



PHILIPPINE **I**NTERNATIONAL
TRADING **C**ORPORATION

STRATEGIC **P**ERFORMANCE
MANAGEMENT **S**YSTEM

(PITC SPMS)



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A. Rationale and Objectives

Rationale

In order to strengthen a high performance culture and greater accountability in the public sector, the Governance Commission for Government Owned or Controlled Corporations (GCG) and the Civil Service Commission (CSC) introduced modified performance-related systems to be institutionalized.

The following policies, guidelines and procedures on the Philippine International Trading Corporation Strategic Performance Management System (PITC SPMS) are hereby adopted to align with GCG's Performance Evaluation System (PES) for GOCCs and the CSC's Strategic Performance Management System in the civil service.

The PITC SPMS follows a 4-stage cycle consisting of :

- a. performance planning and commitment,
- b. performance monitoring and coaching,
- c. performance evaluation, and
- d. performance rewards, sanctions and development planning.

Objectives

The PITC SPMS is designed and administered to :

- a. concretize the linkage of PITC's organizational performance with national development plans, PITC's Performance Agreement and Scorecard;
- b. strengthen linkage between organizational and individual performance 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;
- c. continuously foster improvement of employee performance and efficiency;
- d. provide an objective performance rating which shall serve as basis for incentives & rewards, promotion, training and development, personnel actions and administrative sanctions; and
- e. link performance management with other HR systems and ensure adherence to the principle of performance-based tenure and incentive system.



B. Basic Policies

- 1. Goal aligned to PITC mandate and organizational priorities.** Performance goals and measurement area aligned to the national development plans, agency mandate/vision/mission and strategic priorities &/or organizational performance indicator framework. Standards are pre-determined 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 the operational level.
- 2. Outputs / Outcomes-based.** The system puts premium on major final outputs that contribute to the realization of organizational mandate, mission/vision, strategic priorities, outputs and outcomes. Although not included in arriving at the final performance rating, a competency assessment is included in the PITC SPMS which is an anchor for employees' Individual Development Plans (IDP).
- 3. 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. The Individual's Performance Scorecard is linked to the division / unit / office Performance Scorecard to establish clear linkage between organizational performance and individual performance.
- 4. User friendly.** The forms used for both organizational and individual performance are similar and easy to accomplish. Organizational and individual major final outputs and success indicators are indicated to facilitate the cascading of goals and harmonizing of organizational and individual performance ratings.
- 5. Use of an Information System that supports performance monitoring and evaluation.** Monitoring and evaluation mechanisms and information system are utilized to generate timely, accurate and reliable information to provide sound basis for performance tracking and evaluation, accomplishment reporting, program improvement and policy decision-making.
- 6. Communication Plan.** All PITC employees will be oriented on the PITC SPMS. Briefing sessions on the PITC SPMS will be conducted and briefing materials will be disseminated to all employees through their respective Group /Department Heads. This is to promote awareness and interest in the system and to generate employee appreciation for the System as a management tool for performance planning, control and improvement.
- 7. Rating Period.** Unless otherwise instructed by the Agency Head, there will be an annual "Rating Period" during which employees' performance during the given year is evaluated and rated. The minimum appraisal period is at least ninety (90) calendar days or three (3) months.



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8. **Bases or Proofs of Performance.** Rating for a particular task 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 intervening or additional task may not be rated and may be disregarded while a planned target, unless ordered or authorized by management or supervisor, should be accordingly rated.
9. **Performance of Intervening Tasks.** The performance of intervening or additional tasks shall be duly considered especially if these were done simultaneously with the planned targets. Intervening tasks are those which are neither inherent nor directly related to employees' plantilla or designated positions and may include membership in ad-hoc committees, research work and other assignments which will require considerable effort and time of the employees and are duly covered by an office order.
10. **Performance-based tenure.** Security of tenure of those holding permanent appointments is not absolute but is based on performance.

C. Key Players and Responsibilities

1. **PITC SPMS Champion (Agency Head)**
 - a. Primarily responsible and accountable for the establishment and implementation of the PITC SPMS.
 - b. Constitutes a Performance Management Team (PMT).
 - c. Sets agency performance goals/objectives and performance measures.
 - d. Determines agency target setting period.
 - e. Approves office/group performance commitment and rating.
 - f. Assesses performance of offices/groups.
2. **The Performance Management Team (PMT)**

The PMT shall be responsible for ensuring that the objectives of the PITC SPMS are met. While the PMT has the authority to determine the accuracy and compliance to guidelines/policies laid out in the PITC SPMS guidelines, and accordingly validate performance targets, standards and ratings, its actions and decisions are subject to the FINAL approval of the Agency Head.

