



**CORPORATE ORDER**  
NO. 2019 - 0016

**FOR : ALL PHILHEALTH OFFICIALS AND EMPLOYEES**

**SUBJECT : PhilHealth's Succession Planning Program**

### I. RATIONALE

As the administrator of the National Health Insurance Program, PhilHealth ensures that the set corporate strategies, goals and objectives are met. It is therefore important to ensure that critical positions in the Corporation are occupied with highly competent and high performing individuals. When a critical position becomes vacant, the Corporation shall ensure that there are officers/employees who are ready to assume the post, either through designation or appointment.

The succession planning shall lay down the track towards the selection and development of officers and employees to make them available, capable and willing to assume critical positions in the Corporation anytime such vacancy exist.

This program was established in accordance with the following:

- A. Executive Order No. 292 (The Revised Administrative Code of 1987) Book V, Chapter 5, Section 30, Career and Personnel Development state that the development and retention of a competent and efficient work force in the public service is a primary concern of government. It shall be the policy of the government that a continuing program of career and personnel development be established for all government employees at all levels. An integrated national plan for career and personnel development shall serve as the basis for all career and personnel development activities in the government.
- B. Omnibus Rules Implementing Book V of Executive Order No. 292 and other Pertinent Civil Service Laws, Rule VIII, Section 1 state that every official and employee of the government is an asset or resource to be valued, developed and utilized in the delivery of basic services to the public. Hence the development and retention of a highly competent and professional workforce in the public service shall be the main concern of every department or agency. Every department or agency shall therefore establish a continuing program for career and personnel development for all agency personnel at all levels, and

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shall create an environment or work climate conducive to the development of personnel skills, talents and values for better public service.

- C. Civil Service Commission (CSC) Memorandum Circular No. 3, s. 2012 Program to Institutionalize Meritocracy and Excellence in Human Resource Management (PRIME HRM) directs all government agencies to inculcate meritocracy and excellence in the public service human resource management.

One of the components of PRIME HRM is the Comprehensive HRM Assistance, Review and Monitoring (CHARM) which is generally a detailed appraisal of human resource management systems and standards. The areas covered by the CHARM are HR systems and programs which include the establishment and implementation of Succession Planning.

## II. OBJECTIVE

The PhilHealth Succession Planning Program aims to:

- A. Establish a competency-based system that ensures readiness of officers and employees to assume the duties and responsibilities of leadership and critical positions in the Corporation;
- B. Promote a fair and objective method of selection of officers and employees for competency development; and
- C. Ensure return on investment for HR initiatives conducted for the succession planning.

## III. SCOPE

The PhilHealth Succession Plan shall cover all officers and employees who are next in rank<sup>1</sup> to identified critical positions at the first and second level, including executive/managerial positions who are not presidential appointees, in the career service.

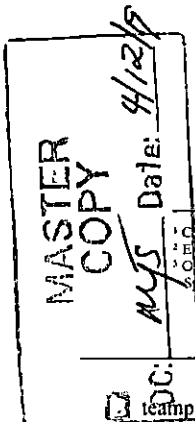
## IV. DEFINITION OF TERMS

- A. **Career Service<sup>2</sup>** – positions in the civil service characterized by (a) entrance based on merit and fitness to be determined as far as practicable by competitive examination, or based on highly technical qualifications; (b) opportunity for advancement to higher career positions; and (c) security of tenure.
- B. **Lead Business Process Owner<sup>3</sup>** – refers to the accountable individuals who directly signs off and owns the output of the responsible individuals who design/develop, ensure implementation, and monitor processes.

<sup>1</sup> CSC MC No. 3 s. 2001 Revised Policies on Merit Promotion Plan

<sup>2</sup> Executive Order No. 292, Book V Section 7

<sup>3</sup> Office Order No. 0060-2015 Creation, Revision and Use of Standard Operating Procedure, Definition of Terms and Corporate Order No. 2016-0073, Strategic Performance Management System, Definition of Terms



Responsible individual are classified into two (2): 1) individuals responsible in the building, or development phase of a project, conduct necessary activities such as develop policies and procedures, process flows and work instructions that are necessary to deliver the output; and 2) individuals responsible in the implementation phase of the project.

