

# INCREMENT & PROBATION POLICY

XCorp Technologies Private Limited

Policy Version: 2.0 | Effective Date: January 1, 2024

This policy document defines the rules, procedures, and guidelines related to employee probation periods, confirmation processes, and salary increments at XCorp Technologies Private Limited. This policy applies to all employees and supersedes all previous versions.

## **CLAUSE 5.1 - PROBATION PERIOD**

### **5.1.1 Duration:**

All new employees shall serve a probation period of six (6) months from the date of joining. This period allows both the employee and the Company to assess mutual fit and performance.

### **5.1.2 Probation Evaluation Criteria:**

Performance during probation shall be evaluated based on the following criteria:

- **Technical Competence:** Demonstrated ability to perform job responsibilities and meet technical requirements
- **Work Quality:** Accuracy, attention to detail, and adherence to quality standards
- **Productivity:** Ability to complete tasks within deadlines and manage workload effectively
- **Attendance and Punctuality:** Regular attendance and adherence to working hours
- **Teamwork and Communication:** Collaboration with colleagues and effective communication skills
- **Adaptability:** Ability to learn, adapt to company culture, and respond to feedback

### **5.1.3 Evaluation Schedule:**

Formal evaluations shall be conducted at the end of months 1, 3, and 6. Monthly informal check-ins are also conducted to provide ongoing feedback.

### **5.1.4 Probation Extension:**

The probation period may be extended by up to three (3) months if:

- Performance requires further assessment but shows potential for improvement
- The employee has been absent for more than 15 days during probation
- Additional training or support is needed to meet performance standards

The employee will be notified in writing at least 7 days before the original probation end date if an extension is required.

### **5.1.5 Probation Completion Requirements:**

To successfully complete probation, employees must:

- Receive 'Meets Expectations' or higher ratings in all evaluation criteria
- Complete all mandatory training programs
- Maintain satisfactory attendance (minimum 90% attendance rate)
- Demonstrate alignment with company values and culture

## **CLAUSE 5.2 - INCREMENT AFTER PROBATION**

### **5.2.1 Eligibility:**

Permanent employees who successfully complete their probation period are eligible for a salary increment upon confirmation. The increment is subject to:

- Satisfactory performance ratings during probation
- Completion of all probation requirements
- Management approval and budget availability

### **5.2.2 Increment Range:**

The increment percentage is determined based on performance evaluation and typically ranges from 8% to 12% of the base salary:

- **8% - 9%:** Meets Expectations - Satisfactory performance meeting all basic requirements
- **10% - 11%:** Exceeds Expectations - Strong performance exceeding basic requirements
- **12%:** Outstanding Performance - Exceptional performance with significant contributions

### **5.2.3 Increment Calculation:**

The increment is calculated on the base salary (excluding allowances and bonuses). The final increment percentage is determined by:

- Overall performance rating (60% weight)
- Technical competence and skill development (25% weight)
- Team contribution and cultural fit (15% weight)

### **5.2.4 Effective Date:**

The increment, if approved, shall be effective from the first day of the month following the confirmation date. For example, if confirmed on March 15, the increment will be effective from April 1.

### **5.2.5 Increment Approval Process:**

1. Immediate supervisor completes probation evaluation form
2. HR department reviews evaluation and compliance with policy
3. Department head approves increment percentage
4. Final approval from Chief Human Resources Officer or CEO
5. Employee receives written confirmation letter with increment details

## **CLAUSE 5.3 - ANNUAL INCREMENTS**

5.3.1 Confirmed employees are eligible for annual increments based on performance reviews conducted bi-annually. Annual increment percentages range from 5% to 15%, based on performance ratings and market conditions.

5.3.2 Annual increments are typically effective from January 1st of each year, subject to performance review completion and budget approval.

## **CLAUSE 5.4 - PROMOTION POLICY**

5.4.1 Promotions are based on performance, skill development, and business needs. Employees must have completed at least 12 months in their current role to be eligible for promotion.

5.4.2 Promotions typically include a salary increase of 15% to 25% above the increment percentage, depending on the new role's responsibilities and market rates.

## **CLAUSE 5.5 - PERFORMANCE IMPROVEMENT PLANS**

5.5.1 Employees who do not meet performance expectations during probation may be placed on a Performance Improvement Plan (PIP) instead of immediate termination.

5.5.2 A PIP includes specific, measurable goals, timelines (typically 30-60 days), and support resources. Regular check-ins are conducted to monitor progress.

5.5.3 Successful completion of a PIP may result in confirmation with a standard increment. Failure to meet PIP goals may result in termination.

## **CLAUSE 5.6 - APPEALS PROCESS**

5.6.1 Employees who disagree with their probation evaluation or increment decision may submit a written appeal to the HR department within 7 days of receiving the decision.

5.6.2 Appeals will be reviewed by a committee including HR, department head, and an independent reviewer. The decision of the appeals committee is final.

5.6.3 Appeals should be submitted via email to [hr@xcorp.com.pk](mailto:hr@xcorp.com.pk) with subject line 'Appeal - [Employee ID] - [Date]'.

## **CLAUSE 5.7 - EFFECTIVE DATE AND AMENDMENTS**

5.7.1 This policy is effective from January 1st, 2024, and supersedes all previous versions of the Increment & Probation Policy.

5.7.2 The Company reserves the right to amend this policy at any time. Employees will be notified of significant changes at least 30 days in advance.

5.7.3 In case of any conflict between this policy and the Employment Contract, the Employment Contract shall prevail.

## **APPROVAL**

This policy has been reviewed and approved by:

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Muhammad Ali Khan

Chief Human Resources Officer

Date: January 1, 2024

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Fatima Sheikh

Chief Executive Officer

Date: January 1, 2024