



Republic of the Philippines
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
OFFICE OF THE SECRETARY
Manila

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DEPARTMENT ORDER)

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SUBJECT : Mechanics of Ranking Offices and Personnel as Basis for the Grant of Performance-Based Bonus (PBB) for FY 2014

In connection with the implementation of a performance-based incentive system in this Department pursuant to E.O. No. 80 dated 20 July 2012 and as provided under MC No. 2014-01 issued by the AO 25 Inter-Agency Task Force (IATF), the following mechanics of ranking offices and personnel as basis for the grant of **Performance-Based Bonus (PBB)** for **FY 2014** are hereby prescribed:

EVALUATION OF OFFICES

The implementing offices (Regional Offices and District Engineering Offices) shall be ranked based on their respective performance and accomplishments (of set targets) for CY 2014 using the following criteria: *a) Construction Accomplishment; b) Quality Control; c) Maintenance; d) Absorptive Capacity; and e) Procurement.* "Supervision of DEOs" is another additional criterion in evaluating the performance of each Regional Office. Except "Maintenance" and "Procurement", the same criteria shall also be applied in evaluating the performance of each Unified Project Management Office (UPMO) Cluster.

On the other hand, the performance of the offices in the Central Office (OSEC Proper, Bureaus and Services) shall be evaluated based on the targets each office has accomplished in accordance with their respective approved Annual Goals and Operations Plans for FY 2014, and confirmed by the Management Committee (MANCOM).

Only the offices within the Department that achieved at least 90% of their respective targets shall be entitled to the PBB at varying amounts. The Secretary shall force-rank the offices according to their performance following a normal distribution.

<i>Distribution of Performance of Offices/Delivery Units</i>	
Rating/Category	Distribution
Best	15%
Better	30%
Good	55%

EVALUATION OF PERSONNEL

The personnel shall be ranked based on their individual performance targets, which must be aligned with the office performance targets, they have committed and accomplished for the last two (2) rating periods using the Department's existing and established Performance Evaluation Systems (PES) categorized as follows:

- Management by Objectives and Results Evaluation (MORE) – 1st and 2nd levels
- Performance Appraisal System for District Engineers (PADE) – District Engineers
- Career Executive Service Performance Evaluation System (CESPES) – 3rd level

The personnel's performance outputs shall be evaluated based on their performance ratings for the last two (2) semesters as reflected in their respective *Performance Appraisal Reports* (PARs) in the *MORE* and *PADE*, and *CESPES*, both for FY 2014. Employees in the offices that ranked Good, Better and Best shall be entitled to PBB in varying rates provided they got a performance rating of at least **Satisfactory**, and have rendered at least **nine (9) months** of service as of **December 31, 2014**.


The Director concerned shall force-rank all their employees within the office according to their performance following a normal distribution.

Distribution of Performance Categories of Personnel in Every Delivery Unit			
<i>Rating/Category of Personnel</i>	For Offices Ranked "Best"	For Offices Ranked "Better"	For Offices Ranked "Good"
Best	20%	15%	10%
Better	35%	30%	25%
Good	45%	55%	65%

The rate of PBB Incentive shall be as follows:

Rates of Performance-Based Bonus Incentives			
Performance Categories of Offices/Delivery Units	Performance Categories of Personnel		
Best Office (15%)	<i>Best Performer</i> 20%	<i>Better Performer</i> 35%	<i>Good Performer</i> 45%
	35,000	20,000	10,000
Better Office (30%)	<i>Best Performer</i> 15%	<i>Better Performer</i> 30%	<i>Good Performer</i> 55%
	25,000	13,500	7,000
Good Office (55%)	<i>Best Performer</i> 10%	<i>Better Performer</i> 25%	<i>Good Performer</i> 65%
	15,000	10,000	5,000

This Order shall cover the performance of DPWH Offices and employees for FY 2014.


ROGELIO L. SINGSON
 Secretary

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