

Performance & Capability Policy and Procedure

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Purpose

MERCURI INTERNATIONAL (UK) LTD strives at all times to ensure that Employees achieve and sustain a high standard of performance in their work and endeavours to support all individuals to meet the objectives of the Company and their respective roles.

Policy Statement

This Policy is designed to help all Employees attain and maintain the necessary standards for optimum job performance. Although this could become a formal procedure, anyone who becomes the subject of the Performance and Capability Procedure should accept the guidance, support and training as tools to enable them to improve performance rather than considering themselves as reprimanded.

Where performance of an Employee, during their probationary period, falls below the required standard, we may omit some of the steps set out in this Policy document.

Definition of Capability

The first stage in dealing with poor job performance is to determine whether the matter is one of capability or attitude/behaviour. Incapability is where the Employee has received all the necessary training but still cannot achieve a satisfactory level of performance through no fault of their own, for example, as a result of poor health or lack of skills. If, on the other hand, the Employee fails to reach the required standard of performance as a result of carelessness, negligence or lack of effort, this will be treated under the Disciplinary Procedure as misconduct. It may be necessary to change from one procedure to another if facts suggest that a different treatment of the situation is appropriate.

The table below provides a guide as to when either Capability or Disciplinary action will be taken.

Capability	Disciplinary
Either:	Or:
The person is making an appropriate effort but is not achieving the required improvement	The person does not make enough effort
They have received relevant training, but they do not appear to have acquired the necessary skills	They are not applying the skills they have
They agree they are not achieving the required standards	They do not agree with the problem identified
They cannot obtain relevant qualifications	They are not interested in obtaining relevant qualifications
They do not seem able to get there	They are not willing to get there
Low output of work	They do not seem interested in improving
The person cannot perform the job to the required standard	The person will not perform the job to the required standard

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Informal Procedure

The Line Manager needs to provide regular feedback to the Employee on performance expectations as well as ensuring that the Employee has appropriate support to successfully achieve their objectives. When a Manager first identifies that an Employee's performance is falling below standard they should establish appropriate facts and information to ensure that they are clear on what the problem actually is.

Prior to the commencement of formal consultation, this informal review/consultation process should have taken place.

In the first instance, a meeting will be arranged between the Line Manager and the Employee to discuss any concerns that have arisen about performance and/or capability if the required standard(s) have not been met. Within this meeting the causes for any shortcomings and the area for improvement will be discussed.

A Personal Improvement Plan will also be discussed, detailing appropriate support required. The consequences of failure to improve will be outlined within this meeting, i.e. that the situation will be managed through the formal Performance and Capability Procedure. Reasonable timescales for improvement will then be agreed and review dates set. This is an informal meeting; however a record of the conversation should remain on the Employee file.

Following the review period, a meeting will be arranged with the Line Manager and Employee to review the Personal Improvement Plan and support/actions agreed. If at any stage in the process, the Employee's performance improves (if applicable), reaches the required standard and is sustained, this improvement will be confirmed in writing. If the Company deems it appropriate, the Employee may be taken off the Personal Improvement Plan, but if performance deteriorates again, further action may be taken.

If there is no improvement or little sustained improvement within the specified period, further action may be taken under the formal procedure commencing with a Formal Consultation.

Where an Employee is judged to be capable of performing to an acceptable standard but is not willing to put sufficient effort into their performance, then the Disciplinary Procedure may commence.

Formal Procedure

Formal Consultation

Following the informal review period as outlined above a meeting will be arranged with the Line Manager and Employee to review the development interventions and previous support/actions agreed.

The aims of the Formal Consultation meeting are to:

- Identify the cause(s) of poor performance and to determine what, if any, remedial treatment (e.g. training, coaching, and support) can be given;

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- Explain clearly the shortfall between performance and required standard. Examples will be used to illustrate the point;
- Set a reasonable period in which to reach the standard and agree on how it will be monitored during that period;
- Advise what will happen if the standard is not met;
- Set a Formal Personal Improvement Plan to track progress and support development.
- Offer an opportunity for the Employee to respond to capability and performance issues or address any concerns they may have.

Formal Review Meeting - 1st Stage

Following the agreed review period, a meeting will be arranged with the Line Manager, HR representative (if applicable), Employee and (if applicable) Employee Representative to review the Personal Improvement Plan and support/actions agreed. All Employees have the right to be represented by a Trade Union Official or accompanied by a fellow Employee at the formal stage.

If the Employee's performance has still not improved to an acceptable standard, a First Written Warning notification may be issued which will remain on file for a period of twelve months. The Company will confirm in writing the details of the meeting, including a copy of the agreed Personal Improvement Plan and the timescales for improvement. A copy of this letter will be placed on the Employee's personnel file.

The Employee may exercise their right to appeal against any decision that has been made. This must be made in writing by the employee within five working days of receipt of the outcome letter. The employee will be invited to an Appeal meeting, to be conducted by a more senior manager than the formal review meeting - 1st stage, within ten working days of receiving the Appeal and must make every effort to attend this meeting.

If at the review stage in the process, the Employee's performance improves, reaches the required standard and is sustained, this improvement will be confirmed in writing. If the Company deems it appropriate the Employee will be taken off the Personal Improvement Plan, but if performance deteriorates again, further action may be taken including starting back from where the original formal procedure ended.

Formal Review Meeting - 2nd Stage

Where sufficient improvement in performance is not made during the review period, a repeat of the first formal stage will be applied and the Employees will be invited to attend a further formal review meeting.

During this meeting, should no significant improvement be shown and a further warning be deemed necessary, a Final Written Warning notification may be issued which will remain on the Employee's file for 12 months. There is a right to appeal a decision made at this stage of the procedure. This must be made in writing by the employee within five working days of receipt of the outcome letter. The employee will be invited to an appeal meeting, to be conducted by a more senior manager than

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the formal review meeting - 2nd stage, within ten working days of receiving the appeal and must make every effort to attend this meeting.

Performance will continue to be monitored and at the end of the review period, the Company will inform the Employee whether they have achieved the required improvement.

If at the review stage in the process, the Employee's performance improves, reaches the required standard and is sustained, this improvement will be confirmed in writing. If the Company deems it appropriate the Employee will be taken off the Personal Improvement Plan, but if performance deteriorates again, further action may be taken including starting back from where the original formal procedure ended.

Formal Review Meeting - Final Stage

Where performance does not improve within the further review period set out in the Final Written Warning and associated Personal Improvement Plan, or if there are further serious instances of poor performance while the Final Written Warning is still active, we will hold a further formal review meeting.

If performance remains unsatisfactory and there is to be no further review period, MERCURI INTERNATIONAL (UK) LTD may take one of the following two steps:

- redeploy the Employee into another suitable job at the same or a lower grade; or
- terminate the Employee's employment on the ground of capability

If termination of employment is the outcome, then the Employee will be dismissed in line with their Contract of Employment.

There is a right to appeal a decision made at this stage of the procedure. This must be made in writing by the employee within five working days of receipt of the outcome letter. The employee will be invited to an appeal meeting, to be conducted by a more senior manager than the formal review meeting - final stage, within ten working days of receiving the appeal and must make every effort to attend this meeting.

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Version Information

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