



Human Resource Manual

Table of Contents

1	CHAPTER ONE – INTRODUCTION.....	6
1.1	OBJECTIVES OF THE MANUAL.....	6
1.2	USAGE AND CIRCULATION.....	6
1.3	RESPONSIBILITY FOR IMPLEMENTATION.....	6
1.4	REVISION OF THE MANUAL.....	7
2	CHAPTER TWO – DADAAB WATER AND SEWERAGE COMPANY.....	8
2.1	VISION.....	8
2.2	MISSION.....	8
2.3	CORE VALUES.....	8
2.3.1	<i>Transparency and accountability</i>	8
2.3.2	<i>Customer orientation and satisfaction</i>	8
2.3.3	<i>Ethical professionalism</i>	8
2.3.4	<i>Gender Equity</i>	9
2.3.5	<i>Team cohesiveness</i>	9
2.3.6	<i>Social and environmental consciousness</i>	9
3	CHAPTER THREE – ORGANISATION AND MANAGEMENT STRUCTURE.....	10
3.1	ORGANISATION STRUCTURE.....	10
3.2	CATEGORY OF JOBS.....	10
3.3	TERMS OF APPOINTMENT.....	10
3.3.1	<i>Permanent</i>	11
3.3.2	<i>Contract</i>	11
3.3.3	<i>Temporary</i>	11
3.3.4	<i>Internship/Attachment</i>	12
3.3.5	<i>Casual</i>	12
3.4	JOB DESCRIPTIONS.....	12
3.5	JOB EVALUATION AND GRADING.....	12
4	CHAPTER FOUR – RECRUITMENT POLICY.....	13
4.1	MANPOWER PLANNING.....	13
4.2	RECRUITMENT.....	14
4.3	RECRUITMENT PROCEDURE OF A MANAGING DIRECTOR.....	14
4.3.1	<i>Advertising Vacancies</i>	14
4.3.2	<i>Letter of Offer</i>	18
4.4	APPOINTMENT.....	18
4.4.1	<i>Medical tests</i>	18
4.4.2	<i>Employee File</i>	19
4.5	INDUCTION.....	20
4.6	PROBATION.....	21
4.7	CONFIRMATION.....	21
5	CHAPTER 5-MANAGEMENT OF HUMAN RESOURCE STAFF RECORDS.....	22
5.1	PERMANENT EMPLOYEE RECORD FOLDER.....	22
5.2	RECORD DEPOSITION.....	22
6	CHAPTER SIX-MISCELLANEOUS.....	23
6.1	OFFICIAL SEALS.....	23
6.2	POWER TO SIGN AGREEMENTS.....	23
6.3	INDEMNITY.....	23
6.4	COMPANY DRIVERS.....	23
6.5	CORRESPONDENCE.....	23
6.6	DELEGATION.....	23

6.7	THE ROLE OF THE BOARD	23
6.8	ROLE OF THE MD	24
6.9	COMMUNICATION WITH THE BOARD	24
6.10	OFFICIAL VISITS.	24
7	CHAPTER SEVEN – CODE OF CONDUCT	25
7.1	ETHICS AND INTEGRITY	25
7.2	CONFLICT OF INTEREST	26
7.3	CONFIDENTIALITY OF INFORMATION AND DOCUMENTATION	26
7.4	USE AND ACCOUNTABILITY OF COMPANY PROPERTY	26
7.5	EMPLOYEES IDENTIFICATION.....	27
7.6	OFFICE DRESS/ ATTIRE.....	27
7.7	WEAPONS	28
7.8	ACCEPTANCE OF GIFTS	28
7.9	POLITICAL ACTIVITIES	28
8	CHAPTER EIGHT – EMPLOYEE RELATIONS.....	29
8.1	EMPLOYEES WELFARE ASSOCIATION.....	29
8.2	DIVERSITY.....	29
8.3	OCCUPATIONAL HEALTH AND SAFETY POLICY	30
8.4	HIV/ AIDS POLICY	34
8.5	SEXUAL HARASSMENT.....	34
8.6	GRIEVANCES	35
8.7	DISCIPLINARY POLICY.....	36
8.7.1	<i>Informal Process - Counseling</i>	37
8.7.2	<i>Formal Process</i>	37
8.8	FORMS OF PUNISHMENT	40
8.8.1	<i>Termination</i>	42
9	CHAPTER NINE- TRANSPORT	43
9.1	REIMBURSEMENT OF TAXI AND FARES	43
9.2	TRAVELLING IN THE COMPANY’S VEHICLE	43
9.3	TRANSPORTATION OF DECEASED’S EMPLOYEES.....	43
9.4	REPORTING OF ACCIDENTS	43
10	CHAPTER TEN – TIME AND ATTENDANCE	44
10.1	WORKING HOURS.....	44
10.2	WORKING HOURS FOR SECURITY PERSONNEL.....	45
10.3	WORKING HOURS FOR OTHER SHIFT WORKERS	45
10.4	PUNCTUALITY	45
10.5	ABSENCE	45
11	CHAPTER ELEVEN – LEAVE.....	47
11.1	LEAVE.....	47
11.2	APPLICATION FOR LEAVE	47
11.3	CATEGORIES OF LEAVE	47
11.3.1	47
11.3.2	<i>Carrying Forward and Forfeiture of Annual Leave</i>	47
11.3.3	<i>Unpaid Leave</i>	48
11.3.4	<i>Maternity Leave</i>	49
11.3.5	<i>Annual Leave during Maternity Leave</i>	49
11.3.6	<i>Unpaid Maternity Leave</i>	49
11.3.7	<i>Paternity Leave:</i>	50
11.3.8	<i>Leave Pending Retirement</i>	50
11.3.9	<i>Leave of Absence</i>	50
11.3.10	<i>Compassionate leave</i>	50

11.4 SICK LEAVE.....	50
11.4.1 Sick Pay.....	51
11.4.2 Retirement on Medical grounds.....	51
11.5 Study leave.....	52
11.5.1 Examination Leave	52
11.5.2 Encashment of Leave.....	52
11.5.3 Employees on Probation	52
11.6 PUBLIC HOLIDAYS	52
12 CHAPTER TWELVE – PERFORMANCE MANAGEMENT.....	53
12.1 PERFORMANCE CYCLE	53
12.1.1 Stage I: Objective Setting.....	53
12.1.2 Stage II: Coaching & Continuous Assessment.....	56
12.1.3 Stage III: Formal Performance Review.....	57
12.1.4 Stage IV: Outcomes of Performance Assessment.....	59
12.1.5 Stage I: Objective Setting.....	60
13 CHAPETER THIRTEEN – TRAINING AND DEVELOPMENT	61
13.1 IDENTIFYING LEARNING AND DEVELOPMENT NEEDS	61
13.1.1 Competency Assessment.....	61
13.1.2 Performance Review.....	62
13.2 PERSONAL DEVELOPMENT PLANS	62
13.3 LEARNING & DEVELOPMENT INITIATIVES	62
13.3.1 On the Job Training.....	62
13.3.2 Taught Courses.....	63
13.3.3 Measuring the Impact of Training.....	63
13.3.4 Bonding of Training Programs.....	64
14 CHAPETER FOURTEEN – CAREER PROGRESSION	65
14.1 LATERAL MOVES	65
14.2 STAND-IN.....	65
14.3 ACTING.....	65
14.4 PROMOTION.....	66
14.5 SUCCESSION PLANNING	66
15 CHAPTER FIFTEEN – REWARD	68
15.1 SALARY STRUCTURE AND SCALE.....	68
15.1.1 Purpose.....	68
15.1.2 Payment of Salary.....	69
15.1.3 Date of Payment.....	69
15.1.4 Entry Point	69
15.2 SALARY INCREMENT	69
15.2.1 Incremental Credits for Approved Experience	69
15.2.2 Incremental Dates on Appointment.....	69
15.2.3 Definition of Increments Withheld or Stopped	70
15.2.4 Determination of Salary on Promotion	70
15.3 AWARDS	70
15.3.1 Long service awards.....	70
15.3.2 Performers awards.....	71
15.4 SALARY REVIEW	71
15.5 SALARY.....	ERROR! BOOKMARK NOT DEFINED.
15.5.1 Deductions	72
15.5.2 Itemised Pay Statement.....	72
15.6 LEAVE ALLOWANCE.....	72
15.6.1 Airtime Allowance.....	73
15.6.2 Accommodation Allowance.....	73
15.6.3 Subsistence Allowance when Travelling Outside Kenya	73

15.6.4	Meals Allowance.....	73
15.6.5	Overtime Allowance	74
15.6.6	Acting Allowance.....	74
15.7	ADVANCES.....	74
15.7.1	Salary Advance	74
15.7.2	Salary in Advance	74
15.8	BONUS.....	75
15.9	TAX RETURNS	75
15.10	BENEFITS.....	75
15.10.1	Medical Scheme	75
15.10.2	Retirement Scheme.....	75
15.10.3	Fund Management.....	76
15.10.4	OTHER RETIREMENT BENEFITS SCHEMES	76
15.10.5	Gratuity	76
15.11	IFE INSURANCE	76
15.11.1	Work Injury Benefit.....	77
16	CHAPTER SIXTEEN – SEPARATION.....	78
16.1	RESIGNATIONS	78
16.1.1	Notice Period.....	78
16.1.2	Entitlements upon Resignation.....	79
16.2	RETIREMENT.....	79
16.2.1	Entitlements upon Retirement.....	80
16.3	REDUNDANCY.....	80
16.3.1	Entitlement on Redundancy.....	81
16.4	RETIREMENT ON MEDICAL GROUNDS.....	81
16.5	SUMMARY DISMISSAL.....	82
16.5.1	Entitlements upon Dismissal.....	82
16.6	TERMINATION.....	83
16.6.1	Entitlements upon Termination	83
16.7	DEATH IN SERVICE.....	83
16.7.1	Entitlements upon Death in Service	83
16.8	SETTLEMENT OF FINAL DUES	84
16.8.1	Conditionality for Payment of Final Dues.....	84
16.8.2	Training Bonds.....	84
16.8.3	DAWASCO Provident Scheme.....	84
16.8.4	Loan Schemes	84
16.8.5	SACCO Contributions.....	85
16.8.6	Certificate of Service.....	85

1 CHAPTER ONE – INTRODUCTION

1.1 Objectives of the Manual

The objectives of the human resource policies manual are:

1. To document the approved policies that is used in the management of the human resources employed by Garissa Water and Sewerage Company Limited, referred to as **DAWASCO** and/or the Company.
2. To provide written guidelines to employees on the terms and conditions of employment, i.e. the rules and regulations under which an employee will perform his/her duties and carry out his/her responsibilities as an employee of DAWASCO.
3. To assist managers of DAWASCO to manage, advice, develop, make decisions about their employees within a) established and approved guidelines and b) the powers delegated to them in all matters relating to the management of their team.
4. To serve as a guide for employees with respect to GAWASCO's human resource policies, systems, and procedures.

1.2 Usage and Circulation

The policies contained in this manual apply to all employees of DAWASCO as stipulated therein. The manual provides the rules and regulations related to the employment and terms of service of all employees.

1.3 Responsibility for Implementation

The policies contained in this human resource manual are applicable to all employees of DAWASCO as stipulated therein. All employees are responsible for adhering to the rules and regulations set forth in the human resource policy manual. Where an employee may require further explanation regarding the contents of the human resource manual, he/she should seek clarification from his/her supervisor, failing which he/she may seek guidance from the human resource and administration department.

In addition, it is the joint responsibility of the human resource and administration department and the managers in the respective departments to implement the human resource policy guidelines, procedures, rules and regulations given in this manual in the management of their respective employees.

It should be noted that this human resource policies constitutes part of the terms and conditions of employment of all employees of DAWASCO. Each employee is required to confirm that they have read and understood the human resource policy manual by printing and signing the Acknowledgement Form in Appendix I and forwarding the copy to the human resource and administration department for filing in the respective personnel file.

1.4 Revision of the Manual

The Human Resources Policy manual may be amended from time to time by the Board but in so doing they will have regard to:

- (i) The desirability of retaining the terms and conditions unless the need to amend them is clear.
- (ii) Directives and policies issued by the Kenya Government.
- (iii) Any agreements entered into between the management and representatives of the staff or their unions.
- (iv) The desirability of having terms and conditions of service for staff harmonized with those of staff in other organizations, provided that the MD shall report the matter to the Board of Directors for approval.
- (v) Provisions of various labour laws of Kenya.

2 CHAPTER TWO – DADAAB WATER AND SEWERAGE COMPANY

2.1 Vision

The best water and sewerage services provider in the region

2.2 Mission

To provide quality, reliable and affordable water and sewerage services in a transparent, efficient and environmentally friendly approach to Dadaab residents and its environ

2.3 Core Values

- Transparency and accountability
- Customer orientation and satisfaction
- Ethical professionalism
- Team cohesiveness
- Gender equity
- Social and environmental consciousness

2.3.1 Transparency and accountability

Employees of DAWASCO will be honest and transparent in all their dealings with each other, with customers, suppliers and the general public. This will be demonstrated by:

- ❑ Maintenance of proper and accurate records of all transactions.
- ❑ Eliminating delays and bottlenecks in all their endeavours
- ❑ Having a zero tolerance stand on corruption
- ❑ Being open to questions and willingly giving full and comprehensive explanations and/or answers as required.
- ❑ Holding oneself accountable for one's decisions, actions and/or omissions

2.3.2 Customer orientation and satisfaction

DAWASCO will endeavor to enhance and provide its Clients/Customers value for their money through

- Reduced turnaround times in service delivery
- Effective and efficient service delivery processes
- Advice and support given to our customers to realize their objectives
- Excellent customer service that will delight our customers / clients
- Use of existing well established best practices through adoption of relevant systems and processes.

2.3.3 Ethical professionalism

All Employees, Management and Board of DAWASCO are committed to act in the highest possible level of professionalism in all their interactions with the Customers / Clients, Regulators, **affected** as well as in their interactions with partners and other stakeholders.

2.3.4 Gender Equity

DAWASCO is an equal opportunity employer. The will be conscious to the concern of all employees at work place and avail necessary support to enable staff to perform their duties effectively. The company will make necessary effort to promote participation of women in decision making process

2.3.5 Team cohesiveness

Employees of DAWASCO will demonstrate the value of teamwork by:

- ❑ Seeking the opinions of colleagues, consumer and stakeholder, as appropriate, in key decisions they make:
- ❑ Keeping colleagues, consumer and stakeholder, as appropriate, informed of key decisions, new policies and procedures, etc.

2.3.6 Social and environmental consciousness

DAWASCO is committed to pursue in the course of business, sound and responsible practices to ensure the protection and welfare of its employees and the environment.

3 CHAPTER THREE – ORGANISATION AND MANAGEMENT STRUCTURE

3.1 Organisation Structure

DAWASCO is committed to maintaining an organisation structure that will facilitate the achievement of the Company's objectives and strategies. The structure will comply with the guidelines provided by the licensing authorities, and is responsive to the changing needs of the organisation.

The organization structure is designed to support the key processes of the Company. The structure is updated from time to time to incorporate the efficiencies brought about by advancements in technology and/or any other efficiency.

DAWASCO will endeavour to maintain a flat organisation structure which is characterised by broad roles in which employees will have more responsibility and accountability for their actions thereby facilitating quicker decision making and removing any unnecessary layers of bureaucracy. DAWASCO will sustain a flat organisation structure by automating routine tasks and building the skills of the employees so that they can add more value to the organisation.

The management team of DAWASCO; comprising the Managing Director and the Heads of department will periodically review the organisation structure to confirm that it continues to support the operations of the business.

Any Head of department who wishes to alter his/her structure will present his/her case to the management team for deliberation utilising the Manpower Planning process. **In the presentation, the Head of department will justify the new structure including a cost/benefit analysis of the recommended structure as well as an analysis of the opportunities to automate part of the processes and/or the utilise technology.**

Final approval for amendments to the organisation structure is given by the Board of Directors of DAWASCO.

3.2 Category of Jobs

DAWASCO has the following category of jobs: **Appointments under any of the below terms shall be subject to satisfactory references and non discrimination on basis of gender, race or ethnicity.**

3.3 Terms of Appointment

Appointments to the Company shall be made to fill authorized vacancies within the approved establishments.

On first appointment, an employee's terms of service shall be specified in his letter of appointment. In addition, a clear job description and definition of duties and responsibilities should be furnished to the employee to enable him/her perform his duties. The duties will be as per the Scheme of Service (career progression guidelines) for the employees of the company which shall be established and approved by the Board of Directors.

3.3.1 Permanent

Permanent employees are employed on contracts of employment that will run until retirement age of sixty (60)

3.3.2 Contract

Appointment on contract terms shall apply to positions which cannot be filled on pensionable terms or where terms of that particular office require that the appointment should be on contract terms of service. Other general conditions for these appointments are that:

Contract appointment shall be offered to meet the needs of specific objectives of the company and shall not exceed a period of 3 years.

While an employee is serving on contract his appointment may be terminated by either the company or the employee by giving three month's notice or paying three month's basic salary in lieu of notice.

Recommendation for termination of appointment of an employee serving on contract shall be submitted by the Managing Director to the Board of Directors whose decision shall be final.

