



# PUBLIC SAFETY MUTUAL BENEFIT FUND, INC.

## Resolution No. 2014 – 152

### APPROVAL OF THE POLICY ON EMPLOYEE PROMOTIONS

**Whereas**, promotion of employees within the organization is an essential indicator of individual and organizational growth;

**Whereas**, PSMBFI ensures to provide recognition when and where recognition is due by identifying potentials among employees and acknowledging these potentials through a structured process of growth;

**Whereas**, there is a need to set guidelines with regard to the implementation of employee promotions throughout the organization;

**Whereas**, Management prepared a proposed policy on employee promotions and presented the same to the Organization and Screening Committee and Executive Committee;

**Whereas**, the Executive Committee favorably endorsed the proposed policy to the Board;

**Whereas**, during the Regular Board meeting held on December 15, 2014, the Board approved the proposed Policy on Employee Promotions;

**Now, therefore, be it resolved, as it is hereby resolved**, that the Policy on Employee Promotions hereto attached, is approved;

**Be it resolved further**, that the policy shall be implemented effective February 1, 2015;

**Be it resolved finally**, that copies of this resolution be furnished the Chairman and the Vice Chairman of the Board of Trustees, the President, the Vice President, the General Manager, and the PSMBFI Management for reference and information.

Done in San Juan City this 15<sup>th</sup> day of December 2014.

DIR ALAN LM PURISIMA  
Chairman

  
DIR ANTONIO P. BILLONES  
Vice Chairman

  
DIR MARIO A. AVENIDO  
President

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# PUBLIC SAFETY MUTUAL BENEFIT FUND, INC.

Resolution No. 2014 – 152

## APPROVAL OF THE POLICY ON EMPLOYEE PROMOTIONS

  
DIR BERNARDO C FLORECE JR  
Vice President

  
DIR MARTIN F BOLIVAL JR  
Assistant Treasurer

  
DIR CATALINO S CUY  
Trustee

DIR ROLANDO A PURUGGANAN  
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DIR JAIME H MORENTE  
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DIR ERIC Q JAVIER  
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DIR SERGIO A DIMANDAL  
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DIR RAUL BASILIO D BOAC  
Trustee



  
DIR CELESTINO D VALERA  
Trustee

  
DIR DANDIE M BONITA  
Trustee

  
DIR LUISITO L LANNU  
Trustee

Attested by:

  
ATTY ASHER A DOLINA, CEO VI  
Corporate Secretary

Policy Title :		Date Effective :	February 1, 2015
<b>EMPLOYEE PROMOTIONS</b>		Revision No.:	
		Supersedes	
Document No.:	CP-HRD-003	Policy No. :	
Recommended for approval :		Approved :	
 <b>MILAN ROCHELLE N. BERNARDO</b> Manager, Human Resource Department		 <b>Dir. MARIO A. AVENIDO</b> President & CEO	

### I. Statement of Policy

The promotion of employees within an organization is an essential indicator of individual as well as organizational growth. The company maintains a robust force to ensure the soundness of its structure through regular organizational reviews. PSMBFI, being a growing and dynamic organization, ensures to provide recognition when and where recognition is due. It undertakes to identify potentials among employees and acknowledge these appropriately through a structured process of growth among employees in the company.

The purpose of this policy is to set guidelines with regard to the implementation of employee promotions throughout the organization.

### II. Scope and Applicability

The policy and procedures set herein shall apply to all regular PSMBFI employees whose exceptional performance records merit the recognition of growth.

### III. Responsibility

#### A. Management

1. The PSMBFI management shall take prudent action on any need for employee promotion with respect to the organization's requirements while considering the overall viability of such action.
2. It shall ensure that all job prerequisites are met and assessment of employee qualifications and suitability for the intended position is done through the efforts of the Personnel Committee (PerCom) for Supervisory and Rank and File positions, and via the Management Committee (ManCom) for Executive positions.

