

PROFESSIONAL SERVICES, INC

CHARTER OF THE STAFF DEVELOPMENT AND RESEARCH COMMITTEE

Section 1. PURPOSE

- 1.1. The Staff Development and Research Committee (the “Committee”) as a delegate of the Board of Directors (the “Board”), shall assist the Board in discharging its oversight responsibility in balancing the strategy road map of the Corporation by giving adequate consideration on the development of the Corporation’s Human Capital as well as the relationship of the Physicians and Patient Customers. The Committee shall establish a formal and transparent procedure for developing a policy on Staff Development and Research.¹

Section 2. MEMBERSHIP

- 2.1. **Composition** – The Committee shall be composed of at least three (3) members to be appointed by the Board. The members of the Committee may be increased by the Board depending on the exigency and relevant of the services of such additional member or members.² The current members of the Committee shall serve as such until their successors shall have been qualified and appointed.
- 2.2. **Other Attendees** – The Committee shall invite the Heads of the Human Capital Management Group and the Professional Staff Development Office as regular attendees in its meetings. The Attendees shall participate in the discussion as a regular member, but cannot vote.
- 2.3. **Term** – The members of the Committee shall be appointed by the Board during the Board’s annual organizational meeting. Each member shall serve upon his or her election until the next organizational meeting of the Board, unless earlier removed or replaced.
- 2.4. **Vacancy** – The members of the Committee may be removed or replaced by the Board by majority vote of directors present in a Board meeting constituting a quorum. Any vacancy in the Committee caused by death, resignation, removal, or disqualification of member shall be filled by the Board. The member elected to replace or appointed to fill the

¹ Manual on Corporate Governance, Section 1(3)(F)

² Manual on Corporate Governance, Section 1(3)(F)

vacancy shall hold office for the remainder of the term and until his or her successor shall have been qualified and appointed.

- 2.5. Compensation** – The Board shall determine such compensation the members of the Committee shall be entitled to.

Section 3. POWERS, DUTIES AND RESPONSIBILITIES

- 3.1. General Authority** – In accordance with the authority granted by the Board, and consistent with the Corporation’s Manual on Corporate Governance, the Committee shall be authorized to establish a formal and transparent procedure for developing a policy on Staff Development and Research. The Committee will focus on Learning and Growth Perspective as well as Physician and Customer Perspective.

- 3.2. Duties and Responsibilities** – The Committee shall have the following duties and responsibilities:

- (a) Aligned with the Corporation’s vision, mission and direction, understand the major areas or perspectives that are critical to the Corporation’s performance, namely: (a) Financial Perspective;³ (b) Business Process Perspective;⁴ (c) Customer Perspective;⁵ and (d) Learning and Growth Perspective;⁶
- (b) Understand that the learning and growth perspective is the foundation of any strategy and focuses on the intangible assets of an organization, mainly on the internal skills and capabilities that are required to support the value-creating internal process. The learning and growth perspective is concerned with the jobs

³ **Financial Perspective:** Essentially, any key objective that is related to the company’s financial health and performance may be included in this perspective. Revenue and profit are obvious objectives that most organizations list in this perspective.

⁴ **Business Process Perspective:** This refers to the processes the Corporation need to put in place to deliver the customer- and finance-related objectives. This includes any internal operational goals and objectives set in place in order to drive performance.

⁵ **Customer Perspective:** This perspective focuses on performance objectives that are related to customers and the market. It defines what exactly does the Corporation need to deliver to the customers in order to achieve the financial objectives.

⁶ **Learning and Growth Perspective:** This perspective considers the tangible drivers of performance, broken down into: Human capital, Information capital, and Organizational capital.

(human capital)⁷, the system (information capital)⁸, and the climate (organization capital)⁹ of the Corporation;

- (c) Develop human capital policies and objectives, recognizing that motivated employees with the right kind of skills, know-how and tools are the key ingredients in driving process improvement, meeting customer or patient expectations and ultimately driving financial returns;
- (d) Establish policies and develop strategic plan on maximizing the capabilities of Corporation's employees through training and re-training; scholarship grants; acquisition of new skills, knowledge and competencies; continuous professional development program; tailored recruitment plan aligned to the needs of the Corporation; and effective succession planning program to help capture the knowledge of long-term employees and pass it on to the next generation;
- (e) Develop a policy on fair evaluation system for all employees and medical staff, and equal treatment of all employees and medical staff in the areas of promotion, transfers and career development opportunities;
- (f) Create and develop a program about leadership philosophy which emphasizes the benefits of encouraging all employees to reach their fullest potential;
- (g) Develop a plan to capture customers' point of view in availing the goods and services of the Corporation, or the customers' perception about the tangible and intangible costs and benefits from the particular relationship with the Corporation, recognizing that a high level of customers' satisfaction can dramatically impact the Corporation's strategic success;
- (h) Study and develop strategies to attain right mix on the interpersonal skills of the physicians and the technical expertise and knowledge of health providers. Interpersonal skills of physicians include the "softer" interpersonal aspects in

⁷ **Human Capital:** The human knowledge, skills, abilities and other characteristics needed to carry out the business strategy. It is important that the best people are placed in positions that are critical for strategy execution. This means there should be no skills gap in these jobs. To accomplish this goal, training, valid selection procedures and effective succession planning might be necessary actions.

