

Sample

**HUMAN RESOURCE MANAGEMENT  
MANUAL**

YEAR 2019

## INTRODUCTION

ABC & Associates was established in 20xx with an objective of providing quality driven assurance and consultancy services. In order to achieve this objective, the firm employs a workforce whose terms and conditions of services are determined by the provisions of this Human Resources Management Manual.

This Manual embodies the terms and conditions of service of ABC& Associates and shall apply to all staff of the firm except where they are at variance with the laws of Uganda or as otherwise provided in this Manual.

The board reserves the right to amend this manual or any part thereof as may be deemed necessary.

Any issues arising out of the interpretation or application of this Manual shall be referred to the Managing partner whose decision shall be final.

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## **1.0 HUMAN RESOURCE MANAGEMENT POLICY**

### **1.1 Purpose of the Manual.**

This manual is intended to guide staff regarding their rights and obligations.

These guidelines shall be followed by all staff of ABC & Associates including the Senior Management Team and part time staff who may be employed by the firm from time to time.

### **1.2 Human Resource Management Objectives.**

The firm shall endeavor to achieve the following objectives;

- a) Appropriate remuneration for all staff for services rendered.
- b) Fair hearing for all staff as provided for in this manual.
- c) Equal employment opportunities.
- d) Provision of appropriate training and facilitation.

### **1.3 Human Resource Management Strategy.**

The firm shall endeavor to attract, engage and retain high quality staff and optimally use their services.

## **2.0 RECRUITMENT AND APPOINTMENT.**

### **2.1 Recruitment Policy.**

ABC & Associates shall not recruit staff, other than support staff who do not have knowledge in accounting and audit unless the partners identify a strong will and potential from a given candidate in which case it shall be upon ABC & Associates to ensure that such a candidate, if employed is enrolled for an accounting & Audit course preferably a professional accountancy qualification like CPA, ACCA, CMA.

Positions in the firm will be filled transparently and on merit using open competition as the basis of selection.

## **2.2 Recruitment Procedures.**

The nature of assurance and consultancy services is such that all is dependent of the quality of staff. ABC & Associates shall strive to attract and retain the best talent within the firm's financial capacity.

### **2.2.1 Job Applications.**

All candidates shall put their applications in writing. No staff shall be recruited through a "back door" approach.

The partners reserve the right to headhunt or advertise in an effort to obtain the best affordable talent in the labour market - In this case, job applications may not be necessary.

### **2.2.2 Selection Tests.**

Candidates shall be subjected to relevant interviews and tests as determined by the Managing and staff partner.

## **2.3 Staff Appointments.**

The firm shall employ staff on at least one of the following bases;

- a) Fulltime;
- b) Part time; or
- c) Contract.

ABC & Associates shall not recruit any person who did not score at least a credit in English and Mathematics at O-Level and at least 2 principal passes at A-Level unless such a person is to be employed in other positions that are not technical. Technical positions in this context shall mean positions that shall require staff to offer audit, assurance, tax and any form of advisory services to clients.

See Appendix I for a sample employment contract

### **2.3.1 Acceptance.**

- a) Appointees shall accept the offer of employment within 14 days from the date of offer by filling in and signing the Appointment Acceptance Form. (See Appendix II)

- b) The appointee shall report for duty not later than one month from the date of acceptance.
- c) The firm shall maintain proper and updated staff files.
- d) Upon acceptance, all staff shall be required to fill a personnel data form providing details of next of kin, place of residence, maps to places of residence, among other required details.
- e) All staff shall sign annual independence and confidentiality declarations and these shall be kept in the staff files.

## **2.4 Induction**

All staff joining the firm shall be subjected to an induction to familiarise them with assurance and consultancy operations. All staff including non-technical staff shall be required to gain at least the basic understanding of audit processes and general operations of an accounting firm.

## **2.5 Continuous Professional Development.**

All staff shall be expected to undergo Continuous Professional Development (CPD) sessions organised by the firm. The firm's management may from time to time change the mode of delivering CPD sessions to staff. This may involve having technical presentations at office, attending seminars and workshops organised by Professional Accountancy Organisations such as ICPAU.

