



PLAN INTERNATIONAL, INC.

PERFORMANCE MANAGEMENT POLICY

Functional Area	People & Culture Department
Business Owner	Performance, Organisational Learning & Leadership
Approved by	Lawrence Ncube, Chief People Officer
Approval date	1 November 2022
Effective date	If different from approval date
Review date	Every five years unless stated otherwise
Applicability and Exceptions	Plan International Inc. and its subsidiaries including Country Office, Regional Offices, Liaison Offices and Global Hub
Related Policies	Learning & Development Policy (PII) Grievance Policy (PII) Disciplinary Policy (PII) Code of Conduct (PII) Global Policy on Values Conduct and Whistleblowing (PI) Any probation Policies at country level

1. Introduction

“Our new **‘One Plan – Shared Values’** aims to apply our values and the behaviours that accompany them to everything that we do. We will create an **internal culture of accountability** where everyone of us knows what is expected of ourselves and one another and what it looks like when **we get there**. We will **support** each other to succeed and **celebrate** our accomplishments and **learn from our mistakes** together. These are the guiding principles of our new plan.

I genuinely believe that when there is clarity of accountability, when it is encouraged and followed-up on, **trust will flourish and thrive**. When we work with others, when we hold each other accountable for agreed outcomes, we form **trusting and effective relationships**.”

Stephen Omollo, CEO

As employees, we are all responsible for our performance at work and improving how we carry out our job roles, with the support of our colleagues and managers. Performing well as individuals is key to driving overall team and organisational performance and the delivery of Plan International ambition and strategic priorities - **All girls Standing Strong Creating Global Change**.

This policy provides a framework that gives each individual clarity, certainty, and confidence to develop, improve and grow their contribution with the support of their line manager. PII recognises the importance of celebrating achievements of our staff and supporting those who need improvement.

2. Applicability and Scope

This policy applies to PII entities worldwide, its subsidiaries and Plan Limited, as well as PII’s country, regional and liaison offices. It should be read in conjunction with any country specific legislation and the Learning & Development Policy (PII).

3. Purpose

The purpose of performance management is to define the performance management framework and process at PII, which is designed to:

- Ensure our employees’ performance contributes to achieving Plan International ambition and strategic priorities, increasing team and organisational performance, therefore achieving maximum impact for children, especially girls.
- Motivate employee performance through effective goal setting and continuous feedback.
- Improve employee capability by identifying areas for improvement, growth, or advancement, actioned through personal development plans.
- Strengthen our Values-Based Leadership culture, underpinned by Feminist Leadership Principles through PII leadership competencies.
- Improve working efficiently and effectively through PII business management competencies.
- Support career development, professional development, talent and succession planning, as appropriate.

4. Policy Statement

PII recognises that people are our greatest asset as they are the greatest creators of organisational value. Effectively managing performance is critical for success and achievement of our strategic ambition for children, especially girls. Every employee needs to understand what’s expected of them and must be supported and managed so that they are motivated and engaged, have the skills, resources and guidance they need to succeed, and are accountable for their work.

PII recognises that skilled, competent and engaged staff are more productive and effective, making better use of available resources. To achieve this, we are committed to every employee having an Individual Accountability Plan (IAP), a Personal Development Plan (PDP), an interim and an annual performance review discussion with their line manager and regular one to one coaching conversations throughout the year.

5. Guiding Principles

The following principles underpin PII Performance Management Policy.

- The performance management process is a continuous cycle between the employee and manager, setting objectives, reviewing progress and agreeing actions towards continuous improvement through regular one to one coaching conversations and continuous feedback.
- Line managers are responsible for supporting, coaching and developing their employees to deliver the required level of performance against their goals.
- Individuals are responsible for their own performance and looking for ways to continuously improve how they carry out their work through seeking feedback from others and understanding how their performance contributes to the success of the organisation.
- Individual performance will be reviewed on both **'what'** has been delivered as outcomes, results, and impact of work activities and **'how'** individuals demonstrate Plan's values and leadership behaviours with equal weighting.
- Line managers are responsible for evaluating staff performance as it happens and recognise good and high performance. They are also responsible for proactively managing under-performance and ensuring that a performance improvement plan is initiated and seek the requisite improvement.
- Interim & annual performance review conversations between managers and their employees form the core mandatory part of performance practice. This is to enable development and growth and support good performance¹.
- Performance management is supported and enabled by technology (HRIS).
- The performance health of PII will be tracked using a variety of metrics to show the impact of regular performance discussions between managers and employees.

