## Chapter 1

## Non Profit Business Code Practice

### 1.1 Introduction

HR POLICY MANUAL: This will provide a detailed guideline pertaining to the human resources and administration policies, rules and regulations, procedures and practices. This is to be used as an awareness material on the related areas and shall be amended from time to time whilst keeping the employees notified of such amendments. The contents of this manual are binding on all employees and violation or breach of same amounts to disciplinary action. This manual is being prepared to fit the Sri Lankan local context whilst adopting the global policies and principles required in achieving the [CSO’s Name]’s corporate objectives in non-for-profit organizational segment.

**1.2 General Scope**

1.2.1 [CSO’s Name] is a non-governmental organization as per the definition provided in the Sri Lanka Statement of Recommended Practice for Not-for-Profit Organizations (including Non-Governmental organizations).

[It is/is not registered with the Department of Social Services and has been established under the Social Services Act No. of ………….].

1.2.3 The organization has been incorporated under the Companies Act No……...... of Sri Lanka as a company limited by guarantee.

[The Organization has been established under the Trust Ordinance of Sri Lanka].

The principle place of activity of the organization is located at …………..

1.2.4 HR and Admin policies and procedures are set out here to exercise the power of the [CSO’s Name] in terms of the constituted Memorandum and Article of Association and implement the Staff Regulations, Rules and administrative instructions approved by the Governing Body

1.2.5 All powers in these rules shall be exercised by the ED provided that it shall be open to the ED, to delegate any of the powers to any officer subject to any conditions which he may think fit to impose.

1.2.6 All rights to interpret and modify these rules shall be reserved the Governing Body.

1.2.7 These rules shall apply to every person in full time or part-time employment of the [CSO’s Name] provided that, unless otherwise provided in these rules.

1.2.8 All persons appointed on permanent or contract basis shall be required to execute letter of appointment. The service conditions of the employees are governed by the conditions stipulated in their letter of appointment

**1.3 Organizational Chart of the [CSO’s Name]**

1.3.1 These charts clearly outline the hierarchy within [CSO’s Name] and indicate the relationships shared among each individual employee. These insights help employees understand who to report to and ensure that managers are properly delegating tasks and responsibilities amongst their team.

1. NON-PROFIT ORGANIZATIONAL STRUCTURE: The exact structure of the [CSO’s Name] depends partly on where it is incorporated some of their own requirements for the number of directors and other officers of the nonprofit. Accordingly, the structure of [CSO’s Name] is divided into three functional areas–governance, programs and administration – and then further subdivided within each area, depending on the purpose and goals of the nonprofit.

*(Refer HR 001- Illustrative Nonprofit Organizational Structure).*

1. GOVERNANCE OF NONPROFITS: Nonprofits are governed by the board of directors. Board members of nonprofits are generally not paid, but they may receive any compensation that is allowed by the organization's bylaws. The board is accountable for the policies of the organization and is given powers by the organizations' Articles of Incorporation. The board's work is coordinated by the chair and the board may organize itself into various committees responsible for carrying out different operations.
2. ADMINISTRATION OF NONPROFITS: The administration is made up of the staff that oversee all programs. Nonprofit administration usually includes an executive director, or president, and office personnel. The Executive Director is responsible for liaising with the board and for carrying out their instructions, as well as for overseeing the people who run the programs of the nonprofit
3. PROGRAMS AND TYPES OF WORK: [CSO’s Name] is founded to carry out certain specific types of work, which has a number of key programs such as – HIV /AIDS program, heath & nutrition program, disaster management program, environment preservation program, Human Rights protection program etc. The organization is structured into various program areas to carry out this work and achieve its goals. Each program area may then have its own department head, or manager. Typical program areas may include program or project coordination, fund-raising, resource mobilization, governance, volunteer coordinator, communication – marketing, or publicity and planning. The program heads report to the Executive Director may have adequate number of staff members under them.
4. UNIQUE MANAGEMENT AREAS: Nonprofits typically have several types of management areas that may not exist in for-profit companies. These may include fundraising and grant writing, volunteer programs and public policy. Some of these areas, such as fundraising and program planning may be handled by the executive director, or an entire department, headed by a Program Manager. [CSO’s Name] may also have a Management and Program Sub–Committee and Fund Raising Sub -Committee accountable of ensuring the organization is meeting ethical requirements set out in its bylaws and is liaising with the local community.

### 1.4 Conflict of Interest

1.4.1 A situation of conflict of interest arises when personal interests of employees conflict or compete with the interests of [CSO’s Name] and the entities employees are associated with deriving a financial benefit from their association, by competing or conflicting with the interests of [CSO’s Name]**.**

1.4.2 Conflict of interest results in disciplinary action and employees should avoid conflict of interests, whether direct or indirect, or whether actual or potential, which may compromise their loyalty, integrity and put the [CSO’s Name] interests and reputation at stake.

1.4.3 Accordingly, employees are required at all times to declare conflict of interests. Examples of conflict of interest *inter-alia* relate to; receiving of any gift or services and performance of unofficial tasks that infer undue influence and such other related actions.

**1.5 Organizational Communication**

**1.5.1 Communication of General Information**

1. The Human Resources Unit (herein after mentioned as HR Unit) is solely authorized and is responsible for posting and distribution of notices and information through Notice Boards and its clearance and maintenance.
2. In addition, the [CSO’s Name] shall communicate its general information through email as and when required.

**1.5.2 Mass Media Communication Policy**

1. [CSO’s Name] is committed towards maintaining a trusting and positive relationship with the news media through a formal procedure on release of information on [CSO’s Name] position on public issues as well as [CSO’s Name]’s nonprofit business operational activities.
2. Employees shall direct queries on all news media requests to the Executive Director (herein after mentioned as ED) and shall not provide any information to the media by themselves.

**1.5.3 Confidential Information**

1. All information relating to the nonprofit business operations and employment is considered as confidential information, those other than available in the public domain. In the event of any doubt as to whether certain information is confidential or not, requires clarification from the divisional head or head of the HR Unit.
2. Employees shall maintain highest confidentiality pertaining to all confidential information that *inter-alia* takes the format of material, processors, procedures and strategies that they may become aware of or claim to be part of its development during their employment, which responsibility shall continue even after ceasing of their employment with the [CSO’s Name].

 **1.5.4 Disclosure of Information**

1. An employee of the [CSO’s Name] shall except in the proper course of his duties, whether of a general nature or special nature, not divulge to any unauthorized person or body any information relating to administration, programme of work, experiment or any other information concerning the business, admin or finance of [CSO’s Name].
2. No employee of the [CSO’s Name] shall be in possession of any minute or document circulated within the [CSO’s Name] for any purpose other than those conveyed to him for his information, compliance or action.
3. An employee is prohibited from making use of any unpublished or confidential information made known to him in the normal course of his work within the [CSO’s Name] for any purpose other than his normal duties.
4. An employee shall obtain prior approval from the ED in writing for any publication of any book or article or any other work, subject matter of which is connected to the official functions of the [CSO’s Name].
5. An employee shall not release any information to media and /or involved in any interview with media without explicit approval of the ED of the [CSO’s Name].

 **1.5.5 Relationship with Outside Organizations.**

1. An employee shall not engage in any outside occupation which is likely to affect the proper discharge of his duties as an employee of the [CSO’s Name].
2. No employee may be actively associated with the management of or hold a financial interest in any business concern, if it were possible for him to benefit from such association or financial interest by reason of his employment in the [CSO’s Name]. However, an employee is not debarred from holding shares in a public company unless such holding amounts to controlling interest of such company.
3. An employee shall not accept any favour or a gift for any services rendered by him on behalf of the [CSO’s Name] without explicit approval of the ED.

**1.5.6 Open Door Policy**

1. The Open Door Policy relates to the provision provided by the management of [CSO’s Name] and the commitment towards open and honest discussion with the relevant person in authority pertaining to any employment, people, operational or workplace related concerns one may have in resolving any problem, conflict or misunderstanding promptly and effectively.
2. Employees also can take their workplace concerns, questions, or suggestions outside their own chain of command without worrying.
3. The Open Door Policy is operative through the ‘Employee Suggestion Box’ and the procedure of ‘Grievance Policy’. All matters discussed shall be held as confidential and shall not be held against the person who raised the concern.

**1.5.7 Rumors and Blackmailers**

The practice of starting or spreading rumors, sidewalk talking or encourage, advocate, contribute in such misdemeanor is considered a prohibited action resulting in disciplinary actions. As rumors and blackmailers are destructive in nature; letters of anonymity, petitions or blackmailers will be disregarded and discarded even before it is read.

**1.5.8 Issuing Employee Details, Service Letters and Salary Particulars**

Request for issuance of employee details, service letters and salary particulars shall be submitted by the employees to the head of the HR Unit having obtained the approval by the relevant divisional head.

**1.5.9 Access to Personnel Files**

All personnel files are maintained by the HR Unit and the contents of same are considered confidential and access to same will be restricted to the authorized officers only.

**1.5.10 Channel of Communications**

1. Reports or any submissions to the senior management or to outside parties for official business should be made through the immediate supervisory officer unless explicit approval has been obtained from the ED to deviate from the normal channel.
2. Reporting up wards or sending directions downwards should be made through the vertical line as shown in the Organization Chart given in HR 001- Illustrative Nonprofit Organizational Structure. Communications among the officers may be made direct as shown in horizontal line in the Organization Chart.

**1.5.11 Official Correspondence**

Correspondence must follow the norms and standards and respond to the message as laid dawn

***Letters***

1. All letters received must be marked when received with a date and time stamp by the reception. If the received date is later than 2 days after the letter date, the receptionist must inform the sender immediately of the delay.
2. Letters must be replied within 72 hours of receipt. If the reply cannot be made within this time period, then addressee should inform sender of the delay and make adequate notes of the conversation (if notification is not written).
3. Official letters/communication from [CSO’s Name] may be done by the ED or the nominated senior manager only. If any other member of staff needs to issue a letter/fax, the relevant Head/Manager should initial these communiqués on the office copy, before it is sent out. A minimum of one copy needs to be kept in the Central Day File. One may also wish to keep your own personal copy.
4. Following norms and standards be adopted
* Typeface is Times New Roman
* Font size 12 pt
* Layout – as given in standard letter by Post for letters on standard letterheads or standard letter by e Mail. Letters sent by e-mail will also carry the legal disclaimer notice as per normal e-mails.
* Signatory – All letters must be approved / signed by the relevant Program Area head.

***Faxes***

1. All faxes should be replied within 24 hours of receipt. Again, if the reply cannot be made within this time period, then addressee should inform sender of the delay and make adequate notes of the conversation (if notification is not written).
2. Outgoing faxes should be filed in the relevant project file together with the Sending Receipt.
* All faxes must be sent with a Fax Cover as given in standard fax cover sheet.
* If the Fax is short or informal, you may write the message on the Cover Sheet itself.
* Once a fax is sent, a delivery notice must be attached to the original Fax (or copy if the original is sent by post) and then filled in a project folder
* All faxes must include the disclaimer notice

***E-mail***

1. Email is a document with legal status accepted as evidence in a court of law and should mainly be used for formal business correspondence, maintaining the confidentiality of sensitive information.
2. Formal memos, documents and letters for which signatures are important, should be made on [CSO’s Name] letterhead, scanned and emailed. These require to be preserved, printed or otherwise. All emails sent should include the approved [CSO’s Name] disclaimer.
3. All mailboxes shall be kept cleared to avoid congestion. No materials is to be sent as email that is defamatory, in breach of copyright or business confidentiality, or prejudiced to the good standing of [CSO’s Name] in the community or among its stakeholders.
4. Email is not to contain material that amounts to gossip about colleagues or that could be offensive, demeaning, persistently irritating, threatening, and discriminatory, involves the harassment of other or concerns personal relationships. Emails should only be sent by one’s individual account and not from another and unauthorized access to another person’s email is prohibited. Similarly, mass emailing unless officially required or authorized, is considered prohibited
5. All e-mails should be acknowledged within the course of the business day, if received within normal business hours. If e-mail is received after 5.30pm, this is deemed to have been received the next working day.
6. Staffs are requested to use the Auto reply function when out of the office for a length of time that would prevent adherence to the policy (i.e. training days, leave etc). Alternatively, staff should allow access to their inboxes to a personal assistant or other staff member for review and supervision.
7. Any e-mail which commits the Agency or Government in anyway, should be printed and filed.
* Typeface is Times New Roman
* Font size 12pt
* Signature must be added in the format as given in standard e mail signatory
* All e-mails must include the standard

***Internet***

1. The internet is a facility provided by [CSO’s Name] with access authorized as required for business use.
2. Limited private use may be permitted provided the private use does not interfere with or distract from a person’s work and the management shall reserve the right to access in monitoring the system.
3. The employees shall comply with the data security and related ICT policies pertaining to the use of internet.

***Phone Calls***

1. The instances of making and receiving of personal phone calls requires being limited to a minimum time in duration as per the emergencies.

**1.5.12 Respect for the communities we work with and serve.**

[CSO’s Name]’s belief in the partnership of humanity remains the guiding principle of their grant making, but the organization has refined and broadened its work over time to reflect changing national and world conditions. Through our programs focused on Civil Society, Education, Environment and the Flint Area, the [CSO’s Name] seeks to fulfill its mission of supporting efforts that promote a just, equitable and sustainable society. We believe our work in these critical program areas will lead toward systemic change that improves the lives of people, strengthens communities and fosters the success of institutions.

**1.5.13 Dress Code and Personal Appearance**

All employees of [CSO’s Name] are required to be appropriately attired in community operations and maintain a good personal appearance suitable for the work environment.

**1.5.14 Work Performance and Behaviour**

All employees are expected to maintain a high level of work performance in the respective work functions allocated to each staff member and also to comply with [CSO’s Name] regulations and standards of acceptable behaviour.

**1.5.15 Attendance & Punctuality**

All employees are required to maintain a very high level of attendance and punctuality adhering to the related company rules and regulations.

**1.5.16 Use of CSO’s Property**

The employees of [CSO’s Name] are required to use company property with utmost care and responsibility without causing any damage to the property through negligence. Unauthorized use of property is strictly prohibited.

# **1.6 Data Security**

**1.6.1 Policy Guidelines**

Please refer [CSO s Name] Policy Guidelines pertaining to Data Security or Privacy Policy including IT Policy.

**1.6.2 Protection of Confidential Information**

Setting a course of action for accessing and protecting data which is confidential and classified by nature is the purpose of the Data Security policy. Facilities such as (ERP, HRIS, Intranet, Internet and email) are provided strictly for official work and are maintained and serviced by the ICT unit of the company. The users are advised to ensure that such facilities are not violated and to follow the following instructions irrespective of rank.

1. Ensure that the confidential information in the computer is 100% secured.
2. Ensure that no outside personnel is allowed to use computers and other company ICT equipment.
3. Do not allow any unauthorized person (internal staff member) to access your computer without your and ICT Administrator approval. Such an act of non-conformity will be considered as a violation of information security policy.
4. No user can log into or use other employee machines or use other staff member email accounts to send emails without prior approval of ICT administrator, head of the division and the relevant user.
5. Shared folders are only to save official information. Please do not save personal data (ex. photos, songs, documents) in those folders. All personal data will be deleted without prior notice.
6. Employees are not allowed to bring their personal Computers/Laptops/Data Discs/CD/USB pens and plug into office networks without prior consent or from the ICT Administrator.

**1.6.3 Trade Secrets and Competition**

Secrecy clauses which constitute fundamental conditions of employment would govern and form part of the terms and conditions of employment. Any access, or gained knowledge of confidential facts and information relating to the company’s business, all employees are required to be observed with strict secrecy.

In addition to the above, employees are bounded by the following terms and conditions which are required to strictly comply with.

1. Employees are strictly prohibited to join another company with similar business interests of the employer or any of its competitors for a period of 12 months in the case of management staff, 6 months in the case of an executive and non-executive employee of the determination and/or cessation of his/her employment in whatever manner subject to this company being compensated for all financial losses caused to the business and goodwill.
2. [CSO’s Name] being a “good corporate citizen” to hold operating principles with its competitors and business partners, shall not allow their employees to join [CSO’s Name] until completing 2 year cooling off period irrespective of their rank.
3. Employees are strictly prohibited from furnishing any other company or competitor any names of the employer’s customers and or utilizing such customers for any employees benefit or that of a competitor. Any breach of this nature would be considered as a violation and will be treated upon severely.
4. At all times during the continuation of the employment and thereafter employees are strictly prohibited to use either for yourself or for others any information concerning the company’s business affairs and customers or of its subsidiaries, associates or subsidiaries of its holding company, which information may have acquired in the course of employment.

###  The General Code of Conduct and Business Ethics

1.7.1 The purpose of the Code of Conduct is to elaborate on the basic principles on the duties and obligations of staff members. Establishment of [CSO’s Name]’s guiding principles through core values: professionalism, integrity and respect for diversity, all of which underpin the specific obligations placed on the staff of the [CSO’s Name].

1.7.2 These obligations also apply to all other personnel performing functions at the request of the [CSO’s Name], whether on the basis of an assignment, a consultancy contract or on some other basis. Staff members must be aware that failure to comply with their obligations under this Code may carry serious consequences, including a negative assessment of their performance and conduct, non-renewal or termination of appointment or contract, and/or disciplinary proceedings which may lead to dismissal

*(Refer HR 002A - Sample Code of Conduct and HR 002B - Code of Employee Obligation)*.

(Please refer **Annexure 1** that includes illustrative Nonprofit Organizational Structure and Sample Code of Practice).

## Chapter 2

## Employment Practices & Compliance

### Human Rights and Equal Opportunities

2.1.1 [CSO’s Name] is committed towards compliance of employment laws of Sri Lanka and supports fundamental human rights for all people and prohibits unjustified discrimination based on a person’s race, colour, gender, national origin, age, religion, disability, veteran status, marital status or other protected characteristics and believes that differences should be valued.

2.1.2 [CSO’s Name] is also firmly committed towards fair treatment and compensation of employees. All applicants and employees are judged by their qualifications, demonstrated skills and achievements, recognizing and rewarding good performance according to the reward policy of the company.

* 1. **Policy on Work Place Diversity**

2.2.1 Diversity in the workplace refers to an organization that intentionally employs a workforce comprised of individuals with a range of characteristics, such as gender, religion, race, age, ethnicity, sexual orientation, education, and other attributes. Diversity at work can be portrait in different scenarios. Counting on people from different ages and ethnicity or allowing people with disabilities to be part of the work frame is one example. Diversity in the workplace means the acceptance and inclusion of employees of all backgrounds

2.2.2 Diversity of the workforce is an invaluable asset to the accomplishment of the [CSO’s Name]’s mission, as it brings together individuals from different backgrounds, cultures, genders and professional experience. Staff members are expected to welcome and respect diversity of persons and points of view, and its potential to enrich the work done by the [CSO’s Name].

### Prohibition of Harassment

2.3.1 [CSO’s Name] employees have the right to work in an environment that is free from demoralizing effects of intimidation and harassment. Abuse or corporal punishment in any form and verbal or physical conduct by any employee that harasses another or disrupts another’s work performance or creates an intimidating, insulting, offensive, abusive, or hostile work environment is not tolerated.

2.3.2 Unwelcome sexual advances, requests for sexual favors, and other unwelcome verbal or physical conduct of a sexual or offensive nature are considered sexual harassment and are specifically prohibited.

*Examples of sexual harassment include: unwelcome verbal behavior such as derogatory, offensive comments, suggestions, jokes, or remarks; unwelcome and inappropriate physical behavior such as pats, squeezes, deliberately brushing against someone’s body, or impeding or blocking normal work or movement; unwanted sexual advances; unwelcome and inappropriate visual harassment such as displaying derogatory, sexually suggestive, or discriminatory messages, photos, graffiti, pictures, cartoons, or drawings, at one’s work station; unwanted or offensive e-mail or voicemail messages.*

* + 1. The behavior need not be intentional in order to be considered sexual harassment.

