

**I. Title: ORGANIZATIONAL UNIT PERFORMANCE APPRAISAL  
(DIVISION/DEPARTMENT/SECTION)**

A Division/Department/Section is rated in terms of its attainment of specific objectives and performance factors agreed upon with Management. These Performance Factors are the Key Result Areas (KRAs) which are drawn up from the approved objectives and action plans of the Division/Department/Section for a given year. Each of the performance factors is assigned a corresponding weight expressed in percentage, which should sum up to one hundred percent (100%) of the committed goals or objectives for the year. Every organizational unit moreover, will have different weights assigned to each of its performance factors, as discussed and agreed upon with Management.

<b>A. PERFORMANCE DIMENSIONS</b>	<b>WEIGHT</b>
1. Accomplish of Action Plans and Key Result Areas	70%
2. Customer Service Effectiveness	10%
<ul style="list-style-type: none"><li>• Defined as the unit's ability to perform its function as a service representative through timely, consistent and quality service to the needs and expectations of the internal and external clientele.</li><li>• Rating will be based on the following:<ul style="list-style-type: none"><li>a. Implementation of quality business program in their respective units.</li><li>b. Overall rating is a formal and informal survey on customer satisfaction.</li><li>c. Others that may be peculiar to a specific unit only (i.e. persistency/renewal business, etc.)</li></ul></li></ul>	
3. Administrative Efficiency	10%
<ul style="list-style-type: none"><li>• Defined as the unit's compliance to existing controls and procedural guidelines. Sources of ratings are internal audit reports and the schedule of audit expectations provided by the Internal Audit department, covering the following general areas:<ul style="list-style-type: none"><li>a. Adherence to Operating Policies and procedures<ul style="list-style-type: none"><li>• Defined as violations of BIR/SEC and Company rules and regulations, internal policies and guidelines and generally accepted accounting and actuarial principles. Deviations from or circumventions of procedural guidelines.</li></ul></li><li>b. Control over Valuables and Records<ul style="list-style-type: none"><li>• Defines as lapses vis the filing system, the handling and safekeeping of forms and the maintenance and upkeep of the office and its facilities.</li></ul></li><li>c. Document/Proofs and Verifications<ul style="list-style-type: none"><li>• Defines as lapses and documentation, internal control and Standard Operating procedure (SOP).</li><li>• A criterion in determining point deduction will be developed.</li></ul></li></ul></li></ul>	
4. Cost Effectiveness	10%
<ul style="list-style-type: none"><li>• Defined as the unit's proper management of its budget, human resources, overtime, etc. and initiated contributions and suggestion, which result in savings for the Company as a whole. Sources of rating are the budget variances. Accounting/Operations Division's reports.</li></ul>	
	<b>100%</b>

**B. MEASURING PERFORMANCE RESULTS**1. *FOR Unit Performance Appraisal*

## a. For Target/Goals and Key Result Areas

DESCRIPTION	POINT EQUIVALENT
Outstanding	100 pts
Exceptional 1	93 to 99 pts
Exceptional 2	86 to 92 pts
Exceeds Expectations 1	79 to 85 pts
Exceeds Expectations 2	71 to 78 pts
Meets Expectations 1	64 to 70 pts
Meets Expectations 2	56 to 63 pts
Meets Most Expectations 1	49 to 55 pts
Meets Most Expectations 2	41 to 48 pts
Minimally Meets Expectations	26 to 40 pts
Does not Meet Expectations	25 & Below

## b. For Customer Service Effectiveness

DEGREE OF SATISFACTION	POINT EQUIVALENT
All the Time	10
Most of the Time	9
Many Times	7
Sometimes	5
Seldom	3
Very Seldom	1
Never	0

## c. For Adherence to Company Policies and Regulations

DESCRIPTION	POINT EQUIVALENT	EXPLANATION
Outstanding	100 pts	Consistently complies with all Company policies, rules and regulation: meticulously observes the code of discipline, office ethics, housekeeping, health, security, safety rule, almost always maximizes the use of the Company's resources and facilities; has no record of any violation, audit exception or misconduct.
Exceptional 1 Exceptional 2	93 to 99 pts 86 to 92 pts	Consistently complies with the company policies, rules and regulations, with no record of minor violations and infractions; observes proper usage of the Company's resources and facilities.
Exceeds Expectations 1 Exceeds Expectations 2	79 to 85 pts 71 to 78 pts	Complies with the company policies, rules and regulations, but occasionally incurs minor guidance or supervision in the



		utilization of company resources or facilities.
Meets Expectations 1 Meets Expectations 2	64 to 70 pts 56 to 63 pts	Complies with the company policies, rules and regulations with some minor infractions committed; requires some guidance and supervision in the utilization of company resources or facilities.
Meets Most Expectations 1 Meets Most Expectations 2	49 to 55 pts 41 to 48 pts	Inconsistent in the observance of the organizational policies and procedures; frequently incurs minor violation and requires close supervision to minimize infractions of the Code of discipline, office ethics, and other administrative requirements.
Minimally Meets Expectations Does not Meet Expectations	26 to 40 pts 25 & Below	Frequently incurs minor violations of company unit's policies and procedures.

d. Cost Effectiveness (Budget Compliance)

VARIANCE % Over/Under	RATING
5%	10 pts
6% to 10%	7.5 pts
11% to 15%	5 pts
16% to 20%	2.5 pts
Above 20%	0 pt

With Bonus Point if there are savings provided that the KRA is at least Meet Expectation Level.