The Board may approve contract terms in the case of local staff under the age of 45 years who do not opt for permanent retention.

Non-citizens and citizen employees aged 45 years and above shall only qualify for appointment on contract terms.

Employees serving on contract terms of service who wish to have their contracts renewed shall tender to MD written requests not more than 6 months and not less than 3 months before the expiry of the contract.

Termination of the contract shall require either party to tender a written notice of 3 months or payment of 3 months salary in lieu of notice.

Upon satisfactory completion of each contract term an employee shall be paid a gratuity at the rate of 31% of basic salary drawn during the term of contract.

Unless otherwise stated in the contract, all other terms and conditions of service of the company shall apply to employees on contract.

3.3.3 Temporary

Subject to the MD's approval, employees may be appointed on temporary terms on the basis of established criteria to bridge short-term employment gaps and to:

- (i) Provide skills where it is undesirable to hire personnel on permanent terms of service.
- (ii) Handle work for which regular employees do not have the necessary skills.

Temporary appointments shall be restricted to a period of not more than three months and the appointment shall be reported to the Board.

3.3.4 Internship/Attachment

Internships/Attachments are offered to students on work placement programs initiated by their respective institutions of higher learning. Interns may be paid a stipend

3.3.5 Casual

A casual employee is defined as any worker employed temporarily and having the legal right to be paid the wage at the end of every day's work unless he or she freely wishes otherwise. No casual shall be employed for more than one month at any one time. **Either party can terminate the contracts by giving a twenty four hour written notice.**

3.4 Job Descriptions

All positions will have detailed job descriptions developed which will document the:

- ❑ overall purpose of the job:
- ❑ grade of the job;
- ❑ department / section the job fall in;
- ❑ the key responsibilities and measure of performance
- ❑ **working and reporting relationships**
- ❑ Knowledge, skills, experience and qualifications required to successfully execute the responsibilities of the job.

Each employee is provided with a copy of the job description for the position which he/she holds. Each employee is required to acknowledge in writing, receipt of the job description by signing a copy of the job description and returning it to the human resource and administration department for filing in his/her employee file.

3.5 Job Evaluation and Grading

All jobs are evaluated to determine the position of the job in the grading hierarchy. The job evaluation process of all the jobs in the Company will take place at least once every three years.

The job evaluation process is co-ordinated by the human resource and administration department and is facilitated by experts in job evaluation. The job evaluation process is participatory, with representatives from management and employees participating in the determination of the rating parameters to be used to evaluate the jobs as well as participation in the job evaluation panel.

The human resource and administration department **is** responsible for maintaining up to date records of the organization and grading structure and evaluating new/revised jobs as and when they arise.

4 CHAPTER FOUR – RECRUITMENT POLICY

It is the policy of DAWASCO to recruit and retain high calibre staff, with appropriate academic and professional qualifications and reward them for their efficient productivity. Vacancies in the company shall be filled by competitively promoting suitably qualified serving employees whenever possible, and when such employees are not available, vacancies shall be advertised with the direction of the Board.

DAWASCO is committed to the principle of equal opportunity of employment by hiring and promoting for all job grades without regard to race, religion, gender, or marital status. An individual's physical ability or disability will only be considered if it is an inherent requirement of the job being filled.

4.1 Manpower Planning

Manpower planning is the first step in the recruitment process of GAWASCO. **Manpower Planning** is the process of reviewing and acquiring human resources, in a pre-planned manner and on a continuous basis, to support the organization's activities and tasks. The objective of **manpower planning** at DAWASCO is to ensure that at any point in time, the Company's manpower requirements are fully satisfied, with little or no surplus or deficit. The **manpower planning** process will also review the utilisation, development and retention of the current human resource of the organisation.

The Head of Administration and Human Resources will coordinate the **manpower planning** process. In this process, each Head of department will prepare a manpower plan for his/her department for the following year. The Head of Administration and Human Resources will convene a manpower plan meeting at least once each year. In preparation for the manpower planning meeting, each Head of department, with the guidance of the human resource department, will document and present manpower plan which will include:

- ❑ current and anticipated objects of the department;
- ❑ current and anticipated manpower to deliver on the stated objectives;
- ❑ anticipated promotions, demotions, and separations due to retirement, resignation and/or dismissal;
- ❑ current and future skills requirements, the gaps that exist and the possible interventions required;
- ❑ opportunity to automate and/or utilise technology;
- ❑ impact of the manpower requirements on the stated ratio's of the licensing authorities;
- ❑ cost/benefit of the current and anticipated manpower;

At the conclusion of the manpower planning meeting, the Head of Administration and Human Resources will consolidate the respective approved manpower plans of each department and prepare a corporate manpower plan for presentation and approval by the Board.

The approved manpower plan will forecast the type and number of positions to be recruited over the year, with each department head being informed of the positions which are to be filled in his/her department. The approved vacancies are filled using the recruitment process.

4.2 RECRUITMENT

The purpose of the recruitment process is to identify and attract the best available talent for a specified job in the least time and cost. DAWASCO has a standardized recruitment procedure to fill approved vacancies.

The Head of Administration and Human Resources will coordinate the recruitment process.

4.3 Recruitment procedure of a Managing Director

The Board of Directors shall shortlist, interview and recruit a candidate for the position of the Managing Director in accordance with relevant legislations and regulations governing this process.

4.3.1 Advertising Vacancies

In keeping with the Employment Act, DAWASCO will advertise all vacant positions. Vacant positions are advertised on notice boards within DAWASCO's office premises, including the areas frequented by visitors and customers, in order to attract a good number of applicants. In situations where it is deemed necessary, vacancies can be advertised in the print media. Employees are eligible to apply for any vacancy and shall be considered on equal opportunity merit with other applicants.

- Where a vacancy falls open or it is known that it will occur, the Head of Departments will liaise with the Human Resources office with a view to fill the existing vacancy.
- The Human Resources Officer will evaluate the vacancy and advise the MD whether the vacancy can be filled from within or externally.
- Applications for appointment to vacant posts which cannot be filled from within will be invited by public advertisement in the press with the direction of the Board.
- **The Board of Directors will shortlist, interview and engage candidates short listed for post of the candidates in senior management levels.**
- The Human Resources Office in collaboration with the user department shall shortlist and interview other levels of staff in consultation with the Board. Applicants being interviewed will be required to present their original academic and professional certificates to the interviewing panel.
- **Appointment to permanent and pensionable posts shall be restricted to candidates above 18 years and below 45 years of age.**

The Head of Administration and Human Resources is responsible for drafting up the job advertisement. The content of the job advertisement is drawn from the approved job description of the vacant position. All specifications and parameters related to the position being advertised, including the nature of

the job, requisite skills, qualification and experience, is clearly stated so as to screen unwanted applicants at the initial stages. The last date for receipt of resumes/ applications will also be specified in the job advertisement.

4.3.1.1 Selection

Selection is a process of selecting, from among the shortlisted applicants, those to be accepted for employment. The process of selection takes the following steps

4.3.1.2 Initial Screening

Once the final date for receiving applications has lapsed, the human resource and administration department will screen all the applications and separate those that meet the minimum criteria for the advertised position from those that do not. The applicants who do not meet the minimum criteria for the position are sent regret letters by the human resource department.

4.3.1.3 Short listing

The applications that meet the minimum criteria are recorded and forwarded to the respective Head of department for review and shortlisting. The Head of department will select a minimum of three applicants per vacancies to invite for assessment for the position. The shortlisted candidates are reviewed by the Head of Administration and Human Resources and approved by the Managing Director.

4.3.1.4 Selection Committee

The selection committee will comprise the supervisor of the position that is vacant, the supervisor's manager/Head of department, the Head of Administration and Human Resources and the Managing Director or his/her designate.

The selection committee will agree the type of assessments that the applicants is taken through. The selection committee will also form the interview panel and agree the dates for the assessment(s) and interview(s).

The human resource and administration department will coordinate the logistics for the assessment and the interviews, including preparation of all documentation to be used in the interviews, setting up the interview room and inviting the shortlisted applicants for interview and assessment.

The human resource and administration department will call shortlisted applicants for interview at least 5 working days before the interview date and follow the call with written correspondence, either a letter or email, confirming the date, time and place of assessment/interview, as well as the venue and details of how to get there by public or private means. The shortlisted applicants will also be asked to bring to the assessment/interview their original academic and other certificates and proof of age.

The shortlisted applicant will also be given the name and contact details of the person to ask for when they arrive for the assessment/interview.

4.3.1.5 Application Forms

Each shortlisted applicant is required to complete an application form. The application form is sent to the applicant when they are invited for interview. Applicants are required to bring the completed application form when they arrive for their assessment or interview, whichever happens first.

4.3.1.6 Confirmation of Details

When the shortlisted applicants arrive for their assessment or interview, their academic and other certificates **are** checked for authenticity. The human resource and administration department will make copies of the certificates and certify them as authentic true copies of the originals. The certificates are cross checked with the information mentioned by the applicant in the application form.

The human resource and administration department will also check the age of the applicant through his/her school leaving certificate and cross check it with the age mentioned in the application form. An employee, who is unable to produce documentary evidence of his/her age, will produce an affidavit regarding his/her age. The age of an employee as recorded with the company at the time of his/ her employment will not thereafter be altered. This will ensure that all employees working for DAWASCO are within the legal working age limits.

4.3.1.7 Assessments (optional)

Assessments or tests, such as language test, performance test, technical tests, aptitude test, intelligence test and/or personality test **are** conducted if required and agreed upon by the selection committee.

The human resource and administration department will design the recommended tests or purchase them from specialists in testing. The human resource and administration department together with specialists in the area being tested will prepare the test materials, administer the test, record each applicant's performance on the test, tally the scores and send the same to the selection committee before the final decision on the applicant is taken.

4.3.1.8 Interviews

Irrespective of the position being filled, all applicants must be interviewed. The purpose of the interview is to assess the applicants' potential, capabilities, capacities, track record and his/ her suitability to the position.

Short listed applicants are interviewed by the selection committee after administration of the test, (if administered).

The administration and human resource department, with the guidance of the selection committee, will prepare an interview guide (See Appendix III) and a rating sheet for each position. This will ensure that all applicants are interviewed using the same criteria.

The interview guide will commence with the Chair of the interview panel extending usual courtesies and making the applicant feel at ease, and then

giving the applicant a broad view of the Company and the job. Thereafter the interview will follow a sequence of questions set to evaluate the applicants' potential, capabilities, capacities, track record and his/ her suitability to the position.

The human resource and administration department will prepare an interview pack for each member of the selection committee containing a copy of the job advertisement; the job description; the applicants' application letter and curriculum vitae/resume as well as their completed application form; and their scores on any assessment/tests (as applicable). The interview pack is circulated at least 2 working days before the interviews are scheduled to take place.

Each members of the selection committee will:

- ❑ Bring their interview pack with them to the interview session.
- ❑ Be fully familiar with the requirements of the position for which the interview is being conducted and have with them a copy of the job description.
- ❑ Carefully read the applicant's application letter and curriculum vitae/resume as well as their completed application form.
- ❑ Be available at the right time to commence the interview punctually.

During the interview, the interview panel will respect the applicant's viewpoints and give them adequate hearing. The interview panel will listen carefully while the applicants respond to questions and note down points. If necessary, the interview panel will raise questions only when the applicant has answered a question fully. The interview panel will also give the applicant a chance to ask questions or seek clarifications.

Before the interview ends, the Head of Administration and Human Resources will ask the applicant to state his/her current salary and package, his/her notice period and his/her expected salary and package for the position the applicant is being interviewed for. Each applicant will also be requested to give the names and contact details of two referees (who are not family members) that DAWASCO can contact to obtain a work-related and character reference.

At the end of each interview, each member of the selection panel will complete a rating sheet for the applicant. On the rating sheet, the member of the selection panel will record specific comments his/her evaluation of the suitability and potential of the applicant and indicate what action he/she recommend. The actions is either:

- ❑ Appoint,
- ❑ Hold for a different position; or
- ❑ Regret

After all applicants have been interviewed, the points scored in the tests and interviews **are** tallied. The selection committee will discuss all the applicants, review the tallied results and agree on the final applicant(s) for selection. The

list is forwarded to the Managing Director for approval. If the position reports to the Managing Director, the Board of Directors will give the final approval.

4.3.1.9 Telephone Reference

The approved list of applicants is sent to the Head of Administration and Human Resources. The human resource and administration department will seek two references by telephone to confirm the details provided by the applicant. The human resource and administration department will not under any circumstances call the current employer of the applicant so as not to jeopardise the current employment of the applicant.

The telephone reference will be recorded on the Telephone Reference Form (see Appendix IV)

4.3.2 Letter of Offer

Once the human resource and administration department receives positive references, a letter of offer is prepared (See Appendix V). The Letter of Offer will inform the applicant of his/ her selection. It will contain details of the post, grade and scale of pay being offered to the applicant. It will also contain any special terms and conditions of appointment. The letter will also contain the proposed day and date of joining.

Only the Managing Director can sign a Letter of Offer.

The selected applicant is sent two copies of the Letter of Offer. If certain terms are unacceptable to him/ her, then he/ she may inform the Head of Administration and Human Resources accordingly so that negotiations may be conducted, if required. After all negotiations are over, if required, the selected applicant will sign both Letters of Offer and send one copy back to DAWASCO. The signed Letter of Offer will constitute selected applicants Letter of Acceptance, and form the Contract of Employment between the employee and DAWASCO.

4.4 Appointment

When DAWASCO receives the Letter of Acceptance from the selected applicant, the status of the applicant will change from applicant to employee. The purpose of the appointment process is to ensure that the employee completes all formalities of appointment

4.4.1 Medical tests

The employee is asked to undergo a medical test to confirm that he/she is fit and healthy to work. The medical tests will cover:

- blood test
- chest X-ray
- blood pressure
- eye test
- general check up

The doctor will send a letter to DAWASCO confirming that the employee is fit and healthy to work. Where an employee is deemed not fit and healthy to work then he/she will not be confirmed in the position and his/her employment will be terminated. The employee is at liberty to obtain a copy of the medical tests from the doctor.

4.4.1.2 Written References

The new employee is asked to furnish names and address of two references. One is from the last employer, with a second from an individual who has known the new employee for a period of not less than 2 years.

The human resource and administration department will also write to the two individuals who gave telephone references and ask them to put their comments in writing, (See Appendix VI)

4.4.1.3 Confidentiality Bond

The new employee will sign a confidentiality bond so as to ensure that confidential information relating to DAWASCO, its operations, finances and/or customers, is not divulged.

4.4.2 Employee File

The human resource and administration department will open an employee file in the name of the new employee. The employee file is confidential and is maintained in the care of the human resource department. The employee file will hold:

- ❑ The employees application form, application letter and references, the certified copies of the new employees certificates;
- ❑ Certified copies of past employment Certificates of Service
- ❑ Appointment Letter and all correspondence between DAWASCO and the new employee in the recruitment process
- ❑ The medical test results
- ❑ 6 passport photographs
- ❑ The References
- ❑ The Confidentiality Bond
- ❑ Certified copies of the new employees
 - National Identity Card
 - Pin Certificate
 - NSSF Certificate
 - NHIF Certificate
- ❑ Emergency contact number and address

Subsequently the following are added to the employee's personnel file:

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- ❑ Notification of job changes, including promotions, demotions, re-assignments, secondments, acting positions together with the respective job descriptions for each post.
 - ❑ All salary changes, including increments, allowances etc
 - ❑ All leave application and leave balance reports
 - ❑ All training records
 - ❑ All grievance and disciplinary information
 - ❑ Performance Appraisals

The above records are updated as and when any change takes place.

4.5 Induction

Induction is the process of familiarizing a new employee to the Company – **DAWASCO**, the job and the operating environment.

The new employee's supervisor in conjunction with the human resource department will plan an induction program which will cover the first month of the new employees' time at DAWASCO.

Before the new employee's first day of work, the human resource and administration department together with the Head of department where the new employee is working will ensure that there is an appropriate workstation for the new employees and all the tools and equipment required by the new employee to execute his/her duties are in place.

The new employee is given his/ her induction program on his/her first day at work with the schedule for the next few days or weeks. The Induction program is designed to:

- ❑ Provide information to the new employee about the Company's rules and human resources policies.
- ❑ Give him/her an idea of how his/ her job fits into the total operation of the Company and give the new employee some feeling for the significance of the work he/ she is doing.

During the first day of work the new employee will meet with a representative of the human resource department. During this meeting the new employee will:

- ❑ Receive his/her formal identity card which will have the employee's name, number, photograph and signature.
- ❑ Go through DAWASCO's mission, objectives, culture and organization structure. The representative from the human resource and administration department will ensure that the new employee understands the importance of the terms and conditions of employment. The new employee should also be informed about the allowances and benefits to which he/she is entitled and any other information relevant to the employee. The above information is contained in a booklet which is given to the new employee during this meeting.

The new employee will then have a meeting with his immediate supervisor who will:

- ❑ Explain the functioning of the department and the reporting relationships.
- ❑ Give the new employee his/her schedule for the first month. This schedule will contain the list of appointments for meeting the Managing Director and Heads of Department and other managers.
- ❑ Introduce the new employee to his/her fellow workers.
- ❑ Give the new employee his/her induction training schedule. Details on the training schedule are covered in the Chapter Thirteen (13) on training and development.

