



giz Deutsche Gesellschaft
für Internationale
Zusammenarbeit (GIZ) GmbH



HR Manual

for Small and Medium-Sized Enterprises (SMEs)

Pocket Manual

Date of Publication: May 2019

As a federally owned enterprise, GIZ supports the German Government in achieving its objectives in the field of international cooperation for sustainable development.

Published by:

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
Bonn and Eschborn, Germany

T +49 (0) 228 4460-0 Bonn

T +49 (0) 619679-0 Eschborn

E info@giz.de

I www.giz.de/en

Employment Promotion Programme

GIZ Office Jordan

Mohamed Baseem Al- Khammash St. 13, Sweifieh

Amman 11190 – Jordan

T (+962) 06-586 8090

F (+962) 06-581 9863

E giz-jordanien@giz.de

www.giz.de/en

Design/layout, etc.:

Abu-Ghazaleh & Co. Consulting, Amman

On behalf of German Federal Ministry for Economic Cooperation and Development (BMZ)

May, 2019

Preface

His Excellency the Minister of Labour



His Majesty King Abdullah II bin Al-Hussein, may God preserve and protect him, believes in the importance and sanctity of work, and His Majesty commended on many occasions the spirit of achievement and giving that made our country an example of what can be achieved with honesty and determination. His Majesty the King also praised the labour forces who contribute in building and developing the country. His Majesty stressed on the importance of investing in the education and training of citizens to create a generation of forward-looking young people, who are equipped with the skills necessary to analyze, innovate and excel, and a generation of youth aware of their rights and responsibilities as well as eager to contribute positively towards their country's economic, social and political development.

Hence His Majesty the King directed his government in 2015 to form a National Committee for Human Resource Development for his firm and absolute belief that the Jordanian citizen is the center of the development process.

His Majesty emphasized the development of an integrated, comprehensive, strategic and well-defined system for human resources development. Therefore, the National Strategy for Human Resources Development 2016 - 2025 came out with a number of recommendations that will help in translating the royal vision related to the development of an integrated, comprehensive, strategic and well-defined system for human resources development. Noting that the system should provide a clear framework for all sectors concerned with education, and be in line with the 10-year economic blueprint.

As such, the human element is the institution's real capital, therefore a successful management must pay attention to everything related to the employee from the moment he/she joins the company and undergoes training, evaluation and promotion, up until the end of his/her service. Thus, increasing employee satisfaction rate, decreasing turnover rate, and enhancing the employee's sense of

belonging in the company depends on the management's continuous improvement to the benefits provided to employees, including social security, health insurance, and existence of an appropriate and safe work environment etc.

Therefore, developing a manual for human resources (HR) and onboarding systems for small and medium-sized enterprises (SMEs) has thus become increasingly urgent, given its contribution in establishing a harmonious work environment for

employers and employees, and in decreasing employee turnover rate.

Finally, I would like to express my gratitude to all those who contributed in developing and creating this manual, including Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH(GIZ) GmbH whose contribution is a reflection of the strong partnership between the Ministry of Labour and GIZ.

Nidal Faisal Al Bataineh
Minister of Labour

Foreword

Employment Promotion Programme (EPP)/ Jordan

In cooperation with our main partners, Employment Promotion Programme (EPP) - Jordan aims at enhancing employment opportunities for Jordanians. One of the main elements that the programme focuses on is the quality and sustainability of work. Concerted efforts were made during the project with the other partners for offering new mechanisms for companies to achieve that goal in order to enhance the employers and employees' rights in the Hashemite Kingdom of Jordan.

Developing a manual for SMEs as part of a collaborative project between Jordan's Ministry of Labour and GIZ is considered a clear example of the international development actors' support to enterprises, and a proof of their efforts for achieving growth and sustainability. We at GIZ view this project as a way for supporting rights of employees by assisting enterprises in guaranteeing those rights. Our aim is to create an environment where both the employee and the employer feel satisfied, and where the employee retention rate is high.

We developed this manual for SMEs to help increase their contribution in national economy, and recognize their major role in creating work opportunities in the private sector.

And with this manual, the Employment Promotion Programme helps in supporting national efforts in establishing the basis for employees'

rights protection, and helping SMEs retain their employees.

This manual was developed to support SMEs and assist them in their daily activities and ensure their optimum use of human resource capacities. The manual aims at encouraging and supporting the implementation of the national labour laws and regulations in the Kingdom, as well as offering guidance to SMEs on the best human resources operations, and providing practical tools for their swift implementation. Furthermore, the manual offers a guiding framework for the employment process, and a list of benefits offered to retain the labour force, as well as a guiding framework for pay raises, incentives and health and safety measures.

In conclusion, this national project is complemented by the constant fruitful collaboration between GIZ and Ministry of Labour.

We would like to take this opportunity to thank all those who were actively involved in producing this manual, particularly our partner the Ministry of Labour and other entities who helped in revising the manual and offering guidance. We hope that you find this manual helpful, and that the efforts made will contribute in creating a better work environment for SMEs and employees alike.

GIZ- Employment Promotion Programme (EPP)/ Jordan

About the Ministry of Labour

The first Ministry of Social Affairs was established in 1951 and it included a section for labour that supervised the union organization. In 1960, the first labour department was established as stipulated by the Labour Law no. (21) for the year 1960, whereby labour was added to the Ministry of Social Affairs. In government acknowledgement of the major role played by the labour force in the social and economic development process, the Ministry of Labour, as an independent Ministry, was established in 1976 in accordance with its Regulation no. (40) for the year 1976.

Since its establishment, the Ministry undertakes the responsibility of realizing general objectives related to labour and labour issues in the Kingdom. In order to accommodate social and economic developments, the Labour Law no. (8) for the year 1996 was issued and the Ministry's Administrative Regulation no. (38) for the year 1994 and its amendments were put in place.

The Ministry of Labour is considered a service-related ministry that seeks to offer services to citizens. The main services offered by the ministry are (supervising labour affairs, regulating the Jordanian labour market, employing Jordanian labour inside and outside the Kingdom...etc)

About GIZ

The "Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH" is a federal enterprise that offers demand-driven, tailor-made and effective services to support the German Government and its partners in achieving their objectives in the field of international cooperation for sustainable development.

Promoting employment has long been a key topic for GIZ Jordan, and working conditions have become a key focus for job sustainability within the GIZ Employment Cluster. The "Employment Promotion Programme" (EPP), which was commissioned by the German Federal Ministry for Economic Cooperation and Development, was launched for fulfilling the private sector needs, and ensuring better working conditions, and higher employee retention and satisfaction rates. EPP aims to develop innovative HR instruments which are based on the needs of the private sector, and to support companies in using them.

Acknowledgement

GIZ and the Ministry of Labour would like to express their sincere gratitude to all the Ministry's departments, in particular the directorates of Legal Affairs, Employment, Women's Affairs, Labour Relations, Inspection, as well as Occupational Safety and Health that contributed in the production of this manual and in offering the necessary guidance.

We also would like to thank: All people who contributed in producing this manual including employers and employees. We would also like to express our sincere gratitude to Beyond Consulting company for their contribution in tracing the SMEs needs for HR regulations, and in developing this manual.

About the manual

This manual was produced in collaboration between GIZ and Jordan's Ministry of Labour to help enhance the work environment through a set of guidelines; in order to facilitate the implementation of laws that protect employees and employers. The manual offers HR practices that help in reducing turnover rate, enhancing performance, and strengthening the relationship between employers and employees.

