

Group Standard

Employee Lifecycle



Our people policies, systems and processes support our business objectives. We value difference and work to create an inclusive and fair environment for all.

Document Details

Document Details		Serco Business
Reference SMS-GS-P1	Version 4	
Approval Date December 2016	Date for next review December 2018	
Applicability Serco Group covering all business regions, operating companies and business units throughout the world ¹ covering: <ul style="list-style-type: none">- employees, officers, directors and individuals working as consultants and contractors and any other parties acting as representatives or agents of Serco (Employees)- wholly owned subsidiaries and majority-owned operations Where a minority interest and in regard to its subcontractors and suppliers Serco encourages alignment with this Standard		
Authority Chief Executive, Serco Group plc		
Accountable Policy Owner (Group) HR Director (Group)		
Additional Information Supporting standards, standard operating procedures and guidance relating to this Group Standard are available within the Serco Management System		
Governance Our policies and standards, together with any regional or market requirements and enhancements to them, are authorised through a robust governance process		
Consequence Management As a Group Standard the requirements detailed in this document are mandated and must be adhered to. Non-compliance will have consequences which may include disciplinary action. The Consequence Management Group Standard (SMS-GS-G1) details how instances of non-compliance will be dealt with		
¹ As used herein, Serco Group and its affiliates, subsidiaries and operating companies are referred to as 'Serco', the 'Company' or 'company', or 'we', 'us' or 'our'.		

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1 Objectives

Our people policies, systems and processes support our business objectives. We value difference and work to create an inclusive and fair environment for all. We will treat people fairly and equally, accept and embrace their diversity and as far as is reasonably possible, reflect the local community in which we work.

Decisions concerning employment, recruitment, selection, promotion, assignment, development and the application of these policies themselves will not be influenced by an individual's sex, race, colour, sexual orientation, gender identity/expression, trade union activity, political belief, religion, marital status, caring responsibilities, national or ethnic origin, disability, age or citizenship except as required by or justified by applicable laws. Employees will be informed of their rights and responsibilities under the law and the behaviours expected of them. Where appropriate employees will receive equal opportunities training to ensure they do not discriminate whether directly or indirectly.

Serco will never use forced, compulsory or child labour. Labour is freely given, adheres to minimum ages stated in national labour laws or international standards and employees are free to leave in accordance with established rules.

Serco will ensure equality, diversity, inclusion, and anti-discriminatory practice in the workplace and community, offer fair treatment in every aspect of working life and foster a positive climate of employee relations where each employee is treated with respect and dignity. Serco will promote equality by developing and maintaining positive measures (where allowed to do so by law) and adopt equality proofed policies and processes to recruit and retain individuals from disadvantaged groups, for example those who are disabled.

Reasonable adjustments will be made for those with disabilities and Serco will do everything possible to ensure that employees who become disabled while working for us can continue to do so. We are committed to ensuring work life balance for employees and recognise the importance of parents and carers who combine work with caring for their dependents.

2 Policy Standards

2.1 Managing people commitments and requirements

2.1.1 Policy

- S1. Policies, systems and processes for resourcing, developing, managing, maintaining, rewarding and the departure of our people will be in place and will:
 - a. reflect Serco's values
 - b. be non-discriminatory
 - c. comply with local labour and employment laws and regulations
 - d. be aligned appropriately with the traditions and cultures in the countries in which Serco operates
 - e. be aligned appropriately with the standards of the Serco Management System
 - f. provide the framework for setting and reviewing people strategy and objectives
 - g. ensure Standard Operating Procedures (SOPs) are developed to control people risks and reflect legislative and regulatory requirements
 - h. be defined, documented, implemented and maintained
 - i. be reviewed regularly to ensure that they remain relevant and appropriate to the organisation
 - j. be accessible to all employees and made available to appropriate parties
- S2. Where core processes are identified, responsibility for their development, maintenance and continuous improvement will be defined globally, regionally and Divisionally
- S3. At a country/Divisional/local level, SOPs will be in place to meet business needs and ensure the appropriate approvals, e.g. recruitment, international assignments

- S4. Where appropriate, training will be provided to inform employees and provide the necessary knowledge and skills to understand and deliver our commitments
- S5. Legal responsibilities will be reflected in relevant People SOPs, systems, processes and communications