Composition of the PMT

- Chairperson : Head of the Corporate Governance Group (CGG)
Members : A senior officer officially appointed by the Agency Head
- Highest career service employee directly responsible for human resource management
 - Highest career service employee directly responsible for corporate planning
 - Highest career service employee directly responsible for financial management
 - Representative of the accredited employee association
- Secretariat : Human Resources Management Division.



Functions and responsibilities of the PMT

- a. Sets consultation meeting of the Management Committee for the purpose of discussing the targets set in the office performance commitment and rating form.
 - b. Ensures that the Office and individual performance targets and measures, as well as the budget are aligned with those of the agency and that work distribution and performance standards of Offices/units is rationalized.
 - c. Reviews and recommends approval of the office and individual performance scorecards to the Agency Head.
 - d. Acts as the appeals body and final arbiter for performance management issues of the agency.
 - e. Identifies potential top performers and provide inputs for the grant of awards and incentives.
 - f. Establishes methods and procedures to periodically evaluate the effectiveness of the PITC SPMS and effects and implements improvements in consultation with the Management Committee and as approved by the Agency Head.
 - g. 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.
3. **PMT Secretariat (Human Resources Management Division)**
- a. Provides administrative support to the PMT.
 - b. Implements a system to monitor, record, and implement the PITC SPMS.
 - c. Assists or guides employees on the PITC SPMS including preparation of Individual Performance Scorecards and Individual Development Plans.
 - d. Reviews Individual Performance Scorecards together with the Planning Office and Individual Development Plans as may be required by the Agency Head and/or PMT.
 - e. Updates employees regularly on non-confidential but material developments.
 - f. Keeps custody of official acts/records of the PMT and original copies of Success Indicators, Performance Scorecards, Ratings of employees, Individual Development Plans and maintains confidentiality of records relative to these.
4. **Planning Office**
- a. 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 Group Heads. This shall include the participation of the Financial Office as regards budget utilization.
 - b. Consolidates, reviews, validates and evaluates the initial performance assessment of Group Heads based on reported Group 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



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- recommendation to the Agency Head who shall determine the final Group rating.
- c. Provides each Group with the final Group Assessment to serve as basis of groups in the assessment of individual employees.
 - d. Reviews employees' Individual Performance Scorecards together with the Secretariat as may be required by the Agency Head and/or PMT.
5. **Human Resources Management Division (HRMD)**
- a. Monitors submission of Individual Performance Scorecards during the Planning phase and Evaluation phase and Individual Development Plans.
 - b. Reviews the Summary List of Individual Performance Ratings to ensure that the average performance rating of employees is equivalent to or is not higher than the Group Performance Rating as recommended by the PMT and approved by the Agency Head.
 - c. Reviews and discusses Individual Development Plans with Raters and Group Heads, as necessary, to determine competency gaps, development interventions needed and career plans of employees.
 - d. Provides analytical data on retention, skill/competency gaps and talent development plans that align with strategic plans.
 - e. Spearheads implementation of development interventions and sanctions.
 - f. Recommends appropriate rewards.
6. **Rater (Group Head/Department Head)**
- The Rater is one who directly supervises the work of subordinate(s) in the Agency and who is tasked to rate them during rating periods. While a Rater appraises the performance of a subordinate-ratee, the ratings are still subject to the final approval of the Group Head or the Senior Officer supervising the group to which the employee belongs, subject to PMT review.
- Group Head**
- a. Assumes primary responsibility for performance management in his/her group.
 - b. Conducts strategic planning sessions to cascade Agency goals and to draw up Group goals aligned with Agency goals. Submits the Group Performance Scorecard during the Planning phase to the Planning Office.
 - c. Ensures that Group goals are cascaded to individual employees. Reviews and approves Individual Performance Scorecards for alignment to the Group Performance Scorecard. Submits this to the HRM Office.
 - d. Submits regular accomplishment reports to the Planning Office.
 - e. Prepares an initial assessment of the Group's performance using the Group Performance Scorecard.
 - f. Determines final assessment of performance level of individual employees based on proof of performance.
 - g. Informs employees of final ratings.
 - h. For employees who obtained an Unsatisfactory final rating :



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Recommends and discusses a development plan with the employee together with the Department Head (if applicable) not later than one (1) month after the end of the said period and prepares written notice/advice to the employee that a succeeding Unsatisfactory performance shall warrant separation from the service.