The manual aims at assisting SMEs in establishing a regulatory framework for human resources policies and practices that is in accordance with the provisions of article (55) of the Labour Law which obligates companies with more than 10 employees to apply HR laws on: Working hours, rest breaks, hourly leaves, disciplinary measures. In addition, the manual offers solutions for increasing the employee retention and satisfaction rates by adopting documented practices for employment, employee onboarding, and employees' evaluation, and ensuring their protection through work contracts and occupational safety rules.

The manual offers guidelines and tools for investing in human capital, the one element that distinguishes enterprises from one another. Some templates were developed to ensure the practical use of the manual by the companies; thus, facilitating the implementation of HR best practices. The manual is directed to the HR department and is subject to adjustment to meet the different enterprises requirements, noting that the bylaw form published on the Ministry of Labour website was used for guidance.

It is also worth noting that the manual is available on the Ministry of Labour website as well.

Table of Contents

Objectives of the manual	7
Chapter 1: General terms	9
Chapter 2: Organizational and administrative structure	13
Chapter 3: Employment policies	15
Employment process.....	16
Appointment and work contract.....	22
Wages.....	23
Chapter 4: Employee onboarding policies	25
Preparation.....	26
Welcoming.....	27
Emplacement.....	27
Beyond onboarding: Employee training and development.....	29
Chapter 5: Pay raises, promotions and incentives	31
Chapter 6: Ways of communication with employees	35
Chapter 7: Bylaw	37
General rights of employees.....	38
Working hours, rest breaks and leaves.....	38
Employee leaves.....	39
Maternity leave.....	40
Sick leave.....	40
Public holidays.....	41
Penalties and disciplinary measures.....	41
Exceptional cases.....	43
Chapter 8: Occupational safety	45
Chapter 9: Employees' files and records	47
Chapter 10: Administrative regulations and other policies	49
Annex: Penalties List	51
References	55

Objectives of the manual

Assisting SMEs in:

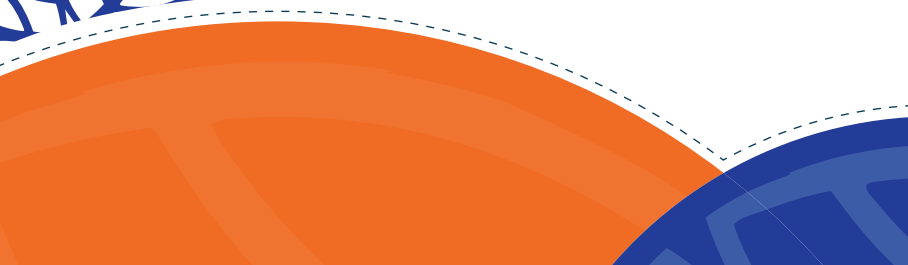
- Developing HR management policies in accordance with Labour Law.
- Promulgating unified policies, procedures, and oversight systems that regulate the relationship between employees and the enterprise and contributes in employee retention.
- Adopting practices that help retain employees and reduce turnover rate.
- Attracting and retaining highly qualified employees on all levels, given the enterprise regulations, policies, and laws regulating labour relations.
- Motivating employees through the use of advanced performance-related systems, whereby distinguished and hardworking employees can be identified.

To make use of this manual, we recommend that you:

- Fill in the blanks according to the enterprise's policies to make it specific to your enterprise.
- Inform the employees about parts that affect their rights and obligations, which would help increase the employee's sense of loyalty to the enterprise, particularly:
 - » The employees' rights to leaves as stipulated in Jordan Labour Law.
 - » Evaluation criteria and period.
 - » Ways of communication with employees
 - » Policy for pay raises, promotions and incentives (if applicable in the enterprise)
 - » Cases requiring penalties.
- Appointing a liaison officer and an HR officer to ensure the adoption of the manual and the compliance with HR best practices, and Jordan Labour Law in the enterprise.
- Sharing the manual with heads of departments to ensure dealing with employees in accordance with the provisions of Jordan law frameworks and employment best practices.



Chapter 1:
General terms



Enterprise:	All divisions. Name of enterprise that the employee works in.
Management:	Every owner/General Manager/Chairman of Board of Directors/Deputy Manager.
Employee	Every, male or female, who performs a job either full time or part time against wages and is a subordinate to the employer and at his service. This covers those under probation, and those with external work contracts are excluded from this definition, including: Legal representative of the enterprise or its chartered accountant.
Work	Every mental or physical effort exerted by the employee against wages whether on permanent, casual, temporary or seasonal basis.
Work Contract	An explicit or implicit, verbal or written agreement under which the employee undertakes to work for the employer under his supervision and management against wages. The work contract can be for a limited or unlimited period, specific or nonspecific work.
Wage	All cash or in-kind entitlements of the employee against his work under a written or unwritten work contract in addition to all other entitlements including pay raises of whatever type provided for by article (45) of Labour Law.
Promotion	The act of raising the employee to a higher position or rank either within the same department or in a different department.
Labour Law	Labour Law and its Amendments No. 8 of the Year 1996, issued by virtue of the law in the Hashemite Kingdom of Jordan, and any amendments that might occur or laws that may replace it.
HR Regulations and Policies	Regulations issued by the management which are applied on all employees in the enterprise. The HR department develops related policies and measures and applies them as of their date of adoption by the general manager.

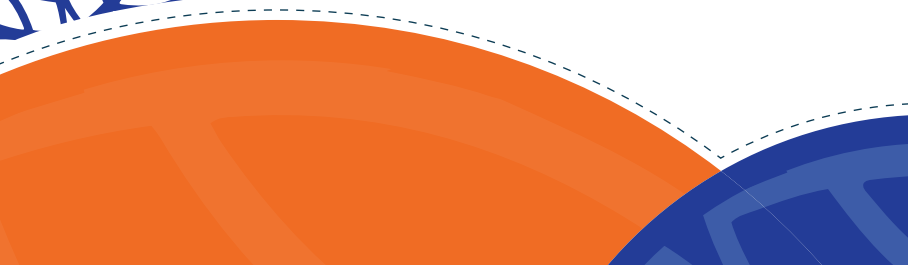
Flexible Work	Every mental or physical effort exerted by the employee against wages in flexible work as provided for by a bylaw.
Wage Discrimination	Inequality between employees in wages for each work of equal value without any gender-based discrimination.
Part Time Work	The work, completion nature of which requires less working hours than what is stipulated in article (56) of Jordan Labour Law.
Bylaw	The enterprise's bylaw
Month	A period of thirty days.
Year	A period of twelve months, or (365) days starting from 1/1 and ending on 31/12 of every year.
Work Injury	The employee's injury as a result of an accident during the performance of work or due to the work itself. Any accident that occurred to the employee while on his way to or return from work shall be considered as a work injury.
Resignation	The submission of a written statement by employees expressing their desire to end their employment at the enterprise.
Monthly Prepayment	Any amount of money that the employer or his representative agree to offer to the employees upon their request, noting that the amount is refunded in monthly installments as required by Jordan Labour Law.