2.3.4 In the instance of a violation of the policy, the complaint should be directed to the HR Unit in writing of the extent and nature of the discrimination for timely resolution and disciplinary action. All reported incidents will be investigated with an effort to keep the source of the report confidential except where disclosure necessary for resolution. Any employee who, in good faith, reports a possible violation of this policy will be protected from any form of retaliation.

*(Template Reference No HR - 003 for the Harassment or Abuse Reporting Form)*.

###  Employ Women, Young Persons and Children or Forced Labour

2.4.1 [CSO’s Name] shall comply with the Employment of Women, Young Persons & Children’s Act 47 of 1956 that regulates the employment of children, youth and women especially in relation to hours of work.

2.4.2 [CSO’s Name] shall not employ any person under the age 18 years since the legislation prohibits employment of any person under the age of 18 years at night including private industrial undertaking

2.4.3 Women can be employed at night subject to certain basic requirements. It must be voluntary and written authority must be got from the Labour authorities for working after 10.00 p.m.; for night work she must get 1.5 times the normal pay; female wardens must ensure the worker’s welfare; there must be availability of rest rooms and refreshments and not more than ten days of night work can be allocated per month. Women holding a management or technical nature position of [CSO’s Name] does not apply this condition.

2.3.4 [CSO’s Name] will not employ children or forced labour, or shall not allow physical punishment or abuse and shall adhere to related laws and regulations.

###  Health, Safety and Welfare Conditions of Employment

2.5.1 Safety is a matter of ethics and moral responsibility for each single employee of [CSO’s Name]. Accordingly, [CSO’s Name] is committed to providing a safe and healthy work environment to all employees including volunteers and third parties.

2.5.2 In supporting this commitment, all managers are responsible for ensuring that safety systems, programs and policies are in place and effectively implemented and each employee is responsible in observing the safety and health rules and practices applicable to their function.

2.5.3 The manager in charge of the safety function shall initiate appropriate and timely action in correcting known unsafe conditions and maintenance and awareness of [CSO’s Name]’s safety and health rules and regulations.

2.5.4 [CSO’s Name] shall provide adequate health, safety and welfare facilities to its employees in setting – every office premises functioning under management of [CSO’s Name] must be kept clean with a conducive work environment. There must be proper temperature, fresh air and ventilation. There must also be suitable and sufficient hygiene and sanitary convenience recognizing the different sexes. Adequate measures shall be taken to prevent from accidents by fire and riding by motor cycles in filed work. [CSO’s Name] must supply of safe drinking water, sanitizers, washing facilities, and seating facilities etc.

# **2.6 Workmen’s Compensation**

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**2.6.1 Coverage**

The coverage extends to all employees who have a contract, whether oral or in writing, and extends to apprentices as well. There is no exception in relation to types of employment or salary levels. The accident should arise out of and in the course of employment, which is a question of fact to be determined in each case. An injury sustained in the course of performing the duties for which he/she is employed. In relation to an occupational disease described in Schedule III, of the Workmen’s Compensation Ordinance, the fact of employment in a process is sufficient to cover the workman[[1]](#footnote-1).

**2.6.2 Claims for Compensation**

1. When an accident takes place, the employee concerned must immediately report on same to his/her supervisor. The Accident Form duly filled by the Supervisor and the employee should be taken to the First Aid Centre/ to the hospital for the doctor to make observations on the form, depending on the severity of the injury. The injured employee should be attended to promptly pending the completion of the documentation.
2. Where the workman is insured, within twenty-four (24) hours’ notice should be given to the insurer of the accident through the HR Unit.
3. A medical report should be obtained regarding the extent of the injury and the number of days of leave recommended for purposes of making and processing a claim.
4. Section six (6) of the Act deals with the payment of compensation and the ultimate authority with regard to the determination of claims is the Commissioner of Workmen’s Compensation, who is obliged to follow the compensation table under the Ordinance as may be amended from time to time.
5. Claims for compensation to the Commissioner of Workmen’s Compensation, should be made within two years from the date of the occurrence of the accident, or in the case of death, the heir could make a claim within two years from the date of death. Any claims made after two (2) years will not be entertained.
6. In terms of the Ordinance, a Register Book is maintained by the Safety Officer attached to HR Unit indicating particulars of all accidents and injuries met.
7. [CSO’s Name] may take out insurance policies with insurers to cover this risk in compliance with the Workmen’s Compensation Ordinance.

**2.7 Provisions of Shop and Office Employees’ Act**

2.7.1 [CSO’s Name] shall comply with mandatory provisions is available under the Shop and Office Employees’ (Regulation of Employment and Remuneration) Act. [[2]](#footnote-2)

1. HOURS OF WORK – The normal day’s work is limited to 8 hours and a normal working week is limited to 45 hours, excluding 1 hour for meals. Persons employed in different classes of shops and different classes of offices may have different hours of work, subject however, to several restrictions. Work in excess of the normal hours has to be treated as overtime and paid for at a rate not less than one and one-half times the hourly rate, calculated by dividing the monthly rate by 240. Executives in State Corporations are not entitled to overtime. The maximum amount of overtime is limited to 12 hours per week.
2. WEEKLY HOLIDAYS – On completion of 28 hours of work in a ‘week’, the law provides for the granting of one and half days’ holidays with pay, ‘Week’ is defined to mean the period between midnight on any Saturday night and midnight on the succeeding Saturday night
3. ANNUAL HOLIDAYS – The total annual leave entitlement is 14, and provision is made when employment commences between certain specified periods for the granting of the corresponding number of days as leave, in the succeeding year. Public holidays are granted with remuneration. Full moon poya days should be observed as holidays. Employment on such days is strictly on an overtime basis.
4. CASUAL LEAVE – The entitlement of casual leave for a calendar year is 7 days. This is to be utilized on account of private business or ill-health. In the commencing year of employment, one days is granted for every two completed months.
5. MATERNITY LEAVE – Female employees are entitled to maternity leave as provided in the statute. These entitlements are now well known. Maternity leave shall be in addition to other leave or holiday entitlements.
6. SALARY PAYMENTS AND DEDUCTIONS – The Act placed time limited within which employees’ salaries should be paid and the deductions that may be made from such payments. Employers must strictly observe these conditions
7. LETTER OF APPOINTMENT – It is a fundamental requirement under this act that an employer issues a letter of appointment to the employee detailing the conditions of employment. This ensures to the employee certain inalienable rights under the law. The letter of appointment so issued becomes a contract between the parties. The minimum requirements of a letter of appointment are spelt out in the Act.

However, most employers have developed terms and conditions over and above what is required by the legislation. It is expected that if the letter of appointment is in English it be explained to the employee in his language (Sinhalese or Tamil) and he or she acknowledges that its terms and conditions were clearly understood. The employee is entitled to a copy of the letter of appointment.

1. RECORDS OF EMPLOYEES – Employers are obliged to maintain certain specified records in respect of their employees as provided by the legislation. This is normally done by maintaining a Register of staff and also a Personal file in respect of each employee which has a record of all details from date of joining etc.

###  General Formalities

* + 1. **Pre-Employment Formalities**

The pre-employment formalities relates to the verifications that are carried out by the HR Unit on the certifications and references submitted by the selected candidate to a position.

* + 1. **Commencement of Employment and Induction**
1. Employment shall commence with the issuance of appointment letters and the new recruit shall submit completed forms on ‘personal information’ and sign-off on other agreements such as confidentiality and undertakings on compliance of [CSO’s Name] policies and procedures including staff regulations – code of employee obligation or code of conduct, declaration on information secrecy etc.
2. All new recruits shall be provided with a formal induction program which shall include *inter-alia* areas discussed in this manual.
3. The divisional heads shall provide the new recruits with insight into the [CSO’s Name]’s expectations on individual contribution towards the organizational objectives with an emphasis on identifying and agreeing on the ‘Key Results Areas (KRAs)’ relating to the new recruit’s functions.
4. The new recruit shall be provided with temporary Identity Cards /Time Cards relating to the bio-enabled time and attendance recording terminals.
	* 1. **Managing Work within Global Pandemic**
5. ALTERNATIVE WORK ARRANGEMENT: home office, virtual teams and telecommunicating: virtual team, flexibility, drawbacks will be vital to the [CSO’s Name] in managing their work within global pandemic
6. A virtual team will be arranged [CSO’s Name]’s employees to work in the same office or spread across various locations - which can be different geographical locations, may be different cities, countries and hence different time zones too. Employees of varied cultures, backgrounds, and expertise come together to work on a common goal.
7. Telecommuting means employees work at home by the use of an electronic linkup with a central office. Telecommuting is an employment arrangement in which the employee works outside of the [CSO’s Name]'s office. Often this means working from home or at a location close to home, such as a co-working space.
8. This arrangement involve providing flexibility in how staff members engage in work activities and utilize their time. Alternative work arrangements shall include flexibility in working hours, flexible work locations and workspace, and number of employees in workforce depending on current needs and employee skills and abilities to use video conferencing (for example - zoom, team viewer, webinars) and other IT based tools (for example - groupware systems , intranet and extranet, data warehousing, data mining, decision support systems)

(Please refer **Annexure 2** that includes Templates on Employment Practices).

# **Chapter 3 General Terms and Conditions of Employment**

# **Time and Attendance**

# **3.1 Overview**

3.1.1 The objective of time and attendance policy is to establish the CSO procedure on employee absence from work. Employees are responsible for regular attendance at work and must provide their supervisors with significant notice of any absence.

**3.2 Policy on Time and Attendance**

3.2.1 Regular attendance to work is an implied condition of the contract of employment. Habitual unauthorized absence from work shall be considered as an act of indiscipline. Such offences irrespective of rank will be dealt with stern disciplinary action from the moment they are detected; HR Unit is on strict surveillance on habitual absenteeism.

* 1. **Framework**

3.3.1 Daily attendance recorded by thumb impression on the Finger Scanning System is being operated by [CSO’s Name], which is capable of capturing the automated attendance recording system and processing of employee attendance records as an input to the payroll processing and maintaining leave records

Or

An attendance register must be kept in every office, in which the time of arrival and departure of every officer of the [CSO’s Name] should be written, with his/her signature.

3.3.2 Leave is to be regarded as a privilege, and not as a right. It is allowed both in the interest of the employee and that of the company. The employees of the [CSO’s Name] cannot claim leave as an unqualified right.

3.3.3 HR Unit is responsible for the implementation of this policy and procedure ensuring that all staff shall comply with the policy and procedure.

* 1. **Working Hours**

3.4.1 Offices of [CSO’s Name] shall be kept open for official duties from Monday to Friday except on mercantile holidays and on any other day as may be decided by the [CSO’s Name]. However, when there is a necessity the ED is empowered to open the office on mercantile and other holidays.

3.4.2 All offices shall be opened from 08.00 to 17.00 hours on every working day for official duties with the members of the executive staff. Though these are the general office hours, the ED is not restricted to employ his subordinates only within these hours when there is a necessity for their services outside these hours.

1. The working hours relating main office will be Monday to Friday 8.00 - 17.00 hours inclusive of 30 minutes for lunch interval after 12.30 pm. They are required to work minimum 42.5 hours per week, excluding intervals for meals (30 minutes per day) generally. The office employees are expected to work from 8.00 – 17.00 (Weekdays)

Weekend Holiday - Saturday and Sunday

1. This may vary to the project office and field staff, management could decide depending on the requirement - Working hours from 8.00am to 5.00 pm inclusive of one hour lunch break after 12.00pm (Monday to Saturday - Saturday half day working until 13.00 hours). They are required to work 45 hours per week.
2. Lunch interval for an employee shall be for a period of continuous 30 - 60 minutes staggered between 12.00 hours to 13.30 hours as may be approved by the head of the division/field unit
3. Management reserves the right to change the working hours, as may be deemed necessary from time to time subject to statutory regulations, as may be in force and such changes will be notified to the employees.
	1. **Time Attendance and Recording System**

3.5.1 This should be capable of capturing the automated attendance recording system and processing of employee attendance records as an input to the payroll processing and maintaining leave records etc. Daily attendance shall be recorded by all employees irrespective of rank (however ED/CEO may be relaxed) by thumb impression on the Finger Scanning System or Time cards confirming the attendance “In and Out” for their scheduled working hours.

Or

An attendance register must be kept in every office, in which the time of arrival and departure of every officer of the [CSO’s Name] should be written, with his/her signature and these books must be regularly submitted to an authorized officer for verification.

3.5.2 Any office of [CSO’s Name] not to be closed on a day other than a mercantile holiday except by permission of the ED.

**3.6 Attendance Reports**

**3.6.1 Daily Attendance Reports**

For abnormal attendance records are verified on daily basis by the HR Unit having confirmed by the respective manager in-charge or divisional head

* + 1. **Headcount Reports**

At the commencement of the day HR Officer would require to make a head count report including the staff working in project office

* + 1. **Late Attendance**

All employees are expected to be punctual at work. Habitual late attendance will be considered as misconduct and disciplinary action will be initiated as per the disciplinary procedures of the company.

1. An employee may be granted two short leaves of 1 ½ hours each per month. However, this should not be utilized as a habit
2. Late attendance of an employee up to maximum of 15 minutes may be allowed to cover after 17.00 hours on the same day. However, this should not be practiced as a habit.
3. Reporting for work after 09.15 hours is considered as a half a day leave. However, late attendance could be set off against the short leave, if available. However an officer who required travel extensively in the field including holidays, reporting time of such officer could be relaxed provided ED excused his late attendance.

* + 1. **Late Attendance beyond Employees' Control**
1. Late attendance due to the reasons beyond employees' control may be considered at the discretion of the management upon submission of an appeal from the employee, for a valid reason acceptable to the management. E.g. floods, interruption to public transport etc.
2. Requests for leave should be submitted on a leave application from three (03) days before going on leave well in advance.
3. Approval must be received before leave can be taken.
4. Any unplanned leave, including Sick Leave, must be reported to the supervisors on the morning of the first day of absence.
5. Absence required to attend a funeral or attendance at court on a private matter, must be taken as casual Leave.
6. Unauthorized absence, including any abuse of leave provisions, may lead to disciplinary action

**3.7 Absence from Work**

**3.7.1 Absence without Prior Approval**

1. If an employee gets absent without prior approval of leave, he /she must immediately initiate appropriate steps to inform the management about his/her absence properly giving the reasons. Message could be conveyed by sending a telegram or a letter and delivered or by giving a telephone call to a responsible office, who will have to send a written note to the HR Unit to that effect.
2. Any absence exceeding two (02) days due to ill health should be covered by a medical certificate issued by a recognized medical practitioner.
3. In the case of prolong absence due to ill and health, management reserves the right to get particular employee examined by a medical officer nominated by the [CSO’s Name].
4. In the event of any hospitalization of an employee, such absence should be covered by a medical certificate issued by the respective hospital authority, may be accepted.

**3.7.2 Unauthorized Absence**

Absence of any employee from work continuously for two (02) days or more without any intimation to the management will be an offence which warrants disciplinary action against such an employee in accordance with the company disciplinary procedure.

**3.7.3 Habitual Absenteeism**

Habitual absenteeism will be considerate as a misconduct warranting disciplinary action against such employees not excluding termination of service.

**3.8 Leave Entitlement**

**3.8.1 Genera Provision**

1. Leave is to be regarded as a privilege, and not as a right. It is allowed both in the interest of the employee and that of the company. The employee cannot claim leave as an unqualified right.
2. An application for leave must normally reach the office of the authority granting leave at least three working days before the date from which the leave is to be commenced. An officer who desires a reply by telegram should pre-pay the reply.
3. All leave is granted subject to exigency of services and leave already granted can be curtailed or cancelled at any time by the authority granting the leave. However, this condition will apply to an employee on casual and annual leave only.
4. Authority granting leave to an officer shall usually be the supervising officer to whom the employee is reporting for work, unless otherwise specified.
5. Any leave not covered under these rules shall be referred to the ED on the recommendation of HR Manager for consideration (e.g. special leave granted on quarantine or travel restriction or country lockdown due to the pandemic of corona virus).
6. In calculating Casual Leave, Saturdays, Sundays and Mercantile holidays should be excluded. Vacation leave/Annual leave when it is to be spent outside the Island includes Saturdays, Sundays and Mercantile holidays falling within the period of such leave.
7. All applications for leave must be made in the prescribed application form provided by the company.
8. However, when an employee is unable to report for work due to illness or due to un-foreseen urgent circumstances, he may convey a message over the telephone and receiver of such message should record it in a register maintained for such calls. Once the employee returns to work, he should submit a leave form to cover his absence.
9. An employee shall not be absent himself from duty, without prior approval except under circumstances in the above
10. If an employee is absent himself without intimation to his superior officer before the end of the day that he does not report for duties he shall be deemed to have vacated his post.
11. Employees should not be absent from work for more than two days (2) without prior approval other than under special circumstances beyond their control. Failure to do so will be considered as a breach of discipline.
12. All permanent staff shall be entitled to following number of days leave with pay for one year, subject to the provisions under each category of leave.

Vacation/annual Leave - 14 days

Casual Leave - 7 days

Total - 21 days

“Year” means calendar year, 12 months from January to December

**3.8.2 Leave Entailment during First Year of Employment**

During the first year of employment, any employee will be entitled to one day’s leave for each completed two months period classified as casual leave. First year of employment is defined as from the date of appointment up to 31st December of that particular calendar year

**3.8.3 Application for Leave**

1. All employees are required to complete the leave card or leave forms submit for the approval of the head of the department or section head when an employee gets absent from work.
2. All employees should submit leave applications on the first day of resuming duties after absence. In the case of late leave applications without a valid reason‚ management reserves the right to turn down such leave applications and treat as No Pay.
3. In the event of failure to complete and submit leave applications after the absence as specified in above
4. Time cards of such employees will not be made available at the end of the shift, until the leave application is made.
5. After the approval of the divisional or sectional/unit head, the leave card should be returned to the HR Unit for necessary action.

**3.8.4 Half Days’ Leave**

All employees including project office and field staff, a “half day” for the purpose of leave will be counted as a minimum of 04 ½ Hours either in morning before 12.30 pm or in the afternoon after 12.30pm

**3.8.5 Casual Leave**

1. Maximum entitlement is 07 days for each calendar year, in respect of the second or any subsequent year of employment.
2. Casual leave should be generally applied for in advance. However, Casual leave also may be granted for any reason which could not have been foreseen.
3. Casual leave will not be granted for absence exceeding 2 days in one occasion or on days immediately pending or following Annual leave

**3.8.6 Annual Leave**

1. Maximum entitlement is 14 days for each calendar year and shall be granted as described below.
2. In the first year of employment, there will be no entitlement to annual leave. At the completion of the first year of employment, an employee will be thereafter entitled to annual leave proportionately on the following basis for his/her second year of employment.
	1. Those who joined during the first quarter of the year e.g. between 01st January and 31st March – 14 days.
	2. Those who joined during the second quarter of the year e.g. between 1st April and 30th June – 10 days.
	3. Those who joined during the third quarter of the year e.g. between 1st July and 30th September – 07 days.
	4. Those who joined during the fourth quarter of the year e.g. between 01st October and 31st December – 04 days
3. Thereafter, in respect of each calendar year of employment, the annual Leave entitlement will be 14 days.
4. Annual leave should be taken always with prior approval of the management.
5. Annual leave should be utilized during the calendar year in which it is due and cannot be carried forward.
6. Combination of annual and casual leave is not permitted other than in exceptional circumstances acceptable to the management.
7. Due to exigencies of work, the management reserves the right to refuse any application for annual leave.

