

# Chapter 8:

## Human Resources Guide



Cover photo: CRS staff and those of partner agency Caritas Haiti at work at the United Nations compound in Gonaives. Photo by David Snyder for CRS.

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228 West Lexington Street  
Baltimore, MD 21201 – USA  
[pqsrequests@crs.org](mailto:pqsrequests@crs.org)

Download this and other CRS publications at [www.crsprogramquality.org](http://www.crsprogramquality.org).

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## ACRONYMS

<b>CV</b>	Curriculum Vitae
<b>HR</b>	Human Resources
<b>JD</b>	Job Description
<b>PMS</b>	Performance Management System
<b>SHRM</b>	Society for Human Resource Management

# ***CHAPTER 8:*** **HUMAN RESOURCES** **GUIDE**



photo caption?

# HR PROCESS MAP

## **Staffing, Recruitment, and Orientation Process 8.1**

Do you have a process used  
in all new-hire, transfer, and  
promotion decisions?  
*see page 9*

## **Compensation, Benefits, and Payroll Process 8.2**

Do you follow best  
practices when  
compensating employees?  
*see page 21*

## **Performance Management Process 8.3**

Do you assist your employees  
in maintaining and improving  
performance?  
*see page 36*

## **Employee Relations Process 8.4**

Are mechanisms in place  
to ensure employee  
rights are met?  
*see page 57*

## **Staff Care and Safety Process 8.5**

Are policies in place to protect  
employees and minimize risk?  
*see page 70*

## **Separations Processing 8.6**

Do you have defined  
procedures for all instances  
of employee separation?  
*see page 79*

## PURPOSE OF THIS GUIDE

Organizations interested in developing or improving their human resources (HR) business processes, procedures, and related policies will use the information in this guide in different ways, as different organizations have unique contexts and business needs that will require “personalization” of human resources systems.

This human resources management guide addresses the need to use good business practices, systematize the HR process, ensure the effective and efficient management of HR resources, avoid confusion, and ensure fair and consistent treatment of everyone in the organization.

## WHAT FUNCTION DOES HUMAN RESOURCES SERVE?

Human resources management is the organizational function that deals with issues related to all the people in the organization who individually and collectively contribute to the achievement of the organization’s objectives. Among these issues are staffing and recruitment, compensation and benefits, performance management, safety, well-being, communication, spirituality, employee motivation, development, and growth. HR management activities are intended primarily to attract, develop, retain, and transition employees. People are the organization’s most valued assets; human resources management promotes and administers policies and procedures that ensure that staff members have the skills, motivation, and opportunities to make their best contributions to the mission of the organization.

### **Staffing, Recruitment, and Orientation**

The organization must plan what type of staff and positions are needed in the short and long term, based on organizational goals and action plans. This plan informs recruitment decisions and helps new hires integrate into the organization’s culture; engender trust, cooperation, and motivation; and be effective in contributing to the organization’s achievements. This is the process that introduces new hires to the systems, structures, policies, and communication flow in the organization.

### **Compensation and Benefits**

The purpose of a compensation and benefits system is to pay employees for their work in a just manner. By offering competitive compensation and benefits packages, the organization can meet the needs of employees, thus attracting and retaining employees. Total compensation is a term that describes the entirety of what the organization is providing to an employee including salary and benefits.



**Staff Care and Safety**

Staff care pertains to assisting employees with self-care techniques and institutional responses to stress in particularly challenging environments. Staff safety procedures are designed to eliminate death, injury, or illnesses from occurring in the workplace or during the performance of work duties off-site and to secure and protect all assets of the organization.

**Performance Management**

Performance management is the process of assisting employees in maintaining or improving performance through defining clear expectations and development needs, ongoing employee coaching and development, and assessment of results. Performance management clarifies expected performance; helps the employee develop knowledge, skills, and attitudes; and holds the employee accountable for her or his work and behavior. Strong performance management is crucial to the success of any organization and/or project.

**Employee Relations**

Organizations are responsible for ensuring that the workplace is a positive and just environment in which to work. They should therefore institute mechanisms for maintaining positive employer-employee relationships, as well as mechanisms for employees to express their needs and to ensure that their rights are protected. By ensuring that employee relations practices are in place, the organization can more quickly and proactively address difficult problems such as grievances, low staff morale, or poor relationships among staff members.

**Separations**

The process of terminating employees varies depending on the reasons for termination. Separations should be handled with the utmost care, especially in cases in which it is the employer's decision to terminate an employment relationship. Organizations should ensure that the process is respectful of each person involved.

**Timekeeping and Payroll Administration**

In managing timekeeping and payroll administration, HR provides accurate and timely information to the finance department/unit on employees' time and attendance data, as well as on changes in employment status, pay rates, deductions, etc. This information will be used by the finance department/unit to prepare and execute payment of salaries.



## **Personnel Policies and Procedures**

Personnel policies and procedures define the HR practices and processes required in the organization and define employees' rights, roles, and responsibilities. HR leads the development of these policies and procedures after careful consideration of local law requirements. Once approved by top management, the policies need to be communicated and explained to all employees and applied consistently. While this guide does not contain a separate section dedicated to personnel policies and procedures, all the processes described provide guidance to organizations to assist them with developing their own policies.

## SUMMARY

The HR function encompasses many different areas, each involving various activities and processes. Although HR management can be a daunting task, this guide provides definitions and descriptions of various HR processes that should be considered as best practices that assist organizations to perform the key components of the HR function.

While organizations may not necessarily have an HR department/unit per se, there should be staff assigned the responsibilities associated with the human resources function. This HR management guide refers to an HR manager/designate as the only organizational HR role; organizations are responsible for defining job titles and responsibilities for this and additional roles based on their specific needs. The distribution of responsibility for each component of the HR function varies in different organizations depending on factors such as size of the organization, organizational budget, organizational structure, and management decision to outsource certain activities. Regardless, top management should ensure that at a minimum key elements of all components of the HR function are performed one way or another.

## KEY PRINCIPLES

As with any functional area, human resources is guided by principles. These principles inform quality standards of performance for HR systems and processes. They also address the organizational environment in which HR takes place. In addition, they ensure that the organization's management sets appropriate policies and procedures on internal control. Management regularly assures that appropriate processes are functioning effectively and monitors and manages the risks to which the organization is exposed. Finally, HR ensures that effective internal controls are in place to reduce those risks to an acceptable level. Moreover, the guiding HR principles assist organizations in ensuring their employees are empowered, motivated, and engaged in performing to the best of their potential and thus contribute to overall organizational success.

The following key principles should be observed when instituting HR in an organization:

- **Top Management Commitment** – Top management commitment is essential to having comprehensive HR systems and processes linked to the organization's mission and strategy. The systems and processes should be instituted in the organization and applied consistently in order to help drive organizational success.
- **Compliance with Local Legal Requirements and Donor Regulations** – Organizations must ensure that all HR systems and processes comply with local legal requirements and donor regulations. This protects the organization from liabilities that could affect staff morale and the organization's reputation and existence.
- **A Fair and Just Workplace** – A fair and just workplace affirms the dignity of each employee in an organization. It ensures that everyone receives equal treatment irrespective of race, color, age, religion, sex, national origin, disability or handicap, or level in the organizational structure. Among the elements of a fair and just workplace are consistent application of HR business processes and policies, a fair compensation and benefits package for all employees, safe and healthy working environment, and equal opportunities for recognition, learning, and growth.
- **Communication** – Every organization should establish mechanisms for clear, open, and direct communication among all staff members at all levels of the organization. There should be feedback mechanisms from the top of the organization down to the lowest level and from the bottom up to ensure accurate, consistent, and timely information is shared as needed. This ensures employees have access to the information they



DAVID SNYDER/CRS

Farmers in Guatemala listen to CRS partners explain a method of farming designed to prevent soil run off.

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need to do their jobs successfully and provides them with the opportunity to have a voice in decisions that affect them.

- **Confidentiality** – Most of the information relating to HR activities is of a confidential nature and should be treated as such. It is considered unethical to disclose certain types of HR-related information to persons or entities outside of those authorized to have access to such information. Failure to do so may expose the organization to risks and liabilities.

# HR BUSINESS PROCESS 8.1 – STAFFING, RECRUITMENT, AND ORIENTATION

## PROCESS DESCRIPTION

Robust staffing and recruitment processes along with a robust orientation process help to ensure a smooth transition into a new job or new organization and will help new employees integrate into the work environment and organizational culture. With these processes in place, it is likely that their needs will be met, enabling them to be successful in their new job.

Staffing and recruitment is the formal system used in all new hire, transfer, and promotion decisions. A successful staffing and recruitment system will be fair and transparent, ensuring that candidates are hired based on job skills, experience, certification, education, and other qualifications. By implementing a fair and transparent staffing and recruitment system, an organization is taking meaningful steps to ensure that diversity is valued and a candidate or employee is not discriminated against on the basis of age, race, religion, ethnicity, gender, or disability.

Effective recruitment ensures that organizations have the right people in the right job at the right time. The goal is to hire or promote staff with skills and qualifications that contribute to organization's goals and mission. A proper process attracts qualified internal and external candidates from which to choose the best-fit candidate. "Attracting the appropriate quantity of applicants is necessary but not sufficient. The quality of applicants is the critical factor in meeting recruitment goals."<sup>1</sup>

The benefits of having a clear and strong staffing and recruitment system in an organization include the following:

- Qualified and skilled people are hired.
- The organization, through the development of a staffing plan, has an adequate number and quality of staff to successfully achieve the organizational mission and complete strategic objectives and program plans.
- The organization, through use of the staffing plan, can evaluate gaps in staffing more easily.

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<sup>1</sup> Society for Human Resource Management Learning System (2009). *Module Two: Workforce Planning and Employment*. Page 2-132.

- Individuals are encouraged to maximize career opportunities within an organization rather than leaving for outside opportunities.
- Hiring the wrong person into a job can be prevented, therefore avoiding “selection errors [that] can negatively affect the organization’s human capital management plan as well as corporate morale, management time, training budgets, productivity, and profitability.”<sup>2</sup>
- Discriminatory hiring practices are avoided therefore reducing liability.

Always consult local law when instituting recruitment systems.

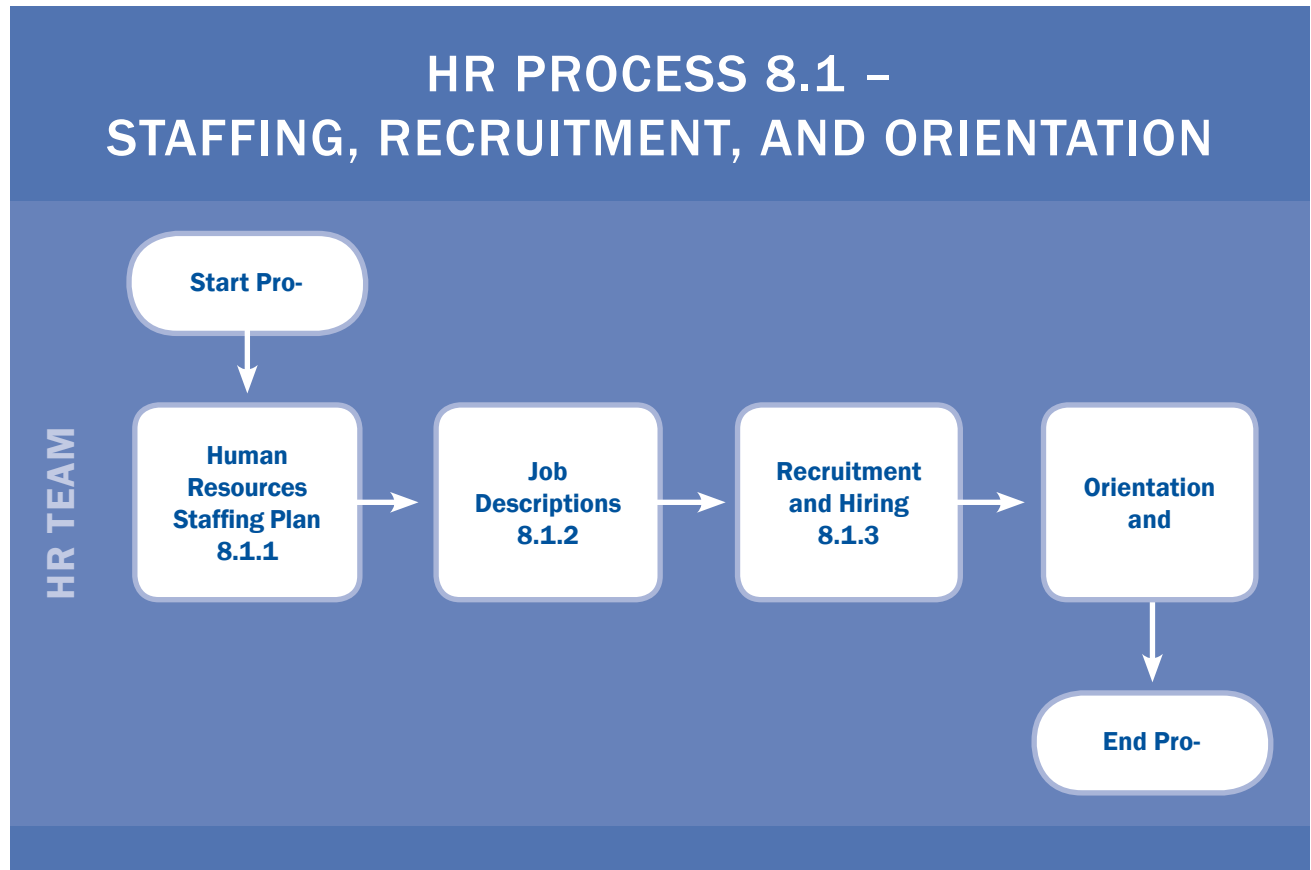
The benefits of an orientation program include the following:

- There is reduced confusion with job roles, reporting structures, and expectations, resulting in decreased turnover rates.
- Job effectiveness and impact is increased.
- Awareness of the organization’s history, mission, vision, values, priorities, goals, and work is increased, which helps the employee to identify with his or her new employer.
- Employee integration and socialization into the organization’s culture is supported, creating a sense of belonging.
- Orientation builds an optimistic attitude towards the organization.
- There is a reduction in new employee anxiety.
- Orientation sets performance expectations.
- The program provides a baseline of relevant information, therefore decreasing the learning curve associated with a new position.

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<sup>2</sup> Society for Human Resource Management Learning System (2009). *Module Two: Workforce Planning and Employment*. Page 2-186

## PROCESS FLOW





### STEP 8.1.1 – HUMAN RESOURCES STAFFING PLAN

STEP NAME	HUMAN RESOURCES STAFFING PLAN
Step Number	8.1.1
Inputs	<ul style="list-style-type: none"><li>• Organizational goals and action plans</li><li>• Needs in the programmatic sectors</li><li>• Funding available</li></ul>
Outputs	Human resources staffing plan
Organizational Role	HR manager/designate, head of organization
Integration Points	<ul style="list-style-type: none"><li>• Finance department/unit</li><li>• Programming department/unit</li></ul>
Summary	The organization first builds a staffing plan based on organizational goals and action plans and on needs in the programmatic sectors. Then, finance is brought in for their knowledge of available funding. Finally, a staffing plan is put into place. The purpose of a staffing plan is to look ahead at needs for a defined period, usually a year. The staffing plan allows the organization to plan in advance the resources needed for recruitment and hiring for the positions indicated in it. A staffing plan does not always require hiring from outside the organization. Realigning or promoting internal staff is also an option.

The human resources staffing plan is implemented, evaluated, and used for long-range (yearly) strategic planning. Human resource planning is used by the organization to ensure that it is neither over- nor understaffed.

It is very important for the organization to plan what type of staff and positions are needed in the short and long term based on organizational goals and action plans. Available funding, introduction of new programmatic sectors, and other factors inform the staffing plan.

When a member of the organization wants to hire a new staff member, typically she or he submits this request in the form of a requisition. The information on the requisition is checked against the staffing plan to confirm that the additional or replacement position is in line with the overall plan of the organization for that year. Please see *Appendix A* for a sample staff requisition form.

## STEP 8.1.2 – JOB DESCRIPTIONS

STEP NAME	JOB DESCRIPTIONS
Step Number	8.1.2
Inputs	HR staffing plan
Outputs	Job description document
Organizational Role	HR manager/designate, direct supervisor, hiring manager
Integration Points	N/A
Summary	The HR manager/designate, direct supervisor, or hiring manager, as applicable, prepares a detailed job description for each position to be filled. The job description specifies the responsibilities, required qualifications and skills, reporting relationships, and other important aspects of the position based on the organization's strategy, goals, and plans.

Based on the staffing plan as well as emerging organizational development and programmatic needs, the organization makes the decision to hire staff.

A well-written job description helps the organization create criteria to ensure that only candidates with the right training and experience are considered. The development of job descriptions for new positions makes it easier to establish selection criteria and evaluate applicants. Once the right person is hired, the job description is a valuable management tool to help set performance expectations, evaluate performance, and identify staff development, learning needs, and approaches (see **Step 8.3: Performance Management**). Together with the employee, the direct supervisor should review job descriptions from time to time. Both direct supervisors and employees are responsible for revising job descriptions to make them current and meaningful.

Job descriptions should be developed based on the type of employees needed. There are core and temporary types of employees. Temporary employees include “floaters,” on-call workers, and seasonal workers. Usually local labor law defines types of employment; the organization should adhere to these definitions.

Please note that individual contractors are not employees of the organization. They provide specialized services to the organization, including project data management, data administration, evaluation consulting, IT, and cleaning. The relationship between an individual contractor and the organization is defined in a contract or agreement that is different from that

of an employment contract and is defined by local law. Individual contractors are not governed by the organization's HR systems, policies, and procedures. They do not enter into supervisor-supervisee relationships with any of the organization's staff. However, the contract should clearly indicate who is the contact person between the organization and the contractor. The contract/agreement should either define or refer to a scope of work outlining the nature of services, the deliverables to be accomplished, the timeframe within which the work will be accomplished, and how deliverables will be monitored and verified. The organization needs to ensure compliance with local tax laws regarding payment to individual contractors and withhold tax and any other deductions as required. Please see Chapter 7: Procurement for further detail on service contracts.