6. Performance Management Framework

The performance management process gives employees the opportunity to engage in a dialogue about their performance and development to ensure:

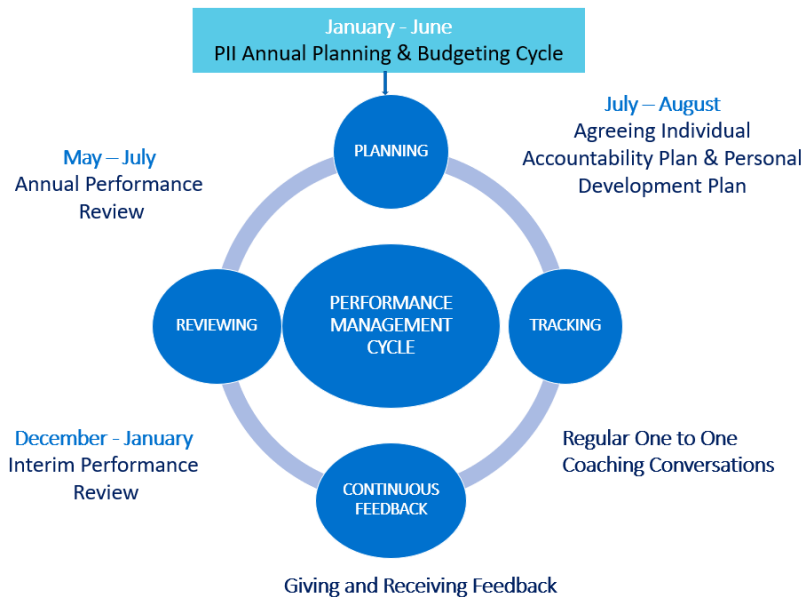
- Clarity about what needs be achieved, agreed objectives detailed in an Individual Accountability Plan.
- Certainty about successes and the actions that led to the success.
- Acknowledgement of mistakes and lessons learned from them.
- Recognition of achievements and strengths and contributions valued.
- Individual circumstances and needs are discussed to ensure employee wellbeing.
- Positive and constructive two-way feedback is given and received with respect.
- Development needs and opportunities, including an understanding of individuals' aspirations and career goals are identified, and a Personal Development Plan agreed.
- Under-performance is addressed, and where appropriate, a Performance Improvement Plan agreed.

¹ Performance well achieved in line with expectations of the job and relevant peer group in terms of both results (delivered on critical objectives, giving positive value) and behaviour in line with values (consistently demonstrated).

Performance Management Cycle

PII performance management cycle runs from July to June each year and supports the overall strategic plan endorsed by International Board, Members Assembly and communicated by June each year.

Diagram1: PII Performance Management Cycle July – June



The performance management cycle consists of the following stages of activities which is mandatory for all employees.

Planning

Managers and staff agree Individual Accountability Plan and Personal Development Plan. Leaders of all PII entities will ensure that all staff have current performance objectives and development goals determined at least on an annual basis, clearly aligned to PI ambition and strategic priorities, annual plan & budget; and documented in an Individual Accountability Plan and Personal Development Plan using HRIS.

Tracking

Managers will track progress through regular one to one coaching conversations between with staff on a continuous cycle to discuss performance and development. These coaching conversations are an integral part of encouraging and developing good performance. Conversations should cover progress against objectives and feedback and look ahead to how future performance and development can be positively influenced. The expectation is that these will be at least monthly conversations.

Continuous Feedback

In alignment with our values and leadership behaviours PII recognises the important role of giving and receiving feedback to enable all staff to continuously improve, learn and grow. Gathering views on performance from others can help employees and line managers make an objective review of performance and will broaden, inform, and validate their own experiences.

Gathering views on performance from others (getting real time feedback from a wider range of people) using HRIS:

- Continuous feedback tile functionality for employees to ask and give feedback to others
- Performance review form can be sent by employees and managers directly to PII staff to ask for feedback on objectives and value, this is typically used for matrix reporting relationships.
- Performance Team Overview Dashboard can be used by managers directly to ask for feedback on their direct reports from PII staff and/or external stakeholders (NOs, Partners, External Consultants)
- 360 feedback tool is available for managers to provide feedback on performance and management style from their own line-manager, peers, key stakeholders, and direct reports.

All feedback must be respectful and is open and transparent and accessible to the employee in HRIS.

Interim and Annual Performance Management Review

PII will ensure that all staff receive a mid-year and annual performance review discussion, documented using HRIS.

Performance reviews will be a culmination of ongoing one to one coaching conversations, and encompass:

- What has been delivered as outcomes, results and impact of work activities. This should include a focus on outcomes against agreed objectives but may reach wider (other achievements). It should cover how the individual demonstrates Plan's values and leadership behaviours relevant to the level of their role. Behaviour is assessed by observation and feedback, including the impact of behaviour on other people.
- The individual's key challenges, learning and how they are feeling and functioning (wellbeing).
- Progress against personal development goals and further support and/or development needs based on performance gaps and career aspirations.
- Overall performance category² will be assigned and shared with individuals as part of the annual review process following the annual performance and talent review validation meetings.