BONUS POINT	
6 to 15% under	0.5 pts
16 to 25 % under	1.0 pts
26-35% under	1.5 pts
More than 35% under	2.0 pts

The overall rating of a division, department, section, should logically reflect the efforts, which the employees have individually contributed to attain the large unit objectives. Individual ratings of officers and staff therefore should generally cluster around their unit's rating. There may be instance, though when an employee's performance could be better or worse compared to the unit's performance.

The individual performance appraisal covers both behaviors at work and the results or outputs from work performance. The components are:

A. PERFORMANCE DIMENSIONS	WEIGHT
1. Target/Goals or Key Result Areas	70%

The individual targets or goals and key result areas establish the result which the employee is held accountable for during the year. These are derived from the respective unit's business plans and from the individual's specific responsibilities and accountabilities mutually developed, understood and accepted by both the unit head and the subordinate staff in the said unit.



The target goals for officers are usually set of the year and are updated within the year to make adjustments in previously set objectives or to establish additional or new ones, whenever necessary.

Examples of these Targets for officers are:

- Financial Target
- Customer Service Delivery
- Market Share Percentage
- Systems Development and Automation
- Cost Effectiveness

Examples of Key Result Areas for non-officers are:

<b>POSITION</b>	<b>KEY RESULT AREA</b>
• Clerk	Accuracy and speed in clerical transactions processed within the day.
• Bookkeeper	Maintenance of complete and updated accounting records.
• Processor	Timely submission of reports, replies to inquiries and other required documents.
• Department Secretary	Courtesy and promptness in handling telephone calls according to the company' standards of customer service.

For officer, targets or goals are derived primarily from their respective unit's business plans.

For non-officers, performance is based primarily on the quality and quantity of work as well as their efficiency in their respective positions, as defined in their job description.

Each of the performance factors for individuals is assigned a corresponding weight (in percentage) consistent with the weights assigned to the performance factors of the Division.

## 2. Performance Factors 30%

Performance factors cover job dimensions, work process and work values attitudes and behaviors as determinants of efficient, productive and effective employees. They represent the remaining thirty percent (30%) for both non-officers and supervisory/officers level.

The Performance Factors covered in this system and their respective weight allocations are enumerated below. Their definitions/behavioral indicators appear on Appendix A.

### **NON-OFFICERS LEVEL**

a. Quality of Work	6%
b. Responsiveness/Customer Service Orientation	6%
c. Initiative, Creativity and Innovation	4%
d. Discipline	3%
e. Commitment to and Concern to the Organization	4%
f. Problem Solving and Decision Making	3%
g. Cooperation and Teamwork	4%
	<b>30%</b>

### **SUPERVISORY/MANAGERIAL (Officers) LEVEL**

a. Planning, Organizing and Controlling	6%
b. Leadership and employee Development	5%
c. Responsiveness/Customer Service Orientation	4%



d. Initiative, Creativity and Innovation	3%
e. Job Knowledge and technical Competence	3%
f. Cooperation and Teamwork	3%
g. Commitment to and Concern to the Organization	3%
h. Judgment and Decisiveness	3%
	<b>30%</b>

**FOR EMPLOYEE'S PERFORMANCE APPRAISAL (please refer to more detailed Appraiser's Guide) TARGETS/GOAL OR KEY RESULT AREAS**

**a. PERFORMANCE OUTPUTS APPRAISAL**

The appraiser writes down the specific objectives (goals) and their respective weights. He proceeds to describe the actual performance and check the appropriate box to reflect the standards met and the corresponding points earned for the actual performance level. For each goal, the weight is multiplied by points earned to arrive at the weighted score. The weighted scores for each goal are then added up. The sum becomes the **Total Score for Performance Outputs**.

**b. PERFORMANCE FACTORS APPRAISAL**

The appraiser writes down narratives on observed behaviors relating to specific performance factors. These include those that have been previously recorded in the Progress Review Recall Sheets as well as new observations. These become the basis for the selection of an appropriate box and number in the continuum to be checked and encircled respectively to reflect the employee's rating on each of the factors.

In considering options, these are some suggested benchmarks:

**HIGHLY EVIDENT (HE)** - Behavioral evidences are strong positive manifestations of the factors under consideration. There are at least three or more of such behavioral evidences and there should be no negative evidences.