The classification of SMEs by Amman Chamber of Industry was adopted in this manual, as follows:

- » Micro entities: (1-9) employees
- » Small entities: (10-49) employees
- » Medium entities: (50-249) employees
- » Large entities: (250) employee or more

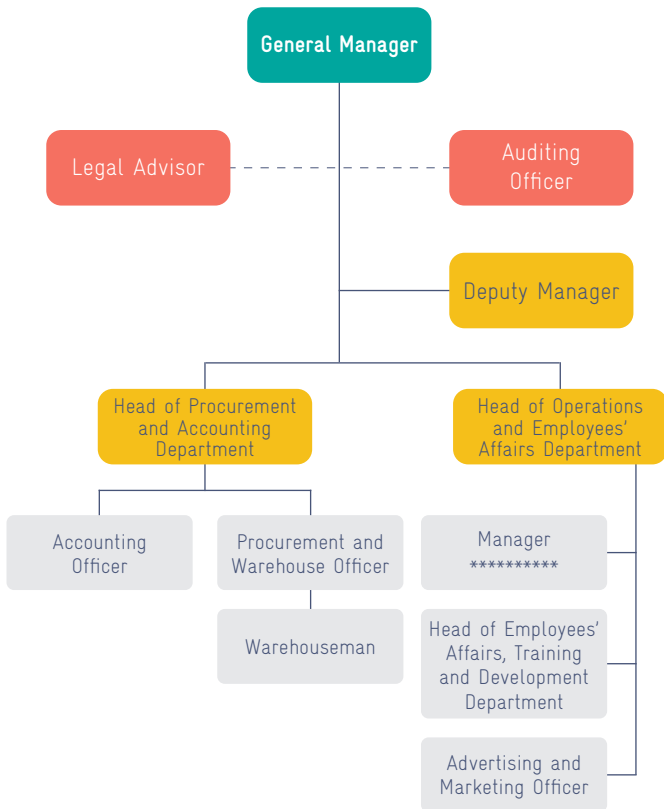


Chapter 2:
**Organizational and
administrative structure**



It is necessary for the enterprise to adopt an organizational structure to be able to determine supervisory roles, and to regulate relationships between employees and employers.

The following figure is an example on an enterprise organizational structure.



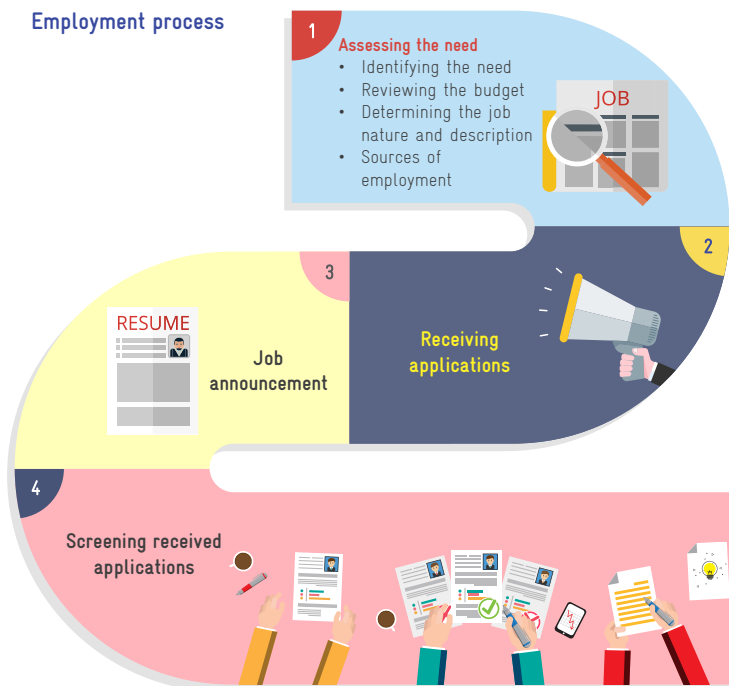


Chapter 3:
Employment Policies

The employment process is defined as: The process which involves attracting the sufficient number of employees with the appropriate skills at the appropriate times for available positions at the enterprise. The process is applied while adopting the best professional practices and standards that ensure equal work opportunities, and a fair selection process for appointment in which the employee's skills, expertise, capabilities and academic qualifications are taken into account.

Enterprises must follow the following steps to ensure laying the foundation for the actual employment process:

Employment process



Appointment and work contract



8



Examining the applicants' data

7

Personal interviews

- Pre-interview procedures.
- Exams procedures.
- Procedures during the interview
- Post-interview procedures



6

5

Forming a personal interview panel



3.1 Assessing the need

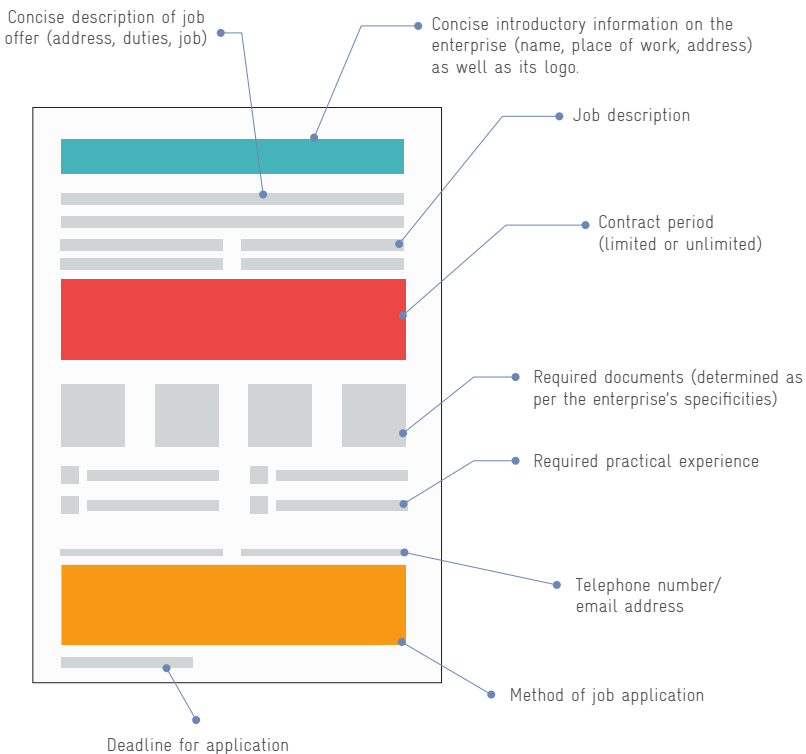
An enterprise adopts a well-informed employment policy in all of its departments by:

- Planning and determining recruitment needs in the enterprise by analyzing job requirements, and preparing the job description, including job specification, duties, responsibilities, contract period, academic qualifications, and required experience. (Use job description card form HR-001 for guidance)
- Reviewing the budget to ensure its sufficiency in case of the creation of new jobs by consulting the finance department and receiving the management's approval.
- Determining the nature of requested jobs: Work for unlimited period, work for limited period, regular work, contract work
- Determining the sources of employment
 1. Internal recruitment: Finding suitable candidates from within the enterprise to fill the position.
 2. External recruitment: Using external sources of employment, such as: Public and private recruitment companies, job fairs, and recruitment websites.
- Determining sources of qualified candidates
- **Official entities:** Public sector entities that provide information on employees, including:
 - » Directorates of Employment at the Ministry of Labour
 - » Training and employment centers.
 - » Public universities and colleges.
 - » Official newspapers
- **Private entities:**
 - » Recruitment companies
 - » Job fairs
 - » Private universities and colleges.
 - » Job announcements in local newspapers.
- **Electronic means:**
 - » Announcement on the enterprise's website
 - » Job search sites, such as: National Electronic Employment System
 - » Social media platforms

3.2 Job announcement

The aim of the job announcement is to receive a sufficient number of suitable candidates by specifying the job duties as precisely as possible.

A job announcement must be simple yet attractive, and must not include any unclear or irrelevant information.