- i. For employees who obtained a Poor final rating :
Provides preliminary rating to the employee showing Poor performance not earlier than the third (3rd) month of the rating period. A development plan shall be discussed with the concerned employee. Issues a written notice that failure to improve performance shall warrant separation from the service.
- j. Reviews and approves employees' Individual Development Plans.

Department Head

- a. Assumes joint responsibility with the Group Head in ensuring attainment of performance objectives and targets.
- b. Translates Group goals to Department goals and discusses these with employees in the team.
- c. Rationalizes distribution of targets/tasks.
- d. Monitors the status of performance of employees and provides support and coaching.
- e. Assesses individual employees' performance and competency gaps.
- f. Recommends and monitors implementation of development interventions.
- g. Conducts performance planning and feedback sessions with employees including discussions on employees' Individual Development Plans.

7. Ratee (Individual Employee)

- a. Partners with management and co-employees in meeting organizational goals.
- b. Provides inputs to his/her supervisor-rater in preparing his/her Individual Performance Scorecard and Individual Development Plan.
- c. Seeks regular feedback on performance.
- d. Implements his/her own Individual Development Plan together with his/her Immediate Superior and the HRM Office.



D. Process and Timelines

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

Stage 1 : Performance Planning and Commitment

This is done before or at the start of the performance period where Group Heads meet with Department Heads and employees and agree on the outputs and targets that should be accomplished based on the Agency’s goals and performance scorecard or Strategy Map (Annex A). Group Performance Scorecards and Individual Performance Scorecards (IPS) are prepared as well as Individual Development Plans (IDP).

Success Indicators (Annex B) are determined. These are performance level yardsticks consisting of performance measures and performance targets. These form as bases in the office and individual employee’s preparation of their Performance Scorecards.

Performance measures need not be many. Only those that contribute to or support the outcomes that the Agency aims to achieve shall be included in the office or Group performance contract, i.e. measures that are relevant to the Agency’s core functions and strategic priorities. The performance measures must be continuously refined and reviewed.

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

CATEGORY	DEFINITION
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. The degree of acceptability, accuracy, approval or compliance of the work with established standards.
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.
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.

- a. Agency and office /Group business planning

The Agency Head shall determine the “agency target setting period”, a period within which the office or Group and employees’ targets are set and discussed by the raters and the rates, reviewed and concurred by the Group Head and submitted to the PMT.



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The Agency Road Map, Agency Performance Agreement and Performance Scorecard, etc. shall be the basis of the targets of the offices or Groups. Aside from the office / Group commitments explicitly identified under Strategic Priorities 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 office/Group shall be indicated as performance targets.

The targets shall take into account a combination of, or all of the following :

- Historical data. The data shall consider past performance.
- Benchmarking. This involves identifying and comparing best agencies 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/Group sets targets based on the needs of its clients. The office/Group may consult with stakeholders and review the feedback on its services.
- Top Management instruction. The Agency Head 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/Group with its potential performance.

In setting work targets, the office/Group shall likewise consider budget requirements to help the Agency Head in ensuring a strategy driven budget allocation and in measuring cost efficiency. The office/Group shall also identify specific units/individuals as primarily accountable for producing a particular target output. These targets, performance measures, budget and responsibility centers are summarized in the Office Performance Scorecard (Annex C).

The Group/Department performance scorecards will be reviewed by the Planning Office, PMT and approved by the Agency Head in a performance review conference.

b. Individual performance planning

The approved Office Performance Scorecard shall serve as basis for individual performance targets and measures to be prepared in the Individual Performance Scorecard (Annex D) and a copy of which is to be submitted to HRM.

Unless the work output of a particular duty has been assigned pre-set standards by the management, its standards shall be agreed upon by the raters and ratees. The rater and ratees define the job of each member of the unit, agree on the duties and responsibilities attached to a particular job and establish realistically attainable standards by which specific work outputs/ results will be measured.



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These standards are indicated as Success Indicators in the Individual Performance Scorecard.

Individual employees' performance standards shall not be lower than the Group or Department's standards in its approved Office Performance Scorecard.

The PMT may initiate alignment of Success Indicators for functional levels and among similar position levels in PITC.

During the Performance Planning and Commitment stage, a competency assessment is also conducted for individual employees to determine priority areas for development interventions to be given during the performance period. These are reflected in Individual Development Plans or IDPs (Annex E), a copy of which is submitted to HRM together with the Critical Incident Form, as applicable (Annex E-1). The HRM will refer to IDPs in conducting Training Needs Analysis and in reviewing PITC's training and development framework.