**EVIDENT (E)** – The behavioral evidences may be a combination of moderate to strong positive evidences in relation to the factor. There should at least be two of such evidences and none of negative evidences.

**SLIGHTLY EVIDENT (SE)** – Behavioral evidences may be a combination of weak to strong positive and weak to moderate negative evidences. However, the positive evidences should outweigh the negatives in number and/or significance.

**NOT EVIDENT (NE)** – behavioral evidences consists mainly of moderate to strong negative manifestations of the performance factor under review. The presence of weak will not justify upgrading of rating this level to the next higher. The absence of behavioral evidences also merits this rating.

**c. OVERALL SCORE**

To get the overall score, add the Targets/Goals or Key Result Areas. The sum is the Overall Score. It is then compared against the various levels performance appearing on the end of Part 3 to establish the adjectival description of the employee's performance.

**EMPLOYEE'S PERFORMANCE MANAGEMENT AND APPRAISAL SYSTEM**

**APPRASIER'S GUIDE**

**OVERVIEW OF THE SYSTEM**



## PHASES OF THE SYSTEM

The Performance Management and Appraisal System for Employees covers the process of pre-determining work goal and performance standards linked to organizational plans, reviewing work in progress, and appraising results over a specified period of time.

The system involves three major phases as follows:

### 1. GOAL SETTING AND EXPECTATION PLANNING

The employee (appraise) formulates specific work goals that will be implemented within the appraisal period. The employee and his immediate superior (appraiser) discuss and mutually agree on the goals.

### 2. PROGRESS REVIEW

Concurrent review is undertaken through regular day-to-day basis feedback provided by the superior to the employee on the latter's performance. The formal progress review takes the form of a scheduled discussion between the employee and the superior on the progress of agreed goals and observed behavioral manifestations of performance factors or job dimensions that significantly impact on the desired or standard performance on the job.

### 3. PERFORMANCE APPRAISAL

The Superior documents evaluation of the performance of the employee over the rating period and conducts the appraisal interview to provide feedback on performance and to mutually agree on developmental action plans for the employee.

## COMPONENTS OF THE SYSTEM

### 1. Targets/Goals or Key Result Areas

This covers specific work goals reflecting desired performance results or outputs. A weight of seventy percent (70%) is assigned to this component.

### 2. Performance Factors

Performance Factors cover job dimensions, work processes and work values, attitudes and behaviors as determinants of an efficient, productive and effective employee. They represent the remaining thirty (30%) of the appraisal.

The Performance Factors covered in this system, their definitions and behavioral indicators and the respective weight allocations are as follows:

## DEFINITION OF PERFORMANCE FACTORS

### NON-OFFICERS LEVEL

#### QUALITY OF WORK

- Shows accuracy, completeness, neatness and timeliness of work relation to company and industry standards and in conformity with operating policies as applicable to the appraisee's work unit.
- Displays quality and excellence at work by meeting the expectations of internal and external clients with minimal and optimal use of human and material resources in the performance of tasks.
- Demonstrates understanding of scope of job responsibilities and technical and professional proficiency in the application methods, techniques and skills required to accomplish job functions.

WEIGHT
6%

**RESPONSIVENESS /CUSTOMER SERVICE ORIENTATION**

- Performs functions as service representative in support of the corporate image through timely and consistent responsiveness to needs and expectations of the external clientele. 6%
- Exhibits enthusiasm, sincerity, empathy and reliability when rendering service both to internal and external customers.
- Shows cognizance of the task linkages (customer-supplier) chain between positions and/or departments and responds to requirements of internal clientele, by meeting the quality standards of their support requirements.

**INITIATIVE, CREATIVITY AND INNOVATION**

- Display self-motivation and self-direction. Originates action without being prodded or with minimum outside direction.
- Takes active efforts to influence people and events to achieve individual and group goals.
- Develops and recommends more effective ways of doing work by generating new ideas on product, process or service improvement. Generates creative ideas on organizational concerns as profitability, cost effectiveness, project management and customer satisfaction and initiates their adaptation and operationalization in the work setting.

**DISCIPLINE**

3%

- Observes work ethics and behavior standards and complies with company rules and regulations in the work setting.
- Does not exhibit deliberate violation of operating policies and procedures characterized by bad faith, dishonesty or abuse of authority.
- Exhibits industry and perseverance by pursuing tasks until completion.
- Observes regularity and punctuality in work hours; makes productive use of presence in the working setting; minimizes lost time in the performance of functions.

**COMMITMENT AND CONCERN FOR THE ORGANIZATION**

4%

- Lives up to corporate mission and values.
- Upholds corporate perspective by taking responsibility over and recognizing the impact and implications of personal actions and decisions on organizational concerns as corporate image, productivity and profitability.
- Demonstrates personal responsibility, commitment and loyalty to the company by adhering to corporate principles of business conduct and ethics.