**3.8.7 Annual Leave on Termination**

Where employment is terminated, the employee is entitled to the annual leave earned by him/her in respect of the previous year plus the days earned during the year of termination. They entitle one day for every month worked for a period less than 10 months, and 14 days if employee has worked 10 months or more, less any annual leave availed of by him/her during the year of termination.

**3.8.8 Annual Leave on Resignation**

Where an employee resigns from the services without notice in breach of his/her contract, then the management reserves the right not to grant unveiled annual leave

**3.8.9 Leave for Communicable/ Infectious Diseases (Extra Sick Leave)**

1. In the event of a communicable/Infectious diseases (E.g. Chickenpox, Measles, Mumps, Rubella, Typhoid, Harpies) Management shall grant special leave with pay subjected to a maximum duration of 14 days for each calendar year, inclusive of all holidays and non-working days.
2. Quarantine if anyone employee has been [close contact](https://www.cdc.gov/coronavirus/2019-ncov/php/contact-tracing/contact-tracing-plan/appendix.html#contact) with someone who has COVID-19, unless he/she has been[fully vaccinated](https://www.cdc.gov/coronavirus/2019-ncov/vaccines/fully-vaccinated.html) for 14 days following exposure or until their test result is negative. Employees who are fully vaccinated do NOT need to quarantine after contact with someone who had COVID-19 unless they have [symptoms](https://www.cdc.gov/coronavirus/2019-ncov/symptoms-testing/symptoms.html). If an employee infected with COVID-19 whom should be separated from those who are not infected shall be granted 14 days special leave with pay to stay at home until it’s safe for them to be around others. Half day paid leave may be given for vaccination.
3. For This purpose, employee is required to obtain and forward a medical certificate from area government medical officer of health/company registered doctor panel to that effect to cover up total period of absence. In the case of eye infection, the period considered for special leave with pay will pay will be subjected to a maximum of 4 days, on the recommendation of the panel doctor.
4. The employees who are incapacitated by either Tuberculosis or Leprosy, with more than a year service will be given leave with full pay (extra sick leave) for a period of two months subject to medical advice through a doctor nominated by [CSO’s Name].

**3.8.10 Absence from Work due to Accidents while on Duty.**

Absence from work due to an accident while on duty, will be monitored by the HR division on the following basis.

1. When an employee meets with an accident arising out of employment and In the course of employment and if the said accident is not due to negligence or willful default of the employee.
2. Period of absence for more than 03 months will be with half pay.
3. It is the responsibility of the divisional/sectional head to initiate the prescribed accident report and submit same with two witness to the HR manager for necessary action.
4. In the event of an accident in the course of employment, but due to negligence or willful default of the employee, company shall not grant leave with pay.
5. All medical certificates pertinent to such accidents should be recommended and certified by a doctor nominated by [CSO’s Name].

**3.8.11 Maternity Leave/Benefits**

Married female employees will be entitled to maternity leave as described below.

1. Maternity leave for birth of first or second child In relation to the birth of the first or the second child, she will be entitle A total of 84 working days applicable for the shop & office female employees. Total of 84 days applicable for the female employees are comes under the wages board. For the abovementioned maternity leave of 84 working days, the female employee can take maximum of 14 days as pre-confinement leave and 70 Days as post-confinement leave.
2. Maternity leave for birth of a third or subsequent child or a dead child or a viable – fetus. In relation to the birth of a third or subsequent child, (the female should have at the time of confinement of third child, two children alive otherwise her entitlement will be 84 working days) or the issue of a child that is dead or the issue of a viable fetus”, she will be entitled to a total of 42 working days.
3. For the abovementioned maternity leave of 42 working days, the female Employee can take maximum of 14 days as pre-confinement leave and 28 Days as post-confinement leave.
4. However, if a female employee decides to take the fourteen (14) days pre confinement leave and the child is born before the expiry of the fourteen (14) days then the unutilized portion of this leave should be added to her post- confinements leave and granted
5. For the purpose of calculation of maternity leave for the shop and office female employees weekly holidays, Poya holidays statuary holidays and any other non-working days of the company should be excluded. For the purpose of calculation of maternity leave for the wages board female employees weekly holidays, Poya holidays statuary Holidays and any other non-working days of the company should be included.
6. Requirement of notice confinement by female employee. The law requires the female employee to give notice to the employer of the following within one week of confinement;
	* 1. The date on which she was confined, she must also state whether the child was born alive or not, as it is relevant to the quantum of leave.
		2. Number of children she has on the date of the confinement for the purpose of assessing the number of days leave to which he is entitled
7. It is the responsibility of the female employee concerned to obtain and submit a valid medical certificate to support maternity leave.
8. Death of mother: if a female employee dies during her maternity leave (whether it is in relation to the first two children or otherwise), the leave in respect of which payment must be made is only up to and including the date of her death

**3.8.12 Lieu –Leave**

**Non-executive grade:**

An employee is entitled to take Lieu –Leave for the work performance on Sunday for not less than (09) hours.

1. Lieu –Leave should be failed within the calendar month and if not a payment will made along with the salary in that particular month
2. Lieu –Leave should be taken always with prior approval

**Executive grade:**

1. Any executive officer to the [CSO’s Name] entitled to Lieu – Leave for the work performed on any holiday on the following basis
2. For the work performed not less than 4/1/2 entitled to the half day
3. For the work performed not less than 9 hours entitled to 1 day
4. All executive should avail Lieu – Leave within the month of the following calendar month and if not availed will automatically laps
5. The executives those who are entitled to encash their lieu – leave with the approval of the ED, if they are unable to avail them due to exigencies of work

**3.8.13 Day-Off**

1. An employee will be given a day off when he /she performs duties for more than 24 hours at a stretch, the day following will have to be given as a day off.
2. The purpose of granting a day-off is for the employee to take a rest after performing long hours of work and therefore as far as possible all divisional or sectional heads must ensure that employees be given day-off on the following day.
3. If the following falls on a holiday, no additional day off is given and not applicable for a day off.

**3.8.14 Leave to Attend Courts**

If an employee is required to attend courts on any matter required by the management in his /her official capacity he / she shall be granted duty leave to appear in courts.

**3.8.15 Leave to Vote at Elections**

1. Parliamentary elections: An employee who is qualified to vote at a parliamentary election is entitled to obtain paid leave for minimum of 4 hrs. to enable him / her to exercise his / her vote
2. Local authority elections: An employee who is qualified to vote at a local authority election is entitled to obtain paid leave for minimum of 4 hours to enable him /her to exercise his/her vote
3. Provincial council elections an employee who is qualified to vote at a qualified provincial council election is entitled to obtain paid leave for minimum of 4 hours to enable him / her to exercise his / her vote. Any additional leave that may be granted will be at the discretion of the management, as per the distance to the polling station from the work place
	* 1. **Duty Leave for official purpose**

Any employee shall be entitled to duty leave to participate seminars, training programs, overseas training and assignment or any other programs nominated by the company

**3.8.17 Duty Leave to attend Training**

Employee shall be granted the duty leave to attend the training program provided by the company and duty leave for the training program should be always taken with the prior approval

**3.8.18 Leave without Pay**

Under an extreme circumstances leave without pay will be considered in accordance with the situation and the work arrangement by the management

**3.9 Holidays**

* + 1. **Weekly Holidays**

In general Saturdays and Sundays are treated as weekly holidays, this is not applicable for duty officers and, there weekly holidays are as determined by the management.

* + 1. **Full Moon (Poya) Holidays**

As published in the government publication bureau calendar in each year

* + 1. **Statuary holidays (Mercantile Holidays)**

The following days are declared as statuary holidays in any calendar year

1. Thai Pongola Day
2. National Day
3. Day Prior to Sinhala and Tamil new year day
4. Sinhala and Tamil New Year Day
5. May Day
6. Day following the Wesak full moon day
7. Holy Prophet’s Birth day
8. Christmas Day
9. Special Leave Jan 12th on Late Chairman Memorial Day

### Staff Mobility (Transfers)

**3.10.1 Job Rotation**

Employees are provided with opportunities to widen their exposure and further their career development within the organization. Employees may be transferred from one division to another or one location/post to another for career development or operational/structural reasons. These transfers will be on either temporary or permanent basis and will not result in lowering of job status.

**3.10.2 Voluntary transfers**

These transfers are made depending on the nature of the grievance or personal request of the employee and also depending on the staff requirement of the relevant division or factory location.

* + 1. **Involuntary transfers**

These transfers will be made from time to time in order to maintain the efficient operations of the company and will be carried out in consultation with the relevant divisional heads/factory location and the HR Unit.

# **3.11 Probation and Confirmation**

3.11.1 The purpose of the probationary period is to allow time for new employees and the organization to ensure their expectations on employment and job performance are met.

3.11.2 All new employees are required to undergo a probationary period of six months unless otherwise decided by the management of [CSO’s Name] subject to extension at the [CSO’s Name]’s discretion. The period of probation should be stated in the employee’s letter of appointment.

3.11.3 If the work, attitude, attendance, performance and conduct of a probationer continue to be unsatisfactory, a written warning will be sent by the HR Unit advising the probationer to show sufficient improvement in the stated areas.

3.11.4 A promoted employee will initially be on a probation period of six months. If the performance and competencies are unsatisfactory of those, the head of the division in the probationary assessment form may recommend the reversion of the employee to the former position.

### 3.12 Assessment and Confirmation

3.12.1 If the head of the division considers that the performance or working attitude of a new employee is not satisfactory and a longer period of observation is required, the employee will be requested to undergo an extended probationary period. Employees who perform unsatisfactorily or are not suitable for the job may be terminated at any time in accordance with the provision of this manual

3.12.2 Subject to satisfactory performance, employees will be confirmed after the probationary period as permanent employees of the organization and be eligible for employee benefits accordingly.

3.12.3 Confirmation of the employment shall be in writing and at the sole discretion of the management and the failure of the company or omission to confirm or not confirm in employment at the time that the period of probation or extended probation may expire shall not result or quality for any automatic confirmation in employment. An employee continues to be on probation until and unless confirmed in writing.

**Chapter 4 Manpower Planning**

**4.1 Overview**

The Manpower Planning is defined as identification and acquisition of the appropriate human capital at the right time and right cost for the effective operation of organizational functions and project/ program activity. This entails analysis of current personnel availability, future demand and supply of human capital and bridging the gap

**4.2 Policy on Manpower Planning**

[CSO’s Name] will be committed towards identifying the ideal human capital requirements through a defined and formal process of continuous assessment, implementation, monitoring and evaluation targeted towards overall organizational performance excellence and sustainability.

**4.3 Framework**

4.3.1 The manpower planning is based on alignment of organizational objectives to the discharge of divisional functions that are required to be carried out through appropriate human capital on divisional or project/program basis.

4.3.2 Identification of current employee availability in terms of quality and quantity through updated database of the organization's human capital.

4.3.3 Identification of current employee utilization in terms of divisional functions and/ or project/program activity as well as overall organizational performance

4.3.4 Identification of the demand for human capital through development of Business Case based on future organizational /divisional needs as well as project /program needs

4.3.5 Estimation of future human capital supply including considerations relating to succession planning

4.3.6 Development and implementation of effective manpower planning through;

1. Formation a Manpower Planning Committee – MPC within the [CSO’s Name] to evaluate the need before placing them for formal approval.
2. Standardization of divisional or program wise manpower requirements through needs analysis for effective divisional performance
3. Acquisition, retention and career development of the company’s high talent people through initiatives that include promotion, succession planning and training
4. Bi-annual reporting on divisional HR statistics on absentee rates, age, gender, turnover, hard-to fill jobs, exceptional individuals and their skills and training identification
5. Capturing of past staff fluctuations and operational changes

### Procedures

4.4.1 Divisional Heads/Program Heads shall identify divisional functions/program activity in alignment with the divisional objectives arising from organizational objectives and the HR Unit shall assist, review and maintain such documentation *(Template Reference No. HR 004A – Divisional Objectives and Functions).*

4.4.2 Each divisional head/Program Head in consultation with the HR Unit shall analyze the required staff personnel for effective discharge of divisional performance as against the presently available staff personnel that indicate the present staff need and HR Unit shall maintain such documentation *(Template Reference No HR 004B – Present Staff Need and HR Demand)*. This shall also relate to the identification of divisional competency gap, training needs and the overall HR demand of the division as a standardization.

4.4.3 The divisional head/ program head shall analyze the utilization of staff in terms of the required competencies developed based on the divisional functions with the assistance of the HR Unit *(Template Reference No HR 004C – Standardization of Divisional HR Demand - Quantitative Approach/Trend Analysis)* Accordingly, each divisional head shall identify the staff utilization through re-examination of each staff role and responsibility, performance, competencies and staff development initiatives with the assistance of the HR Unit. HR Unit in consultation with divisional head shall identify and ensure highest utilization of HR competencies through strategies such as job rotation, multi-tasking and cross divisional functions.

4.4.4 The HR Unit in consultation with the divisional heads shall maintain a Human Resource Information System (HRIS) - HR statistics, effectively updated to identify the organization’s human capital.

4.4.5 HR division shall review and evaluate in standardizing the above findings whilst divisional heads shall develop quantitative and qualitative factors that shall be considered as a benchmark on relevant divisional staff demand. HR division shall maintain the related documentation *(Template Reference No. HR 004D – Standardization of Divisional HR Demand - Qualitative and Quantitative Factors /Reasons))*

4.4.6 Estimate the future supply that identifies the future need and take required steps to fill the relevant need through completion of ‘Manpower Requisition Form (MRF)’ that formulates a business case. Similarly, estimate the differences required in the standardized HR demand through completion of MRF *(Template Reference No. HR 004E - Manpower Requisition Form)*

4.4.7 Acquisition, retention and career development of the company’s high talent people shall be administered through initiatives that include promotion, succession planning and training facilitated and led by the HR division *(Template Reference No HR 004F – Promotion Case Analysis Form)*

4.4.8 The approval of the ED may be obtained (it may be referred to Governing Body for concurrence, if deem to be necessary) with the recommendation of the Manpower Planning Committee (MPC). MPC comprised with Human Resource Manager and/or Finance Manager, Program Manager and relevant Divisional/Unit Head, should critically evaluate the manpower requisitions. The manpower requirements shall follow the procedures set-out herein and the divisional head shall submit relevant documentation to the HR Unit which shall be evaluated by the HR Unit and submitted to the MPC within a period of two weeks from the date of submission of the requisition form by the relevant divisional head.

4.4.9 Bi-annual reporting on divisional HR statistics on absentee rates, age, gender, attrition, hard-to fill jobs, exceptional individuals and their skills and training identification shall be captured by the HR division facilitated through divisional heads *(Template Reference No. HR 004G – HRIS Guidelines)*

4.4.10 Forecast current personnel availability, future demand and supply of human capital and bridging the gap and determine the HR arrangement (recruitment, promotion, succession planning, training development initiatives, redundancy planning, redeployment planning, productivity planning) *(Templates References No HR 004H (I) - Check list Forecasting the Demand, No HR 004H (II) - Checklist for Forecasting the Supply of Labour, and No. HR 004H (III) - Bridging the Gap)*

4.4.11 Divisional/ Program HR cost analysis by HR Unit towards understanding trends and aspects of divisional manpower inclusion *(Template Reference No HR 004J -The HR Cost Analysis)*

(Please refer **Annexure 3** – Templates on Manpower Planning that includes HR 004A – HR 004)

**4.5 Illustration of Manpower Planning Process Flow Chart**

Company Plans /Strategies

Company Objectives

Demand for Employees

Current Employee Availability

Current Employee Utilization

HR Statistics/HRIS

Net Demand for Employees

Standardization of Divisional Demand

Retirement/ Redundancy Programs

Estimate Employees Supply

Potential – Promote

Existing – Train

Promotion/ Succession Plans

Recruitment Plans

Training Plans

Divisional HR Cost analysis

Employee Estimates – Manpower Plan

Approval

Manpower Inclusion

**Chapter 5 Recruitment**

###

### 5.1 Overview

The sequence of activities pertaining to recruitment and selection of employable candidates from within or outside [CSO’s Name] for a job vacancy, in a most timely, focused and cost effective manner.

### 5.2 Policy on Recruitment & Selection

5.2.1 [CSO’s Name] will be committed towards identifying the ideal personnel through a defined and formal recruitment process, targeted towards overall organizational performance excellence and sustainability through the goals of;

1. Attracting competent, committed and confident people in a focused approach towards the closest fit between the vacancy profile and the candidate profile with cultural compatibility that facilitate the right selection
2. Enable a winning approach in cost and benefit proposition as well as in the long -term employee retention concept
3. Enable capturing a wider choice of appropriate candidates and a transparent and competitive approach in the final selection of the ideal candidate
	1. **Framework**

5.3.1The policies and procedures of manpower planning shall be read together with the selection criteria and the recruitment policy and apply and influence same.

5.3.2 The HR Unit will be overall in control and coordinate with the related divisions in the process of recruitment and selection. Each division with a recruitment requirement shall develop a business case for such requirement together with a clear vacancy profile and obtain the approval of the Manpower Planning Committee (MPC) for such recruitment.

5.3.3 The most effective vacancy awareness process shall be identified as per the level and type of vacancy profile in keeping with the approved selection criteria and the candidate response statistical details shall be maintained that ensure transparency in the recruitment process by the HR Unit.

5.3.4 The HR Unit shall pre-screen the candidate responses against the specific vacancy profile and prepare a comprehensive report on pre-screening and short-listing that ensure persistent transparency in the recruitment process.

5.3.5 The short-listed candidates will be interviewed in terms of the provision in the approved selection criteria and assessed as per the most appropriate and effective assessment mode and a comprehensive interview/assessment report shall be developed by HR Unit that sustains the transparency of the selection.

5.3.6 A comprehensive reference check process, police and health clearances as well as a final meeting with candidate for a clearer understanding of employment terms and expectations will be conducted, coordinated by the HR Unit.

5.3.7 The decision on selection of candidate by the panel of interview will be considered final and conclusive and submitted for the approval of the ED.

5.3.8 The HR Unit shall prepare post-selection feedback notes for any interviewed applicants who might seek feedback information on the selection panel’s assessment of them

5.3.9 The HR Unit shall advise in writing all unsuccessful candidates who were interviewed once the formal selection decision has been made

5.3.10 Evaluation of effectiveness and statistical analysis of the recruitment process will be reported by HR Unit on a bi-annual basis. This may include:

1. Cost-effectiveness analysis of recruitment process
2. Effectiveness of recruitment advertising
3. Statistical validation of assessment methods
4. Equal opportunities monitoring.
5. Retention and performance of the candidate selected.

### 5.4 Procedures

**Phase 1 - Recruitment Planning**

1. ***Establishing a Vacancy:***

5.4.1 Estimate the future supply that identifies the future need and take required steps to fill the relevant need through completion of ‘Manpower Requisition Form *(Template Reference No. HR 004E - Manpower Requisition Form)*. This process (in paragraph 4.4.6) may be adopted if the manpower requirement arises due to business diversification or/and creating new positions due to scaling up of its operations etc.

5.4.2 There will be situations to fill vacant positions due to superannuation, resignation or promotion upward in the company hierarchy. *Template Reference No HR 005A – Manpower Requisition Form*may be adequate for such routine filling arrangement.

5.4.3 The divisional head shall submit relevant documentation to the HR Unit which shall be evaluated by the HR Unit and submitted to the MPC of the [CSO’s Name].

5.4.4 The decision of the approval committee shall be made in writing and signed by committee members, within a period of two weeks from the date of submission of the requisition form by the relevant divisional head

5.4.5 Committee decision shall be submitted to the ED by the HR Unit for approval to fill respective vacancy (it may be refereed to Governing Body for concurrence, if filling positions relates to the senior rank).