4.6 Probation

A new employee, employed on permanent or contract basis, is put on probation during the first six months of employment. During the probation period, the new employee is expected to perform to the standards stated and deliver his/her key objectives.

During the first month of employment, the new employee is assigned performance objectives by his/her supervisor, in keeping with the performance management system stated in Chapter Twelve (12) of this manual.

In the sixth month of employment, i.e. the final month of probation the supervisor will formally assess the new employees' performance. If the new employee has met or exceeds the performance expectations then he/she is confirmed to the position.

If the new employee has partially met the performance expectations, then he/she is put on a further three (3) months of probation and given an opportunity to meet the performance standards.

If the employee had not met majority of the performance expectations then he/she will have his/her employment terminated on the basis of poor performance.

4.7 Confirmation

A new employee is confirmed to his/her appointment upon meeting the predetermined conditions;

- ❑ successful completion of the probation period which is a minimum of 6 months, evidenced by a probation report signed by their immediate supervisor which states how the new employee has performed over the probation period;
- ❑ three satisfactory references, and
- ❑ Confirmation from a medical practitioner that the employee is fit and healthy to work.

If a new employee does not meet the requirements for his/her probation, he/she is asked to leave the Company.

5 CHAPTER 5-MANAGEMENT OF HUMAN RESOURCE STAFF RECORDS

5.1 Permanent Employee Record Folder

A Permanent employee record folder will be maintained in the files of human resources department. This folder shall include information such as the employee's application for employment, verification for reference, payroll data, supervisory evaluations of performance, reasons for termination of employment, copies of certificates, employee's position descriptions, letters of commendations or complaints, attendance records etc.

5.2 Record Disposition

The department record folder will accompany the employee in the event of a transfer to a different department within the company. When an employee leaves the Company, the manager will forward the folder to the Human Resources Department. After receiving the folder, the human resources will review its contents and keep any information which is already reflected in the permanent employee record folder. The remaining contents may be disposed off.

The permanent folder will be removed from the active files six months after the employee termination of service. At the time, the permanent folder will be placed in the company's inactive personnel Records storage file where, it will be placed for a period of seven 7 years and then discarded.

All staff files except those of top management should be kept in the office of the administration and Human Resource Manager. A clear record should be developed for each file to indicate date of appointment, salary, promotions, training attended, career goals, attainments and merit increments. These records should also be stored in a human Resources Information Database. The Information Technology Department will assist in creating such a database.

6 CHAPTER SIX-MISCELLANEOUS

6.1 Official Seals

The use of official seals of the company must be approved by the Managing Director. The seals shall be under the custody of the MD.

6.2 Power to Sign Agreements

The MD, or a senior employee authorized by him may, subject to the approval of the Board, sign agreements on prescribed forms on behalf of the company unless the law requires otherwise.

6.3 Indemnity

An employee who in the course of duty and while acting in good faith does anything or omits to do anything that may lead to, or eventually lead to a liability or claim arising against him/her, shall be exempted from such liability or claim. Where necessary the company may arrange for the employee's legal defence in any proceedings that may be instituted against him/her.

6.4 Company Drivers

All personnel authorized to drive company's vehicles must have a valid driving licence appropriate for a particular class of vehicle. Any officer allowing improper use of the company's vehicles shall be held personally responsible for any pecuniary loss to the company arising thereof and shall be liable to disciplinary action.

6.5 Correspondence

All correspondences concerning the company should be addressed to the MD.

6.6 Delegation

Unless as otherwise provided in these policies, procedures and regulations, the Board of Directors may delegate any of its functions and powers under these regulations to a committee of the Board or the MD. The MD or chief officers as the case may be, may delegate duties and powers under these regulations to any officer of the company as may be appropriate.

6.7 The role of the Board

The Board will be responsible for the strategic direction, co-ordination and overall management of the company's operations, in line with best practice in corporate governance and in line with WASREB's guidelines on corporate governance. This includes policy formulation and guidance.

6.8 Role of the MD

The MD is responsible for the efficient management of the affairs of the company. **As the Chief Executive Officer (CEO)**, he/she is responsible for the day-to-day operations and administration of the company in consultation with the Board. He shall enforce these regulations as he may consider necessary subject to any instructions as may be given by the Board.

6.9 Communication with the Board

The Board's resolutions will be communicated directly to the MD through minutes. Any official communication from the Board to any officer shall be made through the MD in writing

6.10 Official Visits.

An officer who intends to make a visit outside his station on official duties should give an itinerary and purpose of his visit in advance to the MD through his Head of Department for approval. At the time of approval of the visit, the MD should indicate whether a verbal or written report is required.

Upon return from the visit, the officer should present his report to the Head of Department outlining his achievements and indicating issues that require follow-up.

7 CHAPTER SEVEN – CODE OF CONDUCT

The DAWASCO code of conduct provides employees with guidelines aimed at maintaining the highest ethical standards. The code applies to all employees. It is the responsibility of all employees to observe the laid down procedures and regulations.

7.1 Ethics and Integrity

All employees shall always conduct themselves with the highest level of ethics and integrity. To this end, all employees of DAWASCO, no matter their category of employment shall:

- ❑ Engage with the public, customer and/or colleague in a manner that is considered polite and respectful.
- ❑ Perform his/her duties with diligence and loyalty and follow all reasonable instruction of his/her supervisor and/or Officer in Charge. Should the instructions appear improper to the employee, he/she may register his/her objection in writing to the next level of authority, using the grievance policy and procedure stated in Chapter Six of this manual.
- ❑ Perform his/her duties to the standards dictated by his/her profession without negligence or favour.
- ❑ Give advice in an honest and impartial manner without fear or favour.
- ❑ Conduct his/her private affairs in a manner that maintains public confidence in the integrity of his/her office.
- ❑ Not knowingly give false or misleading information to members of the public or to any other Company employee.
- ❑ Not solicit and/or accept bribes, favours, or receive questionable gifts, advantages, and/or benefits while performing his/her duties.
- ❑ Not neglect his/her financial obligations or neglect to settle them i.e. suffer financial embarrassment.
- ❑ Not evade tax.
- ❑ Not misappropriate or steal the property. Stealing includes colluding with other employees or suppliers of goods and services to secure individual monetary or material rewards or payment in form of 'kickbacks' or gifts connected to any financial or material transaction between the Company and supplier.
- ❑ Not practice nepotism, sectionalism, or tribalism or favouritism in any interaction with customers, fellow employees and/or the public at large, particularly in the areas of recruitment, training or promotion.
- ❑ Ensure that at all times while on duty, he/she shall remains sober. Being under the influence of alcohol or drugs while on duty is considered a gross misconduct and will result in disciplinary action or lead to summary dismissal.

7.2 Conflict of Interest

For the duration that an employee is in the employment of DAWASCO, he/she must devote the whole of their attention and ability during working hours to the duties assigned by the Company. The salary package offered to an employee, unless otherwise specified in his/ her terms of service, is based on the assumption that his/her entire professional time and services are at the disposal of the Company.

During the employees own time, he/she must not engage in any employment, freelance work or business, which is similar to or competing with the business of DAWASCO. Where an activity or assignment may conflict with the Company's interest, the employee/officer shall declare his interest in such activity and will only engage in the activity if he/she receives prior written permission from the Managing Director.

Where employee is unclear about possible conflict he/she should consult the Managing Director for clarification.

7.3 Confidentiality of Information and Documentation

All employees of DAWASCO, no matter their category of employment shall ensure that confidential or secret information or documents entrusted to his/her care are adequately protected from improper or unauthorized disclosure. Employees shall not directly or indirectly use or disclose to third parties other than in the proper performance of their duties for the Company, any of the secrets and confidential information of DAWASCO or any other associated Company, both during their employment with DAWASCO and after their employment has terminated.

Confidential information includes all information of a confidential nature concerning DAWASCO, its operations and business, its finances, products, processes, customers or clients, suppliers, business partners, and/or affairs of any associated companies.

No Company employee/officer shall write or publish any official information, without the written permission of the Managing Director.

7.4 Use and Accountability of Company Property

Each employee is issued with the tools and equipment he/she requires to successfully execute his/her duties. The tools and equipments shall **remain** the property of DAWASCO at all times. Each employee is responsible for the safe keeping of all **Company materials/properties** entrusted to him/her. This includes the files and other written and printed and soft copy documents, tools & equipment, furniture and all support items issued to the employee.

Each employee shall be required to use the property in most appropriate or reasonable way i.e. he/she should not misuse or damage the Company properties.

Access to telephone services is provided based on the requirements of the job. Excessive personal use of telephone services is deemed as abuse of Company property.

In the event of separation from employment on any account, the employee will give a proper account and return all papers, books, passwords, diskettes, CDs, flash disks, tools, equipment, designs and any other Company property in his/her custody, charge or possession. The employee will vacate any quarters or accommodation of the Company hired to him/ her or leased on his/ her account and pay the charges in respect of rent, electricity etc., as may be due from the employee at the time of separation.

Where there is any shortfall, damage or breakage, the value of the shortage, damages and/or breakage is charged at appropriate rates and is recoverable from the employee. Failure of an employee to comply with any of the above provisions shall entitle the Company to withhold the full amount from the employee's final salary/ settlement dues or appropriate deductions.

All employees are required to obtain clearance in writing in the prescribed clearance form from specified departments or sections before his/her accounts are settled finally or before his/ her normal release from the services of the Company.

The Clearance Form can be obtained in Chapter Twelve – Separation

7.5 Employees Identification

Employees of DAWASCO who are employed on a permanent or contract category are issued with Company Identity Cards which show the employees' photograph, employee number and place of work/ department.

Temporary employees on short-term contracts, Interns and casuals who have more than two days of work with DAWASCO are issued a Temporary Identity Card indicating the duration and area of work by the human resource department. Restricted areas will also be indicated on the Temporary Identity Card.

Each employee is responsible for the safe custody and proper maintenance of their Company or Temporary Identity Card. All employees must wear their Company Identity Card at all times in a visible manner during working hours.

Loss of the Company identity cards must immediately be reported in writing to the human resources department. The human resource department will arrange to issue a duplicate card at a nominal charge.

Identity cards must be surrendered on leaving employment or being terminated.

7.6 Office Dress/ Attire

A Company employee/officer shall dress in such a manner that he/she is deemed to be smart and decent in the eyes of the public. No

employee/officer shall wear in the workplace a transparent or tight **fitting** clothing, or short skirts, shorts, **culottes**, collarless T-shirts, sports gear or sports/sneakers shoes to the office.

Employees who are issued with uniform must wear their uniform when they are on duty in a neat manner that upholds a positive image of the Company.

7.7 Weapons

No Company employee or member of public shall carry/posses concealed or unauthorized weapons on the Company's premises, without the explicit written approval from the Managing Director.

7.8 Acceptance of Gifts

As a matter of policy, DAWASCO will not permit its employees to accept gifts from current or potential business associates in his/ her official capacity, while in employment with the Company, unless the item that is given is of nominal value of KShs 500, and/or is deemed a traditional gift, such as a calendar, diary or token gifts such as flowers, fruits or sweets.

Where the value of the gift, favour or benefit exceeds KShs 500 the details of the gift is recorded and approval must be sought from the Managing Director. Employees may accept and keep items whose primary purpose is advertising / promotional which have wide distribution, for example: calendars block notes, stationery, **key holders/rings etc.**

Under no circumstances can any employee, no matter what category of employment, accept cash gifts. Acceptance of gifts in contradiction of the policy stated above shall render the employee liable for disciplinary action.

7.9 Political Activities

DAWASCO is not active in politics. Employees are encouraged to practice their responsibility as private citizens and not as employees of DAWASCO. Employees' are restricted and prohibited from engaging in the following activities during their employment at DAWASCO:

- ❑ Being an office bearer of a political party or an organization that takes part in politics.
- ❑ Taking part in an election to any legislature or local authority. Should the employees be willing to seek elective post, they should resign from the Company first.

No employee of the Company shall engage himself/herself or participate in any illegal demonstration, strike and other agitation activities or abet, incite, instigate or act in furtherance thereof.

In addition, no employee shall take part in or assist in any manner in any movement/agitation or demonstration of a political nature whilst on duty.

8 CHAPTER EIGHT – EMPLOYEE RELATIONS

DAWASCO expects that all its employees will maintain cordial and harmonious relations between themselves in order to improve co-operation, remove unnecessary conflict and encourage team spirit. Employees are also expected to maintain cordial relations with customers, clients, suppliers', regulators and the public at large.

The Company is committed to open communication and maintaining a harmonious and cooperative working environment. Management will strive to ensure that good relations with employees are maintained in order to protect the interests of both parties. Relationships with employees are **expected to be** frank and fair to create an atmosphere of mutual trust, credibility and consistency.

8.1 Employees Welfare Association

DAWASCO has an Employees Welfare Association which all employees are eligible to join. The purpose of the Employees Welfare Association is to provide a comprehensive and well-publicised infrastructure of advice, support and assistance available to employees on welfare issues.

The Employees Welfare Association is chaired by the Head of Administration and Human Resources. A member of the Employees Welfare Association committee is selected from each section of the Company and is representative of each level within the Company hierarchy.

The key activities of the Employees Welfare Association will include:

- ❑ Providing counselling for employees suffering from work-related stress.
- ❑ Organisation of sports and social events for employees to participate in.
- ❑ Organising the Annual Employees Party where the employees will have opportunity to interact.
- ❑ Managing the recognition program for employees and their families.
- ❑ Co-ordinating DAWASCO's Social Responsibility program including participation during national and international days including World HIV Aids, World Environment Day, etc.
- ❑ Establishing the DAWASCO SACCO. Employees have the right however, to **be members** of cooperative Company of their choice.

8.2 Diversity

DAWASCO is committed to encouraging diversity amongst its workforce by recognizing and appreciating the unique beliefs, values, skills, attributes, and characteristics of all its employees, in an environment that promotes and celebrates individual and collective achievement.

DAWASCO is an equal opportunity employer. The Company will engage a diverse workforce that accepts, welcomes and values the differences inherent

in every individual. The Company recognises the contribution that a diverse workforce can make to organizational effectiveness and performance.

DAWASCO's contribution to mainstreaming gender issues is manifested by the Company's appointment of competent women in visible/senior positions in strategic places who will act as a role model for the women population in the community.

DAWASCO will comply with all regulations relating to diversity in the workforce.

8.3 Occupational Health and Safety Policy

An organization which employs at least twenty employees shall have a safety and health committee, on which the employer and workers are represented. DAWASCO is committed to providing a safe and healthy working environment for all employees, customers and visitors. To this end, DAWASCO will comply with all regulations pertaining to Occupation Safety and Health.

The Head of the Technical department will register DAWASCO with the Director of Occupational Health and Safety. The Head of the Technical department will constitute an Occupation Safety and Health (OSH) Committee which is duly trained and certified in occupation safety and health. The OSH Committee is responsible for:

- ❑ Undertaking periodic risk assessments in relation to the safety and health of persons employed and submitting the report to the Managing Director of DAWASCO and the Area Occupational Safety and Health Officer.
- ❑ Ensuring an annual independent occupational health and safety audit is undertaken and submitting the report to the Managing Director of DAWASCO and the Director of Occupational Safety and Health.
- ❑ Implementing preventive measures based on the risks identified in the audits.
- ❑ Ensuring that under all conditions of their intended use, all chemicals, machinery, equipment, tools and process of DAWASCO are safe and without risk to the health and safety of employees.
- ❑ Taking immediate steps to stop any operation or activity where there is imminent and serious danger to safety and health of employees and to evacuate all persons employed.
- ❑ Ensuring the requirements of the Occupational Safety and Health Act are complied with.

DAWASCO shall ensure the safety, health and welfare of all employees working on Company premises by ensuring:

- ❑ The provision and maintenance of plant, systems and procedures of work are safe and without risk to health.

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- ❑ Wholesome drinking water is available at suitable points conveniently accessible to all employees.
 - ❑ Adequate and suitable facilities for washing are conveniently accessible together with storage lockers for employees who are required to change their clothes on arrival at work.
 - ❑ Adequate seating and resting facilities are provided for employees during their **work** breaks/rest periods.
 - ❑ First Aid kits are stocked up to standard and placed at strategic places where they are easily accessible within the compound e.g. reception, production and around the stores. In addition at least 5% of the employees' resident in that premises will be trained and certified in the correct use of such first aid equipment.
 - ❑ The use, handling, storage and transportation of materials and substances are done in a safe manner with absence of risk to the health of employees.
 - ❑ All chemicals are labelled distinctively with legible, durable labels indicating the hazard, instructions for the safe handling and measures to be taken in case of spillage or accidental exposure to employees. The Company will ensure that the safety data sheets for all chemicals and other hazardous substances in use on the premises contain the essential information regarding the identity of the chemical, the suppliers' classification of hazards, safety precautions and emergency procedures are available to employees and their representatives.
 - ❑ That where corrosive substances are used and there is the possibility of an employee(s) being splashed by the said substances, there is an adequate and readily accessible means for flushing the eyes or drenching with water or any other suitable substance any exposed part of the body.
 - ❑ All goods, articles and substances stored or stacked in the workplace is done in such a manner that will:
 - Ensure their stability and prevent any fall or collapse of the goods and articles themselves or any supporting infrastructure.
 - Not interfere with the adequate distribution of light, ventilation or the proper operation of machines or other equipment.
 - Not obstruct passageways, gangways, entrances and exits or access to fire extinguishing equipment.
 - Ensure that highly flammable substances are kept in either fire-resistant stores or in a safe place outside any occupied building.
 - ❑ All employees are provided with the requisite information, instruction, training and supervision as regards occupational safety and health issues in their working environment.
 - ❑ Employees employed to work on any machinery or in any process which is likely to be hazardous and/or cause ill-health or bodily injury will first be fully instructed and trained as to the dangers likely to arise and receive adequate supervision by a person who has thorough knowledge and experience of the machine or process. The above mentioned training is carried out on recruitment; transfer or change of job; introduction of new work equipment and/or change of equipment or materials. The training is

adapted to take into account new changed risks and is repeated periodically, at least once every six months.

