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1.0	Purpose The purpose of this document are: <ul style="list-style-type: none"> 1.1 To ensure the effective management of the Group's Performance Management System (PMS). 1.2 To instill a high performance work culture within the staff through their annual KPI achievement and portrayal of the desired competency behaviors among the staff. 1.3 To establish a structured process to guide, motivate, evaluate and manage <i>Staff Performance Appraisal (SPA)</i> on a mid-year and yearly basis.
2.0	Scope <ul style="list-style-type: none"> 2.1 The PMS is aimed to facilitate and promote in organizational outcomes through the effective management of performance as well as to enhance job satisfaction, delivery and development. 2.2 The PMS will focus on <u>"WHAT"</u> the staff delivers in terms of business or organizational results (KPIs) and <u>"HOW"</u> they get things done and achieve results by living the Organizational Values and demonstrating their competencies, in their day to day work. 2.3 The PMS will provide the avenue to identify development/skills required for the staff to carry out their jobs effectively and determine staff future career development. 2.4 The outcomes of this process are integral not only to organizational performance but also to other GHCD processes such as: <ul style="list-style-type: none"> 2.4.1 Remuneration & Rewards Management 2.4.2 Staff Training and Development 2.4.3 Individual Career Development 2.5 GHCD is responsible for the overall process of the PMS. 2.6 HODs are responsible for the PMS processes at their respective Company/Division/ Department level.
3.0	Abbreviation <ul style="list-style-type: none"> 3.1 PMS Performance Management System 3.2 SPA Staff Performance Appraisal 3.3 KPI Key Performance Indicators

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	<div>3.4 HOD Head of Company/Division/Department</div> <div>3.5 GHCD Group Human Capital Division</div> <div>3.6 PIP Performance Improvement Program</div> <div>3.7 HLO High Level Objective</div> <div>3.8 PM Performance Manager</div> <div>3.9 PE Performance Executive</div>																					
4.0	<div>References</div> <div>4.1 SOP – Staff Training</div> <div>4.2 ISO 9001:2015 – Clause 7.2 Competence</div>																					
5.0	<div>Procedures</div> <div>Details of the procedures and its reference are as follows:-</div> <table><tr><th>No</th><th>Title</th><th>Reference</th></tr><tr><td>1</td><td>Key Performance Indicator (KPI) Planning</td><td>6.0</td></tr><tr><td>2</td><td>Mid-Year Review</td><td>7.0</td></tr><tr><td>3</td><td>Year-End Review</td><td>8.0</td></tr><tr><td>4</td><td>Performance Improvement Program (PIP)</td><td>9.0</td></tr><tr><td>5</td><td>Flowcharts</td><td>10.0</td></tr><tr><td>6</td><td>Forms</td><td>11.0</td></tr></table>	No	Title	Reference	1	Key Performance Indicator (KPI) Planning	6.0	2	Mid-Year Review	7.0	3	Year-End Review	8.0	4	Performance Improvement Program (PIP)	9.0	5	Flowcharts	10.0	6	Forms	11.0
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4	Performance Improvement Program (PIP)	9.0																				
5	Flowcharts	10.0																				
6	Forms	11.0																				
6.0	<div>Key Performance Indicators (KPI) Planning</div> <div>6.1 The key to performance management is planning – it provides the opportunity to identify what is important to focus on, through agreeing on specific KPIs and competencies, with defined success through specific measures.</div> <div>6.2 Planning also drives the content and focus of the feedback and coaching discussions on how the staff can achieve higher performance levels, what is being reviewed at the end of the performance period, and the basis for how the staff is rewarded.</div> <div>6.3 The Performance Planning also becomes the staff roadmap for the coming year.</div>																					