5.4.6 Once the approval has been given to recruit, the HR Unit will proceed with the recruitment process.

1. ***Design Selection Process***

5.4.7 [CSO’s Name] shall adhere to the approved selection criteria and the recruitment policy in selecting appropriate applicants for employment, which shall be based on the principal qualifications, competency criteria and inherent requirements of the job.

5.4.8 Required competencies under each job category are to be pre-determined and evaluated by the selection panel in selecting right candidates for appropriate job position in the [CSO’s Name].

5.4.9 However, the selection panel may vary in size, depending on the level of the vacancy to be filled and at differing stages of the interview process. But it is recommended that the panel should consist of at least three members, who are senior in rank to that of the expected appointment and if possible, be mixed in terms of race and gender.

5.4.10 The panel members must be satisfied that their relationship with any candidate will not improperly influence their decision; or give rise to suspicion about their selection and shall be responsible for ensuring that the selection decision is based upon facts gathered throughout the selection process in keeping with the recruitment objective and policy.

5.4.11 In the event a member of a selection panel has a close personal relationship or possible conflict of interest with an applicant, the member shall disclose such personal relationship or possible conflict of interest to the HR Unit. Such disclosure should be made before the short listing of applications or, where this action was not taken, before the holding of interviews. Similarly, panel members shall disqualify themselves from acting as referees for any applicant for the position in question.

5.4.12 The panel members should be experienced or trained on recruitment and selection and be familiar with the company’s recruitment policy, selection criteria, anti-discrimination legislation and equal opportunity.

5.4.13 In the event a panel member is unable to participate in the selection process, the HR Unit shall endeavor to seek a replacement member who will maintain the original expertise, gender balance and/or diversity of the panel.

5.4.14 The panel members are bound to maintain confidentiality relating to the deliberations of the panel members, applications, referee names and reports or comments, short listing and interview discussions during and after the recruitment process.

5.4.15 The related division shall in consultation with the HR Unit identify the most appropriate assessment method to be applied in terms of the specific job vacancy. The key assessment methods may include:

1. Structured Interview
2. Work simulation such as role plays
3. Group discussions/group interviews
4. Presentations
5. Psychometric test (developed, administered and interpreted by accredited people)
6. Practical assessments (e.g. to assess technical capability - written examination to assess subject knowledge and exposure in the confectionary industry, language proficiency, general knowledge, IQ and analytical skills, job related skill tests, speed test for steno typist, driving test etc.)
	* 1. HR Unit shall maintain all documentation relating to the selection process.

**Phase 2 – Vacancy Awareness Building**

1. ***Internal Advertising***

5.4.17 [CSO’s Name] encourages its staff to apply for vacant positions in specialized areas based on their qualifications and experience. An internal search would be conducted prior to or simultaneously with the external search.

5.4.18 The vacancies at [CSO’s Name] (whether externally advertised or not), except confidential recruitment assignments shall be posted on a common and accepted site or posted on Notice Board or such other communication mode (e.g. internal notice) applicable by the HR Unit that provides access to all the employees of [CSO’s Name]. Confidential recruitment assignments are defined as that declared by the ED as recruitments to be kept confidential for specific reasons in the interest of the company.

5.4.19 Permanent staff that meets the eligibility criteria as per the internal notice (extract of the selection criteria of internal promotion) could apply for posted jobs. The curriculum vitas of the applicants should be sent under relevant reference to the HR Unit before the closing date through the respective manager/divisional head.

1. ***External Advertising***

5.4.20 The approval to advertise externally shall be sought by the HR Manager from the ED in the absence of right skill/persons are not available to recruit within the company as per the personal profiles with the HR division maintained under ‘candidate database’ or through internal advertising.

5.4.21 In keeping with the key objective of external advertising, the selection criteria and the job role shall be developed in a focused manner and the advertisement drafted to project a positive image about the company that capture a higher number of suitable applicants from the market.  It shall also indicate a reference number, contact name and the number, e-mail address, closing date for applications and a request for minimum references.

5.4.21 The related HOD and the HR Manager shall take equal responsibility pertaining to advertising and shall complete external advertising check list in this regard *(Template Reference No. HR 005B - External Advertising Check List)*.

1. ***Recruitment through a Recruiting Agency***

5.4.22 A decision to use a recruitment agency shall be made by the ED upon the recommendation of the HR Manager in agreement with the related division having reviewed competence and professionalism of the agency and the related terms and conditions that include fee, replacement clauses and payment terms.

5.4.23 The selected agency shall provide the services of facilitating development of advertisement and placement of same in media, prescreening of applicant responses (database matrix that also include information on remuneration details and expectations and required notice period), short listing of applicants in consultation with [CSO’s Name] for interviews, assessment and interviews, submission of recommendation reports, reference checking and final report that provide facilitating [CSO’s Name] make informed decisions on recruitment. The services shall also include sending of regret letters to all unsuccessful candidates.

**Phase 3 – Prescreening of Responses and Short-listing of Candidate Profiles**

5.4.24 The HR Unit having logged all applications received up to the end of the closing date, HR Manager and the HR Unit may take the responsibility of the initial pre-screening and shall submit same to the selection panel for confirming the prescreened applications in terms of the selection criteria within 5 working days from closing date of applications. There shall be continuous tracking of response status throughout the process that maintain and record summary of applications received via postal, e-mail, fax, total and late applications *(Template Reference No. HR 005C - Initial Screening Purpose, Template Reference No. HR 005D - Brief Summary of all Eligible Candidates and Template Reference No. HR 005E - Summary Information).*

5.4.25 The HR Unit shall design a points or rating system to score candidates against the criteria in the pre-screening process and prepare a short-listed candidate details summary against the selection criteria. Additional desirable criteria should be used in consultation with the panel members to reduce large number applicants who appear to meet all essential criteria. The views of all panel members shall be collected and considered in order to ensure that the short-listed candidates are agreed by the panel.

5.4.26 Former employees, other than those who have been dismissed for misconduct shall be considered for appointment on their merits.

**Phase 4 – Interview and Assessment Process**

5.4.27 Applicants who are eligible as per the selection criteria will have to sit for an aptitude test depending on the position applied. The aptitude test would include areas such as general knowledge, IQ and English language proficiency. Other subjects may vary depending on the area of specialization of each position, and the requirement to sit for an aptitude test too depends on the level of position vacant.

5.4.28 Any such assessment will be carried out by an authorized examination body acceptable to the [CSO’s Name] without any involvement of the staff members of [CSO’s Name] in order to avoid biasness. A competitive selection process would be adopted by [CSO’s Name] at all times in terms of the entity selected to hold the assessments.

5.4.29 Candidates who obtain the highest marks from the aptitude test, in order of merit will be called for the preliminary interview. The purpose of an interview is to add value to the selection decision through expanding the information provided on the application, collecting new job-related information and determining the candidate’s competency “fit” to the job.

5.4.30 The HR Unit shall schedule dates and times for interviews in consultation with the selection panel and notify candidates via letter, email or phone within 3 days of short-listing and giving one week of notice to the candidates.

5.4.31 [CSO’s Name] will ensure that a suitable environment with no interruptions for conducting interviews is identified. The interview shall consist of the following segments:

1. Introductions and overview of the structure of the interview
2. Questions on interviewee’s work experience and qualifications for the position (competency-based questions shall be pre-determined by the selection panel).
3. Overview of the position and company
4. Opportunity for the interviewee to ask questions
5. Summary of interview including the way forward

5.4.32 The initial questions shall be the same for all candidates for comparative analysis purpose and the supplementary questions may be formed as appropriate depending on the answers.

5.4.33 Record interview responses on pre-determined interview assessment sheet agreed by the panel for assessment and original documentation on evidence of qualifications shall be checked by one panel member *(Template Reference No. HR 005F – Interview Rating Form).*

**Phase 5 – Recruitment Finalization Process**

5.4.34 The panel members shall collectively recommend the selected candidates systematically and objectively on the basis of evidence obtained subject to the final approval from the ED (subject to the concurrence of Governing Body, if deem necessary), reference checks, security clearance and health checks *(Template Reference No. HR 005G – Reference Check Form).*

5.4.35 Reference checks shall be obtained particularly from former employers (requires to obtain prior approval from candidate prior to seeking reference from present employer of candidate) to verify and validate objective evidence and factual information already gathered during the selection process and will only be carried out for candidates recommended by an interviewing panel in a consistent manner and shall not contain any discriminatory elements. Original references shall be confidentially held by HR Unit. [CSO’s Name] shall screen the finalized candidate/s prior to hiring.

5.4.36 The total number of applications received and the number of candidates interviewed should be informed to the ED and his approval is obtained for the following:

* 1. Name/s of the selected candidate/s
	2. Proposed salary step, salary scale/salary grade and allowances
	3. Other terms and conditions of the job

*(Template Reference No. HR 005H – Report of Interview Panel)*

5.4.37 An offer letter (letter of intent) shall be sent to successful candidates within 7 working dates on final decision of selection from ED (or Governing Body where cases are related to the higher rank) to the successful candidate *(Template Reference No. HR 005I – Specimen for Letter of Intent).*

5.4.38 Before appointing a candidate to a higher rank position, approval of the Governing Body to be obtained. The formal letter of appointments to be signed by the ED, letter of appointments should include;

1. Job category or level and the designation
2. Basic salary and other allowances agreed at the interview
3. Date of appointment and probation period
4. Status of the post e.g. permanent, fixed –term contract etc.
5. Rate of contribution towards EPF and ETF by the employer and employee
6. Furnishing of security bond or fidelity guarantee (if required)
7. Job Description (JD) or Terms Of Reference (TOR)
8. Conditions relating to retirement, renewal of contract, termination or resignation; and
9. Other general conditions applicable to the employees of the [CSO’s Name]

5.4.39 The appointment shall be effective once the appointee accepts the appointment. In the event of accepting the appointment, appointee should place his/her signature on the copy of the letter of appointment, stating whether he/she would agree to the terms and conditions stated therein *(Template Reference No. HR 005J– Specimen Letter of Appointment).*

5.4.40 Job Description should be given to the appointee along with the letter of appointment as it is to be treated as part and parcel of the appointment. The appointee should sign the job description and return the signed copies of both letter of appointment and the job description. It should include duties, purpose, responsibilities, scope, and working conditions of a job along with the job's title, and the name or designation of the person to whom the employee reports etc*. (Template Reference No. HR 005K – Sample Job Description).*

5.4.41 Every appointment will be on probation of six months (for worker category one year) unless otherwise decided by the management of [CSO’s Name]. The period of probation should be stated in the employee’s letter of appointment.

5.4.42 Each candidate shall complete the Personal Profile form given in *Template Reference No. HR 005L* and furnish with the copies of certificates and testimonials to the HR Unit. HR Unit is responsible in checking copies of all relevant certificates with originals to scrutinize as true copies before issuing letter of appointment.

**Phase 6 – Post Recruitment Process**

5.4.43 HR Unit shall send regret letters to the unsuccessful applicants upon acceptance of offer letter by the selected candidate.

5.4.44 The unsuccessful applications shall be treated confidentially and entered onto the candidate database for future reference.

5.4.45 The HR Unit shall periodically evaluate the recruitment process of learning and development purposes as well as required corrective actions *(Template Reference No. HR 005M - Key Performance Indicators on Recruitment Process).*

(Please refer **Annexure 4 -** Templates on Recruitment Planning that includes HR 005A – HR 005M)

* 1. **Illustration – Recruitment and Selection Process Flow Chart**

Manpower Plan/ Annual Budget

Selection Criteria (Key Qualifications)

Evaluation Criteria (Interview Rating)

Appropriate Assessment Method (Eg. Structured Interview)

Establishing Vacancies Recruitment Plan

Design Selection Process

Vacancy Awareness Building

External Search through External Advertising

Internal Search through

Internal Advertising

Recruitment through Recruitment Agency

Prescreening and Short-listing

Applications’ long-list; Short-listed candidate details summary; Initial pre-screening in terms of the selection criteria; and Confirmation of prescreened applications to the interview

Sit for an aptitude test

Conduct preliminary and subsequent interviews

Interviewing process by the selection panel

Record interview responses on an assessment sheet

Interview and Assessment Process

Recruitment Finalization process

Report of interview panel with their recommendations

Final approval from appropriate authority subject to reference checks

Screen the finalized candidate/s prior to hiring

Offer letter (letter of intent) to the successful candidates

Issue letter of appointments upon confirmation of the acceptance

Job Description along with the letter of appointment

Regret letters to the unsuccessful applicants upon acceptance of offer letter by the selected candidate.

Unsuccessful applications onto the candidate database for future reference

Evaluation of effectiveness and statistical analysis of the recruitment process

Post Recruitment Process

Onboarding

**Chapter 6 Performance Management**

### 6.1 Overview

Performance management system is defined as an objective driven communication, facilitated through monitoring and reviewing of employee performance by both the individual and appraiser and planning of the future performance of the individual.

###

### 6.2 Policy on Performance Management System

[CSO’s Name] is committed towards upholding and implementing a consistent system of performance management through formal process of planning, monitoring and reviewing of employee performance targeted towards overall organizational performance excellence and sustainability through the goals of;

1. providing a formal means of constructive, open and honest communication between the employee and his/her supervisor
2. enhancing technical competence, personal and career development of employee and motivation
3. measuring and documenting job performance as a basis for making promotion, compensation/reward and other personnel management decisions
	1. **Framework**

6.3.1 Ensure the performance standards set should be in alignment with the division as well as organizational goals whilst identifying the overlapping objectives among the divisions in setting performance standards.

6.3.2 The appraisal should be aligned to the job function as against the job position in developing the performance standards. E.g. A division or unit headed by a person requires possessing the necessary competence to heading the particular division or unit thus he/she should be appraised in the capacity of a divisional head.

6.3.3 The standards set should be clear, achievable, time-bound, easily understandable and in measurable terms.

6.3.4 The evaluation of performance should be based on overall performance during the appraisal period of one year (including bi annual review) and not on isolated events. The appraisal year shall be from April to March, in keeping with the period of financial year of the entity. The financial year-end review shall be completed by the end of February, the midyear review shall be in August and goal setting shall be completed by mid-March each year to be ready to commence the new performance review financial year from April.

6.3.5 Ensure that the analysis and evaluation process is not influenced by personal preferences and ideologies through adherence to formal procedures set-out hereunder.

6.3.6 The key elements of an appraisal require constructive comments, supported by illustrative examples which include both positive and negative aspects which should be descriptive and informative towards required improvement, but not judgmental.

6.3.7 Information contained in a performance evaluation is personal as well as reflective and must be treated with great sensitivity and indicated with caution.

6.3.8 The individual who has the authority to assign and monitor work to the employee should be responsible for completing the appraisal as the appraiser.

6.3.9 It is the responsibility of division heads and supervisors to prepare written performance appraisals and to conduct timely appraisal meetings. The formal review meetings requires being conducted bi-annually whilst the informal appraisals requires being on a regular basis, through the monthly monitoring process of collecting evidence of performance.

6.3.10 Newly hired employees and employees who have received a promotion will be appraised 60 days from date of hire or date of promotion. During this 60 day period, supervisors should closely monitor employees and perform frequent, informal counseling and evaluation.

6.3.11 Any employee who disagrees with his/her appraisal may file a written response within 10 working days from the date of his/her signature on the appraisal form.  The written response should be filed with the immediate supervisor with copies to the division head and to HR Unit.

6.3.12 Performance documentation is important throughout the entire evaluation period. HR Unit shall assist in preparing relevant materials and retrieving records of performance.

### 6.4 Procedures

**6.4.1 The divisional heads shall develop, review or analyze divisional functions and the job specific functions in order to set up i**ndividual functional goals for their staff *(Template References No. HR 006A - Divisional Team Composition and No. HR 006B - Divisional Team Work Allocation).*

**6.4.2 Each divisional employee in consultation with the divisional head shall develop a minimum of four goals on critical job-position function (**KPIs /output targets under goal category) **that cover the overall divisional core functions and communicate same to the HR division, who shall make note of such documentation** *(Template References No. HR 006C - Divisional Performance Standards, No. HR 006D -Formulation of Individual Performance Standards and No. HR 006E - Setting Individual Targets under Goal Category or Key Performance Area).*

**6.4.3 Each employee shall prepare a minimum of one personal and career development standards in alignment with the divisional functions and overall organizational objectives.**

**6.4.4 The performance against these set standards will be formally monitored by the divisional head / appraiser on critical incidents of the appraisee in terms of collecting evidence of performance on a weekly basis, which will be made available to the review of appraisee once a month. The appraisee is encouraged to independently maintain records on his/her performance on critical incidents that shall facilitate the monthly review of records maintained by the divisional head/appraiser.**

**6.4.5 The formal bi-annual review shall be initiated by the appraisee as a self-assessment providing appropriate comments pertaining to the performance, followed by the appraiser which shall indicate a communicative approach in assessment of performance through formal review meeting, whereas;**

1. **The results, the problems and the possible solutions are discussed with the aim of problem solving and reaching consensus.**
2. **The feedback should be given with a positive attitude as this can have an effect on the employees’ future performance**

*(Template Reference No. HR 006F (I) - Performance Assessment Form for Mid Annual Review and HR 006F (II) - Performance Assessment Form for Year End Evaluation).*

**6.4.6 The employee shall review the comments made by the appraiser and indicate relevant comments. This process shall continue on each area of assessment and in the bi-annual process.** The employee's signature indicates the appraisal has been discussed with the employee. The appraiser / supervisor should sign the evaluation after the performance appraisal has been conducted.

6.4.7 The actual performance is required to be compared with the desired performance standard/criteria. The result can show the actual performance being more than the desired performance or, the actual performance being less than the desired performance depicting a negative deviation in the organizational performance. The final analysis of the performance shall be conducted at the end of an appraisal year.

**6.4.8 The results of the appraisal shall be utilized for the performance improvement initiatives that include capturing of training needs and the above mentioned goals under the objectives of performance improvement system** *(Template References No. HR 006G – Training Needs Analysis and No. HR 006H – Scheduling of Training).*

6.4.9 Ensure the employee is informed of a suitable time and place and clarify purpose and type of appraisal, providing the employee the chance to assemble data and relevant performance and achievement records and materials.

6.4.10 Final appraisal document will become a part of the employee’s official personnel file as maintained by the HR Unit. **The performance results requires to be updated in the HRIS system for recording and monitoring purpose towards making informed decisions on personnel management and development, in terms of the objectives of the policy.**

**6.4.11 The HR Unit shall regulate the appraisal system process timings. In the event of any** delay or neglect to conduct an appraisal by divisional head, the affected employee is encouraged to initiate such or may contact the HR Unit for assistance.

(Please refer **Annexure 5** – Templates on Performance Management that include HR 006A – HR 006H)

# **Chapter 7 Promotion and Career Progression**

### 7.1 Overview

Promotions result from an upward movement in the job level which entail higher responsibilities, involve increase in salary, and also a change in job title. Employees usually feel more engaged when they believe that their employer is concerned about their growth and provides avenues to reach individual career goals while fulfilling the company's mission.

**7.2 Policy on Internal Promotion**

[CSO’s Name] is committed to provide a transparent and fair framework to promote employees within the organization, and also to recognize and reward employees for successful performance by selecting the best qualified applicant for the position.

###

### Framework

7.3.1 Promotions will be authorized by the ED upon selection made by the 3 member panel comprised with Finance HR/Admin Manager, Program Manager and one senior member on subject specialty.