## **3.0 CONDITIONS OF APPOINTMENT.**

### **3.1 Probation.**

On appointment to the firm, staff shall undergo a six (6) months probationary period after which the appointment will be confirmed after a successful performance appraisal.

The firm may consider extending the probationary period of any staff where the performance appraisal after the first six months reveals unsatisfactory performance. The extension period shall not be more than six months.

A contract for a probationary period may be terminated by either the firm or the staff by giving not less than fifteen days' notice of termination, or by payment, by the firm to the staff, of seven days' wages in lieu of notice or by forfeiture of seven days' wages in lieu of notice by the staff.

The firm reserves the right to dismiss a staff member summarily.

### **3.2 Confirmation.**

Confirmation of staff shall be subject to satisfactory performance reports from the immediate supervisor.

Staff shall be notified of their confirmation in writing.

### **3.3 Termination.**

- a) The employment of any staff will be considered terminated as a result of the staff retirement, resignation, retrenchment, indiscipline or natural wastage/death.
- b) On the termination of the services of an employee, other than under circumstances of indiscipline or natural wastage or death, the staff shall be given one month's notice or one month's pay in lieu of notice.
- c) The notice period for termination of services of a staff other than in circumstances of termination due to retirement and indiscipline or natural wastage or death, shall be as provided for under the laws of Uganda.

### **3.4 Use of firms resources.**

- a) Staff will, as much as possible, exercise due responsibility while using the firm's resources in the course of performing their duties.
- b) The firm's assets and resources shall be used only to perform the firm's work. This may include computers, printers, photocopier, stationery, telephone, internet connection; furniture etc.
- c) Unauthorised use of the firm's resources to gain personal benefit may result into a disciplinary action taken against the responsible staff.
- d) The firm's management shall put an effort in enforcing efficiency and effectiveness in usage of the firm's resources. However, staff shall be expected to exercise natural judgment in ensuring their acts do not expose the firm to avoidable costs.

#### **4.0 STAFF DEVELOPMENT.**

- a) The firm shall plan, develop and implement human resource training and development programs in accordance with set guidelines.
- b) The firm's training program shall include annual ethical trainings.
- c) Staff shall submit end of training reports upon their return to duty highlighting the course content, benefits achieved and a course evaluation.
- d) The firm shall maintain proper training records for staff for ease of access by the Regulator.

#### **4.1 STAFF CAREER DEVELOPMENT.**

- a) The firm may, at the discretion of the partners, provide financial sponsorship for staff to undergo Professional Accountancy Qualification/training.
- b) In cases where the firm sponsors a member of staff for training, such staff will be required to sign a Bond committing them to serve the firm for such a period as may be determined by the partners.

#### **5.0 PERFORMANCE EVALUATION.**

The performance appraisal guidelines have been prepared to guide the firm in appraising her staff to ensure that performance is appropriately measured against the set parameters. Its primary objective is to ensure that staff performance is improved at all times for the benefit of both the firm and the individual staff. The staff performance guide shall also form a key basis for establishing the appropriate level of compensation that is commensurate to performance.

#### **5.1 Performance Reviews.**

There shall be periodic performance reviews for the purpose of monitoring staff performance which will form the basis for staff reward, development and other management decisions.

#### **5.2 Annual Performance Review Cycle.**

The performance of all staff shall be appraised twice a year at an interval of six (06) months.



The Appraisal exercise shall be carried out in the first week following that in which the appraisal cycle ends. This shall therefore be the first week of **January** and the first week of **July** to appraise staff performance for the cycles ending **31st Dec** and **30th June** of every year respectively.

### **5.3 Mode of Appraisal Exercise**

The exercise shall be performed in form of a peer review by way of a round-table discussion of each of the individual's performance for the cycle ended. Each appraisee shall be given the opportunity to present his argument if they think they have been given a lower score by the Peer Review Team (PRT). This implies that the appraisee shall also be part of the PRT.

### **5.4 Management of Performance Appraisal Recommendations.**

The firm shall implement the appraisal recommendations with a view to recognise and reward staff performance, and address their development needs.

