VI. Rewards

A. Rewards or Incentives for Individuals

1. Performance Enhancement Incentive (PEI) in the amount of PhP5,000/per employee or as may be provided, shall be granted across the board in accordance with the guidelines issued by the Governance Commission on GOCCs (GCG).
2. Eligibility to receive the grant of the Performance Based Bonus (PBB) based on the overall company performance, and then distributed to individual officers and employees based on their performance ranking. The eligibility is conditioned upon the guidelines set and issued by the GCG.

Prepared by:


YOLANDA T. VIERNESTO
 SAM/OIC-HR Unit, HRAD

Noted by:


IAN A. BRIONES, CES/CEO VI
 FSVP-Strategy and Development
 Sector

Note: PhilEXIM will use the same for CY 2019.