

## Confidentiality and General Design

### Elpitiya Plantations PLC Policies and Process Manual

*(This confidential document is headed: Chapters, with Sections, Sub-Sections, and Items under it. This information is exclusive to Elpitiya Plantations PLC (EPP). EPP employees may not be shared with or copied to outsiders without the consent of the Managing Director (MD) or Chief Executive Officer (CEO), who will have the final say.)*

#### **Confidentiality and Custody**

This manual is a confidential document meant for EPP use only. No employee may share/copy this information with outside parties without the consent of the MD or CEO.

#### **Authorship and Interpretation**

If a user requires guidance or clarification with a request to any section, he may consult the Head of Human Resource Division (HRD). Nevertheless, the final authority for interpretation lies with the Head of HRD.

#### **General Design**

The information in this manual is listed under:

- i. Chapters*
- ii. Sections*
- iii. Sub-sections*
- iv. Annexures*

## Human Resource Planning

*(This chapter is broken down into five sections. While defining the meaning of workforce/human resource planning, it describes its policy and key features. The procedure is given in point form followed by the planning process.)*

### Definition

Workforce / Human Resource Planning is a systematic process of analysing an organisation's human resource needs under rapidly changing conditions, developing policies and procedures appropriate to the long-term effectiveness of the organisation.

It is an integral part of corporate planning and budgeting procedures since human resource costs and forecasts both affect and are affected by long-term corporate plans.

### Company Policy

The company plans its workforce requirement annually, considering the overall business direction.

Any changes to the approved plan cannot be changed without the MD/CEO/respective Head of Divisions (HOD).

### Key Features

Key features of the Manpower / Human Resource Planning in the company:

- It is a systematic and a part of a conscious and planned process and not something that happens by accident.
- It is a continuing process, as the organisation and its objectives and the environment in which it operates are constantly changing.
- It is both short and long term but emphasises the need to plan for long-term survival and growth (Sustainability).
- It is closely related and integrated with the corporate planning process. It will determine the organisation's policies and priorities, which will be affected by the availability of the human resources required to deliver these.
- The resource requirements will be assessed in both qualitative and quantitative terms.
- The level of resources that will take into account can be afforded.
- The resources should be at a level required for organisational effectiveness.

## Planning Processes

Any human resource planning process takes account of the organisation's present and likely future demand for labour and the potential supply of labour.

This is divided into,

- i. Demand forecasting  
*i.e., estimating the organisation's future staffing requirements in terms of numbers and skill requirements by reference to its vision, mission, aims and objectives, considering changes in working practices and activity levels.*
  
- ii. Supply forecasting  
*i.e., estimating the likely future labour supply, both within the organisation [taking into account employee turnover, current skills mix, performance etc..] and from outside the company [taking account of the availability of the required number of staff with the correct levels of knowledge and skill]*

## Procedure

- The Board Members discuss the future business direction of the company.
- The departments identify their objectives and resource requirements to support the company's overall goal.
- The workforce requirement is one of the many resources the departments identify as essential to achieve their departmental/organisational objectives.
- HR department requests each department to forward their workforce requirement for the forthcoming year.
- All department heads are required to propose and justify the requirements.
- A discussion is initiated between the HR department and all departments to regularise the workforce requirement of the company.
- The HR department collates the workforce forecasts, approved by the MD/CEO and included in the company plan for the following year.

## Recruitment and Selection

### Criteria

When a vacancy arises or a new post is created, the most suitable person will be selected.

That person will give satisfactory service and thereby contribute effectively to the growth and sustainability of the organisation.

Furthermore, obtain satisfaction in their job performance, thereby enhancing their personal growth.

### Company Policy

From the inception itself, EPP has been an employer providing equal opportunity for employment of persons qualifying for a particular position, irrespective of differences of sex, ethnicity or social group.

We prefer to think of employment with the company not simply as a job opportunity but rather as pursuing a desired career.

We have maintained standards of intake above average, where personal qualities, the potential of performance and progression have regularly been the critical determinants for selection.

We, as a company, have attracted and employed persons of high calibre and performance who have been motivated by a sense of achievement and team spirit in achieving objectives.

We actively encourage and complement mutually supportive work systems at all levels of corporate accountability. These policies and practices are intended for the ordinary morals of the company and its employees.

### Responsibility

All Department Heads or managers (Head Office and Estates) are responsible for selecting the most suitable candidate. They have employees with the skills and knowledge needed to achieve their business goals.

In fulfilling the said Head of Departments/ Managers will be involved in the following stages of the recruitment process – viz.