2.1.2 Strategy, objectives and targets

- S6. A process will be in place to establish, implement and maintain a documented people strategy and objectives. The process will ensure that people strategy and objectives set corporately are adopted by Divisional Chief Executive Officers (CEO), Divisional Executive Management Teams (EMT) and Functional Leadership Teams, and that objectives:
 - a. are measurable, documented and communicated
 - b. are monitored and reviewed by appropriate senior management teams
 - c. are aligned with business context and strategy
 - d. are aligned with legal requirements in the countries in which we operate
 - e. are supported by annual programme(s) with designated responsibility for achieving objectives
- S7. The Group's people strategy and annual people objectives and targets for the Group will be incorporated into Divisional strategies, objectives, target setting and monitoring processes

2.1.3 Performance measurement and monitoring

- S8. Processes will be in place to measure, monitor and report agreed people metrics and system and process effectiveness. This will enable necessary improvements to be identified and implemented. The processes must:
 - a. Measure and monitor the extent to which Serco and Divisional people objectives are being met
 - b. provide agreed people metrics as required

- c. ensure analysis, interpretation and communicated through governance groups (Divisional EMTs, Functional Leadership Teams and the Executive Committee)
- d. enable necessary remedial or improvement action is taken as required
- S9. Local data and privacy laws will be complied with when ensuring that data is available for monitoring¹

2.2 Recruitment

- S10. Recruitment processes and procedures will be implemented which are consistent with local legislation, local business process and Group Standards
- S11. Recruitment and selection will be based on the individual's suitability against the specific job and business requirements
- S12. Employment practices for the recruitment and selection of employees will be based on equal and fair treatment for applicants in line with local legislation and any applicable assessment criteria
- S13. In line with the Group Standard for Security², pre-employment screening will be completed as appropriate for the specific country and role. All approvals will be kept up to date in line with local legislation
- S14. If repeat checks on employment status establish that an existing employee is no longer permitted to work in the country of employment, Serco will not continue to employ them and will consider potential dismissal of that employee
- S15. Before the recruitment process is formally started, the appropriate approvals will be secured
- S16. Vacancies will have a valid, current role profile and person specification (Success Profile) highlighting the duties and responsibilities of the role
- S17. All roles will be advertised internally, where possible, prior to external advertisement. The only exceptions to this are for commercially sensitive roles, when approved ring-fencing takes place in order to facilitate redeployment or where specific appointments are identified and made in line with succession plans. As a recommendation and

¹ See Information Integrity and Data Management Group Standard Ref. SMS-GS-II1

² See Security Group Standard Ref: SMS-GS-S1

where operationally possible, in order to support our commitment to internal talent and mobility, roles will be advertised internally only (as a guide for 5 days), prior to external advertising

- S18. Advertisements will adhere to corporate brand guidelines, local legislation and business processes and include a closing date where appropriate
- S19. Displaced internal candidates will be treated fairly and given the opportunity to apply and be considered for roles, provided they have the necessary skills, knowledge, capability and experience to fulfil the role
- S20. In countries where there is a requirement to provide valid employment status, Serco will work with preferred candidates to secure the relevant permission to take up employment
- S21. Requests for feedback will be responded to appropriately in line with local legislation and process
- S22. Local data protection legislation will be adhered to when dealing with employee and recruitment records³
- S23. In line with local business practice and contract requirements, employees will be provided with the necessary induction, equipment, tools and information on required processes
- S24. All employees will be provided with a contract/offer of employment that meets current local legislative requirements

2.2.1 Flexible Working

- S25. As required by local legislation, employees will have the right to request flexible working arrangements. The company will treat requests for flexible working fairly and in accordance with this legislation
- S26. Where flexible working arrangements are in place, employees will be treated fairly and consistently in line with their peers

2.2.2 International Assignments

- S27. Employees may be asked to temporarily work outside of their home country of employment to support business operations. The applicable

assignment type will vary depending on the driver for mobility, work or travel pattern and duration and be in line with operational process

- S28. Depending on the assignment type, employees may either remain on their home country or temporarily change to assignment country employment terms and conditions for the duration of the assignment with the intention to return to the home country at the end of the assignment. Serco will support effective career planning, employee development and succession planning throughout all stages of an assignment
- S29. Serco will apply appropriate processes to comply with the relevant legal, taxation, immigration and social security requirements of the home and assignment country. Employees and their assignment country managers will be expected to fulfil their responsibilities to ensure such compliance at all times
- S30. All employees placed on international assignments are responsible for familiarising themselves with and abiding by local customs, practices and legislation for the duration of their stay

