

Title: Progressive Discipline Policy & Procedure

Related Policies, Procedures & Forms:

Employee Handbook for Retail Employees
HR Policies and Procedures

Effective Date:

This version supersedes all previous policy and practices related to Progressive Discipline. This policy is effective 1st March 2016

Background:

Kamal Osman Jamjoom LLC (The “Group”) has designed a Progressive Discipline Policy to set standard of conduct and to identify and address employment related issues within the group. The process of Progressive Discipline is intended to educate and assist employees to overcome behavioural/performance issues and satisfy job expectations.

An employee can discuss any part of this policy with their Line Manager or the HR Department. This will clarify employee’s rights as well as give guidance and support where it may be required.

Scope:

All employees working under the umbrella of Kamal Osman Jamjoom Group (the “Group”)

Policies and Procedures:

To start a formal proceeding, the Line Manager must send a formal request to the HR Department with supporting evidence.

All investigations will be initiated and managed by HRD. Considering the seriousness of the allegations, employee may be suspended during the investigation process.

Once all facts and information has been gathered and a decision has been made by the HRD on the action to be taken the employee must be informed in writing immediately.

Employee has the right to appeal in writing within 5 working days from the date that the decision has been made to the HR Manager/Director .A hearing will then be arranged to give the employee an opportunity to present further evidence. Once the hearing has been complete, a final decision will be made within 3 working days. No further appeals can be held by the employee.

A copy of disciplinary action will be given to the employee and one copy along with notes taken will be kept in the employee’s file.

1. Formal Investigations

Formal investigations should be carried out by the HR Department according to the below:

- All relevant facts will be gathered promptly as soon as is practicable after the incident. Statements should be taken from witnesses at the earliest opportunity.
- Any physical evidence must be preserved and/or photographed if reasonable to do so.
- For precautionary measures suspension will be considered during the investigation process. In serious allegations such as theft, gross misconduct, other potential fraudulent behaviour, stock anomalies and harassment suspension may be imposed immediately.

In most circumstances where misconduct or serious misconduct is suspected an investigatory hearing will be held. Employee will be given an opportunity to state his side of the case. After thorough investigation and full presentation of facts, the HR Manager/Director in conjunction with the Line Director will decide to:

- Take no further action against the employee
- Recommend counselling for the employee
- Proceed to a disciplinary hearing

Should the decision be taken to proceed to a disciplinary hearing, then this may follow on immediately from the investigatory hearing if the following criteria have been met:

- The employee has been informed in writing that the investigation may turn into a disciplinary hearing.
- Employee is invited to say anything further in relation to the case.
- He has been told in advance what the nature of the complaint is.

Should anyone who is subject to disciplinary action resign during the course of the investigation, the action will cease unless there are extenuating circumstances which require its continuance.

The HR Manager/Director in conjunction with Line Director will decide on disciplinary action after taking into consideration all the facts that has been gathered during the investigation hearing.

In KSA investigations by law need to be carried out by a formal committee. There will be a minimum of 3 participants who are appropriately senior qualified nominated by the HR Manager/Director

2. Disciplinary Actions

Progressive discipline intends to educate and guide employees on the correct behaviour that should be demonstrated in the workplace. Whenever possible, informal and/or formal counseling will be used to resolve matters prior to any disciplinary action being taken. Any disciplinary issues must be communicated to HR department; no action will be taken without HR Department’s involvement.

2.1 Types of Disciplinary Action

Below are the potential types of actions that can be taken against the offense that has been committed. This will only serve as a guide and depending on the severance of the offence; a decision may be taken directly to a Final Warning.

Warning	Duration*	Notes
Verbal	At Manager’s discretion	Verbal warnings can be issued for diverse reasons in an unlimited manner without serious consequence at the manager’s discretion

1 st written	90 Calendar Days	This warning is the first step in the formal disciplinary procedure. It will be removed from the colleague’s file three (3) months after the date of issue providing there are no further occurrences. . NB:At this step an employee will not be entitled to receive any sales or profit related bonus – if payable during the period the warning is on file.
2 nd written	180 Calendar Days	This warning is the Second step in the formal disciplinary procedure. It will be removed from the colleague’s file six (6) months after the date of issue providing there are no further occurrences. . NB:At this step an employee will not be entitled to receive any sales or profit related bonus – if payable during the period the warning is on file.
3 rd & Final	270 Calendar Days	This warning is the Third and final step in the formal disciplinary procedure. It will be removed from the colleague’s file 270days after the date of issue providing there are no further occurrences. . NB:At this step an employee will not be entitled to receive any sales or profit related bonus – if payable during the period the warning is on file.
Termination Notice	Indefinitely	The termination letter informs a colleague that their contract has been terminated in accordance with the relevant countries Labour Law and company Policy. They should be invited for an exit interview where they would sign the document and settle and discuss any outstanding issues. At this step an employee will not be entitled to receive any sales or profit related bonus, and may lose end of service rights, depending on reason for termination.