3.3 Receiving applications

An enterprise adopts its own job application form, and receives the applications and requested documents through:

- Email
- Social media platforms
- Submitting applications on site

(Use job application form HR-002 for guidance)

3.4 Screening received applications

During this process relevant applications are kept (those that meet the minimum job requirements), while unsuccessful applications (those that do not meet the minimum requirements) are excluded, and the names of applicants are saved to exclude them in case some of them reapply once again later on). (Use HR-003 received applications screening form for guidance)

Reasons for excluding some applications

1. Lack of appropriate and adequate experience to fill the position
2. Lack of adequate academic qualifications or practical experience.
3. Other reasons identified by the interview panel.

A list is then prepared with the successful candidates' names who are to be interviewed and tested, whereas their experience, department and other factors will be taken into account, to assist the management in their selection process.

3.5 Forming a personal interview panel

The panel includes the following:

- The manager or officer who called for the creation of position
- Representative of the relevant division/department for technical positions (second interview)
- Representative of HR department

3.6 Personal interviews

Personal interviews are conducted with all applicants (whose applications were screened) to determine their traits, strengths, weaknesses, and their prospect for employment

The following points must be taken into account in the interview process:

Pre-interview procedures

- Reviewing the job description and job requirements
- Preparing a number of organized and professional interview questions. Yes/no questions are not recommended. Recommended questions include those related to the applicant's previous jobs, relevant experience and knowledge.
- Reviewing the application and CV of the applicant.

Exams

These are used to determine the applicant's abilities and skills before being called for an interview, and they are optional as per the enterprise's specificities.

During the interview

- Explain briefly to the applicant what will happen during the interview before conducting it.
- Take immediate notes given the possibility of interviewing more than one applicant on the same day.
- Give a brief explanation to the applicant of the most important things, including:
 1. Place of work and the different divisions
 2. Other things as per the enterprise's specificities including the enterprise's dress code.
 3. Giving the applicant the opportunity to ask work-related questions.
 4. Informing the applicant of the next step to be taken after the end of interview.

Post-interview procedures

- Conducting an initial evaluation of the applicant (Use job interview form HR-004 for guidance)
- Contacting successful applicants
- Sending a letter of appointment to the selected applicant/applicants with the gross wage, and the requested documents.

3.7 Examining the applicants' data (academic qualifications and practical experience)

The applicant's data are verified at this stage, whereas the management may refer to the following sources to examine the data:

- List of references mentioned in the application form or CV.
- Academic qualifications
- Work experience certificates from the applicants' previous employers (the official stamp and signature must be verified)
- Legal and criminal records (Non-Conviction Certificate)
- If the applicant is non-Jordanian (work permit)
- Training certificates
- Copy of ID card
- Other including: Medical Clearance Certificate, driving license

Appointment and work contract

Before appointing the employees and deciding on their first day of employment, the enterprise may request them to come to the workplace for a period less than three hours to learn more about the nature of work and business operations, in order to give the employees the opportunity to decide on whether this nature of work suits their abilities and ambitions or not. However, it is worth noting that the enterprise should avoid giving any tasks to the employee before signing the contract, and must only give information related to the nature and flow of work. The aim of these procedures is to limit the number of resigning employees who work for a limited period and then resign from work.

If the two parties agree on appointment:

- Two original copies of the contract signed by the two parties (enterprise and employee) are produced, and this is done after the employee's tasks, workplace, nature of work, and gross wage are fully determined in the contract. Noting that the enterprise must comply with the provisions of wage protection articles 45-54 within the Jordan Labour Law.
- An original copy of the contract is given to the employee after being signed by the authorized officer and stamped, and another copy is kept by the management. Moreover, the contracts are signed as soon as they are concluded with the employees, and the work contract shall be considered effective from the employment commencement date. The work contract must state that the employee has read the job description/ required tasks/ employee manual/and the enterprise internal manual, and that the employee understood all points mentioned and agreed on them.

Wages

The employees' wage sheet includes the following: (Basic wage/allowances (additional remuneration/management allowance/food allowance/ transport allowance) /bonuses/gross wage/social security tax/employer payment on wage/receivables deduction/prepayment deductions/health insurance deduction/administrative deductions/total deductions/net wage.

(Use wage receipt form HR-005 for guidance)

Note: According to article 53 of the amended Jordan Labour Law for the year 2019, the employer shall be punished by a fine not less than 500 JDs and not exceeding 1,000 JDs for each case in which he pays an employee a wage less than the decided minimum for wages or discriminates against employees by setting wage rates for work of equal value based on gender, in addition to deciding that the employee shall be given the wage difference, the penalty shall be aggravated in case the contravention was recurred.

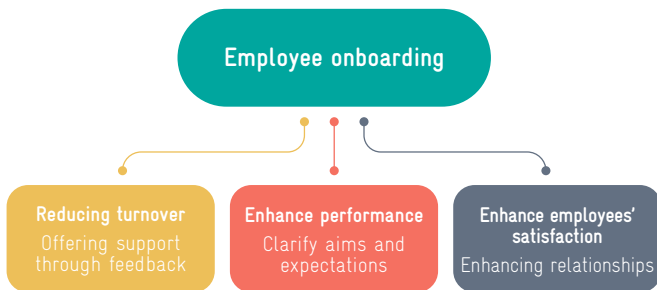
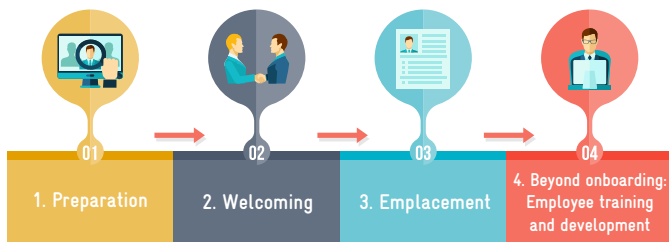
Employees probationary period

If the companies' appointment policy provides for a probationary period, this must be stated in the contract, provided that it does not exceed a period of three months and that the wage of the employee undergoing this probationary period is not less than the decided minimum for wages, and that the employee undergoes this period once. The probationary period starts as of the effective date of employment, and the employee shall have the right to all types of leaves provided for by the Labour Law, as well as any additional existing leaves in the enterprise. Moreover, the enterprise has the right to terminate the work contract during this period without providing reasons.



Chapter 4:
**Employee onboarding
policies**

A comprehensive onboarding programme can significantly increase the retention of new employees. Onboarding is a continual process that begins with identifying a position that needs to be filled, and goes beyond the new employees' first days in the job. The onboarding process should therefore cover the following four areas¹:



4.1 Preparation

1. Define the talents, qualifications and competences that the person will need to fulfil the position.
2. Develop a standard (or targeted) information package. This should be ready to be emailed in advance to people about to join the company. It should contain all the information they will need for the first few days. The package should also introduce their "onboarding peer" and their supervisor as contact persons for any questions they may have.

¹ The stages of onboarding as mentioned in HR Guide to Reducing Turnover (2018) GIZ and Amman Chamber of Industry.