**PROBLEM SOLVING AND DECISION MAKING**

3%

- Identifies work-related problems and opportunities for improvement.
- Analyze facts, data and logic and understands content and circumstances to arrive at practical decisions and/or recommendations on problems and improvement areas.

**COOPERATION AND TEAMWORK**

4%

- Respects opinions, abilities and contributions of others; treats others with dignity and importance.
- Interacts effectively within one's own workgroup and with other divisions/departments in the organization by responding to their needs and concerns as internal customers.
- Participates in group efforts and commits to work group objectives; Provides help and support to others by sharing one's knowledge, experience and resources.



- Performs functions as service representative in support of the corporate image through the timely and consistent feedback mechanism.

### **OFFICERS AND SUPERVISORY LEVEL**

#### **PLANNING, ORGANIZING AND CONTROLLING**

6%

- Formulates clear and relevant strategies, policies and procedures for application in the work setting.
- Sets quantifiable and time-bound goals and work performance standards and establishes courses of action for self and other members of the group.
- Takes a proactive rather than reactive stance about work activities.
- Defines proper placement of and work assignments to subordinates in consideration of their present and potential competence level.
- Optimizes allocation of time, materials and financial resources to get things done.
- Identifies preventive and contingent action against potential problems.
- Sets up reportorial systems and feedback mechanism to track group and individual compliance with work standards.

#### **LEADERSHIP AND EMPLOYEE DEVELOPMENT**

5%

- Leads by example
- Assumes responsibility for one's action and decisions and those others in the work group.
- Inspires, persuades and enables individuals and groups to support and accomplish defines objectives and tasks.
- Facilitates subordinates completion of tasks by providing needed support and resources.
- Practices motivational approaches and non-adversarial disciplining to ensure subordinates compliance with operative policies, procedures and guidelines.
- Conduct regular assessment of subordinates strengths and areas of improvement, provides them with feedback on such and effects developmental activities to enhance subordinates performance.
- Develops subordinates job and personal competence through delegation of authority and responsibility, on-the-job training and coaching and counseling.

#### **RESPONSIVENESS/CUSTOMER SERVICE ORIENTATION**

4%

- Performs functions as service representative in support of the corporate image through timely and consistent responsiveness to needs and expectations of the external clientele.
- Exhibits enthusiasm, sincerity, empathy and reliability when rendering service both to internal and external customers.
- Shows cognizance of the task linkages (customer-supplier chain) between positions and/or departments and responds to requirements of internal clientele by meeting the quality standards of their support requirements.

#### **INITIATIVE, CREATIVITY AND INNOVATION**

3%

- Displays self-motivation and self-direction. Originates action without being prodded or with minimum outside direction.
- Takes active efforts to influence people and events to achieve individual and group goals.
- Displays positive attitude towards change that will lead to improvement of status quo.
- Explores possibilities and alternatives for improvements both on the basis on non-traditional approaches and on apparently simple,



- traditional or tested situations.
- Develops or recommends more effective ways of doing work by generating new ideas on product, process or service improvement. Generates creative ideas on organizational concerns as profitability, cost effectiveness, project management and customer satisfaction and initiates their adaptation and operationalization in the work setting.
  - Find ways of satisfactory completing assignments even in the absence of some requirements to activity completion.

**JOB KNOWLEDGE AND TECHNICAL COMPETENCE**

3%

- Shows familiarity with the insurance industry and company- its organization, products and services.
- Shows familiarity with and explains to subordinates policies and procedures applicable to one's own unit.
- Demonstrates understanding of scope of job responsibilities and technical and professional proficiency in the application of methods, techniques and skills required to accomplish job functions.
- Illustrates cognizance of specific details of the job by accomplishing duties enumerated in the job description in a practical and efficient manner.
- Demonstrates familiarity and compliance with acceptable standards of performance on the job for self and subordinates.

**COOPERATION AND TEAMWORK**

3%

- Respects opinions, abilities and contributions of others; treats others with dignity and importance
- Interacts effectively within one's own work group and with other divisions/departments in the organization by responding to their needs and concerns as internal customers.
- Participates in group efforts and commits to work objectives; provides help and support to others by sharing one's knowledge, experience and resources.
- Performs functions as service representative in support of the corporate image through the timely and consistent response to needs and expectations of the external clientele.

**CONCERN FOR AND COMMITMENT FOR THE ORGANIZATION**

3%

- Lives up to corporate mission and values.
- Upholds corporate perspective and manifests identification with the orientation and interest of the management of the organization.
- Takes responsibility over and recognizes the impact and implications of personal actions and decisions on the organizational concerns as corporate image, productivity and profitability.
- Demonstrates personal responsibility, commitment and loyalty to the company by adhering to corporate principles of business conduct and ethics in relation to conflict interests.