#### B. Employees

1. All employees shall uphold all employee promotions as deemed appropriate by Management, as well as all guidelines and protocols surrounding such movement.





2. Employees are expected to assume newly assigned responsibilities as a result of their movement within the company with utmost professionalism and optimal performance capacity.

#### **IV. Policy Implementation**

A promotion is a company-initiated appointment or movement of a current, active employee to a position of a next level higher rank and salary range than the one to which the employee is presently assigned. The action is an advancement to a position that requires performing accountabilities of significantly increased complexity or responsibility.

##### **A. Objectives**

1. To address any internal competency requirement of the different departments within the organization.
2. To ensure the steady performance of functions throughout the organization amidst concerns resulting from structural revisions or employee separations.
3. To maintain high morale among employees and boost individual performance levels by rewarding deserving employees for exceeding performance expectations and providing opportunities for professional and career advancement.

##### **B. Conditions for Promotion**

1. A vacant position, that is rated properly as a higher-level position in terms of job duties, responsibilities and requirements as compared to the present position of the employee, exists either within the same department where employee is currently posted or in another department within the company.
2. A regular employee with at least one (1) year of continuous service with the Company, with at least six (6) months in current position preferably performing functions deemed relevant to the new position or duty to which the employee is being considered is identified as potential for promotion. However, the required tenure in the employee's last position may not be observed due to exigencies that require the transfer to be immediate.
3. Candidate for promotion should not have incurred any infraction of company policies during the last twelve (12) months of employment.
4. An employee who is officially designated as an Officer-In-Charge (OIC) to temporarily handle a particular position, who has rendered at least six (6) months of service in this capacity and with above average performance on the job as evidenced by a formal performance evaluation may be recommended for promotion to such position.



5. Per Management's assessment of a candidate's suitability and qualification, eligibility for promotion shall also be assessed with the following considerations:
  - a. Formal education and potential;
  - b. Experience and demonstrated ability to assume the job;
  - c. Industry and above average performance;
  - d. Adaptability and interpersonal relations;
  - e. Initiative and maturity of judgment;
  - f. Loyalty, dependability and adherence to rules; and
6. All proceedings pertaining to possible promotion of any employee shall remain confidential and will not be communicated to the employee until the President's approval on the recommendation of the PerCom/ManCom is finalized.

### **C. Promotion Probation**

Probation, as referred to in this section, pertains only to the temporary assumption of an employee found eligible and considered for promotion of a position of a higher rank for a predetermined period of time, and not in any way affecting the employee's status of employment in the company.

1. Any employee granted a promotion shall be put on promotion probation for three (3) months. During this time, performance on the newly-assumed post shall be constantly monitored and regularly evaluated to ensure suitability of capacity to perform the function.
2. While under promotion probation, a promoted employee shall not receive any change in status, rank/level, and basic compensation. However, he/she, may be granted allowances commensurate to those given to the position for which he/she is under promotion probation.
3. During the promotion probation period, the company may, whenever necessary, resort to hiring of project-based personnel to fill in the post vacated by the newly-promoted employee on an interim condition as a reliever or assign an OIC/Acting Officer from the department's existing manpower on a temporary basis until such time that the movement becomes permanent and official.
4. In case promoted employee falls short of the performance expectations for the new position as assessed during the promotion probation period, he/she agrees to be reinstated to his/her position of origin without change in status, rank/level and compensation with allowances similarly reinstated to the original amount being received. Upon reinstatement of employee, the services of project-based personnel hired as reliever may be terminated or transferred to another department, if necessary.





