

PERFORMANCE EVALUATION POLICY & PROCESS

SecureKloud Technologies Limited


	PERFORMANCE EVALUATION POLICY & PROCESS	Doc. Version	2.0
		Rev. Date:	01-Apr-24

Document Control

Prepared by	Reviewed by	Recommended by	Approved by
Work Group	Middle Management	Department Heads	Executive Vice President
Manager – H.R.			Head – People & Culture

Document History

Version	Date	Changed By	Description	Status
0.1	11-Mar-21	Work Group	Draft Version	Created
0.2	12-Apr-21	Department Heads	Review Version	Modified
1.0	26-Apr-21	Executive Vice President	Recommended Version	Approved
1.1	20-Jul-22	Team H.R.	Amended Version	Modified
2.0	01-Apr-24	Manager – H.R.	Amended Version	Approved

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Objective

To follow industry best practices and fair standards in its human resource management procedures, SecureKloud adheres to the following Performance Evaluation Policy & Process.

Purpose

SecureKloud is committed that all its associates must have a clear understanding of expected results, receive coaching and feedback, be included in a formal structured performance review regularly and objectively, and be rewarded appropriately for their performance and potential.

Performance Evaluation is an on-going exercise, to assess and measure performance consistently, provide feedback and identify development needs and reward performance appropriately.

In order to retain, motivate & improve, Management has given approval to pay Variable Pay on a quarterly basis. Payment of Variable pay will be detailed in the below mentioned process.

Scope

The policy will specify the objectives, guidelines, types of performance evaluation and its process.

Applicability

This policy is applicable to eligible associates under the payroll of SecureKloud India. Associates should not have resigned from the services of the organization during the appraisal process.

Performance Evaluation Period

The Performance Evaluation period will coincide with the financial year and will be for the period 01-April to 31-March.

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Objectives

A Performance Management System is designed

- To encourage the systematic planning and assessment of individual work performance.
- To set objectives and targets to be achieved over a period in the form of a performance plan / targets for the individual in line with the objectives of the Organization.
- To provide feedback on the current level of performance of the individual in the job and seek ways of improving by Increasing capacity to work or Increasing inclination to work.
- To identify training and development needs of the individual during the review plan and to establish training programs which would meet individual requirement in line with the organization's needs and objectives.
- To facilitate in identifying potential candidates to take up higher responsibilities.
- Design effective compensation and recognition that rewards people for their contributions.
- A closer professional relationship between associates and management with emphasis on individual development by coaching, feedback & counseling.
- To encourage systematic succession planning which ensures business continuity.
- To improve overall business performance by raising individual effectiveness

Performance Evaluation Guidelines:

- All Performance Evaluation shall be made by the associate's immediate supervisor (the appraiser) who has direct experience or knowledge of the work being performed.
- The next higher-level supervisor (the reviewer) shall review the Performance Evaluation.
- Whenever an associate's job responsibilities change significantly, the objectives should be revised to reflect that change.
- All Feedback forms, Quarterly, Half Yearly and Annual Performance Evaluation forms shall become a permanent part of the associate's official file / digital file.

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Responsibility

Appraisee

- Set their Performance Plan / Targets / Objectives / KRA's for the year along with their supervisor.
- Manage their own performance and development plan.
- Follow up their actions arising from the jointly agreed performance plan.
- Ensure the performance review is completed on time.

Appraiser

- Set, Discuss, and evaluate the Performance and Development plan of the appraisee.
- Guide and give feedback regularly to meet the objectives of the team members.
- Conduct the performance reviews on time for his / her subordinate.
- Confirm on the development plans and follow up with the individuals.
- Ensure objectivity in rating.

Reviewer

- Mentor and give feedback to support individuals in structuring their performance and development plans.
- Review Performance and Development plan of the appraisee's as part of the Performance Evaluation process.
- Understand and resolve issues, if any, in performance feedback of appraisee by appraiser.
- Ensure consistency and objectivity in rating.
- Be aware of and implement the company's vision on "Rating".