2.3 Reward

- S31. Serco will reward employees in line with local legislation and with appropriate consideration for local custom and practice
- S32. Remuneration strategy will be set and reviewed by the CEO, supported by the Group HR Director and the Executive Committee. The CEO and Group HR Director will work with the plc Board Remuneration Committee as required by the Board Terms of Reference and current legislation
- S33. Remuneration and benefits will be appropriate to attract, retain and motivate the required employees, taking into account:
 - a. market competitiveness in base salary and benefits
 - b. any local legislation regarding fairness and equality
 - c. the scope and scale of the role
 - d. individual performance and potential, as well as

³ See Information Integrity and Data Management Group Standard Ref: SMS-GS-II1

e. business affordability

- S34. Base pay will be reviewed annually for employees in line with a defined process (and will recognise where there are agreements in place with trade unions or employee representative bodies)
- S35. Employees will be paid in a timely manner, with statutory deductions applied in line with local legislation

2.4 Employee and industrial relations

- S36. Serco will adhere to local legislation with respect to working with employee representative bodies and unions
- S37. Employees have the right to choose whether they are a member of a union or employee representative body
- S38. Where appropriate, unions and employee representative bodies will be recognised through local agreements
- S39. Serco will work with recognised unions where collective bargaining is in place and will consult with them in a timely manner and in line with recognised agreements
- S40. Formal procedures will be implemented at a local level to seek to resolve conflicts between Serco and its employees that may arise from time to time. These include local collective dispute resolution procedures where a union is recognised for the purpose of collective bargaining; and the adoption of both formal and informal grievance and disciplinary procedures as appropriate

2.5 Employee Engagement

- S41. Serco recognises that meaningful discussions between employees and managers to provide good working practices will help drive improvements in business performance. To this end, Serco will review levels of employee engagement on a regular basis and develop plans both Divisionally and Functionally to improve levels of engagement
- S42. Where formal employee survey processes are implemented, managers are required to cascade and act upon the results as appropriate
- S43. Leaders and managers are required to make employee engagement a priority and to encourage behaviours that promote engagement. Leaders and managers will act as role models, set the tone for

engagement and are accountable for maintaining high levels of employee engagement

- S44. Where behaviour is identified as negatively impacting employee engagement this will be addressed in line with our policies and procedures

2.6 Performance and talent management

- S45. A structured Performance and Development Review (PDR) process for managing effective performance and development discussions is available
- S46. Where PDR processes are implemented, all employees and their line managers will agree a set of performance objectives and personal development needs at the beginning of each performance period
- S47. All employees will be given the right to discuss their performance with their line manager on a regular basis throughout the year. This may include an annual performance review based on the PDR
- S48. Serco will hold an annual review of its leadership and management talent to ensure the sustainability of its leadership capability
- S49. Where necessary, Serco will provide relevant training and development to enable individuals to perform their duties within role

2.7 Leaving Serco

- S50. Employees who leave Serco, either voluntarily or involuntarily, or those being transferred to another part of the business, will be managed in line with Serco policies, standards and operating procedures
- S51. Appropriate processes and procedures will be developed and implemented to account for resignation, redundancy, retirement and death in service and line managers will be responsible for undertaking the required actions in line with these
- S52. Subject to local laws requiring otherwise, employment may be terminated by an employee or Serco by giving written notice to the other party. The minimum notice by either party, as set out in Serco's contracts/offers of employment, will be respected, unless modified by probationary provision, or in cases of summary dismissal without notice, e.g. gross misconduct, and where mutually agreed by both parties

- S53. Outstanding salary and other payments will be paid in a timely manner unless there is a valid reason why these payments should not be made e.g. the employee has an outstanding debt to Serco - a Company advance or loan
- S54. Where appropriate, employees will be offered an opportunity to have an exit interview before they leave Serco
- S55. In line with local legislation and role, contracts/offers of employment will include clauses to protect the rights of both the company and individual, e.g. confidentiality, non-solicitation and non-compete agreements, which will be enforced if necessary when the employee leaves
- S56. Employee references will be given in accordance with local policies, procedures and legal requirements
- S57. IT access will be removed from anyone who has left Serco employment and may be reviewed upon resignation for specific concerns around conflicts of interest
- S58. Employees will be required to return all equipment, corporate information and Serco intellectual property

3 Responsibilities & Accountabilities

- S59. The following responsibilities will apply to the delivery of the defined standards. If these are not completed effectively, the person responsible will be accountable for any consequences⁴

Group

- S60. The Group CEO will appoint a Group Human Resources (HR) Lead responsible for:
 - a. developing and maintaining Group people policy and strategy
 - b. working with Divisions and other functional groups to ensure standards and associated procedures and key controls remain fit for

- purpose, reflect legislative and regulatory requirements and effectively manage people and associated risks
- c. working with the Executive Committee to appoint and lead a professional HR community to support the business needs throughout all Divisions and geographies
- d. providing oversight and reporting people performance to the Executive Committee and plc Board as required
- e. undertaking Group-wide tasks that deliver the People Strategy, such as the annual review of leadership and management talent and the annual employee engagement survey
- f. working with Divisions, Functions and Shared Service providers to provide guidance and support on the management and structure of people data
- g. working with the Divisions, Functions and Shared Service providers to ensure that the standards of the Serco Management System are adhered to and that any exceptions are managed appropriately
- h. managing risks to compliance against the standards of the Serco Management System (e.g. inadequate resources)

- S61. The Group plc Board, supported by Group HR, will establish the Group Remuneration Strategy
- S62. The Group CEO is responsible for assigning people objectives to Divisional CEO and Senior Directors and for ensuring the people strategy is reviewed on an annual basis
- S63. Working with the plc Board, the Group HR Director will validate the People Strategy and report progress as required

Division

- S64. The Group HR Director and Divisional CEO will appoint a Divisional HR lead responsible for:
 - a. implementing people policy, standards procedures, key controls and local legislation across the Division; which may include the development of country/region/Divisional procedures and management systems

⁴ See Consequence Management Group Standard Ref: SMS-GS-G1

- b. ensuring procedures and key controls remain fit for purpose, reflect legislative and regulatory requirements and effectively manage people and associated risks
- c. defining detailed operating models for the provision of a HR function in order to manage people risks, deliver people objectives and targets and provide competent HR advice
- d. developing Divisional people strategy, objectives and targets that are aligned to Group
- e. providing oversight and reporting divisional people performance
- f. providing training, where appropriate, to ensure employees have the necessary knowledge and skills to understand and deliver people commitments
- g. annually reviewing the Divisional remuneration strategy to ensure alignment with Group strategy
- h. completing an annual review of leadership and management talent
- i. ensuring the annual employee engagement survey is completed, results are reviewed and appropriate action plans are developed and implemented

Business Unit

S65. The Business Unit Managing Director is responsible for:

- a. complying with policy, standards, procedures, key controls and local legislation; which may include the development of Business Unit management systems
- b. working with the Divisional HR function to ensure delivery of the main programmes within the people strategy, for example, employee engagement, talent management
- c. ensuring compliance with people policies, for example recruitment, reward, performance management, leavers
- d. providing training, where appropriate, to ensure employees have the necessary knowledge and skills to understand and deliver our commitments
- e. ensuring local controls are in place for providing assurance that HR risks are being effectively managed and participating in the continuous improvement of processes and programmes
- f. ensuring that leaving processes are adhered to, including removal from IT systems, return of equipment and corporate information and reminding the employee of their legal obligations

- g. working with the Business Unit leadership team, Divisional functional leadership teams and Shared Services to maintain accurate and up to date people data
- h. working with the Business Unit leadership team, Divisional functional leadership teams and Shared Services to ensure that the standards of the Serco Management System are adhered to and that any exceptions are managed appropriately
- i. appropriately managing or formally raising or escalating risks to compliance against the standards of the Serco Management System (e.g. inadequate resources)

Contract/Function

S66. The Contract Manager (or Corporate Function Head) is responsible for:

- a. complying with policy, standards, procedures, key controls and local legislation; which may include the development of Contract/Function management systems/local operating procedures/work instructions
- b. working with the Divisional HR function to ensure delivery of the main programmes within the people strategy, for example employee engagement, talent management
- c. ensuring compliance with people policies, for example recruitment, reward, performance management, leavers
- d. providing training, where appropriate, to ensure employees have the necessary knowledge and skills to understand and deliver people commitments
- e. ensuring local controls are in place for providing assurance that people and associated risks are being effectively managed and participating in the continuous improvement of processes and programmes
- f. applying appropriate processes to comply with relevant local legal, taxation, immigration and social security requirements
- g. ensuring the leaving process is adhered to, including removal from IT systems, return of equipment and corporate information and reminding the employee of their legal obligations
- h. working with the Business Unit leadership team, Contract management team, Divisional Functional Teams and Shared Services to maintain accurate and up to date people data