**D. Implementing Procedure**

1. Provided that a position of a higher rank is vacant, the promotion process shall be initiated by sourcing of possible candidates with particular focus on evidences of exceptional performance and apparent suitability to the next level post. Identification of a potential for promotion may be initiated by Management or by the department, through the Head. This shall serve as a required step prior to sourcing for internal or external applicants.
2. For Management-initiated promotion, the Human Resource Department shall notify in writing the Department Head of employee being considered for possible promotion within three (3) working days from receipt of information for intended promotion. The notice shall contain pertinent information about intended movement. If Department-initiated, the recommendation should emanate from the Department Head with formal written notification to HRD.
3. The identified candidate for promotion shall likewise be formally informed and shall be asked to confirm his/her agreement to be assessed for the position.
4. For Supervisory or Rank and File positions, the Head of the department to which employee belongs shall prepare an endorsement letter where the Head signifies agreement or disagreement (if Management-initiated) with the possible promotion and provides a short summary of employee's job performance and, whenever possible, citing particular instances where employee showed capabilities to assume a higher position/responsibility. The endorsement letter should be forwarded to HRD within five (5) working days from identification of candidate (if Department-initiated) or receipt of notice (if Management-initiated).

For Executive positions, the recommendation shall emanate from the next higher ranking officer to which the position to be filled is reporting.

5. All recommendations for promotion shall be forwarded to the HRD for initial review and processing. HRD shall endorse the recommendations along with other pertinent records/documentations pertaining to items stated in B.5 (Conditions for Promotion) in this policy, such as, but not limited to, personal data, discipline records, educational documents, etc.
6. Upon consolidating all recommendations, HRD shall endorse the same to the PerCom/ManCom who shall, in turn, further assess suitability to the intended post in collaboration with the Head of receiving department (if different from the department of origin of candidate), through a review of past performance and endorsement from their respective immediate superiors/Department Heads. Assessment shall run for a maximum of five (5) working days, within which a recommendation should be finalized for the approval of the President, or the Board of Trustees in the case of Executive positions. The approval is estimated at a maximum of ten (10) working days from endorsement of recommendation.



7. Once approval is secured, the HRD shall issue a Personnel Action Notice-PAN (Annex A) within three (3) working days to promoted employee with copies to all concerned/affected departments. This shall contain all pertinent information regarding the conditions of the promotion with the signed copy to be maintained in the employee's 201 record. New responsibilities and performance expectations as well as conditions of promotion, including salary adjustments at the end of the promotion probation period, shall be discussed with employee. It shall be made clear to the employee that a 3-month promotion probation period is required to assess suitability to the post and that performance during this period shall form part of the basis for the promotion being effective or reinstatement to last position, whichever proves applicable.
8. Promoted employee shall be given ten (10) working days at most to execute the required turn over of responsibilities in the old position and is expected to report to his/her new position/department on the date specifically indicated in the PAN.
9. Upon employee's assumption of the new position, he/she shall be oriented by his/her immediate superior on the new responsibilities and performance expectations.
10. Promotion probation shall be lifted once the employee has completed the required number of months and has shown considerable actual capability to assume the function. HRD shall formalize appointment indicating the new position and the corresponding salary adjustment, effectivity of both dated retroactive to the start of promotion probation. This shall be acknowledged and signed by promoted employee and maintained in the 201 file.
11. In the event that the employee recommended for promotion falls short of the expectation during this period, the employee shall be reinstated to his last position with no deduction in pay nor change in employment status. The employment of casual/contractual staff hired during this interim period may be terminated in this regard.

#### E. Implementing Guidelines

1. A vacancy may be a result of an organizational restructuring leading to the creation of a new position, a promotion/demotion of last incumbent or due to employee separation.
2. The PerCom shall be composed of the Vice President as Chairman, the General Manager/COO as Vice Chairman and the Human Resource Department Manager as Member while the ManCom shall be composed of the President as Chairman, the Vice President as Vice Chairman, with members namely, the General Manager/COO and the HR Manager and one Department Head as voting resource person. These committees shall be mandated to undertake the evaluation of all recommendations pertaining to manpower movement.



3. Employee tenure, as it is, shall not be a basis for promotion unless the position and current function of employee is deemed relevant to the position to which employee is being promoted.
4. All documentations relating to such movement, including copies of the PAN, shall be filed in the employee's personnel record.

