

GUIDELINES IN THE ESTABLISHMENT AND IMPLEMENTATION OF AGENCY PERFORMANCE EVALUATION SYSTEM

CSC MEMORANDUM CIRCULAR NO. 12 s. 1993, March 18, 1993

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Pursuant to the provisions of Rule IX of the Omnibus Rules Implementing Book V of Executive Order No. 292, the following guidelines are hereby issued in order to help agencies in the development and efficient implementation of performance evaluation system:

1

Coverage

A Performance Evaluation System (PES) shall be established in all departments or agencies of the national and local governments, including state universities and colleges, government-owned and controlled corporations with original charters.

2

General Objectives

The PES shall be so designed and administered to:

- a. continuously foster improvement of employee performance and efficiency;
- b. enhance organizational effectiveness and productivity;
- c. provide an objective performance rating which shall serve as a basis for incentives and rewards, promotion, training and development, personnel actions and administrative sanctions.

3

Minimum Requirements

The PES shall include the following mini-mum requirements:

- a. Identification of performance outputs as well as job-related behaviors of the position/function and corresponding performance standards which should be mutually agreed upon between the supervisor and the subordinate.

The actual performance outputs shall be assigned a greater weight when rating an employee's performance. Job-related behaviors which critically affect the performance of a job shall be identified and defined. Employees shall also be rated on the manifestation of these behaviors, but the rating shall be assigned a lesser weight than that of job outputs.

- b. Feedback by which an employee shall be currently advised of his progress in accomplishing his assigned tasks.
- c. Documentation of the observations, comments and recommendations of the supervisors regarding employee's strengths and weaknesses which may be instrumental in furthering his career, or identifying constraints that may impede his development.
- d. Evaluation and rating of performance done twice a year or once every semester composed of six months ending

on June 30 and December 31. However, if the organizational needs require a shorter or longer period, the minimum appraisal period shall be at least 90 days or three months. No appraisal period shall be longer than one year.

e. Sanctions against raters who have been found to give undue advantage or disadvantage to the employee they rate.

f. Adjectival ratings defined as follows shall be adopted:

Outstanding — An employee shall be given this rating when he EXCEEDS HIS TARGET BY AT LEAST FIFTY PERCENT. It represents an extraordinary level of achievement and commitment in terms of quality and time, technical skills and knowledge, ingenuity, creativity and initiative. Employees at this performance level should have demonstrated exceptional job mastery in all major areas of responsibility. His achievement and contributions to the organization are of marked excellence which even his peers recognize through a forced comparison/distribution method established by the agency concerned. (Emphasis supplied)

Very Satisfactory — An employee shall be given this rating when he EXCEEDS THE EXPECTED OUTPUT/PERFORMANCE BY AT LEAST 25% but falls short of what is considered an outstanding performance. In addition, his competence and contributions shall be recognized by his peers also through a forced comparison/distribution method based on the criteria established by the agency concerned. Those screened out in the forced comparison/distribution for outstanding performers shall be included in this category. Only employees with Outstanding and Very Satisfactory performance ratings shall be considered for promotion.

Satisfactory — An employee shall be given this rating when he MEETS 100% of the standards or ordinary requirements of the duties of the position. Those screened out in the forced comparison distribution method for Very Satisfactory performers shall be included in this category.

Unsatisfactory — An employee shall be given this rating when his performance is FIFTY ONE PERCENT TO NINETY NINE PERCENT of the minimum requirements but could stand improvement. It is expected that in the next rating period, the employee, under close supervision, will either improve his performance for which he shall be given at least a satisfactory rating, or if not, he shall get another Unsatisfactory rating. Two (2) successive Unsatisfactory ratings shall be a ground for separation from the service.

Poor — An employee shall be given this rating when he fails to meet the performance requirements or meets FIFTY PERCENT or below of the minimum requirements and there is no evidence to show that he can improve his performance. A rating of poor shall be a ground for separation from the service.

g. Parts of the Performance Evaluation System:

- Objectives
- Basic policies adhered to by the agency in the implementation of the PES
- Procedure/Mechanics of Evaluation
- Mechanics of Rating

4

Development of PES Sub-Systems

An agency composed of diverse functional groupings may develop several sub-systems for the evaluation of performance of the different functional groups.