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	<p>6.4 HODs shall plan and identify on specific KPIs based on the Company's HLO.</p> <p>6.5 HODs would then cascade down the KPI to the staff.</p> <p>6.6 Staff shall prepare their KPI and submit the form to Immediate Superior.</p> <p>6.7 Immediate Superior would then review and endorse the staffs' KPI before submitting to the HOD.</p> <p>6.8 HODs shall approve the staffs' KPI and submit to GHCD.</p> <p>6.9 Head of GHCD shall receive and acknowledge the forms.</p> <p>6.10 PM GHCD shall receive and consolidate the forms.</p> <p>6.11 Please refer flowchart (Appendix 1) for the workflow process.</p>
7.0	<p>Mid-Year Review</p> <p>7.1 The appraisal will be conducted on a half-yearly basis, i.e. every six (6) months. This is to provide a platform for the appraisers and subordinates to review the KPI targets set during planning and the achievement levels.</p> <p>7.2 Mid-Year review will be applicable only for Executive staff and above.</p> <p>7.3 Staff to complete and submit the SPA form (Appendix 5, 6, 7) for a discussion with Immediate Superior.</p> <p>7.4 Based on the submitted SPA forms, Immediate Superior shall then review the SPA forms together with the staff.</p> <p>This review discussion would provide the staff an opportunity to rectify any areas of weakness identified during the review.</p> <p>7.5 Staff and Immediate Superior shall review the SPA forms and agree on any changes during the mid-year review before it could be endorsed and submitted HOD.</p> <p>This review discussion is to ensure the staff and their supervisor to re-evaluate of the staff progress towards the achievement of goals.</p> <p>This opportunity may also be used to change or amend the KPIs previously agreed to, based on substantial change in the business environment, if applicable. Discussion can also be held pertaining to staff competencies.</p>

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7.6 HOD shall acknowledge and approve the SPA forms. They are also required to keep a copy of the completed SPA forms before it could be submitted to GHCD.

7.7 PM GHCD shall receive and acknowledge the forms.

7.8 Upon receiving the forms, PE GHCD would then acknowledge and consolidate for filing.

Below is the review period for Mid-Year Review.

Item	Review Period
Mid Year Review	1st April to 30th September

7.9 Please refer flowchart **(Appendix 2)** for the workflow process.

8.0 Year End Review

8.1 The process to provide an opportunity for the appraiser and staff to review the performance results as well as performance gap.

8.2 The SPA Forms are categorized into two (2) categories as follows;

Executive and above


This is the final review for this category of staff. The first six (6) months assessment conducted earlier, should be taken into consideration in conducting the final review for the year. Any improvements or decline in the staff performance should be discussed and addressed accordingly.

Item	Review Period
Year End Review	1st April to 31st March

Non-Executive (Supervisor & below)

The appraisal shall be carried out on a yearly basis.

Item	Review Period
Year End Review (Yearly Review)	1st April to 31st March

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8.3 The SPA exercise is applicable for the following categories of staff.

Permanent Staff

8.3.1 Staff who have been confirmed in their employment and completed one (1) year of their service on or before last day of the current Financial Year. i.e: 31st March.

8.3.2 Staff who have served less than one completed year and have been confirmed in their employment on or before last day of the current Financial Year. i.e: 31st March.

Contract Staff

8.3.3 Staff initially employed on Contractual Employment who have been absorbed into permanent employment and have completed one year of their service on or before last day of current Financial Year. i.e: 31st March.

8.3.4 Staff on Contractual Employment and have completed one year of their service on or before last day of current Financial Year. i.e: 31st March.

8.3.5 Staff who have served less than one completed year and have been confirmed in their employment on or before last day of the current Financial Year. i.e: 31st March.

8.4 Staff to complete and submit the SPA form (**Appendix 5, 6, 7, 8**) for a discussion with Immediate Superior.


8.5 Based on the submitted SPA forms, Immediate Superior shall then review the SPA forms together with the staff.

This review discussion would provide the staff an opportunity to rectify any areas of weakness identified during the review.


8.6 Staff and Immediate Superior shall review the SPA forms and agree on any changes during the year-end review before it could be endorsed and submitted HOD.

The appraisees should be given an opportunity to comment on how they see their performance and how they could do better.

This opportunity may also be used to change or amend the KPIs previously agreed to, based on substantial change in the business environment, if applicable. Discussion can also be held pertaining to staff competencies.