**V. Rescission**

All other previously issued policies, procedures and guidelines contrary to or inconsistent with the above are hereby rescinded and superseded as prescribed in this policy.







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August 28, 2006

Administration and Human Resource Department  
**STANDARD OPERATING PROCEDURES (Amended)**  
Number 06-002

## **POLICY ON HIRING OF PSMBFI PERSONNEL**

### **I. PURPOSE**

This SOP establishes the policy and implementing procedures for the hiring PSMBFI personnel.

### **II. POLICY**

It shall be the policy of the company to ensure that the most qualified applicants are hired so that PSMBFI can employ a competent workforce.

It shall also be the policy of the company to appropriately pay and/or provide competitive compensation and benefits to employees according to the prescribed salary structure and job classification.

### **III. SCOPE AND GENDER**

This document applies to the entire PSMBFI management and staff. It shall likewise apply to the personnel of other units and offices to be activated or organized under the aegis of the PSMBFI. The use of the masculine pronoun shall include the feminine gender and use of the singular pronoun shall include the plural unless the context indicates otherwise.

### **DEFINITION OF TERMS**

1. **Board of Trustees** - For purposes of this SOP, this shall be referred to as the Board which is vested with the power to approve the following, among others :
  - a. Creation and fill-up of plantilla positions with the corresponding funding requirements within the budget of a given fiscal year.
  - b. Appointments of managerial (managers and assistant managers/equivalent positions) positions in the plantilla.
2. **Screening and Compensation Committee**- pursuant to Board Resolution No. 2004-32, dated April 30, 2004, the Screening Committee was created with the following tasks :
  - a. To set the qualification standards for the managerial and assistant managerial positions,

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- b. To evaluate the qualifications and credentials of the applicants to managerial and assistant managerial positions.
  - c. To conduct the interview of applicants to permanent managerial and assistant managerial positions.
  - d. To recommend to the Board for approval and confirmation the permanent appointment of the General Manager and the department managers and assistant managers of PSMBFI.
  - e. To screen the applicants for consultant, independent contractor or retainer jobs for PSMBFI and make their recommendation for the approval of the Board of Trustees.
  - f. To study and develop policies on the granting of honorarium to the Members of the Board of Trustees and Corporate Officers.
  - g. To perform oversight functions on the remuneration of senior management and other key personnel.
  - h. To address issues concerning the compensation of the PSMBFI employees.
  - i. To monitor the appropriateness of compensation relative to current salary structure of employees in the industry.
  - j. To perform other functions as may be directed by the Board of Trustees.
3. **Management**- shall mean to be the President and or any of the decision-making officer(s) above the level of the managers duly authorized as such by the Board. In some corporate activities, the President shall exercise the prerogative to include some of the managers/executives in the diversified function of Management to wit:
- a. **Top Management** – refers to the level that includes the President, Vice-President, and GM-COO
  - b. **Middle Management** – the level consisting of managers and assistant managers.
4. **Staff Office** – refers to any of the offices immediately under the functional supervision and/or control of the President, as authorized by management.
5. **Line Office**- refers to the different departments in the entire corporate structure.
6. **Plantilla Position(s)**- positions duly approved by the Board for fill up included and activated in the PSMBFI organizational structure with corresponding funding in the Board-approved budget for a given fiscal year.
7. **Consultancy** - a position outside the company's regular plantilla yet normally rated as top-level and reserved by either or both the management and Board of Directors for fill up by exceptionally qualified persons or corporations.
8. **Vacant Slot(s)** – any available position in the plantilla for fill-up by a qualified applicant. A vacancy ensues under the following circumstances:
- a. Promotion of an employee – whereby he moves up to a higher position leaving the previous position vacant.
  - b. Transfer of an employee to another position leaving his former position open for fill-up.
  - c. Resignation, retirement and/or termination of an employee
  - d. Creation/activation of new position

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3. **recruitment policy** – is the process of screening, selecting, and recommending to the Board, through the Screening and Compensation Committee, qualified personnel for appointment, if the position for fill up is managerial position or to the President for lower positions.

