



Republic of the Philippines
National Electrification Administration
Quezon City

21 October 2004

NEA MEMORANDUM No. 2004-022

TO : ALL ELECTRIC COOPERATIVES

SUBJECT : REVISED POLICY ON THE SELECTION, HIRING,
TERMINATION OF SERVICE/SUSPENSION FOR GENERAL
MANAGERS OF ELECTRIC COOPERATIVES

I. RATIONALE

The power industry has been deregulated and has become highly competitive as a result of the Electric Power Industry Reform Act (EPIRA) of 2001. The electric cooperatives (ECs) and the other players in the industry have to contend with the new requirements of the regulators, suppliers as well as the demands of the consumers.

Thus, to ensure the able compliance and successful response by the ECs to all these new challenges, an EC General Manager (GM) must be highly qualified, competent and dedicated to spearhead all efforts towards the attainment of the targeted results.

The selection, hiring, and termination of service/suspension of a GM are some of the most sensitive procedures in an EC. To promote transparency and prevent complications that may arise from the conduct of such procedures, a uniform set of standards for the selection, hiring, and termination of service/suspension of a GM, to be followed by all ECs, is instituted by the NEA thru this policy.

II. POLICY STATEMENTS

1. NEA's guidelines specify the qualification standards for a GM which include the prescriptions on age, sex, academic preparations, work experiences, personality and character and other qualities.
2. The Board of Directors (BOD) of an EC shall appoint or terminate the service/suspend a GM in accordance with the guidelines set forth by the NEA.

III. IMPLEMENTATION

1. Publication of the Vacancy
 - a) On the request of the Board or upon determination of NEA, an advertisement will be published by NEA on behalf of the EC, in at least

one major newspaper of nationwide circulation and will appear in one Sunday and one Monday issues. The EC will also advertise the vacancy in provincial papers covering its service area. (See attachment 1 for sample). The coop will pay for both the national and local advertisements.

- b) On the basis of a very satisfactory performance, a coop employee who has been designated Officer-In-Charge for a period of not less than one year, and has been recommended by the Board as regular General Manager, may be appointed without going through the regular process of recruitment as herein specified subject, however, to background investigation and confirmation of NEA.
- c) To safeguard the delineation of functions between the Board and Management, an incumbent Board Director is eligible to apply for the position of GM only after six (6) months that he has ceased to be a member thereof. This shall not, however, preclude an incumbent director in another EC to apply for the position of GM.
- d) Qualifications
 - d.1 Applicant must at least be thirty years old but not more than fifty years of age and must have a bachelor's degree from accredited schools/universities in any of the following fields:
 - Engineering (preferably Electrical, Mechanical and Electronics and Communications Engineer)
 - Business Administration /Finance/Mgmt.
 - Accountancy
 - Behavioral Science
 - d.2 Completion of post graduate degree or its equivalent, or with master's degree/s is preferable
 - d.3 Must have at least five years supervisory experience and must be willing to relocate with his family in the coop headquarters site.

2. Screening of Applicants

- a) All applicants shall use NEA Form 4-1 (Attachment 2) and shall submit the completed application form to the Institutional Development Department (IDD)-NEA within the deadline indicated in the advertisement.
- b) All applicants shall pass thru a qualifying written examination to be administered by NEA which shall measure Intelligence Quotient, Emotional Quotient, computer literacy, knowledge of the industry and management perspectives.
- c) A Preliminary Screening Team composed of NEA Members in the Selection Committee shall process applications of those who passed the

qualifying examination to determine their fitness to the stipulated qualifications of the position.

The Selection Committee for General Managers shall be composed of the following:

- Chairperson - Director for IDD
- Members - Directors for EC Audit, Finance, Accounts Management and Engineering Departments and Management Assistance Group; Board President, and one Board Director from the coop concerned; Regional Association President; and the PHILRECA General Manager.