Stage 2 : Performance Monitoring and Coaching

During the performance monitoring and coaching phase, the performance of the offices/Groups and every individual shall be regularly monitored at various levels: i.e. the Agency Head, Planning Office, Group Head, Department Head and individual, on a regular basis.

Monitoring and evaluation mechanisms will be utilized to ensure that timely and appropriate steps can be taken to keep work on track and to ensure that objectives or goals are met in the most effective manner (Annex F). An information system supporting data management to produce timely, accurate and reliable information for tracking and reporting will be utilized.

Implementation of development interventions identified in the IDPs will likewise be tracked by HRM. IDPs will be updated by Immediate Supervisors. Supervisors and coaches play a critical role at this stage. Focus is on the critical function of feedback-giving, coaching and mentoring (Annex F-1).

Stage 3 : Performance Review and Evaluation

This stage assesses both Office/Group and individual employee's performance level based on identified success indicators as reflected in the Officer Performance Scorecard and Individual Performance Scorecard.

a. Office /Group Performance Assessment

Group Heads shall prepare their Office Performance Scorecard. The Planning Office shall consolidate, review, validate and evaluate the initial performance assessment of Group Heads based on the



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reported office/Group 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 to the Agency Head. The Agency Head shall determine the final rating of offices/Groups.

An agency performance review conference shall be conducted annually by the Planning Office to discuss office/Group assessment with concerned Group Heads. This shall include participation of the Financial Office as regards budget utilization. To ensure complete and comprehensive performance review, all Groups shall submit a regular accomplishment report to the Planning Office.

Any issue/appeal/protest on the office/group assessment shall be articulated by the concerned Group Head and decided by the Agency Head during the conference, hence the final rating shall no longer be appealable/contestable after the conference.

The Planning Office shall provide each office/Group with the final office/Group assessment to serve as basis in the assessment of individual employees.

b. Individual Employees' Performance Assessment

The Immediate Supervisor shall assess individual employee performance based on the commitments indicated in the Individual Performance Scorecard. The performance rating shall be based solely on records of accomplishment; hence, self-rating is not necessary.

The Immediate Supervisor shall indicate qualitative comments, observations and recommendations in the Individual Performance Scorecard.

The Immediate Supervisor's assessment of the employee will be discussed with the employee prior to the submission of the Individual Performance Scorecard to the Group Head. The Group Head shall recommend the final rating of individual employees based on proof of performance and subject to validation of the PMT and final approval of the Agency Head.



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The following scale is to be used for the overall performance appraisal rating :

RANGE	ADJECTIVAL RATING	DESCRIPTION
1.00 – 1.99	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. Performance failing to meet the planned targets by 50% or below.
2.00 – 2.99	Unsatisfactory	Performance failed to meet expectations, and/or one or more of the most critical goals were not met. Performance of 51% to 99% of the planned targets.
3.00 – 3.99	Satisfactory	Performance met expectations in terms of quality of work, efficiency and timeliness. The most critical annual goals were met. Performance of 100% to 114% of the planned targets.
4.00 – 4.99	Very Satisfactory	Performance exceeded expectations. All goals, objectives and targets were achieved above the established standards. Performance exceeding targets by 15% to 29% of the planned targets.
5.000	Outstanding	Performance represents an extraordinary level or achievement and commitment in terms of quality and time, technical skills and knowledge, ingenuity, creativity and initiative. Employee should have demonstrated exceptional job mastery in all major areas of responsibility. Employee achievement and contributions to the organization are of marked excellence. Performance exceeding targets by 30% and above of the planned targets.

The Group Head may adopt appropriate mechanisms 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 ratings shall not go higher than the collective performance assessment of the office/Group.

The Group Head shall ensure that the Summary List of Individual Ratings (Annex G) with the Individual Performance Scorecards are submitted to the HRM.

The PMT shall validate final Individual Performance Scorecard ratings. It may recommend employees for performance-based awards with concurrence of the concerned Group Heads.

The Immediate Supervisor also updates the Individual Development Plan (IDP) during the Performance Evaluation stage to indicate results of development interventions that the employee underwent, updated competency assessment ratings and critical



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incidents which will be used as basis for the employee's IDP for the next performance period. Inputs in the Individual Development Plan (IDP) are treated independently of the performance rating of the employee. These are not included in the performance appraisal rating.