### STEP 8.1.3 – RECRUITMENT AND HIRING

STEP NAME	RECRUITMENT AND HIRING
Step Number	8.1.3
Inputs	<ul style="list-style-type: none"> <li>• Job vacancy announcement</li> <li>• Candidate application and supporting documents</li> <li>• Interview</li> <li>• Testing and background check</li> <li>• Employment offer</li> </ul>
Outputs	The offer is accepted by the best-qualified candidate
Organizational Role	HR manager/designate, direct supervisor, hiring manager
Integration Points	Finance department/unit – payroll
Summary	The hiring process is the main part of the recruitment process. Make the job vacancy available to internal and external pools of candidates by posting the job to bulletin boards, email bulletins, media outlets, etc. Once the organization has identified a pool of qualified applicants, the selection process includes analyzing applicant documents, interviewing, testing and background investigation, and making an employment offer.



CHARLES JSCHISLA

Attendees at a CRS  
even in Cuba.

The organization can choose either to look for candidates internally or to seek candidates externally from the general labor pool. The appropriateness of the approach depends on the organization's needs, culture, and strategy. The decision to recruit internally will be based on the organization's willingness to provide opportunities for staff promotion. If the organization has a culture and strategy that puts internal posting first, this gives opportunity to current staff for professional growth. (For more on staff promotion please see **Step 8.3.4: Rewards and Recognition.**)

Once the decision is made, the position is posted internally and/or externally as appropriate.

#### Job Posting/Vacancy Announcement

Positions can be announced internally and externally. The internal job posting is a good practice as it gives current employees the chance to respond to vacancies. Again, this provides equal opportunity to all to apply for a job. It also allows all qualified employees to compete for positions. The organization should decide on the duration of the internal and external posting based on criteria

such as timeline, expected time to fill the job, and operational needs. Internal and external postings can run concurrently.

Job postings may be communicated by posting notices on a bulletin board or communicating position announcements through newsletters, memos, electronic bulletins, or by phone. For external announcements, third party sources include state (public) employment agencies, employment agencies, media advertising, and the Internet. Other great sources for announcing an available position are through networking at all times for “sourcing,” sharing through coordination groups and professional associations, and so on.

### **Selection Process**

Once the organization has identified a pool of qualified applicants, there is a need to gather the balance of information necessary to make a selection decision. This process should be based on local laws. The selection process involves the following stages:

- Analyzing applicant forms
- Interviewing
- Testing
- Reference and background checks
- Employment offer and employment contract

### **Analyzing Applicant Forms (Shortlisting)**

In this stage, staff with HR responsibilities (specifically recruitment and orientation responsibilities) in conjunction with the hiring manager “analyze the candidates’ application forms and CVs/résumés to identify applicants who fit the minimum selection criteria.”<sup>3</sup> Application forms should include information that will point to the applicant’s ability to perform the position successfully. In other words, the application should include information beyond biodata.

Applicant qualifications should always be compared to the job requirements identified in the job description.

### **Interviewing**

Some organizations choose to prescreen candidates. Brief interviews, often conducted over the phone, are conducted with shortlisted candidates to confirm each candidate’s interest, experience, availability, and expectations. The short conversation is also useful in helping applicants to understand

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<sup>3</sup> Society for Human Resource Management Learning System. (2009). *Module Two: Workforce Planning and Employment*. Page 2-169.

the position and the organization as well as their fit for position and salary needs. If both parties are still interested, the candidate is asked to come in for an interview.

A carefully selected interview panel should interview the shortlisted candidates. Panel interviews that include participants with diverse backgrounds from the organization mitigate the chances of bias, favoritism, corruption, etc. A panel should consist of the person responsible for HR functions (e.g., recruitment), the hiring manager, and others as appropriate.

Interviews are designed to probe the interviewer's areas of interest in order to determine how well the candidate meets the criteria of the position and the needs of the organization. It is important that the interviewers are properly prepared to conduct the interview, as the interview is a critical selection device.

"Some organizations conduct a series of interviews ranging from short prescreening interviews (20 minutes or less) to long in-depth interviews (one hour or more). Interviewing styles depend upon the preference of the interviewers and the situation, but consistency with each candidate for the position must be maintained."<sup>4</sup>

One of the most important guidelines of the interview is the need to plan for interview. The applicant's CV or résumé and other application materials should be reviewed and compared to the job requirements in the job description. This provides an opportunity to plan interview questions that will yield relevant job-based information.

The panel should have the list of pre-determined questions to ask, which may be accompanied by a rating system. Interview questions should include behavioral questions.

The following are tips for conducting a panel interview:

- The same questions should be asked of each candidate for a given position.
- Panel interview members should not interrupt each other and should ask the questions in a pre-determined sequence.
- Provide the applicant with an opportunity to ask questions.
- Tell the applicant when a decision is expected to be made and how it will be communicated.

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<sup>4</sup> Society for Human Resource Management Learning System (2009). *Module Two: Workforce Planning and Employment*. Page 2-172

### **Testing (skills assessment)**

Organizations may choose to test applicants before or after in-depth interviews. If the organization chooses to conduct testing, the test must be valid, reliable, and job-related. Tests help to reveal more about the applicant's pertinent skills and knowledge for the particular position. For example, testing is often conducted for positions in accounting, driving, and report writing because these positions require a particular set of technical skills.

### **Reference and background checks**

Based on the evaluation of the applicants, recommendations are made for the top candidates for the position. In order to avoid hiring unqualified candidates (e.g., those without the requested education, skills, or experience) or candidates who present risks (e.g., theft, fraud, or misconduct), organizations should check references thoroughly. Preferably, three references should be checked. References should be obtained from former employers or supervisors. Organizations should ask for permission from the applicant to conduct reference checks.

Organizations may also choose to conduct background checks. This may include verification of academic credentials, credit history checks, criminal records, and other records. Local laws concerning background checks should be consulted. The employer may be legally required to request verification of certain documents prior to signing an employment contract and there might be legal restrictions on requesting other documents. Background checks are usually conducted following an employment offer.

### **Employment offer and employment contract<sup>5</sup>**

An employment offer should immediately follow the final decision to hire a candidate. An employment offer makes the hiring decision official and is formally communicated through an offer letter. The organization may verbally extend the job offer and at the same time discuss the details of the offer. The offer should specify by when the candidate must respond before the offer is no longer valid. It is important to remember that employment offers must be worded carefully to avoid misunderstandings.

“An employment contract is a legally binding agreement that explains the relationship between the employer and employee.”<sup>6</sup> The employment contract should be written to clarify employment terms that can otherwise be subject to misunderstanding and misinterpretation. The template of the employment contract should undergo legal review.

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<sup>5</sup> Also referred to as an employment agreement

<sup>6</sup> Society for Human Resource Management Learning System (2009). *Module Two: Workforce Planning and Employment*. Page 2-195



There are many items to consider in written employment contracts depending on the organization, the job, and applicable local law. The following are recommended to be included in the employment contract:

- Terms and conditions of employment, including timeframe and working hours
- Length of probationary period
- Job description
- Confidentiality and nondisclosure terms
- Compensation and benefits
- Reference to policies
- Terms of resignation and termination
- Appropriate signatures and date

**Personnel file**

A personnel filing system should be maintained. Each employee's file should consist of all documents related to the employment relationship such as contract, job description, CV/résumé, warning letters, leave documents, and performance plans and appraisal. The documents should be accessible to employees upon request but otherwise kept confidential. The local law on employee filing and document retention should be consulted.

## STEP 8.1.4 – ORIENTATION AND ONBOARDING

STEP NAME	ORIENTATION AND ONBOARDING
<b>Step Number</b>	8.1.4
<b>Inputs</b>	<ul style="list-style-type: none"> <li>• Job description</li> <li>• Organizational mission and principles</li> <li>• Organizational charts</li> <li>• Annual plan</li> <li>• Personnel policies and procedures</li> <li>• Forms the employee will be using</li> <li>• Technical manuals and guides</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Checklist for completion of orientation process (optional but highly recommended)</li> <li>• Proper forms are collected for payroll and benefits</li> </ul>
<b>Organizational Role</b>	<ul style="list-style-type: none"> <li>• HR manager/designate</li> <li>• Direct supervisor</li> </ul>
<b>Integration Points</b>	Heads of various departments need to collaborate to ensure that the employee experiences an appropriate and comprehensive orientation.
<b>Summary</b>	Orientation and onboarding is designed to introduce new hires to the organization, fellow employees, their immediate supervisors, and the policies, practices, and objectives of the organization directly related to the employee's job function.

The orientation and onboarding process is usually spread out over a few months. It includes frequent feedback, relationship building, and mentoring. It is designed to help the new hire integrate into the culture and become a productive member of the organization. An orientation and onboarding process “not only helps new hires to understand job-specific information, but also provides organizational information to help the new hire fully understand the organization.”<sup>7</sup>

An organization should have an orientation and onboarding checklist to guide the direct supervisor and employee. The employee should sign the checklist to validate that it was completed at the end of the orientation period. A copy of this signed checklist should be kept in the employee's personnel file.<sup>8</sup>

<sup>7</sup> CARE. (2007). *Welcome Package*. Manuscripts on compact disc.

<sup>8</sup> Catholic Relief Services. (2010). *Institutional Capacity Development Tools for Local Partners, Human Resource Policies and Procedures*. Unpublished Manuscript.

## HR BUSINESS PROCESS 8.2 – COMPENSATION AND BENEFITS

### PROCESS DESCRIPTION

The purpose of a compensation and benefits system is to compensate employees for their work in a just manner. By offering competitive salary and benefits packages, the organization can meet the needs of employees, thus attracting and retaining employees. Total compensation is a term that describes the entirety of what the organization is providing to an employee, including salary and benefits.

The following are among the benefits of a compensation and benefits system:

- Each staff member is paid fairly and equitably and can understand how his or her salary was calculated, reducing possible tension around compensation.
- If the organization cannot pay competitive salaries, there may be other benefits, such as increased leave, which may be very attractive to potential candidates.
- By communicating the entire package of compensation and benefits the organization may be more competitive and better positioned to attract and retain staff.
- An organization will be able to approach total compensation and salary increases consistently.

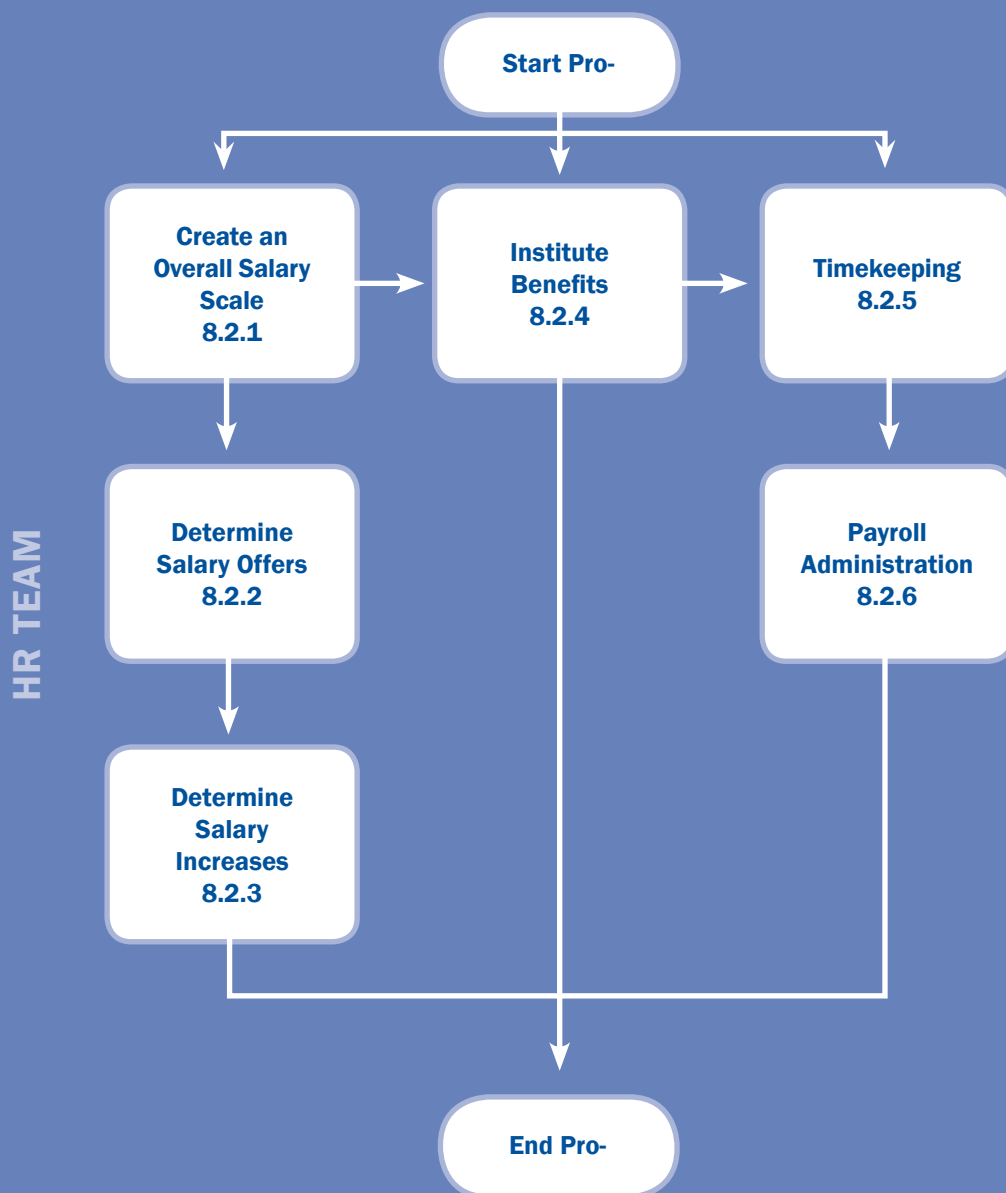
Strong HR systems take a systematic approach to compensation and benefits. The following are among the best practices related to the compensation and benefits system:

- Determine salary levels and benefits that, at a minimum, meet the minimum requirements of local law. Seek legal advice to ensure compliance with local regulations.
- Use a documented system for determining salaries and salary increases. While salary information for individual employees is kept confidential, this system should be accessible to all staff. This ensures transparency and guarantees that salaries are determined based on the systematic approach approved by the organization.
- Related to the above, a documented system lowers the legal risk to the organization, as it eliminates the potential of paying salaries based on unclear and/or illegal criteria such as gender, disability, or religion.

- Ensure benefits are offered consistently. If the organization offers benefits to one individual they must be offered to other employees in the same employee category or location. Care must be taken to ensure that benefits are offered consistently and without discrimination.
- Maintain confidentiality of health information. Supervisors and coworkers do not need to know any specific information beyond whether and how much an employee is able to work. HR staff may be required by law to decline to answer questions—even from senior leaders—regarding the health of an employee.

## PROCESS FLOW

### HR PROCESS 8.2 – COMPENSATION, BENEFITS, AND PAYROLL





Gladys Omboi, a Clinical Officer at the Nazareth Holy Family Center in rural Limuru, Kenya, keeps track of the condition of her patients through careful record keeping.

## STEP 8.2.1 – CREATE AN OVERALL SALARY SCALE

STEP NAME	CREATE AN OVERALL SALARY SCALE
<b>Step Number</b>	8.1.1
<b>Inputs</b>	<ul style="list-style-type: none"> <li>• Job descriptions</li> <li>• Market salary analysis</li> </ul>
<b>Outputs</b>	Salary scale
<b>Organizational Role</b>	HR manager/delegate
<b>Integration Points</b>	Finance department/unit Head of organization
<b>Summary</b>	<p>An overall compensation structure should be developed to guide the organization in what to pay for each position. The compensation structure is a framework that groups positions that receive the same range of remuneration. The organization may choose to design the structure by assigning each job to a band or grade giving maximum and minimum salaries for each job. Note that there may be legal requirements to pay staff in certain positions a specific wage.</p>

The first step in creating a salary scale is to evaluate jobs based on criteria in order to group them. The organization will decide what criteria to use. Typical criteria include the following:

- Level of responsibility for financial, material, or human resources
- Complexity of responsibilities
- Decision-making authority
- Extent of external representation and relationship responsibilities

Please note that job evaluations are not in any way an evaluation of the worth of the staff member who fills that position. One method of job evaluation involves grouping jobs after ranking all jobs in the organization according to criteria such as those listed above.

The organization may choose to group jobs in tiers of salaries with a smaller range of salaries. The resulting salary scale will result in a salary grade structure, an example of which follows. A salary grade structure arranges jobs into many levels of salaries and may have as many as 20 levels. Each level is called a salary grade. Each grade has a narrow salary width and is comprised of a minimum, a midpoint, and a maximum.

Illustration of a sample salary grade structure:

Grade	Minimum	Midpoint	Maximum	Percent Spread	No. of Jobs in Grade
1	\$32,000	\$38,500	\$45,000	40%	10
2	\$36,880	\$44,275	\$51,669	40%	5
20	\$85,300	\$102,400	\$120,000	40%	2

Once jobs are assigned to a grade, maximum and minimum salaries should be determined for each job. The government may require a minimum salary for a particular job or for all employees, so be sure that minimum salaries are consistent with these requirements. In addition to the minimum and maximum salaries, also include possible salaries at any point within the range.

The salary grade scale is just one example of a salary structure; broad band structure is another example. The broad band structure consists of several levels called bands. A broad band structure typically has four to six bands. Each band has a broad salary width covering many jobs with similar salaries and levels of responsibility. Every job has a designated maximum and minimum salary and any salary amount within that range could be offered to an employee depending on the type of job, years of experience, internal equity among the other employees, and a host of other criteria. Within a single band the salary ranges for different jobs may overlap but do not need to be the same.