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	<p>8.7 HOD shall acknowledge and approve the SPA forms. They are also required to keep a copy of the completed SPA forms before it could be submitted to GHCD.</p> <p>8.8 PM GHCD shall receive and acknowledge the forms.</p> <p>8.9 Upon receiving the forms, PE GHCD would then acknowledge and consolidate for filing.</p> <p>8.10 As for Rewards Management, GHCD will undertake the Annual Increment and Bonus exercises, if they are declared by the Management, based on the Final Results of Performance moderation approved by the Independent Committee and/or Top Management.</p> <p>8.11 Please refer flowchart (Appendix 3) for the workflow process.</p>
9.0	<p>Performance Improvement Program (PIP)</p> <p>9.1 The PIP is used as an approach to improve the performance of staff. PIP plays an integral role in correcting performance discrepancies.</p> <p>9.2 Staff who has been overall rated as 'Unsatisfactory' at the year-end performance appraisal by their Immediate Superior may be subjected to the PIP.</p> <p>9.3 Underperformers will be identified by PM GHCD.</p> <p>They will be enrolled into the PIP where they will be coached and guided by the Immediate Superior and GHCD team for performance improvement within three (3) to six (6) months.</p> <p>The Immediate Superior shall make clear notifications on the purpose of the PIP and why the affected staff is placed under the program and the possible consequences based on the results of the PIP.</p> <p>9.4 The Immediate Superior and the affected staff will discuss to clarify and specify on areas of improvement and action plan that need to be taken to ensure targets/key result areas set, are met.</p> <p>9.5 The staff will also be notified on the timeline set for periodical reviews. The action plan must be recorded in the <i>PIP Form</i> (Appendix 9).</p> <p>The PIP is set for three (3) to six (6) months period, to allow the staff to take up corrective actions to improve on key result areas/deliverables that have been identified, agreed and documented in the <i>PIP Form</i> for improvement.</p>

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9.6 Immediate Superior must conduct a monthly or at least quarterly review with the affected staff to assess the PIP progress and development.

During the review session, the Immediate Superior shall communicate clearly the expected and actual progress development with the staff concerned, documented in the *Coaching and Counselling Dialogue Form (Appendix 10)* and ensure that they are mutually signed off. This will help to track and appraise the quality of the staff performance during the PIP period.

9.7 The Immediate Superior must provide reasonable advice, guidance, coaching and/or counselling relevant to the staff's work improvement.

9.8 The Immediate Superior shall then record item in 9.7 in the *Coaching and Counselling Dialogue Form*.

9.9 The *Coaching and Counselling Dialogue Form* must be completed and duly signed off by both appraisee and appraiser at the end of each coaching/counselling session.

9.10 At the end of the PIP, the monthly review/progress will be consolidated to reach the final assessment on the performance of the affected staff. All the completed forms shall then be submitted to PM GHCD for the next course of action.

9.11 PM GHCD shall receive and acknowledge the completed forms.

9.12 In the event the required improvements are achieved and maintained, the PIP would come to an end and the staff will be informed in writing.


9.13 However, if the under-performance persist and no improvements are noted during the regular monitoring, the PIP may be extended for a further three (3) months.

9.14 Please refer flowchart **(Appendix 4)** for the workflow process.

10.0 Flowcharts

Flowcharts required for this document shall be as follows:

Flowcharts Title	Appendix
KPI Planning	1
Mid-Year Review	2
Year-End Review	3
Performance Improvement Program (PIP)	4

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11.0 Forms

Forms required for this document shall be as follows:

Form Title	Appendix	Reference Number
Staff Performance Appraisal Form (HOD)	5	GHCD/TDPM/F07-Rev.1 (2019)
Staff Performance Appraisal Form (Manager)	6	GHCD/TDPM/F08-Rev.1 (2019)
Staff Performance Appraisal Form (Executive)	7	GHCD/TDPM/F09-Rev.1 (2019)
Staff Performance Appraisal Form English (Non-Executive)	8.1	GHCD/TDPM/F10A-Rev.1-BI(2019)
Staff Performance Appraisal Form BM (Non-Executive)	8.2	GHCD/TDPM/F10B-Rev.1-BM(2019)
Performance Improvement Plan Form (PIP Form)	9	GHCD/TDPM/F11-Rev.1 (2019)
Coaching and Counselling Dialogue Form	10	GHCD/TDPM/F12-Rev.1 (2019)