- i. working with the Business Unit leadership team, Contract management team, Divisional Functional teams and Shared Services to ensure that the standards of the Serco Management System are adhered to and that any exceptions are managed appropriately
- j. appropriately managing or formally raising or escalating risks to compliance against the standards of the Serco Management System (e.g. inadequate resources)

All employees

S67. All employees are responsible for:

- a. understanding and undertaking the tasks of their role in accordance with the principles, policies and procedures of Serco
- b. ensuring all mandatory training is kept up to date
- c. telling a line manager or HR representative of any concerns
- d. fulfilling their responsibilities in respect of legal, taxation, immigration and social security requirements
- e. abiding by confidentiality agreements and other clauses in their contract/offer of employment
- f. providing and maintaining their employee record and associated data through the required processes, tools and communication channels

4 Processes and Controls

4.1 Governance processes and controls

Process

A set of related activities that must be carried out to achieve policy outcomes

Controls

The action we put in place to mitigate a risk(s) within a key process and/or the delivery of policy outcomes. These are mandated and are the minimum that should be implemented regardless of any local difference

Responsibility

for ensuring controls are in place and operating effectively

Ref	Description		Ref	Description	Responsibility				
					Group (S60– S63)	Division (S64)	Business Unit (S65)	Contract / Function (S66)	All Employees (S67)
P1	People responsibilities are defined and understood	➔	C1	<div> A Group HR lead is appointed by the Group CEO with responsibility for: <ul style="list-style-type: none"> developing and maintaining Group HR policy working with Divisions and other functional groups to ensure standards and associated procedures and key controls remain fit for purpose, reflect legislative and regulatory requirements and effectively manage people and associated risks working with the Executive Committee to appoint and lead a professional HR community providing oversight and reporting people performance to the Executive Committee and plc Board as required undertaking Group-wide tasks that deliver the People Strategy, such as the annual review of leadership and management talent and the annual employee engagement survey working with Divisions, Functions and Shared Service providers to provide guidance and support on the management and structure of people data </div>	●	○	○	○	○

Process

A set of related activities that must be carried out to achieve policy outcomes

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for ensuring controls are in place and operating effectively

Ref	Description	Ref	Description	Group (S60– S63)	Division (S64)	Business Unit (S65)	Contract / Function (S66)	All Employees (S67)
			<ul style="list-style-type: none"> working with the Divisions, Functions and Shared Service providers to ensure that the standards of the SMS are adhered to and that any exceptions are managed appropriately managing risks to compliance against the standards of the SMS (e.g. inadequate resources) 					
→	C2		Working with the plc Board, the Group HR Director has responsibility for validating the People Strategy and reporting progress as required	●	○	○	○	○
→	C3		Group people strategy, with objectives and targets, are agreed with Divisional CEOs and Senior Directors and reviewed on an annual basis	●	○	○	○	○
→	C4		The Group plc Board, supported by Group HR has responsibility for establishing and reviewing annually the remuneration strategy	●	○	○	○	○

Process

A set of related activities that must be carried out to achieve policy outcomes

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The action we put in place to mitigate a risk(s) within a key process and/or the delivery of policy outcomes. These are mandated and are the minimum that should be implemented regardless of any local difference

Responsibility

for ensuring controls are in place and operating effectively

Ref Description

➡ C5	<p>A Divisional HR Lead is appointed by the Divisional CEO and Group HR Director with responsibility for:</p> <ul style="list-style-type: none"> • implementing People policy, standards procedures, key controls and local legislation across the Division; which may include the development of country/region/ Divisional procedures and management systems • ensuring procedures and key controls remain fit for purpose, reflect legislative and regulatory requirements and effectively manage People and associated risks • defining detailed operating models for the provision of a HR function in order to manage people risks, deliver people objectives and targets and provide competent HR advice • Developing Divisional people strategy, objectives and targets that are aligned to Group • providing oversight and reporting Divisional people performance • providing training, where appropriate, to ensure employees have the necessary knowledge and skills to understand and deliver people commitments • annually reviewing the Divisional remuneration strategy to ensure alignment with Group strategy • completing an annual review of leadership and management talent
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Group (S60– S63)	Division (S64)	Business Unit (S65)	Contract / Function (S66)	All Employees (S67)
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Process

A set of related activities that must be carried out to achieve policy outcomes

Controls

The action we put in place to mitigate a risk(s) within a key process and/or the delivery of policy outcomes. These are mandated and are the minimum that should be implemented regardless of any local difference

