

# **Performance Improvement Plan (PIP) Policy**

## **Objective:**

The objective of the Performance Improvement Plan (PIP) is to provide a structured and transparent process for constructively addressing performance concerns. It aims to support employees in achieving the required performance standards and aligning with organizational expectations through targeted feedback, measurable goals, and managerial support.

## **Scope:**

This policy applies to all full-time employees whose performance falls below the expected standards despite prior feedback and support. It is intended as a developmental tool rather than a disciplinary one, although continued underperformance may result in termination of employment.

## **When is PIP Initiated?**

PIP is initiated when:

* An employee consistently fails to meet agreed performance benchmarks or deliverables.
* There is a noticeable decline in productivity, quality of work, or adherence to timelines.
* Managerial feedback and regular coaching fail to bring the required improvements.

The decision to place an employee under PIP will be made jointly by the Reporting Manager, Department Head, and HR, based on performance evaluations and documentation.

## **PIP Duration and Stages:**

### **Stage 1: Initial PIP (15 Days)**

* Duration: **15 calendar days**
* A formal PIP document is shared with the employee outlining:  
  + Areas of concern
  + Performance expectations
  + Daily/weekly goals
  + Support/resources provided
  + Monitoring and review structure
* The employee must acknowledge the PIP in writing.
* Performance is evaluated regularly during this period by the Reporting Manager and HR.

### **Outcome of Initial 15-Day PIP:**

1. **Improved Performance (Meets Expectations):**
   * The employee is formally removed from PIP.
   * Normal responsibilities resume.
   * Continued observation by the Reporting Manager for 30 more days post-PIP (without a formal PIP label).
2. **Partial Improvement (Below Expectations but Better):**
   * PIP is extended by an **additional 15 days**.
   * Clear feedback is shared on what is still lacking and the updated expectations.
3. **No Improvement / Further Decline:**
   * Employment may be terminated due to non-performance.

### **Stage 2: Extended PIP (15 Days)**

* Duration: **15 additional days** (total 30 days under PIP)
* A revised PIP plan is shared, focusing on the remaining performance gaps.
* The employee continues to receive support and feedback from their manager.
* Final evaluation is conducted at the end of this stage.

### **Outcome of Extended PIP:**

1. **Improved Performance:**
   * The employee is removed from PIP.
   * Reinstated into regular duties with post-PIP monitoring.
2. **No Satisfactory Improvement:**
   * Employment is **terminated due to consistent non-performance**.
   * Termination is communicated formally along with the performance records.

## **Roles & Responsibilities:**

### **Reporting Manager:**

* Clearly communicates performance issues with evidence.
* Sets realistic goals and timelines in the PIP.
* Conducts regular check-ins and documents progress.
* Provides feedback and coaching throughout.

### **Employee:**

* Acknowledges the PIP and commits to improvement.
* Works actively on the goals and maintains open communication.
* Submits regular updates or reports as defined in the plan.

### **HR Department:**

* Ensures the PIP process is fair and in line with company policy.
* Documents the process and maintains employee records.
* Participates in review meetings and communicates outcomes formally.

## **Confidentiality:**

* Information about PIP status is confidential and shared only with relevant stakeholders (Reporting Manager, Department Head, HR).

## **Exceptions:**

* PIP will not be used as a tool for discrimination, retaliation, or unrelated disciplinary action.
* In case of sudden or serious violations of company policy, immediate termination may be pursued without PIP (as per Termination Policy).