

Performance management policy 42591



**ASSIGN
BUSTER**

It is expected that the performance of all employees in Company is measured accurately to assess the progress of each individual towards achieving the pre-determined goals (Or KRAs) set by their respective department heads. Performance Management Policy at Company aims at building on the process of performance measurement by adding the relevant communication and action on the progress achieved against these pre determined goals.

1. OBJECTIVE

This document outlines the Performance Measurement and Management process to be followed for all employees, working as full time with COMPANY.

2. KRA & GOAL SETTING

a. K. R. A's and Goal Setting exercise in COMPANY is a Bi annual process and is implemented in the sequence as mentioned below:

- i. Company Business Issue to be defined by Management (Co-CEO & CFO; Co-CEO & Country Manager ; Chief Operating Officer)
- ii. Division Yearly Business Issues to be defined by Division Heads (Vice President) to be further approved by Co-CEO & Country Manager & Co-CEO & CFO.
- iii. Department Business Issues to be defined by Department Heads (G. M. of the department) to be further approved by Co-CEO & Country Manager & Co-CEO & CFO.

iv. On the basis of above 3 mentioned points, KRAs and Goals of each individual in the organization is defined by Department Heads in the KRA and Goal Settings Form and submitted to Division Head and Management Team for evaluation & approval.

v. Finalized KRAs and Goals of each individual is released to him/her in KRA Meeting conducted in the presence of the following authorities:

? 1st Manager (G. M. of the Department)

? 2nd Manager (Vice President / Co-CEO & CFO / Co-CEO & Country Manager / Chief Operating Officer which ever is applicable)

? Representative of the Human Resources Department

? Presence of a member of Top Management in this meeting is desirable BUT not compulsory.

b. It is expected of the H. R. Department to ensure that the KRA and Goal Setting form is diligently filled by G. M. of the department within 15 days from the date of joining of the New Employee.

c. A copy of this form should be recorded in the H. R. file of the employee.

d. The contents of this form are the basis of performance evaluation of employees.

3. POST PROBATION PERFORMANCE EVALUATION

a. Probation period for all full time employees in COMPANY is 6 months.

b. 7 days before the end of an employee's probation period, H. R.

Department sends an intimation to his/her Supervisor (G. M. of the department) along with the Post Probation Performance Evaluation

Form (Annexure 1). It is expected of the Supervisor to rate the performance of the employee on probation & make a final

recommendation on his/her employment. Options for Recommendation on Employment of the probationer are as follows:

i. Confirmation

ii. Extension of Probation Period for 3 months

iii. Extension of Probation Period for 6 months

iv. Not Confirmed

c. The contents of this form further needs to be approved by the following authorities in the sequence as mentioned:

i. H. R. Head

ii. Division Heads (e. g. Vice President; Director)

iii. Co-CEO & Country Manager

iv. Co-CEO & CFO

d. POST PROBATION LETTER: Once the final Approval is acquired; it is expected of the H. R. department to print letters (2 in number) in accordance with the decision taken & get the relevant signatures of signing authority on them. Post Probation Letter is of 3 types:

<https://assignbuster.com/performance-management-policy-42591/>

i. Confirmation Letter

ii. Extension of Probation letter

iii. Termination Letter due to low performance

e. A POST PROBATION MEETING is required to be scheduled between the probationer, G. M. of the department, a representative from H. R.

Department and if possible a representative from Top Management.

i. This meeting should be scheduled within 7 days from the end of probation period of the employee

ii. In this meeting the result of post probation performance evaluation should be announced to the employee and the letters should be handed over to him/her. Once the employee has read the letter and is satisfied with the content, he /she should countersign one copy of the letter and submit it to the H. R. The countersigned copy will be recorded in the H. R. file of the employee.

f. EXTENSION OF PROBATION PERIOD

i. In the event that probation period of an employee has been extended for 3 months or 6 months; the process that will be followed at the end of his / her extended probation period would be the same as section 2a, 2b, 2c, 2d and 2e of this policy document.