Stage 4 : Performance Rewards and Development Planning

Part of all the performance management stages is development planning. This is why Individual Development Plans (IDPs) are accomplished and updated simultaneous with the Individual Performance Scorecards.

Individual Development Plans (IDPs) reflect data on the strengths, competency gaps, development interventions or activities needed to close the competency gaps as well as the status and results of conducting the development interventions or activities.

IDPs are also used to improve or correct performance of employees with an overall performance rating of Unsatisfactory or Poor. Employees who obtained "Unsatisfactory" rating for one rating period or exhibited poor performance shall be provided appropriate development intervention by the Group Head and supervisor (Department Head), in coordination with the HRMD, to address competency-related performance gaps.

If after advice and provision of development intervention, the employee still obtains an "Unsatisfactory" or "Poor" rating in the immediately succeeding rating period, he/she may be dropped from the rolls. A written notice/advice from the Agency Head at least 3 months before the end of the rating period is required.

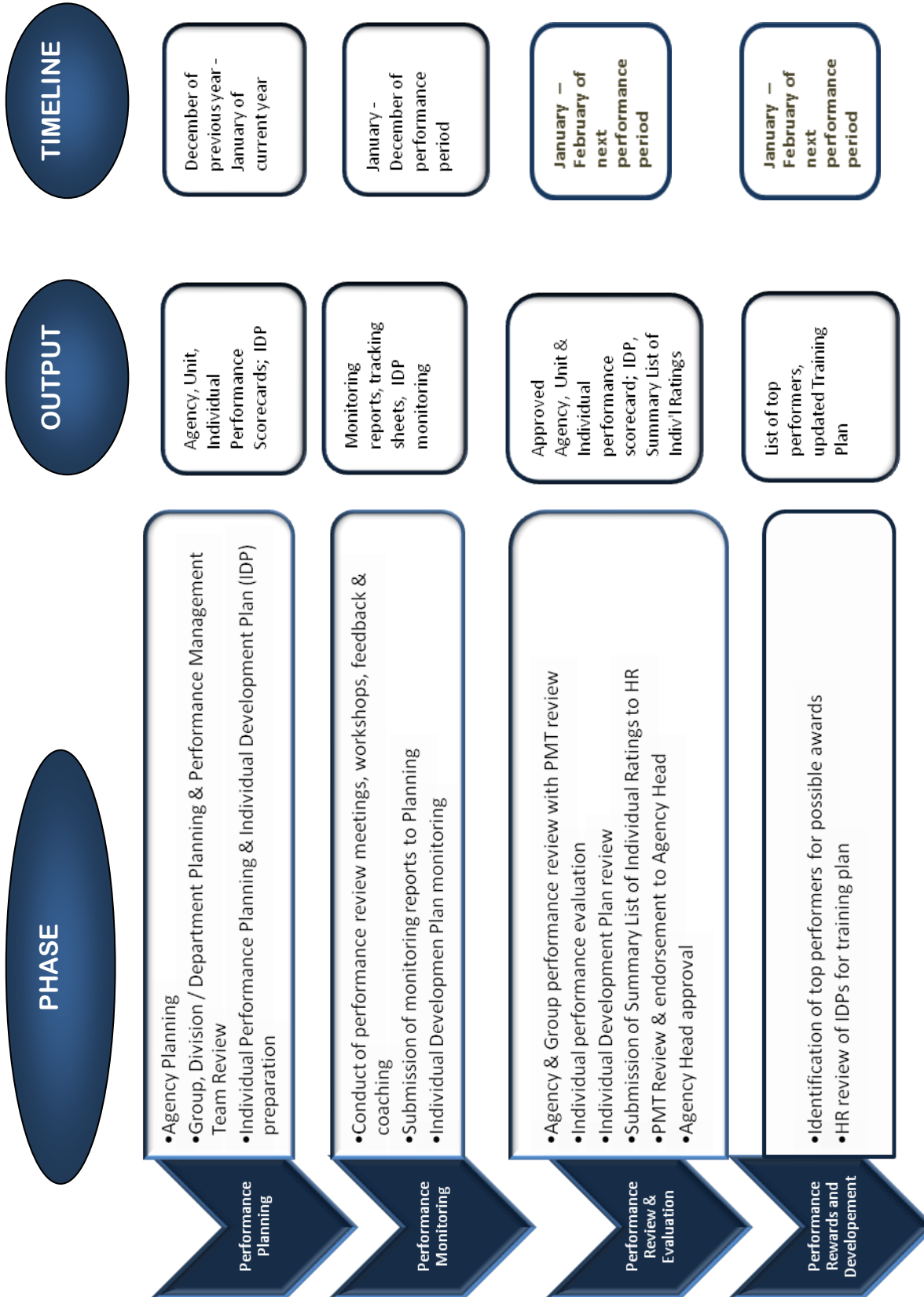
The results of performance assessment as reflected in the Individual Performance Scorecard shall serve as input to :

