

(PIP) Performance Improvement Plan Policy

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Definition & Purpose

What is a PIP Process - A Performance Improvement Plan (PIP) is a formal process involving the employee, the Line Manager, and HR, designed to address performance gaps. It provides a structured platform for reviewing performance and giving the employee a fair opportunity to improve and demonstrate capability.

The purpose of this policy is to offer a clear and equitable framework for Managers to support performance improvement. The PIP should be initiated only after regular feedback, training, and other relevant interventions have been attempted.

Scope

All employees (incl. Fellows, Consultants & Interns) fall under the purview of this Policy i.e. PIP can be initiated for any of the said roles, subject to the feedback received from the Line Manager (LM) and/or Skip Manager and/or the Vertical Head (VH).

PIP can be given on the following grounds

- Lag on performance / not meeting the deliverables on time despite earlier warnings from LM
- Not meeting the monthly targets
- Not fulfilling the reporting requirements to the Line Manager
- Not being responsive to the training / guidance from the Line Manager
- Not meeting any of the functional / role requisites and responsibilities (KRAs)

Step by Step Approach

A. Actions preceding a PIP: This process is mandatory before a PIP is initiated

- a. Once the LM has identified the performance issue, LM has to issue a minimum one performance warning-to the employee (copying the Skip Manager and HR)
- b. Next, a discussion of the LM with Skip Manager to determine if PIP is to be considered as the next course of action.
- c. LM should send a formal notification to the HR only after the above has been met.

Pre-requisites - HR recommends that PIP should be initiated after mentoring, training interventions and regular feedback on the part of the Line Manager have been exhausted (with appropriate documentation) to help the employee improve his/her performance.

#A PIP can be initiated also on the basis of the continual review process by HR and the outcomes derived, in discussion with the LM.

B. Initiating a PIP: Subsequent to the above, HR shall initiate, drive and close the process end-to-end.

1. Details and grounds for initiating the PIP are shared by the LM with HR
2. HR will take a first-hand understanding of the case, and verify the details provided.
3. A formal procedure will follow only if there are sufficient and clear data points, validating the grounds for PIP (Refer to point above).

4. LM shall further share details outlining areas of improvement (preferably measurable) & deliverables to be achieved during the PIP period. In case the grounds for PIP are not satisfactory, HR may recommend a re-assessment & a re-submission of the reasons.
5. If the PIP is validated, HR issues a formal PIP notice to the employee stating the deliverables with timelines.

#The mid review and final review timelines are determined by HR in consultation with the LM.

Refer the SOP attached herewith for the detailed step-by-step approach of the process.

C. Actions post initiating a PIP:

a. Mid review call

- i. Line Manager assesses progress against mid-review, action plan, and self-improvement efforts.
- ii. Employee may raise serious concerns or challenges.
- iii. Final deliverables may be revised based on feedback.
- iv. Employee shares and implements revised PIP action plan post-discussion.

Timeline of the final review will not be shifted.

b. Final review call:

- i. Employee must clearly share and explain overall progress since PIP initiation.
- ii. Contributions to unforeseen or critical tasks during the PIP should be noted.
- iii. LM assesses any impact of such contributions on assigned deliverables.
- iv. Successful self-improvement initiatives are considered in the assessment.
- v. LM feedback is final; Skip Manager or VH input may be sought if needed.

Outcomes may vary and include - Outcomes of the PIP are assessed basis the performance improvement seen and evaluation throughout the PIP tenure.

- Improvement in overall performance
- Upgradation of a skill or recommended training to address gaps, if any (skill-based and/or knowledge-based),
- Possible employment/engagement actions such as a transfer, change in role/ vertical/manager/demotion
- Potential PIP resolutions:
 - **Discontinuation of Engagement** – if deliverables are unmet, effort/initiative is lacking, or role fit is poor.
 - **PIP Extension** – if additional time is needed due to work done, challenges, or external dependencies; same process applies for the extended period.
 - **PIP Closure** – if performance is satisfactory and deliverables are met.

Norms

- The employee on PIP is not eligible to apply for leave during the period of PIP.
- Emergency medical leave can be considered basis submission of appropriate documents.
- PIP during probation is discouraged. Read Annexure A for details.

