

PERFORMANCE ASSESSMENT AND DEVELOPMENT PROCESS

We continue to make great strides in becoming the most responsive and reliable manufacturing organization in the pharmaceutical industry. PPG/MD's Vision—to be the number 1 pharmaceutical supply organization in the world in 2001—is within reach. We will become a globally integrated business with challenging goals for quality; customer service; environmental, health and safety; product cost; and time to market. It is only through our people that we can realize our Vision and achieve this Mission.

Consistent with our "Respect for People" and "Performance" values, we have developed the new Performance Assessment and Development Process (PADP), as described in this brochure. PADP will ensure that individuals receive valuable feedback from team leaders and customers, and that individuals align their goals with those of the unit. Further, PADP provides a framework for development so that individuals can continue to enhance their skills and performance in the future.

This is an exciting time to be part of Pfizer. I encourage you to invest the time and effort necessary to make PADP effective. Incorporating this process into your work routine is essential if we are going to meet the challenges that lie ahead.

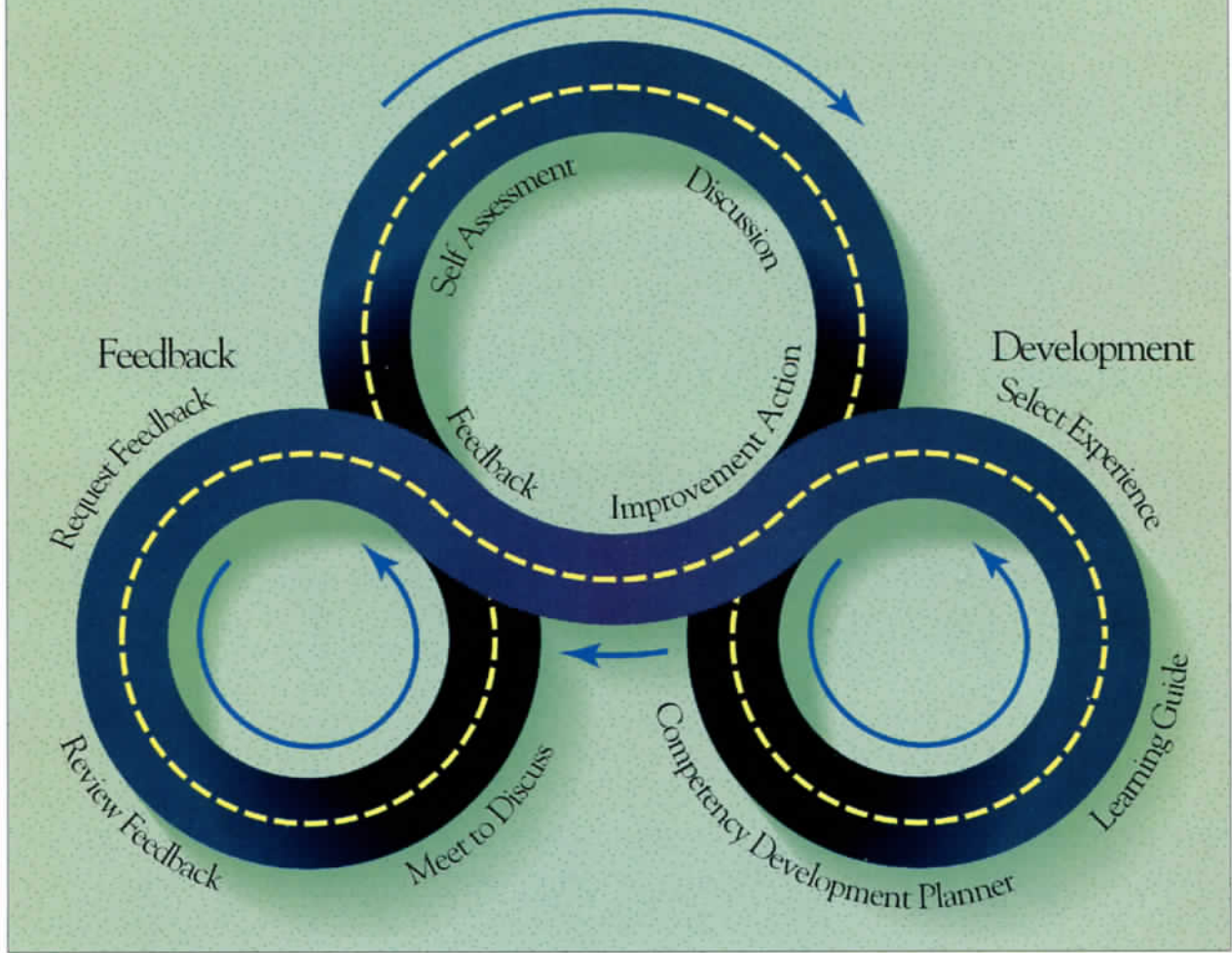


John W. Mitchell
Vice President, PPG Manufacturing



THE ROAD TO EXCELLENCE

Performance Improvement



How PADP Works



PADP is a continuous, interactive, and dynamic process which can help people develop to their highest potential. This process features new computer-based tools: the Performance Assessment Tool, which is replacing traditional performance review

forms, the Feedback Tool, the Competency Development Planner, and the Learning Experiences Guide. All of these tools are readily accessible on the Intranet and easy-to-use.



Planning for PADP

Planning for PADP begins with a discussion between unit members and leaders. With the assistance of tools and definitions on the Intranet, they determine the following:



Who Will Provide Feedback

Select the team leaders and/or internal customers who are most appropriate for providing feedback on each unit member's performance.

What Objectives to Set

Select Operational Results and Stretch Goals that are aligned with unit goals. Operational Results are metrics relating to key daily responsibilities, such as product supply, quality, safety, and communication. Stretch Goals extend beyond daily responsibilities. For example, an individual may implement a complex process improvement or make a noteworthy contribution to a divisional team.

What Competencies to Develop

Identify the competencies on which unit members need to focus to excel in their current positions. Competencies are the skills, knowledge, and abilities that are necessary to perform effectively. The Competency Development Planner is designed to facilitate the selection process.



The Timing of PADP

Establish a schedule for completing every step of the process. To be most effective,