- Agency, Group and Department Heads in identifying competency gaps and providing the kinds of interventions needed as well as identifying employees who can be recommended for promotion, scholarship grants and other personnel actions;
- HRM Office in consolidating and coordinating development interventions that will form part of the HR Plan and the basis for rewards and incentives;
- PMT in determining top performers and in recommending employees for awards.

The grant of performance-based incentives shall be based on the final performance appraisal rating of the employee as approved by the Agency Head.

Figure 1 illustrates the process flow of the 4-stage performance management cycle along with the timelines.

Figure 1



PITC SPMS PROCESS FLOW



E. Rating Mechanism and Guidelines

1. Forms
The PITC SPMS forms will be composed of and known as follows :
 - a. Office Performance Scorecard
The Office Performance Scorecard refers to the performance planning and evaluation sheet of a Group Head and, if applicable, of a Department Head or units heads.
 - b. Individual Performance Scorecard
The Individual Performance Scorecard refers to the performance planning and evaluation sheet of employees whose role is that of an individual contributor.
2. Determination and Assignment of Weights
 - a. Personnel WITHOUT BAC or QAIT Functions
 - a.1. Business Unit Personnel with Sales Targets

	Weight
Profitability	70 %
Other Functions	30%
Total	100%

- a.2. Support Unit Personnel and Support Staff in Business Units

	Weight
Core Functions	100%
Total	100%

- b. Personnel WITH BAC or QAIT Functions
 - b.1. Business Unit Personnel with Sales Targets

	Weight Distribution	Equivalent Weights in Overall Rating
Profitability	70%	
Other Functions	30%	
Sub - Total	100%	60%
BAC or QAIT Rating		40%
Grand Total		100%

- b.2. Support Unit Personnel and Support Staff in Business Units

	Weight Distribution	Equivalent Weights in Overall Rating
Core Functions	100%	
Sub - Total	100%	60%
BAC or QAIT Rating		40%
Grand Total		100%



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3. Standards/Guide for Rating: Support Unit Personnel and Support Personnel in Business Units

There should always be Success Indicators indicated in the Office and Individual Performance Scorecards. No rating will be considered if there are no measurable outputs and Success Indicators reflected in the form.

- a. For QUALITY

Percentage of Target Attainment	Rating
** above target	5
** above target	4
On Target / ** above target	3
** of the target	2
** of the target or below	1

** As may agreed upon with the PMT during the Performance Planning and Commitment Stage. Target may be expressed in % or absolute figure.

Percentage of Completeness/ Accuracy/ Acceptability	Rating
98% - 100%	5
95% - 97%	4
90% - 94%	3
85% - 89%	2
84% and below	1

Note : These may vary depending on the Success Indicator and as agreed upon with the PMT during the Performance Planning and Commitment Stage.

- b. For EFFICIENCY / QUANTITY

Percentage of Target Attainment	Rating
130% and above	5
115% to 129%	4
100% to 114%	3
51% to 99%	2
50% or below	1

Note: Except targets that can no longer be increased such as government mandated reports (e.g. Monthly BIR/GSIS reports).

Percentage of Target Attainment	Rating
** above target	5
** above target	4
On Target / ** above target	3
** of the target	2
** of the target or below	1

** As may agreed upon with the PMT during the Performance Planning and Commitment Stage. Target may be expressed in % or absolute figure, and may include turnaround time as a performance measure.



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For TIMELINESS

- c.1. For tasks which will entail claims or penalties if not accomplished per set dates

Target	Rating
On time or earlier	5
Late	1

- c.2. For tasks not entailing penalties or claims

Target	Rating
Target time exceeded by **	5
Target time exceeded by **	4
Target time is met (on time)	3
Target time is short by **	2
Target time is short by **	1

** As may be agreed upon during the Performance Planning and Commitment Stage.

- c.3. For involving routine processing and/or submission or voluminous/various documents, the applicable rating standard guide will be the frequency of time.