- ❑ Employees undergoing apprenticeship or internships will not be allowed to attend to any machinery, equipment, tools, plant or process without adequate supervision and protection against hazardous work conditions.
- ❑ Adequate, effective and suitable protective clothing and appliances including gloves, footwear, goggles, head covering, etc are provided for employees employed in a processes involving exposure to wet or to any injurious or offensive substances.
- ❑ All employees engaged in welding are provided **with** screens to prevent **them** from being exposed to the electrical arc **flashes**.
- ❑ Adequate measures have been taken to secure the safety and health of employees working on all platforms erected over water or in water.
- ❑ Fire fighting equipment is readily available, accessible and displayed conspicuously in all premises and at least 5% of the employees resident in **those** premises are trained and certified in the correct use of such fire fighting equipment.
- ❑ The company's premises, including all entrances and exits are maintained in a safe and unobstructed condition, without any risk to the health of employees.
- ❑ Every workplace has adequate unobstructed fire exits for the employees therein, and that all employees are trained and drilled in evacuation procedures in the event of an outbreak of fire.
- ❑ All plant, machinery and equipment whether fixed or mobile is used for the work which it is designed for and only operated by competent and trained personnel.
- ❑ All employees are informed of the risks and dangers of using any new technology, and are provided sufficient training on the use of the technology so as to minimise the risks and dangers.
- ❑ Workstations, equipment and work tasks are adapted to fit the employee and the employee's ability including protection against mental strain.
- ❑ No equipment is used in an environment that contains or is likely to contain flammable vapours or substances unless they are intrinsically safe for such environments.
- ❑ All employees participate in the application and review of safety and health measures.
- ❑ Every workplace is kept in a clean state and free from effluvia arising from any drain, sanitary convenience or nuisances. In particular:
 - Accumulations of dirt and refuse is removed on a daily basis from the floors, benches of workrooms, staircases and passages;
 - The floors of the workrooms **are** washed weekly;
 - Inside walls, partitions and ceilings are cleaned/washed annually, with whitewashed surfaces repainted annually and oil painted surfaces repainted once every five years.

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- ❑ No workplace is overcrowded and all workplaces will have effective and suitable ventilation, lighting and sanitary conveniences.
 - ❑ Employees in Sewerage section are periodically immunized against communicable diseases as stipulated in the Public Health Act and/or any other relevant legislation, regulation and/or guideline.
 - ❑ Employees working in environments where they are likely to be exposed to hazards, i.e. employees working in confined spaces in the maintenance of machinery are issued with a permit to work. The permit will set out the work to be done and the hazards involved and will detail the necessary precautions to be taken before the work commences in order to secure the safety and health of the employee.

Employees of DAWASCO are responsible for:

- ❑ Ensuring their own safety and health and that of other persons who may be affected by his/her acts or omissions at the workplace.
- ❑ Co-operating with DAWASCO's management in the discharge of his/her duty within the occupational health and safety act's requirements and the standards of the Company.
- ❑ Wearing and/or using all protective equipment and/or clothing provided for the purpose of preventing risk to the safety and health of employees.
- ❑ Ensuring that all materials that result from the Company's operations that are emitted back into the environment are rendered harmless and inoffensive.
- ❑ Complying with the safety and health procedures, requirements and instructions given by management and supervisors.
- ❑ Not smoking, lighting or **carrying** matches or lighters or any other flame producing articles and/or smoking materials in any place in which explosive, highly flammable or highly combustible substances are produced, handled and/or stored.
- ❑ Reporting to the supervisor, any situation which he/she has reason to believe would present a hazard which he/she can not correct.
- ❑ Reporting to his/her supervisor any accident or injury that arises in the course of or in connection with his/her work.
- ❑ Co-operate with the DAWASCO and/or any other statutory authority to perform duties and/or requirements imposed under any relevant statutory provision.
- ❑ Adhering to personal cleanliness and taking caution of the environment to avoid accident. DAWASCO is smoke free zone. Alcohol, mirra, cannabis sativa (bhang) and other drug substances **are** prohibited at the work place.

Employees are encouraged to report any situations that he/she has reasonable ground to believe presents an imminent or serious danger to the safety and health of the himself/herself and/or other employees on the premises to any member of the OSH Committee or the Managing Director, as they see fit. Employees will not be required to return to the place of work until that imminent or serious danger has been addressed.

DAWASCO will not discriminate against or disadvantage any employee who raises a complaint about a matter which the employee considers is not safe and/or is a risk to his/her health and/or the safety and/or health of any other employee and/or visitor to GAWASCO's operating premises.

8.4 HIV/ AIDS Policy

DAWASCO will not discriminate against any individual on the basis of real or perceived HIV status.

Job applicants or workers will not be required to disclose HIV related personal information, nor should co-workers be obliged to reveal such personal information about fellow workers. Access to personal data relating to an employee's HIV status is kept confidential at all times.

HIV infection will not be used as a cause for termination of employment. As with many other conditions, persons with HIV related illnesses should be able to work for as long as medically fit in available, appropriate work.

Solidarity, care and support will guide the response to employees infected with HIV and/or who have contracted AIDS. All employees with HIV are entitled to join DAWASCO's medical scheme.

Awareness campaigns co-ordinated by the Employees Welfare Association will target all employees and will include but not limited to the following:

- ❑ HIV/AIDS Awareness as part of induction program for employees joining DAWASCO
- ❑ Information on appropriate HIV testing facilities outside the workplace is provided. Voluntary free testing of employees once a year by an appointed health provider with appropriate facilities that can provide confidential testing, along with pre- and post-test counselling.
- ❑ Free counselling facility
- ❑ Provision of educational material on HIV/AIDS such as educational booklets, posters, etc.
- ❑ Awareness campaigns which involve DAWASCO employees and Peer educators.
- ❑ Outreach programs that involve the community in which DAWASCO operates.

8.5 Sexual Harassment

The Company will not condone any form of harassment. The Company is committed to treating all employees with respect, dignity and to providing a supportive working environment. Harassment of any kind is prohibited and will not be tolerated.

Sexual harassment is defined as unwelcome and unreciprocated sexual advances, requests for sexual favours, and other verbal or physical conduct of

a sexual nature which results in the individual feeling threatened, disadvantaged, or compromised in any way.

Sexual harassment usually falls into the following categories; verbal, non-verbal and physical. Some examples include:

Verbal – Examples of verbal sexual harassment include but not limited to:

- ❑ Unwelcome language of a suggestive or sexually explicit nature.
- ❑ Unwanted propositions of a sexual nature.
- ❑ Questions or comments of a sexual nature.
- ❑ Jokes of a sexually explicit nature.

Non Verbal – Examples of non-verbal sexual harassment include but not limited to:

- ❑ Sexually offensive letters/memos, emails etc

Physical – Examples of physical sexual harassment include but not limited to:

- ❑ Indecent exposure
- ❑ Brushing, touching or rubbing oneself or against another in a sexual manner.

Any employee who is harassed should raise a grievance using the process described below.

8.6 Grievances

DAWASCO recognizes that from time to time employees may wish to seek redress for grievance relating to their employment. The Company's policy is to encourage cordial relationship between employees and their supervisors to ensure that questions, problems, and/or grievances arising during the course of employment can be aired and resolved quickly, fairly and consistently throughout the Company, to the satisfaction of all concerned.

A grievance can be defined as a feeling of personal injustice and/or unfair treatment, whether real or imagined, which causes resentment.

A grievance procedure has been designed to provide aggrieved employees with a mechanism through which their grievances can be heard and addressed. The procedure provides the accused employee with a fair hearing by his/her supervisor concerning any grievance raised against him/her; and to give both parties the right to appeal to a more senior manager if they believe the grievance has not been adequately addressed.

Managers will address grievance raised expeditiously so that employees' performance is not hampered due to unresolved differences and that a conducive working environment is maintained, one in which all employees can realize their full potential.

Step I: Informal Stage

The employee will first seek to resolve the issue amicably with the aggressor. If a solution is not reached, the employee may ask a colleague or a manager to arbitrate a meeting between the two parties to see if an amicable solution can be arrived at.

Step II: Formal Stage – Grievance Hearing

If a solution is not arrived at, the employee should formally (in writing) raise the issue with his/her supervisor within 7 days.

The supervisor must constitute a grievance hearing within 3 days of receiving the grievance report and ask the human resource and administration department to call the concerned parties i.e. the aggrieved employee, the aggressor and any witnesses as appropriate. The accused employee has the right to be accompanied by a fellow employee who works for DAWASCO to the hearing. At the hearing each party will present his/her case and is given a fair chance to question any other party present as appropriate.

After completion of the grievance hearing the supervisor and human resource and administration department will prepare a report of findings and determine the action to be taken.

Step III: Appeal

Either party, the aggrieved and the aggressor has a right to appeal against the decision taken against them him/her to the Managing Director. The Managing Directors decision is final.

8.7 Disciplinary Policy

DAWASCO's policy is aimed at ensuring that there is a fair and systematic approach across the Company to address breaches in discipline, performance, and/or the code of conduct. Breaches of discipline or unsatisfactory performance and /or the code of conduct are dealt with quickly and fairly, in order to preserve a good working environment and minimize disruption to other employees.

The Company's policy and procedure on disciplinary matters and performance at work is designed to safeguard and protect the interests of the individual, other employees, and the Company's reputation. This is done by providing a framework for management and employees to ensure that the high standards of performance and conduct that are required, are met and maintained.

The disciplinary process is invoked as a consequence of actions and behavior that are contrary to the acceptable code of conduct/behavior/performance expected of employees. It is therefore important that all employees familiarize themselves with all Company's policies and procedures to which they are expected to adhere to. Disciplinary matters are dealt with in a fair and equitable manner in accordance with the procedures outlined below which take into account the requirements of Kenyan Law.

The first stage of the disciplinary process is:

8.7.1 Informal Process - Counseling

Counseling is aimed at discussing the issue with the employee and providing guidance on the corrective actions. Counseling is carried out by the supervisor with the aim of resolving the matter without resorting to the formal process.

Formal procedures will only be used when informal action has failed to produce the required improvement, or when the disciplinary matter is considered sufficiently serious to merit the formal process.

8.7.2 Formal Process

8.7.2.1 Step I: Investigative Review

When a disciplinary issue is raised by a supervisor, there is an investigative review carried out by the human resource and administration department in which all facts and documentation surrounding the case is collected and considered. During the investigative review, interviews may be held with various employees. An investigative review will not be considered to be a disciplinary hearing.

The employee under question may be suspended from duty during the investigative review stage with or without pay. Suspension from duty is notified to the employee in writing by the human resource and administration department stating the reasons for suspension, period of suspension and expected conduct during suspension and date of return.

The suspension period is not fixed, and is dependant on the issue being investigated and maybe reviewed by management, to allow for finalization of investigations being carried out. The employee is notified in writing of the changes in suspension status in terms of extension, lifting of the suspension and if formal disciplinary review is to be instigated.

Should the outcome of investigative review indicate that there is a case to be answered then the employee will proceed to a disciplinary hearing. Should it be determined that there is no case to be answered, then the findings **are** shared with all parties and the matter formally closed with work resuming as normal.

8.7.2.2 Step II: Disciplinary Hearing

The employee is notified in writing by the supervisor of: the nature of the complaint/allegation made against him/her; when and where the disciplinary hearing will take place; and the employee's rights to be accompanied by fellow colleague at work.

During the disciplinary hearing, the review panel will consist of:

- A manager or Head of department
- A representative from human resource department; and
- An independent 3rd party from any other department other than the department of the employees concerned.

The employee's supervisor can be invited to give evidence during a disciplinary hearing, but he/she will not form part of the panel constituted to hear the complaint/allegation.

8.7.2.3 Determination and Notification of Disciplinary Action

The members of the panel will prepare their recommendation and forward to the Managing Director for his/her approval. The employee is notified in writing by the supervisor of the disciplinary action to be taken. The employee will also be notified of his/her right of appeal.

8.7.2.4 Applicable Disciplinary Actions

No Action

No Action is taken when the results do not warrant any form of disciplinary action to be taken against the employee.

Caution

A caution is issued for general misconduct. Examples, which are not exhaustive, of offences to which this may apply include: habitual lateness to work, absence from duty not more than 24 hours without permission, idling and loitering during working hours, avoiding work on account of feigned sickness, misuse of telephone, causing unnecessary commotion in the Company's premises or in public places, spreading of information in a manner suggestive of rumours, peddling of/about colleagues in their absence and therefore unable to defend themselves etc., shall constitute minor offences.

A caution is treated as a formal warning and is documented. A caution will lose effectiveness after three months subject to satisfactory improvement on the part of the employee. Whilst a caution will lose effectiveness after the defined timeframes, a record is maintained of all warnings issued as a historical record and this information may be taken into consideration whilst reviewing any future indiscretions of an employee.

1st Written Warning

Further serious offence/transgression and/or failure to demonstrate the required improvement agreed after the issue of a caution, will take the form of a 1st written warning. A 1st written warning is issued for transgressions that include, **which are not exhaustive**:

- ❑ Absence from work for a period of not more than 48 hours without permission or acceptable excuse, or leaving place of work early;
- ❑ Assessed poor performance.
- ❑ Careless or improper performance of duties.
- ❑ Entering into paid/unpaid employment/occupation which in view of management may not be in the Company's interest,
- ❑ Failure to attend training or a work related meeting.
- ❑ Failure to follow laid down procedure.
- ❑ Failure to start work on time.

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- ❑ Improper dress after a caution.
 - ❑ Misuse of Company's vehicles including carrying unauthorized persons, driving without valid license and using Company's vehicle without authorization
 - ❑ Not being available at the appointed place of work.
 - ❑ Repetition of minor offences,
 - ❑ Unauthorised extension of leave or offs;
 - ❑ Unauthorised use of phone or other office equipment.

A 1st written warning can also be issued if an employee has a history of receiving cautions. A 1st warning letter will lose effectiveness after six months subject to satisfactory improvement on the part of the employee. Whilst warnings will lose effectiveness after the defined timeframes, a record is maintained of all warnings issued as a historical record and this information may be taken into consideration whilst reviewing any future indiscretions of an employee.

Final Written Warning

A final warning is issued for serious/gross misconduct. Examples, which are not exhaustive, of offences to which this may apply include:

- ❑ Absence from duty for a period of 72 hours in a month without an appropriate reason.
- ❑ Actions or behaviour, which is, or may be injurious to the health and safety of others.
- ❑ Breach of security and compliance rules, procedures and policies.
- ❑ Bringing the Company into disrepute.
- ❑ Engaging in fraud and obtaining money by false pretence.
- ❑ Failure to report a known irregularity by another employee.
- ❑ Insubordination.
- ❑ Misuse of information of confidential nature.
- ❑ Negligence leading to loss, damage or injury.
- ❑ Password violation.
- ❑ Physical violence on self or other employees.
- ❑ Publicly outrageous behaviour.
- ❑ Refusal to obey reasonable instructions.
- ❑ Repeated minor offences.
- ❑ Soliciting, giving or accepting bribes or commissions.
- ❑ Verbal abuse.
- ❑ Wilful misuse/damage of Company's properties.
- ❑ Wilful neglect to perform official duties.

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- Writing or publishing any official information unauthorized by the Company.

A final written warning will lose effectiveness after twelve months subject to satisfactory improvement on the part of the employee. Whilst warnings will lose effectiveness after the defined timeframes, a record is maintained of all warnings issued as a historical record and this information may be taken into consideration whilst reviewing any future indiscretions of an employee.

Interdiction

An employee may be interdicted from the performance of his duties if proceedings which may lead to his dismissal are being taken or when criminal proceedings are being instituted against him. **During the period of interdiction, the employee will be paid half of his basic salary.**

The employee will not leave his duty station without permission and may be required to report to the office twice a week until his case is fully determined. Such employee will cease to exercise the powers or duties of his office/position while on interdiction.

During the period of such interdiction, which shall not normally exceed two (2) months, proceedings will be instituted against the employee to establish the facts of the case which may lead to the employee's dismissal or otherwise.

Suspension

An employee may be suspended from duty on conviction of a serious criminal offence or when an officer has been charged and the matters are in court and proceedings which may lead to his dismissal are being taken. While on suspension, an employee will not be eligible for any salary. However, the officer will be eligible for house and medical allowances.

An officer who has been suspended pending the conclusion of criminal proceedings shall not be dismissed on any charge which raises a substantially similar issue to that on which he has been acquitted by the Court.

