

# **Strategic Human Resource Policy Manual**

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#### 1. Introduction

- **1.1 Purpose:** To align human capital with EREDA's strategic objectives, enhance employee performance, foster professional excellence, and ensure compliance with Ethiopian labor laws and international HR best practices.
- **1.1.1** Defines employee rights, roles, and obligations.
- **1.1.2** Supports strategic objectives, sector leadership, and institutional credibility.
- **1.1.3.** Scope: Applies to all employees, including leadership, management, and staff.

## 1.2 Legal Reference

- **1.2.1** Labor Proclamation No. 1156/2019
- **1.2.2** Social Security Proclamation No. 715/2011

# 2. Strategic HR Objectives

- **2.1** Align human capital with organizational strategy.
- **2.2** Develop a skilled talent pipeline.
- **2.3** Enhance employee engagement and retention.
- **2.4** Ensure compliance with labor laws and international standards.
- **2.5** Promote diversity, inclusion, and fairness.

# 3. Governance & Organizational Structure

#### 3.1 Board Oversight

**3.1.1** Approves HR policies, strategic workforce planning, and remuneration frameworks.

#### 3.2 HR Department

**3.2.1** Manages recruitment, performance management, training, employee records, and compliance monitoring.

### 3.3 HR Advisory Committee

**3.3.1** Provides recommendations on policies, strategic workforce planning, and remuneration.

# 4. Employee Selection & Recruitment

## 4.1 Purpose

**4.1.1** Attract and select the best talent aligned with organizational goals.

### **4.2** Employee Selection

- **4.2.1** Screening based on qualifications, experience, and competencies.
- **4.2.2** Structured interviews, assessments, and reference checks.
- **4.2.3** GM and HR jointly approve final selection; Board approval for senior leadership positions.

#### 4.3 Recruitment Methods

- **4.3.1** Open recruitment via media and job boards.
- **4.3.2** Internal recruitment for promotions.
- **4.3.3** Recommendation-based recruitment (employee, board, or professional referrals).

#### **4.4 Recruitment Process**

**4.4.1** Recruitment Request Form → Screening → Interview & Reference Check → GM/Board Approval → Onboarding

#### 4.5 Legal Reference

**4.5.1** Labor Proclamation No. 1156/2019, Articles 11–20

# 5. Employee Administration & Records

## **5.1 Employee Records Management**

- **5.1.1** Maintain personal, payroll, leave, performance, and disciplinary records.
- **5.1.2** Ensure confidentiality and compliance with data protection standards.

### **5.2 Administrative Responsibilities**

- **5.2.1** HR department responsible for accurate record-keeping, reporting, and compliance audits.
- **5.2.2** Employees must provide up-to-date personal and professional information.

#### **5.3 Document Retention**

**5.3.1** Employment records retained for minimum period per legal requirement.

# 6. Working Hours, Attendance & Overtime

# **6.1 Working Hours**

- **6.1.1** Monday to Thursday:
  - **✓ Morning:** 2:30 AM − 6:30 AM
  - ✓ **Afternoon:** 7:30 AM 11:30 AM

# **6.1.2 Friday:**

- **✓ Morning:** 2:30 AM − 5:30 AM
- ✓ **Afternoon:** 7:30 AM − 11:30 AM

# 6.1.3 Saturday:

**✓ Morning:** 2:30 AM − 7:30 AM

# **6.1.4 Sunday:**

✓ Off

### **6.2 Public Holidays**

**6.2.1** Paid, not considered working hours

#### **6.3 Overtime**

- 6.3.1 Weekdays/Saturday: 1.5x
- 6.3.2 Sundays/Holidays: 2x

### **6.4 Attendance Tracking**

**6.4.1** Digital attendance recommended

### 6.5 Legal Reference

**6.5.1** Labor Proclamation No. 1156/2019, Articles 63–69

# 7. Leave, Holidays & Work-Life Balance

- **7.1** Annual leave, sick leave, maternity/paternity leave as per Labor Proclamation No. 1156/2019
- 7.2 Compassionate and study leave included
- 7.3 Work-life balance programs encouraged for wellbeing

# 8. Salary, Incentives & Commission Policies

## 8.1 Standard Salary Scale

**8.1.1** Each position has predefined salary scale based on responsibilities and qualifications.

### **8.2 Strategic Incentive**

- **8.2.1** Exceptional talent with international networks or high-value contributions may negotiate salaries above scale.
- **8.2.2** GM nominates; Board approves.