Percentage of Time	Rating
98% - 100% of the time for the duration of the entire year	5
95% - 97%	4
90% - 94%	3
85% - 89%	2
84% and below	1

4. Standards for Rating Profitability

Rating	Description
5	Exceeding net income target by more than 10% for Heads of Business Units Exceeding gross income target by more than 10% of gross income target for individuals.
4	Exceeding net income target by no more than 10% for Heads of Business Units Exceeding gross income target by no more than 10% of gross income target for individuals
3	Achieving Net Income Target for Heads of the Business Units Achieving gross income target for individuals
2	Not achieving target but net income is at least 50% of target for Heads of Business Units Not achieving target but gross income is at least 50% of target for individuals
1	Net income is less than 50% of target for Heads of Business Units Gross income is less than 50% of target for individuals

A premium point of "1" will be added to the profitability rating of Business Unit personnel who have contributed to the sustainability



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of the Corporation or who have consummated projects coming from PITC-generated leads.

5. For Utilization of Allotted Budget for Office Performance Assessment

Target	Rating
Within budgeted expenses	5
Beyond budgeted expenses	1

Note : Standards may be modified as agreed upon with the PMT during the Performance Planning and Commitment Stage.

6. Non-Compliance to Office Policies

- a. Account Officers and/or officers and employees who fail to comply with the Policy Guidelines on the Submission and Issuance of Sales Invoices and Other Accountable Forms (pursuant to Memo with Ref. No. TOP/M-2009-10-449 dated 08 October 2009), resulting in unrecorded/understated sales shall be directly responsible for these unrecorded sales and same shall be reflected in his/her Office or Individual Performance Scorecard.
- b. Account Officers and/or officers and employees who fail to comply with company policies on sales to clients, government or private, resulting in account receivable or uncollectible accounts for the company shall be directly responsible for these uncollected accounts and same shall be reflected in his/her Office or Individual Performance Scorecard.

7. Others

- a. Duly validated claims or complaints received by the PMT from external clients or prior transactions that may or actually cause damage or expose the Corporation to suits or claims, pertaining to previous performance appraisal period and which have not been duly considered in the rating for the said period, shall affect the performance rating of concerned employee/s for the current appraisal period.
- b. The highest rating that a support staff may get in a profit center that did not meet its target or registered a loss in a particular rating period is only "Very Satisfactory" unless the PMT deems that an "Outstanding" rating is highly justified.
- c. Any changes in performance ratings of the employee's immediate supervisor or manager shall be communicated by the latter to the former prior to submission to HRMD. However, any changes in signed performance ratings by the PMT shall be communicated by HRMD to the employee concerned copy furnish the employee's immediate supervisor/manager. PMT's decision/recommendation on employee's rating as discussed with the concerned office/Group Head and as approved by the Agency Head shall be final.



F. Sanctions

1. The PMT may recommend to the Agency Head that administrative action or sanctions be filed against any employee who uses or misuses the PITC SPMS to give undue advantage or disadvantage to the employee he/she supervises and rates. Giving an undue "advantage" or "disadvantage" can mean that the rating of an employee has no factual or documentary basis.
2. Unless justified and accepted by the PMT, employees (regardless of rank) who fail to submit their own and/or their team members' Performance Scorecards and Individual Development Plans at the time that the deadline was set by the Agency Head shall either be given sanctions in accordance with existing Civil Service Rules and Regulations or will automatically get the "Unsatisfactory" or "Poor" rating as may be recommended by the PMT to the Agency Head. Validated Performance Scorecards shall not bear a "No Performance Scorecard" remark when endorsed to the Agency Head for confirmation.
3. Should an employee fail to comply with PMT's written directive as part of the validation process, the highest rating he/she may obtain is "Satisfactory."
4. If after advice and provision of development intervention, an employee who obtained an "Unsatisfactory" or "Poor" rating still obtains an "Unsatisfactory" or "Poor" rating in the immediately succeeding rating period, he/she may be dropped from the rolls. A written notice/advice from the Agency Head at least 3 months before the end of the rating period is required.

G. Appeals

1. Office performance assessment as discussed in the performance review conference shall be final and not appealable. Any issue/appeal on the initial performance assessment of an Office shall be discussed and decided during the performance review conference.
2. Individual employees who feel aggrieved or dissatisfied with their final performance ratings can file an appeal with the PMT within ten (10) days from the date of receipt of notice of their final performance rating from the Agency Head. An office/unit or individual employee, however, shall not be allowed to protest the performance ratings of other offices/units or co-employees. Ratings obtained by other offices/units or employees can only be used as basis or reference for comparison in appealing one's own office or individual performance rating.
3. Failure to file an appeal/protest within the reglamentary period shall be deemed a waiver of the right to appeal. No appeal/protest will be entertained thereafter.