7.3.2 The divisional promotions shall require the initial approval of the divisional head and other senior members of the division like deputy divisional head, second line officer or immediate supervisor (s). For some cases divisional head can include an immediate supervisor, differing as per the position of promotion.

7.3.3 The members authorized for the initial approval of the promotion are responsible for selecting the best suitable candidate for promotion. They must ensure that selection of the most suitable employee is based on the selection criteria relevant to the internal promotion process, promotion evaluation form, and other documentary evidence related to the nominee and an optional interview with the nominee for a better understanding of the nominee.

7.3.4 Members must also ensure that the promotion process is fair and transparent and selection process is not influenced by personal relationships with the nominees.

7.3.5 The core criteria to filter candidates for promotion are as follows:

1. Completion of eligibility criteria and other requisite like licensing and trade qualifications required (if applicable) by the post that is being promoted.
2. Meeting all formal qualifications stated on the Job Description as well as in the selection criteria for internal promotion
3. The employee must also hold a clear record of employment which is free of or with minimum disciplinary actions.

7.3.6 Areas for consideration

1. Actual achievements related to key performance area (targets under goal category) and capability area (technical or functional or job specific skills and behavioral or soft skills) leading to the overall scores of the performance appraisal shall be taken into account, which should relate to ‘exceed expectations’ status or a minimum score of 75%.
2. The financial status and business growth plan of [CSO’s Name] will be taken into consideration when approving promotions.
3. The promotion will entail adding on more responsibilities and performance functions for the employee with the change of designation and salary structure.
4. Cordial and professional relation with both seniors and peers alike will also be a deciding factor when there are multiple contestants for a particular position/post.
5. Any employee who denies promotion for any reason whatsoever will be eligible for fresh promotion only after a time gap of one year, obtaining of required qualifications, if it related to the denial of promotion may act as a proviso to the specified timeline.

### Procedure

7.4.1 This is an annual process where the divisional head has to complete the Promotion Case Analysis Forms under different staff category *(Template Reference No. HR 007A - Core Criteria for Evaluating Candidates for Promotion and No. HR 007B - Measuring & Allocating a % for Criteria).*

7.4.2 Divisional head has to submit the completed form along with the job description of the position and other relevant documentations within four weeks of receiving the year end performance appraisal scores to HR Unit. A nominee has to achieve above 75% (or exceed expectations) in the performance evaluation to be considered for promotion.

7.4.3 Preliminary approval will be obtained from finance division on budget availability and finance division to e-mail HR division within 3 days of receiving information from HR Unit.

7.4.4 Promotion will be approved within 4 weeks of receiving request for promotion from the respective division.

7.4.5 The promoted staff will be on probation (under testing period) for 6 months and he/she will be evaluated based on the given targets to achieve after completion of these 6 months. This will be done by completing the promotion probationary period evaluation form.

7.4.6 After evaluation if the staff is below the required standard or does not achieve the targets the probation period will be extended to another 3 months; after completion of these 3 months, the staff will be re-evaluated and if the staff fails to achieve the target even then, he/she will be demoted to the previous position.

7.4.7 The demoted staff or nominees who are not awarded promotions can raise their concerns in accordance with [CSO’s Name]’s Grievance Policy.

7.4.8 If the divisional head and the promotions related internal committee feels that a vacancy can be sufficed through an acting post then a suitable candidate can be selected to fulfill this vacancy according to the terms stated below.

### Acting Appointments

7.5.1 An employee can be selected to carry out full duties of a vacant post in a higher grade on short term basis. However this should not be considered or practiced on a regular basis.

7.5.2 It is the responsibility of the divisional head to decide whether there is an absolute need for acting posts, and in such a situation the following points are to be considered:

1. **The possibility of taking up the work by an individual or dividing the work among various employees as part of their standard duties.**
2. **The availability of a competent employee who can carry out the duties of the vacant post.**

7.5.3 Minimum period for acting posts - A cover for a colleague who will be or is absent for a short period of up to four weeks is not to be assumed or calculated as acting role. The minimum period of acting post is three months and the maximum is 12 months, and under no circumstances should the employee be allowed to “act” beyond 12 months.

7.5.4 Compensation for acting posts – If the employee is appointed to act in a higher post and required to perform duties of both posts (acting and substantive position) an amount equal to ¼ of the initial step of the salary scale of the post the employee is appointed to act will be paid as an acting allowance.

7.5.5 Terminating of acting post - acting role can be terminated earlier than the planned due date under the following conditions:

1. If there is no need for the acting post due to operational requirements, or
2. When the employee fails to perform full duties of the vacant post satisfactorily.

7.5.6 If the acting period is to be terminated earlier than the due date for reasons other than the employee’s performance or conduct:

1. The reason for this decision will be advised to the employee
2. The employee will be given a minimum of one week’s notice to handover the documentations etc. if there are any.

7.5.7 Areas for consideration

1. Acting post is a temporary arrangement and does not necessarily grant a right for promotion to a higher grade.
2. If the employee is a suitable candidate for promotion then the performance during the period of acting will be considered when evaluating the employee.
3. Upon promoting the employee to the grade to which he/she has been temporarily promoted, the pay will be that of the level promoted.

(Please refer **Annexure 6** – Templates on Promotion and Career Progression that include HR 007A & HR 007B)

**Chapter 8 Induction and Integration**

**8.1 Overview**

An induction program is an important process for bringing staff into an organization. It provides an introduction to the working environment and the set-up of the employee within the organization in order to build his/her confident to perform the role effectively and efficiently from the day one. It aims at three group of employees: (i) new recruit to senior and middle level positions from other companies; (ii) newly promoted or transferred insiders; and (iii) new entrants fresh from colleges and educational institutions taken at junior levels.

**8.2 Policy on Induction and Integration Program**

[CSO’s Name] shall have a well-planned, comprehensive induction program for new recruits to understand products, processes, functional departments, his/her role and functions. All new recruits within a month of assuming duties irrespective of levels should participate to the induction program. Pre-induction would occur prior to a new employee starting work as it is compulsory to assign legitimate role of the company. Newly promoted or transferred insiders also should participate to a specially designed induction program, which particularly to be focused on their job role under new set up. [CSO’s Name] is committed to implement a successful onboarding process to ensure all new placed employees will adopt and become full contributors that are able to leverage each other’s strengths to achieve mutually-beneficial goals.

* 1. **Framework**

8.3.1 HR Unit should be involved in receiving and welcoming newly recruited employees when they first join the [CSO’s Name] and giving them with basic information, they need to settle down quickly and happily.

8.3.2 Overall responsibility for planning and reviewing an induction program shall be rest with HR Unit and all other divisions should be involved in its delivery.

8.3.3 Induction program should be [planned](https://en.wikipedia.org/wiki/Planning) in advance in order to fully benefit the company and employee. The timetable should be prepared, detailing the induction activities for a set period of time (ideally at least a week) for the new employee, including a named member of staff who will be responsible for each activity.

8.3.4 This plan should be circulated to everyone involved in the induction process, including the new starter. If possible it should be sent to the new starter in advance, if not co-created with the new starter

8.3.6 The program is to be well designed, exposing the individual to all aspects as described below;

1. An introduction to the [CSO’s Name] include history, vision, mission, philosophy, products and services; and get to know the culture, values, norms and their job roles; knowledge and exposure on company products, markets; operating procedures and processes; functional departments and how the particular department fits in, his role and functions expected by the organization; any legal requirements (for example in the, some [health and safety](https://en.wikipedia.org/wiki/Health_and_Safety) training is obligatory in terms of applicable laws and government regulations); introduction to terms and conditions (for example, [holiday](https://en.wikipedia.org/wiki/Holiday) entitlement, how to make expense claims, etc.) and set-up of payroll details; a [guided](https://en.wikipedia.org/wiki/Guided_tour) tour of the office and factory premises; and introductions to key members of staff (colleagues, seniors, juniors, and other role set members)
2. It may use PMS inputs like key performance areas, role analysis exercise, competency maps etc. Also can use videos about the company and its production and quality management processes, company presentations, books and other publications on the company. Informal get-togethers, and social and other innovative practices and methodologies can be used
	1. **Procedures**

8.4.1 HR division shall together with divisional heads plan any induction under following three phases;

1. Pre-induction: this would occur prior to a new employee starting work.
2. Induction: this would be the actual transition into the work place.
3. Post-induction: this period would be about adjustment to the new role having already started.

*(Template Reference No HR 008 - Induction Program Planning)*

8.4.2 The activities and details related to these three induction phases are listed below.

A) PRE-INDUCTION PHASE

1. **Employee's personal information:** This section includes the name of the employee, job title, staff ID number, start date of the induction, etc. Some activity also include a detailed list of all paperwork including personal profile to be compiled and submitted to the HR Unit
2. **First day activities**: Being familiarized with your surroundings and the people around you is crucial on the first day of work. It is with this regard that the new employee should meet the team members and manager, get assigned a workstation, issued with passkeys and given a tour of the organization's facilities.
3. **Introduction to the company**: Conducted within the first week of joining the organization. The new employee learns the company's history, values, management style, goals and objectives, products and services, organizational structure and interactions between different departments, etc.

B) INDUCTION PHASE

1. **Introduction to the new role:** Here, the employee will get insights on how they fit into the organization, how their contribution will integrate into the [CSO’s Name]'s practices, departmental goals, and priorities.
2. Terms of employment such as EPF/ETF information, working hours, overtime requirement, lunch/tea breaks, covering shifts for an absentee colleague, etc.
3. The performance review criteria.
4. Training and workshop schedules.
5. Terms and conditions of the probation period where applicable.
6. [CSO’s Name]’s code of conduct on performance, discipline, absenteeism, policies against bullying and harassment.
7. Other relevant information such as office dress codes, operating procedures and use of company resources such as telephone, emails, and internet. Policies for annual, maternity, and paternity leaves, etc.
8. **Health and safety measures**: New employee to attend training to learn the company's health & safety policies and procedures. These include safety measures, and precautions, evacuation routes in case of emergency, the location of fire extinguishers, first aid station, etc.

C) POST-INDUCTION:

1. **One month review:** The employee will have a one on one meeting with the line manager to evaluate how they are adjusting to their role and evaluate whether there is a need for training. At this juncture, the employee can give feedback and concerns about their job. They may discuss the availability of employee representation such as union membership if available.
2. **Three-month review:** The line manager holds further discussions with the employee to review performance, pinpoint areas of improvement and set reasonable deadlines for further analysis if necessary. Adjust work targets if the employee is up to speed.
3. **Six-month review:** If the employee was on probation, this is the point to decide whether to retain or release them. If hired, it's time to set objectives for the next six months. Further training may be needed depending on the job.
4. **Twelve months review:** By now the employee is already entirely settled and should be working at par with the rest of the team. You may ask them to give feedback on the induction process, what they think worked well and what they feel needs improvement.
5. **Acknowledgment:** Here the new employee and the supervisor append their signatures to acknowledge the successful completion of the induction process then included in the employee's personnel file for record.

(Please refer **Annexure 7** – Templates on Induction and Integration that include HR 008)

# **Chapter 9 Training, Learning and Development**

**9.1 Overview**

Employee training and development is recognized as a vital function in a learning organization that provide structured and formal opportunities for employees to enhance job related competencies, applicable in achieving the overall divisional/functional and organizational objectives while supporting to achieve career aspirations of individuals.

**9.2 Policy on Training and Development**

[CSO’s Name] shall execute an annual training plan with adequate budgetary provision to provide all aspect of training needs, captured in adoption of systematic approach in order to ensure training policy putting in place. The divisional heads shall take into account the performance gaps identified in the performance evaluation process that relate to competency gaps in this identification process of training needs as well as future business operational needs. [CSO’s Name] is committed towards identifying training needs across the divisions and positions in a timely manner and in providing required trainings and evaluate the training outcomes toward enhancing the employee performance.

* 1. **Framework**

9.3.1 Ensure the training and development initiatives are in alignment with the job function as well as organizational goals.

9.3.2 The captured training needs require addressing competency gaps identified in the process of evaluating performance arising as a performance gap due to a lack of technical or non-technical competency.

9.3.3 Identify the skills gaps through assessing the gap between the skills possessed by the employees and the required skills needed for future development.

9.3.4 The training need requires to be approved by the divisional head as well as the individual.

9.3.5 Ensure timely evaluation of training in terms of the training session as well as the training impact on performance.

9.3.6 Ensure a training budget is approved for the function of training and development and a dedicated officer is appointed to coordinate the training and development function under the HR Unit. Records on training initiatives require to be updated and maintained.

9.3.7 The training calendar should be prepared for the period from April to March. The *ad hoc* trainings shall be captured as and when required.

9.3.8 Ensure that the appropriate style of training is selected that fit the learning styles of the participants.

9.3.9 Ensure that the trainings are clearly identified with training objectives and goals, milestones in achieving the desired training objectives.

* 1. **Procedures**

9.4.1 The training needs shall be identified through a divisional process that captures each staff member of the division that ensure approval from the divisional head as well as coordinated through the divisional staff members.

9.4.2 The divisional heads as well the staff members shall take into account the performance gaps identified in the performance evaluation process that relate to competency gaps in this identification process of training needs as well as future business operational needs *(Template References No. HR 009A - Capturing Individual Information on Training Needs and No. HR 009B - Capturing Divisional Training Needs).*

9.4.3 HR Manager or Training Officer in charge of training and development shall evaluate the identified training needs across the divisions and group the staff that requires similar trainings as well as prioritize the needs in consultation with the divisional heads.

9.4.4 Develop training objectives under the categorized training needs and identify the most effective training mode in terms of results, time and cost.

9.4.5 Categorize the trainings that could be provided through internal trainers and that which requires external trainers.

9.4.6 Develop an annual training calendar that structure the training objectives, trainees, trainers, mode of training and timelines and fee estimations in line with the training budget *(Template References No. HR 009C – Template on Annual Training Plan).*

9.4.7 Make available the training and development plan to all staff, preferably providing individuals with personalized notice. This ensures that all employees are advised of the available learning opportunities and provides equal access to developmental opportunities.

9.4.8 Capture the ad hoc training needs that may arise from time to time on business urgencies.

9.4.9 Training programs that have been planned in the annual training calendar shall be implemented by the HR Unit in coordination with relevant head of division/section. It shall plan, organize and conduct in a systematic way followed by the guided program planning process (*Template Reference No. HR 009D – Training Program Planning and Approval Process).*

9.4.10 Maintain documentation on training and development function by the HR division.

9.4.11 Identify the most effective evaluation method of trainings provided in a timely basis to capture the progress through training *(Template Reference No. HR 009E – Sample Form for Training Feedback Evaluation).*

(Please refer **Annexure 7** – Templates on Training, Learning and Development that include HR 009A – HR 009E)

**Chapter 10 Rewards and Recognitions**

**10.1 Overview**

Rewards and Recognition is a system where people are acknowledged for their performance in intrinsic or extrinsic ways. Recognition & Reward is present in a work environment where there is appropriate acknowledgement and appreciation of employees' efforts in a fair and timely manner

* 1. **Policy on Remuneration & Non-Remuneration Rewards, and Recognition**

10.2.1Remuneration of [CSO’s Name] is comprised with the total compensation received by an employee, which includes not only [base salary](https://www.investopedia.com/terms/b/base-pay.asp) but any fixed or variable allowances like, budgetary relief allowance or Cost of Living Allowance – COLA , fuel allowance, performance incentive, overtime pay, or other financial benefits (like medical insurance, workmen’s compensation, field allowance, etc.) that an employee receives from the [CSO’s Name].

Accordingly, total remuneration has two components

1. Fixed components linked to “base salary” and other fixed allowances may be called as “consolidated salary”. This comprises with basic salary and budgetary relief allowance or COLA.
2. Variable component linked to performance and relate with other compensation elements

10.2.2 Contribution to the employees’ provident fund and employees’ trust fund as well as computation of overtime shall be based on “base salary” or “consolidated salary” where appropriate.

### 10.2.3 Remuneration is considered the total amount an employee receives for performing a job task. The company provide suitable remuneration package to its employees’ intending to improve their quality of work life and employee well-being.

10.2.4 [CSO’s Name] contribution to the gratuity provision (as retirement benefit) as well as to the employees’ provident fund and employees trust fund is considered as deferred compensation, and as such is a component of remuneration.

10.2.5 [CSO’s Name] is committed to provide emoluments to its employees in line with NPO sector organizations enabling to attract and retain well-experienced competent employees within the [CSO’s Name].

10.2.6 [CSO’s Name] will enhance salaries and other fringe benefits periodically after conducting a salary survey and implement revised salary and benefit structures affordable to the [CSO’s Name], depending on present and future business and financial viability.

10.2.7 Employees of [CSO’s Name] shall benefit from and appreciate non-financial forms of compensation, include awards for recognition, a pleasant work environment, opportunities for career advancement etc. Some of these recognition practice may adopt often more frequent, less expensive, and less formal.

* 1. **Framework**

10.3.1 The HR Unit will be overall in control and coordinate with the related divisions in the process of remunerating to the employees and implementing a company-wide non-financial employee recognition system.

10.3.2 [CSO’s Name] has fixed components linked to “base salary” which remuneration is paid as periodic compensation. Employees are compensated for spending time at work under this pay plan.

10.3.3 Pay rates are depend on the staffing position, which shall be ranked under different organizational levels in the hierarchy on skill, seniority, or education level etc. Accordingly, salary rates are determined by the job position of the [CSO’s Name]. For a more detailed look at the section below existing salary structure and the benefit structure of the [CSO’s Name].

* + 1. Remuneration package of each employee is strictly confidential.

10.3.5 Rate of pay increase (pay raise) in a financial year will be depend on the level of performance, financial affordability, and some other key factors like conditions of the donor agreements, rate of inflation, analysis of bi-annual reports on divisional HR statistics with regards to absentee rates, age, gender, turnover, hard-to fill jobs, exceptional individuals and their skills and training identification etc.

10.3.6 Rate of pay increase applicable to the executive and other staff grade employees as well as the amount to increase for worker category is subject to the approval of the ED and the Governing Body of the [CSO’s Name].

10.3.7 The pay increase (a pay raise) shall be achieved by employees after reaching a certain [performance](https://strategiccfo.com/dont-let-tax-strategies-drive-financial-performance/) level. Annual pay increase will be granted from month of April in every year. There is no provision for salary increases merely for increasing length of service.

10.3.8 Performance incentives will be based on overall performance resulting during the month in accomplishment of special task given to complete within a specific time period, purpose of exerting extra effort for higher performance

10.3.9 Motivate the employees with the prospects of being promoted to a higher pay rate, may be considered as a finance reward.

10.3.10 HR Unit is responsible for robust non-financial recognition system be in place, which should be useful to maintain a pleasant work environment in the [CSO’s Name].

