1. **PURPOSE**

The purpose of this Termination process is to outline the specific requirements that are involved with terminating employment and ensuring that the company operates at full capacity and within state and federal guidelines.

* 1. The goal of the termination process is to create a uniformed output that would allow Human Resources (HR) staff to:
     1. Help shape the process, guide the conversation and minimize potential damage to both company and employee.

1. **INPUTS and ENTRY CRITERIA**
   1. An employee and/or manager can initiate DB’s Termination/Resignation through a discharge for cause, resignation, reduction in force, job abandonment, retirement, and death. The following documents are inputs to the process depending on the termination type.
      1. Letter of Resignation
      2. Recommendation for Termination form
      3. Employee Counseling form
      4. Performance Improvement Plan
   2. This process can be found on the company’s SharePoint site for reference as needed - [Human Resources - Process - All Documents (sharepoint.com)](https://j3llc.sharepoint.com/hr/Shared%20Documents/Forms/AllItems.aspx?id=%2Fhr%2FShared%20Documents%2FHR%20Processes%2FTermination%2FProcess&viewid=293470fe%2D4522%2D4f16%2D876d%2D58545a639afd).
2. **ACTIVITIES**
   1. There are three types of terminations at J3 Consulting: Voluntary (resignation, retirement, or job abandonment)
      1. *Resignation* - Employees are expected to provide their immediate supervisor with at least two weeks’ notice of their decision to terminate their employment.
         1. This notification must be in writing and addressed to their immediate supervisor.
         2. NOTE: Senior managers are expected to provide at least four weeks’ notice.
         3. If the employee fails to provide advance notice or fails to actively work the remaining time as indicated in their resignation notice, then he or she may be ineligible for rehire.
         4. Once the immediate supervisor receives the employee’s resignation letter, he/she contacts HR and supplies the original resignation letter to be placed in the employee’s personnel file.
         5. The immediate supervisor begins transitioning workload to designated employee(s) until a replacement is hired (if approved).
      2. *Retirement* - Employees are expected to provide their immediate supervisor with at least one month’s notice of their decision to retire from the company.
         1. This notification must be in writing and addressed to the immediate supervisor.
         2. NOTE: Senior managers are expected to provide at least two months’ notice.
         3. Once the immediate supervisor receives the employee’s retirement letter, he/she contacts HR and supplies the original retirement letter to be placed in the employee’s personnel file.
         4. The immediate supervisor begins transitioning workload to designated employee(s) until a replacement is hired (if approved).
      3. *Job Abandonment* – J3’s HR begins voluntary termination activities when an employee is absent from work for three consecutive workdays or more and fails to contact his/her immediate supervisor.
         1. Once the employee abandons his/her position, then the immediate supervisor notifies HR immediately to coordinate next steps that include documented communication attempts with the employee, proper recording of hours worked, and collection of work-related items.
         2. Failure to provide HR with any equipment/property owed to the company will delay the closeout/off-boarding process for the employee.
         3. Employees who separate from the company because of job abandonment are not eligible for rehire.
         4. The immediate supervisor and HR work together to find a replacement (if approved).
   2. Involuntary Termination (Discharge for Cause or Reduction in Force)
      1. *Discharge for Cause.* Includes but is not limited to misconduct, excessive tardiness/absenteeism, unsatisfactory performance, insubordination, etc. ALL discharges must be approved by the company’s executives and HR.
         1. NOTE: NO termination takes place without consultation and approval by the CEO or Executive Designee.
         2. Before the immediate supervisor initiates the recommendation to discharge an employee, he/she must complete the Cause for Termination document and provide documentation that includes warnings, counseling sessions, or disciplinary reports (where applicable) to support the discharge.
         3. In cases of gross misconduct (theft, fighting on the job, gambling, etc.), the employee committing the offense is automatically discharged without the need for approval. However, the immediate supervisor must document the gross misconduct offense and include witnesses (where applicable) and contact their immediate supervisor, the CEO, and HR immediately before any action is taken.
         4. Once all documentation is reviewed and approved, HR proceeds with the termination process.
         5. Once the Cause for Termination and supporting documentation are submitted for approval, the designated Executive have up to three business days to approve the termination.
         6. Once approved, HR receive the approval notification and has up to two business days to review the information and initiate termination next steps with the immediate supervisor, the Executive. The next steps include scheduling a meeting with the affected employee, their immediate supervisor, and HR or other designated J3 representative to issue the termination notice, with an immediate effect, and provide close out/off-boarding instructions.
         7. Prior to a discharge for cause, all stakeholders must ensure that proper corrective action steps have been taken to help an employee improve his/her performance and/or behavior through the development of an employee’s counseling session and if necessary, a performance improvement plan (PIP).
      2. *Employee Counseling*. An employee counseling session is initiated and executed at the department level by an employee’s immediate supervisor. Employee counseling can be an elevated process determined by the severity and reoccurrence.
         1. Supervisors decide when to document a session and solicit HR’s involvement (dependent on the nature of the counseling session). When a supervisor decides to officially document the employee counseling session, he/she uses an Employee Counseling form to record the action being taken, description of infraction, and intended results of further violations and performance deficiencies along with supporting documentation, if applicable.
         2. Once the form is complete, the supervisor ensures appropriate signatures and employee feedback before submitting it to HR for filing into the personnel records.
         3. If the employee refuses to sign the form, the supervisor will need to document the refusal as disagreement to the session.
         4. The form is filed in the employee’s personnel signed or not.
      3. *Performance Improvement Plan.* When an employee’s performance is negatively impacted, the immediate supervisor can elect to initiate a performance improvement plan (PIP) to help improve performance or modify behavior.
         1. The supervisor will initiate the PIP during a meeting with the employee and list the employee’s job responsibilities that require attention, describe specific improvements that are needed to meet work performance/behavior expectations, propose corrective actions (training, counseling, etc.), and develop completion deadlines.
         2. The employee will complete a portion of the form that requires their feedback regarding understanding of job responsibilities, expectation and suggested training and resources needed to assist with their improvement.
         3. The supervisor and employee will document comments on the form.
         4. Once a PIP and 90-day follow up date is agreed upon, the supervisor and employee sign the form.
         5. If actions developed during the employee counseling and/or PIP prove unsuccessful, the supervisor may elect to initiate discharge activities.
      4. *Reduction in Force (RIF).* Occurs when a company is forced to downsize, layoff, or restructure its employees because of varying economic conditions.
         1. During a (WARN-Worker Adjustment and Retraining Notification Act) RIF, affected employees are notified in writing at least 30 days in advance or as soon as possible, by the company’s CEO or Executive Designee, in coordination with the HR Lead.
         2. During a normal RIF, affected employees are notified in writing within 30 calendar days by the company’s CEO or Executive Designee, in coordination with the HR Lead.
         3. Upon written notification, the affected employee meets with HR to begin the close out/off boarding process.
      5. Death. Upon notification of an employee’s death either by the immediate supervisor or a family member, HR will notify the company’s Executives, IT, and Accounting/Finance of the employee’s death via email communication.
         1. HR performs the close out functions with a family member of the deceased.
         2. The supervisor of the deceased may also be involved with the closeout process.
3. **ROLES**

