

Hoonartek Performance Improvement Plan (PIP) Policy

V1.1

Approved By: - Nishant Shukla, Hoonar Tekwurks Private Limited

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I. Distribution List

Issued to all employees of Hoonartek (including its subsidiaries and affiliates) across the globe

II. Objective

The Performance Improvement Plan (PIP) policy is designed to facilitate discussion between an employee and his/ her reviewer pertaining to employee's performance if **employee has met some but not all the performance criteria established for the level.**

III. Abbreviations used

BU	Business Unit
BUHR	Business Unit Human Resource Partner
SMART	Specific, Measurable, Achievable, Relevant, Time bound
PMD	Performance Management & Development

IV. Definition

- i. **Reviewer:** For the purposes of this document, Reviewer refers to N+1/ People Manager/Supervisor
- ii. **PIP:** Performance Improvement Plan (PIP) is a process available for the purpose of:
 - Improving the performance of the employee
 - Addressing performance inadequacy/ insufficiencies

V. Application

- i. PIP is applicable when it is observed that the employee's performance is below the expected level for his/ her current level/ role with an understanding that **expectations has been already discussed and communicated over an email while onboarding the employee on project.**
- ii. Reviewer will have discretion to initiate PIP. However, such discretion must be exercised based on **substantial documentation pertaining to performance inadequacies** of the employees, **where enough feedback over an email has been shared with employee and respective BUHR and opportunities has been provided to improve. Unless and until this is practiced, BUHR will not be able to initiate the PIP.**
- iii. If there are performance issues, then unless and until PIP is closed, **employees cannot be moved to free pool.** Reviewer has to ensure that PIP is initiated in a timely manner. If PIP is successfully closed then with detailed reviewer assessment, employee can be moved to free pool or any other project.
- iv. Before initiating PIP on KEKA, reviewer **has to develop an improvement plan** with set objectives and expectations and accordingly convey it to employee on a call and over an email.

VI. Process and Procedure

1. Planning

Instances during which, PIP can be raised -

- i. The employee's quality of work is below the expectations at any time during the calendar year and communicated to employee over an email **(3/4 email communications are mandatory)**
- ii. Within 6 months of joining, if there are any performance issues then it has to be highlighted during **Probation Confirmation Process** to respective BUHR to initiate non-confirmation process where employee will serve 1 month of notice period, as per the policy.
- iii. All the cases will be considered when **enough feedback about the specific performance issues has been shared over an email with employee and enough opportunities has been provided to improve**, keeping in your BUHR & RMG (htrmg@hoonartek.com) in loop.
- iv. Mid-year assessment rating of the employee is "1 & 2" which is in the range of <1.5 or >1.5 & <=2.5 respectively.
- v. Year-End assessment rating of the employee is "2" which is in the range of >1.5 & <=2.5

- vi. If employee is rated >2.5 during any performance review cycle and within a month/s if reviewer reach out to initiate any PIP cases, **irrespective of the instances then it will not be considered as a PIP case. In such cases, manager will be questioned**, unless and until there is drastic change in employee performance and enough documentation is there and shared by the reviewer.
- vii. These instances are merely indicative and not exhaustive in nature
 - Performance expectations are not met
 - Deadlines are missed
 - Errors are repeated numerous times
 - Customer/ Client complaints
 - Availability issues on email/Teams/Phone Calls during office hours
 - On the grounds of behavior and discipline if such behavior impacts the performance of the employee and lead to customer escalations.

2. Elements of PIP

PIP contains several elements including the following:

- Explanation(s) for the deficient performance,
- Setting specific objectives and expectations,
- Allowing reasonable time to improve the deficient performance,
- Ensuring employees are assessed fairly,
- Notifying employee(s) of the consequences of continued deficient performance,
- Sharing documented feedback daily on the progress of the PIP.

3. Essentials of Performance Improvement Plan

- i. Duration of the PIP must be **30 days**.
- ii. Specify areas of performance to be improved:
 - Each required/ identified improvement area should be defined in separate statement(s).
 - Each improvement area should be supported by appropriate documentation and objectives along with timelines to achieve it using specific examples to clarify it to employees in simplest way possible
- v. **Ensure a tripartite (three way) communication between employee, manager and BUHR, elaborating reason behind PIP process, objectives with clear actionable discussed and agreed by employee along with specific timelines. A template of the PIP form is appended herein as Annexure-1.**
- vi. Performance standards will be measured only against each improvement area identified and mentioned in objective file and these standards should be commensurate with the grade/ level of the employee and his/ her role.
- vii. **Review should happen as per the timelines (daily/weekly/fortnightly)** as suggested to complete the activity as per employee role/level in their improvement plan and discussion summary of each of these meetings should be captured and documented over an email keeping employee, BUHR in loop by reviewer.
- viii. **Please note - Cooperation and continuing communication between the employee and the Reviewer is important for the closure of PIP.**
- ix. At the end of the PIP tenure, a final evaluation should be conducted to evaluate improvement against defined SMART goals. Evaluation must be documented over an email to capture the facts / observations which have been considered for deciding the outcome of PIP. Purpose of final evaluation is also to notify employee regarding:

▪ **Successful PIP:**

- If an employee achieves the standards of performance as detailed in their improvement plan, then the employee will be notified post Reviewer's recommendation of the successful closure of the PIP and approved by HR head.
- If there is a successful closure of PIP with detailed feedback review, then **employee cannot go under another PIP for 9 months** if part of the same project. It will look on case to case basis.
- If **employee move to another project and manager request for PIP** then HR would initiate the release discussion, based on the manager's agreement.

▪ **Unsuccessful PIP:**

- If PIP has been unsuccessful i.e., improvement against set expectations has not met and employee has not shown any progress during the tenure of PIP, then Reviewer should inform to BUHR and HR head to initiate the release discussion.
- Call will be scheduled by BUHR **with reviewer and employee** where **reviewer must share the feedback** and accordingly BUHR will share the release details as employee will serve 1 month of notice period.

VII. **Management Rights**

Hoonartek Global reserves the right to amend this policy from time to time, without prior notice.

VIII. **Annexure -1**

- Path to raise PIP in KEKA – Search on employee name > Actions > Start Performance Improvement Plan

Reason to put this employee under Performance Improvement Plan

B **I**

Mention reason for adding employee under PIP

Start date

15 Nov 2022

End date

16 Nov 2022

Add Improvement Plan

B **I**

Mention things that employee needs to work on during their Performance Improvement Plan

- Apart from KEKA form, reviewer must create detailed plan in excel and share it with employee after discussion to set out the expectation, keeping BUHR in loop.

- Performance and/or Development Needs
- Feedback received to support need

- Required Performance
- Action Plan (Action Plan for Performance/Development)
- Evaluation (Performance and/or Development Needs)

Document Version History

Version No.	Description	Date	Approved By
0.1	First Release – Initial draft of the document for management review and approval.	06-Jan-23	
1.0	Second Release – Final document with minor updates in the process flow.	10-Jan-23	Nishant Shukla
1.1	Third Release - Update in company logo based on branding guidelines from Top Management	14-Jun-24	Nishant Shukla

Document Review History

Version No.	Review Comments	Review Date	Reviewed By
0.1	First Release – Minor changes suggested in the process flow. Document approved.	09-Jan-23	Nishant Shukla
1.0	Second Release - Update in company logo based on branding guidelines from Top Management	13-Jun-24	Nishant Shukla