#### 8.3 Commission-Based Incentive

- **8.3.1** Employees bringing projects/clients may receive 5–10% initial commission before formal contract.
- **8.3.2** Final commission paid after contractual agreement execution.
- **8.3.3** GM approval for initial; Board approval for high-value contracts

#### **8.4 Documentation**

**8.4.1** Strategic Incentive & Commission Approval Form

#### 9. Promotions & Demotions

#### 9.1 Promotions

- **9.1.1** Performance-based promotions tied to KPIs and competencies.
- **9.1.2** Succession planning for critical roles.
- **9.1.3** Board approves executive-level promotions; GM approves departmental promotions.

#### 9.2 Demotions

- **9.2.1** Applied for performance, disciplinary action, or organizational restructuring.
- **9.2.2** Clear documentation and employee consultation required.
- **9.2.3** GM approves; Board approval for senior-level demotions.

# 10. Training & Capacity Building

- **10.1** Annual Training Needs Assessment aligned with strategic objectives.
- 10.2 Programs include leadership, technical, project management, and sector-specific skills.
- **10.3** Evaluation ensures improved performance.

# 11. Performance Management

- **11.1** Annual appraisal with SMART KPIs.
- 11.2 Continuous feedback and 360-degree review.
- **11.3** Reward and recognition tied to performance.

# 12. Collaboration, Profit-Sharing & Sponsorships

#### 12.1 Collaboration & Profit-Sharing

**12.1.1** Profit calculations must be completed before contractual agreement.

**12.1.2** Losses are prohibited; minimum profit threshold  $\geq 20\%$ .

### **12.1.3** Employee-Initiated Ideas:

- o Active involvement: ≥75%
- o Partial involvement: >50%

#### 12.1.4 Association-Created Ideas:

- o Not involved: <50%</p>
- o Active involvement: ≥75%

# 12.2 Sponsorships & Revenue

- **12.2.1** External sponsorship: EREDA receives ≥70% of total collected value.
- **12.2.2** Internal sponsorship: 100% to EREDA unless approved for strategic incentive.
- **12.2.3** GM approval required; Board approval for high-value sponsorships.

## 13. Health, Safety & Wellness

- **13.1** Compliance with Labor Proclamation No. 1156/2019, Articles 116–128
- 13.2 Occupational safety, mental health programs, and emergency preparedness

# 14. Diversity, Equity & Inclusion

- 14.1 Promote gender equality and non-discrimination
- 14.2 Monitor diversity metrics and inclusion programs

#### 15. Pension & Retirement

- 15.1 Statutory contributions as per Social Security & Pension Proclamation No. 715/2011
- **15.2** Optional supplementary retirement schemes

# 16. Employee Relations, Grievance & Discipline

- **16.1** Progressive disciplinary framework: warning  $\rightarrow$  suspension  $\rightarrow$  termination
- **16.2** Formal grievance procedure
- **16.3** Documentation and escalation to GM or Board depending on severity

## 17. Technology & HRIS

- 17.1 HRIS for payroll, leave, performance, and attendance
- 17.2 Ensure data privacy and access control
- 17.3 Authorized platforms: email, Telegram, WhatsApp, Zoom, Teams

## 18. Employee Appearance & Communication Standards

## 18.1 Dressing Code

### **18.1.1 Purpose**

- **18.1.1.1** Ensure professional appearance reflecting the organization's values and credibility
- **18.1.1.2** Promote consistency and respect in workplace interactions

#### 18.1.2 General Guidelines

- 18.1.2.1 Clean, neat, pressed, professional attire
- **18.1.2.2** Excessively casual or revealing clothing is prohibited