10. **Personnel Committee (PerCom)** – this Committee's functions is to screen and select the most qualified applicants for hiring, and/or Promotions to the positions of supervisor and rank and file. Demotions and separations likewise fall within its jurisdiction. The PerCom shall be composed of the following :

Vice President	– Chairman
GM-COO	– Vice Chairman
AHRD Manager	- Member
Concerned Dept Head/s	- Member/s
HR Supervisor	- Secretary/Recorder

- The PerCom may invite resource people.

11. **PSMBFI Employee** – applies to any employee of the corporation who has been duly hired to fill in or occupy a given plantilla position, paid a corresponding salary and is carried in the Company Roster of Personnel. The status of employees based on their appointments :

- Regular Employee** – one who is employed to fill in or occupy a Board-approved plantilla position, and whose appointment is on a permanent basis after he has satisfactorily completed his/her probationary period.
- Probationary Employee** – an employee whose service contract covers a period of not more than 6 months subject to monthly rating up to the 4<sup>th</sup> month. On the 5<sup>th</sup> month, the employee shall be notified already on the status of his/her employment. During this probationary period, he shall prove his worth and potentials as an asset to the company otherwise the employment is terminated.
- Contractual Employee** – an employee who is hired on an individual or group employment contract basis to perform work on a specific project or job. The duration of such employment as indicated in the employment contract or office order, should not exceed 6 months. Thus, the duration of the services of a contractual employee for a specific project is already determined at the time he is hired.

Note: Necessary clearances for employment such as the Physical Exam Results, Neuro-Psychiatric Tests, Drug Tests, PNP/NBI clearance will have to be submitted to AHRD by the applicants.

12. **Employee Category** – refers to the general classification of employees into a) Executives, b) Supervisors, and c) Rank and file.

- Executives** – this comprises the President, Vice President, General Manager, the Managers/Heads of the Departments and the Assistant Managers.
- Supervisors** – those whose responsibilities include overseeing the performance and behavior of personnel in their respective departments/offices, Executive Assistants, and/or Technical

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8. An employee covered by the Office Order/Appointment Order, shall then sign the "Conformed" portion of the Office Order/Appointment Order. Upon receipt of the Office Order/Appointment Order, the Admin & HR Department shall present to the appointee, the policies, rules

7. The Administration and Human Resource Department shall prepare the appropriate appointment orders, providing the status of the appointment, including the position, duties/functions/responsibilities and the salary as earned in the plantilla/budget, and as agreed upon between the applicant and the management

6. During the deliberation, the members of the PerCom may interview the applicant in person. Among other matters, the applicant shall be advised of the nature and status of the appointment including the salary involved.

5. The HRS shall prepare the worksheet(s) of the applicant(s) prior to submission for dispositive action by the PerCom.

4. The AHRD shall refer the screened and evaluated applicants to the concerned Department Manager for comments.

3. The AHRD shall initiate the initial screening and evaluation on all applicants who showed interest in the job posting.

2. Acceptance of resume, transcript of records, and other pertinent documents from the applicants.

1. After the existence of a vacancy from the approved Plantilla has been verified, the Administration and Human Resource Manager, in coordination with concerned department manager, will facilitate the dissemination of the vacancy to the entire PSMBFI workforce, to the PNPDPRM or through publication in the newspapers and company's web page for information of interested parties. In case a ready pool of applicants already exists, the advertisement may no longer be required.

### 2. The Personnel Hiring Process

- a. Creation of new positions
- b. Promotion and/or transfer of the incumbent leaving his post vacant
- c. Separation/retirement/resignation/termination

1. Declaration of Vacant Slot (s)  
The basis for the hiring of personnel shall be the formal publication or announcement by the Administration and Human Resource Department of the vacancy in the PSMBFI plantilla. The vacancy may occur on the following circumstances:

Following are the procedures governing the hiring of personnel for appointment as PSMBFI employee:

### PROCEDURES

IV.

