



**LBP LEASING AND FINANCE CORPORATION**  
(A LANDBANK SUBSIDIARY)

**SYSTEM OF RATING AND RANKING INDIVIDUAL OFFICERS AND EMPLOYEES:**

**SYSTEM OF RATING:**

The LBP Leasing and Finance Corporation (LLFC) implements its STRATEGIC PERFORMANCE MANAGEMENT SYSTEM (SPMS) in rating the performance of its officers and employees. The SPMS covers all full-time regular officers and employees, whether permanent, temporary or co-terminus, and all LLFC Groups / Units including the Office of the President/CEO for the full performance management cycle.

The LLFC SPMS is in accordance with GCG Memorandum Circular No. 2015-06 which mandates the establishment and implementation of a Strategic Performance Management System (SPMS) approved by the Civil Service Commission (CSC) *or its equivalent*. The LLFC SPMS is the equivalent of the CSC SPMS as it is aligned to the CSC SPMS model as provided in CSC MC NO.6, s. 2012 (March 19, 2012) and CSC Resolution No. 1200481 dated March 16, 2012.

The LLFC SPMS is uploaded at the Corporation's Transparency Seal at the LLFC website ([lbpleasing.com](http://lbpleasing.com)).

Under the SPMS, LBP Leasing and Finance Corporation (LLFC) rates its personnel every semester. The 1<sup>st</sup> semester covers the period from January 01 to June 30 and the 2<sup>nd</sup> semester covers the period from July 01 to December 31. The Rating Scale under the LLFC SPMS is as follows:

**PERFORMANCE EVALUATION RATING SCALE:**

Range of Scores	Equivalent Performance Measures
<p style="text-align: center;"><b>10</b> 9.503 to 10.000 (Outstanding)</p>	<ul style="list-style-type: none"> <li>• <b>100% and above target achievement</b></li> <li>• Provided innovations, suggestions, proposals and other or recommendations for the improvement of existing systems/operations or processes. 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 in terms of quality and time, technical skills and knowledge, ingenuity, creativity and initiative.</li> </ul> <p><i>Note: For accomplishments requiring 100% of the targets such as those pertaining to financials or accuracy of those which may no longer be exceeded, the usual rating of 10 for those who met the targets or 4 for those who failed or fell short of the requirements apply.</i></p>
<p style="text-align: center;"><b>8</b> 8.752 to 9.502</p>	<ul style="list-style-type: none"> <li>• <b>90% - 99% target achievement</b></li> <li>• All goals, objectives and targets were achieved within the</li> </ul>

Range of Scores	Equivalent Performance Measures
(Very Satisfactory)	established standards. <ul style="list-style-type: none"> <li>• Displayed initiative and significantly contributed to Group's / Unit's plans and programs.</li> <li>• Fully and consistently compliant with internal and external control mechanisms.</li> </ul>
<b>6</b> 5.00 to 8.751 (Satisfactory)	<ul style="list-style-type: none"> <li>• <b>80% - 89% target achievement</b></li> <li>• Performance met expectations in terms of quality of work, efficiency and timeliness, with need to improve in some areas of work performance to ensure that goals are consistently met.</li> <li>• Performed with general knowledge on the existing processes and internal/external policies of LLFC.</li> </ul>
<b>4</b> 2.401 to 4.999 (Unsatisfactory)	<ul style="list-style-type: none"> <li>• <b>70% - 79% target achievement</b></li> <li>• With minimum performance contribution and worked under close and consistent supervision; Required several revisions in accomplishing written work, with major need to be coached/mentored and to improve in most areas of written and non-written work as well as in working within the timeline to ensure that goals are met.</li> </ul>
<b>2</b> 2.000 to 2.400 (Poor)	<ul style="list-style-type: none"> <li>• <b>Below 70% target achievement</b></li> <li>• Performance did not meet expectations.</li> <li>• There is a need for improvement in terms of strategies/techniques to enhance delivery of targets.</li> </ul>

As provided under the LLFC SPMS, the LLFC Performance Calibration Team (PCT), based on the results of the performance evaluations as indicated in the duly accomplished Individual Performance Commitment and Review (IPCR) Forms for the rating periods during the year, shall undertake the annual calibration of officers and employees and shall identify top performers for grant of Performance-based bonuses and other awards and incentives.

### SYSTEM OF RANKING:

Based on the calibration of the LLFC PCT, the officers and employees are ranked within their respective levels, as follows, in accordance with GCG MC No. 2017-01:

- **Senior Management**  
 This refers to the executive officers of LLFC, and includes all the President and Chief Executive Officer (CEO); the Executive Vice President; and the heads of groups, which are primarily involved in the development, evolution, and approval of long-term vision across a function or area of specialization. They are those who lead the development of function strategy, implement and maintain policies of the organization for area of responsibility
  
- **Middle Management**  
 This covers the heads of offices and units in LLFC whose work is primarily achieved through others, with direct accountability for setting direction and deploying resources. They are responsible for people management, including performance evaluation and pay reviews and typically hire/fire

decisions. Included in this level are individual contributors who are recognized as subject matter experts with in-depth technical knowledge, project management and significant influence skills in area of expertise.

- **Professional and Supervisory**

The LLFC supervisors/officers and professionals are included in this level. Specifically, the personnel in this level perform functions that are primarily achieved by an individual or through project teams and require the application of expertise in professional or technical area(s) to achieve results. The positions under this level typically require a university degree or equivalent work experience that provides knowledge and exposure to fundamental theories, principles and concepts.

- **Clerical and General Staff**

This level includes all LLFC clerical, administrative and secretarial staff with little or no supervisory responsibility but who contribute independently to the organization, as well as, basic computing/data processing staff such as operators, customer service assistants and skilled craftsmen/technicians.

For purposes of the distribution of the Performance-Based Bonus, in each of the levels, the ratings of officers and employees shall be quantified to allow for ranking on a percentile basis as will be provided under the applicable GCG MC.

  
**MA. LOURDES G. GONZAGA**

Head-Corporate Services

Date: 05 July 2017

  
**MANUEL H. LOPEZ**

President and CEO

Date: \_\_\_\_\_