

DELTA STATE URBAN WATER CORPORATION (DESUWACO)

EMPLOYEE INCENTIVE POLICY

Policy Statement:

The Delta State Urban Water Corporation (DESUWACO) is committed to fostering a culture of excellence, motivation, and continuous improvement among its employees. This Employee Incentive Policy is designed to recognize and reward outstanding performance, enhance professional development, and create a positive and collaborative work environment.

The Incentive Plan for each staff will involve the following:

1. **Development of Performance Contracts:** This is for the purpose of **Setting goals, Performance Metrics and clear** key performance indicators (KPIs) aligning with DESUWACO's mission and objectives.

Implementation:

- a. Develop annual organizational goals in collaboration with department heads and key stakeholders.
 - b. Define specific, measurable, achievable, relevant, and time-bound (SMART) performance metrics for teams and individuals.
2. **Continuous Feedback and Performance Reviews:** The goal is to provide constructive feedback and acknowledge employee achievements.

Implementation:

- a. Develop appraisal Form with clear guidelines for scoring each KPI will be developed for each staff

- b. Conduct quarterly performance review process. This review will be conducted by the line Manager and the Director, Admin and approved by the General Manager.
 - c. The review will include a personal discussion to provide feedback on individual strengths, areas for improvement, and contributions to the achievement of organizational goals.
3. **Employee Input and Involvement:** In order to foster a sense of ownership and engagement among employees, staff will be involved in the development of annual and quarterly performance goals and targets.

Implementation:

- 1. Employees will have the opportunity to provide feedback on existing incentive programs and suggest improvements during the quarterly reviews and discussion and through contact with the designated official.
 - 2. DESUWACO will establish a cross-functional committee to involve employees in decision-making processes related to the incentive program.
4. **Clear Communication:** There shall be transparent and clear communication about this incentive policy, the performance appraisal and review process and the rewards and consequences attached to each performance level.

Implementation:

- a. Regularly communicate the objectives, criteria, and rewards of the incentive program through company-wide emails, newsletters, and intranet platforms.

- b. Provide avenues for employees to seek clarification or offer suggestions regarding the incentive program.
- 5. **Team Building Activities:** To support the creation of a positive and collaborative work environment, encourage cross-departmental collaboration and thereby enable staff to effectively perform their roles, DESUWACO will conduct at least 1 team-building activity in a year. This could include retreats, workshops, and social events.

Incentives

Incentives will be applied to reward outstanding performance. These rewards will include the following:

- 1. Performance-Based Bonuses:** For performance that consistently exceed the target set for ALL of the quarterly appraisal and review periods, a performance bonus of 10% of annual basic salary will be paid on the condition that DESUWACO meets and exceeds its operating costs for the year in question. This financial bonus is linked to the overall financial success of DESUWACO.
- 2. Recognition and Awards:** In order to acknowledge and celebrate exceptional employee contributions, an Employee Recognition Program with monthly "Employee of the Month" award will be instituted and done quarterly. The employee achievements will be recognised in team meetings, company newsletters, and on DESUWACO's internal communication platforms. The award will be accompanied with a gift from the corporation. The employee with the highest score in the evaluation period will be the winner of this award.

3. Professional Development Opportunities: For employees who consistently achieve above expectation in at least 2 consecutive appraisal and review sessions, DESUWACO and the employee will identify a relevant training program, workshop, or conferences aligned with DESUWACO's strategic objectives. The employee will be sponsored to attend these programs, with a focus on enhancing expertise in water management, technology, and customer service.

UNDERPERFORMANCE

- 1.** Any performance below the baseline attracts a warning from the General Manager.
- 2.** Where such under performance occurs a second time consecutively, the director will be placed on a performance improvement plan for the next quarter.
- 3.** Where such underperformance occurs three (3) consecutive times, the employee may be given a probationary Period, or asked to undergo a Performance Linked Training.
- 4.** Where there is still no improvement, the employee may be recommended for Reassignment, resignation or Employment Termination.

Review and Evaluation:

This policy will be reviewed annually to ensure its effectiveness in achieving organizational goals. Feedback from employees will be actively sought to make continuous improvements