Where an officer who has been suspended is subsequently reinstated he shall be entitled to receive full pay in respect of the period of suspension.

8.8 Forms of Punishment

The following forms of punishment may be instituted against an employee as a result of disciplinary proceedings:

- i. Dismissal.
- ii. Reduction in rank or seniority.
- iii. Withholding of increment.
- iv. Reprimanding/warning.
- v. Surcharge action.

Summary Dismissal

In the event of a further gross misconduct /gross negligence that is sufficiently serious to justify dismissal, or where the offence warrants action without prior warning letters, it will take the form of summary dismissal. Only the Managing Director can authorize summary dismissals.

Examples (which are not exhaustive) of offences to which this may apply include;

- ❑ Being under the influence of alcohol or drugs during working hours. Incapacitating oneself from the performance of one's duties by indulging oneself in any stimulant alcoholic drink or intoxicating drug, rendering oneself unfit for proper performance.
- ❑ Breach of confidentiality and/or misuse of information of a confidential nature. Improper disclosure of any information concerning the affairs of the Company to any unauthorised person(s).
- ❑ Breach of process or policy that leads to direct operational risk.
- ❑ Deliberate damage to Company property. Misappropriation and/or misuse of Company assets and/or another employee's property
- ❑ Deliberate falsification of records. Misrepresentation and/or making false statements
- ❑ Deliberate use of abusive and insulting language to an employer or persons placed in authority.
- ❑ Misappropriation of Company funds, misuses of organisation's property, stores, or theft of any item that belongs to the Company.
- ❑ Neglects, disregards or without sufficient reason fails to comply with an order or instruction thus refusing to obey or comply with a proper order given by the employer or by a person in authority or any act of insubordination
- ❑ Physical violence at work
- ❑ Sexual, racial, tribal and/or disability discrimination including harassment of another employee, customer or supplier, visitor to the Company's premises or any other third party to whom the Company may owe a duty to prevent such discrimination. Harassment of employee with HIV/AIDS by another.
- ❑ Theft, fraud or dishonesty directly or indirectly affecting the Company, its suppliers, any customer of the Company and any other third party to whom the Company may owe a duty to prevent such actions.
- ❑ Utters, writes or publishes threats of any kind or obstructs or otherwise acts or conducts oneself in such a manner offensive to or against any other employee, customer or supplier or visitor to the Company's premises.
- ❑ Wilfully or by wilful breach of duty causing loss, damage or serious risk to employer's property placed in his charge during or after working hours.

8.8.1 Termination

The Company may terminate employment of the employee, in exercise of its right to do so by providing notice as stipulated in the employee's employment contract. Only the Managing Director can authorize terminations.

8.8.1.1 Appeals

The employee has the right to appeal in writing to the Managing Director within seven (7) working days of receiving the disciplinary letter. The employee is notified of the outcome of the Appeal within fourteen (14) working days.

9 CHAPTER NINE- TRANSPORT

9.1 Reimbursement of Taxi and Fares

An officer travelling on duty may be refunded the cost of taxi/fare at standard rates from his residence to the railway station, appropriate bus terminal or airport and vice versa, provided official transport is not available.

9.2 Travelling in the Company's Vehicle

An employee travelling on duty will be granted permission by the MD or an **officer** authorized by him, to use the company's vehicle.

The company's vehicles are intended for company business only and should not be used for private purposes. An employee who makes improper use of a company's vehicle shall render himself liable for a disciplinary action.

Whenever a company's vehicle is to be used, it is compulsory that the details of the journey be indicated in a work ticket or vehicle movement manifest/schedule. Any driver (or any other employee for the time being authorized to drive the vehicle) found operating without a work ticket authorizing the journey in question or found carrying unauthorized passengers or goods, shall be subject to disciplinary action.

9.3 Transportation of Deceased's Employees

Upon the death of an employee, spouse or child, the company shall meet the cost of transporting the body to the place of interment

9.4 Reporting of Accidents

All employees and drivers handling Company's vehicles must acquaint themselves with the provisions of the Traffic Act (Cap 403), which requires a driver of a vehicle involved in an accident to stop and give his name and address, the particulars of the vehicle and address of its owner to any authorized person or to the police as soon as possible, and in any case within 24 hours of the occurrence of the accident.

This procedure must be followed at all times in the event of an accident involving the company's vehicle.

- In addition to any report to the police, the driver, if he has not been incapacitated by the accident, must submit a preliminary accident report to the MD.
- On learning about the accident involving a company vehicle, the MD or such other authorized officer must inform the vehicle insurers appropriately in accordance with the policy.
- All accident cases will be reported to the Board.
- Drivers of the company's vehicles must at all time set the highest standard of road conduct.
- All the company's vehicles must be comprehensively insured.

10 CHAPTER TEN – TIME AND ATTENDANCE

10.1 Working Hours

The hours of duty of employees are as stated in the Letter of Offer. The Company reserves the right to require any employee to work different or additional hours of work if business requirements make this necessary. The Head of Administration and Human Resources is responsible for communicating to the employees the working hours and any changes therein, through internal circulars and/or memos, a copy of which is placed in the employees personnel file. The instructions issued relating to period and hours of work, attendance and checking of entry and exit is exhibited on the notice board

Standard Working Hours

Monday to Friday: 07.45hrs to 17 00hrs

Lunch Break: 12.30hrs to 14.30hrs

Saturday: 08.00hrs-12.00hrs

All employees will personally record their attendance by signing in the attendance register. **This Attendance Register is maintained by the Administration and human resource department.**

In case of emergency, all employees are required to work more than the normal specified times. During emergencies employees are required to be present on the premises as per the demands of the situation.

Due to operational reasons, some employees are placed on rotational standby duty. Employees on standby duty must be available to respond to emergencies at any time during the period that they are on standby duty. Employees on standby duty must be contactable at all times and must report to their duty station within the agreed response times in case of an emergency.

Employees who work on shift and/or are eligible to be placed on rotational standby duty will complete a timesheet on a weekly basis indicating the hours worked as well as hours on standby duty. At the end of each month, the timesheets **are** signed by the supervisor and authorised by the Head of Department. The timesheets **are** sent to the human resource and administration department who will compute the total working hours and the time off in-lieu.

All employees will work a 40 hour week and are entitled to two rest day in a week. Any time worked in excess of 40 hours is compensated through time off in-lieu. Time off in lieu must be taken within 90 days of the date it was earned.

The human resource and administration department will notify each eligible employee of their entitlement to time-off in lieu and record when employees take their entitlement and/or forfeit the time-off in lieu.

The MD may, where necessary and in the interest of service, call upon the staff for duty as required outside the normal working hours.

10.2 Working Hours for Security Personnel

Security personnel will be required to work for not less than 60 hours spread over a period of not less than 6 days within a week. An officer who works beyond 60 hours shall be granted time-off in lieu of overtime payment. However, the MD may approve payment of overtime allowance in a situation where it is not possible to grant time off.

10.3 Working Hours for Other Shift Workers

Shift workers, other than security personnel, will be required to work for at least 45 hours per week. They will similarly be granted time off for overtime worked

24 Hours Shift Working Hours

Shift One	00.00hrs – 08.00hrs
Shift Two	08.00hrs – 17.00hrs
Saturday:	17.00hrs – 00.00hrs

10.4 Punctuality

Employees are expected to report to work punctually and adhere to respective duty timings as a matter of routine. Attendance is monitored using an attendance register in which employees sign in and sign out. Failure to sign the attendance register is interpreted as absence from duty and the day or period in question will automatically be deducted as leave on the employee's record.

Habitual late arrival shall be treated as misconduct and dealt with under the disciplinary procedure.

Employees going out of the office during working hours either for official duty or personal matters will inform their supervisors. Managers will leave messages with their deputies when going out of office.

10.5 Absence

Absence is the failure on the part of the employee to report for work as per schedule and at the appointed place of work without prior permission. The effectiveness of the Company is affected adversely by the unplanned absence from work by employees. Besides upsetting work schedules and operations, it causes considerable inconvenience to customers as well as employees who have to stay back and take care of the additional work load.

No employee may absent himself from duty during working hours, leave his/her appointed place of work, proceed to a place other than that at which

he/she is usually employed, exchange duty with any other employee, or alter his hours of attendance, without the express permission of his/her departmental head.

Whilst the Company appreciates that there **are** a few occasions when such absences are unavoidable, unauthorised absence overall is taken very seriously. Three absences a month will lead to a written warning. Continuous absence of eight days or more is treated as voluntary abandonment of service after which termination proceedings **are** initiated.

11 CHAPTER ELEVEN – LEAVE

11.1 LEAVE

In conformity with provisions of the Employment Act 2007, annual Leave is granted subject to the exigencies/demands of work for recuperative purposes to enable an employee renew his energies and improve efficiency. Annual leave is therefore, not normally commuted for cash nor is leave allowance payable to dependants or to the estate of the deceased in the event of an employee's death.

The MD shall grant leave subject to the exigencies of service.

No officer on leave may accept any paid employment without previously obtaining the sanction of the MD.

11.2 Application for Leave

All employees shall submit their leave applications on the appropriate form to the MD through Head of Department while Heads of Department leave will be approved by the MD. The MD shall submit his own application for leave to the Chairperson of the Board.

11.3 Categories of Leave

For the purpose of leave administration, leave will normally fall under the following categories:

- i. Annual Leave
- ii. Unpaid Leave
- iii. Maternity Leave
- iv. Leave Pending Retirement
- v. Leave of Absence
- vi. Compassionate Leave
- vii. Sick/Convalescent Leave
- viii. Study Leave
- ix. Paternity leave
- x. Examination leave

11.3.1 Annual leave

An employee will be eligible for annual leave of not less than 21 days at the commencement of a "leave year" except in the case of a newly appointed officer who will be required to complete a minimum of 6 months before being granted annual leave.

Annual leave is not accumulated. Hence, leave earned shall be taken within the year it falls due or be forfeited.

11.3.2 Carrying Forward and Forfeiture of Annual Leave

An employee will complete his/her pending entire leave entitlement for the year in the year in which it is accrued.

An employee will only be allowed to carry forward a maximum of ten (10) days of his/her leave from one year to the next, if for business reasons she/he was unable to take his/her full leave entitlement. Approval to carry leave forward is given in writing by the Managing Director.

In such circumstances, the number of leave days carried forward will not exceed ten (10) days, for the leave year in question and the employee must proceed on leave within the first three (3) months of the subsequent leave year, failure to which the leave days carried forward from the previous year **are** forfeited.

Deferment of annual leave from one leave year to another shall not be permitted except in very exceptional circumstances with prior approval of the MD.

An employee is required to apply for Annual Leave, at least 14 working days prior to the date they intend to start their leave. Leave applications are approved at the discretion of the business i.e. where business priorities dictate that the leave application should be deferred to a later date, the supervisor has the discretion to decline the application. Similarly, a supervisor may instruct an employee to proceed on leave so as not to prejudice his/her leave entitlement.

Before proceeding on leave, the employee will handover their responsibilities to the nominated individual as agreed with the supervisor, at least one day before he/she proceeds on leave.

An employee may avail himself of his annual leave at any time during the "leave year" but he/she, will not be eligible for such annual leave if he/she is not returning for further service for a minimum period of 3 months. This condition does not, however, apply to an employee whose appointment is terminated by the Company within 3 months of his return from annual leave or to an employee who resigns his appointment at the end of a calendar year after having utilized his annual leave.

11.3.3 Unpaid Leave

Unpaid leave may be granted to an employee with the prior approval of the MD, on grounds of urgent private affairs in proven cases of exceptional hardship or on compassionate grounds. Such leave should not normally exceed 30 days. Otherwise, the employee will be expected to resign from the service of the company.

For an employee to qualify for unpaid leave, he/She will be required to have served for at least a minimum of 2 years. Application for unpaid leave will be submitted to the MD, the contents of which will be regarded as strictly confidential. Unpaid leave granted in accordance with this regulation will not be increment-earning.

Unless it is specifically stated to the contrary, unpaid leave will be treated for pension purposes as leave not on grounds of public policy and the period involved will accordingly not be pension-earning.

An employee on unpaid leave shall continue to discharge his liabilities to the company in respect of any financial advances during the whole period of his absence.

No unpaid leave may be taken unless all accumulated leave is exhausted.

11.3.4 Maternity Leave

Female members of staff who are required to be absent from duty on account of confinement shall be granted maternity leave with full salary in accordance with provisions of Section 29 of the Employment Act 2007 which stipulates that a female officer shall be entitled to leave for a period of Ninety (90) calendar days on full pay and benefits.

An application for the maternity leave shall be submitted to the MD 30 days before the expected date of delivery.

Absence on account of illness due or attributed to pregnancy which occurs outside the period of maternity leave shall be treated as sick leave.

11.3.5 Annual Leave during Maternity Leave

Maternity leave is in addition to annual leave. While on maternity leave, contractual annual leave of 24 working days will still accrue to female employees. The employee is still required to adhere to annual leave policy and take her leave also within the leave year.

Should an employee want to take her annual leave immediately after her maternity leave, she is required to spend at least one day in the office on duty on completion of her maternity leave before proceeding on her annual leave. The employee is required to apply for her annual leave in keeping with the annual leave policy.

11.3.6 Unpaid Maternity Leave

In exceptional circumstances, employees may be granted an additional period of unpaid maternity leave, in cases where they are unable to return to work after the allocated ninety (90) calendar days have lapsed.

Should an employee wish to apply for unpaid leave immediately after her maternity leave, she is required to spend at least one day in the office on duty **on duty** on completion of her maternity leave before proceeding on her unpaid leave.

The employee seeking the unpaid leave should use the leave form and state clearly how many days they are applying for as unpaid leave which is approved by respective supervisor.

11.3.7 Paternity Leave:

Upon birth and issuance of birth notification an officer will be eligible for paternity leave of two weeks during the period of the spouse's maternity leave in accordance with provisions of Section 29 (8) of the Employment Act 2007. This is applicable to one spouse only

11.3.8 Leave Pending Retirement

An officer who is due for retirement will also be entitled in addition to his annual leave, to thirty (30) days leave pending retirement. This leave is inclusive of weekends and public holidays and must be taken thirty (30) days preceding retirement and will, neither be commuted for cash nor will the officer qualify for additional leave allowance.

11.3.9 Leave of Absence

Leave of absence to undertake job assignments may be granted on exceptional circumstance where secondment or transfer of service is not applicable. In such circumstances, the company shall have absolute discretion to accept or reject an application for leave of absence.

Where an employee is granted leave of absence to undertake a job assignment such leave shall not exceed 3 years.

Only permanent and pensionable employees in salary at the middle and senior management levels shall be eligible for leave of absence. **In order to maintain pension rights, such an employee must remit 31% of his company salary every month to the Company throughout the period of leave of absence.**

11.3.10 Compassionate leave

In the event of the death of an employee's immediate family member, up to five (5) working days of compassionate leave is granted. Such leave will not be deducted from annual or sick leave.

Immediate members of the family shall mean only spouse, biological and/or legally adopted children, parents, brothers, sisters, grandparents and parents-in-law of the employee. Compassionate leave shall be applied for and approved in the same way as other leave.

11.4 Sick Leave

DAWASCO will ensure that all employees who are absent from work due to illness are provided the necessary time to recuperate and that their absence from work is managed well so as to minimize the disruption to the operations of the Company.

Employees are responsible for their well being in terms of healthy living and seeking medical attention as and when this is necessary. DAWASCO will facilitate the provision of reasonable medical care through medical scheme. Should illness be caused through employee's own neglect or misconduct, his/her full salary may be forfeited for whole or any part of the period of absence from duty.

All absence due to sickness must be reported to the **supervisor** as soon as possible at least during the first day of absence. Supporting medical documentation initiated by an attending Doctor must be attached to the absence form when the employee returns to work.

The Company has the right to have an employee examined by an approved Company doctor at its discretion. Sick leave, which is not approved, is either deducted from annual leave or salary.

All employees employed for a period in excess of three months are entitled to sick leave of up to 21 working days in the calendar year. A period of up to 21 working days absence from work due to sickness is called a Short Term sick leave. A period of more than 21 continuous working days absence from work due to illness is termed as Long Term sick leave. Employees absent either on short or long term due to illness must obtain a signed and stamped medical certificate/sick sheet for the duration of their absence.

An employee's pattern of absence due to illness may be monitored to ensure there is no abuse of the sick leave entitlement. Where abuse of sick leave is found, the employee is subject to disciplinary measures.

Sick leave is cumulative over the year i.e. all sick leave taken at different times of the year is added up to determine the amount of sick leave taken in any one year. Sick leave will not be accumulated from year to year. If an employee has not taken sick leave in any one year, he/she cannot carry forward the sick leave not taken to the following year.

11.4.1 Sick Pay

Employees are entitled to full pay for the first 21 days of sick leave in a calendar year. Employees on long term sick leave are entitled to full pay for the first 3 months of sick leave in a calendar year. Thereafter, employees are entitled to half pay for a further period of 3 months. If the employee is still unable to return to work due to ill health, he/she is entitled to a further 21 days of sick leave but without pay.

Thereafter the Managing Directors will determine continuity of employment of the employee, based on medical reports received in relation to the employee's ability to continue in employment and in line with employment law concerning termination on medical grounds.

