

Knowledge Management

Bank Mandiri through Mandiri University has developed an Enterprise Knowledge Management System intended to support business processes through the presentation of up-to-date, accurate information, providing solutions to business challenges, improve customer service and encourage innovation within the Company and increase employee productivity. Bank Mandiri through Mandiri University has developed an Enterprise Knowledge Management System intended to support business processes through the presentation of up-to-date, accurate information, providing solutions to business challenges, improve customer service and encourage innovation within the Company and increase employee productivity. Mandiri University has completed perfecting an organizational structure that focuses on improving role as business partner and refine the curriculum which refers to international best practice.

Appraise

Evaluation of employee performance is based on their Key Performance Indicator (KPI) that has been agreed upon, fulfillment or improvement of competence, and application of the bank's values in line with the evaluation system used. Performance indicators consist of results and processes. Results show employee achievement on target (lag measure), while processes show the way to reach targets (lead measure).

Employee Performance Evaluation System

Bank Mandiri is an organization based on performance. Therefore, employees are not only evaluated based on achievements, but also the processes and ways of attaining them. The results employees should achieve are mentioned in the Key Performance Indicator (KPI) that also reflects the KPI of work units and the bank.

Employee evaluation system is aimed at improving the bank's excellence level in order to reach the bank's vision, ensure harmony between the bank's performance and those of the employees, set high objectivity level in employee performance evaluation, encourage and direct employees to have even better performance in the next period, and set performance evaluation results to be used as one of the factors in providing remuneration, talent categorization, and position promotion.

During evaluation for employee performance, the employees are given opportunities to do self-assessment for their own achievements. These self-assessment results are then discussed, reviewed, and agreed upon by their immediate superiors. The parties involved in evaluating employee performance are outlined in the following figure.

Performance level (PL) is set based on the final scores employees get from their achievements. Performance Level (PL) is categorized into five (5) predicates. Details of those five predicates are given in the following illustration.

Other than Performance Level (PL), talent classification is also set as the basis for development and promotion. This Talent Classification (TL0) is also categorized into five aspects, based on the potential and performance level of employees, they are; Highly Potential (HIPO), Critical Resources (CR), Key Contributor (KC), Under Achiever (UA), and Limited Contributor (LC).

Award

Bank Mandiri implements the total reward system that can either be financial or non-financial in nature in order to motivate its employees, improving sustainable employee engagement, retaining the top talents, and also attracting external top talents. The philosophy that underlies Bank Mandiri's total reward system is paying attention to prudential principle, based on performance and risk, and the bank's cultural values that are consistently implemented in line with the vision, mission, and strategy of the bank to make the reward system competitive, fair, and innovative. Implementation of the total reward management also considers market condition, industrial best practices, and the bank's ability to accommodate demographic change of employees, as well as management of the bank's labor cost.

In general, the total reward system makes Bank Mandiri pay salaries, make yearly salary adjustments, provide holiday allowance (THR), give annual leave allowance, and set aside major leave pay for each three (3) years' working period. The bank also provide health facilities for employees and their family members that includes inpatient, outpatient, delivery, and dental care, and also general check up, as well as eye glasses, and health care for the bank's pensioners.

Other than that, the bank also provide variable compensations in the form of Location Allowance, certain Position Allowance, Appearance Allowance for frontliners, Overtime Allowance, Performance Bonus, Sales Incentives, Retention Program, and also Long Term Incentives in the form of shares.

In order to provide more support to its employees, the bank provides working facilities such as official residence, utilities allowance, cellphone credits, and car rents. Meanwhile, to support the need of its employees to own a house, a car, or the other needs, the bank also provides Employee Welfare Credit schemes.