

## Performance Improvement Plan (PIP) Policy

The purpose of the Performance Improvement Plan (PIP) is to help employees to improve performance. It is a tool to facilitate constructive discussion between the employee and her/his Line Manager / Supervisor. It helps employee to identify areas for improvement and the Line Manager / Supervisor to express expectations about performance standards. It also establishes plan for improvement in performance, periodic review and feedback to employee and consequences of non-performance.

### The PIP indicates / communicates: -

- The performance is not up to the expected standard
- Need for improvement in performance
- Consequences if performance standards are not met

### The Performance Improvement Plan (PIP) aims to: -

- Facilitate constructive discussion between the employee and Her/His Line Manager / Supervisor.
- Identify areas for improvement and develop plan for improvement.
- Enable Line Manager / Supervisor to express in clear term the expected standards of performance.
- Specify initiatives from employee and support to be extended by the Line Manager / Supervisor in terms of guidance, coaching, training etc.
- Documentation of the plan.
- Periodic review and feedback for the improvement, specific and example driven.
- Consequences of non-improvement in performance.

### PIP Process: -

- The employee concern in the preceding months has consistently underperformed and in spite of warning has not met performance standards.
- The employee has been advised in writing to improve performance by the Line Manager / Supervisor.
- The Line Manager / Supervisor has informed in writing to HR to initiate PIP process for the person concern.

- HR facilitates constructive discussion between the employee and her/his Line Manager / Supervisor. During the discussion the Line Manager / Supervisor needs to be: -
  - i) Specific and cites examples of below standard performance.
  - ii) Clearly specifies the expected performance standards.
  - iii) Assists the employee in identification of areas of deficiencies, prioritises areas for improvement.
  - iv) Enables employee to prepare written action plan for performance improvement by listing of areas for performance improvement, initiatives to be taken by employee to improve performance and support to be provided by Line Manager / Supervisor by way of guidance / coaching / nomination for training etc.
  - v) The action plan is signed by the employee concern and Line Manager / Supervisor.
  - vi) Do weekly periodic review and provide feedback on performance improvement.
  - vii) Clearly explains Consequences of non-improvement in performance.
- PIP will be for a period of maximum one month. The performance review meeting will be held once in a month as dined fit by the functions.

## Review Meetings

The weekly review meetings should be held regularly. The Line Manager / Supervisor should: -

- Review and discuss the performance improvement action plan and give specific feedback by citing/giving examples. The employee should be given adequate opportunity to present her/his viewpoint. In case where an employee has not measured up to the specified performance standards, a written warning should be issued.
  - Where the expected performance standards are not met, the Line Manager / Supervisor may consider providing additional support.
  - Sign the review meeting notes along with the employee (where an employee refuses to sign, this should be noted on the review meeting notes).
  - In case of improved performance up to expected standard, the employee is informed and taken out from the PIP process.
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- In case where the employees fail to demonstrate improvement in performance, her/his services are liable for termination.

The performance standards should communicate observable, specific indicators of successful performance expressed in terms of Quantity, Quality, Timeliness, Cost, Safety, or Outcomes.

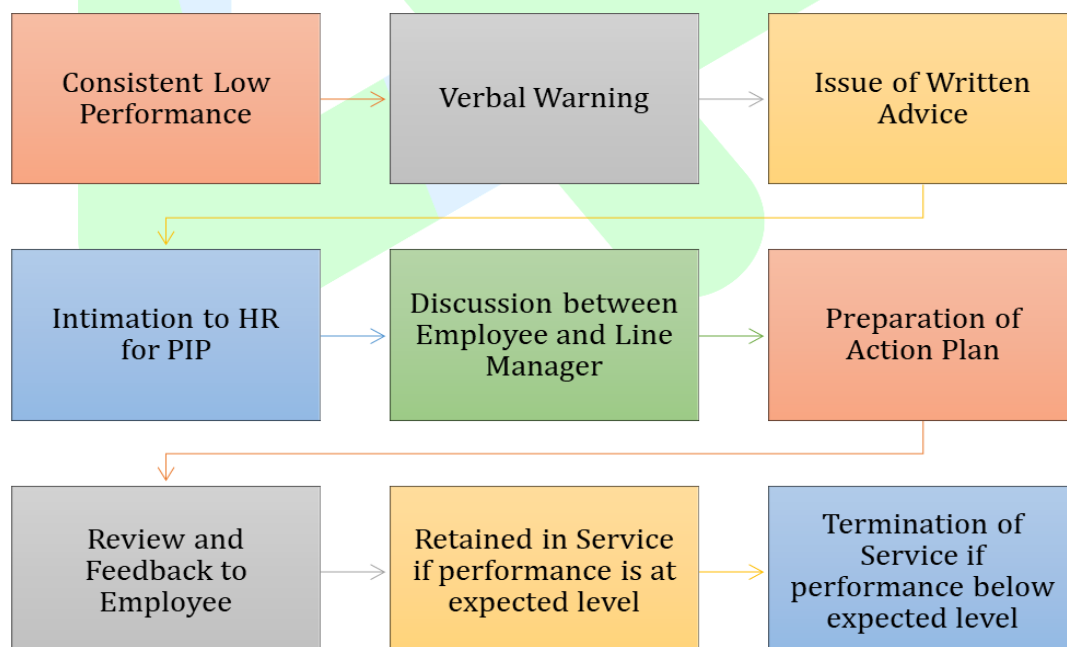
Performance standards should be **S.M.A.R.T.** -

- **Specific** - Performance standards should let employees know exactly which actions and results they are expected to accomplish.
- **Measurable** - Whenever possible, objectives and standards should be based on quantitative measures such as direct counts, percentages, and ratios.
- **Attainable** - The objective or standard should be achievable and set based on reasonable productivity standards.
- **Relevant** - The performance standards should be relevant to the job responsibilities.
- **Timely** - Results should be delivered within a time period that meets the department / process and organization's needs.

In determining performance standards, also consider the following:

- **Quantity** - Specifies how much work must be completed within a certain period of time.
- **Quality** - Describes how well the work must be accomplished. Specifies accuracy, precision, appearance, or effectiveness.
- **Timeliness** - Answers the questions: like when, how soon, or within what period.
- **Effective use of Resources** - Used when performance can be assessed in terms of utilization of resources: money saved, waste/penalty reduced, etc.
- **Manner of Performance** - Describes conditions in which an individual's personal behaviour has an effect on performance.

### PIP Process Flow Chart



As illustrated above, the Line Manager/Supervisor should follow the progressive disciplinary process beginning with a verbal warning. If performance challenges continue, the supervisor should aim to correct the performance discrepancies by issuing a written warning. If performance continues to be unsatisfactory, the next corrective measure should be implementation of a PIP. Line Manager / Supervisor should consult with their HR Representative for guidance. The completed PIP should be sent to the employee's personnel file after appropriate signing off and approvals have been obtained.

### Compliance / Responsibility of PIP

All heads of each Centre would be responsible for ensuring areas of deficiencies and consequences of non-performance caused in work situation which were revealed / observed during the PIP review meetings.

Copies of record notes of the monthly PIP review meetings should be submitted to the Centre Head, in-charge of the applicable centre and Central HR to monitor the progress of problems for creating conducive work environment in which full compliance is expected within a time frame i.e. 5 to 10 days.

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