- Identifying the job.
- Preparing a need analysis.
- Drawing up the person specification.
- Raising the recruitment requisition.
- Determining any special technical aptitude tests.
- Assessing candidates.
- Inducting the successful candidate.

### Role of HR

HR Department will:

- Assist in developing the job description for newly designated recruitments and write JDs.

- Facilitate, offer support and help in the administration of the recruitment process and assessment of the candidate (Attracting candidates, short listing and organising interviews, conducting interviews).
- Conduct the induction program.
- Personnel Administration

### Collecting Candidate Information

The recruiter needs to be consistent in collecting information about candidates.

The following areas of information are to be collected:

**1. Physical characteristics**

i.e., what does the job demand in terms of strength, stamina, ability (medical checkup)

**2. Attainments**

i.e., this covers three areas

- What are the educational attainments they must possess if they are to fill the job successfully
- What are the critical professional and technical skills they must possess
- How experienced the candidate must be

**3. General intelligence**

i.e., to what extent is the successful candidate expected to have the ability to solve problems, develop relationships etc.

**4. Special aptitudes**

i.e., any particular skills required for the job, for example, mechanical and numerical abilities

**5. Interests**

i.e., in what areas of work must the candidate find personal satisfaction, for example, meeting people as a marketing representative or developing their computer skills

**6. Disposition or personality**

i.e., what sort of person is required in terms of acceptability to others, dependability, reliability, independence etc.

**7. Circumstances**

i.e., in terms of personal circumstances, what will the job demand. For example, night shift working or working on Saturdays.

**IMPORTANT: Any criteria used [e.g., qualifications or experience required] should be objectively justified.**

### Vacancies

Vacancies for employment of the company will be created by the following means:

- Attrition of employees from the existing cadre.
- As per cadre proposed to support the budgeted expansions for the year.
- Cadre requirements outside the budgeted figures.

It is the responsibility of each department to propose & obtain approval for the cadre requirement for the following year at the budget proposal stage.

### Creation of New Posts

The department, with the requirement of the creation of a new post or increasing the number of available positions, will forward a request to the HR Department for such creation or increase of employees depending on the area they are involved with.

Once the new position or increase in numbers is sanctioned, the HR Department will take necessary steps to initiate the recruitment process.

### **General Approach**

If a specific candidate profile could be found within the company, preference will be given to them.

### **Application Process**

All Employee Requisition Forms for replacement/additions will be raised by each department head which the MD/CEO will approve. Head hunting or internal promotions are done appropriately with the consent of the top management.

### **Employee Requisition Verification**

The Head of HR will analyse against the budget and approve for replacement or recruitment whilst highlighting any deviations with the appropriate Head of the department for necessary corrections.

### **Clerical Staff, Executives & Managers**

Even for Management /Executive/ Clerical Staff vacancies, a notice will be published; those eligible for selection will be considered in the light of information available in their performance appraisal review and the relevant Head of Function reports. Head of HR should evaluate and forward recommendations for MD/CEO/respective Directors for approval.

The Head of HR will analyse the Employee Requisition Forms against the budget and highlight any deviations with the appropriate Head of the department.

Furthermore, the Head of HR will forward any replacements/additions to the cadre with recommendations to MD/ CEO for approval.

### **Selection Process**

In short listing candidates, only those with the minimum qualifications required for the job would be short-listed for the first interview. After that, if they get selected, they will be called in for a second interview with an aptitude test (if required), and finally, there will be an interview with the MD/CEO except for the Junior/Trainee/Clerical Staff.

### **Preliminary interview (s)**

The panel for the preliminary interview(s) will be the Head of HR or AM HR and the Head of department or nominee of the Head of the division where the vacancy exists.

The objective of this interview is to:

- Give the candidate a clear idea of the company and the scope of the job.
- Ascertain the suitability of the candidate's previous experience, professional qualifications, and technical expertise for the position.
- Verify the details provided in the biodata & examine the original certificates.

The interview panel's assessment will be recorded in the Interview Assessment Form.

## **Final Interview**

### **Estate Office & Factory/ Clerical Staff**

- The final interview will be conducted by the Head of HRD or AMHR and the relevant estate manager

### **Junior Staff / Trainees**

- The panel will consist of the Head of HRD or AMHR and the relevant Head of department or nominee by the HOD.

### **Executive & Managers**

- The final interview will be conducted by the MD/CEO & Head of HRD.

**All internal candidates will be subjected to the company recruitment procedure as external candidates, except for the outside reference check.**

## Procedures Contract Employees

### **Contract Employees (Manpower)**

Contract employees follow the same procedure as other employees. The agreement is signed for one year, reviewed and renewed by the top management in consultation with the Head of HRD.