Illustration of a sample broad band structure:

Band	Minimum	Midpoint	Maximum	Percent Spread	No. of Jobs in Band
1	\$32,000	\$51,000	\$70,000	120%	50
2	\$41,000	\$66,000	\$91,000	120%	100
3	\$60,000	\$98,000	\$136,000	130%	55

Knowing the organization's needs and culture will help to determine the salary structure. If hierarchy is important to the agency, then a grade system may be a good fit. If the organizational structure is flat and requires flexibility to accommodate employees moving from one position to another, then the broad band structure is best as it allows changes with or without a salary increase or decrease.



## STEP 8.2.2 – DETERMINE SALARY OFFERS

STEP NAME	DETERMINE SALARY OFFERS
Step Number	8.2.2
Inputs	<ul style="list-style-type: none"><li>• Compensation structure</li><li>• CV or résumé</li><li>• Applicant's salary expectations</li></ul>
Organizational Role	HR manager/designate
Integration Points	<ul style="list-style-type: none"><li>• Head of organization</li><li>• Budget manager</li></ul>
Summary	When the recruitment process reaches the point of making an offer of employment, the organization will need to determine the appropriate salary for the candidate. Use the compensation structure and organization-determined criteria along with the candidate's CV or résumé to determine a salary for the new employee.

Now that the organization has established a compensation structure defining what salaries may be offered to staff, this task is much easier.

The steps for determining a salary offer are as follows:

- Determine in advance what criteria the organization will use to place the candidate within the range for that job (broad band) or the criteria for selecting a particular step in the salary grade for that job. For example, the organization might decide that in order to receive the midpoint of the range for a particular job, an employee must have five years of relevant experience in a similar position and certification in her or his field.
- Next, examine the candidate's CV or résumé to determine to what extent the candidate meets each of the criteria. Evaluate education level, years of experience, type of experience to make a judgment that best matches the candidate's qualifications to the salary structure.
- Consider the salaries, qualifications, and experience of existing employees whose roles and responsibilities are similar to those expected of the employee whose salary is to be determined.
- Use the compensation structure and established criteria to determine the offered salary for the new employee.

When communicating the salary offer, be sure to specify whether the offer includes or excludes employee and employer contributions required by local law.

### STEP 8.2.3 – DETERMINE SALARY INCREASES

STEP NAME	DETERMINE SALARY INCREASES
Step Number	8.2.3
Inputs	Depending on the method of providing an increase selected use the following: Merit increase plan Salary survey schedule Budget
Outputs	Adjusted employee salary
Organizational Role	HR manager/delegate Direct supervisor
Integration Points	Finance department/unit Head of organization
Summary	The organization has several choices in to its approach to salary increases. Decisions about how to pay employees and on what basis to increase their pay will vary based on legal requirements and the values and needs of the organization. Pick an approach that meets the legal requirements of your country and is the best fit for the culture and values of the organization. When selecting one or more methods of increasing employee pay, it is important to consult with senior leaders in order to have appropriate buy-in and approval.

There are five approaches that organizations use for determining salary increases.

- **Merit/performance-based** – Many organizations adopt a compensation approach that offers larger increases to higher performing staff. This system does not characterize a person as a high performer permanently. Instead, it rewards the employee's performance for that particular review period. The increase may be in the form of an increase in base pay, a bonus, or an incentive. The merit/performance-based approach assumes that there is a functioning performance management system in use by the organization. Please see **Step 8.3: Performance Management** for more information.

*Example 1:* A staff member performed excellent work last year and received a substantial salary increase for that year. This year, she did not perform to her potential and will therefore receive a smaller salary increase this year.

*Example 2:* Based on predetermined criteria, a microfinance facilitator will receive a particular salary increase and will also receive an extra amount for

each new group started, or each group that maintains a rate of repayment that is above a certain target.

- **Market** – Often organizations offer increases based on the market value of the positions. This approach considers salaries for staff in comparable positions in other organizations. With this approach the organization needs to decide whether to pay staff above or below salaries offered in organizations of a similar size. It must be noted that that not all staff will receive the same increase, or any increase at all, with this approach.

*Example:* If a program manager is underpaid in comparison with the market value for this position but an accountant is currently paid more than the market value, the organization may decide to offer an increase to the program manager but not to the accountant.

- **Cost of living** – Some organizations offer all employees the same percentage increase for a given year. This is generally linked to inflation, with the intent that the position has the same purchasing power from one year to the next.

*Example:* All staff members received a large increase last year since inflation was high. As inflation is lower this year, all staff members will receive the same lower percentage increase.

- **Tenure** – Some organizations will link pay increases to how long the employee has worked at the organization. Designated increases will come after meeting certain timeframes, which can be the same or differ across all positions. In some countries laws regulate this with a mandatory, and often small, percentage increase for designated positions or across all employees.

*Example:* A driver has been with the organization for six years and received an increase after reaching year two and year five but will not receive an increase in the sixth year.

- **Combination** – Often organizations will combine two or more approaches from the above. One approach is to combine market and merit compensation. This combination rewards employees for strong performance and assists in retention because salaries are compared with those offered by other organizations so they will not be too different from competitors.
- **Adjust the salary scale over time** – Over time the minimum and maximum salaries in a compensation structure will need to be adjusted. The following are possible reasons:
  - Government may establish new minimum standards for salaries

- Shifts in the labor market affect salaries
- Inflation may decrease purchasing power of a given salary
- Cost of living may increase

The organization has several options in determining the rate at which salaries increase. Governmental agencies may publish statistics on inflation and cost of living that can be used as a basis for changes. Research organizations may also provide information on the basket of goods to show cost of living increases. Purchased salary surveys may be used to determine shifts in the local labor market.

Regardless of the method chosen for determining salary increases, please remember the following best practices for sharing information:

- Individual salaries are confidential and should not be shared.
- The organization may decide to share salary ranges. If they are shared, the organization should also explain the criteria for salaries, which may include the number of years of relevant experience, education, or certification and performance.
- The method for determining salary increases should be communicated so that it is clearly understood by all employees.

#### STEP 8.2.4 – INSTITUTE BENEFITS

STEP NAME	INSTITUTE BENEFITS
Step Number	8.2.4
Inputs	Market survey Local labor law
Outputs	Benefits
Organizational Role	HR manager/delegate
Integration Points	Head of organization Finance department/unit (payroll)
Summary	The purpose of benefits is to complement the employee's salary in order to meet their needs, thus attracting and retaining employees. There are various types of employee benefits that an organization can offer. Clear communication of benefits available to employees will ensure transparency and consistency.

The following are some things to remember when managing employee benefits:

- Before making a decision about what benefits the organization should provide, it should be confirmed whether or not the benefits are tax deductible. Organizations need to determine what types of benefits they will provide based on local laws, the organization's mission and culture, and local culture and context.
- Clearly communicate the benefits to ensure transparency and consistency.
- Staff members should be clear about what will happen to their benefits if they separate from the organization. For example, they should know what happens if they leave the organization before using all of their leave.
- It should be noted that some donors do not allow coverage of certain benefits with their funds.
- Account for benefits in donor budgets. When discussing a budget from a potential funder, it is advisable to discuss whether the compensation line item includes benefits. If benefits are excluded, this represents an added expense to the organization. If benefits are included in the compensation line item, it is recommended that staff salaries be offered at a percentage below that listed in the budget so that these funds may be used to cover health, retirement, or other benefits. Ask the donor for guidance on how this should be documented, as premiums are likely paid for all staff rather than the few who are working with this donor.

The common types of benefits an employer can offer include the following:

- **Leave and paid holidays:** Leave may also include paid or unpaid time off for maternity or paternity, at the time of death of a family member, military service, or civic duty.
- **Health coverage:** Benefits can range from monetary allowances for medical expenses to a reimbursable fund. Health coverage varies widely. Some health benefits cover only basic procedures but not more serious illnesses. Some organizations will cover dental and vision care in addition to basic health coverage. Regardless of the health benefit, be sure to define who is eligible: The staff member only? Spouse and children? Extended family members?
- **Compensation for work-related injuries:** A percentage of his or her salary may be offered to the employee in the case of work-related injury.
- **Disability:** In the event that the employee becomes unable to work due to health, the employer may contribute a pre-determined amount of money or ongoing salary to the former employee.
- **Retirement:** The organization may provide a payment defined either as a benefit, which specifies the amount that will be given at time of retirement, or as contribution, which specifies the amount contributed to a retirement plan. In the case of contribution, the actual amount to be given to the employee at time of retirement may vary.
- **Life insurance:** Some organizations assist employees in paying funeral expenses of family members, others pay a beneficiary in the event of employee death. Depending on local law, life insurance does not always go to a designated beneficiary; it may go to the estate or to “survivors.”
- **Transportation to work:** This may take several forms, including a designated pick up and drop off service, particularly where security is an issue; an allowance; or purchase of transportation vouchers.
- **Moving expenses:** The organization may also choose to pay to move a current employee who is relocating or a newly hired employee who is accepting a position with the organization in another location.
- **Other benefits** may include dependent care and medical expense accounts.

## STEP 8.2.5 – TIMEKEEPING

STEP NAME	TIMEKEEPING
Step Number	8.2.5
Inputs	Timesheet form
Outputs	Completed and approved timesheets for all employees
Organizational Role	Employees Direct supervisors HR department/Unit
Integration Points	Coordination between the HR department/unit and all direct supervisors
Summary	Timekeeping is the process of compiling information on each employee's time and attendance data. It aids in the accurate and timely compensation of employees and demonstrate accountability to donors by ensuring each employee's time and attendance data reflect his or her actual activity.

Timekeeping is the process of compiling information on each employee's time and attendance data. It aids in the accurate and timely compensation of employees and demonstrates accountability to donors by ensuring each employee's time and attendance data reflect his or her actual activity.

Payroll consists of all employee salaries, wages, bonuses, cash benefits, and deductions. The HR department/unit is responsible for providing accurate and timely information to the finance department/unit on employees' time and attendance data, as well as on changes in employment status, pay rates, deductions, etc. This information will be used by the finance department/unit to prepare payroll calculations, do the payroll accounting, and disburse employees' salaries.

Timekeeping is done using timesheet forms, which should contain the following information at a minimum:

- Employee name (first and last names)
- Employee identification number
- Department/unit name
- Assigned activities during the pay period (numerical codes may be used for this purpose)
- Hours worked each day

- Paid time off (e.g., vacation or holidays)
- Signature of the employee and date of signing
- Signature of the employee's direct supervisor and date of signing
- Time period during which the activity was performed

Each timesheet should meet the following standards:

1. It must show an after-the-fact determination of the actual activity of the reporting employee.
2. All hours worked by the employee and all work-related activities in which the employee was engaged must be reported on the timesheet. The employee must specify the hours worked each day of the reporting period.
3. If the organization's practice is to submit timesheets manually, the timesheet must be prepared in ink, signed, and dated by the reporting employee.
4. It must be prepared on a basis consistent with the employee's pay period, but not less frequently than once a month.

Each employee should submit a timesheet for each payroll period using the organization's standard form. The timesheet should be submitted to the employee's direct supervisor for approval and then routed by the supervisor to the HR department/unit for preparation of the payroll information sheet. The timesheet preparation and submission process may be either manual or automated. In no case will salary be paid to an employee if she or he has not submitted a timesheet.



## STEP 8.2.6 – PAYROLL ADMINISTRATION

STEP NAME	PAYROLL ADMINISTRATION
Step Number	8.2.6
Inputs	Master salary record for each employee Tax notices HR (administration) memoranda
Outputs	Payroll information sheet
Organizational Role	HR manager/designate Department/unit heads Head of organization
Integration Points	All department/unit heads Finance department/unit
Summary	Payroll consists of all employee salaries, wages, bonuses, cash benefits, and deductions. Provision of accurate and timely information from employees' personnel files and master salary records in the form of a payroll information sheet to the finance department/unit is a prerequisite for payroll calculation, accounting, and disbursement.

Payroll consists of all employee salaries, wages, bonuses, cash benefits, and deductions. The employer must retain all records pertaining to payroll. Such records include salary and wage histories and all salary and wage deductions for the periods of time stipulated by statute and standard business practices. Both the HR department/unit and the finance department/unit have responsibilities related to payroll administration but it is critical that the two departments/units are independent in executing those responsibilities. Due to the sensitive and confidential nature of payroll, it must be administered with due care and diligence. Strong internal controls should be in place to ensure segregation of duties and checks and approvals at the appropriate level of authority.

The main HR function in payroll administration is to compile the information needed for payroll calculation and accounting, as well as for executing payment. In order for the HR department/unit to be able to compile the information needed, it should maintain the following:

- Personnel files (please refer to ***Process 8.1***)
- For each employee, a master salary record showing the current rate of pay, allowances, and statutory and voluntary deductions

Using these sources of information, the HR department/unit prepares the payroll information sheet for each payroll period considering the following information:

- New hires
- Terminations
- Changes in employment status
- Changes in pay rates
- Changes in employee deductions
- Employee time and attendance data

Upon verification and approval by the HR manager/designate, the payroll information sheet is presented to the finance department/unit for payroll calculation and accounting, as well as for executing payment. For more information on the payroll management function of the finance department/unit please refer to Chapter 6: Finance.

# HR BUSINESS PROCESS 8.3 – PERFORMANCE MANAGEMENT

## PROCESS DESCRIPTION

Performance management is the process of defining clear performance expectations and development needs and ensuring ongoing employee coaching, development, monitoring, and assessment. This process assists employees in maintaining or improving performance and in developing knowledge, skills, and attitudes. It holds employees accountable for their work and behavior and is crucial to the success of any organization. As in all areas of personnel policy, local labor law should be consulted before designing and implementing a performance management system (PMS) to ensure compliance with the law. Employees and their direct supervisors are collaborators in implementing the PMS, as they all work toward the same goals.

The following are some of the benefits of an effective PMS:

- Sets employees up to succeed, so they can serve the best interests of the organization
- Provides guidance so employees understand what they are expected to achieve and the work-related behaviors that will lead to achievement of their goals
- Provides enough flexibility that individual creativity and strengths are nurtured
- Provides enough control that people understand what the organization is trying to accomplish
- Ensures accountability of both employees and supervisors
- Develops the skills and careers of employees
- Ensures employees are empowered, motivated, and engaged to perform to their best potential
- Increases job satisfaction and morale among employees
- Reduces employee turnover and ensures employee retention
- Drives organizational success
- Promotes a positive organizational image and reputation

Performance management should be a component of the job description for each supervisory position. Each supervisor needs to have the skills necessary to assist employees in achieving performance standards and growing

professionally. More specifically, the direct supervisor's role in performance management includes the following:

- Assist employees in setting individual objectives that contribute to the achievement of their unit/departmental plans
- Ensure each staff member has a clear understanding of what is expected of her or him
- Serve as a coach, counselor, and guide assisting employees on an ongoing basis in achieving set targets
- Work with employees to revisit and revise performance and development plans as necessary when organizational priorities change
- Be responsible for providing development opportunities and resources in line with organizational priorities and needs and with employees' growth plans
- Motivate employees to succeed by rewarding their accomplishments

Employees are primarily accountable for how they perform on the job. Each employee's role in performance management includes the following:

- Proactively examine how his or her overall role relates to the objectives and action plans of their department/unit
- Be familiar with the behaviors that reflect the organization's mission and values
- Examine the knowledge and skill requirements for her or his role and performance targets
- Reflect on his or her achievements during the past performance period and define what strengths can be made stronger
- Reflect on her or his career goals and how they link to her or his current job and organizational needs
- Be accountable for honoring commitments made
- Be proactive in seeking feedback and assistance from his or her supervisor as needed

In order to be effective, a performance management system should include the following five components:

1. Performance and development planning
2. Coaching and feedback
3. Performance review and assessment
4. Rewards and recognition
5. Staff development and learning

**PROCESS FLOW**

**HR PROCESS 8.3 –  
PERFORMANCE MANAGEMENT**

**HR TEAM**

**Performance and  
Development  
Planning  
8.3.1**



**Coaching  
and  
Feedback  
8.3.2**

**Rewards  
and  
Recognition  
8.3.4**

**Staff  
Development  
and Learning  
8.3.5**

### STEP 8.3.1 – PERFORMANCE AND DEVELOPMENT PLANNING

STEP NAME	PERFORMANCE AND DEVELOPMENT PLANNING
Step Number	8.3.1
Inputs	<p>The strategic objectives of the organization along with the vision, mission, and values statements.</p> <p>The department/unit (as applicable) objectives and annual action plans</p> <p>Job description</p> <p>Employee's performance results from the previous performance period</p> <p>Performance, development, and assessment form</p>
Outputs	Employee's performance and development plan
Organizational Role	<p>Employee</p> <p>Direct supervisor</p>
Integration Points	Collaboration among various departments/units on setting objectives that contribute to achieving common targets/results
Summary	Performance and development planning assists the employee in understanding what must be accomplished during the performance period and how duties and responsibilities should be performed to best suit organizational needs and values. This process contributes to organizational success only when individual performance and development plans are aligned with the organization's mission, values, and annual work plans.



MIKE SPINGLER/CRS

CRS partners working on a microfinance project in Cambodia.

Performance and development planning is a collaborative effort between employees and their supervisors, as they are both accountable for the end results. The performance and development plan lists the performance and development objectives for each performance period. It clarifies expectations and sets standards for

- the *results* to be accomplished,
- the *knowledge and skills* to be acquired or improved, and
- the *behavior* best suited for the specific job responsibility and work environment.

### **Performance objectives**

Performance objectives define the specific results an employee needs to accomplish during each performance cycle. The basis of the individual performance objectives is the strategic objectives of the organization along with the vision, mission, and values. These drive the department's/unit's (as applicable) objectives and annual action plans. Each employee's performance objectives should contribute to those plans.