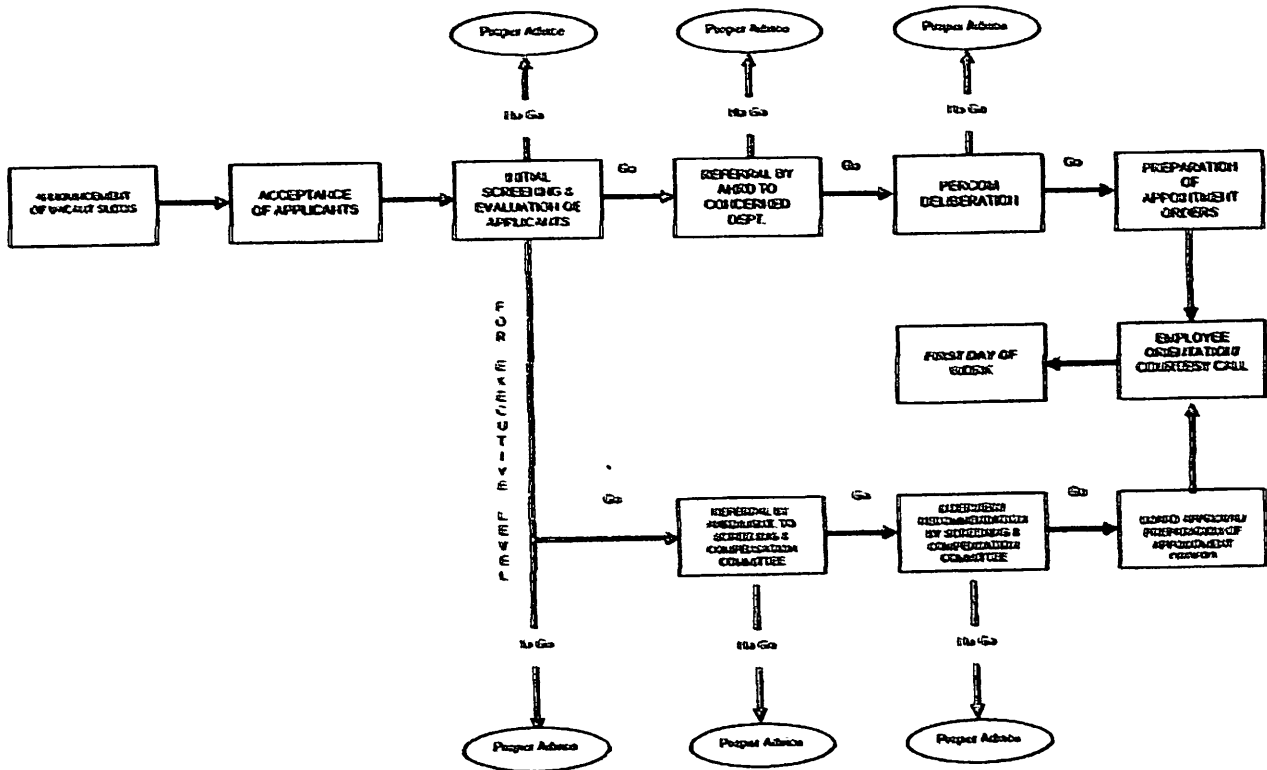
- c. Rank-and-file - refers to the rest of the employees below the category of supervisors.
- Assistants (i.e. exercise supervision over the operations/functions of several technical and logistics equipment).

and regulations of the corporation. HRS shall conduct the Employees Orientation in coordination with supervisors of each department.

9. Upon receipt of the Office Order/Appointment Order, the Admin & HR Department shall present to the appointee, the policies, rules and regulations of the corporation.