11.4.2 Retirement on Medical grounds

Retirement on medical grounds is effected when it is determined that an employee can no longer be retained in employment following a doctor's certification of the employees medical condition or the employees' voluntary option for retirement on medical grounds. All terminations on medical grounds are authorized by the Managing Director.

11.5 Study leave

The MD may grant study leave without pay to an employee upon application, subject to the following terms and conditions:

- (i) The employee should have served the Company continuously for at least 3 years.
- (ii) The performance and conduct of the employee should have been consistently satisfactory.
- (iii) The unpaid study leave will not normally exceed 24 months.
- (iv) The course of study should be relevant to the employee's work, and the employee will meet the costs of the course.
- (i) The employee shall immediately resume duty upon expiry of the unpaid study leave.
- (vi) The unpaid study leave will not be increment earning.
- (ii) An employee on unpaid study leave shall continue to discharge his liabilities to the Company in respect of any financial advances during the whole period of his absence

11.5.1 Examination Leave

An employee who is undertaking self-improvement activities for a professional examination which is approved by the company but without having taken study leave for **the** preparing for the examination, may be granted a maximum of 20 days to prepare for the examination, which leave shall not be deducted from his annual leave, provided that the course of self-improvement meets the criteria specified in clause 10.2.11 (i), (ii) and (iii).

11.5.2 Encashment of Leave

Encashment of leave is an exception to policy and will only be considered where it can be demonstrated that the individual was denied or recalled from leave due to business interests and within the foreseeable future there will not be an opportunity for that individual to take his/her accrued leave days.

All considerations for encashment are expressly approved in writing by the Managing Director.

11.5.3 Employees on Probation

Employees who have been offered employment on permanent terms and are still on probation are entitled to two (2) days leave for each month worked during their probation period. The leave accrued during the probation period is taken upon their completion of the probation period and upon being confirmed in their respective roles.

11.6 Public Holidays

Employees of DAWASCO will observe all the gazetted official holidays in the Republic of Kenya. Employees who are required to work during public holiday will receive a day of in lieu.

12 CHAPTER TWELVE – PERFORMANCE MANAGEMENT

Performance is the accomplishment of set objectives. Performance management begins with the establishment of Company's objectives for the year, and the subsequent assignment of personal objectives for each employee to achieve, which contribute directly to the accomplishment of the Company's objectives. Performance evaluation will focus on deliverables against set objectives and eliminate any subjectivity in assessing employee performance.

12.1 Performance Cycle

The performance cycle has 4 stages:

12.1.1 Stage I: Objective Setting

Objectives are the results that the Company, a department, a section and/or an individual need to deliver in order for the Company to meet the expectations of the customers, employees, shareholders and the community at large.

Objectives are set at all levels of the organisation, starting with the corporate or strategic objectives. These objectives are broken down into business plans. Business Plans **are** broken down into departmental goals which in-turn **are** broken down to section goals and finally individual goals.

Cascading objectives through the Company will ensure that management is committed to the achievement of the objectives and employees have clear goals that are clearly related to the Company's strategic plan.

12.1.1.1 Corporate Objectives

At the Company level, objectives are set for DAWASCO by the Board of Directors and regulating authorities. DAWASCO will develop a three-year strategic plan designed to assist the Company achieve its Mission and realise its Vision.

The management team of DAWASCO, the Board of Directors and representatives from various stakeholders, such as the regulating authority, strategic partners, etc, will participate in the creation of the strategic plan.

The strategic plan is reviewed annually to evaluate progress as well as to confirm that the strategic plan remains relevant to the operating environment in which the Company finds itself at the time of the review as well as relevant to the anticipated future.

12.1.1.2 Business Plans

Each year the management team will develop Business plans from which it will create an annual business plan. The Business Plan will document the activities that are undertaken in that year that will contribute to the achievement of the strategic plan.

The business plan will incorporate the business activities as well as the supporting budgets and expected financial returns. The business planning process will commence in April each year and is approved by the Board in May/June for implementation in July for the new corporate/financial year.

The corporate/financial year for DAWASCO runs from July to June each year.

The business plan will incorporate the performance contract that DAWASCO is required to sign with the regulatory – Northern Water Services Board.

The Business Plan will also be the personal objectives of the Managing Director as the Head of the Company. It is therefore incumbent upon the Managing Director to use his/her skill, experience and resources at his/her disposal to ensure that he/she and the Company as a whole deliver the results expected by customers, employees, shareholders and the community at large.

12.1.1.3 Department Goals

Departmental goals are drawn from the Business plan. The activities directly relating to a respective department in the business plan will become the departmental goals as well as the personal objectives of the Head of Department. It is therefore incumbent upon the Head of Department to use his/her skill, experience and resources at his/her disposal to ensure that **the** he/she and the department deliver the results expected by the Company.

Each Head of Department will determine how to delegate activities within his/her respective sections and/or individuals within the department.

12.1.1.4 Section Goals

The section goals are determined by the Head of Department and are the personal objectives of the supervisor of the section. It is therefore incumbent upon the supervisor of the section to use his/her skill, experience and resources at his/her disposal to ensure that he/she and the section deliver the results expected by the department.

Each supervisor will determine how to delegate activities to the individuals within his/her section.

12.1.1.5 Individual objectives

Each employee of DAWASCO is expected **to** fulfil their objectives and deliver the results expected of them. The objectives set for employees are challenging representing improvements over his/her previous accomplishments and is realistic and attainable within the time frame selected.

12.1.1.6 Structure of Objectives

The objectives that are set at all levels within the Company are SMART:

- Specific – objectives **are** simple, detailed, focused and well defined. Objectives may be defined as actions; however the emphasis is on the required output and/or results.

Objectives will state what results need to be achieved. The methods used to achieve the results will be guided by the Company's values, code of conduct and overall human resource policy.

- ❑ Measurable – objectives **are** stated in quantifiable terms. It is the employees' responsibility to be clear about the systems, methods or procedures which are used to track and record the results that are delivered. Milestones are established for the evaluation of progress towards achievement of objectives. These milestones will be evaluated periodically through coaching and continuous assessment session.
- ❑ Achievable – objectives **are** attainable within the resources that are available to the employee. Objectives need to be stretching, yet realistic; they will also be achievable within the employee's ability, experience, knowledge and developmental plan.
- ❑ Relevant – objectives set will lead to the results desired by the section, department and/or Company. Objectives are something that the individual can actually impact upon or change i.e. objectives **are** set within the confines of the job responsibilities that the employee holds.
- ❑ Time bound – All objectives will have a time and/or date by which they will be achieved. Employees will have between 4 and 6 objectives that they can achieve to the standard expected. Employees will not be overloaded with numerous objectives which will not be possible to complete within the timeframe stated or which will lead to a compromise of the quality of results produced.

12.1.1.7 Documenting Objectives

All objectives set are recorded.

- ❑ Corporate objectives are recorded in the Strategic Plan, the Business Plan, the Performance Contract as well as the Managing Directors personal performance plan.
- ❑ Departmental objectives are documented in the Departmental Work plan & Budget as well as the Head of Department's personal performance plan.
- ❑ The objectives for a section are documented in the Section Work plan & Budget as well as the Section Supervisor's personal performance plan.
- ❑ Employees' objectives are recorded in the personal performance plan.

Each employee will sit with his/her supervisor to discuss his/her objectives. During the discussion, it is the responsibility of the supervisor to explain:

- ❑ the objectives that have been set; and
- ❑ How the employees objectives contribute to the achievement of the section, department and/or Company objectives.

It is the responsibility of the employee to confirm that he/she:

- ❑ understands the objectives that have been set, the results that are expected and the criteria that is used to measure performance against the objectives set;
- ❑ state any concerns he/she may have regarding the objectives and obtain clarification; and
- ❑ State anything that he/she believes may hinder his/her achievement of the objectives upfront and seek support on addressing the issues.

After the objectives have been set, documented in the employees' personal performance plan and discussed, both the employee and his/her supervisor will sign the personal performance plan. A copy of the individual's personal performance plan will be sent to the human resource and administration department for filing in the employees personnel file.

12.1.2 Stage II: Coaching & Continuous Assessment

It is the supervisor's responsibility to ensure that each employee has all the tools, resources, information, etc, that the employee requires to enable him/her to deliver their objectives assigned. The supervisor will ensure that:

- ❑ The right person is in the right job, with the skills, knowledge and capability to perform that job.
- ❑ The tools and information required to do the job are availed as and when required.
- ❑ There is continuous learning to keep the employees skills current through
 - On the job
 - Formal training
 - coaching
- ❑ There is a conducive working environment for the employees.

Each supervisor will sit with each employee in his/her team and discuss the employees' performance to date at least once every month. During the discussion the supervisor will discuss achievements to date, including:

- ❑ Performance which is on track.
- ❑ Performance which is below expectation and agree actions to bring the performance back on track.
- ❑ Any coaching, further training or development needs.

It is the supervisor's responsibility to ensure that regular performance reviews take place, thus raising the motivation of employees and embedding a performance culture within GAWASCO. Whilst the coaching and continuous assessment sessions are informal, both employees and supervisors will keep notes of what has been agreed as a reminder for action plans and as a reference for future performance discussions.

It is both the employees' and supervisors' responsibility to honour and deliver on the agreements made in the continuous assessment sessions.

12.1.3 Stage III: Formal Performance Review

The formal performance review will take place twice a year and is a documented performance review. The performance review has four parts:

12.1.3.1 Self Assessment

The first step of the formal performance review is a self-assessment. Each employee will evaluate himself/herself against the criteria set in the personal performance plan. The employee will rate his/her performance using the rating scale outlined below.

The employee will send his/her self assessment of his/her personal performance plan to his/her supervisor at least 48 hours before the performance review is scheduled so that the supervisor can prepare himself/herself before the performance discussion meeting.

12.1.3.2 Performance Discussion Meeting

The supervisor will invite the employee to attend a performance discussion meeting. The meeting is planned in advance with the employee notified at least five (5) working days before the meeting is scheduled to take place.

The supervisor will:

- ❑ Secure a private room in which to have the performance discussion.
- ❑ Ensure that there are no interruptions during the performance review discussion.
- ❑ Have carefully read the employees self appraisal and compared this with the notes he/she has taken during the coaching and continuous assessment sessions.
- ❑ Be available at the right time to commence the performance discussion punctually

The purpose of the performance discussion is to give feedback to the employee about his/her performance; acknowledge the employees efforts, formally rate and agree overall performance rating for the performance period.

During the performance discussion, the employee and his/her supervisor will discuss the employees personal performance plan emphasizing:

- ❑ Achievements vis-à-vis the expectation, together with the approach used to achieve the results so as to encourage continuous performance.
- ❑ Areas where expected performance has not been demonstrated, the factors that have contributed to the employees' inability to perform to the standard expected.
- ❑ Improvements that can be made to ensure that the performance is up to par and is sustainable. In case of corrective feedback, the supervisor will:

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- describe the behaviour of concern that has led to the less than satisfactory performance and the effect of that behaviour;
 - re-confirm the expected standards of behaviour and the results expected;
 - ask for reasons and explanation for the demonstrated behaviour and subsequent poor performance;
 - ask the employee to suggest solutions; and
 - Decide together on a plan of action. The plan of action is aimed at improving performance and/or employee relations.
- Rating of the performance achieved to date. Performance is rated as follows:
1. Excellent Performer
The employee achieved all objectives set and exceeded the objectives set in a number of areas. Performance against key result areas were achieved and frequently exceeded.
 2. Good Performer
The employee achieved all the objectives and/or performance against key result areas. Performance met the standards required by the job.
 3. Marginal Performer
The employee met most objectives and/or key results areas and partially met some of the objectives. The supervisor will need to create a personal improvement plan to get performance up to acceptable standards.
 4. Poor Performer
Performance falls below expectations. The employee did not meet his/her objectives and/or key result areas. The employee is to be put on probation for six months. If no improvement in performance is recorded within the timeframe set, the employee is removed from the position.

There is no discussion of salary during the performance discussion. Determination of salary is made by the management team as described in Chapter 12 of this manual.

12.1.3.3 Approvals

All performance assessments will have two levels of approval. Each performance assessment is reviewed and signed off by the employee, the employees' supervisor and the supervisor's manager.

Performance objectives are set from the top down, performance assessments are conducted from the bottom up. Each supervisor will present his/her teams' performance evaluation to his/her manager during his/her performance review.

12.1.3.4 Feedback

The supervisor will give feedback to each of his/her employees once their respective performance assessments have been approved by the supervisor's manager.

12.1.3.5 Disagreements

The employee has the right to disagree with his/her supervisor on his/her performance rating. Should such a disagreement arise, the employee will escalate the concerns to the Head of department who will arbitrate a meeting between the employee and his/her supervisor. If the employee is not content with the outcome of the meeting, he/she can escalate it to the Head of Administration and Human Resources who will arbitrate a meeting between all parties concerned. If the employee is still not content with the outcome, he/she can appeal in writing to the Managing Director. The employee is notified of the Managing Directors verdict within 7 working days. The Managing Directors decision is final.

12.1.4 Stage IV: Outcomes of Performance Assessment

The outcomes of performance assessments are:

12.1.4.1 Training and development

Each employee will have a Personal Development Plan (see Appendix XX) created for him/her as outlined in Chapter **11 or 12** of this manual.

12.1.4.2 Career Development Options

Employees, who are rated as exceptional and/or good, will be eligible for career development options as outlined in Chapter 11 of this manual.

12.1.4.3 Recognition

Employees who are rated as exceptional and/or good will receive both non-financial recognition in the form of nomination as employee of the month and/or employee of the year as well as financial recognition in the form of bonuses and/or increments.

12.1.4.4 Performance Improvement Plan

Employees who are rated as marginal or poor performers will be put onto a performance improvement plan as described below. In the Performance Improved Plan, each objective will clearly describe the performance improvement required and a timeline for resolution. Once the plan has been documented and approved, the supervisor will have ongoing discussions with the employee for the duration of the improvement period to monitor and confirm that performance is improving and moving towards acceptable levels.

At the end of the improvement period the employee and his/her supervisor will review the progress made and determine the way forward.

The way forward will be:-

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- ❑ If performance has improved to a satisfactory level, then new objectives will be set for the employee using the personal performance plan.
 - ❑ If performance has improved slightly and it is the view of the supervisor and his/her manager that the employee requires more time to bring performance up to acceptable levels, then the employee will be retained on the performance improvement plan until acceptable performance levels **are** demonstrated. The maximum amount of time an employee can be on performance improvement plan **is** six months
 - ❑ If the employee has not demonstrated any improvement then his/her employment in the role will be discontinued. If the employee has the competency, capability and potential to fulfil another role in the organisation, and such a vacancy exist, the employee will be moved into that position. If a suitable vacancy does not exist and/or the employee does not demonstrate the capacity to fulfil another role in the organisation, then he/she will be **terminated and discharged from** (asked to leave) the company.

12.1.4.5 Disciplinary measures:

Employees who are rated as poor will be put on probation for six months and may face disciplinary measures if their performance does not improve in the given timeframe, as will employees who do not fulfil the requirements of their performance improvement plan.

12.1.5 Stage I: Objective Setting

The performance cycle will start again with setting of new objectives for the new performance period.

13 CHAPETER THIRTEEN – TRAINING AND DEVELOPMENT

It is GAWASCO’s policy **is** to develop its employees to ensure that the skills, competencies and knowledge required to provide quality services and to grow and manage the business are provided to employees through self-learning, facilitative and practical learning and development interventions that add value, are cost effective and address the needs of both the individual and the business at large.

Learning and development **are primarily the** responsibility of each employee. DAWASCO will provide the opportunities and infrastructure for learning and development to take place by designing and sourcing relevant and appropriate programs.

Each employee is responsible for evaluating and communicating his/her learning and development needs with his/her supervisor and making the necessary adjustments to his/her working patterns to implement and realize the full value of the skills and techniques imparted through the learning and development intervention attended.

13.1 Identifying Learning and Development Needs

Learning and development needs are identified using two primary assessment methods:

13.1.1 Competency Assessment

Each job has specific competencies and skills that an individual is required to demonstrate to successful execute the responsibilities of the job. An employees competency is assessed first during the interview process and thereafter periodically during the year.

The following rating scale is used in assessing the employee’s competence against the required job competency.

- ❑ Fully demonstrates the competency.
- ❑ Some development required. The employee should be able to address the development areas within the next 3-6 months.
- ❑ Development required in several areas. The employee shows potential to address the identified gaps over the next 6-12 months
- ❑ Development required in most areas. The employee would take over 12 months to fully demonstrate the competencies.
- ❑ The employee does not demonstrate the competencies and does not show any potential to do so.

13.1.2 Performance Review

As an output of the performance review, each employee will agree with their supervisor the learning and development initiatives that will support the achievement of the objectives set.

13.2 PERSONAL DEVELOPMENT PLANS

Each employee is provided with a personalised development plan (PDP) prioritised in keeping with the current needs of the Company.

The supervisor together with the human resource and administration department will prioritize the personal development plan (PDP) to indicate the order in which learning and development is implemented. The priority of learning and development is directly proportional to the extent to which they contribute to achieving the objectives of the Company.