STRATEGIC PERFORMANCE MANAGEMENT SYSTEM (PITC SPMS)

4. The PMT shall decide on the appeals within one (1) month from receipt. The decision of the Agency Head on appeals/protests shall be final and executor. However, the employee may resort to existing Civil Service Commission appeal procedures, if warranted.
5. Officials or employees who are separated from the service on the basis of unsatisfactory or poor performance rating can appeal their separation with the Civil Service Commission or its regional office within fifteen (15) days from receipt of the order of notice of separation.

H. Definition of Terms

1. **Strategy Map** – “an integrated set of strategic choices or objectives drawn by the governing body, the successful execution of which results in the achievement of the GOCC’s vision in relation to its mission or purpose for having been created.” (Section 3.y of RA No. 10149) It illustrates the GOCC’s strategy in achieving its mission/vision, providing the cause-and-effect linkages between the GOCC’s Strategic Objectives on the following perspectives :
 - Social Impact
 - Financial
 - Customers/Stakeholders
 - Internal Processes
 - Learning and Growth
2. **Performance Scorecard** – refers to a governance and management tool forming part of the performance evaluation system which consists of a set of measures, targets and initiatives that facilitate the achievement of breakthrough results and performance through the effective and efficient monitoring and coordination of the strategic objectives of the GOCC.
3. **Success Indicators** – performance level yardsticks consisting of performance measures and performance targets
4. **Major Final Outputs (MFOs)** – are goods and services that a department/agency is mandated to deliver to external clients through the implementation of programs, activities and projects.
5. **Core Functions** – functions performed by the Office which are inherent to its mandates
6. **Competencies** – cluster of observable, measurable behaviors, knowledge and skills which are critical for job success



ANNEX A

PITC Strategy Map



ANNEX B

Sample Success Indicators



SAMPLE SUCCESS INDICATORS

Perspective	MFO/Core Function/ Strategic Objective	Success Indicator		
		Effectiveness/ Quality	Efficiency / Quantity	Timeliness
Financial	Grow business from international trade through imports of identified commodities		Gross profit margin of Php 6M	Within the year
	Diversify export basket		Net income of Php 1M	Within the year
Social Impact/ Stakeholders	Creation of trading opportunities for SMEs, coops		Assisted 85 SMEs	Within the year
Internal Process/ Core Function	Enhance procurement processing to serve the needs of partner agencies to fulfill national priority programs	Documents endorsed to BAC are 100% accurate and complete	Secured 138 procurement projects	Within the year
Learning and Growth	Build up competencies		Sent 45 employees to specialized training	Within the Year



ANNEX C

Office Performance Scorecard



ANNEX D

Individual Performance Scorecard



ANNEX E

Individual Development Plan (IDP)



ANNEX E - 1

Form for Critical Incidents (S/TARS)



ANNEX F

Sample Monitoring / Tracking Tool



ANNEX F - 1

Performance Monitoring
and Coaching Journal



ANNEX G

Template : Summary List of Individual Performance Ratings



TEMPLATE : SUMMARY LIST OF INDIVIDUAL PERFORMANCE RATINGS

	RATING	
	Numerical	Adjectival
Agency Performance Rating		
ETG Performance Rating		
Employee 1		
Employee 2		
Employee 3		
# of Employees=3 Ave. rating of staff		
ITSG Performance Rating		
Employee		
# of Employees= Ave. rating of staff		
GAG Performance Rating		
Employee ...		
# of Employees= Ave. rating of staff		
MAG Performance Rating		
Employee ...		
# of Employees= Ave. rating of staff		
CGG Performance Rating		
Employee ...		
# of Employees= Ave. rating of staff		
TOP Performance Rating		
Employee ...		
# of Employees= Ave. rating of staff		
SUMMARY		
ETG		
ITSG		
GAG		
MAG		
CGG		
TOP		
AVERAGE OF GROUP RATINGS		



ANNEX H

SPMS CALENDAR



ANNEX I

OFFICE ORDER FOR PITC PERFORMANCE MANAGEMENT TEAM



SYSTEM OF RANKING GROUP/DEPARTMENTS AND INDIVIDUALS

Groups/Departments and individuals are rated and ranked based on the attainment of their targets/key result areas. Rating System is based on CSC-approved Strategic Performance Management System (SPMS) which follows the hereunder Process Flow:

