

Performance Improvement Policy

Purpose

National Express aims to provide the highest quality performance and customer service in all aspects of its business dealings and operations. To achieve this, National Express expects the highest standards of performance, conduct and integrity from all its employees, at all times, in all aspects of their work. These include:

- Work performance
- Customer service
- Flexibility and co-operation (within the bounds of reasonableness)
- General conduct
- Time keeping and attendance

This document describes the procedure to be followed when dealing with poor performance of National Express employees. The purpose of the procedure is to provide a fair, consistent and effective approach for dealing with and resolving cases of unsatisfactory performance.

Managers should refer to the Performance Management Guidelines for further information on exhausting normal day to day performance support measures before commencing this process.

This policy procedure exists primarily to provide a framework within which to help and encourage improvement amongst employees whose standard of work falls below the minimum standard required. The procedure may, however, result in sanctions, which can, in cases where little or no improvement is attained within a pre-determined timeframe, include dismissal.

Employee Rights

Throughout the performance improvement procedure the employee has the following rights:

- To be clearly advised of the concerns as regards their performance.
- To be advised of the poor performance process and his/her rights within that process.
- To be given the opportunity to state his/her case, and be given adequate time and assistance to improve their performance.
- To be accompanied by a work colleague, employee representative or representative of a recognised trade union at any stage of the formal process.
- To receive copies of records of any poor performance meetings and for all records regarding such matters to be stored securely.
- To be advised of their right to appeal against the sanction awarded at any stage.

In cases where an employee's under performance is found to be due to negligence with serious actual or potential consequences, or is due to a lack of application i.e. it lies within the employees power to remedy the inefficiency, the case will be dealt with under the formal disciplinary procedure.

There are 4 stages in the way in which National Express manages poor performance issues:

1. Stage One – First Formal Meeting and review period.
2. Stage Two – Second Formal Meeting and review period.
3. Stage Three – Final Formal Meeting and review period.
4. Stage Four – Appeal Hearing.

Please note that the above are not disciplinary awards and do not form part of the disciplinary policy / procedure.

The formal performance improvement process excludes any informal discussions held between a manager and an employee and only commences when the decision is made to take formal action. Employees will be advised verbally and in writing when this decision is taken.

Probationers

If a probationer is not performing to a satisfactory standard the same principles will apply but there is a shortened process to follow which can be found in the probationary policy.

Informal Discussion

Where an employee's performance is unacceptable their line manager will informally discuss the issue with them to try and establish the reason(s).

Should the interview establish that the performance problems are related to the employee's personal life or working relationships, the necessary (reasonable) assistance will be provided as appropriate.

If it becomes apparent that the poor performance constitutes misconduct, i.e. will not do rather than cannot do, the disciplinary procedure will be considered and referred to.

Should it emerge that the poor performance arises from a change in the Company's standards, those standards will be explained to the employee and help will be offered to attain those standards.

At this stage only the manager and the individual should be present.

Stage 1 - First Formal Meeting and Review Period

In the event that the employee shows no or insufficient improvement following the informal discussion, a formal meeting will be arranged between the employee and their line manager

The employee should be formally invited to this meeting and be given a clear understanding of the under performance areas to be discussed in advance. The employee must be advised that they can be accompanied at this and subsequent meetings, if they so wish, by a work colleague or representative of a recognised trade union.

The aim of the meeting will be to:

- Explain the shortfall between the employee's performance and the required standard.
- Identify the cause of the poor performance and to determine remedial action (e.g. training, support etc.). This will include a planned course of action by the manager.
- Obtain the employee's commitment to reaching that standard.
- Ensure the employees understanding of exactly what is required.
- Set a reasonable period for the employee to reach that standard ('the review period').
- Agree on a monitoring system during that period.
- Inform the employee what will happen if the standard is not met.

During the meeting careful notes must be taken indicating what was said, a copy of which should be sent to the individual concerned with the letter confirming the outcome of the meeting.

At the end of the review period the manager will consider the performance of the employee.

- If the required improvement has been made the employee will be told of this and encouraged to maintain the improvement; this will be confirmed in writing.
- If performance is still not satisfactory a formal meeting should be held and a Written Warning issued. The employee should receive formal notification outlining the reasons why they have received the Warning and how they can appeal the Warning provided they do so within five working days of receipt of the notification.

If there is no appeal or following resolution of the appeal the manager should now move the employee in to stage two.

Stage 2 - Second Formal Meeting and Review Period

A new review period starts again here. As at stage 1 the employee must be advised that they can be accompanied at this meeting, if they so wish, by a work colleague or representative of a recognised trade union. The employee should be formally invited to this meeting and be given a clear understanding of the under performance areas to be discussed in advance.