Responsibility

for ensuring controls are in place and operating effectively

Ref	Description	Group (S60– S63)	Division (S64)	Business Unit (S65)	Contract / Function (S66)	All Employees (S67)
	<ul style="list-style-type: none"> ensuring the annual employee engagement survey is completed, results are reviewed and appropriate action plans are developed and implemented 					
↻ C6	<p>The Business Unit MD is responsible for:</p> <ul style="list-style-type: none"> complying with policy, standards, procedures, key controls and local legislation; which may include the development of local operating procedures/work instructions working with the Divisional HR function to ensure delivery of the main programmes within the people strategy, for example, employee engagement, talent management ensuring compliance with people policies, for example recruitment, reward, performance management, leavers providing training, where appropriate, to ensure employees have the necessary knowledge and skills to understand and deliver people commitments ensuring local controls are in place for providing assurance that HR risks are being effectively managed and participating in the continuous improvement of processes and programmes ensuring that leaving processes are adhered to, including removal from IT systems, return of equipment and corporate information and 	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

Process

A set of related activities that must be carried out to achieve policy outcomes

Controls

The action we put in place to mitigate a risk(s) within a key process and/or the delivery of policy outcomes. These are mandated and are the minimum that should be implemented regardless of any local difference

Responsibility

for ensuring controls are in place and operating effectively

Ref Description

Ref Description

Group (S60– S63)
Division (S64)
Business Unit (S65)
Contract / Function (S66)
All Employees (S67)



C7

The Contract Manager (or Corporate Function Head) is responsible for:

- complying with HR policy, standards, procedures, key controls and local legislation; which may include the development of Contract/Function management systems/local operating procedures/work instructions
- working with the Divisional HR function to ensure delivery of the main programmes within the people strategy, for example employee engagement, talent management

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Process

A set of related activities that must be carried out to achieve policy outcomes

Controls

The action we put in place to mitigate a risk(s) within a key process and/or the delivery of policy outcomes. These are mandated and are the minimum that should be implemented regardless of any local difference

Responsibility

for ensuring controls are in place and operating effectively

Ref Description

Ref Description

- ensuring compliance with people policies, for example recruitment, reward, performance management, leaders
- providing training, where appropriate, to ensure employees have the necessary knowledge and skills to understand and deliver people commitments
- ensuring local controls are in place for providing assurance that people and associated risks are being effectively managed and participating in the continuous improvement of processes and programmes
- applying appropriate processes to comply with relevant legal, taxation, immigration and social security requirements
- ensuring the leaving process is adhered to, including removal from IT systems, return of equipment and corporate information and reminding the employee of their legal obligations
- working with the Business Unit leadership team, contract management team, Divisional Functional teams and Shared Services to maintain accurate and up to date people data
- Working with the Business Unit leadership team, Contract management team, Divisional functional teams and Shared Services to ensure that the standards of the SMS are adhered to and that any exceptions are managed appropriately

Group (S60– S63)
Division (S64)
Business Unit (S65)
Contract / Function (S66)
All Employees (S67)

Process

A set of related activities that must be carried out to achieve policy outcomes

Controls

The action we put in place to mitigate a risk(s) within a key process and/or the delivery of policy outcomes. These are mandated and are the minimum that should be implemented regardless of any local difference

Responsibility

for ensuring controls are in place and operating effectively

Ref	Description	Ref	Description	Group (S60– S63)	Division (S64)	Business Unit (S65)	Contract / Function (S66)	All Employees (S67)
			<ul style="list-style-type: none"> Appropriately managing or formally raising or escalating risks to compliance against the standards of the SMS (e.g. inadequate resources) 					
		↻ C8	<p>All employees are responsible for:</p> <ul style="list-style-type: none"> understanding and undertaking the tasks of their role in accordance with the principles, policies and procedures of Serco ensuring all mandatory training is kept up to date telling a line manager or HR representative of any concerns fulfilling their responsibilities in respect of legal, taxation, immigration and social security requirements abiding by confidentiality agreements and other clauses in their contract/offer of employment providing and maintaining their employee record and associated data through the required processes, tools and communication channels 	○	○	○	○	●
P2	Establish People policy	↻ C9	Policy, standards and Group procedures are defined and published	●	○	○	○	○

Process

A set of related activities that must be carried out to achieve policy outcomes

Controls

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Responsibility

for ensuring controls are in place and operating effectively

Ref	Description	Ref	Description	Group (S60– S63)	Division (S64)	Business Unit (S65)	Contract / Function (S66)	All Employees (S67)
P3	Establish HR systems and process	➡ C10	Policy, standards and Group procedures are communicated and implemented	●	●	●	●	○
		➡ C11	Country/Divisional/local level HR management system with supporting procedures and work instructions are defined, published and communicated	○	●	●	●	○
		➡ C12	HR systems with supporting procedures and work instructions are reviewed annually in light of any HR compliance assessment and audit results, accidents and incident analysis, legal changes, changing circumstances and the commitment to continual improvement	○	●	●	●	○
P4	Manage Compliance	➡ C13	Legal and regulatory HR requirements are monitored with changes reflected in systems, procedures and work instructions	○	●	●	●	○
		➡ C14	A HR compliance plan is in place	○	●	●	●	○
		➡ C15	Compliance / internal audit reports are produced with action plans to address any non-compliance	○	●	●	●	○
		➡ C16	Agreed actions are closed out	○	●	●	●	○

4.2 Key processes and controls

Process

A set of related activities that must be carried out to achieve policy outcomes

Controls

The action we put in place to mitigate a risk(s) within a key process and/or the delivery of policy outcomes. These are mandated and are the minimum that should be implemented regardless of any local difference

Responsibility

for ensuring controls are in place and operating effectively

Ref	Description	Ref	Description	Group (S60– S63)	Division (S64)	Business Unit (S65)	Contract / Function (S66)	All Employees (S67)
P5	Define and monitor People objectives, key performance indicators (KPIs), systems and targets	➡ C17	People objectives, KPIs, systems and targets are defined and communicated	●	●	●	●	○
		➡ C18	Owners will be defined and in place to direct and manage the delivery of agreed people strategy and objectives	●	●	●	●	○
		➡ C19	Reviews of the effectiveness of people management systems are carried out annually, documented and reported to senior management	●	●	●	○	○
		➡ C20	Performance against KPIs and progress against objectives and targets are monitored by management and reported to the relevant governance groups as required	○	●	●	●	○
P6	Identify recruitment needs	➡ C21	Vacancies are evaluated against the local business plan, have supporting budget and documented authorisation is in line with the Delegated Authorities	○	○	○	●	○

Process

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Controls

The action we put in place to mitigate a risk(s) within a key process and/or the delivery of policy outcomes. These are mandated and are the minimum that should be implemented regardless of any local difference

Responsibility

for ensuring controls are in place and operating effectively

Ref	Description	Ref	Description	Group (S60– S63)	Division (S64)	Business Unit (S65)	Contract / Function (S66)	All Employees (S67)
P7	Communicate vacancies	➡ C22	Organisation charts and role profile/person specification (success profiles) are developed in line with standard guidance and formats	○	●	●	●	○
		➡ C23	Roles, including vacancies, have success profiles detailing duties, responsibilities, knowledge experience, skills and abilities required for the role	●	●	●	●	○
		➡ C24	Roles are advertised internally prior to external advertising; as a guide 5 days internally only (the only exceptions to this are for commercially sensitive roles, when approved ring-fencing takes place in order to facilitate redeployment or where specific appointments are identified and made in line with succession plans)	●	●	●	●	○
P8	Select and employ suitable candidates	➡ C25	Pre-employment screening is completed before job offers are made, as appropriate for the country and role, and records of these are kept	●	●	●	●	○
		➡ C26	Where repeat checks of employment status establish that an existing employee is no longer permitted to work in the country of employment, employment is ceased with potential dismissal considered	●	●	●	●	○

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		➔ C27	Displaced internal candidates are given the opportunity to apply and be considered for roles, provided they have the necessary skills, knowledge, capability and experience	●	●	●	●	○
		➔ C28	Requests for feedback from applicants are responded to appropriately in line with local legislation and process	●	●	●	●	○
		➔ C29	Standard contracts/offers of employment are in place that meet current local legislative requirements	●	●	○	○	○
		➔ C30	A signed copy of contracts/offers of employment are archived within personnel files	●	●	●	●	○
P9	International Assignments	➔ C31	Where an employee is asked to temporarily work outside their home country of employment, processes are in place to ensure relevant legal, taxation, immigration and social security requirements of the home and host countries are complied with	●	●	●	●	○
P10	Reward	➔ C32	An approved Remuneration strategy is in place and reviewed annually for consistency with the wider market	●	●	○	○	○

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		➔ C33	Base pay is reviewed annually in line with defined processes (recognising where there are agreements in place with trade unions or employee representative bodies)	●	●	●	●	○
P11	Employee and Industrial Relations	➔ C34	Formal procedures, including grievance, disciplinary and dispute resolution, are implemented for resolving conflicts between Serco and its employees that may arise from time to time, with documentation and evidence retained in accordance with document retention requirements	○	○	○	●	○
P12	Employee Engagement	➔ C35	Action plans are developed in consultation with employees, with follow-up actions completed within agreed timescales, following formal employee surveys	●	●	●	●	○
P13	Performance and talent management	➔ C36	Performance objectives and personal development needs are agreed at the beginning of each performance period with all employees where PDR processes are implemented	●	●	●	●	○
		➔ C37	Employees are given an opportunity to discuss their performance with their line manager on a regular basis throughout the year. (This may include an annual performance review based on the PDR)	●	●	●	●	○

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P14	Managing employee exits	➔ C38	training and development is provided to employees, where necessary, to enable them to perform their duties within role	●	●	●	●	○
		➔ C39	A talent review is carried out annually to ensure the sustainability of the contract's leadership and management capability	●	●	●	●	○
		➔ C40	Processes and procedures are developed and implemented to account for resignation, redundancy, retirement and death in service	●	●	●	●	○
		➔ C41	Minimum notice periods are respected, unless modified by probationary provision, or in cases of summary dismissal without notice e.g. gross misconduct, and where mutually agreed by both parties	●	●	●	●	○
		➔ C42	Outstanding salary and other payments are paid in a timely manner, unless there is a valid reason why these payments should not be made e.g. there is an outstanding debt, company advance or loan	●	●	●	●	○
		➔ C43	Employees are offered an exit interview, where appropriate	●	●	●	●	○

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Ref Description

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➡ C44	IT access is removed from anyone who has left Serco employment and is reviewed upon resignation for specific concerns around conflicts of interest
➡ C45	Employees have returned all equipment, corporate information and Serco intellectual property before they leave Serco

Group (S60– S63)	Division (S64)	Business Unit (S65)	Contract / Function (S66)	All Employees (S67)
●	●	●	●	○
●	●	●	●	○

5 Supporting documentation and guidance

The following should be read in conjunction with this standard:

Ref	Document
SMS-GS-G1	Consequence Management Group Standard
SMS GSOP-II1-2	Document Retention GSOP
SMS-GS-II1	Information Integrity & Data Management Group Standard
SMS-GS-S1	Security Group Standard
	Code of Conduct

6 Definitions

Term	Definition
Accountability	Being accountable means being not only responsible for something but also answerable for your actions.
Responsibility	<p>A responsible person is the individual who completes the task required. Responsibility can be shared and delegated.</p> <p>All responsible persons will also be accountable for completing tasks effectively. Non-compliance will have consequences which may include disciplinary action as defined within the Consequence Management Group Standard.</p>
Group	Serco Group plc is the administrative centre of the organisation, responsible for setting corporate strategy, defining governance requirements and supporting the business in its day to day operations
Division	The Group will define a set of business Divisions which will be responsible for business delivery within a defined set of markets or geographies.
Business Unit	<p>A Business Unit is a cluster of contracts which provide a similar service e.g. Health, Defence, Transport etc.</p> <p>Where appropriate, a separate legal entity wholly owned or where Serco has a controlling share may also be referred to as a Business Unit, where appropriate.</p> <p>This may also refer to Counties/Territories</p>

Contract	<p>A Contract provides specified requirements to a customer (either directly with Serco or to a consortium/Joint Venture in which Serco is a party)</p> <p>A Contract will also refer to a corporate/functional area.</p> <p>Corporate/functional areas are functions which support the business and they include finance, HR, procurement etc.</p>
Organisation	<p>Organisation refers to a site, Contract, Business Unit and Division.</p>
Contract Manager	<p>This refers to a manager with responsibility for managing the performance of a contract and can include a Contract Manager on a day-to-day basis (or Operational Manager with devolved responsibility), a Contract Director, Partnership Director and/or a Business Unit Managing Director</p>
Disciplinary issues	<p>Arise when problems of conduct or capability are identified and management seeks to address them through well-recognised procedures</p>
Grievances	<p>Are raised by individuals bringing to management's attention concerns or complaints about their working environment, terms and conditions and workplace relationships. Management seeks to address them through well-recognised procedures</p>

7 Further information and support

If you require any further information or support regarding this Group Standard, or if you have any suggestions for improvement, please contact the Accountable Policy Owner (Group) or email sms@serco.com