



SUCCESSION PLANNING POLICY

CONTENT

SUCCESSION PLANNING POLICY

PURPOSE..... 3

POLICY STATEMENT 3

COVERAGE AND APPLICABILITY 3

OBJECTIVES..... 4

STRATEGIES 4

SUCCESSION PLANNING PROCEDURES 4

GUIDELINES FOR IMPLEMENTATION 6

ROLL OUT PROCESS 7

DISCLOSURE..... 7

POLICY AMENDMENT, REVIEW AND APPROVAL 7

Succession Planning Policy

PURPOSE

Cooperative Alliance for Responsive Endeavor Mutual Benefit Association (CARE MBA), Inc. ensures the continuity of leadership. To achieve the Association's mission, vision and goals, CARE MBA develops Succession Planning Policy for key officers and senior management.

This Succession Planning Policy guarantees key officers and senior management transitions will be organized and anticipated as possible, which makes it easier for CARE MBA, Inc. to create its strategic plan even if there is an unforeseen circumstances.

POLICY STATEMENT

Change is inevitable to all organizations and it brings huge risk especially if it is unplanned. Thus, CARE MBA, Inc. creates and prepares a safety net for constant change in management and leadership of the Association.

CARE MBA's Succession Planning Policy is an on-going process that identifies necessary competencies, assess, develop and retain a talent of pool employees to ensure continuity on available positions. In addition thereto, it is a specific strategy that spells out particular steps to be followed to achieve the Association's mission, vision and goals that were identified through this Succession Planning. It is a plan formulated to implement, customize and meet the needs of CARE MBA, Inc. for the Association's requirements.

COVERAGE AND APPLICABILITY

This Succession Planning guidelines shall cover and be applicable to the key officers and senior management that includes the role of the General Manager and Senior Officers whose length of service is at least five (5) years in the Association.

OBJECTIVES

1. To identify guidelines on replacement needs of the Association.
2. To align the current and future management and leadership within the Association.
3. To determine and analyze critical positions requiring successors on temporary and permanent basis.
4. To determine pool promotable qualified employees.
5. To enhance ability to adapt to changing environment in the Association.
6. To improve self-esteem and boost morale of CAREMBA personnel.
7. To support implementation of business continuity plan of CARE MBA, Inc.

STRATEGIES

1. CARE MBA, Inc. must determine the key positions that need successors.
2. Annual updating of job descriptions of the key positions to ensure its accuracy and appropriateness.
3. Confidentiality, not everyone in the Association must need to know who will be the successor.
4. Transparency-the Succession Planning Policy should balance transparency with privacy.
5. Objective selection process-CAREMBA creates a fair selection process.
6. Make a regular review of the Strategic Planning Policy.

SUCCESSION PLANNING PROCEDURES

- 1. Identify key/critical positions in each department**

Succession planning is to identify key/critical which cannot be vacated. It can also mean identifying position/s that you will know be available soon (e. g. mandatory retirement, planned promotion), then someone will substitute them once they leave.

2. Determine the required job competencies/skills for selected key positions.

Identify the required job competencies/skills for selected key positions mentioned in step one. Once it is distinguished, you will need to assess the competencies of the selected replacement. This is needed to focus on the employee's development that will benefit the Association and the personnel as well.

3. List down competency profile of the selected employees through performance evaluation.

The performance evaluation must be done objectively by assessing employees' output, based on work accomplishments. The Association must write down the profile of selected employees through their performance evaluation.

4. Decide on two successors for the selected position.

Always have a backup plan. There must be always a choices between two qualified employees for transparency. Encourage the possible candidates to have their own career development and career plans to have a healthy competition.

5. Employee with the closest match to competency requirements of position will be selected

The two choices will be down to one, confidentiality must apply upon selection. The most competent employee will be chosen to be the successor of the key/critical position.

6. Create a transfer plan.

When the above mentioned processes were done, then it's time to create the succession plan itself. Transfer plan must be readily available with the approval of the Corporate Governance Committee and verified by the Board of Trustees.

7. Training and development of the successor

Create a career development plan and involve them for their improvement. There are other training and development that the Association can offer. Ask the successor on what trainings and workshops that they need to acquire for career development.

Set an example of growing as professional. Offer them new ways to challenge themselves at work.

GUIDELINES FOR IMPLEMENTATION

The Corporate Governance Committee is the main responsible for the implementation of this Succession Planning Policy with the help of the Board of Trustees. They will share the responsibility to have an accurate transition for replacement of possible vacant positions.

1. Every January each year, the Remuneration Committee meeting must be held through face to face or online platform.
 - 1.1 The Committee will review the Succession Planning Policy.
 - 1.2 Identify key positions for Succession Planning, including the expected, planned and mandatory retirements for possible position turnovers.
 - 1.3 Pinpoint qualified employees who exhibited good performance.
 - 1.4 Configure the work achievement of the prospected employee/s within the past six (6) months in the Association.
 - 1.5 Outline the actions to be taken in the coming six (6) months to prepare the identified candidate/s for bigger responsibilities and leadership.
2. By the end of February each year, the Remuneration Committee will report to the Corporate Governance Committee the result of their evaluation as per disclosed on item number 1.
3. In the same month of February, the Remuneration Committee must have the prospected list of candidate/s and endorse them to the Corporate Governance Committee.

4. By the end of March, the Corporate Governance Committee shall approve the actions to be taken in the coming six (6) months to prepare candidates for their greater responsibilities.
5. The General Manager of CARE MBA, Inc. may request for a quarterly reports from the Remuneration Committee on the progress and development of chosen candidates.

ROLL OUT PROCESS

1. Succession planning is carried out across different unit of CARE MBA, INC.
2. Confidentiality must be maintained (only chosen candidate to know the status).
3. In case of key/critical position not getting vacant, the Association must have an alternative career plan.
4. In case of critical position getting vacant and no internal successor is identified, recourse should be taken to hire other employee that qualifies to vacant position.
5. Will also set a stage for employee's career planning and development.

DISCLOSURE

CARE MBA, Inc. Succession Planning Policy together with its implementation guidelines shall be included in the Association's Corporate Governance Manual.

The Corporate Governance Committee must disclose and disseminate this policy that is ratified by the Board of Trustees of CARE MBA, Inc.

POLICY AMENDMENT, REVIEW AND APPROVAL

This Succession Planning Policy, or any provisions thereof, may be amended after thorough evaluation of the Corporate Governance Committee as needed. They shall review the implementation guidelines and give recommendation on the output of their assessment. Any endorsed amendments given by the Committee shall be subject for approval and ratification of the Board of Trustees of CARE MBA, Inc.