## **5.0 COMPENSATION PACKAGE.**

### **5.1 Salary Payments and Deductions.**

Staff remunerations shall be determined by the Partners from time to time and may be revised upwards or downwards depending on the circumstances. Remuneration for the Partner shall not be raised basing on higher earnings for any period. If any Partner draws more than their salary from the business, it shall be treated as an accountable advance from him and if not paid back will be offset from his salary. This is an effort to separate personal financial business from that of ABC & Associates and to provide for proper planning of expansion.

### **5.2 Overtime Allowance**

Where staff are required to do any work overtime in any month, they shall be entitled to an overtime allowance equivalent to one and half times the hourly salary for every hour spent on the job.

## **6.0 FACILITATION.**

The firm shall provide transport and accommodation to employees on official duties outside their normal duty station. Where transport is not provided, any employee who uses private means of transport for official duties shall be refunded at approved rates.

## **7.0 GIFTS AND ENTERTAINMENT**

As part of the conflict of interest procedures of ABC & Associates, staff & volunteers at the firm are required to decline to accept certain gifts, consideration or remuneration from individuals or organizations that seek to do business with the firm or are a competitor of it.

Each staff of the firm shall be required to complete the gift statement intended to implement prohibition on gifts. (See Appendix III).

## **8.0 DISCIPLINE.**

All staff shall be expected to exhibit the highest degree of discipline and courtesy while conducting the firm's business. No staff shall be expected to involve themselves in any acts that cast doubt on their integrity and that of the firm.

### **8.1 Offences.**

Misdemeanors, misconduct and gross misconduct such as: Drunkenness and drunken driving; Smoking; Use of narcotic drugs like marijuana; Stealing; Fighting in and/or outside office; Persistent late coming; Diverting the firm's funds to personal use without authorisation; Using the firm's stationery including headed paper, stamps, seals and emblems and such items without authorisation especially with an intent to gain personal gain; Forgery of documents including academic documents, accountability records; and any other acts that are contrary to the ICPAU's Professional Code of Conduct shall constitute offences and shall make the staff liable to disciplinary action as specified in section 7.3 of this manual.

## **8.2 Disciplinary Procedures.**

Where performance of a staff is unsatisfactory, they will be given an opportunity to respond to the allegations.

Staff alleged to have committed offenses categorized as gross misconduct shall be suspended on half pay, pending outcome of the investigations.

## **8.3 Disciplinary Action.**

Staff found to have committed offences shall be subject to one of the following disciplinary actions: Caution; written warning; suspension; loss of salary; demotion; or dismissal.

## **9.0 LEAVE**

### **9.1 Annual Leave.**

All employees shall be entitled to thirty working days. Leave entitlement for staff leaving the firm shall be computed on prorated basis. (See Appendix IV)

### **9.2 Maternity and Paternity Leave.**

Female staff shall be entitled to maternity leave on full pay for a maximum period of sixty working days of which at least four weeks shall follow child birth.

Male staff shall be entitled to paternity leave of 5 working days once in every year.

### **9.3 Sick Leave.**

Staff shall be entitled to sick leave not exceeding one month, with full pay on presentation of an appropriate medical report from a qualified medical practitioner.

### **9.4 Compassionate leave.**

In special circumstances and upon application in writing, staff may apply for compassionate leave for a period agreed upon between the partner and the staff. This shall be granted at the discretion of the partner(s).

## **10.0 TERMINATION OF SERVICE.**

### **10.1 Notice Periods.**

A one month written notice or payment in lieu of notice shall be given by staff or the firm on termination of service.

### **10.2 Handing over on termination.**

Before staff leave the employment of the firm, they shall be required to hand over all the firm property and assignments in their possession to their immediate supervisor.

### **10.3 Certificate of service to out-going staff (See Appendix V).**

The firm shall issue a certificate of service to out-going staff (see Appendix 1). This shall not apply to staff who have been terminated from service summarily

## **11.0 HEALTH AND SAFETY.**

All staff are encouraged to be security cautious at all times whether at office or outside office.

Staff are advised to alert concerned authorities e.g. police promptly when in situations that jeopardize their security. Such situations may include, identifying suspicious items especially those that are abandoned.

All staff should always be cautious not to leave any electric gadgets on when leaving office. Office lights, computers, printers, the Office TV and all electric appliances shall all be turned off when leaving office.

The office assistant shall do cleaning works while putting on protective gear.