Performance objectives are different from the duties and responsibilities of the employee outlined in her or his job description (please refer to **Process 8.1**). The job description provides an overview of the employee's function, while performance objectives focus on the good, but long-term examples be in an appendix? management process, to ensure compliance with the law, law should be a priority for each performance cycle. As such, they focus on end results for the particular performance cycle and not on detailed everyday activities.

### **Development objectives**

Development objectives define the knowledge, skills, and attitudes an employee needs to fulfill the specific job requirements and complete her or his annual performance objectives. They may also be focused on acquiring knowledge, skills, and attitudes the employee needs for her or his future career goals. As such, those are sometimes defined as learning objectives. **Step 8.3.5** provides more information on how to manage the staff development and learning process.

The standard performance period is usually one year, which coincides with the annual reporting period within the organization. Performance and development plans can be set for a period of less than the standard performance period for employees who join the organization or get a new job assignment during the performance period.

The performance and development plan for the defined performance period is signed by both the employee and his or her direct supervisor and should be retained in the employee's personnel file. It is revisited during formal coaching sessions/meetings or as often as needed. For example, change in organizational priorities or a shift in the employee's scope of responsibilities may lead to changes in employees' performance and development plans. This plan will also serve as the basis for each employee's performance review and assessment at the end of the performance period.

Best practices show that it is not effective to expect employees to set more than four or five performance objectives and more than two or three

development areas on which to focus during a performance cycle. Usually, achievement of development objectives requires a long period of time, so deadlines should be set carefully. Development needs learning and learning needs time.

In order to develop performance and development plans, employees and their direct supervisors should discuss and set performance and development objectives, taking into account the following:

- Organizational mission and values
- Annual department/unit objectives and action plans
- Job responsibilities as outlined in the job description
- Knowledge and skills required for the job
- Behaviors that reflect the organization's values and principle
- Employee's performance results from the previous performance cycle (please refer to **Step 8.3.3**)
- Employee's career goals in comparison to organizational needs
- Available resources and opportunities for development and learning within the organization

Since performance and development objectives focus on end results, they are best defined in a quantifiable way to the extent this is possible. This makes it easier to measure results at the end of the performance cycle. Employees and supervisors should consider how the employee will express stated objectives and how the supervisor will evaluate achievements against those objectives. In other words, the objectives need to specify clear expectations with indicators to be used when assessing performance.

Performance and development objectives are most effective when expectations are SMART:

<b>S</b>	<b>Specific</b>	Help the employee understand exactly what is expected
<b>M</b>	<b>Measurable</b>	Help the employee and supervisor understand when the expectation is achieved
<b>A</b>	<b>Achievable</b>	Expectations should be realistic
<b>R</b>	<b>Results-oriented</b>	Expectations should focus on end results
<b>T</b>	<b>Time-bound</b>	Deadlines should be identified where applicable



The following is an example of a performance objective:

“By the end of March <number> training sessions for <number> participants in <subject/sector/theme> are conducted within budget and are assessed by the participants as successful.”

The performance objective above focuses on results and involves numerical measurements: *timeliness* (deadlines, dates), *cost* (budget constraints, limits), and *quantity* (how many). It also includes a quality indicator (*client satisfaction*).<sup>9</sup>

The following is an example of a development (learning) objective:

“By the end of the performance period, enhance capacity to balance multiple functions and tasks. Read a time management book, complete an online course on setting clear priorities, and work with a mentor to develop these skills. The percentage of work completed on time will increase from XX to XX within the performance year.”

The development objective above focuses on results (balance multiple tasks) and involves specific measurements: *actions* (book, course, mentoring) that are *achievable* and *time-bound* (percentage improvement within the performance period set by employee and supervisor).

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<sup>9</sup> Gupta, D, Gupta, M, & Gurnani, H. C. (2006). *Are standards standard? Integration of goals & performance management*. Retrieved from [http://www.indianmba.com/Faculty\\_Column/FC347/fc347.html](http://www.indianmba.com/Faculty_Column/FC347/fc347.html)

### STEP 8.3.2 – COACHING AND FEEDBACK

STEP NAME	COACHING AND FEEDBACK
Step Number	8.3.2
Inputs	Job description Employee's performance and development plan Input from employee's colleagues and other stakeholders
Outputs	Documented dates of conducted formal coaching sessions on the employee's performance and development plan Revised performance and development plan, as needed
Organizational Role	Employee Direct supervisor
Integration Points	Direct supervisors should solicit input on the employee's performance from those who have regular direct working relationships with the employee, either within or outside of the employee's department/unit. Depending on the employee's role, input may be solicited from external stakeholders such as partners, beneficiaries, or vendors.
Summary	The process of providing coaching and feedback is critical in management as it supports performance and personal development through an open, genuine dialog between the direct supervisor and the employee. This process provides opportunities to monitor employee performance and development plans, affirm good performance, identify potential performance problems, and examine how learning is applied to work.

Coaching is the activity of one person assisting another in developing her or his knowledge, skills, and attitudes. The coaching process provides employees and their supervisors with the opportunity to do the following:

- Reflect on overall job satisfaction, performance, development, and relationships
- Affirm good performance and relationships
- Address inadequate performance and relationships
- Examine how learning is being applied to work

Feedback is structured information that one person offers to another about the impact of his or her actions or behavior. It is a process of communicating what you experience, observe, think, and feel about certain aspects of

the employee's performance. In this process, the giver and receiver of the feedback engage one other.

The benefits of an effective coaching and feedback process include the following:

- Enhanced performance
- Improved work environment and relations
- Increased job satisfaction
- Improved employee retention

To be effective, coaching and feedback should take into consideration various diversity factors such as culture, religion, ethnicity, and so on. Direct supervisors should use coaching to assist employees to do their jobs well. By recognizing the employee's strengths rather than focusing entirely on areas for improvement, direct supervisors will maintain employees' self-esteem.

The coaching and feedback process should be ongoing throughout the performance period. Ongoing coaching and feedback usually focuses on how employees perform their day-to-day activities and how they behave in their daily interactions with others. This ongoing process ensures that the employee is not surprised at the performance review and assessment at the end of the performance period.

In addition to the ongoing coaching and feedback, organizations should also mandate two to three formal coaching sessions at defined times during the performance period. Formal coaching sessions are used to monitor and discuss progress on overall performance and development plans and reflect on relationships between the employee and the direct supervisor as well as between the employee and other colleagues and stakeholders. They also provide the opportunity to revise performance and development plans, if needed, based on organizational needs/priorities and individual progress and capacities.

The coaching and feedback process is also used by the direct supervisor to initiate the development of a performance improvement plan in cases in which an employee consistently does not meet expected performance and/or behavioral standards. For details on the performance improvement plan, please refer to **Step 8.3.3**.

For practical ideas about how to provide and receive feedback effectively, please refer to *Appendix D: Giving and Receiving Feedback*.

### STEP 8.3.3 – PERFORMANCE REVIEW AND ASSESSMENT

STEP NAME	PERFORMANCE REVIEW AND ASSESSMENT
Step Number	8.3.3
Inputs	Employee's performance and development plan (performance, development, and assessment form) Input from employee's colleagues and other stakeholders
Outputs	Performance results Performance ratings Performance improvement plan
Organizational Role	Employee Direct supervisor Next-level supervisor
Integration Points	Communication among all supervisors in the organization on the meaning and use of performance ratings, so that they are applied consistently and employees are rated fairly and equitably
Summary	The performance review and assessment process determines individual performance results, which should be used to celebrate achievements, recognize professional development, and identify strengths as well as opportunities for improvement. Overall, it is used to motivate staff to enhance individual performance and thus contribute meaningfully to organizational excellence.

Performance review and assessment is a formal process through which the employee's work performance is reviewed and assessed at the end of the performance period. This process is used to determine performance results against the performance and development objectives set at the beginning of the performance period. Usually it takes the form of a discussion between a direct supervisor and an employee. In many organizations additional input is collected in various ways from each employee's colleagues (e.g., supervisees, the next-level manager, or peers) and other stakeholders (e.g., partners, beneficiaries, or vendors). The purpose is to identify strengths as well as opportunities for improvement and development.

The performance review and assessment works best when it is oriented to the future and not the past, i.e., when it is about improvement rather than blame. It should recognize the employee's accomplishments and assist him or her in performing more successfully over the new performance cycle.

Some organizations may choose to apply the performance review and assessment only to employees who have been with the organization for at least three to six months. Often, during the initial months on the job the employee is on probation or is still acquiring the knowledge and skills specific for the job. Additionally, the employee is still learning the organizational culture, mission, vision, and values. Of course, it is critical to conduct performance-coaching sessions during this initial period.

If an employee changes positions or supervisors during the performance period, her or his performance should be reviewed and assessed for the whole period by all supervisors, who should reach an agreement on the final performance results.

### **Performance Ratings**

To provide for an objective and fair assessment of each employee's performance, it is strongly recommended that organizations use performance ratings. These are clearly defined measures of performance standards or criteria for successful performance. Performance ratings should be communicated to all employees and used consistently by all supervisors in performance review and assessment. Organizations usually set three to five performance ratings. (See *Appendix F: Sample Performance Ratings* for an example.)

Whenever an employee and her or his direct supervisor hold different views with regard to the employee's performance results, the next-level supervisor should be consulted to provide further input and make the final decision on the employee's performance rating.

Performance results and performance ratings should be documented and kept confidential in employees' personnel files. (Please refer to ***Process 8.1.***)

### **Use of Performance Results**

Performance results are used to do the following:

- Determine reward outcomes, i.e., staff awards and performance-based pay increases such as merit increases or bonuses for the current job. (see ***Process 8.2***)
- Promote an employee to another position
- Identify staff development and learning needs (see ***Step 8.3.5: Staff Development and Learning*** for more details)
- Identify the poorer performers, who may require coaching, mentoring, and/or learning to improve performance and/or behavioral standards that are not being met

- Make decisions to terminate employees who consistently do not meet performance and/or behavioral standards after they have been provided with coaching, mentoring, and/or learning opportunities (refer to *Appendix E: Unsatisfactory Performance Termination Checklist*, which can be used by direct supervisors to ensure adequate measures were taken before making a final decision for termination)

### **Performance Improvement Plan**

When performance results show that an employee may require some form of coaching, mentoring, and/or learning to improve performance and/or behavioral standards that are not being met, the direct supervisor may initiate the development of a performance improvement plan. This plan is developed following a constructive discussion between the direct supervisor and the employee of the deficiencies in performance. It documents specific areas for improvement and describes what actions will be taken to improve or gain the knowledge, skills, and attitudes needed. This plan can be set at any time during the performance period based on ongoing monitoring and coaching, not only as a result of the annual performance review and assessment. The plan should cover a time period no longer than three to six months, during which time the supervisor will assist the employee in achieving set targets.

If the employee continues to miss or fall short of performance standards, the supervisor may take steps to initiate termination of employment. This step should be considered only after all performance improvement options have been explored. Local laws should be consulted to ensure that steps taken meet legal requirements.



Working through local partner Caritas Bangladesh, CRS has provided support for people who lost everything to Cyclone Sidr, which struck the country in 2007.

### STEP 8.3.4 – REWARDS AND RECOGNITION

STEP NAME	REWARDS AND RECOGNITION
<b>Step Number</b>	8.3.4
<b>Inputs</b>	Monitoring of employee performance Performance results
<b>Outputs</b>	N/A
<b>Organizational Role</b>	Employees Direct supervisors Department/unit managers Head of organization
<b>Integration Points</b>	Communication among all staff in the organization is essential to having a clear understanding of how to reward and recognize individual and team performance
<b>Summary</b>	A rewards and recognition program is used to reward and recognize employees for exceptional efforts and accomplishments in serving their units and the organization in line with organizational mission and values. It establishes an environment in which employees feel valued. It motivates not only those rewarded but also others to achieve a better quality of work and higher productivity. It also results in stronger employee loyalty to the organization.

A rewards and recognition program is designed to recognize both individuals and teams for their performance results. This program is meant to reward and recognize employees for their exceptional efforts and accomplishments in serving their units and the organization in line with organizational mission and values. A rewards and recognition program establishes an environment in which employees feel valued. It motivates not only those rewarded but also others to achieve a better quality of work and higher productivity. It also drives organizational excellence and results in improved employee retention and stronger employee loyalty to the organization.

To be effective, the rewards and recognition program must be supported at all levels of the organization. Rewards and recognition must be distributed fairly and consistently and various types of accomplishments should be rewarded. They should not be used as substitutes for a competitive salary plan, supplies, support services, or development and learning activities.

The process for rewarding and recognizing staff accomplishments should be documented and communicated to all staff. This ensures transparency

and fair and consistent treatment of all staff. This process will define what performance standards are rewarded and when, the types of awards and recognition mechanisms used in the organization, and how rewards and recognition are determined and communicated (e.g., who may nominate whom, who approves, who communicates and how). Receiving one type of award should not preclude an employee from being receiving other types of rewards as well.

### **Types of Rewards and Recognition**

- *Ongoing positive feedback*: Providing specific, descriptive, positive feedback to praise staff for good work is a proven and effective performance management tool.
- *Pay for performance*: Please refer to **Process 8.2**.
- *Length of service recognition*: Length of service milestones (e.g., five years of service, 10 years of service, etc.) recognize employees' dedication and contributions.
- *Promotion/career advancement*: Promotion is another way to recognize the exceptional work of employees who have proven they can take on higher-level responsibilities. (Please refer to **Process 8.1**.)
- *Spot awards*: The most critical factor distinguishing this type of award from the others is that it is given soon after the accomplishment occurs in order to give timely recognition for a single outstanding achievement above and beyond normal duty.

In defining the types, organizations should consider both monetary and non-monetary awards. While monetary awards are important, employees value non-cash recognition as well. When monetary awards are provided, these should be clearly spelled out along with the cash limits.

### **Design**

In designing a rewards and recognition program, organizations may consider the following factors:

- *Cultural context*: What is the culturally appropriate way to recognize one's achievements?
- *Local standards for value*: What is the minimum monetary price value that is considered of value in any given context?
- *Custom and religion*: These can dictate types of rewards, who can give rewards, and how they are delivered and by whom (e.g., an award ceremony, an organization's newsletter, a memo to all staff, an announcement on the office bulletin board).



- *Organizational mission, goals, culture:* What are the organizational standards of excellence to be awarded?
- *Teamwork:* When teamwork is a crucial element of a successful employee's performance, consider a mix of team and individual rewards.
- *Timing:* Some types of rewards might be distributed at defined intervals, others might not be linked to any specific time during the performance cycle and are awarded as needs arise.

It is beneficial to solicit employee input in the design of a rewards and recognition program via surveys, focus groups, or group meetings. This will ensure the program is meaningful to them and achieves its objectives.

### STEP 8.3.5 – STAFF DEVELOPMENT AND LEARNING

STEP NAME	STAFF DEVELOPMENT AND LEARNING
<b>Step Number</b>	8.3.5
<b>Inputs</b>	Performance results Performance ratings Audit findings Learning needs assessment Performance gap analysis Staff development and learning budget* *A special budget is not needed for all types of staff development and learning. This step provides recommendations on staff development and learning activities that do not require specially designated funds.
<b>Outputs</b>	Staff development and learning plan
<b>Organizational Role</b>	Employees Direct supervisors Department/unit heads HR manager/designate
<b>Integration Points</b>	Collaboration among direct supervisors from various departments/units in ensuring staff development and learning resources, human and material, when a development and learning need can be addressed internally in the organization.
<b>Summary</b>	Staff development and learning is the PMS component concerned with various activities intended to support staff in meeting performance expectations and growing professionally. It also supports the organization in, over time, preparing someone to take a new position in the future. Monitoring and evaluating staff development and learning is important in determining whether the acquired learning has been applied in the job and in ensuring identified needs are met and development (learning) objectives have been achieved. When managed effectively, staff development and learning contributes to building, maintaining, and expanding institutional memory.

Staff development and learning encompasses various activities intended to support staff in meeting performance expectations and growing professionally. Organizations are more likely support staff development and learning activities when individual needs and goals are in line with those of the organization. As staff development and learning deals with a performance improvement need, it targets bridging performance gaps that can be classified as either current

or potential. Current gaps call for addressing the organizational need to invest in a staff member for purposes of improving performance and development to contribute more effectively to achieving high organizational performance. Potential gaps call for addressing the organizational need to invest in a staff member for purposes of that member taking on a new job assignment (e.g., in cases of promotion and/or succession).

As staff development and learning have a major impact on the organizational success, supervisors and employees are held equally accountable for their effectiveness. Supervisors should provide staff with opportunities and resources to learn and grow; monitor results; and make sure systems are in place for capturing, sharing, and disseminating knowledge. Employees, including supervisors, should take initiative and responsibility for their own professional development and growth, take advantage of development and learning opportunities that best suit the organization's needs, effectively apply the knowledge and skills acquired, and be accountable to contribute to the institutional memory.

In order for staff development and learning to be effective and efficient, organizations should ensure the following:

- Staff development and learning is accessible to all employees, irrespective of position, hierarchy, age, and so on.
- In providing staff development and learning opportunities, accountability for return on investment and improved performance is everyone's responsibility.
- Systems are set to ensure employees stay with the organization for a certain period of time (defined by the organization) after being sponsored/funded by the organization to attend a learning or development opportunity.
- Staff development and learning require time and should not simply be shoehorned into a busy work schedule. There should be respect for the time needed, and for staff members to build that time into their regular work schedules with their direct supervisor's approval.

A systematic process should be followed if an organization would like to implement an effective staff development and learning system. The critical components of such a process are the following:

- Defining staff development and learning needs
- Defining the root causes of the performance gap
- Matching needs with an appropriate development and learning solution

- Monitoring and evaluating staff development and learning
- Setting a system for building, maintaining, and sharing institutional memory

Using this process, organizations are encouraged to develop a staff development and learning plan at the beginning of each reporting year. This plan should be compiled and updated as needed by the HR manager/designate and will contain information such as the type of staff development and learning activities to be undertaken, by whom, when, and how; the funding required, if any; and the people responsible for assisting/providing the activities.