### 10.4 Procedures

### 10.4.1 Payment of Salaries and Overtime

1. An employee shall begin to draw the salary as stated in the letter of appointment with effect from the date he/she assumes the duties.
2. The monthly salaries applicable to the employees of the [CSO’s Name] shall be those approved by the ED or/and the Governing Body of the [CSO’s Name]. Any revision of a salary will be effective as from the date on which such revision is ordered by the [CSO’s Name] unless exclusively stated otherwise in the order.
3. In addition to the basic salary, budgetary relief allowance – BRA or COLA will be paid to all employees of the [CSO’s Name] as monthly fixed allowance in accordance with the government rules
4. The [CSO’s Name] will contribute 12% to Employees Provident Fund and 3% to Employees Trust Fund. Employee contribution of 8% to the Employees Provident Fund will be deducted from their monthly salary. These contribution will be computed based on the basic salary plus BRA or COLA of an employee.
5. Applicable tax on monthly emoluments should be paid by the employee in terms of the tax laws in the country.
6. An employee should not receive the salary for any period during which he has been absent from duty without leave.
7. In respect of each day in any week on which a person has been on leave or on holiday with full remuneration allowed to him by the company. In respect of each week during which he has worked for a total period not less than twenty-eight hours, exclusive of any period of overtime work, be allowed weekend with full remuneration.
8. The salaries of employees shall be subjected to the employee’s performance appraisal
9. An officer who has vacated his post will not be entitled to any salary from the date of such vacation. Further, one month’s salary, in lieu of notice, should be recovered from any money payable to him.
10. When an officer who is entitled to a monthly salary enters service on first appointment on a day other than the first day of the month, or when he is on no-pay leave for any part of a month, the salary payable to him for that month will be in proportion to the number of days in that part of the month he worked.
11. An employee worked any one day exceeded eight hours and, in any one week exceeded forty-five hours is entitle for overtime. However, executive staff are not entitled to be paid for overtime work. Overtime is payable only to other officers when it is extremely necessary and when the work cannot be completed within the course of normal working hours by the staff. Prior approval shall be obtained from the relevant authority for overtime.
12. Executive staff, who are not entitled to claim overtime can be called upon to work on a Saturday, Sunday or a Mercantile holiday in connection with the programme of work which is of a priority or continuous nature is eligible a day’s payment subject to the following:
	1. He / she shall work for not less than 9 hours a day entitled to the full day pay. For the work performed not less than 4 ½ entitled to the half day pay.
	2. Maximum number of days for which payment can be made in a month not exceeding number of days communicated through internal circulars or memos. This shall be subject to the approval of ED.
	3. Prior approval of the divisional head/ED should be obtained for work on holiday
13. In case of an employee (who does not come under the executive category) who has to work before and / or after office hours, holidays and weekends is eligible for overtime at the rate of 1 ½ of the hourly rate;
14. Non-executive staff category (monthly salary/ 240 x 1 ½) or an hourly rate (day’s pay x 1/8 x1 ½) if he/she is on daily rate
15. Maximum number of overtime for which payment can be made in a month, not exceeding number of hours, communicated through internal circulars or memos. This shall be subject to the approval of ED.
16. Prior approval of the relevant authority should be obtained for work other than normal hours and holidays
17. If he worked on full moon day, day’s pay or hourly rate
18. Payroll – HR Unit shall provide accurate and reconciled personnel payroll data to the Finance Unit through ERP by 2nd of every month. The Finance division shall ensure timely and accurate payment of personnel compensation
19. The payroll register shall be certified, authorized and approved as per the Delegation of Authority. A payroll reconciliation report which includes the difference between payroll payments made from previous month and current month shall be prepared by the HR Unit and approved by the HR Manager. This shall be accompanied with the payroll transfer list from HR to Finance. Finance will do a random sampling test on individual transactions before the payments are released.
20. Salaries with regard to executives and non-executive staff category as well as field staff will be paid on 5th of following month and will be credited to the personal bank accounts nominated by the employee. If the salary or wages date fallen to the non-working day, payment will be made on an earlier date
21. Information relating to the salaries is required to be kept confidential at all times.
22. In the event of an error in pay the discrepancy should be brought to the attention of the Finance Unit and HR Unit where the corrections will be made at the earliest.
23. Staff grades below non-executive grade are eligible for overtime. The payment of overtime will be paid in terms of the law (Shop & Office Act) as referred under paragraph 2.7 of this manual.
24. Annual pay raise will be made to the executive and non-executive staff category based on the percentage increase to each and every individuals of the [CSO’s Name], taking into account of the performance appraisal report, which increase would be effective from 1st of April. .
25. No any other increment will be paid as annual salary increments effective from the date of appointments or promotions based on salary scales.
26. In the case of forfeiting an increment the employee will be notified in detailed writing by the HR Unit of the reasons for such action.
27. On promotion the salary of the employee concerned will be compared with the salary range of the position. If the salary of the promoted employee was below that level, the salary will be adjusted accordingly.
28. A deferment or suspension for disciplinary reasons should be made following a disciplinary procedure.

**10.5 Other Fringe Benefits**

**10.5.1 Medical Benefit Scheme – Proposed**

***Eligibility criteria:***

1. Employee contributed medical insurance scheme is voluntary to the permanent employees of the [CSO’s Name].
2. The employees who newly join the company could enter into this scheme just after completing their probation period.
3. They will be entitled to claim benefits from the date of entering into the medical insurance scheme. If entered mid of the year such benefits will be received based on a proportional basis during the remaining period of the year.
4. The requests made by such employees on childbirth shall only be accepted only with regard to the childbirths that takes place subsequent to completion of nine (09) months from the date of joining the [CSO’s Name].
5. If sons and daughters above the age of 21 years who are dependents of the employee could enter to the medical insurance scheme under special circumstances
6. Eligible employees will be given the membership card

***Contribution to the medical scheme:***

1. Medical scheme is a joint scheme. [CSO’s Name] will contribute 50% to the executive category and 25% to the no-executive category. The balance portion of the premium cost be borne by the employees
2. The monthly contribution that should be paid by the employee will be charged from the monthly salary.
3. Additional amount will be charged from the employee if number of family members exceeding the limit provided by the insurer as per their agreement (Say; more than 4 members including the employee).

***Beneficiaries***:

1. The medical benefit is entitled to the employee, spouse, and dependent children below 21 years.
2. After the child is 21 years of age considered under special circumstances
3. If both the spouses are employees of the [CSO’s Name], they are entitled to receive benefits as separate persons under this medical scheme.
4. However, such a spouse cannot enter in to this scheme as a dependent. At the same time, in reimbursement of the expenses on childbirth both the husband and wife are considered as a single family unit.

***Procedure of reimbursement of expenses:***

1. The employee shall apply for reimbursements only subsequent to the complete payment of all the relevant bills. Payment of such bills is not undertaken by the [CSO’s Name] directly.
2. However, when made a request, action shall be taken to inform the insurer by the HR Unit about the hospital, nursing home by taking into account the facts related to the said request. In an instance of admission to a hospital it shall be informed as soon as possible. Employee should inform the discharge from the hospital as well.
3. The insurance card to be produced at the time of admission. Every hospitalization/discharge should be informed to the insurer through customer care Hot Line. If any amount exceeded the limit that the employee is entitled, he/she will have to pay the excess amount to the hospital at the time of discharge.
4. All the requests for reimbursement of medical expenses shall be submitted to the HR Unit within 30 days from the date the expenses are made. The late requests are not accepted.
5. Expenses on hospitalization can be reimbursed only if the patient is admitted to a paid ward in a nursing home or a government hospital, approved by the insurer.
6. The medical expenses will be reimbursed if incentive payment for obtaining treatment from government hospitals only when submitted a medical certificate obtained from a registered government/national/basic/district hospital on the related treatments.
7. When requests are made to reimburse medical expenses incurred at a private nursing home that shall be submitted in the due format and if any other bills or documents supporting the request are available those shall be submitted along with the related claim form.
8. In each year, the requests on all the medical expenses that were incurred in the month of December before 25th day of the month shall be submitted prior to the 10th day of the month of January in the subsequent year. The requests on the expenses incurred on 26th day of December and the period in between 26th and 31st days of December shall be submitted before 15th of January of the subsequent year
9. If a change takes place with regard to the civil status of an individual, that shall be informed to the HR Unit within a month of the change. If a person entered into this scheme as a dependent on the grounds of civil status, age or employment has become a non-dependent that shall be informed to the HR Unit within a month of the date the change took place. The claims made on non-entered dependent individuals will not be undertaken.
10. The task of governance and control over this medical benefits scheme is solely on the agreement of the insurer with the company and, the decisions of the HR Manager of the [CSO’s Name] with regard to the interpretations of the rules and regulations and the matters that have not been included in the said rules and regulations will be the final and conclusive.
11. Consideration of requests for reimbursements: The HR Unit will act according to the terms and conditions of the insurer agreement and executive level officer nominated to resolve issues and troubleshooting with regard to the requests received for reimbursement of expenses.
12. Misuse of facilities: If proven that the facilities provided under this medical scheme has been misused, the HR Manager can decide on suspending the benefits of such a member. In addition to that any other disciplinary action can be taken according to the regulations of the company. In such cases the benefits entitled to the dependents also will be automatically cancelled.
13. The [CSO’s Name] has the sole authority to change, remove, add or amend these rules in any instance the [CSO’s Name] feels it is required or applicable to do so in future benefits provided through insurer.
14. Reimbursement of medical expenses will be made in terms of the [CSO’s Name] regulations and subject to the limits/conditions agreed with the insurer. The benefit scheme as per the existing insurance policies would be as follows;

|  |  |  |
| --- | --- | --- |
| CRITERIA  | CATEGORY I: EXECUTIVE STAFF | CATEGORY 2: NON-EXECUTIVE STAFF |
| ELIGIBILITY: | Permanent employees of the [CSO’s Name].  | Permanent employees of the [CSO’s Name].  |
| EMPLOYEE CONTRIBUTION  | [CSO’s Name] will contribute 50% of total premium cost. The balance portion be borne by the employees | [CSO’s Name] will contribute 50% of total premium cost. The balance portion be borne by the employees |
| BENEFICIARIES  | Employee, spouse, and dependent children below 21 years. If the child above the age of 21 years who are dependents of the employee could consider under special circumstances  | Employee, spouse, and dependent children below 21 years. If the child above the age of 21 years who are dependents of the employee could consider under special circumstances  |
| MEDICAL BENEFITS:  |
| A) MEDICINE UNDER OUT-DOOR TREATMENT (OPD) | Specialist consultation and cost of drugs subject to the annual limits (Rs.18,000/-) and specialized service with dental and eye allowed under this category (Rs.7,000/-) | Specialist consultation fees, medical expenses including doctor consultation fees, purchasing of drugs and laboratory tests including eye treatment and dental treatment (Filling and Extraction only) within the annual limit (Rs6,000/-)  |
| B) HOSPITALIZATION FOR IN-DOOR TREATMENT  | All expenses as stated in the policy including physiotherapy treatment, radium and radiology treatment, pathological tests, x –rays, scans within the annual limit (Rs.350,000/-)and subject to the per event limit, and special condition on maximum room charges and ICU charges per daySpectacles: once in 3 years only for the employee within indoor limit  | All expenses as stated in the policy including of medicine and injections, surgical expenses anesthetists fee, X –rays, pathological tests and physiotherapy etc. within the annual limit (Rs100,000/-) and subject to the special condition on maximum room charges and ICU charges per day and also the expenses incurred for travel within Sri Lanka to obtain emergency treatment ( Ambulance Charges only)Cost of Spectacles: if there any vision correction prescribed by an eye specialist for employee only (once in two years within Indoor limit) C1)Hospitalization in a non –paying ward of a government hospital (maximum for 21 days) payable within indoor limit)(Rs.1,500/-per day)  |
| C) OTHER BENEFITS  | C1) Incentive payment for obtaining treatment from Government Hospitals- General Treatments - MaternityHospitalization in a non-paying ward in a government hospital (maximum for 15 days) payable within indoor limit)(Rs4,500/- per day) |
| C2) Birth of Twin child (Rs10,000/-) | C2) Birth of Twin child(Rs10,000/-) |
| C3) Major surgeries – Critical illness cover for special treatment such as surgery in respect of brain, kidney or heart and continued medication under critical illness cover for Heart Surgery, Kidney, Lung Transplant, Brain Surgery or any other major surgery be done subject to the annual limit  | Major surgeries –Presently none  |
| PROCEDURE OF REIMBURSEMENT OF EXPENSES | Submit of claims for reimbursement should be done within 30 days period by attaching the medical bills to the signed claim form within the policy period | Submit of claims for reimbursement should be done within 60 days period (by attaching the medical bills to the signed claim form within the policy period. |

* + 1. **Attendance Incentive**
1. Attendance incentives are entitled to all category of field employees irrespective of grades as per the attendance incentive structure of the [CSO’s Name].
2. Attendance incentives will be prepared by HR Unit through the verification of monthly attendance reports generated from the HR system.
3. This will paid as a fixed allowance. If someone attending all the working days, full amount of attendance incentive will be paid. If someone is absent 1 day a month, they will be paid proportionately. If someone is absent 3 days or more than that no attendance incentive will paid in such case.
4. The attendance incentive structure will have to be revised time to time by the management in effect of the staff feedback discussions. The attendance incentive structure would be as follows;
	1. No absent : eligible for full amount of Rs 1,500/- per month
	2. 01 day absent: eligible for Rs 750/-
	3. 02 days absent: eligible for Rs. 375/-
	4. 03 days and above; no eligible for attendance allowance
		1. **Performance Incentive**
5. Performance incentives will be based on overall performance resulting during the month in accomplishment of special task as given to complete within a specific time period. This will be paid as a fixed monthly allowance on satisfactory track records leading to higher performance at the desecration of the ED.
	* 1. **Payment for Un-Utilized Annual Leave**

1. Non-executive staff and worker category are entitled to receive payment for un-utilized annual leave
2. [CSO’s Name] will make a payment for un-utilized annual leave. The employees who have unutilized leave balance as at the end of the year shall make a request individually or collectively.
3. Executive staff are allowed to obtain any un-availed vacation leave at the end of every year before ending the first 6 month of subsequent year
4. Payments for un-utilized annual leaves will be based on a day’s pay for each day of annual leave balance. Hereby, pay means the salary that is taken as the base to calculate the employee provident fund. All the payments with regard to this shall be calculated based on the salary the employee entitled as at the 31st December of the relevant year and payments will be made on or before 31st March of the next year.
5. When an employee resigns from the service of the company he/she is paid for the un-utilized annual leave according to the provisions of the Shop and Office Act.

**10.5.5 Salary Advance**

1. Permanent employees who are under executive and non-executive staff category could take salary advance on 15th day of the month subject to the maximum amount declared by the management time to time considering total monthly remuneration.
2. Salary advance paid during the month will be recovered fully from the monthly salary

**10.5.6 Festival Advance**

1. A festival advance will be paid in April every year (before the New Year) for those who have requested. Permanent employees are only eligible to take festival advance.
2. The amount will be decided by the management time to time.
3. This will be recovered from 10 monthly installment, deducted from monthly salary

**10.5.7 All other benefits**

1. The [CSO’s Name] will provide fuel allowance under different fuel ceiling to certain category of employees on exigencies of services
2. Tea/snacks will be proved to all employees based on the daily attendance records. They will be provided meal interval to have meal taken from home
3. First aid facilities will be provided to small injury or illness until bring them in to doctor or hospital
	1. **Non – Remuneration Recognition**

10.6.1 [CSO’s Name] will provide facilities to its employees to have a staff retreat, annual get-to-gather with or without their family members for the purpose of implementing employee wellbeing practices, ensuring that [CSO’s Name] employees are satisfied and engaged with their work.

10.6.2 [CSO’s Name] organize a staff retreat every year to facilitate interaction between management and the staff which event is organized outside the [CSO’s Name] premises.

10.6.3 Commendations: A formal letter of commendation may be framed by the HR Unit to issue an employee on his good work with a copy to his personal file. HR Unit shall study the data and analysis received from relevant divisional head and satisfy his effort in contributing to the company performance in various forms

10.6.4 Some Other Practices: It is essential senior management of [CSO’s Name] to consider some other practices to recognize their employees (as these practices are often more frequent, less expensive, and less formal), may include following;

1. **Congratulating someone during a meeting** for accomplishing a task or overcoming a work obstacle can help recognize an employee in front of other team members at the organization.
2. **An email or note**recognizing an employee’s efforts can go a long way in helping the employee feel validated and valued.
3. **Posting messages** on [CSO’s Name] social media or internal company chat channels is an easy and effective way to boost morale among team members, especially if your team is still working remotely. Our managers and team members post virtual notes of recognition on our internal messaging system and in our company newsletter etc.

# **Chapter 11 Severance**

**11.1 Overview**

Severance that is lay off of an employment by written notice or by mutual agreement or termination on disciplinary background or a reason relating to the business decision like merger, acquisition or closing dawn an entity due to various reasons

### Retirement

11.2.1 The age of retirement in the [CSO’s Name] is 55 years which will be set out in the Letter of Appointment of each employee.

11.2.2 The date of birth given at the commencement of employment, substantiated by the Birth Certificate and/or National Identity Card will be taken as conclusive evidence of same.

* 1. **Volunteer Resignation**

11.3.1 All permanent employees should give the stipulated notice as per their appointment letters of their intention to leave employment or pay stipulated period of salary in lieu of such notice. The management could similarly give notice and pay a related period of salary and terminate the services of an employee for valid reasons other than for termination on disciplinary grounds.

11.3.2 If the management refuses to accept her/his resignation on disciplinary grounds and the employee ceases to report for duty, she/he should be deemed to have vacated her/his post as from the date of such cessation.

11.3.3 The resigning employee is subject to an exit interview carried out by the HR Unit to determine feedback on the [CSO’s Name] operations and its management *(Template Reference No HR 010 - Exit Interview)*.

11.3.4 Acceptance of the resignation should be notified to the employee concerned in writing with copies to the relevant divisional heads by the HR Unit of the [CSO’s Name].

11.3.5 At the end of the service, a certificate relating to the tenure at [CSO’s Name] may be issued on the request of an employee.

### Vacation of Employment

11.4.1 Absence without any intimation for 2 days will render the employee to be treated as having vacated post if the employee is found unable to furnish satisfactory reasons for his absence and failure to intimate.

11.4.2 If an employee is absent for 2 days and above without approved leave or formal communication will deem to have vacated her/his post from the date of such absence.

11.4.3 The ED or the delegated authority shall serve such an employee with a vacation of post notice by registered post or by personal delivery.

11.4.4 If the employee does not submit an appeal within two weeks, the vacation of post shall be converted to a dismissal. If the employee submits an appeal to the ED or the delegated authority within two weeks from the date of receipt of such notice, it may be considered to permit the employee to resume duties.

### Medical Condemnation

11.5.1 In the event an employee is unable to continue employment due to ill-health, the management will request the employee concerned to undergo a medical examination to be carried out by a doctor/specialist nominated by the [CSO’s Name].

11.5.2 On completion of the medical examination, if the employee is found to be medically unfit for employment, the management will medically condemn the employee.

### 11.6 Termination of Employment

11.6.1 The company reserves the right to terminate an employee at any time without notice or payment in lieu of such notice on the grounds of misconduct and/or, gross negligence, improper performance of duties, acts of moral turpitude, acts subversive of discipline both within and outside the place of employment affecting the credibility and the future of the business of the company and/or its goodwill and/or breach of any express of implied terms of the contract of employment, more fully set out in the code of conduct/standing orders of the [CSO’s Name].

11.6.2 All lapses acts of misconduct, frauds, neglect of duty, indiscipline, discourtesy, insubordination, general inefficiency, and contravention of any official instructions or directions already issued or that may be issued from time to time can therefore be dealt with disciplinary powers conferred on the [CSO’s Name]

11.6.3 The [CSO’s Name] further reserves the right to terminate an employment due to re-organization, closure and retrenchment arising from economic reasons, re-organizational exigencies and other factors beyond the control of the [CSO’s Name] and/or for any acts physical impossibility preventing the performance of this contract.

11.6.4 In regard to above, where the prevailing law requires and form of notice or prior permission to terminate from the employment, the company will terminate the service in compliance with such law.

11.6.5 The power to dismiss its employee is vested to ED /Governing Body or the delegated authority in terms of the disciplinary rule of the [CSO’s Name] as specified under Chapter 14 of this Manual.

* 1. **Expiration of the Contract Period**

11.7.1 Employee engaged in a fixed term of appointment on contract basis shall expire on the date of completing contractual period, however, where necessary on exigencies of the service, [CSO’s Name] may extend the service contract for a further period of time.