**JUDGEMENT AND DECISIVENESS**

3%

- Defines problems.
- Identifies the Criteria or objectives to evaluate solutions and places differing value on the criteria.
- Generates alternatives and computes for optimal decision.
- Has firm conviction, makes decisions quickly, comes directly to the point.

**THE GOAL SETTING PROCESS**



At the start of the rating period, each employee is asked to formulate around three to five priority goals. The goals are based on the corporate plans and departmental objectives.

The formulation of goals may be initiated either by the employee or his immediate superior.

Employees are encouraged to formulate meaningful and significant goals that have direct impact on organizational productivity and effectiveness. Thus, the goals may deviate from routine activities such that employees are encouraged to focus on improvements such as profit maximization or cost reduction, problem solving or product and process improvement. Routine goals are developed in cases where compliance and consistency with predetermined performance standards are critical.

Identifying the key result areas of his position will help an employee determine specific concerns on which he may be able to formulate goals. Ideally, there should be at least one major goal for each of the key responsibility areas.

As a general rule, the employee should be involved in the identification and establishment of goals. It has been widely noted that employees who are involved in goal setting tend to aim for an improvement of past performance.

### **GUIDELINES FOR THE GOAL RECORD SHEET**

The Goal Record Sheet (refer to Appendix A) provides for the documentation of the goals that the employee is committed to undertake within the appraisal period. This also clarifies the standards against which the performance of the employee will be assessed.

A separate Goal record Sheet is completed for each of the goals formulated by the employee.

The elements of a Goal Record Sheet are described below to provide guidelines on its completion.

#### **1. IDENTIFICATION**

On the topmost portion of the form, the Appraisee writes his name, his position, his department and the rating period within which goals will be implemented.

#### **2. GOAL STATEMENT**

The Appraisee enters the complete goal statement ensuring that it conforms to the SMART (Specific, Measurable, Attainable, Results-Oriented and Time bound) criteria. Measurement standards should reflect quality, quantity and timeless consideration as applicable.

Example:

#### **For a Provincial-based BRANCH CASHIER**

*To submit to the Head Office the monthly Production Report with complete and accurate data by the fifth working day of each succeeding month starting February 2001*

*To submit to the Head Office the Daily Collection Report with complete and accurate data 2 days after.*



### 3. GOAL WEIGHT

THE Appraiser indicates the weight assigned to the goal. The total weight assigned to the performance outputs appraisal is divided among the three or more goals formulated by the Appraisee based on their significance or priority, level of difficulty and risks involved in their implementation.

### 4. PERFORMANCE STANDARDS

The Appraisee identifies the reference points to be used to measure the degree by which the proponent has achieved his goals at the performance evaluation stage. He enters count, percentages or description to indicate standards of quantity, quality and timeliness for each of the performance level.

The goal statement is formulated to reflect the *Meet Expectations* level. As a guide, standards shall be set according to scale.

**Exceptional** – performance exceeds goals by at least 25% over the target.

**Exceeds Most Expectations** – performance exceeds goals by at least 12.5% but the favorable variance is less than 25% over the target.

**Meets Expectation** – performance is consistent with goal set or has favorable variance not exceeding 12.5% lower than the target.

**Meets Most Expectations** – goals are not met but the unfavorable variance does not go beyond 12.5% than the target.

**Minimally Meets Expectation** – the unfavorable variance in goal achievement is more than 12.5% but does not go beyond 25% lower than the target.

**Does Not Meet Expectations** – the unfavorable variance in meeting the goal/target is more than 25%.

Example:

Based on the goal statement of the Branch Cashier presented above:

**Exceptional (E)** – Deposits and submits Daily Collection Report (DCR) within the day.

**Exceeds Most Expectations (EE)** – Deposits and submits Daily Collection Report (DCR) 1 day after.

**Meets Expectations (ME)** – Deposits and submits Daily Collection Report (DCR) 2 days after.

**Meets Most Expectations (MME)** – Deposits and submits Daily Collection Report (DCR) 3 days after.

**Does Not Meet Most Expectations (MME)** – Deposits and submits Daily Collection Report (DCR) 4 days after.

### 5. PROGRAM STEPS

The Appraisee determines the major actions for each goal. He lists down in sequential and logical the major action steps that have to be undertaken pursuance of the goal.

Example:

Based on the Goal statement of the Branch Cashier:



- a. Issues Official Receipt to premium payment.
- b. Computes for the net remittance of the agent.
- c. Records payments made and determine if it is ICBI, SCBI or renewal collection.
- d. Deposits collection for the day on the next banking day.
- e. Prepares DCR for all transactions at the end of the day.

## **6. TIMETABLE**

The Appraisee, likewise, indicates the anticipated target date for completion of each of the major action steps. This time frame is determined on the basis of completion of all activities on the date as indicated in the goal statement.