ii. An employee's probation period cannot be extended by more than 6 months in totality. In the event that the performance of an employee is perceived to be lacking in delivery even after one year of employment (OR 6

months of extension on probation period), organization reserves the right and option to terminate the employment of that particular employee without giving any notice. Refer to clause 7. 1 in the appointment agreement. Co-CEO/CFO, Co-CEO/Country Manager reserves the right to approve the extension of probation period of an employee beyond the pre-defined limit of 6 months.

g. SPECIAL CASES

i. SPECIAL BONUS: Those employees, for whom, a part of their probation period falls in the previous financial year (and the rest of the probation period falls in the new financial year), are eligible to receive SPECIAL BONUS. Decision on Special Bonus would be subject to management discretion.

? This Special Bonus will be paid in lieu of the Bonus that is mentioned in the salary structure sheet of the Appointment contract of the employee.

? Special Bonus amount will be calculated for the time period between the Date of Joining of that particular employee till the end of the previous financial year.

? Those employees whose probation period has been extended will not be eligible for a Special Bonus until they are confirmed. I. e. they will not be eligible for a Special Bonus for that i?? probation periodi?? when their performance was found lacking and they were not confirmed. In such cases bonus will be calculated (if at all) from the i?? date of extension of probation periodi?? to the i?? date of confirmationi??.

ii. In the event, that an employee's extension of probation period is concluded within 90 days after the Appraisal Month of the organization, he / she will be eligible for an appraisal from the date of his/her confirmation. For e. g. If an employee's extension of probation ends on 25th April and he/she is confirmed from this date onwards, management may choose to provide him/her with a salary increment from the date of his/her confirmation.

iii. FOR EMPLOYEES BEING RECRUITED IN INDIA BRANCH OFFICE AFTER 1ST APRIL 2008

? Those employees whose employment at India Branch Office will begin on or after 1st April 2008 onwards, will be provided with the following 2 documents in addition to the Appointment Agreement:

a. Pre Probation Period Salary Structure

b. Post Probation Period Salary Structure

? In the event that an employee successfully completes his/her probation period at COMPANY, he/she will be eligible for an increment on the basis of Post Probation Salary Structure provided to him at the time of employment. This Increment will be effective for the employee from his/her date of confirmation.

4. COMPANY PERFORMANCE APPRAISAL SYSTEM

a. Performance Appraisal is the process of evaluating employee performance within an organization.

b. FEATURES of Company Performance Appraisal System are:

<https://assignbuster.com/performance-management-policy-42591/>

i. All the employees having their status as confirmed employees in the organization (Only those employees of COMPANY, whose services have been confirmed in the organization), are eligible to undergo a Performance appraisal. No employee whose confirmation date extends beyond the date on which the Appraisal results are effective; will be eligible for Appraisals of that Appraisal Cycle.

ii. BPAS (Company Performance Appraisal System) is BI-ANNUAL in nature, whereby all confirmed employees of India Branch Office are eligible for an Appraisal w. e. f. 1st April and 1st October of that financial Year. An Explanation of how this system works is given below in table 4. 1

S. NO EVALUATION PERIOD ELIGIBILITY FOR APPRAISAL RESULT EFFECTIVE DATE APPRAISAL ANNOUNCEMENT DATE

1. 1ST April i?? 30th September Those employees who are confirmed on or before 1st October. 1st October 20th October i?? 31st October

2. 1st October i?? 31st March Those employees who are confirmed on or before 1st April. 1st April 20th April i?? 30th April

c. AIMS of BPAS are

i. Facilitate a two way feedback communication between the employee and the organization by means of a Performance Appraisal meeting.

ii. Form a basis of personnel decisions: Salary increases, promotions, disciplinary actions etc.

iii. Identify regular training needs.

<https://assignbuster.com/performance-management-policy-42591/>

d. It is expected of the H. R. Department to present for approval to the Management with the following, at least 30 days in advance of the result effective date:

i. Pre appraisal report; inclusive of details of all those employees who are eligible for appraisals.

ii. Date Plan, elucidating flow of Appraisal process that will be followed during current appraisal cycle.