- C. **Next-in-Rank Position**<sup>4</sup>– refers to a position which by reason of hierarchical arrangement of positions in the agency or in the government is determined to be in the nearest degree of relationship to a higher position as contained in the System of Ranking Positions (SRP) of PhilHealth.
- D. **Non-Career Service**<sup>5</sup>– shall be characterized by (a) entrance on bases other than those of the usual tests of merit and fitness utilized for the career service; and (b) tenure which is limited to a period specified by law, or which is coterminous with that of the appointing authority or subject to his/her pleasure, or which is limited to the duration of a particular project for which purpose employment was made.

Non-Career positions in the Corporation are items with employment status of coterminous and casuals. Those that are hired with Job Order contracts are not covered by the Civil Service laws and rules thus, not creditable as government service.

- E. **On Boarding**<sup>6</sup> - The process of acclimating and welcoming new employees into an organization and providing them with the tools, resources, and knowledge to become successful and productive. This is a broader, more long-term process than Orientation in helping new employees acclimate smoothly, so that they become an engaged part of the team.
- F. **Succession Planning**<sup>7</sup> - Succession planning also refers to the structured career development of an employee who is identified for a specific position aimed at future appointment to that specific position.
- G. **System of Ranking Positions**<sup>8</sup> – refers to the hierarchical arrangement of position from the highest to lowest, which shall be a guide in determining which position is next in rank, taking into consideration the following: a) organizational structure; b) salary grade allocation; c) classification and functional relationship of positions; and d) geographic location.

## GENERAL GUIDELINES

- A. The Human Resource Department (HRD) shall spearhead the identification of critical positions in the Corporation and the competencies, i.e., knowledge, skills, attitudes and behavior needed to be able to perform the job successfully. These critical

Corporate Order No. 2018-0053 PhilHealth Merit Promotion Plan, Definition of Terms  
Ibid.  
Corporate Order No. 2018-0060 Learning and Development Management System, Definition of Terms  
Civil Service Commission's (CSC) PRIME HRM Glossary of Terms  
Corporate Order No. 2018-0053 PhilHealth Merit Promotion Plan, Annex A

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positions and their competencies shall be recommended by the President and Chief Executive Officer of the Corporation and approved at the level of the PhilHealth Board of Directors.

- B. Critical Position in the Corporation shall have ready and available officers/employees who are willing to assume the said position as soon as it becomes vacant. These critical positions, when left vacated for more than one (1) month will most likely result to disruption of services to the public because their duties and responsibilities include signing of documents and/or decision making for transactions directly or indirectly involving public service.
- C. The following shall be considered critical positions/items in the Corporation:

Critical Positions	Risks Involved If Left Vacant
a. Executive and Managerial Officers (EMOs)	Delays and/or errors in critical executive/management decisions/actions which may result to non-achievement of organizational goals and objectives
b. Division Chiefs	Delays and/or errors in providing critical recommendations for a sound executive/management decisions/action
c. LHIO Heads	Delays and/or errors in providing fast and quality public service at the frontline units, in accordance with pertinent laws, rules, regulations and corporate policies / standards.
d. Highly Technical Positions (i.e. IT System Developers, Actuarial positions, etc.)	Delays and/or errors in providing responsive critical supporting processes leading to a fast and quality public service of the Corporation, in accordance with pertinent laws, rules, regulations and corporate policies / standards.

- D. The System of Ranking Position (SRP) per Corporate Order No. 2018-0053 PhilHealth Merit Selection Plan, shall serve as basis in determining the officers/employees who are next in rank to identified critical positions.
- E. All Lead Business Process Owners of the Corporation shall ensure that all major processes, standard operating procedures and work instructions are well documented and maintained to serve as official document in the preparation and updating of job description of positions, competency model (including competency dictionary with definition and key observable behaviors per proficiency level), learning & development plans and programs, performance planning & evaluation, and other human resource plans and actions.