## **7. SUPPORT REQUIRED**

The Appraisee proceeds to list down all support that may be needed from other individuals or work groups in terms of financial, logical and manpower resources, collaborative activities or information that are not within the immediate control of the goal proponent.

Alongside, he indicates the specific persons (not just position titles or names of work groups) from whom such support is expected.

## **8. SIGNATURE**

Upon completion of the discussion and negotiations on the goals which is done through the Expectations Planning Session, both the employee (appraise) and his immediate superior (appraiser) sign to signify mutual agreement and commitment to the goal. The date of agreement is likewise indicated in the form.

Completed Goal record Sheets shall be reproduced in three copies, one retained by the Appraisee, another given to his immediate supervisor and a third copy being part of a compilation of Goal Record Sheets for the entire department. This compilation shall serve as the reference for the regular review on the progress of goals accomplishment. In the case of department and division heads, the copies of their Goal Record Sheets meant for their superior shall be compiled at the Office of the President.

## **EXPECTATION PLANNING SESSION**

The Expectation Planning Session of the performance planning discussion takes place at the start of the rating period, immediately after the formulation of the goals by the employee. The end is the agreement on the goals and program steps transformed in a written plan (documented on the Goal Record Sheets) with copies provided the employee (appraise), his immediate supervisor (appraiser) and next level supervisor of the appraiser.

The key to be included in the discussion are the following:

- **GOALS** – What is to be done
- **PROGRAM STEPS** – how to achieve the goal
- **PERFORMANCE STANDARDS** – How performance in relation to the goal will be measured, How significant is the goal

The Expectation Planning Session has two phases. The first is the **advance preparation** wherein the superior is expected to do the following:

1. Provide the necessary information to the employees for him to develop the goals.
2. Be available to answer questions or discuss suggestions, which the employee may have.
3. Review the tentative goals and program steps to check if the employee has accurately defined what must be done and how it is to be done.



4. Sit down with his next level superior to secure initial clearance on the subordinates' goals and to align such goals to department objectives.

The second phase involves the **final discussion of the goals, program step and rating standard**. The objective of the discussion is to attain understanding, agreement and commitment to the goals.

The following steps are undertaken during the session:

1. Establish an atmosphere that is relaxed and friendly.
2. Express the importance of the individual's job to department and corporate performance.
3. Ask the employee to explain each goal with the corresponding section steps and check for understanding. Negotiate for agreement on the major features of the goal.
4. Agree on the performance rating standards for each goal.
5. Assign the weight to each goal.
6. Set the date for a progress review meeting and express confidence in the employee's capacity to achieve the objectives.

### PROGRESS REVIEW MEETINGS

Regular and concurrent feedbacks on the day-to-day performance of the subordinates are critical activities in the performance of the subordinates are critical activities in performance management. Feedback will provide the superior the opportunity of complimenting positive behaviors and calling the attention of the subordinates on the lapses, errors or shortcomings.

Feedback giving is a key ingredient in the performance management and appraisal team.

This notwithstanding, Progress review Meetings need to be conducted still.

A Progress Review Meeting is a formal meeting between the appraiser for a discussion of the status of accomplishment of goals and program steps, problems being encountered or any changes in the plan. It also includes a discussion of behaviors of the appraisee as observed by the appraiser in relation to the performance factors covered by the appraisal system.

As an intermediate appraisal activity the Progress Review Meeting will be undertaken at least once every quarter on dates agreed upon by both parties.

The following are steps to be observed by a superior in the conduct of the Progress Review Meetings:

1. Discuss observed behaviors by the employee-appraisee in relation to the performance factors.
2. Discuss goals and program steps achieved and compliment the employee for the achievement.
3. Analyze with the employee the goals and/or program steps that have not been met and identify causes.
4. Agree on solutions, contingents, actions steps and write the agreement.
5. Whenever valid, revise goals and/or action steps.
6. Document observations and agreements made on the development areas relevant to the performance factors as well as on the goals. Solicit action plans from the employee rather than imposing one's own solutions.
7. Express confidence in the subordinate's capacity to demonstrate exemplary performance on the job and to see his goals through and set the date for the next progress review.

### GUIDELINES FOR THE PROGRESS REVIEW RECALL SHEET



The basic instrument for documenting the Progress Review Meetings in the Progress Review Recall Sheet (refer to Appendix B). This form is filled out by the superior of the employee being appraised.

The elements of Progress Review Recall Sheet are designed to provide guidelines on its completion.

### **1. IDENTIFICATION**

Fill-out all blanks. Encircle quarter for which the progress review meeting is being undertaken.

### **2. PERFORMANCE FACTORS REVIEW**

The superior writes down short narratives describing behaviors observed of the specific employee/appraisee. He then classifies the behaviors against specific performance factors and determines whether such behaviors are positive or negative manifestations of that particular factor by checking the appropriate box.