Where there are work performance problems it is essential, they are addressed at the time, rather than waiting for the mid and annual performance review. Document these discussions and share them with the employee as they may be the foundation of managing under-performance.

7. Specific Circumstances

New Starters

All employees should have an Individual Accountability Plan agreed within the first two weeks of joining the organisation. Performance is reviewed and assessed by the line manager throughout the probation period, supported by regular one to one coaching conversations.

Probation performance review will be conducted at the end of employee probation period and the probation outcome will be either passed, extended, or failed. The outcome of the probation review should not be a surprise to the individual as any concerns will already have been discussed with the individual. Please refer to your office's Probation Procedures for more information.

A review of the objectives and the development of a Personal Development Plan will be completed following successful completion of probation period.

Matrix Working Relationships

When a matrix working relationship exists, performance management processes will be carried out in close partnership and consultation between all relevant managers³.

Internal Moves

When an employee moves within PII during the performance review year, their performance against objectives and personal development goals set at the beginning of the year should be reviewed before they leave. They should then be set new objectives i.e., additional new objectives added to the Individual Accountability Plan which are achievable by the following April/May. Personal Development Plan reviewed and updated as appropriate.

Change of line manager during performance review year

The previous and current line manager should discuss the best approach to ensure that the objectives remain relevant and the performance over the full year is reviewed. Managers leaving the organisation or going on extended leave should review the performance of their employees and record the outcome in HRIS. Where this is not possible, for example where a manager is on extended sick leave, the new manager should review the performance seeking feedback from relevant stakeholders.

² Country offices who have opted to have a performance rating scale as part of performance evaluation process.

³ Please refer to the definition at the end of the document

Secondments

All employees who are due to start a secondment should have progress against objectives reviewed from their substantive post before they move. Once secondment commences, the new line-manager will set new objectives and the Individual Accountability Plan is updated. If the employee returns to their substantive post before the end of performance review year the outcome of their performance and development will be taken into account and feedback captured in HRIS. The annual performance review is a reflection of performance across the different roles throughout the whole year.

Long term absences including parental leave

If employees are absent during a performance review year, objectives and timescales should be reviewed to accommodate the absence where appropriate. Absences due to disability or parental leave should not affect the overall outcome of the annual performance review.

Under-Performance

When a line manager considers that an employee's performance falls below the satisfactory standard expected, they should raise this with the employee. Giving timely feedback in a constructive way is essential and it should be a two-way conversation with the employee. A meeting to discuss this should be arranged with the employee as soon as it is practicable, and the employee should be informed of examples of where their deliverables fell below the standards expected for the role. It is an opportunity for a constructive and open discussion regarding root cause(s) of the underperformance and to ascertain the support to be provided to the employee to improve their performance.

The discussion may bring to light underlying causes of underperformance such as personal problems or issues unrelated to work. If it is determined that the underperformance is related to the employee's personal or domestic life, they would be encouraged to utilise available Employee Assistance Programme or counselling/support.

If the line manager and staff agree that the standards expected are not reasonably attainable due to work related circumstances beyond both the line manager and employee's control, the standards will be reviewed to reflect the current circumstances.

At the end of the meeting, the line manager would draw up a written Performance Improvement Plan (PIP) of the work objectives, additional support, guidance and/or training plans as well as timescales for delivery. The employee should have had the opportunity to shape and input into the plan and a copy of the PIP should be shared with them after the meeting. The job description of the employee should form the basis of the discussion as well as their work plan and objectives. The manager should also advise the country P&C Manager/P&C BP that a PIP has been created.

The duration of the PIP will be determined by the line manager in consultation with the country P&C Manager/P&CBP and depend on the performance gaps which had been identified by the line manager. It is recommended that PIP via informal performance management should initially be planned over a minimum period of four weeks. If there is no improvement after a period of 4 week, a formal PIP can be initiated by the line manager, in consultation with the country P&C manager/P&C BP for a period of between 3 to 6 months. If no improvement is made after the period of PIP, or it has been determined at any time after a period of 3 months during the formal PIP that the employee may not be capable of achieving the required level of performance, the employee may be subject to a dismissal process due to underperformance.

Performance Disagreements

The aim of the policy and framework is to encourage open and honest performance conversations that enable individuals to work at their best. When performance disagreements arise between individuals and managers, wherever possible these should be resolved informally through discussions between them, with support from more senior managers or P&C when appropriate.

8. Performance as a foundation for Talent Management

The outcomes of performance reviews are a key input to Talent and Succession Planning. Performance and Talent review meetings take place to validate performance, ensuring parity, transparency and fairness, and to assign a talent action category. Performance and Talent reviews take place after the end of the performance review cycle.