⁸ **Information capital:** This refers to the information systems, networks and infrastructure needed to carry out the strategy. It is important to have the proper alignment between IT and the technology needed for the strategy.

⁹ **Organizational capital:** An organization-wide ability to manage change to deliver the strategy effectively. Senior leaders should regularly examine company culture and climate to ensure it is aligned with what is needed for strategy execution. If not, it is important to ensure that employee actions become aligned with the mission, values, vision and strategy of the company, which might require a shift in what behaviors are rewarded and supported (i.e., climate). Additionally, it might be necessary to change the type of candidates who are recruited and selected and engage in company-wide training.

physician – patient relationship such as caring, appreciation, and empathy which have been found to be important to the patients. Competence and performance, on the other hand, refers to the ability of the physicians to solve problems through devotion, serviceability, reliability, and trustworthiness; and

- (i) Develop policies on establishing relationship with customers/patients. As a provider of hospital care, the Corporation is on the one hand a business serving ‘customers’ and, on the other, a medical organization caring for patients. The business of delivering quality healthcare requires clinical expertise and business expertise. It also requires expertise in interpersonal dynamics. All are essential in the attainment of excellent clinical outcomes, financial success, and patient satisfaction.

Section 4. MEETINGS, QUORUMS AND ACTIONS

- 4.1. Frequency** – The Committee shall hold meetings in person or through teleconferencing or videoconferencing, or through such other modes of communication at such times and places and at such frequency as may be appropriate and necessary, provided, that the Committee shall meet at least two (2) times in year.
- 4.2. Convention** – The Chairperson of the Committee shall call the Committee to convene when he or she considers appropriate, or upon the request of at least two (2) members.
- 4.3. Invitations** – The Committee may invite the heads of the certain departments to join the regular meeting as resource persons or participants in the discussions.
- 4.4. Notices** – Schedule of Committee meetings shall be announced or communicated at least two (2) weeks in advance. Notice of the meetings and invitation may be given through written letter notice, electronic mail, short message service, telefax or other similar means. Materials shall be provided at least five (5) working days prior to the scheduled meeting.
- 4.5. Waiver of Notice** – Notwithstanding shorter notice, the meeting shall be deemed to have been duly convened if so agreed by the members present constituting a quorum. A member may give his or her consent to short notice or waive the notice requirement in any meeting of the Committee.
- 4.6. Agenda** – The agenda for each Committee meetings, shall be set by the Chairperson. The agenda, which shall include, as much as practicable, all materials and presentations, shall be circulated to each member at least three (3) calendar days before the meeting. The

Committee may set list of regular agenda items to be addressed by the Committee during each regular meeting.

- 4.7. Quorum** – Attendance of majority of the members of the Committee shall constitute a quorum. Members attending the meeting through teleconferencing or videoconferencing or through other modes of communication shall be counted as present in determining the quorum and the votes required.
- 4.8. Voting** – A majority vote of all members of the Committee shall be required to approve, authorize, take any action, or carry an act or resolution of the Committee. Any matter which fails to be approved by a majority vote of all the Committee members may be referred to the Board for consideration or reconsideration.
- 4.9. Consent** – When deemed necessary or desirable by the Committee or its Chairperson, written consent (in physical, electronic, or digital format) by majority of the members of the Committee shall suffice to authorize or carry an action of the Committee.
- 4.10. Minutes** – Minutes of the Committee meeting shall be recorded and kept by the Office of Corporate Secretary. The Corporate Secretary, or in his or her absence the Assistant Corporate Secretary or any person designated by the Office of the Corporate Secretary shall serve as the secretary for the Committee. Except for information that are required to be disclosed pursuant to law or regulations issued by competent government authorities, all records shall be kept confidential.

Section 5. MISCELLANEOUS PROVISIONS

- 5.1. Reports of the Committee** – All actions taken by the Committee shall be presented to the Board of Directors during the regular or special Board meeting immediately following such action of the Committee.
- 5.2. Technical Assistance** – The Committee may invite to its meetings members of management, officers, employees of the Corporation and other persons including independent experts whose advice and counsel are sought by the Committee as it deems appropriate or desirable.
- 5.3. Access to Information** – The Committee shall have free and full access to all relevant information, data, records, properties and personnel of the Corporation.
- 5.4. Evaluation** – The Committee shall conduct an annual assessment of its performance, formulate plans for improvement, and review the implementation of such plans. Supplementarily, the Board shall have an dependent evaluation of the performance and

effectiveness of the Committee in delivering and fulfilling its duties and responsibilities, as set forth in this Charter.

- 5.5. Review of the Committee Charter** – The Committee shall review this Charter at least once a year and as often as deemed necessary. Any proposed amendment or revision shall be forwarded to the Board for approval. Once approved by the Board it shall take effect immediately and prospectively.

This Charter of the Staff Development and Research Committee was approved by the Board of Directors on 17 December 2021. This shall form part of the Revised Manual on Corporate Governance of the Corporation.




NORMAN P. SERAPIO
Compliance Officer

ATTESTED BY:



JOSE XAVIER B. GONZALES
Chairman



EUGENIO JOSE F. RAMOS
President and CEO