

September 8, 2015

Muhammad Nadeem,  
Finance Associate,  
CHIP Training & Consulting,  
Islamabad.

Subject: **Intimation of organizational Re-structuring and Staff KPIs**

Dear Nadeem,

This is with reference to Humaira's email sent earlier regarding changes in staff management practices and remuneration.

As she has also informed that overall objective of this exercise is to increase efficiency and an attempt to ensure equal reward for all purely on the basis of good performance and identifying low performers soon after their hiring so that probation system could be followed in true spirit, which is indeed not the case right now.

There are two types of actions, i.e. readjustment of jobs and positions according to work demand in coming days and that has been decided, very few 2/3 functions would be adjusted but it won't affect majority of the staff. Secondly re-alignment of staff salaries and benefits has been decided as per following list which may be discussed with the management for any reservations and suggestions.

1. Same policy for all the staff across the board, no segregation of regular and contract staff.
2. Cease of gratuity benefit as on September 30<sup>th</sup> 2015 and individual's accrued balance shall be paid accordingly before end of 2015. Likewise a slight salary increment to grade 3 & 4 staff only shall be given w.e.f October 1<sup>st</sup> 2015 to cater for gratuity benefit to be ceased.
3. Staff car policy is either to be concluded or it can be a 'one time' benefit after certain experience and subject to the management discretion considering continuity of that position, individual's performance and company's earning.
4. Likewise, RnR will either be concluded or can be followed in lieu of bonus. Either of these is to be given subject to experience, performance and company's earning. RnR, if followed shall exclusively be for grade 3 and above.
5. Bonus would be entirely subject to company and individual's performance, it'd be generous but highly competitive and entirely subject to achievement of targets.
6. Any staff member, who cannot draw 9 performance salaries out of 12 months (75%), shall not be considered for any of the benefits regardless of the situation.

7. For the calculation of performance salaries following Key performance Indicators (KPIs) have been marked. Monthly appraisal will be based upon performance marked for the targets achieved against each indicator. KPIs are self-explanatory for the targets.

KPI	Weight of KPIs
• Preparation of all the Bank Payment Vouchers, Bank Receipt Vouchers and Journal Vouchers and entering them in the ACCPAC through AP/ AR module.	25
• Working of withholding tax deduction on the basis of current rates and filing the monthly withholding tax returns.	25
• Record keeping of the Withholding tax deduction certificates/challans and their timely delivery to the vendors.	15
• Adjustment of the staff advances after receiving the approved bills from operations department.	25
• Filing all the documents in their respective files and vouchers in their monthly files	10

From September 1<sup>st</sup> to December 31<sup>st</sup> 2015, the proposed policy shall be run on trial basis and actual implementation shall start from January 1<sup>st</sup> 2016, January to December being 'year' in terms of performance appraisal.

Importantly this period shall give opportunity to the staff who doesn't want to work under such a system and rather prefer a routine type job (already in place), they will have time to look for an option outside the company, suitable to their personality type and skill set.

Please feel free to contact for any clarification or information required in this regard.

With regards,



Sajeela Aziz  
Controller Operations