### **3. STATUS OF GOALS ACCOMPLISHMENT**

After discussion and verification with the employee, the supervisor indicates the current status of the goals earlier formulated and as documented in the Goal Record Sheet. Special attention should be given to the review of the program steps and their corresponding schedules.

### **4. CHANGES IN/REVISIONS OF GOALS**

The employee and his superior discuss any revisions of goals that may arise as a result of changes in work priorities. They also discuss weight assigned to new goals that may have been agreed upon. Note that any new goals necessities the preparation of new Goal Record Sheet.

### **5. SIGNATURES**

Both the employee and his superior sign the Progress Review Recall Sheet with each one maintaining a copy for his future reference.

## **PERFORMANCE APPRAISAL**

Performance Appraisal is the process by which an employee is provided by his immediate superior with feedback information regarding his quality of performance and assistance in planning improvements on his performance in his present job assignment.

A document Performance Appraisal will be undertaken for officers and employees at all hierarchical levels of the organization. Those on contractual or casual status of employment as well as those hired as consultants on part-time basis shall not be covered by this plan unless they are being considered for regular employment in the immediate future.

The Performance Appraisal Form (refer to Appendices C1 and C2) will be used specifically for the following situations:

1. Conversion of employee from probationary to regular (permanent) employment status.
2. Periodic (annual) performance evaluation of permanent employees.

Interim evaluation of permanent employees being considered for promotion, transfer, designation to new position or similar personnel transactions.

Employees on probationary status shall be subjected to a performance appraisal at least one month prior to the expiration of probationary appointment. This appraisal shall be made a



substantial basis for the decision to convert the temporary employment status of the employee concerned to permanent or to discontinue his employment with the organization.

The standard rating period for regular employee shall coincide with the calendar year. Thus, appraisal covering the completion of the performance appraisal form and the conduct of the appraisal interview is done within the first two weeks of January of the succeeding year. The new set of goals for the incoming year is finalized within the last two weeks of January.

## **GUIDELINES FOR THE PERFORMANCE APPRAISAL FORM**

The following explanatory notes would guide the superior-appraiser in completing the Performance Appraisal Form.

### **1. RESPONSIBILITY**

The appraiser will be the immediate superior of the employee whose performance is being evaluated. Under no circumstances will the employee be allowed to fill out for himself the evaluation in relation to the performance outputs and factors.

### **2. SELF-ASSESSMENT**

The employee is provided the initial page (Part I – Self-Assessment) of the appraisal form on which he writes his responses to the self-assessment questions. Upon completion of this page, the employee submits this to his immediate superior who will use this page as input information for consideration as he accomplishes the rest of the form.

### **3. TARGETS/GOALS OR KEY RESULT AREAS**

On Part 2 – Performance Outputs Appraisal, the appraiser writes down the specific objectives (goals) and their corresponding weights. He proceeds to describe the actual performance with respect to each goal and encircles a number in the continuum that corresponds to the points earned for the actual performance level against the previously set performance standards level.

Examples:

*In relation to the end of the Branch Cahier earlier presented, if his actual performance was an average of 2 days submission of DCR, encircle 60 within the Meets Expectations Level. If his average performance was 1 day, this may merit 65 points within the Exceeds Most Expectations Level.*

*For each goal, the weight is multiplied by the points earned to arrive at the weighted score. The weighted scores for each goal are then added up. The sum becomes the Total Points for Performance Outputs.*

### **4. PERFORMANCE FACTORS APPRAISAL**

On Part 3 – Performance Factors Appraisal. The appraiser writes down narratives on observed behaviors relating to the specific performance factors. These include those that have been previously recorded in the Progress Review Recall Sheets as well as new observations noted. These become the basis for the selection of an appropriate box and number in the continuum to be checked and encircled respectively to reflect the employee's rating on each of the factors.

In considering the options, these are some suggested benchmarks.

**Highly Evident** – Behavioral Evidence are **strong** positive manifestation of the factors under consideration. There are at least three or more of such behavioral evidences and there are no negative evidences.



**Evident** – The behavioral evidences may be a combination of **moderate** to **strong** positive evidences in relation to the factor. There are at least two of such evidences and none of negative evidences.

**Slightly Evident** – Behavioral evidence may be combination of **weak** to **strong** positive and **weak** to **moderate** negative evidences. However, the positive evidences outweigh the negatives in number and/or significance.

**Not Evident** – Behavioral evidences consists mainly of **moderate** to **strong** negative manifestations of the performance factor under review. The presence of **weak** positives will not justify upgrading of rating from this level to the next higher. Likewise, the absence of any behavioral evidences, the higher score (if any) in the continuum within this level is assigned as the rating.

The numbers encircled to represent the points assigned to each performance factors added. The sum subsequently reflected in the box marked Total Points for Performance Factors.

## 5. PREMIUM POINTS

In such instances which the employee-appraisee has been able to complete work accomplishment aside from those that have earlier been agreed upon as his goals, his division head may recommend for the approval of the President the awarding maximum of ten (10) premium points in recognition of the work performance. The amount of premium points shall be a function of the (a) quality of performance and (b) significance for the additional accomplishment. Premium points may only be awarded if the appraise was able to reach at least Exceeds Most Expectations level for all the goals previously formulated. If the premium points are added to points earned for overall **exceptional** performance, the appraisee may qualify for the **outstanding** level.

## 6. OVERALL SCORE

Add the Total Points or Key Result Areas derived from Part 2, the Premium Points may be applicable and the Total Points for Performance Factors (from Part 3). The sum is the Overall score. It is then compared against the seven (7) levels appearing at the end of Part 3 to establish the overall performance level of the employee.

## 7. SUPPLEMENTARY COMMENTS

The appraiser fills out Part 4 – Appraiser's Supplementary Comments to elaborate on the employee's strengths and areas of improvement. For strengths include other positive manifestations of knowledge, attitude, skills and habits both covered by the performance factors already rated. In addition to the listing of areas of improvement, include also specific action plans and time frame for their implementation to address such development areas. Some alternative courses of action may include formal training programs, coaching and counseling sessions, cross –training, job enrichment, on-the-job-training, etc.

## 8. APPRAISAL INTERVIEW

Upon completion of the rating, the performance appraisal interview is undertaken. The superior provides summary feedback on the employee's performance and both plan out specific approaches to effect a higher performance level for the subsequent rating period. It is at this dialogue that the employee is given opportunity to write down on the space provide in the form his comments on the appraisal that was undertaken.

## 9. CAREER DEVELOPMENT ASSESSMENT

Part 5 – Employee's Career Development Assessment is completed by the appraiser to reflect his evaluation of the promotability status of project career movements for the



appraisee. The most probable next job in consideration of career progression is identified. The other components of this assessment are:

a. INFORMATION NEEDED

Any additional information on the employee that the appraiser may need in order to develop a career planning and management program for the latter.

b. ASSISTANCE REQUIRED

A description of assistance needed by the employee for him to be able to move the most probable next job.

c. POTENTIAL DIFFICULTIES

A description of some potential problems or difficulties that employees may encounter in relation to the assumption of the most probable next job.

d. ACTION STEPS AND SPECIFIC TIMETABLE

Specific steps that the appraiser may undertake to help prepare the employee for the next job and the timetable or schedule for the implementation of steps.

**This portion of the appraisal shall not be shown or discussed with the appraisee and shall be submitted directly to HRASD.**

## 10. SIGNATURES

The form is signed by both appraiser and appraisee to signify that the appraisal interview has been conducted. The signature of the employee does not necessarily mean his conformity with the appraisal. The form is passed to the next higher level superior for his signature of the attestation of the document.

## 11. SUBMISSION

The completed form (Part 1 to 5) is submitted by the appraiser to the Human Resources and Administrative Services Department who will consolidate and analyze information surfaced from the forms, to serve as bases for human resource planning. The forms shall thereafter be filed with the individual personnel folders (201 files) as reference for future personnel transactions involving the employee concerned.

## PERFORMANCE APPRAISAL INTERVIEW

The preparatory phase to the discussion involves the following:

1. Establishing agreement between the employee and his superior on the proposed discussion date, time and venue.
2. Providing advance notice to the employee, asking him to provide additional data as may be relevant to appraisal.
3. Reviewing job of the appraisee in terms of the scope of work as prescribed by the job description, his job objectives, activities, goals and performance standards or success indicators.
4. Reviewing notes on the Progress Review Recall Sheets and appraising the employee's performance based on pre-determined goals and program steps as reflected in the Goal Record Sheets and performance factors behavioral indicators.
5. Presenting to and discussing with the next level superior of the appraisee the accomplished appraisal form to prelude differences in the assessment of the subject appraisee.



6. Providing the copy of the accomplished form to the employee prior to the actual discussion.

The discussion phase shall be conducted in private on the date earlier agreed upon. The following critical steps shall be observed in the conduct of the appraisal interview.

1. Establish a climate that is relaxed and friendly.
2. Summarize major strengths of the appraisee and provide recognition and affirmation.
3. Recognized accomplished goals and program steps. Check out the enabling factors that helped him towards such accomplishments.
4. Discuss unattained goals and program steps together with the hindering factors or causes for unattainment. Review also all changes in goals and action steps that may have been agreed upon during the Progress Review Meetings.
5. Discuss the ratings on the individual performance factors giving emphasis on the behavioral evidence that served as the bases for the ratings given.
6. Discuss rational behind overall rating.
7. Jointly formulate development plans, action steps and follow-up dates. Set guidelines for the new performance management and appraised cycle.
8. Summarize the agreements arrived at during the session and express confidence in the capabilities of the appraisee.