### **11.1 Compensation.**

Staff who suffer injury in the ordinary course of the firm's business shall qualify for compensation in line with the Workers' compensation Act, 2000.

**APPENDIX I: SAMPLE EMPLOYMENT CONTRACT**

THIS AGREEMENT made as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ , between [name of employer] a organisation registered and licensed under the laws of the Republic of Uganda, and having its principal place of business at \_\_\_\_\_ (the "Employer"); and [name of employee], of the City of \_\_\_\_\_ in the Republic of Uganda (the "Employee").

WHEREAS the Employer desires to obtain the benefit of the services of the Employee, and the Employee desires to render such services on the terms and conditions set forth.

IN CONSIDERATION of the promises and other good and valuable consideration (the sufficiency and receipt of which are hereby acknowledged) the parties agree as follows:

**1. Employment**

An Employee agrees that he/she will at all times faithfully, industriously, and to the best of his skill, ability, experience and talents, perform all of the duties required of his position. In carrying out these duties and responsibilities, the Employee shall comply with all Employer policies, procedures, rules and regulations, both written and oral, as are announced by the Employer from time to time. It is also understood and agreed to by the Employee that his assignment, duties and responsibilities and reporting arrangements may be changed by the Employer in its sole discretion without causing termination of this agreement.

**2. Position Title**

As a \_\_\_\_\_, the Employee is required to perform the following duties and undertake the following responsibilities in a professional manner.

- (a).....
- (b).....
- (c).....
- (d).....
- (e) Other duties as may arise from time to time and as may be assigned to the employee.

**3. Compensation**

- a) As full compensation for all services provided the employee shall be paid at the
- b) rate of \_\_\_\_\_. Such payments shall be subject to such normal statutory deductions
- c) by the Employer.
- d) (may wish to include bonus calculations or omit in order to exercise discretion).
- e) The compensation mentioned in paragraph (a) above shall be review on an annual basis.
- f) All reasonable expenses arising out of employment shall be reimbursed assuming the same have been authorized prior to being incurred and with the provision of appropriate receipts.

**4. Vacation**

The Employee shall be entitled to vacations in the amount of \_\_\_\_ weeks per annum.

**5. Benefits**

The Employer shall at its expense provide the Employee with the Health Plan that is currently in place or as may be in place from time to time.

**6. Probation Period**

It is understood and agreed that the first six months (*may vary*) of employment shall constitute a probationary period during which period the Employer may, in its absolute discretion, terminate the Employee's employment, for any reason without notice or cause. This period can be extended for a period of \_\_\_\_ if the employer is not satisfied with the employee's level of service.

**7. Performance Reviews**

The Employee will be provided with a written performance appraisal at least once per year and the said appraisal will be reviewed at which time all aspects of the assessment can be fully discussed.

**8. Termination**

- a. The Employee may at any time terminate this agreement and his employment by giving not less than two weeks written notice to the Employer.
- b. The Employer may terminate this Agreement and the Employee's employment at any time, without notice or payment in lieu of notice, for sufficient cause.
- c. The Employer may terminate the employment of the Employee at any time without the requirement to show sufficient cause pursuant to (b) above, provided the Employer pays to the Employee an amount as required by the Employment Act 2006 or other such legislation as may be in effect at the time of termination. This payment shall constitute the employees entire entitlement arising from said termination.
- d. The employee agrees to return any property of the employer at the time of termination.

**9. Non- Competition**

- a. It is further acknowledged and agreed that following termination of the employee's employment with \_\_\_\_\_ for any reason the employee shall not hire or attempt to hire any current employees of \_\_\_\_\_.
- b. It is further acknowledged and agreed that following termination of the employee's employment with \_\_\_\_\_ for any reason the employee shall not solicit business from current clients or clients who have retained \_\_\_\_\_ in the 6 month period immediately preceding the employee's termination.

**10. Laws**

This agreement shall be governed by the laws of Uganda

**11. Entire Agreement**

This agreement contains the entire agreement between the parties, superseding in all respects any and all prior oral or written agreements or understandings pertaining to the employment of the Employee by the Employer and shall be amended or modified only by written instrument signed by both of the parties hereto.