### **Defining staff development and learning needs**

The following methods are used to assist supervisors and staff in identifying gaps between current and required knowledge, skills, and attitudes (i.e., staff development and learning needs):

- Performance reviews and assessments (Refer to **Step 8.3.3**)
- Audit findings
- Learning needs assessments

### **Defining the root causes of the performance gap**

Once a performance gap is identified, it is not advisable to jump immediately to defining development and learning activities to be undertaken. It is essential to first analyze the root causes or the underlying issues of the gap, as not all performance gaps might be the result of a lack of adequate knowledge, skills, and attitudes. Not every gap needs to be addressed by staff development and learning activities. The following are examples of such gaps:

- A mismatch between the talents of an individual and the job (Can the staff member be moved to another position for which her/his knowledge, skills, and attitudes are better suited?)
- Lack of clarity with regard to the business process (Can the business process be clarified or simplified? Is there a need to develop a tool to aid that process?)
- Failure to provide staff with the resources needed to perform the job well (Does the staff member not have access to proper equipment or software? Are there other resources that would help the staff member?)
- Lack of clear distribution of roles and responsibilities (Do staff members complain that certain roles are overlooked?)

This step is usually referred to as a *performance gap analysis*. Supervisors use it in determining whether staff development and learning is the solution

to the performance gap(s) identified or other actions should be taken to address the issue.

### **Matching needs with an appropriate development and learning solution**

If the performance gap analysis leads to the conclusion that the gap is the result of lack of adequate knowledge, skills, and/or attitudes, careful attention must be paid to selecting the appropriate development and learning solution. A direct supervisor and an employee can discuss and choose from many options, including the following:

- Self-study
- On-the-job coaching and mentoring
- Job shadowing: observing another employee's day-to-day activities
- Job rotation: performing a different job at the same level
- Acting as a member of a committee
- Attending meetings and conferences
- Study tours (exchange visits)
- Training sessions

Formal training is not the answer for everything and not all development and learning activities require resources in addition to what has already been budgeted for salaries and regular unit or project activities. Lack of budget should not be a constraint in meeting critical learning needs; rather, it should challenge both management and staff to be more creative in making learning a continuous process using available resources and the various options defined above. By all means, staff development and learning is an investment and should be considered with both short- and long-term impact in mind.

When staff development and learning require funding, as in the event of attending a conference, going on a study tour, or participating in a training course, there should be a transparent process for allocating these funds. This process sets criteria for the type of learning opportunities to be sponsored and ceilings on spending. It may require employees to formally apply for access to staff development and learning funds and justify their needs. It clarifies considerations for selection and sets requirements for the sponsored employee to remain with the organization for at least a certain period of time. The process also defines how funds are requested, approved, and accounted for. It may specify a requirement for return of funds if the sponsored employee leaves the organization prior to the expiration of the required period of time.

### **Monitoring and evaluating staff development and learning**

This process provides evidence to the direct supervisor that the identified needs have been met and development or learning objectives have been achieved. It also assists the organization in assessing return on investment. The organization has invested resources (human, material, and financial) in enhancing employee knowledge, skills, and attitudes. To benefit the organization, employees need to bring the new and/or improved knowledge and skills to the workplace.

As development takes time to bear fruit, it is not sufficient to evaluate the knowledge and skills acquired at the end of the learning activity. Organizations must also evaluate whether the person applied the learning in her/his job. The performance review and assessment process and the coaching and feedback process outlined in **Step 8.3.2** and **Step 8.3.3** will assist the organization to do that. These help define what changes have taken place as a result of the learning: Is the employee performing at the expected standards? Does she or he behave according to organizational values? How does the employee's performance affect the achievement of organizational strategic and annual plans?

In order for application of learning to be effective, the following must be true:

- Employees are provided the opportunity and time to test new learning and skills on the job.
- Creativity and innovation are not punished.
- Resources such as equipment and Internet access are provided.
- Managers ensure the whole team understands the need for and benefits of sharing knowledge.

### **Setting a system for building, maintaining, and sharing institutional memory**

Last but not least, organizations must set systems for building, maintaining, and sharing institutional memory. Institutional memory is the organization's collective set of information and experience. Knowledge is an asset that must be captured, preserved, and used by the organization. This will ensure that the investment in individual staff development and learning is not lost when people leave the organization, and will help the organization operate successfully in the future.

Systems and mechanisms that contribute to building, maintaining, and sharing institutional memory include the following:

- Folders (paper and/or electronic) with materials and documents received at various learning events, available to all staff

- Communities of practice
- Debriefing colleagues or making a presentation on the purpose and key learning points relevant to others after a staff member attends a learning event
- Documenting key learning points in a report
- Writing a case study
- Preparing a trip report referencing learning points most relevant to the employee's work or ideas that he or she would like to implement.

# HR BUSINESS PROCESS 8.4 – EMPLOYEE RELATIONS

## PROCESS DESCRIPTION

Employee relations is an area of HR that focuses on improving relationships between the employer and the employee and providing them the opportunity to communicate openly. Organizations are responsible to ensure that the workplace is a positive and just environment. Organizations must therefore institute mechanisms for employees to express their needs and to ensure that their rights are protected. By ensuring that employee relations practices are in place, the organization can more proactively and expeditiously address difficult problems in the working environment, such as grievances, staff morale, and poor relationships among staff.

A policy alone will not create a positive or just work environment; communication about the policy and enforcement of the policy ensures a high standard for behavior. After communicating the code of conduct to employees, obtain a signed copy from each employee at time of hire and keep that signed copy in the employee's personnel file. All reports of code of conduct violation must be investigated in a timely manner.

Some of the benefits of establishing employee relations practices include the following:

- All employees are treated fairly and equitably
- Staff are more easily retained if the workplace environment is positive
- Lower risk that the organization will be sued
- Lower risk that the organization's reputation will be damaged
- Fulfillment of moral and ethical responsibilities to employees
- Open lines of communication so that problems can be addressed before they reach a critical stage

Strong HR systems include proactive employee relations measures. This chapter will encourage the organization to do the following:

- Establish a code of conduct to create a positive work environment
- Monitor staff satisfaction and engagement, taking action as appropriate
- Address conflict between staff members in a timely neutral manner
- Ensure mechanisms for representing and protecting employee rights
- Ensure confidentiality
- Follow HR policies consistently



## PROCESS FLOW

### HR PROCESS 8.4 – EMPLOYEE RELATIONS

HR TEAM

**Establish  
a Code of  
Conduct  
8.4.1**

**Monitor  
Staff  
Satisfaction  
8.4.2**

**Address  
Conflicts  
Between  
Staff**

**Ensure  
Mechanisms for  
Representing  
and Protecting  
Employee  
Rights**

**Ensure  
Confidentiality  
8.4.5**

### STEP 8.4.1 – ESTABLISH A CODE OF CONDUCT

STEP NAME	ESTABLISH A CODE OF CONDUCT
Step Number	8.4.1
Inputs	Local law Organizational mission and values
Outputs	A well-communicated code of conduct
Organizational Role	HR manager/designate Head of organization
Integration Points	Finance department/unit Procurement Compliance Governance – board of directors
Summary	To clearly communicate expected behaviors for all employees, organizations should institute a policy that protects the rights of staff, beneficiaries, and other stakeholders. This policy is called a code of conduct. This code will include a section on conflict of interest. The code of conduct creates a standard that is consistent with the values of an organization and is always created in accordance with local law.

Reasons to establish a code of conduct include the following:

- Clarifies what behavior is expected from all staff
- Provides a basis on which to hold staff members accountable for their behavior
- Protects the organization in case of an individual employee's misconduct
- May be required by an organization's board of directors or local law
- Fulfills the organization's obligation to protect the rights of employees, steward the resources of the organization, and uphold the reputation of the organization

Topics covered in an organization's code of conduct may include the following:

- Embezzlement/fraud (to improperly appropriate money or property for one's own use, including the misapplication of funds, mishandling of cash, and bookkeeping errors)
- Falsification of contracts, reports, or records (including altering, fabricating, falsifying, or forging all or any parts of a document, contract, or record)



It is common for family and community members to join forces to quickly accomplish a needed task on each others' farms.

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- Improper supplier or contractor activity (including an improper negotiation or diversion or illegal activity with respect to supplier or contractor awards)
- Theft
- Harassment (sexual or otherwise), discrimination, physical or verbal abuse, intimidation, favoritism, or exploitative sexual relations
- Inappropriate use of resources (including use of organization or donated resources such as cash, food, commodities, or materials for purposes other than those for which they have been intended)
- Gifts and solicitations
- Other illegal or criminal use of organization property or assets
- Kickbacks, bribery, or the pay or giving of anything of value to a government official directly or indirectly for the purpose of securing an improper advantage
- A conflict of interest section, if it is in the interest of the organization, dictating that no employee take any action or make any statement intended to influence the action of another, including donors and beneficiaries, to benefit the private interest of the employee or the employee's family members, rather than the interest of the organization. (Please see *Appendix H* for examples of what might be included in a conflict of interest statement.)

For employees in specific job functions such as accounting, auditing, and procurement an addendum to the code of conduct may be needed as follows:

### **Accounting and Auditing**

The following inclusions may apply:

- Fraud or deliberate error in the preparation, evaluation, review, or audit of any financial statement of the organization
- Fraud or deliberate error in the recording and maintaining of financial records
- Deficiencies in compliance with the organization's internal accounting controls
- Misrepresentation or false statements to or by a senior officer, employee, or accountant regarding a matter contained in financial records, financial reports, or audit reports
- Deviations from full and fair reporting of the organization's financial position
- Any fraud or violation of law relating to acts of financial misconduct

**Procurement**

Some organizations may want a specific code of conduct for staff who work in the area of procurement.

**Reports of violation**

Reports of actions that violate the standards described in the code of conduct policy are serious and must be addressed in a timely manner. Violations of the code of conduct will require disciplinary action. See **Step 8.4.4** for more details.

## STEP 8.4.2 – MONITOR STAFF SATISFACTION

STEP NAME	MONITOR STAFF SATISFACTION
Step Number	8.4.2
Inputs	Employee feedback Survey and interview data
Outputs	Survey and interview data analysis
Organizational Role	Survey and interview data analysis
Integration Points	Governance – board of directors
Summary	A strong HR system is intentional about listening to staff. There are several methods the organization may use to monitor staff satisfaction. In order to maintain transparency, the HR department/unit should let staff know that it hears them and build confidence that any issues raised will be addressed, outcomes will be shared, and next steps will be communicated.

Employees want to work in a positive environment in which they are part of an effective team successfully reaching their objectives. Over time, obstacles may develop, creating different dynamics in the workplace. In order for the organization to address these issues, leaders must first know they exist.

Monitoring staff satisfaction is not only the responsibility of HR; managers and all staff have a responsibility to participate in creating a positive environment. These methods of gathering information do not replace the practice of managers and employees being approachable and available to one another on a daily basis.

There are several ways to solicit information from employees to identify if there are any issues that should be addressed, including the following:

- Many organizations conduct an annual survey of employee satisfaction and engagement.
- Organizations may also interview staff members who are leaving, asking them to share their experiences as employees. For details on exit interviews please see **Process 8.6**.
- Organizations may work with employee representatives through internal committees, associations, or unions.

Regardless of what method the organization uses to gather information, state that the organization strives to be a better environment for staff and that the

information will be used for this purpose. Share how the information will be used and to what extent it will be kept confidential. Be careful not to raise expectations that cannot be met.

Though gathering the information is a positive step it will not make a difference unless further action is taken. Consider carefully what staff are sharing. Disclose an overview of general ideas with decision makers, keeping specific comments confidential. Involve leaders and staff in any resulting action steps. Share the outcome and steps with staff to demonstrate the organization is responding to their concerns.

### STEP 8.4.3 –ADDRESS CONFLICT BETWEEN STAFF MEMBERS

STEP NAME	ADDRESS CONFLICT BETWEEN STAFF MEMBERS
Step Number	8.4.3
Inputs	Employee conflict
Outputs	Mediation Arbitration
Organizational Role	HR manager/designate
Integration Points	Governance
Summary	When an employee approaches organizational leadership to identify a conflict there are several types of constructive outlets including mediation and arbitration. At a minimum, careful listening is important.

Conflict is inevitable when individuals work closely together over a long period of time. This can be exacerbated when individuals have different cultures or are at different levels of management, and during times of intense work or uncertainty. The organization must support employees in addressing their conflicts in an effective way.

When an employee approaches organizational leadership to identify a conflict there are several types of constructive reactions. At a minimum, careful listening is important. During such an interaction, keep in mind the following guidelines:

- Be supportive but remain neutral after hearing only one side of the situation.
- Affirm the person but avoid agreeing with him or her about specific complaints.
- Ask the person if he or she would like further assistance.
- Mention that action may involve disclosure of some of the sensitive information that was shared.
- Be clear about whether or not the leader has consent of the individual to disclose information with others.

#### Mediation

If requested, it may be appropriate to provide mediation to the staff members who are in conflict. A mediator role does not involve judging between two

people. Instead, the HR staff member facilitates a discussion between the staff members who are in conflict in order to come to greater understanding and to agree to work together to come to a positive resolution.

### **Arbitration**

Alternatively, arbitration can be set up for the parties in conflict. Arbitration involves a neutral party who hears both sides of a conflict and decides what action must be taken. Decisions made in arbitration are binding. Arbitration is often used in workplaces with unions.



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#### STEP 8.4.4 –ENSURE MECHANISMS FOR REPRESENTING AND PROTECTING EMPLOYER AND EMPLOYEE RIGHTS

STEP NAME	ENSURE MECHANISMS FOR REPRESENTING AND PROTECTING EMPLOYER AND EMPLOYEE RIGHTS
Step Number	8.4.4
Inputs	Employee reports of policy violation Employee grievances Audit report
Outputs	N/A
Organizational Role	HR manager/designate Head of organization
Integration Points	Compliance Finance department/unit Governance
Summary	The organization should implement communication mechanisms that will allow everyone to share information openly. The rights of employees should be protected from possible retaliation should one file a grievance or report a violation of policy such as the code of conduct. By having a process in place for receiving grievances and reports of policy violation, the organization has a means to resolve differences and protect each employee's rights.

If an employee accuses another staff member of misconduct such as sexual harassment, threats, or fraud, the HR department is obligated to investigate. Create a comprehensive process for investigations for accusations of harassment, threats, and other actions covered in the code of conduct policy. Make every effort to stay neutral when conducting an investigation. Consider carefully who will lead the investigation. Local laws will regulate whether it is legal to suspend an employee with pay when an investigation is being conducted. Conducting an investigation in a timely way after the accusation has been reported is key. If the process results in progressive discipline that leads to termination, steps are explained in **Process 8.6**. Remember to maintain confidentiality during and after the investigation, which is discussed in the next section.

The following are among the best practices to ensure protection of an employee who files a grievance:

- To the fullest extent possible, the identity of the employee who files the grievance will be kept confidential.

- Do not discharge, demote, suspend, threaten, harass, or discriminate against any individual for making a report in good faith under a policy of the organization.
- Reports shall be deemed made in good faith if the individual had reasonable grounds to believe or suspect misconduct, even if the belief or suspicion later proves to be unsubstantiated.
- If a conflict cannot be resolved informally, the employee will submit a formal grievance statement and file it with the organization directly or with a representative of the employee. Organizational leaders will consider the statement and depending on the situation will either hear from each of the parties involved or conduct an investigation.
- Document actions the organization takes as well as the statements of each party involved.
- Once information has been gathered, the organization makes a decision as to what action, if any, will be taken and informs the employee who filed the grievance of the outcome.
- There should be an appeal process in place if the employee is not satisfied with the outcome of the grievance process.
- Be sure that the organization has a policy outlining a process that is in compliance with local law.

## **Discipline**

Sometimes a grievance or report of policy violation and the resulting investigation will lead to disciplinary action. Supervisors use progressive discipline, a “system of increasingly severe penalties for employee discipline.”<sup>10</sup> This typically involves verbal and written communication to the employee regarding the behavior that must be addressed. It clearly warns the employee of the consequences if the employee fails to make changes. Local law may dictate the steps that must be followed and the circumstances that may lead to termination, so confirm requirements for the organization.

<sup>10</sup> Bliss, W., Gamlem, C., Keary, D., Kushner, G., Losey, M., Outwater, L., ...White, C. (2009) The SHRM Learning System (2009 ed., vols. 1-6).

## STEP 8.4.5 – ENSURE CONFIDENTIALITY

STEP NAME	ENSURE CONFIDENTIALITY
Step Number	8.4.5
Inputs	Local law The organization's definition of confidential information
Outputs	Confidentiality policy
Organizational Role	HR manager/designate Finance
Integration Points	Compliance Finance department/unit Governance
Summary	By defining confidential information for the organization, instituting a confidentiality policy, and restricting access to confidential information, the organization can avoid potential conflict and violation of local law concerning disclosure of information.

The organization may be legally required to maintain the confidentiality of certain types of employee information.

The following are among the reasons for protecting confidential information:

- Avoid embarrassing incident and potential conflict
- The organization and HR staff may be required by law
- The employee may take legal actions against the employer

First, define what is confidential information for the organization so that employees understand what they need to protect. Examples of confidential information may include salary, birth date, performance review details, and medical status. Some information is not specifically confidential but is best to keep private and the policy may include this as well. This information is often called *sensitive* information and may include religion or political party. The difference between confidential and sensitive information will vary by country due to both culture and local laws.

Second, institute a confidentiality policy for staff to sign. As with all policies, be sure to follow local laws. Drafting a policy is not enough. Before employees sign the policy, explain why the organization established the policy. For staff members who handle confidential information on a regular basis, periodically remind them of the organization's expectations and encourage them to

ask questions that may arise as they conduct their responsibilities. (For an example of a confidentiality policy, please see *Appendix G*.)

