REDEEMERS HEALTH VILLAGE

Human Resources Department

PERFORMANCE MANAGEMENT POLICY

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Relevant Standards

- Labour Act of Nigeria (Cap L1 LFN 2004)
- RHV Compensation Policy (HR-POL-002)
- RHV Individual Performance-Based Rewards Policy (HR-POL-010)
- RHV Probationary Period Policy (HR-POL-008)
- RHV Succession Planning Policy (HR-POL-028)
- ILO Human Resources Development Convention No. 142

Amendment History

Issue	Status	Date	Reason for Change	Authorised
1	Draft	April 28, 2026	New Policy — Board Submission	CHRO
2				
3				

1. Purpose

This policy establishes the framework for performance management at Redeemers Health Village (RHV). It defines how performance expectations are set, monitored, reviewed, and rewarded across the organisation — and how performance concerns are identified and addressed constructively.

Performance management at RHV is not a bureaucratic process. It is the primary means by which we align individual effort and contribution with our institutional mission, develop the capacity of our people, and build the high-performance culture that our patients deserve. Every employee deserves clarity about what is expected of them and honest, timely feedback about how they are doing.

2. Scope

This policy applies to all confirmed employees of RHV. Probationary employees are managed under the RHV Probationary Period Policy (HR-POL-008), which includes its own performance monitoring provisions. At the point of employment confirmation, employees transition fully into the framework established by this policy.

3. Performance Management Cycle

RHV operates an annual performance management cycle with two formal review points: a mid-year review and a year-end appraisal. The cycle runs from January to December.

3.1 Goal-Setting (January — February)

At the start of each performance year, every employee — in a structured conversation with their line manager — agrees a set of performance objectives and Key Performance Indicators (KPIs) for the year. These objectives must be:

- Specific: Clearly defined, with no ambiguity about what is expected.
- Measurable: With agreed evidence or metrics that will indicate achievement.
- Achievable: Realistic given the employee's role, resources, and experience.
- Relevant: Directly linked to departmental goals and RHV's institutional strategy.
- Time-Bound: With defined milestones and a completion timeframe within the performance year.

Each employee's objectives must include both role-specific performance targets and at least one personal development or professional growth objective. Agreed objectives are documented on the RHV Performance Agreement Form, signed by both the employee and the line manager, and submitted to HR by the end of February.

3.2 Ongoing Feedback and Coaching (Year-Round)

Formal review points are not a substitute for ongoing, real-time performance conversations. Line managers are expected to provide regular, constructive, honest feedback — both reinforcing and developmental — throughout the year. A brief documented one-to-one check-in between the employee and their line manager is expected at least monthly, with notes retained by the manager.

3.3 Mid-Year Review (June)

At the mid-point of the performance year, a formal Mid-Year Review is conducted between the employee and their line manager. The purpose of the mid-year review is to: assess progress against agreed objectives to date; identify any objectives that need to be adjusted in light of changed circumstances; surface and address any emerging performance concerns early; and recalibrate the development plan for the remainder of the year. The mid-year review is documented on the standard form and submitted to HR by the end of July.

3.4 Year-End Appraisal (November — December)

The Year-End Appraisal is the most significant formal review point in the cycle. It involves a structured conversation between the employee and their line manager, resulting in: a holistic assessment of the employee's performance against their agreed objectives; a performance rating (see Section 4); a development

plan for the following year; and recommendations (from the line manager to HR and the CHRO) regarding any performance-related reward adjustments. Completed Year-End Appraisal forms are submitted to HR by 15 December each year.

4. Performance Ratings

Following the Year-End Appraisal, every confirmed employee receives a formal performance rating. The rating must be discussed with and communicated to the employee before it is submitted to HR — no employee should learn their rating for the first time from a document. The following rating scale applies:

- 5 — Exceptional: Consistently and significantly exceeds all objectives and behavioural expectations. A role model for others. Rare; should represent no more than 5–10% of the workforce in any cycle.
- 4 — High Performer: Meets all objectives and frequently exceeds several. Demonstrates strong competencies and contributes beyond the immediate role. Should represent approximately 15–20% of the workforce.
- 3 — Meets Expectations: Fully and consistently meets agreed objectives and behavioural standards. A solid, reliable, and valued contributor. The expected rating for the majority of employees (approximately 60–65%).
- 2 — Needs Improvement: Partially meets objectives, with identifiable and documented gaps in performance or conduct. A formal Performance Improvement Plan is required. Should represent no more than 10–15%.
- 1 — Unsatisfactory: Does not meet key performance objectives and/or demonstrates conduct or attitude significantly below RHV's expectations. Immediate and intensive intervention required.

5. Rating Calibration

To ensure fairness, consistency, and the prevention of grade inflation across departments, all department-level performance ratings are subject to a cross-departmental calibration process, facilitated by the CHRO, before they are finalised. During calibration, HODs present and discuss their department's proposed rating distributions and justify significant variances from the expected distribution above. Calibration is completed by the end of January of the following year, after which final ratings are confirmed to employees in writing by HR.

6. Linking Performance to Reward

Performance ratings directly inform compensation decisions for the following year, in accordance with the RHV Compensation Policy (HR-POL-002) and the Individual Performance-Based Rewards Policy (HR-POL-010). The linkage is as follows:

- Rating 5 (Exceptional): Eligible for merit salary increase above standard increment, plus performance bonus consideration, and priority access to development opportunities.
- Rating 4 (High Performer): Eligible for merit salary increase above standard increment and performance bonus consideration.
- Rating 3 (Meets Expectations): Eligible for standard annual increment (subject to budget approval).
- Rating 2 (Needs Improvement): No salary increment in the current cycle. May be eligible for increment in the following year following demonstrated and sustained improvement.
- Rating 1 (Unsatisfactory): No salary increment. Active performance improvement process initiated. Continued failure to improve may result in termination of employment.

7. Performance Improvement Plan (PIP)

7.1 Purpose and Trigger

A Performance Improvement Plan (PIP) is a structured, time-bound, documented plan implemented when an employee receives a Year-End rating of 2 or 1, or at any point during the year when the line manager — in consultation with HR — determines that an employee's performance is materially below the standard required

for their role. A PIP is a management tool designed to support improvement, not a precursor to dismissal. However, where an employee fails to improve to the required standard within the PIP period, further action — including termination — may follow.

7.2 PIP Contents

Every PIP must clearly set out:

- The specific performance areas of concern, with concrete examples and evidence
- The standard that is required and how it will be measured
- The support, training, or resources that RHV will provide to help the employee improve
- Specific, measurable improvement targets with defined review dates
- The timeline of the PIP (ordinarily 60–90 days, extendable with CHRO approval)
- The consequence if the required improvement is not achieved

7.3 PIP Process

1. The line manager, in consultation with HR, prepares the draft PIP.
2. A formal meeting is held with the employee to discuss the PIP. The employee may be accompanied by a fellow RHV employee.
3. The PIP is signed by the employee, the line manager, and HR. The employee's signature confirms receipt and understanding, not necessarily agreement. The employee may append a written response.
4. Progress reviews are conducted at the intervals specified in the PIP, with written records maintained by the line manager and submitted to HR.
5. At the conclusion of the PIP period, HR and the line manager assess whether the required standard has been met, partially met, or not met, and determine the appropriate next step.

8. Poor Performance vs. Misconduct

Performance management and disciplinary proceedings are distinct processes. Poor performance — where an employee lacks the ability, skills, or knowledge to meet the required standard despite genuine effort and appropriate support — is addressed through this policy. Misconduct — where an employee has the ability but deliberately chooses not to perform to the required standard, or where the performance concern arises from attitude or conduct — is addressed through the RHV Disciplinary Action Policy (HR-POL-003). Where there is ambiguity, HR will advise the line manager on the appropriate route. In some cases, both processes may run concurrently where the circumstances warrant.

9. Self-Assessment

As part of both the mid-year review and the year-end appraisal, employees are expected to complete a structured self-assessment of their own performance against their agreed objectives, reflecting on achievements, challenges, development needs, and aspirations. Self-assessment promotes self-awareness, ownership of performance, and a more constructive two-way appraisal conversation. The self-assessment form is provided by HR and submitted to the line manager before each formal review meeting.

10. Upward Feedback

As part of RHV's commitment to continuous improvement in management quality, the annual appraisal cycle includes an optional upward feedback mechanism, through which employees may provide anonymised feedback on their line manager's management effectiveness. This feedback is collated by HR, anonymised, and shared with the relevant manager and their own line manager as a developmental input — not as a formal performance measure. The mechanism is designed to surface management strengths and development areas, not to create adversarial dynamics.

11. Development Planning

Every employee's annual performance cycle must include an agreed Individual Development Plan (IDP), addressing: skills or knowledge gaps identified through the appraisal process; professional development objectives for the coming year (including CPD requirements for clinical staff); training or learning interventions planned or requested; and career development aspirations and how RHV can support them. IDPs are shared with HR and inform the annual training needs analysis that underpins the RHV training calendar and budget.

12. Roles and Responsibilities

Employees

Actively engage with the performance management cycle; complete self-assessments honestly and on time; take ownership of personal development; raise concerns about the fairness or conduct of an appraisal through the Grievance Policy (HR-POL-016).

Line Managers

Set clear, meaningful objectives at the start of each cycle; provide ongoing, honest feedback throughout the year; conduct mid-year and year-end reviews within the required timeframe; document all performance conversations; initiate PIPs promptly where required; submit all completed forms to HR on time.

HR Department

Manages the performance management calendar and process; provides forms, training, and guidance to managers; facilitates rating calibration; connects performance outcomes to compensation decisions; identifies organisation-wide development needs; maintains records.

Heads of Department

Ensure all employees within their department are appraised on time and to the required standard; attend calibration sessions; oversee PIP processes within their department; escalate significant performance concerns to HR and the CHRO.

CHRO

Oversees the integrity of the entire performance management cycle; approves final performance ratings post-calibration; connects performance outcomes to workforce planning, succession, and reward decisions; reports on performance outcomes to the CEO and Board.

13. Monitoring and Review

HR monitors completion rates for performance agreements, mid-year reviews, and year-end appraisals, and reports on these metrics to HODs monthly during the appraisal season and to the CHRO quarterly. Non-completion by an HOD is escalated to the CEO. Organisational performance rating distributions are analysed annually by the CHRO to identify trends, calibration anomalies, and high-risk areas. This policy is reviewed annually.