* 1. **Redundancy of the Service Contract**

11.8.1 Service contract may expire in the event of death of employee, sick or jailed in longer time who is unable to carry out the service contract physically.

11.8.2 In the event of the death while in the service of an employee, who has at least completed one year of service, a compensation shall be paid to the surviving spouse or dependent children as decided by the ED on the approval of the Governing Body.

###

### 11.9 Terminal Dues and Benefits

11.9.1 On termination of employment the employee will be eligible for the following terminal benefits;

1. Employees’ Provident Fund (EPF)
2. Employees’ Trust Fund (ETF)
3. Gratuity

### Clearance on Severance

11.10.1 Upon termination of services, the head of the division and the HR Unit will prepare the clearance certificate to be issued to the employee in respect of the [CSO’s Name] property in his/her possession at the time of termination.

11.10.2 Any property lost, damaged or not returned will be recorded accordingly and the employee concerned will be required to settle all such losses and damages, before the release of the final dues after receipt of the clearance certificate.

(Please refer **Annexure 9** that includes Templates on Severance).

# **Chapter 12 Superannuation**

**12.1 Overview**

Superannuation that refers to retirement you take after you have reached a predetermined age or terminal benefits of an employment in compliance with the legal provision

### Employees’ Provident Fund

12.2.1 The Employees Provident Fund Act 15 of 1958 applies to all workers and lays down rules for contribution by employers and workers and other administrative rules. All employees are covered by the Employees’ Provident Fund (EPF).

12.2.2 This is payable in respect of all employees whether casual or otherwise. The [CSO’s Name] will contribute twelve percent (12%) of the salary/wage of an employee and the employees should contribute a minimum of eight percent (8%) of their salary.

### Employees’ Trust Fund

12.3.1 The Employees’ Trust Fund Act No-46 of 1980 in operations under the Ministry of Labour. All private sector employees are members of this Fund while their employers are required to remit 3% of the gross earnings of their employees to the Fund, monthly. Unlike the EPF, only the employer makes a contribution on behalf of the employee/member and hence, it is a non-contributory benefit to the member.

12.3.2 As members of the fund, employees of [CSO’s Name] could claim welfare benefits while at present the following 08 schemes are in operation. These benefits are granted irrespective of the balance in the members account and also no deductions are made from their accounts for the benefits paid while the members account is credited with the full interest and dividend declared by the Fund each year.

|  |  |
| --- | --- |
| BENEFITS SCHEME | VALUE |
| Death Benefits | Rs. 100,000/- |
| Permanent Disable | Rs. 200,000/- |
| Intraocular lens (IOL) | Rs. 15,000 each eye |
| Heart Surgery Assistance | Rs. 300,000/- |
| Kidney Transplant Assistance | Rs. 300,000/- |
| SHRAMASUWA REKAWARANA Hospitalization Scheme | Rs. 50,000/= |
| Year-05 Scholarships | Rs.15000/- each for 9000 Scholarships per year. |
| GCE(AL) Examination | Rs.12000/- each for 5000, Financial grants per year. |
| "VIYANA" Housing loan Scheme. | Rs, 100,000 Up to Rs. 2,500,000 at concessionary rates of interest |

### Gratuity

12.4.1 As per the Gratuity Law [[3]](#footnote-3)an employee is entitled, on completion of five (05) years’ service, to a payment of half (½) month’s salary for each year of completed service.

12.4.2 The salary for this purpose is the terminal salary (last drawn salary). Salary means, gross salary with all other allowances, entitled contributing to the Employees’ Provident Fund.

12.4.3 The gratuity is payable within thirty (30) days of termination of employment.

12.4.4 The amount for monthly paid employee is calculated at the rate of half a month’s salary for each completed year of service. Gratuity is also payable to workmen who are paid weekly or daily, at the rate of 14 days salary for each completed year of service.

12.4.5 Gratuity is payable whether termination was by the employer of employee, except if the termination was for reasons of fraud, misappropriation of the employer’s money or willful damage to the employer’s property, the amount of the loss or damage may be deducted from the amount of gratuity due under the Act.

12.4.6 If the workman dies while employed, any gratuity due to him must be paid to his legal heirs.

**Chapter 13** **Grievance Management**

### 13.1 Overview

A ‘grievance’ is usually interpreted to mean a disagreement or dissatisfaction of a minor form between an employee and management or a group of employees and the management that concerns a violation of the terms of employment, the law, company regulations, worker’ rights or accepted past practices.

WHAT IS GRIEVANCE?

“A grievance is any dissatisfaction arising out of anything connected with the employment that any team member believes unfair, unjust or inequitable.”

Any staff member has the right to raise any matter connected with his / her employment and the company will endeavour to resolve matters referred to it to the best of its ability.

The objective of grievance handling, dispute resolution and conflict management is to settle employee grievances promptly and amicably in a systematic manner through identifying, reporting, resolving and reviewing of grievances to have a just and fair procedure, improve employer-employee relationship and understanding and promote workplace harmony to facilitate overall higher performance and organizational excellence.

### 13.2 Grievance Policy

[CSO’s Name] is committed towards upholding and implementing effective grievance handling procedures through a formal process to settle employee grievances in a fair and equitable manner and to establish positive working relations whilst explicitly prohibiting any manner of victimization or prejudice which may cause to the employment status of employees related to the grievance process.

### Framework

13.3.1 A grievance under this policy shall mean and include a violation of the terms of employment, the law, company regulations, and worker’ rights or accepted past practices.

13.3.2 The grievance may relate to personal/ individual grievance, group grievance, principal grievance against violation of contract or a violation of policy.

13.3.3 The grievance policy shall be applicable for all staff of the [CSO’s Name] including probationary and contract employees.

13.3.4 The HR Unit shall make aware of the grievance procedures to the employees and shall include same in the induction programs ensuring periodic updates to all employees.

13.3.5 The grievance process shall be treated with strict confidentiality and any manner of victimization or prejudice to the employment status of employees related to the grievance process shall not be accepted.

13.3.6 All grievances shall be duly reported within 4 days of occurrence of such grievance. Having received a grievance from an employee, the next step of action in the grievance process shall be taken within three working days and a solution reached not exceeding 10 working days from the date of initial reporting of grievance. An employee may if required withdraw a reported grievance within 3 working days and the withdrawal shall be in writing, providing reasons for such withdrawal.

13.3.7 The grievance handling, dispute resolution and conflict management system shall operate towards achieving a higher standard of workplace harmony and employee relations and shall avoid using the policy framework or procedures towards tolerating anonymous or malicious, fabricated and deceitful complaints.

### Procedures

13.4.1 All grievances shall be in writing with the mandatory information of; who is involved, what really happened, when it happened, where it took place, who the witnesses are, why this incident is identified as a grievance.

13.4.2 A grievance shall be reported to successive levels of management; firstly, to the immediate supervisor, secondly head of the division, thirdly head of the HR Unit and fourthly to ED. However, if the grievance involves the employee’s direct line of command, he may report to the head of division directly with the complaint. At each level the decision of the hearing shall be given in writing against which, the aggrieved party may appeal to the next level of management.

13.4.3 The facts, data and information of reported grievance shall be analyzed and observations, opinions and recommendations shall be formulated in arriving at alternative solutions in a logical and un-biased manner by each successive level of management. This process shall have and maintain written documentation and the decision shall be presented to the complainant in writing.

13.4.4 Each successive level of management shall submit this documentation to the next level of management and the specific level shall review this documentation prior to submitting their opinion and recommendations in arriving at a solution.

13.4.5 Accordingly, an appeal against a grievance remedial action shall be made to the successive levels of management and the decision of the ED shall be final and conclusive.

13.4.6 The HR Unit shall write to the employee with the result and the reason for the decision as soon as possible and indicate that the decision is final.

13.4.7 Having arrived at the findings, if it requires taking certain disciplinary action, the procedure set down under disciplinary procedure shall follow. However, depending on the seriousness of the proved offence, the ED shall authorize the relevant disciplinary action.

13.4.8 The HR Unit shall keep track of the effectiveness and the functioning of grievance handling procedure and make necessary changes to improve it from time to time.

# **13.5 Key Steps and Guidelines**

**13.5.1 Discovery of Grievance and Conciliation**

In the first instance any grievance relating to one’s employment should be raised with the immediate supervisor and it is hoped that matter will be resolved at this level. This is most desirable because, firstly, it is the supervisor who best knows the staff member and circumstances related to the matter. Secondly, it is in the interest of both parties to resolve the matter then and there and reinforce the relationship. However, discussing the grievance with the aggrieved staff member should be ideally within **three working days**.

**13.5.2 Internal Review Hearing**

**Level I**

1. If the staff member is not satisfied with the decision of the immediate supervisor he/ she may present his grievance to the officer in the next level of management (that is sectional or unit head).
2. There may be instances where staff member feels it is inappropriate to refer the matter (grievance) to his/ her immediate supervisor as per accepted practice. In such an instance, the staff member may refer the matter in writing to the respective officer in the next level of management directly (sectional or unit head).
3. The respective officer would response to the aggrieved staff member by taking all necessary steps to resolve the problem within **five working days**. He will discuss issue with all parties, takes appropriate action and inform aggrieved staff member in writing.

**Level II**

1. Only if it is not possible to resolve matters with the respective officer (sectional or unit head) or if the staff member consider that he / she has not been fairly treated by both immediate supervisor and the particular officer mentioned, he/ she may request the grievance to be heard by next level of management that is the divisional head.
2. If the grievances cannot be resolved, to one’s satisfaction by respective officer (sectional or unit head) or if the staff member feels that he/ she has not been fairly treated by both immediate supervisor and the relevant officer (sectional or unit head), he/she may request the grievance to be heard by next level of management (divisional head). He will discuss issue with all parties, takes appropriate action within **eight working days** and inform aggrieved staff member in writing

 **Level III**

1. Grievance unresolved at level II above by respective officer (divisional head) will be determined by the ED. The decision at this level represents the final stage (appeal stage) of the grievance procedure. Aggrieved staff member’s request to this final stage should be put in writing to the ED through divisional head who will inquire into the incident and take appropriate action to settle the issue within **ten working days.**
	* 1. **Arbitration Hearing**
2. If there may be cases unresolved even at the final stage (level III) ED may appoint an arbitrator chosen from a list of seven possible candidates supplied by the State Conciliation Service. Legal counsel represents both parties and all testimony by witnesses is under oath.
3. After reviewing evidence, testimony and argument briefs from both parties, the arbitrator renders a written decision that is binding on both parties.
	* 1. **Dismissal of Complaint**
4. However, if the issue appears to have no substance or misconceived or frivolous, respective head of the HR Unit can dismiss the complaint with the consultation of ED, however, the respective decision will be communicated to the aggrieved staff member.
	1. **Responsibilities of the Officer in Handling Grievances**

13.6.1 It is the primary responsibility of each and every supervisor to objectively assess the grievances and determine whether a genuine problem exists. Thereafter if in opinion of the supervisor a problem does exist, then he should discuss with his superior his analysis of the problem and what measures are recommended to resolve the problem.

13.6.2 It may be necessary to discuss possible solutions to the problem even at senior management level.

1. Supervisors should endeavour to promote two way communications at all times in order to minimize grievances.
2. When responding to grievances, supervisor must always be impartial and identify the real issue without having any prejudices with regard to the individual who raises the grievance.
3. Supervisors also have the responsibility of communicating to the employee the agreed response speedily. Even if it is believed that there is no justification for raising a grievance that should be communicated to the employee with reasons.
4. The officers engaged in grievance handling should try to resolve the grievance in the shortest possible time.
5. Once a grievance has passed beyond the first stage, it is necessarily get momentum. Therefore all possible steps should be taken to resolve any differences at the very early stage.
6. Written records should be kept from internal hearing level I
	1. **General**

13.7.1 If the staff members concerned have no objection to the decision given for his/her grievance at any stage in the process, the decision will be final and shall be enforced with immediate effect.

* 1. **Withdrawal of Grievances**

13.8.1 At any point, the aggrieved staff member can withdraw the grievance. The possible solutions to grievances may include;

1. Provide relief
2. Give explanation for such behavior
3. Correct previous discriminatory practice
4. Offer an apology
5. Ensure no harassment or unpleasant happening again

(Please refer **Annex 10** that includes Grievance and Disciplinary Flowcharts)

# **Chapter 14 Disciplinary Procedure**

### 14.1 Overview

An employee shall conduct him/herself in accordance with their obligations and duties, whether expressed or implied, arising from their employment, whether during or out of working hours, at their workplace or elsewhere. Any conduct which is incompatible with such obligations and duties would constitute misconduct comprising of either minor or major offences which by implication are not tenable with their position as employees.

### 14.2 Disciplinary Policy

[CSO’s Name] shall implement a disciplinary procedure with a fair and reasonable process, that our employee to deal with an issue of misconduct or to improve performance. [CSO’s Name] is more concern about correctly carrying out the disciplinary action through the formal process to act in good faith while given the employee a fair and unbiased hearing before a decision is made, essentially, the natural justice that a person receives justice that would met adequate notice, fair hearing and no bias.

Obligation of an employee would include;

1. Safeguard the property and interest of the [CSO’s Name] at all times.
2. Discharge his duties efficiently, diligently, honestly with fidelity and prudence.
3. Maintain and improve the standards of performance required of him.
4. Accept and carry out all lawful orders and instructions given to him by his superior officers.
5. Conduct him in such a manner as not to bring the [CSO’s Name] into financial loss in the course of his work or as not bring the [CSO’s Name] into disrepute in his relations with one another and with general public
6. Give his undivided allegiance to the [CSO’s Name] at all times and at all occasions when the [CSO’s Name] has a claim on his services.
7. Familiarize himself with and observe provisions of all policy and procedure manuals including Disciplinary Rules and any other rules and regulations issued from time to time by the [CSO’s Name].
8. Be courteous towards the public and readily assist all persons visiting the [CSO’s Name] and be polite in his acts and transactions and official correspondence.
9. Avoid divulging official information of a confidential nature and of any other form that could cause embarrassment to the [CSO’s Name].
10. Not to utilize [CSO’s Name] labor on private jobs of any kind or put any [CSO’s Name] property for his personal use.
11. As soon as a charge is preferred against him/her in a court of law in respect of a criminal offence report the same to the head of his/her division or section.
12. If an employee is convicted in a Court of Law for a Criminal Offence, he shall report the findings of guilt or conviction immediately to his head of division or section.
13. Any other obligations that arises out of his employment relationship with the [CSO’s Name].
	1. **Forms of Disciplinary Actions**

14.3.1 The form of disciplinary action will vary with the nature of the lapse or misconduct in question.

1. Where there has been a grave act of misconduct the disciplinary action consists of five steps;
2. Preliminary investigation
3. Charge Sheet
4. Explanation letter
5. Formal inquiry
6. Disciplinary order
7. Where necessary an order of interdiction would also be made. This procedure is in respect of charge under Grave Misconduct. – acts of grave misconduct: discreditable conduct, insubordinate conduct, fraud, forgery, theft or alteration of documents, corrupt practice, damagers or loss for CSO’s property, drunkenness and disorderly conduct, being an accessory to breach of discipline, unauthorized use of CSO’s vehicles.
8. In respect of minor misconduct the procedure consists of only four steps,
9. Preliminary investigation
10. Charge Sheet
11. Explanation letter
12. Disciplinary order
13. This procedure is in respect of charges under Minor Misconduct though no formal inquiry would be held here, such an inquiry may be held on an application by the accused employee and decided at the discretion of the Disciplinary Authority – acts of minor misconduct: neglect of duty, malingering, gambling, improper correspondence with the management, unauthorized display of posters.
14. Where there has been only a very minor lapse the action taken against the employee is summary in procedure and takes only two steps;
15. Calling for explanation in writing
16. Disciplinary order

14.3.2 The disciplinary procedure below sets out the formal internal processes to uphold a just and fair procedure pertaining to disciplinary action.

### 14.4 Disciplinary Procedure

14.4.1 All acts of misconduct shall be reported to the HR Unit.

14.4.2 The HR Unit division shall hold a preliminary investigation to ascertain whether there is a prima facie case for the issue of a show cause notice. Accordingly, a preliminary statement shall be taken from the employee involved and thereafter written statements shall be taken from the witnesses. However, if the accused employee refuses to make such statement, he shall not be compelled to do so. Nevertheless, such fact should be recorded and endorsed by the officer conducting the preliminary investigations with two other officers as witnesses.

14.4.3 If the charges relate to goods and documents, such items shall be preserved, marked, signed on a masking tape and sealed. This procedure should, as far as possible, be done in the presence of the accused employee. If they are perishable, necessary documentation should be made before the goods are destroyed.

14.4.4 In the event it is observed that there is a prima facie case for further inquiry, it shall be ensured that principles of natural justice towards accused are observed through providing;

1. information of charges and reasonable notice of the case he has to meet,
2. reasonable opportunity of being heard in his/her defense
3. an independent and impartial person or body not directly a party to any of the matters in issue to hold the inquiry
4. a person who shall act in good faith, reasonably and not arbitrarily

14.3.5 Accordingly, the HR Unit shall issue a ‘show cause notice’ outlining the charges and requesting explanation from the accused, whilst requesting response within 14 days. Failure to submit an answer shall amount to acceptance of the charges specified in the letter. The ‘show cause letter’ may specify, as the case may be, that the accused is suspended without pay until further notice, pending an inquiry to be held by the management on a charge or charges of misconduct, where such charge/s relate/s to:

1. Fraud, theft, misappropriation or a like offence by the employee in the course of employment.
2. Abuse, threat or gross insubordination by the employee of or to a member of the executive or management staff of [CSO’s Name].
3. Breach of peace of damage to property, or disturbance of the business of [CSO’s Name].
4. Charges which, in the opinion of [CSO’s Name] shall warrant dismissal.

14.4.6 In the event, the accused admits to the charges, appropriate disciplinary action shall be taken against him and shall not necessitate holding of inquiry, unless migratory circumstances are pleaded. However, it may be prudent to hold a summarily inquiry.

14.4.7 In the event, the accused fails to submit a reply within the period specified, it shall imply that the accused has no explanation in defense of the charges made against him and appropriate disciplinary action shall be taken against him and shall not necessitate holding an inquiry. However, it may be prudent to hold an inquiry.

14.4.8 In the event the accused provides a satisfactory answer to the charges, if he is under suspension, he shall be recalled to work and shall be paid all emoluments and entitlements due to him during the period of such suspension.

14.4.19 In the case of certain minor offences committed for the first time and if the misconduct reported is not of a serious nature, the divisional head should summarily deal with the incident by warning the employee verbally and thereafter the HR Unit shall have this recorded in writing obtaining the signature of the employee.

14.4.9 In the event the answer provided by the accused is unsatisfactory, such answer or explanation is rejected by the management, the management shall commence an inquiry within fourteen (14) working days from the date of receipt of the written answer or explanation to the show-cause notice.

14.4.10 To commence a domestic inquiry procedure, the HR Unit in consultation with the ED shall appoint an independent Inquiring Officer. If the Inquiring Officer is an employee, he/she should be of a superior rank than the accused employee unconnected to the issue of the charge. In a case where the virtual complainant is from senior management it should be prudent to obtain the services of an outsider to hold the inquiry.

14.4.11 The inquiry officer will record all evidence (with their signatures), any objection and his rulings with reasons etc., during the inquiry and may question any witness or recall any witness he considers as useful and vital to ascertain facts. The accused shall present his /her case to the Inquiring Officer and shall be allowed to submit witnesses in his favor.

14.4.12 Upon completion of the Inquiry, the parties to the inquiry shall authenticate that the inquiry was held in a fair manner and place their respective signature. If there is any dispute in this regard, reasons for such objections shall be recorded.

