

2.03.02

The Performance Appraisal Review (PAR)

2.03.02.01 General Objectives – The regular employee's immediate superior on a yearly basis assesses the employee's achievements and his contributions to Company objectives relative to his position. This performance appraisal review (PAR) provides the opportunity for both superior (rater) and the subordinate (ratee) to discuss relevant aspects of the ratee's job and the objective of the work unit he belongs to. Through the PAR, the employee is helped to see how he measures up to the work standards. The general objective is that of improving the employees' level of performance and work values and attitudes. The PAR results provide also a basis to determine the appropriate salary adjustment based on the merit. The PAR system includes:

- a. The key result areas (general and job-specific) and the categories performance pertaining to each one – with the respective values relative to the standard.
- b. A scorecard to arrive at the over-all sum of values pertaining to the specific performance of the ratee.
- c. The rater's qualitative evaluation of the ratee's strengths and weaknesses; an elucidation of perfect scores; if any.

- d. The rater's conclusions based on PAR-related discussions with the ratee as to:
 - (i) The training needs and other requirements for the ratee's continuing self-development.
 - (ii) And, in the appropriate circumstances, the ratee's career path that the Company and ratee should pursue; as well as the career development program that would be concomitant to it.

2.03.02.02 **Specific Objectives** – The specific objectives of the PAR are:

- a. To foster a dialogue between the rater and the ratee concerning the ratee's work and the related aspects of work of the responsibility-center he belongs to; and how the rater and the ratee could fill-in a helping relationship to improve the ratee's performance to attain higher performance levels for that responsibility center or work-unit.
- b. To measure the ratee's achievements and work performance;
- c. To recognize meritorious performance; to identify the employee with the potential to assume greater or higher responsibilities;
- d. With reference to past PAR's, to determine any trend of unresolved mediocre performance as a basis for an early warning signal of possible consequences and, if such mediocrity at work persists, it may warrant termination of employment.

2.03.03 **General Features** – To ensure that the PAR system fulfills its objectives, the following features are integral parts of the system:

- a. Specific and results-oriented standards as basis for appraising the performance of the employee.
- b. Clear definitions of performance levels.
- c. Clear implementing guidelines and procedures for performing the appraisal.