- d) These pre-qualified candidates will be invited to appear for personal interview before the Selection Committee on a designated date. The interview will be conducted at the NEA or within the region of the concerned cooperative. An applicant who fails to report for interview shall be deemed to have waived his/her right to be interviewed.
- e) The Selection Committee shall choose not less than three (3) best qualified applicants on the basis of scores obtained in the interview using NEA Form 4-2 (Attachment 3). Only applicants who attained a score of 80 or above shall qualify for further consideration.
- f) These applicants shall then undergo background investigation (BI) to be conducted by NEA. To aid NEA in the conduct of investigation, the applicants shall be required to submit the following documents:
- Municipal Trial Court (MTC) Clearance/Regional Trial Court Clearance (RTC)
 - Police Clearance
 - NBI Clearance
 - Barangay Clearance
 - Medical Clearance (including results of psychological examination)
 - Diploma
 - Transcript of Record (for under-graduate and graduate/post-graduate studies)
 - Statement of Assets and Liabilities
 - Photocopy of license/s
- g) After the BI, applicants with no derogatory records will be called for final interview by a committee composed of representatives from government, private management organizations, and outstanding ECs.

- h) The list of applicants who passed the final interview, with necessary information and results of the investigation, shall then be transmitted to the Board for perusal.
3. Selection. From the list of names submitted by NEA, the BOD shall select the GM. In the event that the Board rejects all pre-qualified applicants, in a decision which shall be submitted to the NEA through a resolution, the entire selection process may again be undertaken at the discretion and expense of the EC.
 4. Approval. The Board's choice shall be submitted to NEA through a resolution in not more than 30 days upon receipt of the list, and shall become valid upon approval by NEA. The Board shall then notify the new GM of his selection and direct him to report for duty.
 5. Orientation. To assist the GM to meet his/her new job responsibilities quickly and easily, he/she shall attend NEA seminars like CMC I and II for new coop General Managers and Board of Directors to be conducted by the Management Academy of the NEA.
 6. Probationary Period. The GM will be employed by the EC on a probationary basis for six (6) months dating from his/her approval by NEA in order to give the BOD time to evaluate his/her on-the-job effectiveness. For this reason, the GM shall make a work plan detailing his actions for six months with clear and measurable performance indicators which shall be the basis of the evaluation by the BOD. The NEA will, likewise, conduct its own validation of the GM's performance within the probationary period which shall likewise serve as the basis for NEA's action.
 7. Permanent Appointment. Sixty (60) days before the expiration of the probationary appointment of the GM, the Board will notify NEA of its impending decision and ask approval. No permanent appointment shall be made without NEA approval. The Board's decision shall be in the form of a resolution accompanied by a completed evaluation sheet. Permanent appointment shall mean tenure of office until the Board feels it is in the best interest of the Cooperative to make a change. NEA approval in this case shall be based on verified performance indices.
 8. Evaluation. The Board shall evaluate the performance of its new GM at the end of the six (6) months probationary period and annually thereafter or whenever necessary. For this reason, the Board is required to sit down with the GM annually at a time designated in advance to review and evaluate his/her performance during the concluded year.
 9. Termination of Service/Suspension. If the Board decides to terminate his/her employment, the Board shall advise NEA of its decision and shall request NEA's approval. The GM cannot be dismissed without NEA approval. However, if the Board determines that the welfare of the cooperative is endangered, the Board may suspend the GM while a final decision is being reached and/or until such time that NEA revokes the suspension. No action shall be taken to dismiss a GM until the case has been reviewed by the legal counsels of both the EC and NEA.

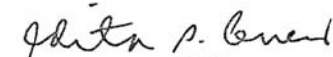
to make sure any action taken will comply with the National Labor Laws. The Board's decision to terminate the employment of its GM shall be in the form of a resolution accompanied by an evaluation of his/her performance. NEA can make a unilateral decision to terminate the services of a GM based on audit findings which, after thorough evaluation, warrant such action.

10. Designation of an Officer-In-Charge (OIC). In case of resignation, suspension, termination, leave of absence or official travel outside of the cooperative area, an OIC shall be designated from among the senior staff of the EC. Except for reason of leave of absence or official travel not exceeding one month, in which the authority to designate an OIC is vested on the GM, designation for all other reasons shall rest on the Board, subject to the approval of the NEA. In no case shall an incumbent Board Director or one who is not an incumbent employee of the EC be designated as OIC.