14.4.13 The Inquiring Officer shall analyze the evidence recorded at the inquiry and based on that evidence give his verdict within14 working days of closing of the inquiry to the head of HR indicating whether the accused is guilty (or not) with reasons on each charge.

14.4.14 If as a result the accused is found not guilty, he will be allowed to resume work with full remuneration for the period of suspension.

14.4.15 In the event the accused is found guilty, the accused employee’s previous record, length of service, position and other extenuating or aggravating circumstances that may exist shall be taken into account in determining the gravity of the misconduct and in arising at the penalty to be imposed. Accordingly, an employee found guilty of misconduct may be:

1. Cautioned (If the misconduct is minor and a lesser bearing)
2. Warned or reprimanded
3. Annual increment may be suspended stopped or deferred
4. Suspended without pay
5. Dismissed without notice (effective from the date of suspension)
6. Given any other appropriate punishment.

14.4.16 The result of the inquiry shall be conveyed to the party concerned by letter, a duplicate of which shall be signed by the employee or on his refusal to sign such duplicate copy, the punishment will be conveyed in the presence of two witnesses, or the letter sent by registered post to his address as appearing in the company records.

14.4A - PRELIMINARY INVESTIGATION

1. When disciplinary action is contemplated against an employee, the first step is the holding of a preliminary investigation.
2. Normally a preliminary investigation is ordered by the ED. In urgent circumstances the HR Manager or delegated authority could order such an investigation. But the ED must then be kept informed of such action.
3. A preliminary investigation is only a fact-finding process and does not constitute a formal inquiry.
4. Such an investigation is held by obtaining statement from persons who could give evidence as to the matter under investigation. In obtaining such statement initially the place, date and time of recording such statements are noted down. Such statements should be recorded in language that person is conversant with and in direct speech.
5. The duty of preliminary investigating officer is not merely to record what is being stated to him by a witness, but also to question him on matters needing clarification in the light of the statement made to him and to record his replies too accordingly
6. Any material including documents which are relevant for the process of holding a preliminary investigation should be impounded by the investigating officer.
7. Where such documents need to be produces in a Court of Law, certified copies should be made use of for the investigation, while releasing the originals
8. In order to ensure confidentiality and secrecy of the preliminary investigation statements can be recorded without prior notice to any person either by going up to him or her or summoning such person to the place of investigation.
9. In the event of any information pertaining to the incident under investigation that would implicate any person including the complainant is revealed in the course of the preliminary investigations, such information should be complied separately and included in the report.
10. It must be noted that there are differences between a preliminary investigation and a formal inquiry. For instance, at a formal inquiry the accused employee and the witnesses are informed of the inquiry in advance. But such prior notice is not given at a preliminary investigation. Further, at a formal inquiry the accused employee is entitled to be present at the inquiry right through its course. But at a preliminary investigation he has no such right. No representative is also permitted to appear on behalf of an employee at the preliminary investigation.
11. However, if the preliminary investigation is in respect of a shortage in cash or stores in the custody of an employee, he has a right to be present at such investigation. Further, in such an event he will be required to confirm that such verification was carried out in his presence and he should certify or acknowledge as to the correctness or otherwise of the accounting statement drawn up to then.
12. Generally a question of seniority does not arise as between the Investigating officer holding the preliminary investigation and the suspect employee.
13. Even where a suspect admits directly the lapse or the misconduct in question on his part a preliminary investigation will still be necessary, for the reason that no disciplinary order could be made at the conclusion of a preliminary investigation itself. Such an order can be made only at least after the framing of charges and the calling for the explanation of the suspect employee. And if a charge sheet is to be framed all the evidence necessary should have been collected at the preliminary investigation.
14. An employee cannot refuse to make a statement when requested to do so at a preliminary investigation. Where an employee refuses to make such a statement it will amount to insubordination, for which also he can be dealt with disciplinarily.
15. It has to be remembered that the statement recorded at a preliminary investigation are often subject to serve cross examination at the stage of the formal inquiry. Therefore such statement at a preliminary investigation must be recorded with the utmost care and as conveying the exact evidence of the employee.
16. At the end of the preliminary investigation the investigation officer should prepare a report on the basis of the evidence recorded by him and indicate therein whether there appears to be a prima facie case against the suspect employee or not.

14.4B - INTERDICTION, AND EMOLUMENTS WHILE UNDER INTERDICTION

1. Where it is considered undesirable that an employee should continue to exercise the duties and functions of his office or post he may forthwith be interdicted by the ED. An employee could also be interdicted or sent on compulsory leave
	1. At the conclusion of preliminary investigation disclosing chargers serious enough to warrant his eventual dismissal from [CSO’s Name] if those chargers are proved; or
	2. At the conclusion of an investigation made by the Police disclosing serious charges under criminal offence.
2. Any employee charged / indicted by a Criminal Court shall forthwith inform the HR Unit of this fact through his /her divisional head. On receipt of this information, the HR Unit shall call for a certified copy of the court order /findings and on receipt of such order shall decide what disciplinary action should be taken against the employee.
3. Any employee who is interdicted consequent to conviction in a court for a criminal offence will not be paid any emoluments during the period of interdiction.
4. An employee who is interdicted on account of misappropriation, fraud, forgery and negligence resulting in an appreciable loss to the [CSO’s Name] or on account of involvement in bribery or any other means of illegal gain to him will not be paid any emoluments during the period of interdiction
5. As the reinstatement of an interdicted employee who is not found guilty after an inquiry would result in the payment of all back wages to him with consequent loss to the [CSO’s Name] the disciplinary authority should personally satisfy himself before ordering the interdiction of an employee.
6. An order of an interdiction would generally be made if the offence complained of had been committed during official time, within official premises or by virtue of the official position of the employee.
7. If the disciplinary proceedings against an interdicted employee result in dismissal he shall not be paid any emoluments as from the date letter of dismissal. If the disciplinary proceedings result in a punishment less than dismissal, the payment of emolument withheld or of a portion thereof will be decided by the disciplinary authority ordering the punishment and this will form part of the disciplinary order.
8. Where an employee has been sent on compulsory leave, the leave availed of will first be set off against the leave normally available to him and any excess leave will be treated as special leave under full pay.

14.4C - CHARGE SHEET

1. If at the conclusion of a preliminary investigation, it’s considered necessary to pursue further disciplinary action against the suspect employee, and then a charge sheet would be issued against him by the disciplinary authority. A charge sheet is issued to comply with a principle of Natural Justice, namely to conform to the requirement that no person should be punished without having heard him in his defence.
2. Generally two weeks’ time is allowed to reply to the charges. This period of time can be extended at the request of the accuses employee based on reasonable grounds. Where an accused employee delays inordinately or where he does not furnish a reply at all, a disciplinary order can be imposed on the basis that he has no explanation to offer
3. On consideration of the reply to a charge sheet, the disciplinary authority will proceed to appoint an Inquiry officer, where necessary. Before receiving such an appointment the officer concerned should satisfied certain requirements. One such requirement is that he should not be a person who had been associated with the inquiry matter at the stage of the preliminary investigation. In other words, the appointee should not be a person biased in any way in the matter under inquiry. This is in recognition of a principle of Natural Justice.

*(Template Reference No. HR 012A - Model Charge Sheet under Grave Misconduct)*

14.4D - HOLDING OF A FORMAL INQUIRY

1. At the commencement of a formal inquiry the inquiry officer’s attention should be drawn to the matter of the representative at the inquiry. The officer appearing on behalf of the prosecution is termed the prosecuting officer and the officer representing the accused employee is referred to as the defending officer. These representatives should have received the prior approval of the disciplinary authority for functioning as such.
2. The duty of the prosecuting officer is to lead evidence for the prosecution. For this purpose he should obtain the preliminary investigation file and study the contents therein, bearing in mind that the charges have been based on the evidence collected at the preliminary investigation.
3. When a defending officer appears at an inquiry on behalf of the accused employee it is only the defending officer who can make representation at the inquiry on behalf of the defence. But where the accused employee so desires he can dispense with a defending officer and arrange to conduct the defence himself.
4. Before the commencement of the recording of evidence it is best that the inquiry officer address both parties, detailing in brief the procedures that would be followed at the inquiry and seeking their corporation to conclude the inquiry without delay.
5. The ED will appoint a person to lead evidence for the prosecution at an inquiry. He is then referred to as the prosecuting officer. It will be the responsibility of the prosecuting officer to lead evidence at the inquiry in such manner as to establish the charges preferred against the accused employee by the disciplinary authority.
6. An accused employee shall be entitled to be represented at a formal inquiry by a defence representative who shall be nominated in writing by the accused employee and approved by the disciplinary authority
7. At the commencement of a formal inquiry the inquiry officer’s attention should be drawn to the matter of the representative at the inquiry. The officer appearing on behalf of the prosecution is termed the prosecuting officer and the officer representing the accused employee is referred to as the defending officer. These representatives should have received the prior approval of the disciplinary authority for functioning as such.
8. After the inquiry the inquiry officer should indicate in his report in respect of each charge as to what his findings are. The findings of an inquiry officer would be as to whether a charge is proved, disproved or not proved.
9. When the disciplinary authority receives the report of the inquiry officer, the former should himself analyses and study the contents of the report. Thereafter the disciplinary authority can either agree or disagree with any decision or finding of the inquiry officer in respect of any charge or charges and accept or reject or revise any or all of the findings of the inquiry officer. Where he disagree clear reasons for such disagreement must be noted down in the relevant file.

14.4E - ORDER OF DISCIPLINARY AUTHORITY

1. After the inquiry the inquiry officer should indicate in his report in respect of each charge as to what his findings are. The findings of an inquiry officer would be as to whether a charge is proved, disproved or not proved.
2. When the disciplinary authority receives the report of the inquiry officer, the former should himself analyses and study the contents of the report. Thereafter the disciplinary authority can either agree or disagree with any decision or finding of the inquiry officer in respect of any charge or charges and accept or reject or revise any or all of the findings of the inquiry officer. Where he disagree clear reasons for such disagreement must be noted down in the relevant file.
3. The disciplinary authority in making a disciplinary order will state specifically in respect of each charge whether he finds the employee guilty or not guilty.
4. If punishment less than dismissal is imposed on an employee under interdiction, the disciplinary order will include an order as to whether the whole or a specific proportion of the emoluments withheld from him should be paid to him or not on reinstatement. In deciding on such an order, consideration would be given to the length of the period of interdiction and to the extent to which it may or may not be directly attributable to the accused employee.
5. When the disciplinary order is one of dismissal that must be conveyed to him immediately. He will not receive any salary or emoluments thereafter.
6. If the accused employee is acquitted of all the charges, he should be immediately reinstated if interdicted and paid back the salary withheld during interdiction.

*(Template Reference No. HR012B - Disciplinary Authority to Deal with Disciplinary Matters)*

14.4F - PUNISHMENTS

1. Punishments are divided into minor and major punishments. Minor punishments are appropriate for offence of the type similar to those in Acts of Minor Misconduct, Major punishments are appropriate for offences of the type similar to those in Acts of Grave Misconduct.
	1. Minor punishment including the following.

Reprimand, server reprimand or censure (a ‘warning’ is not a punishment) suspension or stoppage of increment for a period not exceeding one year. A fine not exceeding one week’s pay.

* 1. A major punishment will include the following.

Dismissal, termination of service, (after disciplinary inquiry) retirement for general inefficiency, retirement for inefficiency as a merciful alternative to dismissal, reduction in seniority (by a specific number of places in the grade to which the employee belongs), reduction in rank, reduction of salary or deferment of increment, deferment of promotions for a specified period and any other form of punishment more serve

14.4G - APPEALS

1. An employee aggrieved by a disciplinary order made by the Disciplinary Authority will be permitted to make an appeal to the appellate authority *(Template Reference No. HR012B - Appellate Authority to Deal with Disciplinary Matters).*
2. An appeal will be entertained only from the aggrieved employee. An appeal sent on his behalf by any other person will not be acknowledged or entertained.
3. An appeal should be made within one month of the date of the disciplinary order complained of.
4. Only one appeal will generally be entertained. If a second appeal is to be considered by the appellate authority that would be only in respect of matters not disclosed in the first appeal and where reasons have been given for such non-disclosure of these facts earlier.
5. An employee who is still in employment, in making an appeal should do so through proper channels. An employee who has been sent out of service will make an appeal direct to appellate authority
6. In consideration of an appeal, the appellate authority will make an appropriate order. In doing so the appellate authority could also change or revise the order of the disciplinary authority. Where considered necessary the inquiry held may be quashed and a fresh inquiry ordered by the appellate authority. In such an event the reasons for that decision must be placed on record.
7. In the consideration of an appeal, if it appears to the appellate authority that it is not only the accused employee who is answerable to the matters in issue, but also some other employee/ employees. Then disciplinary action may be ordered against the others involved.

(Please refer **Annexure 11** – Sample Templates on Disciplinary Authority and Appellate Authority to Deal with Disciplinary Matters)

**Chapter 15 Travelling, Food and Lodging**

Staff Regulations and Rules, and Administrative Instructions with regard to the Travelling, Food and Lodging are given below;

* 1. **Travel on Duty Within the Island**
1. An employee traveling on official duty shall be entitled to reimbursement of his travel expenses, and bills on food and lodgings for the period of his stay out from his residence and permanent station subject to the conditions specified under these rules.
2. An employee who has traveled more than 50 KMs up-and-down away and spent for more than 6 hours at a time out of the residence or office/ duty station, whichever is closer to the place of visit, can be reimbursed his bills on food and lodging actual amount spent subject to a maximum limit as shown under rate I and rate II below which is applicable.

|  |  |
| --- | --- |
| Item | Rate in Rs. |
| Group II | Group I |
| Food –Breakfast | 150.00 |  250.00 |
| Lunch |  200.00  | 350.00 |
| Dinner  | 250.00 | 400.00 |
| Tea/refreshment (for two) |  100.00  | 200.00 |
| Lodging – Night only/half day | 2,000.00  |  3.000.00 |
|  Full day | 3,000.00  | 5,000.00 |

1. For reimbursement of above payment [CSO’s Name] staff is divided into two groups as mentioned below.

GROUP I: Executives and the similar officers who draw salary more than Rs. 40,000/= per month. Other officers who travel along with the staff of this group may be allowed the same rates. Consultants who render services on regular basis or assignment basis may be allowed to claim under this category, if fulfilled the requirements of Sub Section 15.1 (b) above.

GROUP II:All other staff

1. They could furnish hotel bills within the approved rates in support of hotel accommodation and food.

1. Board/Council members, contributing members/donors, and foreign delegates/ experts are exempted from these rates and they may be allowed to incur expenditure on traveling, accommodation and foods based on the approved pro-forma invoice/quotation.

1. The traveled distance should be determined either from his residence or office whichever is closer to the place of visit.
2. Before travel is undertaken, approval shall be obtained from the ED or an officer delegated with such authority. In return he should submit an output/work done report along with the claim.
3. An employee entitled to car mileage, to maintain an own car for the efficient discharge of his duties, may be paid care mileage at a rate of Rs. 30/= per k.m not exceeding 80 KMs up-and-down. If it is a hired vehicle he may be allowed to claim Rs. 40/- per k.m. Reimbursement of hired car charges should be supported by receipts which should be attached to the claim.
4. An officer entitled to motor cycle mileage is allowed to claim Rs. 9.00 per KM not exceeding 50 KMs up-and-down.
	1. **Commuted Traveling Allowance**
5. In the case of an officer who has extensive traveling to perform in the ordinary course of his duties, provided no official transport, the ED can assign him a fixed allowance not exceeding of Rs. 30,000/- per month as a commuted traveling allowance.
6. Field officers who are entitled to use motor cycles for official duties can be paid a monthly allowance of Rs. 3,000/- per month if it exceeds 1,500 KMs per month on official work with the approval of ED.
	1. **Travel Abroad on Official Duty.**
7. In the determination of participation at a foreign seminar, training, workshop, conference, exposure visits or any other overseas activity and the selection of a suitable participant, the following criteria should be assessed.
8. His/her past performance and the commitment towards [CSO’s Name] – any achievement/progress or satisfactory level of performance
9. Training need – relevant to the employee and the [CSO’s Name] (to undertake present and future responsibilities/workload)
10. Ability to utilize him in [CSO’s Name] activities in future
11. Final decision with regard to the participation and selection of the participant will be decided by the ED or Governing Body of the [CSO’s Name].
12. Whilst attending to the overseas event, participant should devote full time on such activity and should not seek any other employment.
13. All training material received at the overseas event shall be brought and handed over to the HR Unit of the [CSO’s Name].
14. Participant shall make a PowerPoint presentation and submit a written report on the outcome of the overseas event within one week upon returning to the country.
15. An employee training abroad on duty is entitled to the payments approved by the council depending on the requirements.
16. If the training program exceeds more than one week or entire cost exceeds Rs. 500,000/= participant shall sign a mutual agreement to serve [CSO’s Name] for obligatory service. If failing he should repay the entire cost to the [CSO’s Name] as stipulated in the agreement. However, maximum bond period shall limit to 48 months.
17. If he resigns before completing half of the obligatory service who should repay the entire cost. If he resins after completing half of the obligatory service cost to be repaid on prorate basis.
1. The Workmen’s Compensation Ordinance, first enacted in 1934, provides for the payment of compensation to workmen who are injured in the course of their employment. Since its enactment it has been amended several times especially by Act No. 15 of 1990. The Ordinance specifies and regulates the employer’s liability to pay compensation and specifies the instances in which the compensation should be paid. The compensation has to be paid for

	* 1. An injury to a workman by accident arising out of and in the course of his employment
		2. An occupational disease contracted by an employee whose service is not less than six months in any process which is directly attributable to the nature of his employment.The amount of compensation is to be determined by the Commissioner of Labour or his authorized officers depending on the nature of injury to the workman.

An accident that occurred when the workman was at his own home or at a time after or before work will not be covered. Also, the workman will not be covered for accidents caused when he was under the influence of liquor or drugs or was guilty of willful disregard of the safety equipment and procedures provided at the workplace. A claim for workmen’s compensation must also be made within two years of the accident.

If an employer fails to pay, the workman or his dependent can apply to the Commissioner of Labour within one year of the accident. An employer who fails to pay within thirty days is liable to a surcharge, while wrongful refusal to pay can also result in a fine.

A claim under the Workman’s Compensation Ordinance does not prejudice the right of a workman or his dependents to institute proceedings in a District Court of the area where the accident occurred for the recovery of damages. However, in such a case he will be bound by the general principles of delictual liability that usually require proof of negligence unless the employer was in breach of some duty imposed on him by statute. Any award for damages by the court will normally take into account any sum already paid to the workman under legislation. [↑](#footnote-ref-1)
2. The Shop & Office Employees Act 19 of 1954 covers the terms and conditions applicable to the workers covered by it. It covers conditions of employment and remuneration. It also provides for maternity benefits in relation to females in shops and offices. Occupational safety & health conditions mandatory provisions is also available. The Act applies to all employees within the definition of a “shop” or “office” and is in five parts – i) regulation of hours of employment in shops and offices, ii) health and comfort of employees, iii) payment of remuneration and regulation of remuneration, iv) closing order for shops, and v) general matters [↑](#footnote-ref-2)
3. According to the Payment of Gratuity Act No.12 of 1983, the eligibility requirements for gratuity claims are as follows:

Completion of at least 5 years of continuous service by the employee. Employees do not need to complete an application form to receive gratuity payment. The employer must pay the gratuity payment within one month from the date you resign from the organization. In the event of death of an employee, the gratuity is to be paid to the employee’s family. In case of default of gratuity payment by the employer, a complaint should be lodged to the Labor Department [↑](#footnote-ref-3)