The human resource and administration department will identify synergies by merging, enhancing and developing interventions to realize a wider impact for the Company and identify appropriate delivery channels for the interventions identified. The human resource and administration department will create a chronological schedule of learning and development initiatives for the year and apportion budgets to approved learning and development interventions. Learning and development is a continuous and systematic process.

13.3 Learning & Development Initiatives

Learning at DAWASCO is obtained through:

13.3.1 On the Job Training

In this approach, the employee will learn in the actual work setting, under the guidance of an experienced employee, supervisor, and/or Manager. Through on-the-job training, the employee is guided through day-to-day activities with the outcome of providing him/her with the skills and knowledge to be able to carry out the job responsibilities to the standards required.

On-The-Job initiatives include:

- ❑ Job Rotation/Shadowing: in which an employee is given an opportunity to develop his/her skills and knowledge in another role/section/ department.
- ❑ Secondments: in which an employee is temporarily assigned to another part of the Company.
- ❑ Coaching: in which the supervisor works with the employee on a specific issue over a short-term period to enable the employee to perform more effectively. Coaching is delivered through one-on-one sessions.

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- ❑ Mentoring: in which a seasoned employee advises, supports and becomes a role model for a junior colleague.

13.3.2 Taught Courses

Taught courses take place in an environment away from the workstation in the form of:

- ❑ Induction: This is the initial orientation of the employee to NAWASC, ensuring effective integration into or across the organization for the benefit of both parties. Upon joining DAWASCO each employee will go through an induction program and is provided with an induction pack. The pack will include the Employee Handbook and Induction Program
- ❑ Management Skills Development: Supervisors and Managers are taken through a series of management training to enhance their management skills.
- ❑ Technical Skills Development: Employees will attend structured technical training courses/workshops on various aspects of water and sewerage management, facilitated by seasoned managers within the Company and/or certified institutes such as Kenya Water Institute.
- ❑ Certification Programs: Employees will attend certification programs in water and sewerage related programs offered through professional bodies, where the program is deemed relevant to the Company's business direction and will have a direct and significant impact on the individual's current and anticipated responsibilities. Certification programs are offered when all other training and development programmes have been completed and successfully passed. Priority will take into consideration seniority and is subject to availability of funds.
- ❑ Self Learning: DAWASCO will make available books, journals, magazines, videos, audio tapes, DVDs, computer aided programs and all other resources for learning and development purposes.
- ❑ Further Education: Employees **are** encouraged to proceed with further educational studies at their own expense and time. However, the Company may in some instances consider meeting training cost for further education programs to update skills and knowledge of an employee, where such programs are **seen** to have an immediate and beneficial impact to the Company.

13.3.3 Measuring the Impact of Training

To confirm that the employee is gaining the skills and competencies from the learning and development opportunities and that DAWASCO is gaining value for money from the investment in developing its employees, learning initiatives **are** evaluated in the following manner:

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- ❑ End of Program Assessment: At the end of each learning and development initiative, participants will complete a written evaluation on the skills and competencies they have acquired. In addition, employees will rate the learning and development initiative; likewise, the facilitator(s) will rate the participation of the employees.
 - ❑ 3 month Assessment: After a period of three months the respective supervisor will document the participants' use of their new skills and knowledge on the job, against the training gap that had been previously identified.
 - ❑ The end of program assessments will be forwarded to the human resource and administration department for analysis and filing. The Head of the human resource and administration department will table an evaluation report to the management team on the feedback received and analysis conducted. Based on the above evaluations, changes are made to increase the relevance and effectiveness of the learning and development initiatives.

Where an employee fails to attend a training program initiated and/or paid for by the Company, the employee may face disciplinary action and is requested to compensate the Company for the cost of the program as well as an additional administration fee of 10% of the cost of the program.

13.3.4 Bonding of Training Programs

DAWASCO retains the right to bond employees to a period of service in return for the learning and development opportunities provided. The duration of bond is determined by the program and the associated costs.

14 CHAPTER FOURTEEN – CAREER PROGRESSION

DAWASCO recognizes that success depends upon the calibre of its employees. DAWASCO is committed to enabling all employees to reach their potential in so far as this is possible within the objectives of the Company, to the mutual benefit of the individual and the organization.

14.1 Lateral Moves

Employees are provided with opportunities to work in different sections and departments of their Company in order to gain varied work experiences as the first means of experience career growth.

14.2 Stand-In

Employees will be requested to Stand-In for colleagues who will be away from their post for a given duration for a period not more than one month. An Employee who is requested to Stand-In will not have his/her salary or grade changed and will not be entitled to any allowance.

The purpose of being requested to Stand-In is to provide on-the-job training and give the employee the opportunity to grow and develop his/her own skills further as part of his/her career development.

14.3 Acting

Employees are appointed to Acting positions as a tool for succession planning and career growth. An employee is formally appointed to an acting role for a given duration for a period not less than one month and not exceeding six months.

The acting role will arise if the incumbent is away for more than a period of one month, the position is vacant, or there is a restructuring, or a new position has been created, or prior to confirmation into a new role.

Employees with potential to take on a senior position will first be appointed to take on the role in an acting capacity for a period between three months and six months. The respective supervisor of the vacant position will issue the acting employee with a job description and a set of performance objectives for the duration the acting employee will be in the role.

The Employee is notified in writing of the acting position and provided with the job description and the performance objectives. During the acting period

the employees is offered coaching and mentoring by the supervisor as well as other managers.

An Employee who is acting will not have his/her salary or grade changed. He/she will continue to earn his/her current salary and benefits. The employee is entitled to an Acting Allowance which is calculated as the difference between the employees current salary and the starting salary for the grade in which the position being acted in falls.

At the end of the Acting period, there is an assessment of the acting employees' performance vis-à-vis the performance objective set.

Where an acting position arises due to the incumbent position holder being away on leave, or secondment, or training, and the incumbent holder of the position returns to duty, the employee who has been acting will resume his/her previous position. The learning and development experienced by the employee who was acting will form part of his career growth and the employees demonstrated outputs will form part of their performance review for the period in question.

Where the Acting is part of the assessment of the employee's capability to take on a higher level role, and the employee has meet expectation, he/she is communicated to in writing, informing him/her of the decision to appoint him/her to the position, the effective date of the appointment and the package for the position. The employee will also be provided with Job descriptions and a new performance contract.

Where the employee does not meet expectations, the supervisor together with the respective Head of Department will make a decision as to whether or not to extend the acting period or ask the employee will resume his/her previous position.

14.4 Promotion

Promotions are dictated by the existence of a vacancy or new role at a higher level. Internal applicants are given priority over external applicants to fill vacancies, where internal and external applicants both meet the requirements for the position and demonstrate the competency and potential to execute the duties of the role.

14.5 Succession Planning

Succession planning is the process of identifying future potential leaders and/or employees to fill key positions in the Company. It is the process by which one or more successors are identified for key posts (or groups of similar key posts), and career moves and/or development activities are planned for these potential successors.

Successors may be fairly ready to do the job immediately or they may be seen as having a longer term potential to succeed in the role based on their current performance and evaluated potential.

Employees who are identified as potential successor will have a succession development plan created for **them**. Progress against the succession development plan is monitored regularly and when the position that the successor is being groomed for fall vacant, the successor is placed or promoted into the position.

The Head of the human resource and administration department will keep documentation on the **succession** planning process, succession evaluations and the successions development plans to ensure that **any** placement and/or promotion of an employee is done in a transparent manner

15 CHAPTER FIFTEEN – REWARD

DAWASCO reward policy is one based on performance where all employees recognize the need to add value to customers and understands the link between their individual contribution and the Company's priorities. DAWASCO offers a reward package that is competitive within the market where it does business; is supportive of business strategies and that attracts, retains, and motivates employees.

15.1 SALARY STRUCTURE AND SCALE

15.1.1 Purpose

The purpose of the salary structure is to provide a fair and consistent basis for motivating and rewarding staff. The policy of DAWASCO is to offer remuneration that will attract and retain the services of well-qualified personnel with the skills and flexibility to respond to the demand of an efficient system. The objectives of the salary structure will be to:

- (i) Attract and retain key skills needed to achieve overall corporate objectives.
- (ii) Achieve transparency in the remuneration package.
- (iii) Provide adequate pay differentials to compensate for skill and ability, experience, performance and responsibility.
- (iv) Relate pay to performance as a means of promoting positive culture and motivating employees towards higher levels of achievements.
- (v) Provide adequate incentives for increased managerial efficiency, improved accountability and controls.

There will be such salary scales as the Board may from time to time determine. Eligibility for appointment or promotion to any post will be in accordance with the existing schemes of service or career progression guidelines and the company's Terms and Conditions of Service such as performance and integrity records.

The salary scale for each grade is determined by:

- ❑ Job size and responsibilities.
- ❑ Competitive market data; and
- ❑ Overall business results and the organizations ability to pay.

The Company's Salary Structure shall be determined and approved by the Board. Where necessary, the services of an expert should be engaged.

15.1.2 Payment of Salary

On appointment, an employee will be entitled to a full pay with effect from the date he/she reports on duty. Salaries shall be paid monthly and all earnings and deductions shall be tabulated in a pay slip and on the wage slip for casuals. All employees are expected to operate a bank account and furnish the Human Resources Office with the details.

15.1.3 Date of Payment

Salaries are paid monthly in arrears between the 25th and 30th day of each calendar month by credit transfer directly into the employee's bank account, unless otherwise authorized by the Managing Director. All salary payment shall be paid in Kenyan currency

15.1.4 Entry Point

The point of entry in the scale approved for the post shall be the minimum unless otherwise determined by the Board.

15.2 Salary Increment

- Salary increments shall be based on satisfactory performance and conduct.
- When an employee's performance or conduct has not been satisfactory for the period under review his increment may be stopped or deferred.

15. 2.1 Incremental Credits for Approved Experience

Incremental credits for approved experience acquired after obtaining the minimum prescribed qualifications/experience for the grade may be awarded at the rate of one increment for each completed year of approved experience, provided the maximum salary point on the salary scale is not exceeded.

In awarding incremental credit, any period of service/experience stipulated as a basic requirement for appointment or promotion to a particular grade shall be excluded.

15.2.2 Incremental Dates on Appointment

- (i) The incremental date shall be the beginning of the month of appointment, promotion or upgrading of an officer.
- (ii) Annual salary increments will normally be granted on the first day of incremental month following the anniversary of the appointment or promotion of an employee.
- (iii) An officer serving on an incremental scale is not entitled to receive an increment as a right. An increment shall only be granted if an officer

has discharged his duties with efficiency, diligence and fidelity and with availability of funds

15.2.3 Definition of Increments Withheld or Stopped

An increment shall not be automatic. It shall be subject to satisfactory work performance by the employee and this shall be determined by the completion of the annual performance appraisal. The increment shall be withheld by the MD if the appraisal is unsatisfactory.

15.2.4 Determination of Salary on Promotion

If the salary of an officer who is promoted/ upgraded to a higher job group is two points or more below the minimum of the salary scale attached to the higher job group, he will enter the scale of the higher job group at the minimum point of the scale on the effective date of his promotion /upgrading. His future incremental date will be the following year on the first date of the annual incremental month following the month in which he/she was promoted.

If on the effective date of promotion/upgrading the officer was already within the higher salary scale but the officer had not attained the maximum point of his current salary scale, the officer will enter the higher salary scale at the point next above his current salary on the effective date of his promotion/upgrading and his next incremental date will be the following year on the 1st date of the incremental month following the month in which he/she was promoted.

If an officer who is promoted/upgraded to a higher job group has served at the maximum point of his present salary scale for three (3) years and the salary is within the higher grade, the officer will be granted (2) two increments. His future incremental date will be the 1st date of the incremental month following the month in which he/she was promoted /upgraded.

15.3 Awards

The company may consider various awards to reward exceptional performance.

15.3.1 Long service awards

On their anniversaries, employees are entitled to a gift or cash award to the value as shown below:

Years of Service	Value (KShs)
15	2,500.00

20	3,500.00
25	4,500.00
30	6,000.00

Note that the anniversary can start as early as the 5th year of service, depending on the wishes of the Board.

15.3.2 Performers awards

At the end of the year or during the company's significant anniversaries, the best evaluated employees are entitled to various gifts or cash awards. The staff to receive awards can be selected on the basis of employees filling nomination forms or recommendations of heads of departments or sections to the Staff Advisory Committee.

15.4 Salary Review

The salary scales and levels may be reviewed by the Board on an agreed regularity, say every four years, or specifically on the basis of strenuous National economic circumstances or sudden significant change of the company's fortunes for any possible reason. Such reviews shall be based upon, inter alia:

- Cost-of-living adjustments.
- Ability of the company to pay, especially long term projected prospects for the company to sustain new salary levels.
- Prevailing market rates based on salary market surveys.

15.5 Salary

Each employee is paid a **consolidated** monthly basic salary. This includes all allowances as prescribed by Kenyan Law. The salary of an employee, unless otherwise specifically stated in his/her terms of service, is fixed on the assumption that his whole time is at the disposal of the Company's and an employee is prohibited, from engaging in trade or employing himself in any commercial undertaking or rendering professional assistance or accepting any remuneration from private persons or firms at the expense of the Company.

Salary is calculated as a gross payment and is subject to statutory deductions i.e. National Social Security Fund (NSSF), Pay As You Earn (PAYE), National Hospital Insurance Fund (NHIF) deductions and any other deductions as determined by law.

Each employee will provide to the human resource and administration department his/her bank details upon joining the Company, or by the 4th of

the month should the details change during employment so as to have them included in the month's payroll.

Employees will only be placed on the payroll once all the required statutory documentation has been provided i.e. copies of Personal Identification Number (PIN), National Hospital Insurance Fund Card (NHIF), and National Social Security Fund Card (NSSF) have been provided to the HR Department.

15.5.1 Deductions

Salary deductions are made automatically for any of the following:

- ❑ Statutory deductions including income tax (PAYE), NSSF contributions and NHIF contributions.
- ❑ Voluntary deductions including contributions to cooperative savings and credit societies, contributions to retirement fund scheme etc.
- ❑ Reimbursement of advances and other payments due to GAWASCO.
- ❑ Imprest taken for work related programmes that have not been accounted for within two weeks after the work has taken place.
- ❑ The equivalent of one day's pay for every day not worked due to unauthorized leave and/or or leave without pay.
- ❑ Amounts determined by a court order or arbitration award.

Cumulatively, total deductions will not exceed two thirds of the employee's gross salary.

15.5.2 Itemised Pay Statement

All employees, except for casual employees, will receive an itemised pay statement at the end of each month indicating:

- ❑ Gross salary
- ❑ The statutory deductions made from the gross salary and the aggregate amount of statutory deduction for each type of statutory deduction
- ❑ The net salary
- ❑ Any other deductions made from the net salary
- ❑ The method of payment

15.6 Leave Allowance

All employees will be eligible for leave allowance at the rate of half a month's basic salary once a year not exceeding twenty thousands, provided the employee utilizes at least one half of his leave entitlement in that year.

15.6.1 Airtime Allowance

- Employees at senior management level may be eligible for air time and pre- paid telephone cards.
- The Secretary and Driver of the MD will be entitled to some mobile air time.
- All other employees should use the switch Board for necessary telephone services.
- Under special circumstances, the MD may provide mobile air time and/or direct line to officers in the grades not listed above depending on the work load involved or nature of duties.

15.6.2 Accommodation Allowance

An employee who travels from outside the station and is required to stay overnight and makes his arrangements for boarding and lodging shall be paid a non-accountable accommodation allowance. The rate of the allowance will be governed by the approved rates as determined by the Board from time to time.

If an employee is travelling outside his duty station but is not required to spend the night out, the officer will be entitled to a Lunch/Dinner Allowance. The rate of these allowances will be governed by the approved rates as will be determined from time to time by the Board.

15.6.3 Subsistence Allowance when Travelling Outside Kenya

The Board shall from time to time establish subsistence allowances applicable to various job groups for officers travelling outside Kenya. These allowances shall be specific to each country of travel. Subsistence allowance will be paid to an employee who is travelling outside Kenya on official duty in accordance with the rates approved by the Board in line with guidelines issued by WASREB.

When an employee is travelling, and boarding and lodging expenses are met in full by the company or any other organization, a residual allowance of up to $\frac{1}{4}$ of the standard rate of subsistence allowance may be paid to cover incidental expenses. Where only lodging is provided free of charge, subsistence allowance may be paid at the rate of $\frac{3}{4}$ of the standard rate stipulated in the Board Regulations.

15.6.4 Meals Allowance

An employee who is required to work beyond normal working hours will be eligible for meal allowance (lunch) at the rate approved by the Board

15.6.5 Overtime Allowance

An employee on a supervisory grade and above will not qualify for overtime allowance since staff members in this category are normally called upon to perform duties of a supervisory nature and this factor is taken into account in determining their rate of remuneration.

15.6.6 Acting Allowance

An Employee who is acting will not have his/her salary or grade changed; he/she will continue to earn their current salary and benefits. However, he/she is entitled to an acting allowance. The Acting Allowance is calculated as the difference between the employees' current salary and the starting salary for the grade in which the position being acted in falls.

15.7 Advances

15.7.1 Salary Advance

An advance of 1 month basic salary may be granted by the MD when an employee owing to circumstances beyond his control, is placed in a difficult financial position requiring assistance from the Company. In applying for the advance, the employee should explain in writing the circumstances leading to the situation, which he could not have foreseen.