## Letters of Appointment

This chapter elaborates on the legal contract of employees bound by the relevant documentation involved. The HR Department should sign letters of appointment for new recruits for all categories

## **New Recruitment Documentation**

All recruits (except for labours and daily-paid employees) to EPP will be issued a letter of appointment at the point of recruitment, elaborating the conditions and norms of the employment contract. A signed acknowledged copy of the same should be placed in their file.

The recruits must report to the HR department on their first working day, where all necessary documentation and personal administration work will be carried out.

- Employee Personal Record
- Pay roll
- EPF Forms
- Any other specific form relevant to the company and category

Upon completing the above-mentioned documentation, the employee will be provided with the Employee Code of Conduct. The ID card will be processed and handed over to the employee on the same day or the earliest possible day.

## **Induction Familiarisation**

Every recruit above the staff grade will follow a general induction/familiarisation program, which will be prepared by the HR department in consultation with the Head of Department. The HR department will inform all concerned to cross exposure programs in advance with areas of focus whilst special attention is given to plantation industry-specific traditions and estate management practice, which an eligible person will do from the estate and head office at the Induction. The HR department will organise other facilities if required for Induction.

It will be the responsibility of the heads of the department to ensure that all recruits undergo general Induction and cross exposure in other departments appropriately.

Heads of the department will also be responsible for ensuring that recruits placed in their departments for induction/cross exposure complete the induction programme.

## **Training and Probation**

The employee will first undergo training as stipulated in the letter of appointment. During this period, the employee must understand the job's core functions and perform their duties to the best abilities. Once the Induction program is completed, the recruit will be directed to their respective department.

Creeper/Trainee/Intern category - provided with a maximum of 01 years of the job training (candidates below 22 years will only be eligible for the creeper category). Estate Staff category - employees are provided a training period of one year.

Management & Executive Staff category – Provided with a training period of a maximum of one year.

## **Issuing Company Identity Card**

All the employees who get registered in the company will be given their Company ID. The Company ID will provide them with authority to enter the company premises.

## **Probation**

### **Purpose**

The company is committed to making every effort to fit and enjoin employees in their new positions and roles through the selection and orientation process. Hence, the probationary period is a necessary and complimentary period of mutual verification and a shared obligation to the company and the employees to decide on the continuation or repudiation.

### **Company Policy**

Every recruit must go through a probation period before being confirmed for the job.

The company's policy is that termination or confirmation is the outcome of a careful and sustained assessment during verification. It is believed that it is fair to advise mismatched recruits early of the need to address weak areas of performance and assist them in improving their performance.

### **Period**

Clerical staff employees will have a probationary period of six months. Creeper/Trainee/Interns category provides a maximum of 09 months probationary.

Estate Staff category - provided with a probationary period of a maximum of nine months  
Management & Executive Staff category - provided with a maximum of 01-year probationary period.

The top management has the absolute right to decide on the continuation or repudiation of each member under probation.

### **Progress Report**

The manager/supervisor must intimate to the probationer their weaknesses as and when they occur. This will facilitate the guidance the manager should give the probationer and provide continuous “feedback” on the performance.

The manager/supervisor must maintain a written record of the probationer’s strengths and shortcomings and that these were intimated to him. Such a practice would be beneficial if there is likely to be an early confirmation to recognise outstanding performance or an extension of the period of probation or termination of the probationer’s service as a result of their shortcomings.

Preparing the Performance Evaluation Form and taking the necessary follow-up action in consultation with the respective Head of function is the responsibility of the manager or supervisor to whom the probationer reports.

### **Performance Evaluation**

In the case of all recruits, the Head of HR or AMHR will ensure that the exercise of preparing performance evaluation reports is done effectively.

### **Confirmation**

On satisfactory completion of the probation period, the recruit will be informed in writing of their confirmation. There also can be early confirmations for outstanding performers.

### **Termination at the end of probation**

If the recruit’s service is to be terminated, he should be given the reasons for termination.

#### **Reference**

##### **Annexure 1**

Form 4.1	Employee Requisition Form
Form 4.2	Interview Rating Forms (Staff/Executive and above)
Form 4.3	Interim Performance Appraisals Confirmation (All categories)
Form 4.4	HRIS – employee data gathering

## Severance and Clearance

*(The procedure/policies involved when an employee terminates the contract with the organisation are captured and explained in this chapter.)*

### Overview

Termination or the cease of employment could occur under the following circumstances.

1. Resignation
2. Retirement age
3. Premature retirement
4. Vacation of Post
5. Termination of the contract on disciplinary grounds. (Refer to Chapter on Disciplinary)

### Resignation of Employee

Employee resigns in writing to the relevant function head – the resignation should include –

- When the resignation is effective,
- Whether the employee resigning can give a required period of notice (one month)
- Whether the employee intends to set off their earned leave against the required notice period. If so, the last working day of the employee.