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- F. All incumbents to the next higher positions identified as critical shall be developed as to the appropriate competencies. These incumbents shall be developed to be ready, willing and able to assume the next higher position as soon as vacated, either through designation, reassignment or appointment.
- G. The competency development of the officers and employees next in rank to the critical position shall be guided by the Learning and Development Management System of the Corporation.
- H. All officers and employees who are incumbent of positions that are considered next in rank to the critical positions in the Corporation shall undergo readiness assessment based on the following criteria:
  1. Competency shall be appropriate to the identified critical position, which is next higher than the current position of the officer/employee. The competency-based job description shall be used as basis for the evaluation of the competencies, which includes, among others, job level knowledge, skills, attitude and behavior towards work, colleagues/co-workers, supervisors, and executive/managerial Officers, clients/customers and other stakeholders.
  2. Meets the minimum CSC-prescribed/approved qualification standard for the identified critical position.
  3. Must have above average client/customer satisfaction rating or proficient level competency in client effectiveness as a result of competency assessment.
  4. Performance ratings for the past two (2) to three (3) years of service to the current position are at least Very Satisfactory
  5. The officer/employee signified his/her interest to be developed and to readily assume the next higher post as soon as it becomes vacant
  6. Must have a clean personal and professional / managerial track record in terms of code of conduct for public servant for the past five (5) years

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Attached as **Annex A** is the prescribed Succession Readiness Form (SRF) to be used by the concerned immediate supervisor and Executive/Managerial Officer in evaluating the readiness of the prospective successor to critical position/s of the Corporation. It also contains the needed interventions to qualify for the critical position.

All the identified performance and competency interventions shall be reflected in the SPMS Individual Learning and Education for Accelerating Performance Plans (ILEAPs).

- J. The HRD shall ensure that all next-in-rank incumbents and current incumbents to critical positions were subjected to an on-boarding program, making them aware and

knowledgeable of the succession plan and program of the Corporation. It shall also communicate to officials and employees as to who are undergoing the succession program, and encourage the organization to provide/give them support.

- K. The succession program shall include a transition program/process to help the new incumbents to critical positions adopt to his/her new job, which includes communicating the transition to all concerned stakeholders inside and outside the organization.


The transition process also includes a formal departure program for leaving Officers and employees, which may be done through a ceremony where the departing and incoming Officer/Employee will be honored and introduced, respectively.

L. Monitor and Evaluate

1. The HRD shall notify the Executive/Managerial Officer (EMO) concerned as to what positions are identified as critical under his/her Office/Department and who are the prospective incumbents as soon as vacated.
2. The said EMO shall monitor the competencies of the prospective incumbents and recommend appropriate intervention to ensure readiness to assume the next higher critical position,
3. All interventions made to prepare the identified officer/employees to the next higher critical position shall be recorded in the Human Resource Information Management System for easy and fast data / information retrieval anytime needed by the Corporation.
4. The HRD shall conduct periodic assessment of the succession planning / program and recommend improvements in this order to better achieve its purpose and objectives.

VI. DATE OF EFFECTIVITY

This Corporate Order shall take effect on May 1, 2019

  
**ROY B. FERRER, M.D., MSc.**  
Acting President and Chief Executive Officer

Date: 04.11.19

PhilHealth's Succession Planning Program

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**SUCCESSION READINESS FORM (SRF)**