IV. GENERAL

The successful operation of an electric cooperative as a service enterprise depends in substantial degree upon the effectiveness of its General Manager. It is, therefore, essential that a competent, dedicated person of high integrity be selected for this position. This is a major responsibility of the Board of Directors. NEA, in the exercise of its supervisory responsibility pursuant to PD 269 will exercise close supervision over the selection and dismissal of the General Manager.

- V. Approved by the NEA Board of Administrators through Resolution No. 104, S. 2004 on 21 September 2004. This supersedes NEA Bulletin No. 32 dated 25 July 1988 and NEA Bulletin No. 32-A.
- VI. This guideline shall take effect immediately.


EDITA S. BUENO
Administrator

NATIONAL ELECTRIFICATION
ADMINISTRATION
IN REPLYING, PLS. REFER: #0005908



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11/5/04



Republic of the Philippines
National Electrification Administration
Quezon City

Needed Immediately

GENERAL MANAGER
for
Electric Cooperative, Inc.

(Address)

Qualifications:

- 30-50 years old
- male or female
- graduate of Business Administration, Engineering (Electrical, Mechanical, ECE), Accounting, Finance, Management or Behavioral Science
- with Master's Degree or Post-Graduate Degree preferred
- must have at least five (5) years managerial experience in a utility-related business enterprise
- computer literate
- must be willing to relocate with his/her family in _____

Starting Salary: (Based on EC classification)

Application form and additional information maybe obtained from the Institutional Development Department, 6th floor, NEA Building, NIA Road, Diliman, Quezon City.
Deadline for submission of application form is on _____.

EDITA S. BUENO
Administrator



ATTACHMENT 2

Republic of the Philippines
National Electrification Administration
Quezon City

COOPERATIVE : _____
NAME OF APPLICANT : _____

**PERSONAL EXPERIENCE RECORD OF APPLICANT FOR POSITION
OF CO-OP GENERAL MANAGER**

NAME : _____

(LAST) (FIRST) (MIDDLE NAME)
ADDRESS : City _____ Tel. No. _____

Provincial _____ Tel. No. _____

BIRTH : Date _____ Place _____

HEIGHT : _____ 5. WEIGHT : _____ 6. MARITAL STATUS : _____

NO. OF DEPENDENTS : _____ 8. MINIMUM SALARY EXPECTED : _____

Are you related to an Officer, Board Member or employee of the Cooperative?
If "Yes", please indicate nature and civil degree of relationship, either by consanguinity or affinity.

10. Indicate and attach as Annex "A" why you are interested in the position and why you believe you are qualified.
11. EDUCATION: Attach as Annex "B" record of educational attainment from high school to college/post graduate, indicating
 - a) course or degree
 - b) school
 - c) inclusive years attended
 - d) whether graduated or not
 - e) licensure, if any.
12. SEMINARS ATTENDED: Attach as Annex "C" all seminars and special trainings attended indicating a) title b) inclusive dates c) sponsor of training d) place held.
13. EMPLOYMENT RECORD: Attach as Annex "D" record of ENTIRE past employment and show present employment indicating, among others the following: a) inclusive dates b) name and address of employer c) kind of business or organization d) exact title of position e) salary or earnings f) number and kind of employees supervised by you, if any g) reason for desiring to change employment h) description of duties and responsibilities.
14. MEMBERSHIP IN CIVIC ORGANIZATION: Attach as Annex "E" record of past and present membership in civic organizations.
15. REFERENCES: Attach as Annex "F" list of three persons not related to you who are in a position to know your work. Indicate a) name b) address c) occupation or business d) number of years of acquaintance.

Signature of Applicant Over Printed Name

NOTE: Please submit ten (10) copies each of the above-mentioned requirements.

Mail this Application to:

NATIONAL ELECTRIFICATION ADMINISTRATION
Attention: Institutional Development Department
NEA Building, NIA Road, Government Center
Diliman, Quezon City