Third, restrict access to confidential information. Now that the organization has identified what information is confidential, consider where this information is both processed and stored. Put measures in place to secure this information. Typically, organizations lock employee files and limit which employees have access to those files. Remember that electronic files and email may also contain confidential information.

Staff members with HR responsibilities have access to confidential information on a daily basis. Ask staff to follow the following best practices each time when stepping away from their desks:

- Put away and lock confidential files
- Put away or cover any sensitive information on the desk
- Password protect computers and set short idle periods

# HR BUSINESS PROCESS 8.5 – STAFF CARE AND SAFETY

## PROCESS DESCRIPTION

Safety and security, staff care, and risk management are linked and may be defined as the following:

- *Safety and Security:* Policies and procedures based on local laws and best practices, designed to eliminate death, injury, or illnesses from occurring in the workplace or during the performance of work duties off-site and to secure and protect all tangible and intangible assets of the organization.
- *Staff Care:* Self-care techniques and institutional responses to stress among employees in particularly difficult or stressful environments.
- *Risk Management:* The identification, assessment, and prioritization of risks followed by actions to minimize, monitor, and control the probability and/or impact of those risks.

The benefits of safety, security, risk management, and staff care include the following:

- Employees at all levels who perform their duties without fear of harm are more productive and have greater retention than those worried for their safety.
- Policies and procedures protect the organization in times of crisis by avoiding wasted effort, lessening the impact of the event.
- Protecting staff and property from harm reduces the risk that the organization will be sued after an event.
- Positive perception of the organization's commitment to staff and property enhances its reputation with the public, donors, government, and potential employees.
- Protecting the assets of the organization contributes to its long-term sustainability.
- Finally, and most importantly, the people who work for the organization are not just employees. They are fellow citizens, family members, and friends. Protecting their health and safety is a moral obligation.

The following guidelines allow the HR department/unit to determine the appropriate roles and responsibilities of employees, management, and of the organization in maintaining safety and security. In order to have access

to all the information needed to develop and implement safety, security, risk management, and staff care policies and procedures, the HR department/unit must work collaboratively across the organization.

### **Important Considerations**

#### *National labor and occupational safety law*

The first responsibility of the organization is to review and immediately adopt all relevant national and local laws pertaining to the safety and security of employees and of the workplace. Many governments provide checklists or will help conduct an organizational audit (investigation) for health and safety. Alternatively, an organization may engage an occupational health consultant.

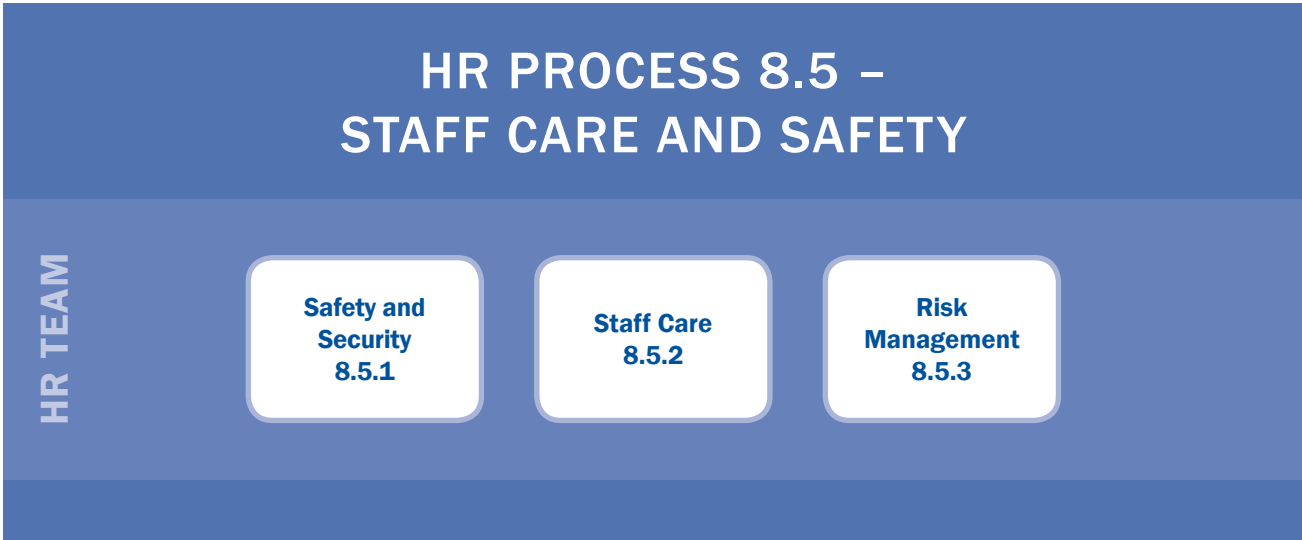
No practices in this chapter should be adopted without first reviewing all relevant national and local laws pertaining to the safety and security of employees and of the workplace.

Many HR departments/units create a task force composed of staff and management from across the organization. This task force helps to do the following:

- Develop policies and procedures for safety, security, risk management, and staff care
- Design and conduct staff training
- Prepare for the annual organizational safety and security audit
- Confirm compliance with the requirements of national and local laws
- Communicate to management and the board of directors recommendations for improvements

In particular, the HR department/unit is charged with developing and enforcing staff policies and procedures for safety and security.

**PROCESS FLOW**



## STEP 8.5.1 – SAFETY AND SECURITY

STEP NAME	SAFETY AND SECURITY
Step Number	8.5.1
Inputs	Establishing appropriate security policies based on risk assessment
Outputs	Safety and security plan including standard operating procedures, contingency plans and supporting information
Organizational Role	HR manager/designate manages the plan Security officer/designate implements and maintains the plan Head of organization/designate monitors the plan
Integration Points	Finance department/unit Governance
Summary	In order to provide a safe and healthy working environment, the organization should implement safety and security systems that will protect an organization from liabilities.

### Establishing appropriate security policies based on risk assessment

While the responsibility for maintaining safety and security is shared by staff throughout the organization, HR often plays a lead role in ensuring that risks are mitigated in the work environment. Safety and security policies must be rooted in the organization's mission and guiding principles and should contain clearly defined expectations for staff. Identifying safety priorities and security policies as well as the potential risks an organization might face is fundamental in developing a successful plan.

Some basic priorities to be considered are:

- The physical and mental well being of staff
- Minimizing or eliminating potential risk to staff and organizational property
- Recommencing operations in a safe and timely manner after an incident
- The media and community image of the organization

Although each organization will face its own unique risks, the following is a list of risks that may be relevant:

- Travel risks (due to poor roads and vehicle conditions, hazardous traffic or civil unrest)



- Physical/sexual assault
- Health risks (due to disease or poor sanitation)
- Dangers to the organization's image in the media or local community
- War/civil unrest conditions
- Unsafe building sites
- Fires
- Kidnapping

After indentifying both priorities and risks it is prudent to assess the organization's resources before the creation of a safety and security plan. Below is a list of possible resources that the organization may already access:

- Security officers/armed guards
- Local governing authorities
- Communication devices such as walkie-talkies, radios
- Reputable drivers
- Policies and checklists
- First aid kits, flares

### **Writing a Safety and Security Plan**

The three main sections of a comprehensive safety and security plan are: standard operating procedures, contingency plans and supporting information.

#### *Standard Operating Procedures*

Standard operating procedures outline the way the organization conducts its daily operations: who is responsible for what tasks, the manner in which tasks should be completed, constraints on undesirable behavior, and where and in what time frame tasks are to be completed.

#### *Contingency Plans*

Contingency plans outline the course of action for atypical operations of the organization. Although it is impossible to predict all potential situations that might arise, it is a good idea to identify as many as possible and develop contingency plans for them. Clear and comprehensive contingency plans are vital to an organization's smooth operation—when crises arise they often require an immediate and multifaceted response involving multiple staff. Contingency plans should contain the same who, what, where, and when as the standard operating procedures, but clear chains of communication and back-up procedures should be put in place.

Successful contingency plans develop teams of staff members for emergency evacuations. Employees are usually grouped according to the area in which they work. Each team is appointed a leader to ensure the safety of the team during emergency situations. This model is sometimes referred to as the warden system. Sometimes, other team members are selected to play supporting roles to the leader, or to take his/her place in the event of an absence. It is important to ensure that at least two people on each team have emergency first aid training.

#### *Supporting Information*

Supporting information is the supporting documentation for the standard operating procedures and the contingency plans. The following are some examples of things one might use as supporting information to a contingency plan:

- Incident reporting forms
- Map of evacuation routes with reunion points
- Emergency contact information for staff
- List of reliable drivers for transportation
- Contact information for local authorities,
- Inventory of emergency supplies
- Security briefing checklist

#### **Maintaining an updated Safety and Security Plan**

A safety and security plan is only effective if it is readily accessible to staff, updated on a regular basis, and presented to and practiced by staff. Keeping a safety and security plan online allows staff members to access it at will, and allows for changes to be made to the policies without waste. However, if many staff members do not have access to the Internet, or if regular power outages make internet access unreliable, it is wise to have some print copies of the safety and security plan available.

As events occur the organization's policies and procedures should be reviewed, evaluated and changed, if necessary. Staff should be made aware of changes and should practice emergency procedures on a regular basis.



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## STEP 8.5.2 – STAFF CARE

STEP NAME	STAFF CARE
Step Number	8.5.2
Inputs	Local labor laws/acts on staff care Local labor environment assessment on staff care
Outputs	Staff care program and policy that will govern the staff care aspect of employment in the organization
Organizational Role	HR manager/designate manages and maintains the plan Head of organization/designate monitors the plan
Integration Points	Finance department/unit Governance
Summary	Staff care is an important concept that should be put in place in the form of a policy ensuring well-being of the organization's staff.

Staff care programs exist to provide physical, mental, and emotional health support to the organization's employees.

The following is a simple step-by-step planning process used to increase the success of any staff care program in an organization:

1. Identifying the need for the program.
  - **Consider** flexible work hours, workplace safety, improved working conditions, nursing mothers, employees with a handicap, HIV in the workplace, others eligible for special accommodations
  - **Protect** against sexual discrimination; child labor; physical or verbal abuse; harassment based on race, religion, national origin, ethnicity, or physical ability; smoking; drinking; etc.
2. Assess employee needs and interests
3. Define a timeline and budget
4. Design the program
5. Submit it to the board for approval and implement
6. Assess and update the policies as necessary

### STEP 8.5.3 – RISK MANAGEMENT

STEP NAME	RISK MANAGEMENT
Step Number	8.5.5
Inputs	Local labor laws Other applicable laws
Outputs	Annual risk assessment Risk tracking schedule
Organizational Role	Finance department/unit and HR managers/designates manage and maintain the plan Head of organization/designate monitors the plan
Integration Points	Finance department/unit HR managers/designates Program department/unit managers
Summary	Identification, assessment, and prioritization of risks followed by coordinated and economical application of resources to minimize, monitor, and control the probability and/or impact of unfortunate events and/or to maximize the realization of opportunities is a vital aspect of HR in an organization.

HR risks vary depending on the type of organization; its HR management structures, processes, policies, and procedures; and the country and applicable local labor and other laws. The following are some HR risk examples:

- Unfair labor practice claim
- Unaccounted late taxes that the organization is responsible for collecting on employees' behalf and paying to the government
- HR actions taken by an organization based on HR policy/procedure that do not comply with local labor laws

HR risk management may differ from organization to organization. The following is an example of an HR risk management system:

1. Identification of existing or potential HR risk
2. Analysis of existing or potential HR risk
3. Development of existing or potential HR risk handling models such as the following:
  - Avoid the risk
  - Accept the risk for a reason (e.g., organization reputation issue,

importance of the activity to the organization no matter what the risk would be, or insignificance of the risk)

- Outsource/transfer the risk (e.g., rather than owning motor vehicles, outsource to transport companies to avoid risk of damage, injuries, or death)
- Apply/resolve (assign responsible people a clearly outlined plan to resolve and close the risk)

4. Assess and monitor implementation at least on an annual basis.

Restrategize risk handling models from Section 3 above as appropriate.

# HR BUSINESS PROCESS 8.6 – SEPARATIONS

## PROCESS DESCRIPTION

To manage employee separations, an organization must establish policies and procedures for managing the risks involved (e.g., conflict, legal action due to non adherence to the labor laws/employment policy).

The benefits of establishing separations procedures include the following:

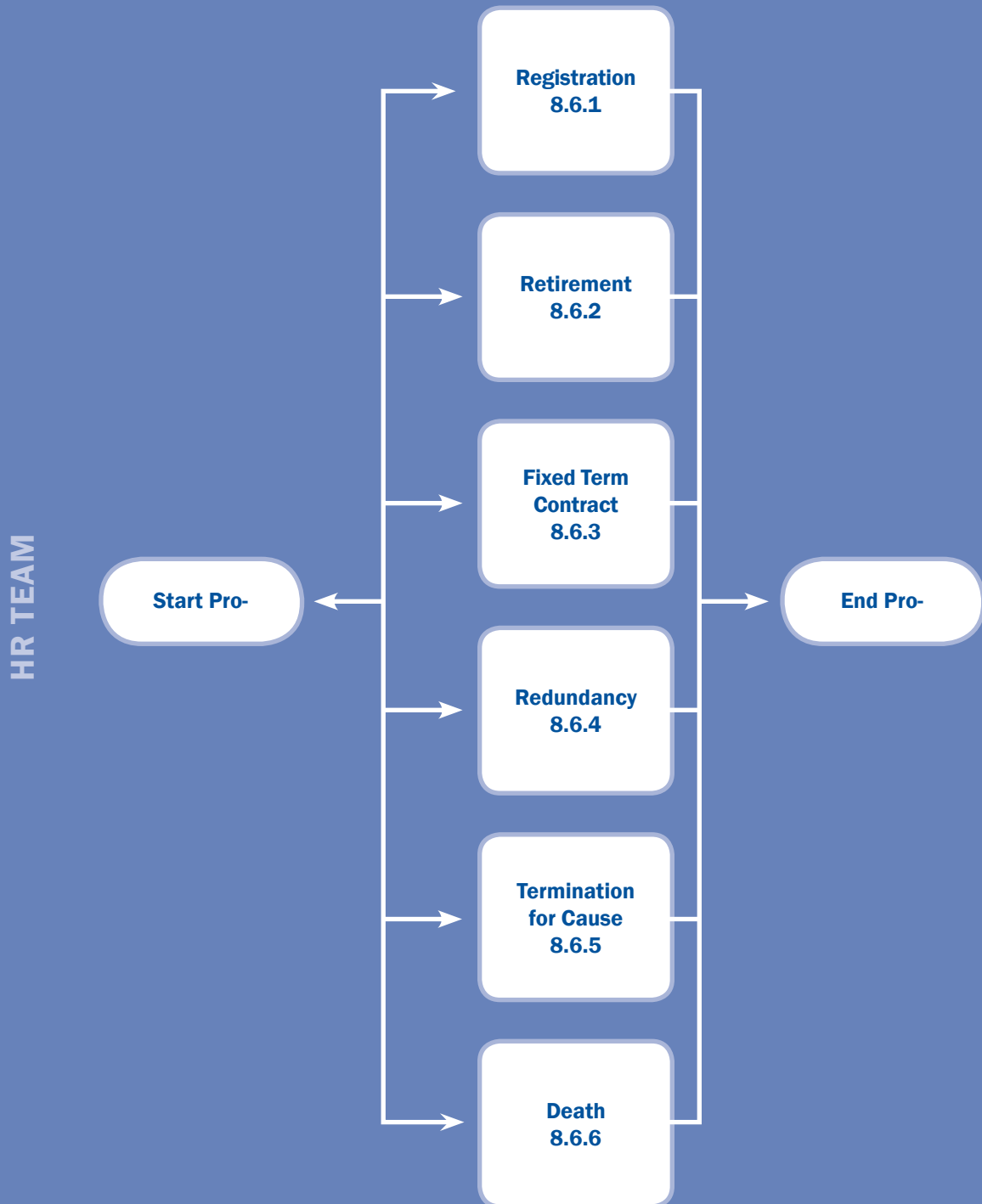
- Ensure the organization adheres to local laws, lowering the risk of staff taking legal action
- Ensure that a separating staff member is aware of his or her obligations and rights
- Ensure staff members are treated fairly at the point of separation
- Enhance possibility of rehiring the same staff member if her or his services are needed in the future
- Lower the risk of the separation process having negative impact on the organization's reputation and staff morale
- Establish and define the different types of separations and the separation clearance process
- Define benefits payable to separating staff
- Define the balances of accounts receivable of the employee and recover from final dues
- Promote fairness when dealing with staff separations

Important considerations applicable to all steps include the following:

- Except in the event of death, all employees are required to complete a handover note as per the termination/clearance checklist. The handover note section of the termination/clearance checklist can be customized based on the nature of the job.
- Except in the event of death or termination for cause, the organization should conduct a face-to-face or written exit interview. The aim of the interview is to gather information from the exiting staff member on areas such as conditions of employment, working environment, and staff relations.

## PROCESS FLOW

### HR PROCESS 8.6 – SEPARATIONS



## STEP 8.6.1 – RESIGNATION

STEP NAME	RESIGNATION
<b>Step Number</b>	8.6.1
<b>Inputs</b>	Resignation letter Local labor laws Interaction with employee Exit interview Payment of final dues Termination/clearance checklist
<b>Outputs</b>	Efficient and effective management of resignations
<b>Organizational Role</b>	HR manager/designate manages in consultation with direct supervisor Department/unit head Resigning employee Head of organization/designate monitors
<b>Integration Points</b>	Program management Finance department/unit Governance
<b>Summary</b>	When an employee gives notice of resignation, the employer and employee should communicate clearly regarding the specifics of the resignation as well as what the organization will offer the employee upon separation. The employer should provide a written acknowledgement of the resignation, including all pertinent details.

Resignation is a willful and deliberate decision by the employee to leave employment with or without giving reasons.<sup>11</sup> It is expected that the employee will give written notice of his or her intention to resign indicating the expected last day of work. Usually local labor laws specify the required notice period; employees should follow this.

