

GUIDANCE NOTES

Performance Improvement Plan (PIP)

1. Purpose:

To communicate and clarify on the following:

- specific performance areas and competencies that fail to meet agreed standards;
- improved level of performance to be achieved; and
- the remedial actions/steps that will help appraisee in meeting the expected standards of performance.

2. When to implement a PIP:

- When appraiser considers that appraisee's current performance requires improvement after discussion with the latter.
- When appraisee's overall performance rating is below 2.40.

3. Developing the PIP:

- Briefly state the facts and events that necessitate the development of a PIP.
- Develop specific and measurable steps/actions to improve performance. The following non-exhaustive list of remedial actions may be considered:
 - coaching
 - counselling
 - on-the-job/off-the-job training, self-learning
 - provision of adequate resources, reading and other reference materials
 - enhancement of working environment
 - more exposure to acquire experience, etc...
- Establish reasonable timeframe for improved performance on each shortcoming.
- Conduct periodic reviews on a regular basis to monitor progress and provide feedback.
- Communicate consequences for failure to meet standards and sustained performance.

4. PIP GUIDELINES:

- **Performance Gaps** – Appraiser writes down aspects of the unsatisfactory performance that require improvement. Each discrepancy should be identified and clearly communicated.
- **Remedial Action** – Appraiser establishes an action plan aimed at correcting appraisee's performance. The action plan should be SMART- Specific, Measurable, Achievable, Relevant and Time-bound.
- **Comments/Any FAR** – Appraiser documents the performance observed throughout the PIP review period. At the end of the period, the appraiser determines whether the process was satisfactorily completed and specifies whether any further action is required. The latter is strongly advised to keep records on performance discussions, summarising dates and details for each discussion/meeting. Also, if appraisee fails to make improvements, the appraiser may consult the next level supervisor / Head of HR before deciding on any further action required.
- **Signing of PIP** – Both appraiser and appraisee should sign the PIP either after completion of action plan or at the end of PMC. Where any remedial action is outstanding, a new PIP should be developed at the start of the following PMC.