

## System of Ranking of Officials and Employees

The Power Sector Assets and Liabilities Management (PSALM) Corporation adopts the system of ranking prescribed by the Governance Commission for GOCCs under Section 4 of Memorandum Circular (MC) No. 2017-01 dated 09 June 2017, as follows:

**4. Distribution System** - Distribution of Performance Based Bonus (PBB) among qualified Officers and Employees of a Government Owned or Controlled Corporation (GOCC) who have complied with the eligibility rules in Section 3 of MC No. 2017-01 shall be in accordance with the following procedure:

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

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

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

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

- (c) **Professional and Supervisory:** This level comprises the personnel whose work is primarily achieved by an individual or through project teams. Requires the application of expertise in professional or technical area(s) to achieve results. Typically has a university degree or equivalent work experience that provides knowledge and exposure to fundamental theories, principles and concepts. Includes supervisors and junior management that may not have full management authority (e.g., Financial Analyst/Specialists, Accountant, HR Officer, etc.)
- (d) **Clerical/General Staff:** This category includes all clerical, administrative and secretarial staff with little or no supervisory responsibility but who contribute independently to the organization. It also covers basic computing/data processing staff such as operators, customer service assistants and skilled craftsmen/technicians (e.g., Secretary, Clerk, Finance Processor, Administrative Assistant, Chauffeur, Utility Worker, Messenger).

4.2. **Distribution for Qualified Officers and Employees** - In each level provided for in Section 4.1 above, the ratings of Officers and Employees under the GOCC's Strategic Performance Management System (SPMS) or its equivalent shall be quantified to allow for ranking on a percentile basis for the purpose of distribution as follows:

4.2.1. **Rates of PBB** - The grant of the PBB shall be based on the performance of the individual Officers and Employees with the rate of incentive as a multiple of the individual's monthly basic salary (MBS) as of 31 December of the applicable year based on the table below, but not lower than PhP5,000:

Percentile		PBB as % of MBS
<b>Top:</b>	Maximum 10%	65.0%
<b>Next:</b>	Maximum 25%	57.5%
<b>Remaining:</b>	Maximum 65%	50.0%

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