The performance category is recommended by the line manager and discussed and validated by the Performance and Talent Review participants. The main purpose of this is to identify Under-Performance and

High Performance and to reassure the majority of staff, who will have Good Performance that the organisation is wholly satisfied that they are meeting the requirements of their job.

The talent action category is an indicator of the actions the individual needs for them to develop in line with their career aspirations and their abilities as observed by the managers in their part of the organisation. It is important that the manager and employee have had a conversation and documented the individual's career aspirations. People will often move between these categories over time. This can be because their rate of development has changed or because their own career preferences have changed.

9. Roles & Responsibilities

All staff share a responsibility for the implementation and success of the performance management system.

The CEO and Senior Leaders will:

- Champion the performance management process, communicate its value and engage others to participate.
- Ensure the effective implementation of performance management processes within their teams/departments/functions/offices, in line with the framework outlined in this policy, and to ensure equity and fairness of application.
- Provide managers with the necessary information and understanding of annual strategic priorities and budgets.
- Monitor performance review completion rates and ensure that all employees within their area of responsibility receive a mid and annual performance review each year and agree actions to address any areas of concern.

All Managers will:

- Create an environment where employees can work to the best and put the values of PI into practice.
- Ask questions about team and individual wellbeing and act against overload.
- Ensure they and all employees within their team understand the performance management process, value, purpose, and their role within it.
- Manage performance of staff including clear objective-setting and regular 1-1 coaching conversations.
- Manage under-performance in two-way conversation with the employee, developing a Personal Improvement Plan with clear requirements, timescales and outcomes
- Develop staff, using Plan tools, resources and opportunities, coaching skills, development and career conversations, in line with and supporting our talent management approaches.
- Ensure the performance review process is conducted and completed within the timelines communicated.
- Ensure a fair and equitable process for all staff regardless of their age, race, sex, gender reassignment, disability, religion or belief, sexual orientation, marriage and civil partnership or pregnancy and maternity.

People and Culture staff will:

- Advise and support senior leaders in taking action to ensure that all employees within their area of responsibility have a mid and annual performance review each year.
- Support line managers in managing the underperformance of their staff.
- Provide training for line managers in both the process and skills needed for effective performance management.

All Employees will:

- Take responsibility for performing their best work for the organisation.
- Have a full understanding of the requirements of their job.
- Discuss and agree their objectives with line management.
- Prepare and participate in the one to one coaching and mid and annual reviews
- Receive and give feedback in a constructive manner.
- Complete all appropriate documentation and information.
- Undertake appropriate training and development.

10. Related Documents

- PII Performance Management Procedures
- Leadership Progression Tool (Includes Values-Based Leadership Framework, underpinned by Feminist Leadership Principles)
- Business Management Competencies interactive tool (Overview of competencies, Business Management framework & showing Business Management competencies alongside Leadership Competencies)
- PII Performance Management Guidance on how to use the HRIS.

11. Terms and Definitions

Individual Accountability Plan

The Individual Accountability Plan (IAP) is the document summarising the agreed objectives for the financial year. These are created within the HRIS and are visible to the employee, line manager and in many cases are made public for others in the organisation to view. Only the employee and manager can edit the IAP.

Personal Development Plan

The Personal Development Plan (PDP) is the document summarising the agreed learning objectives for the current year. These should reflect the individual's learning needs based on the skills needed to deliver the individual objectives aligned to strategy and the career aspirations of the individual.

Performance Improvement Plan

The Performance Improvement Plan (PIP) is the document summarising required actions, timescales and support needed by the individual to improve performance which has fallen below the expected and required standards.

Continuous Feedback

Continuous feedback is the module within the HRIS for requesting and providing feedback from any employee or external person. The aim of continuous feedback is to provide timely, helpful information to the employee of where their contributions have been helpful and/or where their contribution could add further value.

Staff Development:

All learning and development activities that enable and support people to acquire and create skills, knowledge, attitudes, and the right competencies to effectively perform and grow in their current or future job roles and contribute to creating a culture of continuous learning with the organisation. Learning is broader than attending formal training and is most effective when it follows the 70:20:10 module that includes:

- Learning on the job through experience (e.g., new work responsibilities, stretch assignments, participation in projects and working groups) - 70% of learning occurs on the job.
- Learning through others (e.g., coaching, mentoring, networking, feedback) – 20% of learning takes place via learning through others.
- Learning through structured training courses and qualifications – only 10% of learning occurs through formal training.

Line Managers

Line managers have responsibility for directly managing individual employees or teams. In turn, they are managed by a higher-level manager on the performance of those employees or teams.

Matrix Management

Matrix management exists where more than one manager has a formal role in an employee's work. It allows for joint management and ownership of work and how the work is carried out. These relationships exist in several functions where there is a Business Leader responsible for the operational objectives of an employee and a Functional/Technical Leader responsible for the breadth and depth of the functional capability and quality.