Team Human Resource

- Educate and provide guidance to all associates in preparation for performance plan.
- Initiate and Manage the Performance Evaluation Process.
- Follow up on Developmental needs.
- Resolve any issues arising during the evaluation process.
- Ensure Normalization of the ratings across departments.
- Recommend overall Compensation and Benefit Matrix benchmarking with similar industries for the approval of Executive Vice President.
- Release the Confirmation / Revision / Promotion letters and putting it into effect through payroll process.

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Levels of Performance

There shall be five levels of performance to rate each objective and to rate overall performance. Levels 1 – 5 listed below correspond to performance review criteria levels.

5 – Consistently Exceed Expectation, demonstrating capability to move to a higher role.

- Creating newer way of doing things (Innovative / Transform)
- Meets all or most expected standards of performance.
- Demonstrated partially performance of the next role.
- Achieves exceptional results which have an impact on overall performance of the team.
- Continuously drives self, others to set new standards of performance.

4 – Occasionally Exceed Expectation

- Clearly exceeds required standards of performance without any major issue.
- Meets stretch / complex targets / tasks.
- Supports and successfully completes specific unexpected major happening.
- Tries to enhance or improvise in a given role.
- Drives for continuous improvement.

3 - Meets Expectation

- Completing / Managing a given responsibility without any major issue / escalation.
- Meets all or most expected standards of performance / S.L.A. / T.A.T. as defined
- Is a valuable and contributing team member.
- Effectively achieves challenging objectives with well channeled effort and direction normally required for the job i.e., Job well done.

2 - Below Expectation

- Meets some of the expected standards of performance.
- Achieves partly the given responsibility with inconsistency / follow up and assistance.
- Needs coaching / guidance to improve in certain circumstances.

1 - Does not meet Expectation

- Does not meet expected level of performance in spite of effort and direction.
- Does not improve in spite of guidance / coaching by supervisors.

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- No significant improvement during P.I.P. cycle.

Types of Performance Evaluation:

1. New Joinees Review:

The main objective of this review is to set forth the expectations for the new recruits, provide training required and to deploy them effectively.

The new recruits will be going through the structured training as below.

- General induction (which encompass information about Organization, People, Policies and Processes)
- Department Specific Induction
- Project Specific Induction

Respective Mentor / Supervisor are responsible for setting objectives, provide training required and upon completion provide detailed report on performance and recommendation for deployment to the respective Department Head.

Team H.R. to discuss with the new Joinee and get a feedback on the experience with the organization at the end of each month before the first quarterly feedback.

New Joinee joined before 30th September will be eligible for performance evaluation during the end of the current Financial Year. However, associates joined after 30th September would be evaluated at the completion of their first work anniversary and thereafter aligned to the annual performance evaluation cycle.

2. Quarterly Feedback Sessions:

This is a formal meeting with the immediate supervisor at the end of each quarter (June and December).

Associates have to fill up the quarterly feedback template and submit to their immediate supervisor. The quarterly feedback template includes the following.

- Objectives / Targets / KRA's accomplished
- Supervisors' comments and feedback on the performance
- Training Attended, its learning.

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- Objectives / Targets / KRA's for the next quarter

The immediate supervisor should provide performance feedback to their reportees. Based on the feedback, action plan will be prepared to uplift / enhance the performance and the same will be tracked during the next review.

The immediate supervisor forwards the feedback forms of their team members to their Department Head with a copy to Team H.R. for their records. Team H.R. will collate the details of the associates and aid on the plan for the subsequent quarters.

The Department Head could recommend the confirmation of lateral (Band 2 till Band 5) associates at the completion of 3 months. Team H.R. would review the comments made in the feedback form shared by the Department Head, and on a case-to-case basis, recommend confirmation to Executive Vice President for his approval.

3. **Half Yearly Performance Review**

This is a formal meeting with the immediate Supervisor and (Managers / Department Heads) at the end of half year (September) for Associates. The Half yearly Review template includes the following.