10. The new employee proceeds to pay his courtesy call on each of the officials of the corporation prior to his assumption of duties and responsibilities in his department/office.

### HIRING FLOWCHART



### 3. Criteria for Selection of Applicants

Following are the necessary requirements for all applicants :

#### a. Basic Qualifications

1. **Age Requirements** – age requirements for the different levels may be recommended by the management, as necessary \*Only the Board of Trustees can waive the age limit for executives.
2. **Physical and Mental Fitness examinations** - the applicant must be able to present a medical certificate from a duly licensed hospital/clinic to ensure his physical and mental fitness for employment. Likewise, the applicant must have passed a Neuro-Psychiatric examination to be administered by a duly designated NP Center. Additionally, the applicant may be required by PerCom to undergo drug test as necessary.
3. **Educational Qualifications** - The various positions in the PSMBFI plantilla generally call for a minimum educational attainment of at least a College degree except for utility

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personnel, drivers, carpenters, plumbers, electricians and linemen who may qualify considering the vocational courses they have finished or work experience/training they have undergone. Educational qualification must be officially documented by: transcript of records; Photocopy of Certificate/Diploma

4. **Computer literacy** shall be a common skill requirement for all applicants except for those applicants in utility and/or janitorial.
5. **Good Moral Character** - Applicants must be of good moral character. The Administration and Human Resource Department shall exert effort to conduct background investigation particularly on the applicant's previous employment. The applicants must not have been convicted of any criminal or administrative offense. In the case of government employees especially former PNP personnel, they must not have been relieved for cause from any of their positions. The clearances required in this aspect are: Barangay clearance, City/Municipal clearance; PNP and NBI Clearance; Accountability clearance from previous employer

b. **Preferable Qualifications**

1. Must possess pleasing personality and has the poise, bearing and impressive personal appearance. More importantly, applicant can express himself in both oral and written English, Filipino, and/or at least one vernacular tongue of a region.
2. PNP Dependent - his mother or father is or has been a PNP member of good standing and member of the PSMBFI Equity Plan.
3. Qualified dependents of former PSMBFI employees who have served the Company for a minimum five (5) years of continuous faithful/meritorious services.

c. **Basic Criteria for Selection**

1. Educational Attainment
2. Relevant Work Experience
3. Communication Skills
4. Personality/General Appearance
5. Other skills relevant to the position

d. **Disqualifications**

Those disqualified are:

1. Generally, all applicants who are over the age requirements on a given job level.
2. AFP personnel, active and/or retired, since PSMBFI positions are oriented for PNP/public safety services.
3. Former government and private personnel who were separated/removed/dismissed from employment for cause
4. Former PSMBFI employees who had resigned their positions in search for greener pasture or who have been terminated for cause.

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**MANDATORY PROVISIONS**

- a. It shall be a prime responsibility of the PERCOM to support the cost-saving policy of the PSMBFI in the hiring of employees. In this sense, when a vacancy occurs in the plantilla, it does not necessarily follow that said vacancy shall be filled, unless the vacancy if unfilled, would



adversely affect the effectiveness and efficiency of the department or office concerned. The principle of a Lean-and-Mean Work Force should at all times be adhered to in the matter of organizational structure and personnel hiring.

- b. The President is the sole appointing authority for all employees in the supervisory and rank and file levels.
- c. Appointment of Consultants and retainers and the corresponding honoraria shall be approved and assigned by the Board of Directors.

**VI. RESCISSION AND EFFECTIVITY**

- a. All SOPs, memoranda and other documents of the company which are inconsistent with this OPP are hereby rescinded and/or modified accordingly.
- b. This SOP takes effect upon approval and signature of the President.  
Note: Approved by the Board of Trustees thru Board Resolution No. \_\_\_\_\_ dated \_\_\_\_\_.

  
**PDIR EFREN Q FERNANDEZ (Ret)**  
President, PSMBFI