The resignation should be addressed through the relevant Head of function to the Head of HR for Estate Staff/ Executives and Management staff to the MD/CEO.

The Head of the function should discuss the procedure for handing over employee duties and accept the resignation with the employee concerned.

HR Department will accept the resignation and verify the leave entitlement if any has been applied for. Letter of resignation acceptance will be issued to the resigned employee by the Head of HR for Associate/Staff/ Executive grades, whilst MD/CEO will issue the same for managerial grades.

HR and the respective Departments will also monitor the following – equipment/vehicles etc., which are properties of the company handed over to the employee to be returned. (During the clearance process, Executives and above will be monitored through the HRD)

The HR department will issue the clearance form when the letter of resignation, which the Head of Department signed off, is handed over to proceed with the clearance.

The clearance procedure will be carried out on the employee's last working day. On severance, all categories of employees will be required to obtain clearance from the appropriate departments as stated in the clearance form to confirm the clearance of any liabilities towards the company.

If the employee cannot return any items, the cost will have to be borne by the employee and should be settled by the finance division. A copy of the settlement receipt should be attached with the clearance certificate.

Once a relevant department's authority signs off the form, they should ensure no further issues are made.

The completed clearance form will be kept in the personal file. The Head of HR conducts the exits interviews for the Managers, and above, whilst AMHR will conduct the same for the Assistant Managers & Executives/staff categories.

The HR department should notify the resignation to the IT department for necessary system updates.

Payments due to the employee and their B card and service letter will not be handed over to the resigned employee until the clearance procedure is completed.

The employee's file will be closed with effect from the last working day, and it will be stored with the terminated employee records.

**Earned leave – annual leave earned during the previous year and not utilised and annual leave earned during the current year.**

Employees will have the option of setting off earned leave against the notice period. This must be arranged on mutual agreement between the employee concerned and the relevant Head of the function.

**Retirement Age**

The retirement age will be expressed in the employee's letter of appointment as 55 years for Management & Executive Staff and 60 years for Estate Staff and Labours.

**Premature Retirement**

At the company's discretion, an employee will be considered for premature retirement if he is medically unfit or is unable to discharge their obligations as an employee for reasons beyond their control.

**Vacation of Post (VOP)**

The employees who had not reported to work for more than three consecutive days without prior approval shall be listed by HRD. A report shall be forwarded to the relevant Head of Department whilst keeping the Head of HR informed.

The Head of the respective employee shall keep the HR division informed of the necessity of processing the VOP notification letters.

The VOP letter is sent to the given postal address, and the employee shall revert to the Head of HR within three working days with an explanation.

Failure to submit an explanation shall lead to voluntary VOP from the last working day. The HR (HR Executive/HR Assistants) shall notify the VOP by a registered post letter.

Copy of all such correspondences shall be filed in the personnel file.

AMHR or Executive HR must withhold the salary of the employee concerned on receiving the consecutive absenteeism, and this must be informed to the relevant person handling the payroll (AS Group Payroll)

**Financial Benefits at Severance**

The retiring employee will be entitled to the contribution lying to their credit in the provident fund. The employee should make arrangements to have their dues released. He could obtain necessary guidance regarding this from the HR department.

The retiring employee will be entitled to the entire amount lying to their credit in the Employees' Trust Fund. The employee should make arrangements to have their dues released. He could obtain necessary guidance regarding this from the HR department.

A person who completes uninterrupted five years of service will receive a 'Retirement Gratuity' at the rate of half month's last salary drawn for each completed year of service subject to the following criteria. The uninterrupted service period includes the probation and is calculated from the date joined. If Their services are uninterrupted, the Contract service period will also be considered when calculating gratuity.

The latest date they joined will be considered to calculate gratuity for employees who rejoin the company.

Only completed years of service will be considered from the date joined. Any remaining months will be ignored.

### **Forfeiture of Gratuity**

Should an employee be dismissed due to willful damage to Company property, fraud, misappropriation of funds or loss of articles of property, the value of the loss could be deducted from the Gratuity entitlement if the company proves that the employee accepts the damage or fraud.

#### **References**

##### **Annexure 02**

<i>Form 5.1</i>	<i>Clearance Form</i>
<i>Form 5.2</i>	<i>Exit Interview Form - Staff and above</i>
<i>Form 5.3</i>	<i>Letters of VOP.</i>
<i>Form 5.4</i>	<i>Gratuity Claim Form.</i>