The advance may be granted only when an employee has no other outstanding salary advance or debt to the company.

i. Eligibility for Advance

Advances of salary may be made to an employee of the permanent establishment or to an employee serving on local agreement terms who has served for more than one year and has more than one year to serve before retirement.

ii. Recovery of Advance

The maximum salary advance that may be granted at any one time is the equivalent of one third of an employees' monthly salary. The advance is recovered within the month it is given.

15.7.2 Salary in Advance

An employee proceeding for more than half of his annual leave may be paid his salary for the month in which he/She proceeds on leave 3 days before departure from his station. This arrangement does not constitute an advance of salary.

15.8 Bonus

DAWASCO will pay out a bonus to employees based on the achievement of objectives set for the Company. A bonus payout will only be determined and approved by the Board of Directors.

15.9 Tax Returns

Employees are required to submit their personal tax returns to the Kenya Revenue Authority (KRA) annually as stipulated by law. The human resource and administration department will provide each employee with the necessary documentation – P9 forms – to facilitate completion of their tax returns.

15.10 Benefits

Employees of DAWASCO are eligible for the following benefits:

15.10.1 Medical Scheme

Employees **are** entitled to reimbursement of their medical expenses up to the limit stated in their Letter of Offer or as adjusted by further official documentation from DAWASCO.

The medical allowance will reimburse medical expenses for employees which are accompanied by supporting medical documentation initiated by an attending Doctor. The Company has the right to have an employee examined by an approved Company doctor at its discretion to verify the medical claim. Falsification of medical claims will result in disciplinary measures.

15.10.2 Retirement Scheme

DAWASCO has put in place a provident fund scheme to ensure that all permanent and pensionable employees have the opportunity to obtain financial security for their retirement.

Once an employee has been confirmed, and he/she has joined the GAWASCO Provident Scheme, as a member each employee will contribute 10% of his basic salary and the company as the employer will contribute 6% of an employee's basic salary

The terms and conditions of the provident fund are available in the DAWASCO Provident Fund Scheme Trust Deed and Rules and are available for all employees to review. It is the responsibility of each employee who is a member of the DAWASCO Provident Fund scheme to familiarise himself/herself with the DAWASCO Provident Fund Scheme Trust Deed and Rules.

15.10.3 Fund Management

The scheme will be managed under a trust by trustees elected by the members and appointed by the company in accordance with the provisions of the Retirement Benefit Authority Act in **force at that time**.

15.10.4 Other Retirement Benefits Schemes

Officers whose transfers to the company have not yet been completed as per the Transfer Plan of Legal Notice No. 101 of 2005 shall continue to contribute to their current retirement benefits schemes. These include NSSF and the Kenya Local Government Officers Superannuation Fund. The company shall continue to remit the requisite contributions to these schemes.

As soon as the services of these members of staff are fully transferred to the company, they shall cease to be members of the other schemes and shall join the company's Provident Fund. The company will make the necessary arrangements for the change of schemes in consultation with the relevant authorities.

15.10.5 Gratuity

Employees on fixed term contracts of over one year shall be entitled to gratuity which is paid at the end of the contract period. **The gratuity is the equivalent of 30% of the final annual salary of the employee.** The gratuity is paid in the employee's last month of services through the payroll and is subject to applicable taxes.

15.11 Life Insurance

DAWASCO will ensure that all employees are provided with an insurance cover against death in service through the Group Life Insurance Cover. The benefit will be five times basic annual salary subject to medical examination as mandated by the Insurer.

The benefit is payable to the administrators of the deceased's estate as declared by a court order. The documentation required by the insurer to process the Group Life claim includes:

- ✓ Burial permit
- ✓ Death certificate
- ✓ ID card of the deceased staff member/letter of surrender
- ✓ Summary report of death from attending doctors/post-mortem report
- ✓ Last pay slip
- ✓ A duly completed death claim form

15.11.1 Work Injury Benefit

All employees, no matter their category of employment are covered by the work injury benefit insurance scheme. The work injury benefit insurance scheme covers any employee who is involved in an accident resulting in the employee's disablement or death.

In keeping with the provision of the Laws of Kenya, DAWASCO will compensate employees at the rate prescribed, currently ninety six months salary for permanent disablement and/or death in service. Any other injury and/or contraction of an occupational disease are compensated as prescribed in the Work Benefit Injury's Act 2007.

DAWASCO will defray any expenses related to medical assistance it provides an employee as a result of an injury and/or contraction of an occupational disease from the compensation that the employee receives.

Employees will not be eligible for compensation if:

- ❑ They do not report the accident and/or incident within twelve months after the date of such accident/incident.
- ❑ An accident, not resulting in serious disablement or death is caused by the deliberate and wilful misconduct of the employee.
- ❑ The employee was, at the time of the accident acting in contravention of any law or any instruction by or on behalf of his employer
- ❑ The employee was, at the time of the accident acting without any instruction from his employer.
- ❑ He/she was deployed outside Kenya for a continuous period of twelve month or longer, or for a shorter period, if the employment outside Kenya is expected to last for more than twelve months.

16 CHAPTER SIXTEEN – SEPARATION

DAWASCO Limited will ensure that the process of employees separating with the Company shall be professionally managed in a caring and responsible manner, in keeping with the corporate image and in line with the Company values. Separations with DAWASCO will cause minimal disruption to the operations of the Company and is compliant to Company and legal regulations. The process is fairly executed with no discrimination to employees on basis of race, colour, gender, disability or tribe.

An employee can separate with DAWASCO through a number of events:

16.1 Resignations

An employee wishing to resign from the Company shall submit a letter of resignation to the Managing Director with copies to his/her Head of Department and the Head of Administration and Human Resource. The letter will bear the date, contain reasons for the resignation and will state the desired effective date of resignation. In the event of his/her resignation, the Managing Director shall submit a letter of resignation to the Chairman of Board of Directors.

Employees who have resigned will have a discussion with his/her supervisor to understand the reason for the resignation. The supervisor will then hold a meeting with his/her Head of Department to discuss the resignation. The Head of Department will consult with the Head of Administration and Human Resources and the Managing Director. Resignation will only be accepted by the Managing Director. If the resignation is accepted, Head of Administration and Human Resources will draft the acceptance letter for the Managing Directors signature. The letter is given to the respective Head of Department to issue to the resigning employee.

16.1.1 Notice Period

All employees, apart from members of the management team shall give the Company one months (30 calendar days) notice in advance of the expected resignation date or one month (30 calendar days) salary in lieu of notice. Members of the management team will give three months (90 calendar days) notice in advance of the expected resignation date or three month (90 calendar days) salary in lieu of notice, unless this condition is already stated as the notice period in their contracts of employment.

Non-management employees who are serving their probation period are required to give two weeks (14) days notice of their intention to resign or pay the Company fourteen (14) days salary in lieu of notice. Management

employees who are serving their probation period are required to give one-month (1) month notice of their intention to resign or pay the Company one month (1) month salary in lieu of notice.

Employees who are on fixed term contracts are required to give notice as stipulated in their Letters of Offer or payment in lieu thereof.

If the employee does not serve his/her full notice then he/she will have the number of day not served deducted from his/her outstanding leave days or have the equivalent value deducted from his/her final dues.

The Company, after accepting the resignation, may release the employee at any time during the notice period and pay the employee his/her dues up to the end of the notice period.

16.1.2 Entitlements upon Resignation

Upon their resignation an employee is entitled to the following:

- ❑ Salary and any allowances as applicable for the month of resignation pro-rata to the last working day less any monies due to DAWASCO such as outstanding travel advances, imprest, etc.
- ❑ Compensation for leave days accrued and not taken or the equivalent value for the number of day's overdrawn leave.
- ❑ Provident dues as applicable.

Final dues is payable upon the employee returning all Company documents /materials/property they may have in their custody. Settlement of the above requirement is noted on the clearance form, validated by the respective Head of Department and forwarded to the human resource and administration department for settlement.

16.2 Retirement

Employees shall retire on attaining the age of fifty five (55) years irrespective of the years they have served with the Company. .

Employees are provided with a letter of retirement, at least 6 months before the attainment of the retirement age. The letter of retirement will outline duties and responsibilities during the six months notice period, the counselling sessions on offer and the settlement of final dues owed to the employee and when these can be collected.

The Board of Directors may offer a fixed term contract of employment to employee who has attained retirement age, if the service of the employee is deemed essential to the successful operation of the business, and that there is no other employee with the requisite skill and experience to execute the responsibilities of the post.

The priority of any employee who is retained after his/her retirement will be to identify and groom potential successors before his/her contract expires.

16.2.1 Entitlements upon Retirement

The employee shall be entitled to the following:

- ❑ Salary and any allowances as applicable up to retirement pro-rata to the last working day less any monies owed to the Company such as outstanding travel advances, and imprest.
- ❑ Compensation for leave days accrued and not taken or the equivalent value for the number of day's overdrawn leave.
- ❑ Provident **fund** dues as applicable.

Final dues is payable upon the employee returning all Company documents **/materials/property** they may have in their custody. Settlement of the above requirement is noted on the clearance form, validated by the respective Manager and forwarded to the human resource and administration department for settlement.

16.3 Redundancy

A job is declared redundant when the processes/systems/responsibilities of a unit changes and the job no longer adds value or fits into the new process/responsibilities or aligns to the new system.

The employee holding a position that has been declared redundant is assessed for any other role within the Company that he/she may fit into. Should the employee fail to secure another position within the Company the Head of department will recommend that he/she be declared redundant.

The decision to declare an employee redundant is approved by the Managing Director.

An employee who is declared redundant is communicated to about the redundancy by their Head of Department together with the Head of Administration and Human Resource. The employee is issued with a Redundancy letter signed by the Managing Director. The letter declaring the employee redundant will stipulate what final dues and redundancy package the employee is entitled to and when these dues can be collected and prerequisites.

The employee being made redundant is provided with counselling and out-placement services to enable his/her prepare for the redundancy. The counselling may include family counselling to assist the family cope with the redundancy if requested by the employee.

The team/section/department affected by the redundancy is communicated to initially as a group and individually depending on how the redundancy affects the team, and the individuals within the team.

16.3.1 Entitlement on Redundancy

Employee entitlements upon being declared redundant fall into two categories:

16.3.1.1 Statutory

These are dues defined in law and is paid as follows in keeping with current legislation:

- ❑ Salary and any allowances as applicable up to redundancy pro-rata to the last working day less any monies owed to the Company such as outstanding travel advances, and imprest.
- ❑ Compensation for leave days accrued and not taken or the equivalent value for the number of day's overdrawn leave.
- ❑ Severance pay of one month's salary for each year worked or the set number of days pay for every completed year worked as redundancy pay as per the existing employment regulations at the time of the redundancy, whichever is higher.
- ❑ Notice pay as per the terms of the contract of employment
- ❑ Provident dues as applicable.

16.3.1.2 Ex-gratia payments

Ex-gratia payments are any additional terms that may be offered to an employee being declared redundant and are determined on a case by case basis, and approved by the Managing Director.

The employee will sign a discharge on acceptance of the redundancy terms. Final dues is payable upon the employee returning all Company documents **/materials/property** they may have in their custody. Settlement of the above requirement is noted on the clearance form, validated by the respective Head of department and forwarded to the human resource and administration department for settlement.

16.4 Retirement on Medical Grounds

Retirement on medical grounds is effected when it is determined that an employee can no longer be retained in employment following a doctor's certification of the employees medical condition or the employees' voluntary option for retirement on medical grounds. All terminations on medical grounds are authorized by the Managing Director.

An employee is entitled to the following benefits on termination on medical grounds:

- ❑ Salary and any allowances as applicable up to retirement pro-rata to the last working day less any monies owed to the Company such as outstanding travel advances, and imprest.
- ❑ Compensation for leave days accrued and not taken or the equivalent value of the number of day's overdrawn leave.
- ❑ Provident dues as applicable.

Final dues is payable upon the employee returning all Company documents /materials/property they may have in their custody. Settlement of the above requirement is noted on the clearance form, validated by the respective supervisor and forwarded to the human resource and administration department for settlement.

16.5 Summary Dismissal

Summary dismissal will arise due to a lawful cause i.e. a transgression against the rules and procedures of the DAWASCO as stipulated in the disciplinary policy, and/or on performance grounds.

Management will investigate the transgression and the concerned employee is notified in writing of his/her transgression and provided an opportunity during the disciplinary hearing to respond to the allegations.

Once all facts have been gathered and documented, a report is provided to the Managing Director for his review. Summary dismissal will occur following the disciplinary process in which facts relating to the matter of gross misconduct have been reviewed and documented and the recommendation approved by the Managing Director.

A dismissal letter is drawn up and signed off by the Managing Director and issued in person to the affected employees by the Managing Director or her/his designate.

16.5.1 Entitlements upon Dismissal

Employees who are summarily dismissed are entitled to:

- ❑ Salary and any allowances as applicable pro-rata up to the last working day less any monies owed to the Company such as outstanding travel advances, and imprest.
- ❑ Compensation for leave days accrued and not taken or the equivalent value of the number of day's overdrawn leave.
- ❑ Provident dues as applicable.

Final dues is payable upon the employee returning all Company documents /materials/property they may have in their custody. Settlement of the above requirement is noted on the clearance form, validated by the respective Head of Department and forwarded to the human resource and administration department for settlement.

16.6 Termination

DAWASCO may terminate the contract of employment of an employee by providing notice as stipulated in the employment contract. The Managing Director in consultation with the Board of Directors will agree to terminate a contract of employment and the affected employee is notified in writing through a letter issued by the Managing Director.

16.6.1 Entitlements upon Termination

Upon their termination an employee is entitled to the following:

- ❑ Salary and any allowances as applicable for the month of termination pro-rata to the last working day less any monies to DAWASCO such as outstanding travel advances, and imprest.
- ❑ Compensation for leave days accrued and not taken or the equivalent value for the number of day's overdrawn leave.
- ❑ Provident dues as applicable

16.7 Death in Service

In the event that an employee dies while working for GAWASCO, the Company will settle his/her final dues with the employees' estate/beneficiaries. The Company will also assist the family of the deceased with funeral arrangements using provisions for last expense available under the work injuries benefit scheme.

16.7.1 Entitlements upon Death in Service

The employees' beneficiary is entitled to the following upon providing a death certificate and letters of administration:

- ❑ Salary and any allowances as applicable for the month of death pro-rata to the last working day less any monies to DAWASCO Limited such as outstanding travel advances, and imprest.
- ❑ Compensation for leave days accrued and not taken or the equivalent value for the number of day's overdrawn leave.
- ❑ Work benefit insurance payment
- ❑ Provident dues is made available to the deceased employee s' next of kin/beneficiary, from the scheme administrators. The employees' next of kin/beneficiary will signoff a discharge form confirming collection of final dues of the deceased

The human resource and administration department will prepare the final dues for the deceased employee and have them ready for collection by the deceased's next of kin as stipulated on the Letters of Administration.

All final dues are in the form of cheques payable to the next kin. All payments are processed upon receipt of a death certificate or burial permit, and on identification and confirmation of the beneficiary. Where there are any disputes, all payments is made according to a court ruling.

The human resources department will coordinate funeral arrangements in conjunction with the family members.

16.8 Settlement of Final Dues

16.8.1 Conditionality for Payment of Final Dues

The final dues are subjected to applicable taxes and statutory deductions. The final dues are less any monies to DAWASCO such as outstanding travel advances, and imprest.

All final dues are payable to the employee upon him/her returning to the Company any Company documents **/materials/property** he/she may have in his/her custody. The separation checklist is the document to be used for clearance and must be duly filled and signed off by the various departmental signatories.

The employee will submit the duly approved separation checklist to the human resource and administration department to facilitate preparation of the final dues. The human resource and administration department will prepare the final dues for the employees and have them ready for collection by the employee as per date stipulated in the letter to the employee. All final dues are in the form of cheques payable to the employee.

16.8.2 Training Bonds

Where an employee has an outstanding Training Bond, this is deducted from the employees' final dues and/or a binding agreement entered between the employee and DAWASCO on how the outstanding amount is settled.

16.8.3 DAWASCO Provident Scheme

Where the employee is a member of a pension scheme, pension dues is paid out/transferred as per the instructions provided by the employee, in accordance with the Trust deeds and rules for the scheme that they participate in, and prevailing vesting and preservation rules.

16.8.4 Loan Schemes

In the event that the employee leaves the service of the Company during the term of the loan, the outstanding balance will become immediately

repayable. The outstanding amount may be deducted from the employees' terminal benefits.

Any outstanding balances after the employee has separated from the Company will attract a commercial rate of interest until the balance is fully settled.

16.8.5 SACCO Contributions

DAWASCO will notify the SACCO of the effective date that the employee separated with the Company. The employee is required to liaise directly with the SACCO on continuity/cancellation of membership with the SACCO and settlement of any outstanding loans/balances.

16.8.6 Certificate of Service

Employees leaving DAWASCO are provided with a Certificate of Service. The Certificate of Service will contain:

- ❑ The name of the employer
- ❑ The name of the employee
- ❑ The date when employment commenced
- ❑ The nature and usual place of employment
- ❑ The date when employment ceased