The aim of the meeting will be to:

- Explain the ongoing shortfall between the employee's performance and the required standard.
- Review the previous meeting's actions plans and progress
- Identify the cause of the ongoing poor performance and to determine remedial action (e.g. training, support etc.). This will include a planned course of action by the manager.
- Obtain the employee's commitment to reaching that standard.
- Ensure the employees understanding of exactly what is required.
- Set a reasonable period for the employee to reach that standard (the review period').
- Agree on a monitoring system during that period.
- Inform the employee what will happen if the standard is not met.

During the meeting careful notes must be taken indicating what was said, a copy of which should be sent to the individual concerned with the letter confirming the outcome of the meeting.

At the end of the review period the manager will consider the performance of the employee.

- If the required improvement has been made the employee will be told of this and encouraged to maintain the improvement; this will be confirmed in writing.
- If performance is still not meeting the required standard a further formal meeting will be held and a Final Written Warning issued. The employee should receive formal notification outlining the reasons why they have received the Warning and how they can appeal the Warning provided they do so within five working days of receipt of the notification.

If there is no appeal or following resolution of the appeal the manager should now move the employee in to stage three.

Stage 3 - Final Formal Meeting and Review Period

The final review period starts at this stage.

As in the previous stages, the employee must be advised that they can be accompanied at this meeting, if they so wish, by a work colleague or representative of a recognised trade union. The employee should be formally invited to this meeting and be given a clear understanding of the under performance areas to be discussed in advance and that the final review period may end in dismissal.

The aim of the meeting will be to:

- Explain the ongoing shortfall between the employee's performance and the required standard.
- Review the previous meetings action plans and progress.

- Identify the ongoing cause of the poor performance and to determine remedial action (e.g. training, support etc.). This will include a planned course of action by the manager.
- Obtain the employee's commitment to reaching that standard.
- Ensure the employees understanding of exactly what is required.
- Set a reasonable period for the employee to reach that standard.
- Agree on a monitoring system during that period.
- Inform the employee that they are likely to be dismissed if the standard is not met during this review period.

During the meeting careful notes must be taken indicating what was said, a copy of which should be sent to the individual concerned with the letter confirming the outcome of the meeting.

At the end of this review period the manager will consider the employees performance.

- If the required improvement has been made the employee will be told of this and encouraged to maintain the improvement; this will be confirmed in writing.
- If performance is still not satisfactory a further formal meeting will be held at which time if the performance is still unsatisfactory the employee will be able to discuss the situation with assistance from a trade union representative or fellow employee.

Assuming that no improvement can be expected, the employee may be:

- dismissed under the notice to which he/she is contractually entitled, or
- transferred to another suitably available post commensurate with his/her experience or abilities. In such instances an employee would not have to go through the normal interview and selection process. Dependant on an employee's contract of employment this may be at another location. In such circumstances, an employee will be paid at the rate of pay or in the range of the post in which they are placed. No payments are to be made to reflect changes in location, but travel facilities may be considered, or
- Offered a post at a lower banding on the pay, terms and conditions appropriate to the lower banded role.

The outcome letter should inform the employee that they can appeal against the dismissal or removal from the post and that any appeal must be made in writing within five working days.

Stage 4 - Appeals

Employees have the right to appeal against any formal sanction issued under this policy including dismissal. Appeals must be made in writing within five working days of receiving notification of the outcome of the review meeting and should be addressed to the HR Department.

Appeal letters must state the grounds for the appeal, which may be for one of the following:

- The procedure was not properly followed
- The sanction was inappropriate
- The interpretation of the facts of the case

A manager sufficiently removed from the case as to be completely impartial must arrange a meeting to hear the appeal as soon as possible.

During the meeting careful notes must be taken indicating what was said, a copy of which should be sent to the individual concerned with the letter confirming the outcome of the appeal meeting.

The decision of the Manager hearing the appeal will be final and will be communicated to the employee as quickly as possible and will be confirmed in writing.

Timescale

The length of the review periods at Stages 1, 2 and 3 may vary depending on the complexity and seriousness of the issues involved. However the timescale must be reasonable and give the employee a realistic chance of achieving the objectives set.

This process will be applied in full in the majority of cases and only in exceptional cases where the business is at serious risk is it likely that a stage or stages may be omitted. HR must agree any departures from this policy before any variation is applied.

Record Retention

It can be unfair to refer to details of warnings on an employee's file indefinitely. To this end, the following guidelines will be followed regarding 'spent' warnings on employee records:

- Written Warning – disregarded for poor performance purposes after 6 months subject to satisfactory conduct
- Final Written Warning – disregarded for poor performance purposes after 12 months subject to satisfactory conduct.

Paper records of poor performance proceedings must be maintained in secure surroundings.

Further Guidance

Managers can obtain letter templates and further guidance on how to manage the improving performance procedure from the HR team.