#### 18.1.3 Business Formal

- **18.1.3.1** Meetings with clients, partners, or government bodies
- **18.1.3.2** Men: Suit/blazer, collared shirt, tie, polished shoes
- **18.1.3.3** Women: Dress/skirt or trousers with blouse/blazer, professional shoes

#### 18.1.4 Business Casual

- **18.1.4.1** Internal office work, non-client facing
- 18.1.4.2 Examples: collared shirts, dress pants, skirts, blouses, closed shoes

#### 18.1.5 Cultural & Religious Attire

**18.1.5.1** Permitted if professional and safe

#### 18.1.6 Accessories & Grooming

- **18.1.6.1** Professional, minimal, non-distracting accessories
- **18.1.6.2** Tattoos/piercings discreet; management guidance if needed

#### 18.1.7 Enforcement

- **18.1.7.1** Supervisors/HR may guide or request changes
- **18.1.7.2** Repeated non-compliance affects appraisals, promotions, incentives

#### 18.2 Communication Standards & Channels

#### **18.2.1 Purpose**

**18.2.1.1** Ensure professional, consistent, effective communication

### **18.2.1.2** Protect organizational credibility and confidentiality

#### 18.2.2 Internal Communication

- **18.2.2.1** Respectful, clear, professional language in emails, Telegram, WhatsApp, website updates, formal letters
- 18.2.2.2 Avoid offensive/discriminatory language

#### 18.2.3 External Communication

- 18.2.3.1 Maintain professional tone with clients, partners, government bodies, media
- **18.2.3.2** Channels:
  - **Email**: Official accounts, proper formatting, signatures
  - **Telegram & WhatsApp**: Internal coordination; external messages approved/documented
  - **Website:** Reviewed by communications officer/GM
  - **Formal Letters**: Official letterhead, formatting, approval procedures

### 18.2.4 Meetings & Video Conferencing

- 18.2.4.1 Professional etiquette, agenda, dress, punctuality
- 18.2.4.2 Authorized platforms: Zoom, Teams, Google Meet

#### 18.2.5 social media

- **18.2.5.1** Only approved, trained employees may represent EREDA
- 18.2.5.2 Confidential/unverified info prohibited

#### 18.2.6 Internal Notices & Bulletins

**18.2.6.1** Check and adhere to updates on physical/digital notice boards

### 18.2.7 Approval Requirement

**18.2.7.1** GM or communications officer approval required for official statements

#### 18.2.8 Enforcement

- **18.2.8.1** Violations follow disciplinary framework (Section 16)
- **18.2.8.2** Repeated non-compliance affects appraisals, promotions, or incentives

### 19. Technology & HRIS

# 19.1 Purpose

- 19.1.1 Efficient management of HR processes, payroll, attendance, and performance tracking
- 19.1.2 Enhance data accuracy, accessibility, and compliance with privacy standards

### 19.2 HR Information System

- 19.2.1 Employee records, leave, recruitment, performance evaluation
- 19.2.2 HR/IT responsible for system maintenance and security

### 19.3 Data Privacy & Security

- 19.3.1 Access restricted to authorized personnel
- **19.3.2** Confidential information encrypted and backed up

### 19.4 Digital Communication & Collaboration Tools

- **19.4.1** Use approved platforms: email, Telegram, WhatsApp, Zoom, Teams
- 19.4.2 Unauthorized platforms prohibited

# 20. Policy Review & Continuous Improvement

#### 20.1 Purpose

20.1.1 Ensure HR policies remain relevant, compliant, and aligned with strategic objectives

#### 20.2 Review Cycle

**20.2.1** Comprehensive review every 3 years or upon legislative/strategic changes

#### 20.3 Approval & Implementation

- **20.3.1** Board approval required for all revisions
- 20.3.2 HR communicates changes to employees and updates manuals/HRIS

### **20.4 Continuous Improvement**

- 20.4.1 Collect employee and stakeholder feedback
- **20.4.2** Benchmark against international best practices
- 20.4.3 Implement process improvements to increase efficiency, satisfaction, and performance