Make sure that new employees have all the necessary information about the enterprise. (Use new employees orientation form HR-006 for guidance)

4.2 Welcoming

An official process for retaining new employees and giving them a sense of comfort. Employees are offered information about the enterprise, and are prepared for their job. The process is carried out by the HR department and the employee's direct supervisor. It includes:

1. Offering new employees a company tour, and giving them a general idea of the enterprise's history, values, vision, mission, and objectives. Information related to the enterprise structure and number of divisions/nature of services is also offered to the employee, as well as information on the wage, deductions, additional remuneration, company's work policy, and working hours. In addition, the new employee may be asked to fill in official work-related documents.
2. Making sure that new employees have everything they need for their job, i.e. an ID card, business cards, email accounts and access to intranet.
3. Clarifying management expectations of the roles and responsibilities for their position. The direct supervisor reviews the job description and nature with the employees, and explains to them the employee evaluation mechanism adopted by the enterprise, and the necessary things they must do.
4. Introducing the employees to their new colleagues by their direct supervisor is very important as this has a very positive effect on the new employees.
5. Assigning a guide who is responsible for accompanying the new employees, and offering them guidance and clarification in case of any questions.
6. Explaining public safety measures, injuries and accidents prevention, health care, fire prevention and protection, and the proper use of extinguishers.
7. Introducing initial training plans.

4.3 Emplacement, monitoring and evaluation of employees

The enterprise must adopt a performance evaluation system for measuring the employees' performance according to their job requirements and relevant performance indicators which aim at:

- Linking the enterprise's strategic aims with the employee's tasks and performance.
- Following up with the employees and supporting them in their tasks.
- Ensuring the employees' development by identifying training needs.
- Workforce planning (transfer, promotion, service termination...)
- Determine financial benefits, annual bonuses, and annual raises in a fair manner.

- Determine the degree to which the new employee understood the required tasks, in order to make the final decisions on whether the employee will be appointed or not after the end of probation period.

New employees retention techniques

- Define realistic individual milestones to be reached within the probation period.
- Offer regular feedback. New employees should always be encouraged to ask for feedback. Feedback should also be provided at predetermined points: i.e. two weeks after the first day on the job, after one month, after two months, and so on.
- Be open to hearing new employees' assessments of how the onboarding process is going.
- Offer new employees a way to exchange experiences. These could be formal, such as: social events, or less formal, such as internet chat rooms.
- Offer trainings and team building activities to engage new employees, including aspects such as: role playing, on-the-job training, understanding the chain of command, and a final feedback after a predetermined probationary period.

Evaluation of employees

The enterprise must adopt a performance evaluation policy for employees every three months, and once or twice a year. As for new employees the evaluation must be conducted after three months from their appointment. The enterprise must also use a standard model that covers the employees' technical and administrative aspects of work. (Use employees evaluation form HR-007 for guidance). And to ensure effective evaluation and employees' best performance, it is recommended that employees set clear goals and that the enterprise is open to discussing these goals with employees.

Measuring employees' satisfaction

The enterprise must prepare an annual survey to determine employees' satisfaction. It also must take into consideration the basic criteria for determining employee satisfaction index. The findings are then sent to the HR department and discussed with the general manager in order to come out with plans for improvements, and track any changes in employees' satisfaction rate. (Use employees' satisfaction form HR-008 for guidance).

4.4 Beyond onboarding: Employee training and development

The enterprise must set training and development plans through:

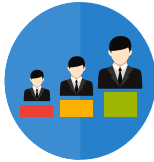
- Having individual development plans.
- Promoting from within whenever possible, and offering mentoring and professional development opportunities as well as encouraging the development of new skills. This could be done by providing formal training, on-the-job training, coaching and mentoring, or even through continuing education, or cross-training employees in other areas of interest.

Types of training

- On-the-job training: Assigning existing employees with good experience to train employees with low skills.
- Off-the job training: Assigning external trainers in case there is little knowledge of the employees' weaknesses. The training is either conducted in the enterprise or at a training center.

Determining the needed training

- The enterprise's management analyzes the findings of employee satisfaction survey and employee evaluation, and then determines the training needs. The enterprise then develops a comprehensive and rigorous training programme. (Use training needs assessment form HR-009 for guidance).
- The management selects the training course and the employees who will undergo the training, and conducts an evaluation while taking into consideration the training budget.
- An annual training programme is developed based on employees' needs, and is communicated to all employees.



Chapter 5

Pay raises, promotions and incentives

Effective practices related to incentives, pay raises, and bonuses can be incorporated as follows:

5.1 Annual pay raise policy¹

All existing employees have the right to receive an annual pay raise on the first month of every year. New employees may receive a pay raise after emplacement, or at the end of probationary period, or after promotion during the same year.

(.....%) is the average annual raise in basic wage, and this percentage depends on the employee's annual performance evaluation, and the wage scale adopted by the enterprise; this entails fulfilling the enterprise's goals, complying with instructions, adhering to working hours, and being productive.

Note: A pay raise is considered an acquired right, and is not mandatory according to Jordan Labour law.

5.2 Promotions policy

Employees are promoted to a higher position if the following conditions are met:

- Existence of a vacant position, or creation of a higher position with the existence of available funds.
- Employees who have at least one year² of experience.
- If the position is in public management, then the employee must have at least two years of experience³.
- The employees must have proven their excellence in their previous positions as witnessed by their direct manager/supervisor, and earned a very good or excellent score in their performance evaluation report.
- The employees must have the needed experience and qualifications.
- The employees must have competency and ability to fulfil the new position's requirements.
- The employees' files must not include any penalties or decisions depriving them of promotion.
- The employees' promotion is suspended until a decision is made on a complaint against them. And if the employees are innocent, they are promoted as of the date they were entitled to the promotion.
- A promotion is suggested by the employee's supervisor, and the HR department then assesses this suggestion, requests recommendations, and develops a job change form and sends it to senior management for approval. (Use employee promotion form HR-010 for guidance)

1 This section is adjusted as per the enterprise's specificities

2 Years of experience are determined as per the enterprise's specificities.

3 Years of experience are determined as per the enterprise's specificities.

- A promotion does not always entail having a pay raise
- A promotion is only official after receiving an official promotion letter signed by the management.

After the management's approval, the employee is informed and an official promotion letter is issued and signed by the institution. The letter is then delivered to the employee for signing.

5.3 Incentives policy

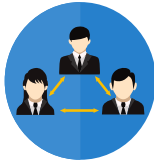
Incentives are linked to high productivity at work, and distinguished performance, and are only given to employees who show dedication at work.

<Name of enterprise> offers the following incentives:

- Monetary incentives including.....¹
- Non-monetary incentives including.....²

1 For example, sharing profits, cash rewards, annual/biannual remunerations, food allowance, transport allowance, management allowance, bonus payments on Eid. Each enterprise mentions its own incentives.

2 For example, appreciation letter, employee award ceremony, medals, trophies, awards. Each enterprise mentions its own incentives.



Chapter 6

Ways of communication with employees

Communication within the enterprise is an important element for ensuring effective business operations and continuous progress and growth. Ineffective communication is considered a risk factor that hinders the continuity of work at the enterprise. Therefore, many enterprises give great attention to this issue to ensure an effective communication process.

The different ways of communication with employees are as follows:

6.1 Circulation

Circulation is the process for delivering new information, duties, rules, or even a relevant listing to all employees, or employees of a certain department. The aim of this process is to ensure that the message is sent to all employees in the same clear format, in order to avoid unclear verbal communication.

Any sudden change in instructions is circulated to all employees by the management in the form of official letters, circulars, or management decisions signed by the management. The relevant manager posts them in the workplace for all employees to see and adhere to. And any new circular or decision cancels previous circulars and decisions on the same subject.

6.2 Regular meetings

An enterprise's management holds meetings with employees every three months for reviewing business operations, finding ways for improvement, and discussing problems or changes at work, and the need for such changes.