Please Note: It is the responsibility of Management & H. R. Department together, to review , discuss , revise and finalize the pre-appraisal report & Date plan within 5 days of its receiving it.

e. It is expected of the H. R. Department to announce the commencement of the Appraisal process to all Appraisees, atleast 25 days before the result effective date. Each appraisee should be provided with the following:

i. Date Plan

ii. Information : 1st & 2nd Manager of the appraisee

iii. Appraisal Form:

? STEP 1 : Each appraisee is expected to fill in the i?? Empoyee Self Appraisali?? section of the Appraisal form:

a. Appraisee should ensure that he/she has input the predetermined KRAs and goals in the form along with the weightage (%) against each KRA.

b. Appraisee should further enter achievements and Areas of Improvements against each KRAi?? s.

c. This form should then be forwarded to the 1st Manager (G. M. of the Department) of the appraisee.

? STEP 2: 1st Manager is expected to provide feedback on the appraiseei?? s performance by filling the section i?? Appraisal by 1st Manageri??.

? STEP 3: The Appraisal form is shared with concerned H. R. representative and 2nd Manager of the appraisee.

f. A fresh date plan, defining the schedule of Appraisal Meetings, is announced by the H. R. to each eligible appraisee at least 10 days before the result effective date. An Appraisal meeting is conducted in the presence of:

i. Appraisee

ii. 1st Manager (G. M. of the Department)

iii. 2nd Manager (Vice President / Co-CEO & CFO / Co-CEO & Country Manager / Chief Operating Officer / which ever is applicable)

iv. Representative of the Human Resources Department

v. Presence of a member of Top Management in this meeting is desirable BUT not compulsory

g. At the end of Appraisal Meeting, the contents of Appraisal form further needs to be approved by the following authorities (SIGNATURES) in the sequence as mentioned:

<https://assignbuster.com/performance-management-policy-42591/>

i. Signature by employee

ii. Signature by 1st Manager

h. Final rating on the Performance of the employee is input in the form by each of the following authorities individually:

i. 1st Manager

ii. 2nd Manager

i. HR collates Appraisal result recommendations received by the 1st & 2nd Manager of each employee and presents to Top Management for approval within 2 working days of the conclusion of Appraisal meetings.

i. Alpha Candidates as Special treatment cases should be clearly marked in this report. Alpha candidates are those employees for whom extra ordinary increment / promotion requests have been made either by their 1st / 2nd Manager or HR Department. Reasons for making this request could be any of the following:

? Salary Correction

? Extra Ordinary High Performance

? Retention strategy for a demotivated employee

? Any other

ii. Beta employees are those employees who receive extra ordinary low ratings (OR negative recommendations) in their appraisals by their 1st/2nd

Manager or H. R. Reasons for this extra ordinary negative recommendation could be any of the following:

? Extra Ordinary Low Performance

? Disciplinary / HR issues

? Any other

j. It is the responsibility of the Management to review the recommendations report and take a decision on the Appraisal results with in 7 working days of submission of the report by HR.

k. APPRAISAL LETTER: Once the final Approval is acquired; it is expected of the H. R. department to print Appraisal letters (2 in numbers) in accordance with the decision taken & get the relevant signatures of signing authority on them. The contents of the Appraisal Letter would involve:

i. Date from which Appraisal is effective

ii. (Revised/Unrevised) Designation of the candidate

iii. (Revised/Unrevised) Compensation

I. ANNOUNCEMENT OF APPRAISAL RESULT

i. The appraisal results will be announced on the date as mentioned in the table 4. 1 above. The meeting to present each employee with an appraisal result will be conducted in the presence of :

? Appraisee

? 1st Manager & 2nd Manager

? A Representative from the Top management

? A Representative from the HR Team

m. Any negative reaction from employees, w. r. t. Appraisal Result is to be recorded by HR Department and presented to the Management in the form of Post Appraisal Reaction Report within 7 days of Announcement of Appraisal Results. Recommendations on genuine cases should be made in this report. It is expected that the Management reviews and takes a decision on the recommendations in this report within 7 days of submission. It is expected of the HR Department to take necessary steps to implement and communicate the decision of Management to employees.