NAME	
Position, SG	
Next Higher Position	

**I. COMPETENCY EVALUATION**

Core Competencies (applicable to all positions)				Cross-Business Process Area Competencies (applicable to all positions)			
Competency	Level		Passed/ Interventions Needed	Competency	Level		Passed/ Interventions Needed
	Required	Current			Required	Current	
People Orientation				Self-development			
Accountability				Self-confidence			
Customer Focus				Professionalism			
Teamwork				Knowledge of benefits, products & services			
Commitment				Time Management			
Integrity				Basic Computer Skills			
Drive for Excellence				Communication Skills			
				Knowledge of standards, policies & procedures			
Business Process Area Competencies (please check applicable competencies)				Leadership Competencies (applicable for leadership positions)			
Competency	Level		Passed/ Interventions Needed	Competency	Level		Passed/ Interventions Needed
	Required	Current			Required	Current	
<input type="checkbox"/> Knowledge of business process				Accountability			
<input type="checkbox"/> Knowledge of regulations & regulatory requirements				Conflict and Crisis Management			
<input type="checkbox"/> Analytical/ Conceptual Thinking				Creative Thinking and Innovation			
<input type="checkbox"/> Conflict Management				Critical & Systematic Thinking			
<input type="checkbox"/> Creative Thinking				Environment Acumen/Political Sensitivity			
<input type="checkbox"/> Forecasting Skills				Flexibility and Resilience			
<input type="checkbox"/> Public Relations/ Networking Skills				Judgment			
<input type="checkbox"/> Research Skills				Leadership			
<input type="checkbox"/> Flexibility				Management			
<input type="checkbox"/> Impact and influence				Organizational Communication			
<input type="checkbox"/> Respect for confidentiality							

Note: Use additional sheet if necessary

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**SUCCESSION READINESS FORM (SRF)**

Job Specific Competencies (Identify competencies and corresponding level)							
Competency	Level		Passed/ Interventions Needed	Competency	Level		Passed/ Interventions Needed
	Required	Current			Required	Current	

**II. QUALIFICATION STANDARDS EVALUATION**

	Qualification Standards of Next-Higher Position	Applicant's Qualification	Passed	Interventions needed
Education				
Experience				
Training				
Eligibility				

Note: For guide on the Qualification Standards, refer to the approved Merit Selection Plan.

**III. CLIENT/CUSTOMER SATISFACTION RATING**

(Indicate either the client satisfaction rating or the client effectiveness proficiency level, whichever is applicable)

		Evaluation	
		Passed	Interventions needed
Client Satisfaction rating			
Client Effectiveness Proficiency level			

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Note: Use additional sheet if necessary



**SUCCESSION READINESS FORM (SRF)**

IV. PERFORMANCE RATING (Indicate the adjectival performance rating for the last three years)	Evaluation	
	Passed	Interventions needed
Performance Rating for CY _____		
Performance Rating for CY _____		
Performance Rating for CY _____		

**V. PERSONAL AND PROFESSIONAL/MANAGERIAL TRACK RECORD**

Have you ever been formally charged?  Yes  No (If yes, please give details) \_\_\_\_\_

Have you ever been guilty of any administrative offense?  Yes  No (If yes, please give details) \_\_\_\_\_

**SUMMARY OF EVALUATION:**

Criteria	Evaluation	
	Passed	Interventions needed
I. Competency		
II. Qualification Standards		
III. Client/Customer Satisfaction Rating		
IV. Performance Rating		
V. Personal and Professional/Managerial Track Record		

Note: Use additional sheet if necessary

- Ready Now** (meets all the competency requirements)
- Ready Soon** (needs short term or less than two years of learning)
- Ready Later** (needs long term or more than two years of development)
- Ready Never** (cannot be addressed by development)

**REMARKS**

I hereby acknowledge that the evaluation that foregoing evaluation result is true and correct based on record and discussion with my immediate supervisor and Executive/Managerial Officer concerned.

Further, this signifies my interest to be developed and readily assume the next higher position as soon as it becomes vacant.

\_\_\_\_\_  
NAME AND SIGNATURE OF EMPLOYEE

\_\_\_\_\_  
Date

**EVALUATED BY:**

I have thoroughly reviewed the qualifications, performance, and competencies of Mr./Ms. \_\_\_\_\_ vis-à-vis the requirements for the position of \_\_\_\_\_. I certify that the foregoing evaluation result is true and correct based on record and discussion with him/her and his/her immediate supervisor and Executive/Managerial Officer.

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\_\_\_\_\_  
Immediate Supervisor Concerned

\_\_\_\_\_  
Executive/Managerial Officer Concerned

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

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