- Accomplishments made during the period of review.
- Qualitative Competency Factors
- Training Attended, its learning and the plan for the next half year.
- Objectives / Targets / KRA's for the next quarter / half year.
- Help needed from Supervisor to fulfill the objectives set.

The review covers individual performance against set objectives, qualitative competencies, and a summary for overall performance.

Every associate has to fill up the half yearly evaluation form and self-rate against each accomplishments and competency factors and submit to their immediate supervisor.

At the end of half year (September), the immediate supervisor should assess the performance of the reportee as against the Objectives set using the quarterly feedback forms which would be used as a major input for giving rating in the half yearly evaluation. The supervisor's give their consolidated comments on the performance of the reportee.

The appraisee should sign / by mail confirm their acceptance of the evaluation.

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The Half Yearly Evaluation forms will then be reviewed by the next level supervisor (reviewer) with the reportee / appraisee to understand if there are any concerns raised by the appraisee. Thereafter, the reviewer will share the final ratings, if there are any changes, and final comments with the reportees, and will facilitate resolution of any conflicts.

The appraisee should sign / by mail confirm their acceptance of the evaluation.

Thereafter the forms will be forwarded to HR with their records. Team H.R. will collate the details of the associates and aid on the plan for the subsequent quarters.

4. Project Completion / Transfer Feedback

Upon completion of an assignment / project (subject to min. 2-3 months) or if an associate is moved to another department or to a project in the same department under another Manager or to Bench if there are no projects in pipeline, the immediate supervisor has to provide feedback to the associate using the Feedback Form.

Associates should sign / by mail confirm their acceptance of the evaluation. Thereafter the forms will be forwarded to Team Human Resource for their record.

5. Supervisor Movement

In situations, where supervisors are moved to handle other projects / changed to other departments or resigns from the services of the organization, to ensure continuity, the immediate supervisor to have discussions with their reportees, share the documented feedback. The filled in feedback form has to be handed over to his / her supervisor or the person who backfills his / her position.

Thereafter the forms will be forwarded to HR with their records.

6. Annual Performance Evaluation

This is a formal meeting to assess the current year's progress and to formalize development plan for the next year's activities. The annual performance review has a significant impact on decisions affecting individual development, financial rewards, and career development.

New joiners will be appraised by their supervisor, provided they have joined on or before December 31st. Supervisor, will be using the quarterly review forms and half yearly performance evaluation as a major input for giving rating in the annual evaluation.

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The review covers individual performance against set objectives, qualitative competencies and identifies development needs, and provides an overall rating and recommendations regarding career progression and roles.

Team H.R. would initiate the process by mail / triggering it online, the standard template to all eligible associates for self-evaluation. The template would have the associate's background and or role information, the generic objectives for each role. The associate would assess his / her own performance and self rate against each accomplishments and competency factors and submit to their immediate supervisor.

Every associate (appraisee) has to fill up the annual evaluation form and self-rate against each accomplishments and competency factors and submit to their immediate supervisor.

It is recommended that if there is no definite role, the objective setting exercise should be based on tasks rather than on predefined roles.

At the end of year, the immediate supervisor (appraiser) should assess the performance of the reportee as against the KRA's set using the quarterly feedback and half yearly evaluation forms which would be used as a major input for giving rating in the half yearly evaluation.

Appraiser reviews the appraisee's performance over the assessment year, problems experienced, strengths and areas for improvement and identifies development plan for the individual. After completing the above, the appraiser expresses his / her overall assessment for the appraisee's overall job performance over the review period and both appraiser & appraisee agree plans to bring about the desired improvements. The appraisee should provide his comments and sign / by mail confirm their acceptance of the evaluation.

Each appraisee will have planning stage conducted at the end of the rating period. The appraisee's role including setting of objectives for the next evaluation period, discussed and finalize. The appraisee and the appraiser should also participate in drafting performance and development plan based on the role and department needs.

The Yearly Evaluation forms will then be reviewed by the next level supervisor (reviewer) with the appraiser / appraisee to understand if there are any concerns raised by the appraisee.