Once the notice is received, take the following actions:

- Where practical, the employer should meet with the employee and discuss the resignation including reason for resignation, mutually agreed-upon last work day, benefits due, clearance, and handover process.

<sup>11</sup> Catholic Relief Services. (2010). *CRS Institutional Capacity Development Tools for Local Partners, Human Resource Policies and Procedures*. Unpublished Manuscript.



- The employer should acknowledge the resignation in writing, indicating the last working day, benefits payable, clearance, and the handover process.

Following the resignation, the staff member is entitled to payment of the following:

- Salary up to last work day
- Separation benefits as defined by local laws and organizational policies
- Information on how leave accrued and not taken will be compensated
- Certificate of service/letter of recommendation (as per local laws)

## STEP 8.6.2 – RETIREMENT

STEP NAME	RETIREMENT
Step Number	8.6.2
Inputs	HR policy on retirement Local labor laws Payment of final dues Termination/clearance checklist
Outputs	Efficient and effective management of retirement
Organizational Role	HR manager/designate manages in consultation with direct supervisor Department/unit head Retiring employee Head of organization/designate monitors
Integration Points	Program management Finance department/unit Governance
Summary	When creating HR policies, employers should base retirement and early retirement ages on local labor laws. The employer and employee should communicate clearly regarding what the organization will offer the employee upon separation.

Organizations determine an age after which an employee ceases to work on the basis of retirement. This is guided by the local labor laws and the organization's HR policy on retirement.

In some cases, early retirement can be applied. Where applicable, it must be in line with local laws and circumstances must be clearly defined. Organizations may allow early retirement on medical grounds, meaning a staff member is allowed to access retirement benefits in the event that she or he is unable to work due to long-term illness or injury.

The last working day should be in line with provisions of local labor laws and HR policy on retirement.

Other issues to consider and communicate are whether or not the organization plans to hire post-retirement employees and the circumstances and status of any retirement benefits they are receiving when rehired.

Retired employees will be entitled to payment of the following:

- Salary up to last work day
- Retirement benefits as defined by local laws and organizational policies
- Information on how leave accrued and not taken will be compensated
- Certificate of service/letter of recommendation (as per local laws)

### STEP 8.6.3 – FIXED TERM CONTRACT

STEP NAME	FIXED TERM CONTRACT
Step Number	8.6.3
Inputs	HR policy on separation Local labor laws Payment of final dues Termination/clearance checklist
Outputs	Efficient and effective management of separation under fixed term contracts
Organizational Role	HR manager/designate manages in consultation with direct supervisor Department/unit head Separating employee Head of organization/designate monitors
Integration Points	Program management Finance department/unit Governance
Summary	Fixed term positions often rely on external funding and must comply with local labor laws. The employer and employee should communicate clearly regarding the specifics of the contract as well as what the organization will offer the employee upon separation.

Fixed term contracts are common in organizations that rely on external funding. Local laws should be consulted to verify they provide for the option of terminating fixed term contracts prior to the expiration of the term specified in the contract. If needed, the employer may extend the contract term in writing with agreement from employee.

Discussions should be held between the employee and the employer on the benefits, responsibilities, and liabilities of this type of contract. The discussions should clarify circumstances of contract extension/renewal, the length of the new contract, and when the benefits related to the ended contract are payable.

After the end of contract, the separating staff is entitled to payment of the following:

- Salary up to last work day
- Information on how leave accrued and not taken will be compensated
- Certificate of service/letter of recommendation (as per local laws)
- Any other benefit as provided by local laws or the organization's policies

#### STEP 8.6.4 – REDUNDANCY

STEP NAME	REDUNDANCY
Step Number	8.6.4
Inputs	HR policy on separation Local labor law Payment of final dues Termination/clearance checklist
Outputs	Efficient and effective management of separation due to redundancy
Organizational Role	HR manager/designate manages in consultation with direct supervisor Department/unit head Separating employee Head of organization/designate monitors
Integration Points	Program management Finance department/unit Governance
Summary	An employee's position may be eliminated due to redundancy. The employee must be notified in writing of the reason for and details of the separation. The employer and employee should communicate clearly regarding what the organization will offer the employee upon separation.

Redundancy refers to the employee's involuntary loss of employment through structural changes, reduced funding, or unplanned project closure, causing existing employment positions to be rendered redundant or inactive.

In compliance with local laws and HR policy on separation, the employer should notify affected employees in writing, including the reasons for the separation and the conditions. The conditions include benefits payable, management of unused leave, clearance, the handover process, and so on (e.g., if the law provides for the redundancy benefit of half a month's salary for each year of service and the employee leaves the organization after three years of service, the organization is obligated to pay an equivalent of one-and-a-half month's salary based on the salary at the time of separation.)

Staff members who separate due to redundancy are entitled to payment of the following:

- Salary up to last work day
- Redundancy benefits as defined by local laws
- Information on how leave accrued and not taken will be compensated
- Certificate of service/letter of recommendation (as per local laws)

## STEP 8.6.5 – TERMINATION FOR CAUSE

STEP NAME	TERMINATION FOR CAUSE
Step Number	8.6.5
Inputs	HR policy on separation Local labor laws Payment of final dues Termination/clearance checklist
Outputs	Efficient and effective management of separation under circumstances like termination for just cause
Organizational Role	HR manager/designate manages in consultation with direct supervisor Department/unit head Separating employee Head of organization/designate monitors
Integration Points	Program management Finance Governance
Summary	When terminating an employee for cause, employers should take great care to comply with current company policy and local labor laws. Proper investigations should be conducted and the employee given the chance to appeal the decision. The employer and employee should communicate clearly regarding what the organization will offer the employee upon separation.

An employee will be subject to termination for cause for violating the organization's policies, for consistently not meeting performance standards, or for committing major offenses. In cases in which the termination is for consistently not meeting performance standards, supervisors should refer to **Process 8.3** to ensure that all steps for assisting employees in meeting performance standards have been taken prior to making a decision for termination.

In cases in which the termination is in relation to not following the organization's policies, the employer must refer to the policy the employee has violated. Please refer to **Process 8.4**.

In cases when the termination is for a major offenses, the employer must first consider what constitutes a major offense under local labor laws. The following is a sample list of major offenses that may be cause for immediate dismissal unless local law provides limitations or other provisions. Major

offences may include but are not limited to the following:

- Stealing/theft including theft from the organization, partners and beneficiaries, or from other employees
- Inaccurate reporting of business expenses, bribery, or other offenses involving graft or corruption
- Sexual harassment
- Violence or threats of violence against other employees, partners, beneficiaries, etc., and/or any behavior which endangers other employees or creates a safety hazard
- Absence without giving notice and without obtaining employer permission
- Other as specified by local laws

All terminations for cause will be in writing, using the appropriate format as per local labor laws. The head of the organization should sign all termination documentation.

All major offenses should be fully investigated, maintaining strict confidentiality during and after the investigations. It is important for the affected employee to be given a chance to appeal the decision. Appeal mechanisms should be well-defined and should include to whom within the organization the staff member should make his or her appeal.

Organizations should ensure that any separation benefits withheld or not paid in cases of termination for cause are in compliance with local labor laws. Staff members terminated for a cause may be entitled to payment of the following:

- Salary up to last work day
- Information on how leave accrued and not taken will be compensated
- Certificate of service (as per local laws)
- Any other benefit defined in local laws



## STEP 8.6.6 – DEATH

STEP NAME	DEATH
Step Number	8.6.6
Inputs	HR policy on separation in the event of death Local labor law Payment of final dues Termination/clearance checklist
Outputs	Efficient management of separation in case of death
Organizational Role	HR manager/designate manages in consultation with direct supervisor Department/unit headHead of organization/designate monitors
Integration Points	Finance Governance
Summary	Upon the death of an employee, the employer must determine the last day of service and pay all appropriate salary and benefits.

The following steps should be followed in separation in case of death:

- Define last recognized work day for salary and benefits computation. The salary and benefits may be paid up to day of the death of the employee or up to the last day of the month in which the employee died.
- Define death benefits in accordance with benefits policy and local labor law.
- Notify relevant insurance and government offices.

Benefits will be paid in line with local labor laws and/or provisions of the organization's policies and guidelines. In circumstances in which local laws and the policies provide for employees to nominate beneficiaries, payment should be in line with the nomination list.

Payment normally includes the following:

- Salary up to last work day
- Death benefits as provided by local laws and HR policy on separation in the event of death. This may include payment of funeral-related expenses, insurance benefits, and other payments.

# COMPLIANCE CHECKLIST FOR HR

The compliance review aims to assess the adequacy and effectiveness of the human resources function in the organization. The reviewer should obtain copies of HR documents and assess their existence, adequacy, and completeness. The review covers the following key areas of the human resources function: human resources policies and procedures, payroll management, recruitment and separation process, staff development and training, staff records, and staff performance appraisal.

## **Human Resources Review Checklists**

The following checklist may be used in the review.

### *Human Resources Policies and Procedures*

Does the organization have written human resources (HR) policies and a procedures manual?

- Are the HR policies and procedures based on local labor laws?
- Are the HR policies and procedures regularly updated and revised?
- Is there staff dedicated to handling the HR function in the organization?
- Are staff members oriented on the HR policies and procedures when they join the organization?

### *Review of Personnel Records*

A review of this section seeks to establish if appropriate personnel records are maintained for each employee and confidentiality of information is preserved.

- Do staff members have written contracts of employment?
- Do staff members have written job descriptions?
- Are personnel files maintained for each employee?
- Are the personnel files updated with all required staff documents (e.g., contract of employment, job description, educational certificates and testimonials, performance appraisals, leave records)?
- Is access to the personnel files restricted to authorized personnel?

### *Review of Payroll*

Payroll consists of all employees' salaries, wages, bonuses, and deductions. An employer must retain all records pertaining to payroll. Such records include salary and wage histories and all salary and wage deductions for the periods of time stipulated by statute and standard business practices.

The compliance review of payroll management seeks to establish that the payroll management system is well established and functioning and that the payroll is accurate, approved, and in line with organizational policies on payroll management.

- Does the organization maintain a payroll register for monthly staff salaries and allowances?
- Is there a person dedicated to preparing the payroll register?
- What records are used as the basis for the preparations of payroll?
- What procedures exist for verifying and dealing with non-routine circumstances such as employee absence?
- Is payroll reviewed for accuracy and approved by someone other than the person preparing payroll?
- Does a staff member other than the one preparing the payroll register pay salaries?
- Are net salaries paid to staff members through direct deposits to their bank accounts?
- Are salaries on the payroll register in agreement with the amounts on the contracts of employment?
- Is there comparison of payroll register of the current month to that of the prior month?
- Is the removal or addition of employees to the payroll register approved by the relevant persons and supported with the relevant documents?
- Is appropriate authority granted for the current staff grading/salary and is it in agreement with the formal salary structure?
- Does each staff member have a unique identification number and is this used on payroll and in personnel files?
- Does the individual employee exist and is he or she a bona fide staff member? Obtain independent evidence.
- Are changes in staff salaries and allowances on the payroll supported with official communications to staff as per the personnel files?
- Do the relevant persons in the organization approve changes to staff salaries and allowances?
- Are statutory deductions made on the payroll and remitted on time as per statutory requirements?
- Is the calculation of the statutory deductions accurate?

- Are non-statutory deductions on staff salaries on the payroll authorized through written communication from the employees as per the personnel files?
- Do the deductions from employee salaries comply with organization/local labor law requirements governing the maximum amount of voluntary deductions that can be taken from an employee's monthly salary?
- Are payroll costs charged to the appropriate cost centers/account codes and posted to the cashbook and ledger?
- Is access to payroll restricted to authorized staff only?
- For employees who maintain time cards/timesheets for time worked, do the time records reflect the actual hours/minutes worked rather than the hours scheduled to work?
- Do payment dates agree with the attendance register/timesheets maintained?
- Are timesheets accurate, authorized, and signed by the supervisor?
- Are payroll costs charged to appropriate account codes in proportion to the actual hours worked as per the timesheets?
- If salaries are paid in cash, is money securely stored?
- Does the safe have a lock?
- Is access to unclaimed wages restricted to authorized personnel?
- Does the person responsible for payroll payment have access to the safe?
- If payment is by cash, how long is the cash payroll kept before payment?
- Is there a document the payer and the payee sign before payment is made?
- Are unclaimed wages properly accounted for?
- Are the unclaimed wages recorded? If yes, how?
- Is there a person responsible for unclaimed wages?
- Where are unclaimed wages kept?
- How long are unclaimed wages kept?
- Is authority in writing required before a representative of an employee is paid?
- Does the organization allow salary advances? If so, are they properly accounted for during payroll?
- Does the organization employ casual labor?
- Are casual laborers paid in accordance with the organization's personnel policies, local laws, and regulations?



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- Are taxes withheld from the casual labor wages?
- Does the organization hire consultants locally? If so, does the organization have contracts for the hired consultants?
- Does the organization give staff loans? If so, does the organization have a written agreement with staff concerning terms of the loan repayment?
- Are recoveries made on the loans as stipulated in the loan agreement?
- From sample employee records reviewed, do holidays taken in the last year exceed holiday entitlement stated in the contract of employment or approved holiday schedule?
- Have holiday days been properly authorized?
- Are there instances of staff members who have not taken leave for long periods of time?
- Are there instances of staff being paid in lieu of taking leave?

#### *Review of Staff Recruitment and Separation*

Compliance review of this section seeks to establish if adequate policies and procedures for staff recruitment and separation are in place and observed in all cases as applicable. Since separation through termination can be a cause of conflict and legal action, organizations should adhere to labor laws and set policies and procedures for separations from employment.

- Was the recruitment process followed as per written HR policies and procedures?
- If not, was there approval from the relevant authority within the organization for the exception?
- Are new staff members properly oriented to the organization?
- Have separated staff members completed the staff exit clearance form?
- Except for separations by death or termination for cause, are face-to-face and/or written exit interviews conducted by the HR department/unit for all separated staff?
- When staff members have separated by way of termination of services, has the termination process been followed as per HR policies and procedures?
- Are there any subsequent payments to separated staff after termination of employment? If so, verify appropriateness, approval, and collection of such payments.
- Have terminated staff members been issued certificates of service or letters of recommendation (as per local laws)?

- In the case of separation by death, have the necessary notifications been given to insurance and government offices and due salaries and benefits paid in accordance with HR policies and procedures?

#### *Review of Staff Development and Learning*

The review of this section seeks to establish if the organization has established and complies with policies and procedures of staff development and learning, which is one of the key components of an effective performance management system.

- Are there any costs incurred by the organization for staff development and learning? If so, are the costs in line with HR policies and procedures for staff development and learning?
- Are opportunities for staff development and learning considered with regard to the provisions of staff development and learning policies and procedures?

#### *Staff Performance Appraisal*

The review of this section seeks to confirm staff performance is reviewed regularly and according to standards across the organization regardless of the position.

- Is there a policy for staff performance appraisal?
- Are staff performance appraisals conducted regularly as per the policies and procedures manual?

#### *Compensation and Benefits*

The review of this section serves to minimize risk regarding total compensation of employees.

- Are benefits and compensation awarded to staff in line with HR policies and procedures?
- Does the benefits and compensation policy comply with government policies?
- Have statutory deductions to benefits been made and remitted as per statutory requirements?
- Is calculation of the statutory deductions accurate?
- In case of severance benefits accrued, verify mathematical accuracy and compliance with HR policy.

#### *Safety and Security of Office and Staff*

Every organization is obligated to take measures to support the safety of the staff and office. Some of the measures taken may include security and

safety policies in the workplace and guidelines for implementation of the policies and measures that can be undertaken in case of emergency, terror attack, and others.

The compliance officer's main objectives in this regard is to establish

- existence of security and safety arrangements in the organization,
- evidence of implementation of the guidelines for security and safety procedures, and
- staff awareness and preparedness for the policies.

The compliance officer should test to establish the existence of the security and safety policies with the following checklist:

- Does the organization have safety and security policies in place?
- Are the copies of the policies distributed to all staff members?
- Are staff members aware of the safety plans?
- Are new staff members inducted into the security and safety plans?
- Test to establish the coverage of the policies.
- Do the security and safety policies cover all organizational activities and movements?
- Do the policies cover staff movement and travel via office vehicles, public means, air, and sea?
- Do the policies define the roles and responsibilities of the officers handling safety matters?
- Are security and risk assessments carried out periodically and if so are major security risks analyzed?

Test the organization's preparedness in managing safety and security matters using the following checklist:

- Does the organization issue security and safety guidelines to all staff members and visitors?
- Does the organization have safety and security relocation plans? If so, are the plans known to all the staff?
- Does the organization issue maps and guidance for their visitors and new staff members? How often is this guidance updated?
- Does the organization have contingency plans? If so, do they cover all possible occurrences?

## GLOSSARY

**Annual action plan:** A document that outlines the major objectives or initiatives of an organization for a given year, typically including a timeline for implementation.

**Arbitration:** A procedure in which disputes are submitted to one or more impartial persons for final determination. (SHRM)

**Background check:** A process of confirming appropriateness of a candidate for a position by verifying personal information such as academic credentials, credit history, or criminal records.

**Broad Band Structure:** A specific salary structure characterized by a few levels of grouped salaries as opposed to a salary grade structure.

**Coaching:** The process in which a supervisor assists his/her employee in developing her or his knowledge, skills, and attitudes.

**Compensation structure:** A framework that groups positions that receive the same range of remuneration.

**Development objective:** The knowledge, skills, and attitudes an employee needs to fulfill his or her specific job requirements and complete his or her annual performance objectives.

**Defined benefit plan:** A plan that promises an employee a retirement benefit amount based on a formula. (SHRM)

**Defined contribution plan:** A plan in which the employer and sometimes the employee make an annual payment to the employee's retirement account. (SHRM)

**Employment contract:** An agreement between an employer and an employee that explains the employment relationship. (SHRM)

**Feedback:** Structured information that one person offers to another about the impact of her or his actions or behavior. It is a process of communicating what one experiences, observes, thinks, and feels about the other's actions or behavior.