- Other LMs and/or representatives from the Central Team may get notified of the PIP status of the employee as per nature of the project and related actions.
 - Lack of responsiveness by the employee to the LM can lead to immediate termination.
 - In case of any inappropriate activity / behaviour, HR will investigate in accordance with the HQ Code of Conduct.
 - The PIP period is inclusive of the notice period of the employee. In case of discontinuation, any additional notice period shall not be given to the employee.
 - The quantum of notice period in principle for the employee under PIP or in case of an earlier record of PIP or a recurrence of a PIP, shall be determined by HR.
 - For full-time roles, the PIP period shall not exceed two weeks; for contractuales (including Fellows), not more than one week.
 - Extensions, if any, may be up to one week, subject to LM and HR approval based on project needs.
 - In case of a repeat PIP, no extension will be allowed; outcomes must be achieved within the set period for continuation.
 - Any further occurrence of performance issues will lead to immediate discontinuation of engagement.
 - The PIP notice and documentation will be recorded under the Employee file by HR and shall be taken as a reference point during the Review and Annual Appraisal process. Consideration for any development programs/promotional activities may get impacted for the employee.
 - In the case of resignation of the employee during the PIP, the norms of the PIP will apply.
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Annexure A

Guidelines to the Policy

(A) PIP during probation-

- Since probation is similar to a training and learning period, PIP under probation is not permissible.
- In case of severe gaps in performance, LM is expected to initiate a one-on-one discussion & guidance to address the gaps and the areas of improvement.
- In case of continual low performance, a warning can be issued to the employee by the LM, marking HR.
- The engagement can be ended / probation can be extended if the progress is not meeting the expected benchmark.

(B) Important to note

- PIP is for addressing only performance related issues. [Behavioral/ Ethical/ Integrity-related* issues will be handled as per the HQ Code of Conduct and not fall under the purview of PIP]
- PIP should not be triggered solely on a single instance of poor performance.
- Skip Manager or VH can also raise a PIP for an employee. PIP expectations must be set objectively and without bias.
- Verbal updates alone are not acceptable; progress must be presented on screen with proper data and format. Any technical issues should be reported to HR via email before the review.
- If an employee is absent from a PIP call, the HR shall determine the decision post discussion with the LM and convey formally. The decision cannot be reversed. [Call will be re-scheduled by HR based only on valid reasons].

- If the LM misses a review call without prior notice, HR may issue a warning.
- All discussions, reviews, and outcomes must be documented via email; no other communication is acceptable.
- For employees on multiple projects, inputs from all relevant project leads will be considered against projected outcomes.
- In case of discontinuation of employment, the payable days for the Full and Final (FnF) settlement shall be assessed by the Line Manager and HR, based on the employee's reported workdays, submitted timesheets, and delivery against expected outcomes. The final decision shall rest with HR and Finance.

(C) Role of the Line Manager is to –

- Fulfil all pre-requisites prior to PIP initiation
- LM and employee must align before the PIP call on improvement areas and any performance concerns
- Give fair, valid grounds of low performance based on data points
- Highlight performance gaps and Areas of Improvement to the employee
- Provide guidance and support during PIP to help the employee to improve
- Be aligned and closely monitor the employee's progress
- **Should be aware of the employee's performance prior to the PIP review call***
- Give clear objective feedback to arrive at a fair and just decision that is directed solely to assess the PIP case on hand
- Highlight any inappropriate behavior or any unethical work practice to the HR immediately
- Ensure all communication and documentation on email

#A Line Manager should stay informed of PIP cases (in the team) and demonstrate strong leadership, which HR will consider in their performance review

(D) Role of the Employee is to-

- Clearly understand the role expectations and functional responsibilities
- Acknowledge that the PIP is initiated because of low performance
- Clearly explain the issues and challenges, that hinder performance and call out for support as needed
- Prepare a clear action plan post discussion with the LM and adhere to it
- Be ready with the data points on every review call with clear connectivity
- Maintain focus on assigned activities and not get involved into other tasks / activities without the LM's knowledge
- Take feedback constructively, improve performance, and demonstrate results to successfully exit the PIP

Role of HR is to -

- Ensure a fair, just and transparent process
- Hear both sides and ensure adherence, ensure objective evaluations, primarily based on data
- Help bring out gaps for improvement
- Maintain clear communication to all parties involved at each stage of the process
- Retain documentation of the PIP cases and appropriate file notes under HR employee records
- Help the morale of the employee under PIP