Thereafter, the reviewer will share the final ratings, if there are any changes, and final comments with the reportees, and will facilitate resolution of any conflicts. Finally, associates would sign the form confirming their acceptance of the evaluation.

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The Department Heads would review all ratings and normalize the ratings across their teams and provide their final recommendations. Thereafter the forms will be forwarded to Team H.R. with their comments.

The reviewers would also provide the scores for their team members to arrive at the Variable Pay calculations. The Department Heads review the same and provide their recommendations for the same.

Unacceptable performers will have to undergo the Performance Improvement Plan.

360 Feedback Sessions

Associates from the level of Manager and above would undergo a 360 Degree evaluation by their immediate supervisor. Inputs would also be taken from the team members who report to them, peers, and customers. The criteria for their evaluation would be designed by Team H.R. and duly approved by Top Management.

Based on the recommendations of the Department Heads and with the necessary approval of the approving authority, HR would be responsible for releasing the salary revision letters.

Salary Revision & Promotions:

Team H.R. would be responsible for benchmarking the compensation across all departments with the market and recommended changes, if any. Upon approval from Top Management / C.E.O., taking into consideration the market input and budget availability and future business, the same would be implemented during salary revision cycle.

Team H.R. would be responsible for preparation of Salary Revision, Promotion Letters as well as providing the revised compensation details to Team Accounts who would process the same along with monthly payroll.

Team H.R. is also responsible to communicate to all associates of the organization and recognize the associates who are promoted during the performance evaluation.

Variable Pay / Performance Bonus & Payout:

Variable Pay is applicable for eligible associates in B5 and above band which is clearly spelled out in their appointment / appraisal letter. These are paid out based on the performance evaluation rating

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(Meet Expectation) as per the KRA agreed by the associate. Associates who are in Performance Improvement Plan are not eligible for Variable Pay.

Variable Pay will be paid based on the Individual and Organization performance as per the slabs fixed by the management for the respective financial year. Disbursement of Variable Pay will be done quarterly. For instance First quarter variable pay (April, May & June) will be paid at the end of Second quarter (i.e.) along with September salary. Second quarter variable pay (July, August & September) will be paid at the end of Third quarter (i.e.) along with December salary. Third quarter variable pay (October, November & December) will be paid at the end of the Fourth quarter (i.e.) along with March salary. Fourth quarter variable pay (January, February & March) will be paid at the end of the First quarter of the next financial year (i.e.) along with June salary.

Associates are eligible for Variable Pay provided there is an employer – employee relationship at the time of disbursement.

Timelines

It is the responsibility of all stakeholders to complete the feedback, evaluation sessions on time as the decision on salary revision, promotions are collectively taken across departments. The general timeline for each of the types of Performance Evaluation are given below for reference.

Type	Description of the activity	Timeline	Owner
Quarterly Feedback	Filling up of accomplishments	1 week	Appraisee
	Feedback and 1-1 with appraisee	1 week	Appraiser
Half Year	Filling up of accomplishments	1 week	Appraisee
	Feedback and 1-1 with appraisee	1 week	Appraiser
	Review and 1-1 with Appraisee	2 weeks	Reviewer
Annual Evaluation	Filling up of accomplishments	1 week	Appraisee
	Feedback and 1-1 with appraisee	2 weeks	Appraiser
	Review and 1-1 with Appraisee	2 weeks	Reviewer
	Review and recommendations	2 weeks	Department Head
Letter Distribution	Presentation to Deciding Authorities	1 week	Team H.R.
	Preparation, Issuance of Letters	1 week	Team H.R.

Approving Authority

Any exceptions or deviations from this policy must be approved by the Top Management of the company before such an exception on deviation is made. Any revision of this policy must also be

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approved by the Top Management / C.E.O. before it becomes effective. Any question of interpretation or applicability of any aspect of this policy will be settled by the Head of the Human Resource Department.

The above policy supersedes all existing policies and procedures prevailing in the Organization and this policy comes into effect from April 2024.