**Formal grievance statement:** A document created on behalf of an employee or employees that is submitted to an organization as part of a formal process for resolving workplace issues.

**Job analysis:** A systematic study of jobs to determine what activities and responsibilities they include, relative importance and relationship with other jobs. (SHRM)



**Job description:** A summary of the most important features of a job including required tasks, knowledge, skills, abilities, responsibilities and reporting structure. (SHRM)

**Learning needs assessment:** A tool used to identify individual job-related knowledge or skills an individual lacks.

**Market salary analysis:** An assessment that matches positions of an organization to positions with similar responsibilities in other organizations for the purpose of comparing compensation.

**Mediation:** A method of non-binding dispute resolution involving a third party who helps disputing parties reach a mutually agreeable decision. (SHRM)

**Nondisclosure terms:** Information that while shared between an employer and employee is restricted from third parties

**Organizational Charts:** A visual representation of the reporting relationships among a group of employees within an organization or department within an organization.

**Performance improvement plan:** An action plan set to assist an employee in meeting the desired level of performance and professionalism when performance monitoring, review, and assessment results show that the employee needs to improve his or her work.

**Performance management:** The process of assisting employees in maintaining or improving performance through ongoing employee coaching, monitoring and assessment, and development.

**Performance objective:** The specific results an employee needs to accomplish during each performance cycle.

**Performance rating:** A clearly defined measure of performance standards/criteria.

**Performance review and assessment:** A formal process through which the employee's work performance is reviewed and assessed against set performance and development objectives.

**Prescreen:** A brief interview that serves to confirm the candidate possesses the minimum qualifications.

**Progressive discipline:** A system of increasingly severe penalties for employee discipline. (SHRM)

**Redundancy:** An employee's involuntary loss of employment through structural changes, reduced funding, or unplanned project closure.

**Reference check:** A process of confirming appropriateness of a candidate for a position, typically involving input from former supervisors.

**Return on investment:** A calculation that measures the economic return on a project or investment. (SHRM)

**Rewards and recognition program:** A system designed to recognize both individuals and teams for exceptional efforts and accomplishments in serving their units and the organization.

**Risk Management:** The identification and ranking of risks, based on probability of occurrence and impact to an organization and its employees, together with the implementation of plans to minimize the probability or impact of these risks.

**Safety and Security:** Policies and procedures based on local laws and best practices, designed to eliminate death, injury, or illnesses from occurring in the workplace or during the performance of work duties off-site and to secure and protect all tangible and intangible assets of the organization.

**Salary grade structure:** A specific salary structure characterized by multiple tiers of salaries as opposed to a broad band structure.

**Salary structure:** The manner in which an organization groups jobs with a large range of salaries together.

**Sourcing:** Identification of traditional and non-traditional means to identify potential candidates.

**Staffing plan:** The systematic identification of positions, structured to meet the needs of an organization given its funding and alignment with strategic goals.

**Staff Care:** Self-care techniques and institutional responses to employee stress in particularly difficult or stressful environments.

**Timekeeping:** The process of compiling information on each employee's time and attendance data.

**Total compensation:** All rewards an employee receives including salary and benefits.

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PHOTOGRAPH

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# APPENDIX A

## SAMPLE STAFF REQUISITION FORM<sup>1</sup>

### TO BE COMPLETED BY REQUESTING DEPARTMENT

---

Position requested by: \_\_\_\_\_  
(name, position & signature of department head)

Date: \_\_\_\_\_

Title of position to be filled: (Attach job description)

Category of employee: Regular Employee / Temporary Employee / Other (specify)

Replacement Position / New Position

Duration of employment: To be hired from: \_\_\_\_\_ to \_\_\_\_\_

### TO BE COMPLETED BY HR DEPARTMENT

---

Job group/grade level for the position:

Salary Range:

Included in the staffing plan

HR manager/designee's signature \_\_\_\_\_ Date: \_\_\_\_\_

### TO BE COMPLETED BY FINANCE/BUDGETING

---

Salary is included in the annual budget

Finance manager/designee's signature \_\_\_\_\_ Date: \_\_\_\_\_

### TO BE COMPLETED BY PERSON RESPONSIBLE FOR FINAL APPROVAL OF HIRE

---

Name and signature of president/designee: \_\_\_\_\_ Date: \_\_\_\_\_

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<sup>1</sup> Adapted with permission from the Christian Health Association of Kenya 2008 "Generic Policy Document for CHAK Member Health Facilities."

# APPENDIX B

## SAMPLE JOB DESCRIPTION FORMAT<sup>2</sup>

**Title:**

**Department:**

**Reporting to:**

**Job group/level/grade:**

**Location of the position:** (if the organization has multiple offices)

**Summary of the purpose of the position**

**List of key responsibilities**

**Knowledge, skills, and abilities required to perform the job**

- Qualifications (education, certification)
- Experience required for the job and length of that experience
- Skills such as computer, writing ability, or languages
- Behaviors such as ability to multi-task, attention to detail, team player

**Drafted by:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Approved\* by:** \_\_\_\_\_ **Date:** \_\_\_\_\_

\*indicates this job description is consistent with the staffing plan for this year

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<sup>2</sup> Adapted with permission from the Christian Health Association of Kenya 2008 "Generic Policy Document for CHAK Member Health Facilities."

# APPENDIX C

## SAMPLE INTERVIEW SCORE SHEET <sup>3</sup>

POSITION: \_\_\_\_\_

DATE OF INTERVIEW: \_\_\_\_\_

NAME OF CANDIDATE: \_\_\_\_\_

### RATINGS:

**1** poor; **2** below expectation; **3** good, meets expectations; **4** strong, exceeds expectations; **5** exceptional, far exceeds expectations

QUESTIONS	INTERVIEWER'S COMMENTS	RATING (1-5)
TOTAL SCORE		

### Overall Comments and Recommendations:

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Name and signature of interviewer: \_\_\_\_\_

<sup>3</sup> Adapted with permission from the Christian Health Association of Kenya's 2008 "Generic Policy Document for CHAK Member Health Facilities."

# APPENDIX D

## GIVING AND RECEIVING FEEDBACK<sup>4</sup>

### Guidelines for Receiving Feedback

Solicit feedback in clear and specific areas	Ask, “How might we as CRS staff improve the usefulness of our project site visits?”
Make it a point to understand the feedback	Use paraphrasing skills, and ask clarifying questions, such as “What I’m hearing is...”
Help the giver to be specific	Ask, “Could you give me a specific example of what you mean?”
Avoid making it more difficult for the giver of feedback	Reacting defensively, angrily or arguing are all ways to turn feedback off.
Don’t give explanations	It may be hard to remain silent, but keep in mind that explanations often seem defensive.
Show appreciation	Thank the person for making the effort to give you feedback.
Respond to key points	Say what you intend to do as a result of the comments you are receiving.
Remember that feedback is one person’s perceptions—not universal truth	Keeping this in mind can help you to be less defensive. Confirm the feedback with others to determine if there is a pattern.
Pay attention to non-verbal feedback	Are people falling asleep as you speak? Do they look uncomfortable?

<sup>4</sup> Adapted from Catholic Relief Services. (2007). *Pro Pack II: The CRS Project Package*. Baltimore: Hahn, S., Leege, D., Reynold, D., Sharrock, G., and Stetson, V.



# APPENDIX D

## GIVING AND RECEIVING FEEDBACK<sup>5</sup> *continued*

### Guidelines for Giving Feedback

Be specific and descriptive, but concise	<p>Give specific, descriptive examples of the behavior or performance that you have observed.</p> <p>Don't use judgmental language like, "You are unprofessional." Instead, say, "You have missed three deadlines."</p> <p>Speak only for yourself (avoid "Everyone is saying..."), and restrict examples to things you know for certain.</p>
Provide positive feedback	<p>Don't take good work for granted; tell people when they do a job well.</p> <p>As above, avoid general praise like, "Keep up the good work!" <b>Be specific.</b> Say, "I noticed that partners were engaged and pleased with the excellent preparation and strong facilitation of the last project review meeting you organized."</p>
Direct feedback towards behavior that the person can control	<p>Saying, "Your English is unclear" is not a constructive comment. Focus on areas that the person can improve.</p>
Be direct, clear, and to the point	<p>Not being clear can create misunderstanding and discomfort. Don't leave the person guessing.</p>
Time your feedback appropriately	<p>Feedback is most effective right after the behavior or performance occurs or after it's asked for. Ensure privacy, and allow time for discussion. Is the moment right? Consider more than your own need to give feedback.</p>
Be calm	<p>Don't attack, dump (overload), blame or vent your anger. If you are not calm, do not provide feedback at that time. Wait until you cool off.</p>
"When you do x, I feel y"	<p>Say, "When you are late for meetings, I feel frustrated" instead of "You are always late for meetings!"</p>
Watch out for non-verbal communication	<p>Avoid giving feedback with inappropriate non-verbal gestures such as raised eyebrows, rolled eyes, or a sarcastic or haughty tone of voice.</p>

<sup>5</sup> Adapted from Catholic Relief Services. (2007). *Pro Pack II: The CRS Project Package*. Baltimore: Hahn, S., Legee, D., Reynold, D., Sharrock, G., and Stetson, V.

# APPENDIX E

## UNSATISFACTORY PERFORMANCE TERMINATION CHECKLIST

Employee: \_\_\_\_\_

Employee's Initial Employment Date with CRS: \_\_\_\_\_

1. Does the employee have a *Performance and Development Plan (P&D Plan)* for the current appraisal period? ☐ Yes ☐ No
2. Were the time frames for actual results/outputs set in the employee's *P&D Plan* reasonable? ☐ Yes ☐ No
3. Were there regular coaching sessions with the employee during the current appraisal period? ☐ Yes ☐ No
4. Was the employee given:  
Instructions on how to perform his/her duties? ☐ Yes ☐ No  
  
Feedback on what standards of performance the supervisor considers to be satisfactory? ☐ Yes ☐ No
5. Was a *Performance Improvement Plan* developed? ☐ Yes ☐ No
6. Was the employee given a fair opportunity and assistance to improve performance? ☐ Yes ☐ No
7. Have all the steps/actions, as outlined in the *Performance Improvement Plan*, prior to termination been followed? ☐ Yes ☐ No
8. Was an evaluation completed on the employee at the end of the *Performance Improvement* period? ☐ Yes ☐ No
9. Does the evaluation state that progress on improvement and performance are unsatisfactory citing specific areas? ☐ Yes ☐ No
10. Have other alternatives to the termination been considered, i.e., demotion or transfer? ☐ Yes ☐ No
11. Was the Operations Manager/Designate or the Regional HR Specialist consulted? ☐ Yes ☐ No
12. Has a local legal counsel been advised on the termination? ☐ Yes ☐ No

If you have answered “**No**” to any question above, you should reconsider termination of the employee at this time. Sufficient opportunity or guidance may not have been given to the employee to insure that the employee is fully aware of the expected standards of performance and that the employee has had the opportunity to improve.

If you have answered “**Yes**” to all of the questions above, termination may be considered. The employee must be notified, in writing, and be offered the opportunity to resign.

# APPENDIX F

## SAMPLE PERFORMANCE RATINGS

**Exceptional Contributor** – Outstanding. Performance usually far exceeds expectations and is well above the performance objectives set for this position. Overall performance is characterized by exceptionally high quality and quantity of work in the accomplishment of position duties. The employee assumes responsibilities beyond position requirements, uses job-related skills in an exceptional manner, requires substantially less supervision than is typical for the position, and models in an exceptional manner the organizational-values-based behaviors. The employee's individual performance has been recognized outside of his or her department and has made a significant impact to the organization. This rating requires detailed justification including specific instances of achievement. It is expected that five to 15 percent of staff fall into this category.

**Strong Contributor** – Performance often exceeds expectations. Overall performance is characterized by high quality and quantity of work in the accomplishment of position duties. The employee uses job-related skills in a more than acceptable manner, requires a degree of supervision that is somewhat less than typical for the position, and demonstrates effectively organizational-values-based behaviors. The employee's individual performance has been recognized within his or her department. It is expected that 25 to 35 percent of staff fall into this category.

**Positive Contributor** – Exhibits successful performance and job-related behaviors. Overall performance indicates the employee is accomplishing assigned position duties. The employee uses job-related skills in an adequate manner, requires appropriate amount of direct supervision in order to produce work of acceptable quality and quantity, and regularly acts in accordance with organizational-values-based behaviors. Goals and performance objectives have been accomplished and the job requirements have been met. It is expected that 45 to 55 percent of staff fall into this category.

**Improvement Needed** – Partially meets performance expectations. Overall performance indicates the employee is approaching but not quite accomplishing assigned position duties. The employee uses job related skills in a less than adequate manner, requires a higher degree of direct supervision in order to produce work of acceptable quality and quantity, and does not consistently demonstrate organizational-values-based behaviors. A performance improvement plan should be developed to address deficiencies. No specific distribution within a division is set for this overall rating.

**Unsatisfactory** – Did not meet performance expectations. Performance is consistently below expectations. Deficiencies should be addressed as noted in the performance appraisal. The employee has had a reasonable period of time (initiated by documented evaluation of below-satisfactory performance) to improve performance. The employee continues to fail to accomplish assigned position duties, and/or continues to use job-related skills in an inadequate manner. He or she does not often act in accordance with organizational-values-based behaviors. No specific distribution within a division is set for this overall rating.

# APPENDIX G

## SAMPLE CONFIDENTIALITY STATEMENT/ACKNOWLEDGMENT

The purpose of this document is to ensure that each employee understands his or her responsibility with regard to confidential and sensitive information. Employees who have access to confidential and sensitive material must thoroughly understand what his or her responsibilities are. Disclosure of confidential information may result in disciplinary action up to and including termination. No employee shall disclose confidential information acquired by or available to him or her in the course of employment or use such information for speculation or personal gain. Confidential information shall be used only as required in the course of official business with authorized personnel. Employees should exercise diligent care to ensure non-authorized persons do not overhear or otherwise gain access to confidential information.

The areas of confidential information are as follows:

- 1. Staffing/Interviewing:** Staff undertaking HR responsibilities must not take any action that might give special advantage of any kind to anyone who plans to seek employment with the organization. When an employee learns that a friend or relative plans on applying for employment she or he must notify the person responsible for hiring the staff member.
- 2. Personnel Records:** Information contained in personnel records is confidential and is not to be divulged to or discussed with anyone except as needed to complete assigned duties. This information includes but is not limited to disciplinary action, medical data, legal actions, performance assessments, salary, and benefits.
- 3. Other Confidential Information:** Confidential information and materials obtained from staff meetings, department projects, management meetings, or staff must be controlled so that it is not available to anyone who is outside the scope of those who need to know. This information can be sensitive in nature and may easily be misunderstood by persons not having complete information on the subject(s). If inquiries are made, they should be referred to the appropriate staff member. If you are uncertain of whether to divulge certain requested information, refer the party to someone who may be able to assist them rather than give out incorrect or confidential information. Although certain information may be given, only designated employees are to release this information. When in doubt, employees are to consult their supervisor.
- 4. Computer Security:** Employees who have access to personnel information by either passwords or other security codes are to respect the privacy of data and not disclose or misuse any information contained in confidential records or reports. Passwords are not to be released to any employee except as deemed necessary by the president.
- 5. Security Violations:** Every employee must take whatever steps are necessary to safeguard confidential materials in his or her custody, and must notify immediately his or her supervisor if a situation indicates a violation of security.
- 6. Human Resources Information:** Any HR-related information will be limited to a “need to know” basis and accessed only in line with assigned duties to uphold confidentiality.

### Acknowledgment

I acknowledge that I have read this statement regarding confidentiality and will abide by the standards set forth in this confidentiality agreement.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Name (printed) \_\_\_\_\_

# APPENDIX H

## CONFLICTS OF INTEREST

### A. PURCHASING POWER

1. No employee will use the buying power of THE ORGANIZATION to acquire goods or services for the benefit of the employee or his/her family members.
2. No employee may use the THE ORGANIZATION tax-exempt number for any private purchases whatsoever.

### B. GIFTS AND GRATUITIES

1. No employee may solicit or accept, directly or indirectly, any gift, gratuity or favor that has substantial economic value, where either party could infer any obligation.
2. All offers of donations to THE ORGANIZATION must be directed to DESIGNATED PARTY, who will accept on behalf of THE ORGANIZATION.
3. All honoraria received should be sent to the Finance Department.

### C. PROCUREMENT

No employee shall authorize for use by THE ORGANIZATION any product or service furnished by a firm in which the employee or the employee's immediate family members has a financial interest. Such decisions should be referred to the interested employee's supervisor.

### D. USE OF FUNDS

All applicable rules and procedures regarding use and accounting of THE ORGANIZATION and/or Government funds should be specifically followed. Any questions about these procedures or the possible appearance of impropriety should be referred to the Director.

### E. BANKING

Employee shall not use THE ORGANIZATION name on any, or for any, personal banking accounts.

### F. REIMBURSEMENTS

No employee may authorize their own reimbursements for expenses.

### G. NON-COMPETE

No employee may provide services for compensation to any organization engaged in similar activities as THE ORGANIZATION, except with prior authorization.

# APPENDIX I

## ORGANIZATIONAL TRAINING/LEARNING PLAN

NAME OF TRAINING	STAFF AND PARTNERS TO ATTEND	PRIORITY (HIGH, MID, LOW)	INTERNAL TRAINING CAPACITIES (WHO)	EXTERNAL TRAINING CAPACITIES	COST (PROJECTED)	FUNDING	DATE(S)	LOCATION

Catholic Relief Services (CRS)  
228 W. Lexington Street  
Baltimore, MD 21201, USA  
Tel: (410) 625-2220

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[www.crsprogramquality.org](http://www.crsprogramquality.org)

