

2021 GOAL SETTING GUIDELINES ***Job Levels M1 to E3 (Team Leaders)***

A. 2021 Corporate Goals

KRAs of each individual or department should contribute directly or indirectly to the successful implementation of 2021 corporate goals:

1. Achieve a sales premium of [REDACTED] at the end of 2021. Premium from all business channels and divisions.
2. Accelerate growth of agents to 150 and 85 for Non-Life and Life, respectively.
3. Retain the position of being the leading top OFW insurer.
4. PLGIC to become a top digital operator bringing in technology in our systems and processes.
5. Live the PLGIC brand of "Madaling Kausap" Company.

B. 2021 Corporate Strategies

Focus would be on the following four (4) strategies or key pillars:

1. Distribution

Strategies and / or action plans should contribute to the sales and business targets (in all profit centers).

2. Product

Strategies and / or action plans should focus on products being offered to the market that will contribute to business goals or will result to higher generating income.

3. Customer

Strategies and / or action plans should be customer-oriented, aiming to satisfy the needs of our customers and living the "Madaling Kausap" lifestyle. Plans should also result to 100% productivity.

4. Financial (Common)

Financial strategic pillar is common to all employees. All strategies and / or action plans should contribute to the financial performance of the company.

C. Definitions

1. Key Result Area (KRA)

Defines the area of responsibility being measured. Simply, these are your performance goals. Business Development, Expense Management, Financial Strategy, Production, Systems/Resource Management are all examples of a KRA.

2. Objective

Is the "what" of performance management: the specific things you need to do and the results you need to achieve within your KRAs. Objectives tell you what's expected of you during the performing phase of the cycle. Follow this formula for writing objectives that are clear, specific, and measurable.

Use an action verb	Make it measurable	Answer "by when"	Follow these criteria
For example:	For example, answer:	For example:	
• Increase...	• How much?	• Phase 1 by June 1	• Specific
• Complete...	• How many?	• Phase 1 by August 1	• Measurable
• Conduct...	• How much better?	• By the 5th day of each month	• Attainable
• Attain...	• How much faster?		• Relevant
• Achieve...	• Costs how much less?		• Time Bound

3. Time Allotment

The total percentage (%) of working hours spent to achieve a KRA. Percentage amounts should add up to 100% for all KRAs.

4. Action Plan

A sequence of steps that must be taken, or activities that must be performed well, for a strategy to succeed. An action plan has three major elements (1) Specific tasks: what will be done and by whom. (2) Time horizon: when will it be done. (3) Resource allocation: what specific funds are available for specific activities.

Note: Action plan is not your job description.

5. Weight

Defines the relative importance or value of an action plan to your objective/KRA.

6. Key Performance Indicator (KPI)

- A metric by which we are measuring success. KPI will determine if the identified objectives or action plans are met.
- A metric to determine performance (what is happening now) versus objective (what do you want to be).
- Should have a linear relationship with revenue, cost, or conversion.
- Indicate actual values or targets, if applicable. KPIs should be quantifiable.
- For sales, this should be in a form of numbers / meeting required sales targets.
- For support units, action plan should clearly show how each can support / contribute to their department's operational efficiency (OE). OE as KPI should use benchmarking for comparison purposes.
- Must have a huge impact to the business bottom line.
- Each action plan should have a KPI.

7. Type of Action Plan (AP)

There will be three (3) types of AP for Managers up:

a. Strategic

Strategic components of the KRA system should reflect direct or indirect contribution to current goals, strategies, continuous improvement, innovation, and breakthroughs.

Strategic Action Plans focus on:

- Contribution to sales and profit targets (in all profit centers);
- New ways/approaches of contributing to the current goals of the company;
- Enhancement of customer satisfaction; higher service levels for policyholders and agent servicing;
- Productivity improvements (process improvements, better operational efficiency, etc.)
- Other new projects/activities that "*we shall be doing, but have not done in the past*"

Strategic Action Plans need not be new, but the means to attaining them and achieving better results are what make them "strategic".

Our President & COO's definition of a Strategic Action Plan is:

- Involves positive change for the better;
- Should be quantifiable;
- It doesn't have to be new for as long as change is for the better. A previously presented action plan may be considered again;
- Each manager should come up with 2 to 3 action plans.

b. Maintenance

These are the usual action plans that have been appearing year in and year out and are directly related to the core functions and operations of the department, and which would have the same targets or performance levels as in the previous year.

