



Guidelines on Rating of Employees

Performance Appraisal

I. Factors used in PPSB Performance Appraisal

Performance of all employees shall be evaluated based on Quantifiable Outputs and Qualitative Factors: The weightings applied are:

A. Quantifiable Outputs (75%)

Quantifiable Outputs shall be measured in terms of Key Performance Indicators (KPI's).

Targets for each of the Key Performance Indicators shall be discussed and agreed upon with the ratee at the beginning of the year and submitted to Group Heads for approval.

Approved KPI's and the agreed upon targets shall be submitted to the Human Resource Department not later than January 31, each year.

B. Qualitative Factors (25%)

Twenty five per cent (25%) of the total Performance Appraisal points are allotted to the following Qualitative Performance Factors.

Qualitative Factors	Weight
B.1 Competencies/Behavioral (Team Orientation, Interpersonal Relationship and Initiative)	15%
B.2 Attendance, Punctuality and Compliance towards Bank's Policies. (To be filled up by HRD)	5%
B.3 Result of Internal Audit (Based on actual result of internal audit conducted on the unit)	5%

II. Equivalent Rating Summary

Part	Weighted Score	Equivalent Adjective Rating	
A	75%	Total Rating Score	Equivalent Adjective Rating
B1	15%	95% to 100%	Excellent – Consistently exceeded job expectations; demonstrated job mastery in Quality and Quantity of work
B2	5%	90% to 94%	Very Good – Consistently met all job expectations; above average in Quantity and Quality of work
B3	5%	85% to 89%	Good – Met all job expectations and objectives
Total	100.00%	80% to 84%	Satisfactory – Met most expectations and job requirements.
		Less than 80	Poor – Most goals and objectives have not been met.

III. Performance Appraisal Periods

There shall be two Performance Appraisal periods as follows:

- January to June to be submitted at end of July
- July to December to be submitted at end of January

System for Ranking Officers and Employees
GCG MEMORANDUM CIRCULAR NO. 2017 - 01

DISTRIBUTION SYSTEM - Distribution of PBB among qualified Officers and Employees of a GOCC who have complied with the eligibility rules shall be in accordance with the following procedure:

I. GROUPING OF PERSONNEL

In determining the distribution of the PBB among qualified GOCC Officers and Employees, all personnel shall be ranked on a percentile basis within their levels as determined by the GOCC Governing Board through Management in accordance with the following guidelines:

- (a) **Senior Management:** This refers to the executive officers of the GOCC, and includes all heads of functional units, which are primarily involved in the development, evolution, and approval of long-term vision across a function or area of specialization. It includes those who lead in the development strategy, implement and maintain policies of the organization for area of responsibility. (e.g., Deputy Administrator, Sr. Deputy Administrator, Assistant General Manager, Executive Vice President, Sr. Vice President, Vice President, etc.)

The President/CEO, or whoever is the highest ranking executive officer, has the prerogative to avail of either the Performance-Based Incentive (PBI) under GCG MC No. 2017-02, or the PBB, but not both. In the event the CEO is included in the PBB application, he/she must meet the eligibility requirements for the PBI and shall be ranked separately on his/her own and shall be included in the forced ranking of Officers and Employees.

- (b) **Middle Management:** This covers those whose work is primarily achieved through others, with direct accountability for setting direction and deploying resources. Responsible for people management, including performance evaluation and pay reviews and typically hire/fire decisions. Includes individual contributors who are recognized as subject matter experts with in-depth technical knowledge, project management and significant influence skills in area of expertise (e.g., Head of Department or Service).

- (c) **Professional and Supervisory:** This level comprises the personnel whose work is primarily achieved by an individual or through project teams. Requires the application of expertise in professional or technical area(s) to achieve results. Typically has a university degree or equivalent work experience that provides knowledge and exposure to fundamental theories, principles and concepts. Includes supervisors and junior management that may not have full

management authority (e.g., Financial Analyst/Specialists, Accountant, HR Officer, etc.)

(d) Clerical/General Staff: This category includes all clerical, administrative and secretarial staff with little or no supervisory responsibility but who contribute independently to the organization. It also covers basic computing/data processing staff such as operators, customer service assistants and skilled craftsmen/technicians (e.g., Secretary, Clerk, Finance Processor, Administrative Assistant, Chauffeur, Utility Worker, Messenger).

II. DISTRIBUTION FOR QUALIFIED OFFICERS AND EMPLOYEES

In each level provided for in Section I above, the ratings of Officers and Employees under the GOCC's SPMS or its equivalent shall be quantified to allow for ranking on a percentile basis for the purpose of distribution as follows:

- Rates of PBB – the grant of the PBB shall be based on the performance of the individual Officers and Employees with the rate of incentive as a multiple of the individual's monthly basic salary (MBS) as of 31 December of the applicable year based on the table below but not lower than P5,000:

PERCENTILE	MULTIPLE
Top: Maximum 10%	65%
Next: Maximum 25%	57.5%
Remaining: Minimum 65%	50%

**The percentile of the "Top" and "Next" levels are maximum figures with the discretion on the part of the Governing Board/Management to decrease the figures and distribute them to the "Remaining" level.*

Provided, that the total cost of the PBB shall not result in a net loss for the applicable year computed before subsidy and unrealized gains/losses, and after payment of all statutory obligations and liabilities.