Example:

The management and staff of a large medical center may deem it necessary to develop separate sub-systems for the Nursing Group, Medical Specialists Group, Ancillary Services, and Faculty of the School attached to the center.

The four sub-systems may have common PES objectives, policies adhered to by the agency in the implementation of the systems mechanics of evaluation, appeals mechanism, and sanctions against raters who give undue advantage or disadvantage to the employees they rate.

A PES sub-system shall contain the following basic parts:

- a. Mechanics of Rating
- b. Performance Standards
- c. Critical Factors Affecting Work Performance (Defined and presented in graphic scales)

5

Approval of PES

A newly developed performance evaluation system shall be submitted by the Head of Agency to the Civil Service Commission for review and approval based on two criteria:

- a. Completeness — The System contains all the minimum requirements provided for under Rule IX of the Omnibus Civil Service Rules and Regulations pertinent provisions of this Memorandum Circular.
- b. Acceptability — The Head of the Department or Agency certifies that the System has been presented to the staff for initial validation and found to be an acceptable tool for performance evaluation.

6

Pilot-Testing

A CSC approved performance evaluation system shall be pilot-tested in the agency for at least one rating period to determine its effectiveness and confirm its acceptability.

7

Performance Standards Development

To ensure the objectivity of performance ratings generated using the PES, common performance standards shall be developed, agreed upon and established for positions engaged in the same or similar functions, duties and responsibilities. These performance standards shall be reviewed and fine-tuned to suit the prevailing circumstances in the workplace and organizational needs.

8

Technical Assistance to Agencies

The Civil Service Commission shall conduct round table discussions and workshops with representatives from different agencies and offices for the purpose of assisting them in the development of common performance standards for technical and non-technical positions.

Heads of agencies are encouraged to re-quest the Commission for technical assistance in the development, implementation, refinement of their PES as well as in the establishment of performance standards for different functional groupings.

9

PES Implementation

- a. Agencies are expected to conduct Orientation seminars for new officials and employees to orient them on performance planning, evaluation and improvement. Such services shall also aim to promote awareness and

interest in the System as a management tool for employee development and to generate their appreciation for the agency performance evaluation system as a management tool for performance planning and control.

b. The highest ranking officer in charge of personnel management and responsible for the administration of PES shall collect the performance rating reports of all employees covered by the system within fifteen (15) days following the end of each rating period.

c. The Personnel Division of the agency shall be responsible for the safekeeping of performance rating reports of all personnel. These reports shall be included in the individual personnel folder made available to the Selection/Promotion Board and shall be open at all times for the inspection of the Civil Service Commission.

10

Monitoring of PES Implementation

The Civil Service Commission shall conduct in-depth monitoring of the implementation of agency PES to gather data on the extent of the system's implementation, its usefulness in accomplishing its objectives, and its strengths and weaknesses. The results of the monitoring shall be communicated to the Head of Agency for the purpose of fine tuning the system and improving its implementation.

11

Updating of PES

All existing Performance Evaluation Systems presently being implemented shall be revised in accordance with the provisions of Rule IX of the Omnibus Civil Service Rules and Regulations and submitted to the Civil Service Commission.

12

The USE of PES Model

All other agencies without a PES may adopt the PES Model* herein attached. The Model may be modified and expanded to suit the needs of the organization. All agencies who opt to use the Model shall inform the Civil Service Commission of the plan to pilot-test the Model and the schedule of pilot-testing.

The Commission shall be ready to assist agencies in the orientation of employees on the PES Model.

13

Non-Submission/Non-Implementation of PES

Failure to submit a PES to the CSC for approval and/or non-implementation of approved PES shall constitute a ground for disapproving promotional appointments and other personnel actions requiring performance-based ratings.

MC 2, s. 1978 and MC 12, s. 1989 are hereby repealed accordingly.

This Memorandum Circular shall take effect immediately.

Adopted: 18 Mar. 1993

(Sgd.) PATRICIA A. STO. TOMAS
Chairman

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