Maintenance action plans will cover largely those that can be attained at *same levels* by "*doing the same things we did last year*".

c. Common

c.1. Staff Development and Succession Planning

- This objective supports the need for more effective talent management—staff training and development, career management, succession planning, competency building, manpower planning and staffing.
- Heavier weights should be assigned by areas with greater need for manpower training, organization and development. Staff Development initiatives include development of understudy programs, installation of Career Development Programs (CDPs), monitoring of skills acquisition and application, and identification of training and development avenues to fast-track staff development.

c.2. Budget Management

The objective here is to optimize utilization of company resources. It is intended to create greater awareness to effectively identify, allocate, monitor and control resources at their disposal in accomplishing their respective KRAs. Likewise, this will support one of the Company's corporate strategies of achieving bottom line targets.

8. Target Date

Date when you are expected to accomplish the said action plan.

9. Estimated Cost

Budget needed for executing the said action plan. This does not include common expenses like employees' salaries or OT pay, unless there is a new manpower requirement.

NOTE: Make sure that cost indicated has been approved by Management. Please coordinate with Finance for 2021 budget approvals.

D. Definition of "Weight"

1. As defined, the "Weight" column is based on the relative importance of each action plan to your Objective/KRA. You should weigh your action plans according to the following scale: 3 = Critical, 2 = Very Important, 1 = Important.
2. Assignment of weights on action plans should be based on the following criteria:
 - (a) Importance/significance to the objectives of the department;
 - (b) Importance/significance to the objectives of the company. In general, the higher these factors are the greater the weight to be assigned;
 - (c) Degree of difficulty;
 - (d) Effort required to achieve the action plan.
3. A rated action plan of 3 simply implies that it is as 3x as important. This does not mean that a lower rated value is unimportant, simply higher priority should be given to those rated higher.

E. Preparation of Individual KRAs

Emphasis should be placed on the overall management and responsibility for selected critical KRAs of departments under their supervision. Their Strategic Action Plans may be geared directly to company goals, operational efficiency, productivity improvements, change management, organizational enhancements, succession planning and staff development. Their Departmental KRAs effectively become their Individual KRAs, and should include special assignments or projects given to them.

Goals should be SMART

1. Specific – the five W's (who, what, when, where, why)
2. Measurable – descriptive measurement that defines quantity and quality
3. Achievable – within the employee's capability
4. Relevant – within the job description of the employee
5. Time Bound – definite target date for completion

<p>SPECIFIC</p>	<p>Objectives should be specific. They are a clear statement of exactly what is required, describing the result desired in a way that is, detailed, focused and well defined.</p>	<p>x "increased productivity" is too general for an objective because it does not provide any specific information about what is to be accomplished</p> <ul style="list-style-type: none"> • "increase staff productivity" is more specific, because it narrows the scope of the desired behaviour <p>But to be the most specific, an objective should say something like:</p> <ul style="list-style-type: none"> ✓ Increase the data-entry output (productivity) of the staff
<p>MEASURABLE</p>	<p>Measurement is important because it will enable you to know whether an objective has been achieved. Include a measure to make sure you and your manager can monitor progress and know when your objective has been achieved.</p>	<p>Increase the data – entry output of the staff" is a specific statement, but to be measurable we need to add "... to 40 completed orders per day."</p> <p>These words provide a standard for comparison and to measure progress against.</p>
<p>ACHIEVABLE</p>	<p>You want your objectives to be challenging so they stretch you to learn. They also need to be within your reach so that you are motivated to achieve them. Also consider if similar results have been achieved in similar circumstances and the resources you may need are going to be available to you.</p>	<p>Use action words to begin your objective:</p> <ul style="list-style-type: none"> ✓ Evaluate ✓ Investigate ✓ Increase ✓ Produce ✓ Complete ✓ Develop
<p>RELEVANT</p>	<p>Are your objectives relevant to you and your role? Are they relevant to what your team and business area aim to achieve?</p>	<p>Consider working on your objectives with others in your team so you can see how they are aligned to what you are aiming to achieve collectively.</p>
<p>TIME BOUND</p>	<p>Set a date or time by which you will achieve your objective. This also contributes to the objective being measurable.</p>	<p>A specific date or month should be defined. Avoid generalities like:</p> <ul style="list-style-type: none"> x Ongoing x As required <ul style="list-style-type: none"> ✓ "To increase the data-entry output by staff to 40 completed orders per day by June 30."

What You Do

1. Familiarize yourself with your leader's objectives, your department/functional area's goals, and your organization's strategic priorities.
2. Answer these questions:
 - What am I being paid to do?
 - What major results/outputs am I responsible for achieving?

KRA Criteria

1. Limit number of KRAs between 3 to 7. If an employee has more than 7, please get in touch with HR.
2. Are described in a few words that don't indicate how much or by when.
3. Are within your influence.
4. Support department/functional area goals.
5. Do not change unless your job changes.