unit members should complete the performance assessment cycle at least twice a year.

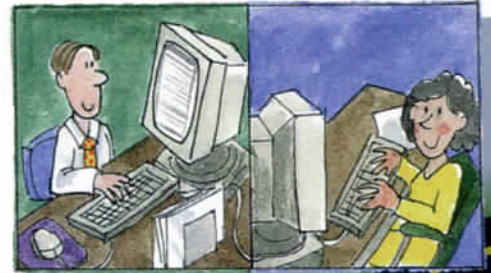
While the development portion of the process is not required, it is a valuable process that is recommended once a year.



Feedback Is Key

Feedback is a key factor driving performance improvement. Unit members prepare for their performance assessment by sending the Feedback Tool electronically to those team leaders and customers who were selected during the planning process. The team leaders and customers provide

feedback, then return the tool to unit members and leaders. Afterwards, unit members and leaders may choose to discuss the results of this process with feedback providers.



Assessing Performance

Unit members conduct a self assessment by completing the first four sections of the Performance Assessment Tool: Operational Results, Stretch Goals, Competencies, and Values.

Unit members then send their self assessments to unit leaders for review. Unit leaders add their own comments.

Unit leaders and members discuss the feedback and performance assessments to ensure mutual understanding, particularly in the areas in which they differ. It is not necessary to discuss all elements of the Performance Assessment Tool at every meeting. Following their discussion, unit leaders and members finalize the assessment. Once a year, unit leaders send a copy of the assessment to Employee Resources.



Taking Action

Unit members and leaders identify opportunities for improvement and list them in the Performance Focus Areas section of the Performance Assessment Tool. The Competency Development Planner can help unit members define development goals and plans of action.

To assist with competency development, the Learning Experiences Guide features a list of development options and learning experiences. Unit members and leaders review development goals to ensure that they are aligned with unit objectives.

Roles and Responsibilities

Unit Members

- take ownership of their own performance and development;
- partner with unit leaders to identify operational results, stretch goals, competencies, and development opportunities that are consistent with business objectives and values;
- assess their own performance;
- solicit performance feedback from team leaders and customers; and
- take action to improve their own performance.

Unit Leaders

- provide unit members with coaching and continuous feedback;
- partner with unit members to identify operational results, stretch goals, and competencies that are appropriate for their current positions;
- ensure that each unit member's goals are aligned with overall business objectives;
- assess each unit member's performance;
- partner with unit members to identify opportunities for development; and
- support learning.



PADP places unit members in the driver's seat of the Manufacturing Division's performance assessment and development process. Those who have questions about PADP are welcome to contact their unit leaders, Employee Resources, or any one of the site implementation team members.