



National Power Corporation

CIRCULAR NO. 2018 - 014

25 April 2018

**SUBJECT : DISTRIBUTION SYSTEM & PERFORMANCE RANKING
RE: GRANT OF FY 2017 PERFORMANCE-BASED BONUS**

- 1.0 PURPOSE.** This Circular is being issued to prescribe the guidelines on the distribution system and performance ranking of officers and employees qualified to the grant of FY 2017 Performance-Based Bonus (PBB).
- 2.0 LEGAL BASES.** Executive Order No. 80, s. 2012, Directing the Adoption of a Performance-Based Incentive System for Government Employees beginning FY 2012 consisting of the Performance Enhancement Incentive (PEI) and the Performance-Based Bonus (PBB). GCG Memorandum Circular No. 2018-01 dated 31 January 2018, known as Amendment to Interim Performance-Based Bonus (PBB); GCG Memorandum Circular No. 2017-01 dated 9 June 2017, known as Interim Performance-Based Bonus.
- 3.0 COVERAGE.** NPC officials and employees, whose status of appointment is permanent, temporary, co-terminus, contractual and casual (with employer-employee relationship) shall be entitled to the PBB provided they **have rendered an aggregate of at least nine (9) months** of service for the year ending 31 December 2017 with at least "satisfactory" rating. Those who do not meet the 9-month service requirement but have served at least 3 months of service with at least "satisfactory" rating shall be entitled to PBB on a pro-rata basis.
- 4.0 EXCLUSION.** The following are excluded from the performance ranking and distribution system:
 - 4.1** Those hired without employer-employee relationships and paid from non-personal services appropriations/budgets, as follows:
 - 4.1.1** Consultants, including retainer dentist/doctors, hired to perform specific activities or services with expected outputs;
 - 4.1.2** Laborers hired through job contracts (pakyaw) and those paid on piecework basis;
 - 4.1.3** Individuals and groups whose services are engaged through job orders, contracts of service, or others similarly situated;
 - 4.2** Employee who is on vacation or sick leave, with or without pay, for the entire FY 2017;
 - 4.3** Those found guilty of administrative and/or criminal charges filed against him/her and meted penalty in FY 2017. A penalty of reprimand shall not disqualify the employee concerned to the grant;
 - 4.4** Officers and Employees who receive a "Below Satisfactory" Performance Rating for the given period.
- 5.0 Grouping of Personnel.** In determining the distribution of PBB among qualified officers and employees, all personnel shall be ranked on a percentile basis (item 6.0 of this Circular) within their respective levels, as follows:
 - 5.1 Senior Management** - consists of the President and CEO, Vice-Presidents, Senior Department Managers, and the Corporate Secretary.

- 5.2 **Middle Management** - Department Managers, Division Managers and all positions of equivalent rank (e.g. Corporate Staff Officer A, Corporate Staff Officer B).
- 5.3 **Professional and Supervisory** – includes Section Chiefs (Salary Grade 22) and equivalent, Professional/Technical positions, and Technical Support positions **with Salary Grade to 16 to 22.**
- 5.4 **Clerical/General/Technical Staff** - are administrative and technical support positions with **Salary Grade 15 and below.**

6.0 **DISTRIBUTION SYSTEM.** The ratings of qualified officers and employees in each of the levels provided under item 5.0 above shall be quantified for ranking on a percentile basis. The grant of PBB shall be based on employee's performance with assigned rate of incentive as a multiplier of employee's basic salary as of 31 December 2017, as follows, but not lower than P5,000.00:

Percentile (%)		Multiple
Top :	Maximum 10%	65% of basic salary
Next :	Maximum 25%	57.5% of basic salary
Remaining:	Minimum 65%	50% of basic salary

7.0 **IMPLEMENTING PROCEDURE.** The following procedures shall be observed:

- 7.1 Using the **Form labeled Annex A** (with example reflected in italic font), the Human Resources Department shall be responsible in providing each Functional Group (FG) the lists of qualified officers and employees, grouped based on the levels listed under item 5.0 above (Middle Management, Professional and Supervisory, and Clerical/General/Technical Staff Groups) with allocation as to how many will fall under top: 10%, next: 25%, and the remaining: 65% for each level. **Soft copy** of the lists shall be sent to the FG.
- 7.2 Using the soft copy provided in item 7.1. above, FG concerned shall identify from the names of personnel under the Middle Management, Professional and Supervisory and Clerical/General/Technical Staff groups, who are rated as belonging to the Top: Maximum 10%, Next: Maximum 25%, and the Remaining: Minimum 65% corresponding to the required number per category.

For this purpose, the following offices shall be considered as Functional Group:

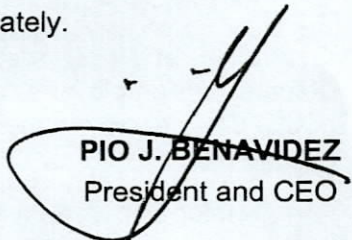
7.2.1 Resource Management Service.

7.2.2 Offices under the National Power Board, i.e. NP Board Staff, Office of the Corporate Secretary and Internal Audit Department.

For the **Sr. Management Group**, the President and CEO, together with the Corporate Performance Management Team (PMT) shall identify personnel covered by the percentile as indicated in item 6.0 above.

8.0 **SAVING CLAUSE.** Cases not covered by this Circular shall be referred to the Office of the Vice President, Administration and Finance Group for resolution.

9.0 **EFFECTIVITY.** This Circular shall take effect immediately.


PIO J. BENAVIDEZ
President and CEO