6.3 Complaint policy

An employee has the right to file a complaint against any other party in the enterprise due to feeling aggrieved by a decision or action taken by them, including the direct manager. And the employee may file a complaint against another employee in case the other employee has violated one of the enterprise's policies or regulations, and the complaint is filed directly to the direct manager.

Employees have the right to appeal any decision taken against them by submitting their appeal according to the following organizational levels:

- Level one: Direct supervisor.
- Level two: Head of department.
- Level three: General Manager/Owner.¹

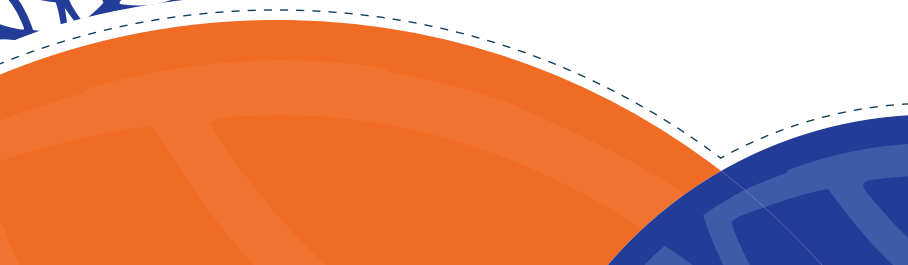
It is worth noting that there are certain, private and serious issues that must be reported immediately, such as: Robbery/serious violations of instructions in which the employee may request a direct meeting with the management.

1 The levels are adjusted according to each enterprise's organizational structure.



Chapter 7

Bylaws



7.1 Employee's general rights

An enterprise must ensure the implementation of the following rights:

- The employee is not obliged to undertake a work that is significantly different from the agreed upon work in the work contract unless there is a necessity to do so to prevent the occurrence of an accident, repair what has resulted from such accident, or in case of force majeure provided that this shall be within the employee's capability and within the limits of the condition that has entailed that work.
- The employee is not obliged to work in a place other than the one specified for his work if that has led to change his place of residence unless this was explicitly stipulated in the work contract.
- The employee shall not be transferred to a position lower than his current position, nor his wage shall be reduced.
- The employee's wage must be paid within a period not exceeding seven days from the start of the month.
- An employer must ensure a work environment where the employee is protected, and not subjected to any form of physical assault, harassment or sexual assault.

7.2 Working hours, rest breaks and leaves

The enterprise must take into consideration the provisions of Jordan Labour Law and those related to annual leaves, and working hours, including:

- Work days per week are six, and Friday of every week is the employees' weekly holiday unless the nature of work requires otherwise.
- The working hours shall not exceed eight per day and forty-eight hours per week except in the cases stipulated by this law, the time allocated for meals and rest shall not be calculated.
- The maximum of the weekly working hours and rest breaks might be distributed so that its total may not exceed eleven hours per day.
- The employer may increase the daily or weekly working hours of the employee in any of the following cases provided that the employee shall receive the overtime pay stipulated in this law:
 1. Doing the yearly inventory work for the enterprise, preparing the balance sheet and the final accounts in addition to preparing for selling with low prices provided that the number of days on which the provisions of this paragraph apply shall not exceed thirty days yearly and the actual working hours shall not exceed ten hours for each day.
 2. For avoiding the loss in goods or any other material that might be exposed to damage, avoiding the risks of any technical work or receiving, delivering or transferring certain materials provided that the number of days on which the provisions of this paragraph apply shall not exceed thirty days yearly.

- The employer may increase the daily or weekly working hours of the employee by the employee's approval provided that the employee shall receive for the overtime a wage not less than 125% of the normal wage.
- If the employee has worked in his weekly holiday, religious feasts, or public holidays, then he/she shall receive in return for his/her work in that day overtime pay not less than (150%) of his/her normal wage
- Overtime work is assigned by the management or direct manager, and the employee's approval must be shown in writing in a form developed by the management for this purpose.

No juvenile shall be employed in the following cases:

- More than six hours per day provided that he/she shall be given a rest time not less than one hour after successive four working hours after having taken the necessary prior approvals according to the provisions of Jordan Labour Law.
- Between 8 pm and 6 am
- In the religious feasts, public holidays and weekly holidays.

7.3 Employee's leaves

- Each employee shall be entitled to an annual leave with full pay for fourteen days per each year of service provided that the annual leave shall be twenty-one days if the employee remains in the service of the employer five successive years. And if the employer rejects the employee's request to get his/her leave, then he is punished with a fine of a hundred JDs, and he shall pay the employee the wage for the days of that leave.
- If the enterprise offers additional leaves other than what is mentioned in this article, this should be mentioned here <.....>
- Any public holidays, religious feasts or weekly holidays that take place during the annual leave shall not be calculated as part of the annual leave.
- Each employee is entitled to an annual leave during the same year between (1/1 and 31/12) of every year, and employees' annual leave shall be determined based on the period between their first day of employment at the enterprise and the start of the following year if they were appointed during the year.
- The employee's leave might be suspended for any year by the agreement of the employee and the employer to the following year, the employee's right in the suspended leave in this manner shall be extinguished if the year for which the leave was suspended passed and he/she has not requested to use that leave during that year.

- During the first month of the year, the employer may specify the date of the annual leave for each employee and how it shall be used in the employer's enterprise in accordance with the work requirements provided and the interest of the employee, and this shall be through a plan circulated to all employees before the end of January of every year.

7.4 Maternity leave

The working woman, according to articles 70-72 of Jordan Labour Law shall be entitled to the following:

- An unpaid leave for a period not exceeding a year to dedicate herself for nurturing her children, provided that she shall lose this right if she has worked in any other enterprise with pay during that period.
- A full paid maternity leave before and after delivery, the total of this leave shall be ten weeks, provided that the period subsequent to delivery shall not be less than six weeks. It is prohibited to make her work before the expiry of that period.
- The working woman shall be entitled to take paid intermittent period(s) for nursing her newborn baby during a year since the delivery date, the total of this period shall not exceed an hour per day.

7.5 Sick leaves

Each employee shall be entitled to a sick leave with full pay per year either once, or in parts during the same year as follows:

- The first one is a fourteen-day sick leave with full pay per year based on a report from the physician approved by the management.
- It might be renewed for another fourteen days with full pay if he/she was an in-hospital patient or based on a report from the physician approved by enterprises with less than 20 employees. As for enterprises with more than 20 employees, a report from a special medical committee is approved.
- The above-mentioned medical entities are approved by a circular issued for this purpose to all employees, and these entities shall have the right to issue reports only with the required period for sick leave, and the employee shall not be obliged to be treated at these approved entities.
- If the enterprise offers a better sick leave other than what is mentioned in this article, this should be mentioned here.

Employees shall be entitled to the following leaves:

- If he/she joined a course for labour education approved by the Ministry of Labour or General Federation of Jordanian Trade Unions upon the candidacy of the employer or the manager of the enterprise in cooperation with the concerned association, and the leave is a full paid leave of fourteen days.

- For performing the duty of pilgrimage. To grant this leave, it is stipulated that the employee has worked for five successive years at least for the employer; this leave shall not be given more than once during the period of service.
- Paid paternity leave for three days.
- The employee may get an unpaid leave of four months if he/she joined an approved university, institute or college to study.
- Each of the working couple shall have the right to get an unpaid leave once for a period not exceeding two years to accompany his/her spouse if he/she moved to another work located outside the governorate in which he/she works or moved to a work outside the Kingdom.
- <.....>

In this article mention any special related privileges or provisions adopted at the enterprise which meet the employees' best interests more than the provisions mentioned here.