| **Stakeholder** | **Process** | **Role** |
| --- | --- | --- |
| HR Department Lead/J3 Executive | Oversee, Develop, Implement, Inform, Control, Maintain, Update, and Improve this procedure and inputs/outputs. | * Maintain primary decision-making authority, approve access to document storage, finalize and improve activities related to this process. * Direct staff activities as related to these process and procedures. * Ensure adherence to the activities related to these procedures. * Report progress, issues, and risks to the assigned Executive as it relates to the procedures outlined in this process. |
| HR Generalist | Develop, Implement, Inform, Control, Maintain, Update, and Improve this process’ and inputs/outputs | * Serve as back up to the HR Department Heads efforts if the role exists. * Assume all responsibilities outlined in this process. * Maintain, monitor, and input information into the electronic database. * Ensure managers adherence to the activities related to this process. * Report progress issues, and risks to the HR Department Head. |
| Department/Project Manager or Designee | Develop, inform, educate, and update this procedure’s outputs.  Adhere to this procedure.  Recommend process workflow improvements | * Use the tools provided by HR to recruit and select the best qualified candidate. * Inform and educate designated stakeholders of this process and their role. |
| Employee | Adherence and provision | * Adherence to the process by providing requested information. |

1. **MEASURES**

* High Retention Rate

1. **VERIFICATION STEPS**
   1. The HR department will document and monitor draft submission compliance to determine the need for an overall or “as per” training.
   2. Annually, the HR department head reviews current procedures and forms to ensure they are aligned with industry standards.
   3. Throughout the year the staff will discuss recruitment and selection procedures and forms during departmental meetings. Meeting attendants will share findings, progress, issues and risks, and solutions to allow continued improvement and revisions when necessary. Also, throughout the year, the HR department head will report status to the company’s executives to ensure alignment with company goals.
2. **OUTPUTS AND EXIT CRITERIA**
   1. Cause for Termination
   2. Termination Approvals and Emails
3. **REFERENCES**

None

**9.0 APPENDICES**

None