**12. Severability**

The parties hereto agree that in the event of any part thereof of this agreement is held to be unenforceable or invalid then the said part shall be struck and all remaining provisions shall remain in full force and effect.

IN WITNESS WHEREOF the Employer has caused this agreement to be executed by its duly authorized officers and the Employee has set his hand as of the date first above written.

SIGNED, SEALED AND DELIVERED in the presence of:

\_\_\_\_\_  
[Name of employee]

\_\_\_\_\_  
[Signature of Employee]

\_\_\_\_\_  
[Name of Employer Rep]

\_\_\_\_\_  
[Signature of Employer Rep]  
[Title]

**APPENDIX II: SAMPLE APPOINTMENT ACCEPTANCE FORM**

The partner  
ABC & Associates  
P.O Box .....  
Kampala

I .....hereby accept the offer of appointment to the post of .....at ABC & Associates made in your letter reference:.....dated .....and also the terms and conditions mentioned therein.

.....  
Signature

.....  
Name

.....  
Date



**APPENDIX III: SAMPLE GIFT POLICY AND DISCLOSURE FORM**

As part of its conflict of interest policy, ABC & Associates requires that staff and volunteers of the firm decline to accept certain gifts, consideration or remuneration from individuals or companies that seek to do business with the firm or are a competitor of it. This policy and disclosure form is intended to implement that prohibition on gifts.

Clause 1. “Responsible Person” is any person serving as an officer, employee, volunteer, or a member of the board of directors of the firm.

Clause 2. “Family Member” is a spouse, parent, child or spouse of a child, or a brother, sister, or spouse of a brother or sister, of a Responsible Person.

Clause 3. “Contract or Transaction” is any agreement or relationship involving the sale or purchase of goods, services or rights of any kind, receipt of a loan or grant, or the establishment of any other pecuniary relationship.

Clause 4. Prohibited gifts, gratuities and entertainment. Except as approved by the partner or his/her designee or for gifts of a value less than Ugx. 1 million which could not be refused without discourtesy, no Responsible Person or Family Member shall accept gifts, entertainment or other favors from any person or organization which:

- (a) Does or seeks to do business with the firm or,
- (b) Does or seeks to compete with the firm or,
- (c) Has received, is receiving, or is seeking to receive a Contract or Transaction with the firm.

**GIFT STATEMENT**

I certify that I have read the above policy concerning gifts, and I agree that I will not accept gifts, entertainment or other favors from any individual or organisation, which would be prohibited by the above policy. Following my initial statement, I agree to provide a signed statement at the end of each calendar year certifying that I have not received any such gifts, entertainment or other favors during the preceding year.

.....	.....
Name (Signature)	Date

**APPENDIX IV: SAMPLE ANNUAL LEAVE REQUEST FORM**

In line with the firm’s policy relating to annual leave, all employees must submit a formal request for annual leave. A separate request form must be submitted for each block of leave requested.

All requests are considered based on existing leave requests received from all staff, work commitments and minimum staffing levels required.

Please return completed form to the Partner.

**Staff Name:** .....

I wish to request leave from my annual entitlement as follows:

My proposed leave dates: \_\_\_\_\_ (*inclusive*)

Total number of working days is: \_\_\_\_\_

Signed: \_\_\_\_\_ Date of request: \_\_\_\_\_

**Annual Leave Request Confirmation**

Employee Name: \_\_\_\_\_

Leave Dates approved: \_\_\_\_\_ (*inclusive*)

Above leave request approved:

Above leave request declined:

Reason for decline of leave request:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

**APPENDIX V: SAMPLE CERTIFICATE OF SERVICE TO OUT-GOING STAFF**

**ABC & ASSOCIATES CERTIFICATE OF SERVICE**

To whom it may concern,

This is to certify that [insert employee full name] left the service of ABC & Associates on [insert date]. [He/ She] was in our employment from [insert start and finish dates] and at the date of leaving was in the position of [insert position title]. The main duties of this position were:

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It is the policy of ABC & Associates not to issue any reference other than the above statement of service.

Yours faithfully,

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**Insert full name and position of relevant officer**

**Date**

**Instructions:**

- *Ensure consent is signed by exiting employee*
  
- *Keep copy in staff file*