** Unless local employment law dictates otherwise*

2.2 Verbal Warning

A verbal warning can be used for minor offences through a formal meeting with the employee. The Line Manager ensures that the employee understands the nature of misconduct and a further written disciplinary may be given when the behaviour continues or is repeated.

2.3 Written Warning

A written warning can be used on repeated offences and should be communicated to the HR department in writing. The HRD will then review the facts and issue appropriate warning accordingly.

All Warnings must contain the following information and must be issued within 7 days of the date of the incident

- The nature of the offence and where appropriate, that if further misconduct occurs, further disciplinary action may be taken.
- The period of time given to the employee for improvement.
- The employee's right to appeal to the HR Manager/Director within 5 working days.
- A copy of the warning and any supporting documentation must be filed to the individuals personnel file.

2.4 Final Written Warning

A Final Written Warning is appropriate and be given when:

- An employee's offence is of a serious nature but does not justify dismissal.
- An employee continues with misconduct which previously warranted a lesser warning.

2.5 Dismissal

Dismissal is appropriate and is taken when:

- An employee's behaviour is considered to be Gross Misconduct and in direct breach of company policies and or relevant country labour law.
- An employee's behaviour has not improved and all other lines of disciplinary have been exhausted,
- An employee causes a substantial damage to the Group or its Branches. In such cases, the employee will be dismissed from work with immediate effect without conducting any investigation with the employee. This is subject to the mistake and damages that the employee had caused, and to the approval /decision of the Chairman of the Board.

A Dismissal can only be given after a discussion with HRD and with Line Director's approval. The letter confirming dismissal will contain the following information:

- The reason for dismissal and any administrative matter arising from the termination of their employment.
- The employees right of appeal in writing within 5 working days to the HR Manager/Director

2.6 Performance Improvement Measures

Where improvement is required, the employee must be given clear guidelines in writing through Performance Improvement (PI) as to:

- What is expected in terms of improving shortcomings in conduct/and or performance.
- The time scales for improvement.
- When this will be reviewed.
- The employee must also be told, where appropriate, that failure to improve may result in further disciplinary action.

A record of the PI should be given to the employee and a copy retained in their personnel file.

3. Gross - Misconduct

Listed below are examples of offenses which may be considered to be Gross Misconduct and may warrant an immediate Final Warning, or Dismissal. It is stressed however that this list is not exhaustive and that on all occasions a full and proper investigation must take place prior to the issuing and taking any disciplinary actions.

In all cases HRD must be involved in the investigation, and then the issuance of the warning letter.

- Theft, including unauthorized possession of Company property.
- Act of Sexual Harassment
- Physical assault, breach of the peace or verbal abuse.
- Breaches of confidentiality, prejudicial to the interest of the “Group”
- Being unfit for duty because of the misuse/consumption of drugs or alcohol.
- Refusal to carry out a management instruction which is within the individual’s capability and which would be seen to be in the interests of the “Group”
- False declaration of qualifications and/or professional registration or any legal/fraudulent documents.
- Disobeys safety instructions, provided the instructions are in writing and in a conspicuous place and are communicated verbally to the worker.
- Wilful damage of company property
- Incompetence or failure to apply sound professional judgement.
- Failure to report to work for 7 consecutive working days without a valid reason or communicating to Line Manager

Termination resulting in the above, will lead to an employee forfeiting their EOS benefits

4. Appeals

Every employee has the right to appeal against the outcome of any disciplinary hearing. The basis of an appeal should normally relate to one of the following areas:

- That policy had not been followed correctly.
- That the resulting disciplinary action was inappropriate.
- That the need for disciplinary action was not warranted.
- That new information regarding disciplinary action has arisen.

An appeal should be put in writing to the HR Manager/Director. The letter should contain the grounds for appeal and should be lodged within 5 days of receipt of the warning / dismissal letter.

Maintenance and amendment of the policy

As with all Group policies, the “Group” may amend this policy at its discretion at any time.