7.6 Public holidays

All employees shall be entitled to full pay in public holidays, and religious feasts on which the Council of Ministers announce a public holiday for ministries and public departments. Christian employees also shall be entitled to celebrate Christian religious holidays in the Kingdom as decided by a competent entity.

7.7 Employee's obligations

- Perform the work by himself/herself and shall exert the efforts of a normal person to perform his/her work.
- He/She also shall abide by the orders of the employer in relation to implementing the agreed upon work within the limits that do not constitute a violation to the provisions of the applicable laws or public morals.
- Keep the confidentiality of the trade secrets of the employer.
- Keep the tools given to him/her to perform his/her work.
- Take the required medical examinations required by the work nature to check that the employee is free of occupational or contagious diseases.

7.8 Penalties and disciplinary measures

The provisions of the penalties list mentioned in the annex are applicable to all employees who violate the provisions of this bylaw, or the duties and responsibilities of his/her job according to the assortment of penalties mentioned therein and the following general provisions:

- This list is considered an integral part of the bylaw for governing work
- The employer may not take any disciplinary procedure or impose a fine against the employee for a contravention not stated in the penalties list.

- No disciplinary procedure shall be taken against the employee for any contravention provided for in this list after the expiry of fifteen days since committing it.
- No fine exceeding the wage of three days per month might be imposed on the employee. Besides, the employer may not dismiss the employee for a period exceeding three days in a month.
- The employee should be given the opportunity to hear his/her testimonies to defend himself/herself before imposing the penalty against him/her, and this should be documented in writing.
- The employee has the right to object against the penalty imposed against him/her to the labour inspector during one week from the date of being notified of it.
- If the penalty period exceeded twelve months, then the penalty shall be forfeited.
- An employer may dismiss an employee who received two warning letters if he/she committed any of the contraventions mentioned in this list during the period of effectiveness of the two warning letters.
- The fines imposed by virtue of this list shall be recorded in a special register in which the name of the employee, his/her wage, and the reasons of imposing the fine against him/her shall be registered, the fines shall be assigned to providing social services to the employees of the enterprise according to the decision of the Minister based on a written request submitted to him by the management.
- An employee shall not be entitled for pay for a period in which he/she was absent or late for work with no excuse or permission, and a penalty shall be imposed on him/her by virtue of this list, in addition to the penalties provided for by this list, whereas the enterprise shall have the right to:
 1. Deduct from the employee's wage the value of the lost or damaged things or the cost of their fixing provided that the amount of deduction for this purpose shall not exceed the wage of five days in the month if this loss or damage was the fault of the employee or resulted from his/her violation of the instructions of the employer.
 2. Resort to the competent regular courts to claim the compensation of the damages caused by the employee.

7.9 Exceptional cases

The employer may dismiss the employee without a notification by virtue of the enterprise's bylaw in any of the following cases:

- If the employee has assumed the identity of others or provided forged certificates or documents for the purpose of gaining benefit or harming others.
- If the employee has not fulfilled the obligations mentioned in the work contract.
- If the employee has committed a mistake that resulted in a serious financial loss for the employer provided that the employer shall notify the competent authority/authorities of the accident during five days from the date of the accident.
- If the employee has violated the bylaw of the enterprise including the conditions of the occupational and employees' safety in spite of notifying him/her twice in writing.
- If the employee was absent with no justified reason for more than intermittent twenty days during one year or more than successive ten days provided that the dismissal shall be preceded by a warning letter that shall be sent in the registered mail to the employee address and published in one of the local daily newspapers once.
- If the employee has disclosed the secrets related to work.
- If the employee was convicted in accordance with a judicial verdict that has gained the final degree in a delict or felony violating honor and morals.
- If he was found in drunkenness condition, affected by narcotics, or committed an act violating public morals in the place of work.
- If the employee has assaulted the employer, direct supervisor, other employee, or any other person during work or because of work by beating or degradation.



Chapter 8

Occupational Safety

For the purpose of ensuring prevention and safety of employees, the enterprise shall take the necessary measures to protect employees from dangers and diseases that may result from work as follows:

- Acquainting the employee before his/her employment with the dangers of his/her occupation and the protective means that shall be taken in accordance with the regulations and decisions issued in this regard
- Training employees on the use of protective means and personal protection equipment provided by the enterprise
- Taking the required precautions for protecting the enterprise and employees from the dangers of fire, explosions, or storing flammable materials in accordance with the instructions of the competent official authorities.
- Providing fire extinguishers, medical aid equipment, and emergency exits.
- Ensuring cleanliness of workplace premises and providing necessary disinfectants.
- Provision of adequate toilet facilities that meet health standards.
- Banning entry of any kind of alcoholic beverages, drugs, narcotics, or dangerous drugs to the places of work.

The employees – who are not subject to the provisions of the applicable Social Security Law – shall be entitled to a compensation for labour injuries according to article 90 of Labour Law as follows:

- If the work injury has resulted in the death of the employee or his/her total disability, the employer shall compensate the employee with the wage of one thousand and two hundred working days provided that the compensation shall not exceed five thousand JDs and not less than two thousand JDs.
- If the work injury has led to temporary disability of the employee, then he/she shall be entitled to a daily remuneration equaling (75%) of the rate of his/her daily wage as of the date in which the injury has taken place during the period of medication which shall be determined based on a report of the medical authority if his/her medication was outside the hospital, the remuneration shall be reduced to (65%) of that wage if the injured was treated at one of the approved medication centers.
- If the work injury has resulted in permanent partial disability in accordance with the report of the medical authority, the employee shall be paid compensation at the rate of that disability to the compensation decided for the total disability by virtue of the table annexed to Jordan Labour law.
- If the one work injury has resulted in more than one body injury, the injured employee shall be entitled to compensation for each injury in accordance with the basis stipulated in this law provided that the total of that amount payable shall not exceed the amount of the compensation payable in case of total disability.

The enterprise shall comply with articles (78-82) of Jordan Labour Law regarding occupational safety and health, and articles (86-94) regarding work injuries and occupational diseases.



Chapter 9

Employees' files and records

The enterprise shall allocate a file for each employee with a unique number, provided that this number shall be the same as the employee number, and is used in all procedures as a main reference with respect to employees' affairs.

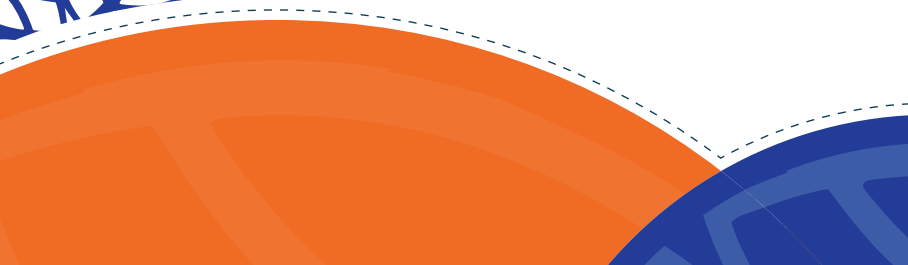
Suggested records

1. A copy of ID card
2. Valid Medical Clearance Certificate
3. Job application
4. Candidate assessment form
5. Curriculum vitae (CV)
6. An original copy of the work contract signed by the employee after receiving a copy of it.
7. Employee's assessment
8. Penalties papers
9. Annual leaves and hourly leaves
10. A copy of business card
11. Employee's appreciation letters

The records that an enterprise must keep according to the law are mentioned in Decision on Records Employers Must Keep of the Year 2002 published in the Official Gazette (4568) on 16/10/2002 in page number (5040) under article (8) of Jordan Labour Law and its amendments no. (8) for the year 1996.



