

PHILIPPINE RECLAMATION AUTHORITY STRATEGIC PERFORMANCE MANAGEMENT SYSTEM (SPMS)

The Philippine Reclamation Authority (PRA) hereby adopts the Guidelines promulgated by the Civil Service Commission (CSC) in the Establishment of Agency Strategic Performance Management System (SPMS), as may be applicable to PRA, as follows:

Part 1: The SPMS

I. The SPMS Concept

The SPMS is focused on linking individual performance vis-a-vis the PRA's organizational vision, mission and strategic goals. It is envisioned as a technology composed of strategies, methods and tools for ensuring fulfillment of the functions of the offices and its personnel as well as for assessing the accomplishments.

It is a mechanism that ensures that the employee achieves the objectives set by the organization and the organization, on the other hand, achieves the objectives that it has set itself in its strategic plan.

Performance management system is the heart of the human resource system because information produced from it is useful in human resource planning, management and decision making process.

The SPMS follows the four-stage PMS cycle: **performance planning and commitment, performance monitoring and coaching, performance review and evaluation, performance rewarding and development planning.**

To complement and support the SPMS, the following enabling mechanisms must be present, operational and maintained:

- A Recruitment System that identifies competencies and other attributes required for particular jobs or functional groups;

- An adequate Rewards and Incentives System;
- Mentoring and coaching program;
- An Information Communication Technology (ICT) that supports project documentation, knowledge management, monitoring and evaluation;
- Change management program; and
- Policy review and formulation.

II. **General Objectives**

The SPMS shall be prepared and administered to:

- a. Concretize the linkage of organizational performance with the Philippine Development Plan, PRA's Strategic Plan, and the Organizational Performance Indicator Framework;
- b. Ensure organizational effectiveness and improvement of individual employee efficiency by cascading institutional accountabilities to the various levels of the organization anchored on the establishment of rational and factual basis for performance targets and measures; and
- c. Link performance management with other HR systems and ensure adherence to the principles of performance-based tenure and incentive system.

III. **BASIC ELEMENTS**

The SPMS shall include the following basic elements:

a. Goal Aligned to PRA's Mandate and Organizational Priorities.

Performance goals and measurement are aligned to the national development plans, PRA's mandate/vision/mission and strategic priorities and/or organizational performance indicator framework. Standards are predetermined to ensure efficient use and management of inputs and work processes. These standards are

integrated into the success indicators as organizational objectives are cascaded down to operational level.

- b. Outputs/Outcomes-based.** The system puts premium on major final outputs that contributes to the realization of organizational mandate, mission/vision, strategic priorities, outputs and outcomes.
- c. Team-approach to performance management.** Accountabilities and individual roles in the achievement of organizational goals are clearly defined to give way to collective goal setting and performance rating. Individual's work plan or commitment and rating form is linked to the department/unit/office and work plan or commitment and rating form to establish clear linkage between organizational performance and personnel performance.
- d. User-Friendly.** The forms used for both the organizational and individual performance are similar and easy to accomplish. The organizational and individual major final outputs and success indicators are aligned to facilitate cascading of organizational goals to the individual staff members and the harmonization of organizational and individual performance ratings.
- e. Information System that supports Monitoring and Evaluation.** Monitoring and Evaluation mechanisms and Information System are vital component of the SPMS in order to facilitate linkage between organizational and employee performance. The M&E and Information System will ensure generation of timely, accurate, and reliable information for both performance monitoring/tracking, accomplishment reporting, program improvement and policy decision-making.
- f. Communication Plan.** A program to orient agency officials and employees on the new and revised policies on SPMS shall be implemented. This is to promote awareness and interest on the system, generate employees' appreciation for the PRA's SPMS as a management tool for performance planning, control and improvement, and guarantee employees' internalization of their role as partners of management and co-employees in meeting organizational performance goals.

IV. KEY PLAYERS AND RESPONSIBILITIES

- a) SPMS Champion (Agency Head)**

- Primarily responsible and accountable for the establishment and implementation of the SPMS.
- Sets PRA's performance goals/objectives and performance measures.
- Determines PRA's target setting period.
- Approves office performance commitment and rating.
- Assesses performance of Offices/Departments.

b) Performance Management Team (PMT). The PMT shall be established preferably with the following composition:

- 1) Executive official designated by the Head of Agency as Chairperson
- 2) Highest Human Resource Management Officer or the career service employee directly responsible for human resource management
- 3) Highest Human Resource Development Officer or the career service employee directly responsible for personnel training and development
- 4) Highest Planning Officer or the career service employee directly responsible for organizational planning
- 5) Highest Finance Officer or the career service employee directly responsible for financial management
- 6) President of the accredited employee association in the agency or the authorized alternate representative. In offices where there are no accredited or recognized employee associations/unions, the rank and file representative shall be chosen through a general election or assembly

The PMT shall have the following functions and responsibilities:

- Sets consultation meeting of all Assistant General Managers (AGMs)/Unit Heads for the purpose of discussing the targets set in the office performance commitment and rating form.

- Ensures that Office performance targets and measures, as well as the budget are aligned with those of the agency and that work distribution of Offices/units is rationalized
- Recommends approval of the office performance commitment and rating to the Head of Agency.
- Acts as appeals body and final arbiter for performance management issues of the agency.
- Identifies potential top performers and provide inputs to the PRAISE Committee for grant of awards and incentives.
- Adopts its own internal rules, procedures and strategies in carrying out the above responsibilities including schedule of meetings and deliberations, and delegation of authority to representatives in case of absence of its members.

The Corporate Planning Department shall serve as the PMT Secretariat.

c) Corporate Planning Department

- Monitors submission of Office Performance Commitment and Review Form and schedule the review/evaluation of Office Commitments by the PMT before the start of performance period.
- Consolidates, reviews, validates and evaluates the initial performance assessment of the AGMs/Unit Heads based on reported Office accomplishments against the success indicators, and the allotted budget against the actual expenses. The result of the assessment shall be the basis of PMT's recommendation to the Head of Agency who shall determine the final Office rating.
- Conducts an agency performance planning and review conference annually for the purpose of discussing the Office assessment for the preceding performance period and plans for the succeeding rating period with concerned AGMs/ Heads of Units. This shall include participation of the Finance Department as regards budget utilization.

- Provides each OAGM/Finance Department with the final Office Assessment to serve as basis of Departments in assessment of individual staff members.

d) Human Resource Management Division (HRMD)

- Monitors submission of Individual Performance Commitment and Review Form by AGMs/Heads of Units.
- Reviews the Summary List of Individual Performance Rating to ensure that the average performance rating of employees is equivalent to or not higher than the Office Performance Rating as recommended by the PMT and approved by the General Manager and CEO.
- Provides analytical data on retention, skill/competency gaps, and talent development plans that align with strategic plans.
- Coordinates development interventions that will form part of the HR Plan.

e) Assistant General Managers/Unit Heads

- Assumes primary responsibility for performance management in his/her Office/Departments.
- Conducts strategic planning session with the supervisors and staff and agree on the outputs that should be accomplished based on the goals/objectives of the organization and submits the Office Performance Commitment and Review Form to the Corporate Planning Department.
- Reviews and approves individual employee's Performance Commitment and Review form for submission to the HRMD before the start of the performance period.
- Submits a quarterly accomplishment report to the Corporate Planning Department based on the SPMS calendar.

- Does initial assessment of Offices'/Departments' performance using the approved Office Performance Commitment and Review form.
- Determines final assessment of performance level of the individual employees in his/her Offices/Departments based on proof of performance.
- Informs employees of the final rating and identifies necessary interventions to employees based on the assessment of developmental needs.
 - Recommends and discuss a development plan with the subordinates who obtain **Unsatisfactory** performance during the rating period not later than (1) month after the end of the said period and prepares written notice/advice to subordinates that a succeeding Unsatisfactory performance shall warrant their separation from the service.
 - Provides preliminary rating to subordinates showing **Poor** performance not earlier than the third (3rd) month of the rating period. A development plan shall be discussed with the concerned subordinate and issue a written notice that failure to improve their performance shall warrant their separation from the service.

f) Department /Division Managers

- Assumes joint responsibility with the AGMs/Unit Heads in ensuring attainment of performance objectives and targets
- Rationalizes distribution of targets/tasks
- Monitors closely the status of the performance of their subordinates and provide support and assistance through the conduct of coaching for the attainment of targets set by the Departments/Unit and individual employee.
- Assesses individual employees' performance
- Recommends developmental intervention

g) Individual Employees

- Act as partners of management and their co-employees in meeting organizational performance goals

Part 2: The SPMS Process

I. The SPMS Cycle

The SPMS shall follow the same **four-stage PMS cycle** that underscores the importance of performance management.

Stage 1: Performance Planning and Commitment

This is done at the start of the performance period where AGMs/Unit Heads meet with the Department/Division Managers and staff and agree on the outputs that should be accomplished based on the goals/objectives of the organization.

During this stage, **success indicators** are determined. Success indicators are performance level yardsticks consisting of **performance measures and performance targets**. This shall serve as bases in the office and individual employee's preparation of their performance contract and rating form.

Performance measures shall include any one, combination of, or all of the following general categories, whichever is applicable:

Category	Definition
Effectiveness/Quality	The extent to which actual performance compares with targeted performance. The degree to which objectives are achieved and the extent to which targeted problems are solved. In management, effectiveness relates to <i>getting the right things done</i> .
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 or quantity of waste, expense, or unnecessary effort.
Timeliness	Measures whether the deliverable was done on time based on the requirements of the law and/or clients/stakeholders. Time-related performance indicators evaluate such things as project completion deadlines, time management skills and other time-sensitive expectations.

The PRA's target setting period, a period within which the office and employees' targets are set and discussed by the raters and ratees, reviewed and concurred by the AGMs/Unit Heads and submitted to the PMT, shall be in accordance with the attached SPMS Calendar as **PRA-SPMS Form-4**.

The PRA Road Map, Strategic Plan, Annual Investment Plan, etc. shall be the basis of the targets of Departments/Offices. Aside from the Office commitments explicitly identified under each Strategic Priority in the Road Map, **major final outputs** that contribute to the attainment of organizational mission/vision which form part of the **core functions** of the PRA shall be indicated as performance targets. Attached as **PRA-SPMS Form-2** is the form on PRA Major Final Outputs and Strategic Priorities for each calendar year.

The targets shall take into account the following:

- **Historical Data.** The data shall consider past performance.
- **Benchmarking.** This involves identifying and comparing the best agencies or institutions or units within the agency with similar

functions or processes. Benchmarking may also involve recognizing existing standards based on provisions or requirements of the law.

- **Client demand.** This involves a bottom-up approach where the Office sets targets based on the needs of its clients. The Office may consult with stakeholders and review the feedback on its services.
- **OPES Reference Table** - list of major final outputs with definition and corresponding OPES points.
- **Top Management instruction.** The Head of Agency may set targets and give special assignments.
- **Future trend.** Targets may be based from the results of the comparative analysis of the actual performance of the Office with its potential performance.

In setting work targets, the Office shall likewise indicate the detailed budget requirements per expenses account to help the agency head in ensuring a strategy driven budget allocation and in measuring cost efficiency. The Office shall also identify specific division/unit/group/individuals as primarily accountable for producing a particular target output per program/project/activity. These targets, performance measures, budget and responsibility centers are summarized in the Office Performance Commitment and Review Form (OPCR) **(PRA-SPMS Form-1)**.

The approved Office Performance Commitment and Review Form shall serve as basis for individual performance targets and measures to be prepared in the Individual Employee's Performance Commitment and Review Form (IPCR) **(PRA-SPMS Form-3)**.

Unless the work output of a particular duty has been assigned pre-set standards by management, its standards shall be agreed upon by the supervisors and the ratees.

Individual employees' performance standards shall not be lower than the agency's standards in its approved Office Performance Commitment and Review form.

Stage 2: Performance Monitoring and Coaching

During the performance monitoring and coaching phase, the performance of the Departments/Offices and every individual shall be regularly monitored at various levels: i.e., the Head of Agency, Corplan Department, AGMs, Department Managers and individual.

Monitoring and evaluation mechanisms should be in place to ensure that timely and appropriate steps can be taken to keep a program on track and to ensure that its objectives or goals are met in the most effective manner. Also, a very vital tool of management at this stage is an information system that will support data management to produce timely, accurate and reliable information for program tracking and performance monitoring/reporting.

Supervisor and coaches play a critical role at this stage. Their focus is 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.

Stage 3: Performance Review and Evaluation (Office Performance and Individual Employee's Performance)

This phase aims to assess both Office and individual employee's performance level based on performance targets and measures as approved in the office and individual performance commitment contracts. The **PRA-SPMS Form-5** (Performance Monitoring and Coaching Journal), **PRA-SPMS Form-6** (Tracking Tool for Monitoring Targets) and **PRA-SPMS Form-7** (Tracking Tool for Monitoring Assignments) are likewise attached hereto and form an integral part hereof.

The results of assessment of Office and individual performance shall be impartial owing to scientific and verifiable basis for the target setting and evaluation. The attached Feedback Form or **PRA-SPMS Form-8** shall contain the result of the said assessment made.

- **Office Performance Assessment**

The Corporate Planning Department/any responsible Department in PRA shall consolidate, review, validate and evaluate the initial performance assessment of the AGMs/Unit Heads based on reported office accomplishments against the success indicators, and the allotted budget against the actual expenses. The result of the assessment shall be submitted to the PMT for calibration and recommendation of the Head

of agency. The Head of Agency shall determine the final rating of Departments/Offices.

An agency performance review conference shall be conducted annually by the Corporate Planning Department for the purpose of discussing the Office assessment with concerned AGMs/Unit Heads. This shall include participation of the Finance Department as regards budget utilization. To ensure complete and comprehensive performance review, all Departments/Offices shall submit a quarterly accomplishment report to the Planning Office based on the SPMS calendar **(PRA-SPMS Form-4)**.

Any issue/ appeal/protest on the Office assessment shall be articulated by the concerned AGMs/Unit Heads and decided by the agency head during the conference, hence the final rating shall no longer be appealable/contestable after the conference.

The Corporate Planning Department shall provide each Department Office with the final Office Assessment to serve as basis of the Departments in the assessment of individual staff members.

- **Performance Assessment for Individual Employees**

The immediate supervisor shall assess individual employee performance based on the commitments made at the beginning of the rating period. The performance rating shall be based solely on records of accomplishments; hence, there is no need for self-rating.

The SPMS puts premium on **major final outputs** towards realization of organizational mission/vision. Hence, 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.

The supervisor shall indicate qualitative comments, observations and recommendations in the individual employee's performance commitment and review form to include competency assessment and critical incidents which shall be used for human resource development purposes such as promotion and other interventions.

Employee's assessment shall be discussed by the supervisor with the concerned ratee prior to the submission of the individual employee's performance commitment and review form to the AGMs/Unit Heads.

The AGMs/Unit Heads shall determine the final assessment of performance level of the individual employees in his/her Department/Office based on proof of performance. The final assessment shall correspond to the adjectival description of Outstanding, Very Satisfactory, Satisfactory, Unsatisfactory or Poor.

The AGMs/Unit Heads may adopt appropriate mechanism to assist him/her distinguish performance level of individuals, such as but not limited to peer ranking and client feedback.

The **average** of all individual performance assessments shall **not** go higher than the collective performance assessment of the Office.

The AGMs/Unit Heads shall ensure that the employee is notified of his/her final performance assessment and the Summary List of Individual Ratings with the attached IPCRs are submitted to the HRMD within the prescribed period.

Stage 4: Performance Rewarding and Development Planning

Part of the individual employee's evaluation is the competency assessment vis-à-vis the competency requirements of the job. The result of the assessment shall be discussed by the Heads of Office and supervisors with the individual employee at the end of each rating period. The discussion shall focus on the strengths, competency-related performance gaps and the opportunities to address these gaps, career paths and alternatives.

The result of the competency assessment shall be treated independently of the performance rating of the employee.

Appropriate developmental interventions shall be made available by the AGMs/Unit Heads in coordination with the HRMD.

A professional development plan to improve or correct performance of employees with Unsatisfactory and Poor performance ratings must be outlined, including timeliness, and monitored to measure progress.

Attached is the **PRA-SPMS Form-9** pertaining to Performance Rewarding and Development.

The results of the performance evaluation/assessment shall serve as inputs to the:

- a. AGMs/Unit Heads in identifying and providing the kinds of interventions needed, based on the developmental needs identified.
- b. HRMD in consolidating and coordinating developmental interventions that will form part of the HR Plan and the basis for rewards and incentive
- c. PMT in identifying potential PRAISE Awards nominees for various awards categories; and,
- d. PRAISE Committee in determining top performers of the Agency who qualify for awards and incentives.

II. Rating Period

The PRA Performance evaluation shall be done semi-annually.

There shall be five-point rating scale (1 to 5), 5 being the highest and 1, the lowest.

SPMS RATING SCALE

RATING		Description
Numerical	Adjectival	
5	Outstanding	Performance represents an extraordinary level of achievement and commitment in terms of quality and time, technical skills and knowledge, ingenuity, creatively and initiative. Employees at this performance level should have demonstrated exceptional job mastery in all major areas of responsibility. Employee achievement and contributions to the organization are of marked excellence.
4	Very Satisfactory	Performance exceeded expectations. All goals, objectives and targets were achieved above the established standards.

3	Satisfactory	Performance met expectations in terms of quality of work, efficiency and timeliness. The most critical annual goals were met.
2	Unsatisfactory	Performance failed to meet expectations, and/or one or more of the most critical goals were not met.
1	Poor	Performance was consistently below expectations, and/or reasonable progress toward critical goals was not made. Significant improvement is needed in one or more important areas.

III. Uses of Performance Ratings

- a. Security of tenure of those holding permanent appointments is not absolute but is based on performance.

Employees who obtained **Unsatisfactory** rating for one rating period or exhibited poor performance shall be provided appropriate developmental intervention by the AGMs/Unit Heads, in coordination with the HRMD, to address competency-related performance gaps.

If after advice and provision of developmental intervention, the employee still obtains Unsatisfactory ratings in the immediately succeeding rating period or Poor rating for the immediately succeeding rating period, he/she may be dropped from the rolls. A written notice/advice from the AGMs/Unit Heads at least 3 months before the end of the rating period is required.

- b. The PMT shall validate the Outstanding performance ratings and may recommend concerned employees for performance-based awards. Grant of performance-based incentives shall be based on the final ratings of employees as approved by the AGMs/Unit Heads.
- c. Performance ratings shall be used as basis for promotion, training and scholarship grants and other personnel actions.

Employees with Outstanding and Very Satisfactory performance ratings shall be considered for the above-mentioned personnel actions and other related matters.

- d. Officials and employees who shall be on official travel, approved leave of absence or training or scholarship programs and who have already met the required rating period of 180 days or 6 months shall submit the performance commitment and rating report before they leave the office.

For purpose of performance-based benefits, employees who are on official travel, scholarship or training within a rating period shall use their performance ratings obtained in the immediately preceding rating period.

- e. Employees who are on detail or secondment to another office shall be rated in their present or actual office, copy furnished their mother office. The ratings of those who were detailed or seconded to another office during the rating period shall be consolidated in the office, either the mother (plantilla) office or present office, where the employees have spent majority of their time during the rating period.

PART 3: Miscellaneous Provisions

I. Sanctions

Unless justified and accepted by the PMT, non-submission of the Office Performance Commitment and Review form to the PMT, and the Individual employee's Performance Commitment and Review forms to HRMD within the specified dates shall be a ground for:

- a. Employees' disqualification for performance-based personnel actions which would require the rating for the given period such as promotion, training or scholarship grants and performance enhancement bonus, if the failure of the submission of the report form is the fault of the employees.
- b. An administrative sanction for violation of reasonable office rules and regulations and simple neglect of duty for the supervisors or employees responsible for the delay or non-submission of the office and individual performance commitment and review report.
- c. Failure on the part of the AGMs/Unit Heads to comply with the required notices to their subordinates for their unsatisfactory or poor performance during a rating period shall be a ground for an administrative offense for neglect of duty.

II. Effectivity

The PRA SPMS shall become effective upon approval by the Civil Service Commission.

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General Manager/CEO

Date