# **Annex: Operational Templates**

- 1. Job Description Template
- 2. Recruitment Request Form
- 3. Candidate Recommendation Form
- 4. Leave Request Form
- 5. Attendance & Overtime Log
- 6. Performance Appraisal Form
- 7. Promotion Recommendation Form
- 8. Commission Payment Form
- 9. Collaboration & Profit-Sharing Agreement
- 10. Strategic Incentive Approval Form
- 11. Grievance Form
- 12. Disciplinary Action Form
- 13. Pension/Retirement Form
- 14. HR Policy Review Checklist

# Annex

# **Annex 1: Recruitment Request Form**

Purpose: Document and authorize new recruitment requests.

Field	Details
Position Title	
Department	
Type of Employment	Permanent / Contract / Temporary
Justification	
Reporting Manager	
Required Qualification & Experience	
Proposed Salary Range	
Recommended by	
HR Review	
GM Approval	
Board Approval (if applicable)	
Date	

**Instructions:** All recruitment requests must be completed, reviewed by HR, and approved by GM. Senior/executive positions require Board approval.

**Annex 2: Employee Reference & Recommendation Form** 

Field	Details
Candidate Name	
Position Applied For	
Referee Name & Position	
Relationship to Candidate	
Duration Known	
Key Competencies	
Recommendation	Strongly Recommend / Recommend / Not Recommend
Referee Signature	
Date	

# **Annex 3: Performance Appraisal Form**

**Employee Information:** 

<b>↓</b> Name:		
+ Position:		
Department:		
Supervisor:		
Review Period:		
KPI/Competency	Rating (1–5)	Comments
Job Knowledge		
Quality of Work		
Communication		
Teamwork		
Attendance & Punctuality		
Initiative & Problem-Solving		
Overall Rating:		
Supervisor Comments:		
<b>Employee Comments:</b>		
Signatures:		
<b>4</b> Employee:		
Supervisor:		
♣ HR:		
■ Date·		

**Annex 4: Commission & Incentive Agreement Form** 

Field	Details
Employee Name	
Department	
Project/Client Name	
Project Value	
Commission %	
Payment Terms	
GM Approval	
Board Approval (if required)	
Date	

**Instructions:** Commission is paid after contractual agreement execution. Early motivational commission (5–10%) requires GM documentation.

**Annex 5: Sponsorship/Collaboration Agreement Template** 

Field	Details
Sponsor Name	
Project/Activity	
Total Value of Sponsorship	
Association Share (%)	
Employee Share (if involved)	
Terms & Conditions	
GM Approval	
Board Approval	
Date	

**Instructions:** All sponsorships must guarantee minimum association benefit:  $\geq$ 70% for external,  $\geq$ 50–75% for employee involvement.

# **Annex 6: Leave Request Form**

Field	Details
Employee Name	
Department	
Leave Type	Annual / Sick / Maternity / Paternity / Study / Compassionate
Leave Start Date	
Leave End Date	
Total Days	
Reason (if required)	
Supervisor Approval	
HR Approval	
GM Approval (if required)	
Date	

# **Annex 7: Promotion/Demotion Approval Form**

Field	Details
Employee Name	
Department	
Current Position	
Proposed Position	
Туре	Promotion / Demotion
Justification	
Performance Summary	
Supervisor Recommendation	
GM Approval	
Board Approval (if applicable)	
Date	

**Annex 8: Salary Adjustment / Special Incentive Form** 

Field	Details
Employee Name	
Department	
Current Salary	
Proposed Salary /	
Incentive	
Reason	Exceptional performance / Strategic contribution / International
	contract
GM Nomination	
Board Approval	
Date	

# Annex 9: Employee Acknowledgment Form

Purpose: Confirm employee	understanding of HR policies, dress code, communication, and
responsibilities.	
Ι,	, confirm that I have read and understood the EREDA HR
Policy Manual and agree to con	mply with all provisions.
Signature:	
Date:	
Employee:	
HR Officer:	
CM.	