Chapter 10
**Administrative regulations
and other policies**



10.1 The enterprise's facilities and properties

Each employee shall be obliged to keep the funds and assets given to him/her by the enterprise, and no employee shall be entitled to use any of the assets of the enterprise for personal or non-business purposes.

10.2 Prepayment policy for employees

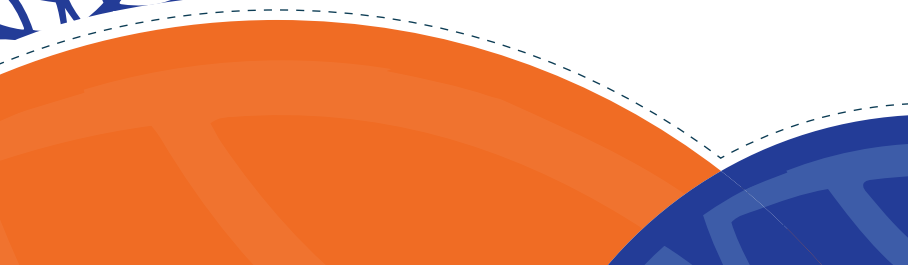
If prepayment and loans policy is adopted, the enterprise must ensure that this policy does not violate article (47) of Labour Law which includes the following provisions:

No amount shall be deducted from the employee's wage except in the following cases:

- Refunding amounts provided by the employer including prepayments to the employee in such a manner that each installment that is refunded of the prepayment shall not exceed (10%) of the wage.
- Refunding any amount paid to the employee in excess of his/her entitlement.
- The social security subscriptions and its due installments on the employee, and the deductions that shall be made in accordance with the other laws.
- The employee's subscriptions in the savings fund.
- Deductions related to the housing facilities provided by the employer in addition to the other benefits or services according to the agreed upon rates or percentages between the parties.
- Each debt received as execution of a judicial verdict.
- The amounts imposed on the employee because of his/her violation to the provisions of the bylaw of enterprise or work contract or against what the employee has destroyed of instruments or tools because of his/her neglect or mistakes in accordance with the special provisions stated in this law.



Annex
Penalties list



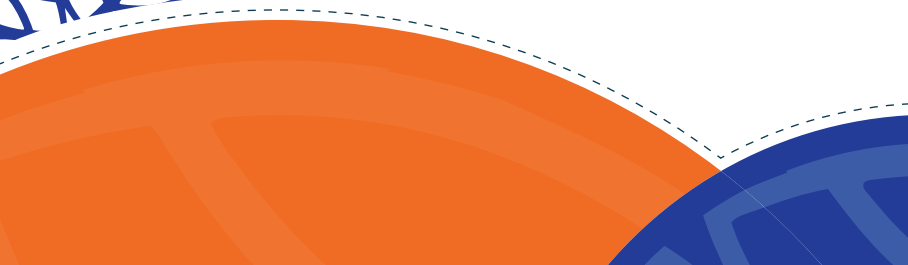
The enterprise adopts a penalties list that is circulated to employees. The following table includes many contraventions that are subject to change according to the enterprise's own judgement.	Penalty of first contravention
Not adhering to working hours (attendance and departure)	Written notice
Being at places not designated for work	Written notice
Being at places not designated for work	Written notice
Intentional reduction in productivity and quality	----- fine on wage
Deliberately sleeping at work during working hours	----- fine on wage
Eating in places other than those designated	----- fine on wage
Getting into fights at work	Warning letter
Failure to comply with safety regulations	----- fine on wage
Bringing alcoholic beverages or illegal substances into the workplace.	Warning letter
Carrying weapons of all types in workplaces with no authorization	Warning letter
Smoking in non-designated places at work	----- fine on wage
Misusing equipment or tools either deliberately or due to negligence	----- fine on wage
False claim of sickness	Written notice
Driving the enterprise's vehicles or mobile machinery at a speed exceeding the speed limit	----- fine on wage
Failure to comply with hygiene regulations whether personal hygiene or workplace hygiene	Written notice
Not adhering to the enterprise's dress code, and failing to wear work uniform	Written notice
Accepting rewards without the management's permission	----- fine on wage
Receiving private visits without prior permission, and at non-designated places.	Written notice
Falsifying timesheets at work	----- fine on wage
Mistreating customers and clients provided that there is a complaint	----- fine on wage
Using work-related tools and equipments for personal purposes.	----- fine on wage
Refusing to respond to work instructions and orders in a manner that does not violate laws and regulations	----- fine on wage

Penalty of second contravention	Penalty of third contravention	Penalty of fourth contravention	Penalty of fifth contravention
----- fine on wage	----- fine on wage	----- fine on wage	Warning letter
----- fine on wage	----- fine on wage	----- fine on wage	----- fine on wage
----- fine on wage	----- fine on wage	----- fine on wage	Warning letter
----- fine on wage	Warning letter		
----- fine on wage	----- fine on wage	Warning letter	
----- fine on wage	----- fine on wage	----- fine on wage	Warning letter
Warning letter			
----- fine on wage	Warning letter		
Warning letter			
Warning letter			
----- fine on wage	Warning letter		
----- fine on wage	Warning letter		
----- fine on wage	----- fine on wage		Warning letter
----- fine on wage	Warning letter	----- fine on wage	
----- fine on wage	----- fine on wage		Warning letter
----- fine on wage	----- fine on wage	----- fine on wage	
Warning letter	Warning letter	Warning letter	
----- fine on wage	----- fine on wage		
----- fine on wage	Warning letter	Warning letter	
----- fine on wage	Warning letter		
----- fine on wage	----- fine on wage		
----- fine on wage		Warning letter	





References



1. Labour Law and its Amendments No. 8 of the Year 1996, issued by the Ministry of Labour in the Hashemite Kingdom of Jordan
2. Consultants from the Ministry of Labour, Head of Directorate of Legal Affairs Mr Abdel Naser Rahahleh, Head of Department of Employment and Career Guidance – Directorate of Employment Ms Dina Hammad, Directorate of Women and Child's Affairs Inspector Ms Dana Shehadeh, Head of Labour Disputes Department – Directorate of Labour Relations Ms Eman Rashdan, and Head of Occupational Safety and Health Directorate Eng. Haitham Najdawi
3. Consultant Ms Dua'a Nsour from the private sector
4. David A. Decenzo and Stephen P. Robbins; Fundamentals of Human Resource Management 10th, 2010.
5. HR Guide to Reducing Turnover (2018), GIZ and Amman Chamber of Industry <http://www.aci.org.jo/UploadFiles/HR%20Guidle%20to%20Reduing%20Turnover.pdf>

As a federally owned enterprise, GIZ supports the German Government in achieving its objectives in the field of international cooperation for sustainable development.

Published by:

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
Bonn and Eschborn, Germany

T +49 (0) 228 4460-0 Bonn

T +49 (0) 619679-0 Eschborn

E info@giz.de

I www.giz.de/en

Employment Promotion Programme

GIZ Office Jordan

Mohamed Baseem Al- Khammash St. 13, Sweifieh

Amman 11190 – Jordan

T (+962) 06-586 8090

F (+962) 06-581 9863

E giz-jordanien@giz.de

www.giz.de/en

Design/layout, etc.:

Abu-Ghazaleh & Co. Consulting, Amman

On behalf of German Federal Ministry for Economic Cooperation and Development (BMZ)

May, 2019

