

Terms and conditions of employment

The terms and conditions of employment are set out in a staff member's employment contract. They outline what is expected of staff and what the organisation will provide, such as salary and benefits. There may be other terms and conditions that are not specifically mentioned in the employment contract, but which the contract refers to. These are usually included in a staff handbook.

Key issues to consider when setting terms and conditions include:

- **Are they legal?** Ensure that the terms and conditions are legal and fair. Always consult a lawyer when developing employment contracts. It is helpful to ask a lawyer to look at the staff handbook too.
- **Are they in line with organisation policy and practice?**
- **Are they in line with common practice?**
- **Are they accessible and clear?** The terms and conditions should be communicated clearly to staff. The language used should be appropriate for all staff. If some staff cannot read, rather than using a staff handbook, it will be necessary to find a different way of communicating terms and conditions.

Most terms and conditions should apply to all staff. However, there may be variations according to the category of staff or the types of contract a staff member has (see box on page 28).

3.1 Employment contract

The employment contract is a legal agreement between an employer and a staff member. It states the business relationship between them, including what compensation the staff member will receive in exchange for the work they do. It outlines the terms and conditions of employment.

It is always best to have a written contract, which should be written clearly in order to avoid misinterpretation. This protects both the employer and staff member throughout their working relationship. Organisations usually have a contract template which can be used for most staff members. It is important that a legal expert checks the contract template once it has been drafted. When a new member of staff is recruited, their relevant details, such as their name, job title and salary, are inserted. It is only necessary to check individual contracts with a legal expert if changes in the wording of the agreement need to be made for specific staff members.

The contract should be signed and dated by both the staff member and a representative of the employer, and both should keep a copy.

Variations in staff category and types of contract

CATEGORIES OF STAFF

An organisation that works in many geographical locations may find it helpful to define its categories of staff. For example, it may be appropriate for some terms and conditions to take account of staff who are living away from their permanent home. They may be entitled to accommodation expenses, and their salary may be adjusted because the area they live and work in has a higher or lower cost of living than the main office.

Categories might include:

- **Expatriate staff** Based temporarily outside their country of permanent residence.
- **National staff** Based in their country of permanent residence but working away from their place of permanent residence.
- **Local staff** Based permanently in their country and place of permanent residence.

TYPES OF CONTRACT

Permanent The contract lasts until either the individual wishes to leave the organisation, or the organisation has grounds on which to terminate the contract (such as dismissal or redundancy).

Fixed The contract lasts for a specific length of time, such as one year or three years.

Casual Casual staff are brought in when they are needed. They may just work for one day or a week at a time and usually do not have a standard employment contract.

The table below outlines what to consider including in an employment contract.

Issue	What to consider
Name and address	At the top of the contract, the names and addresses of both the employer and staff member should be stated.
Employment	<ul style="list-style-type: none"> • job title (refer to the job profile) • location of job • whom the staff member is responsible to (line manager) • start date • type of contract – permanent, fixed or casual
Probationary period	<p>The probationary period is usually the first few weeks of the employment relationship. During this time the staff member is settling into their role in the organisation and the employer is monitoring their progress. During the probationary period there should be opportunities for the line manager and the staff member to give feedback to each other. This will help to build relationships and ensure that the staff member is well supported and carrying out their role effectively.</p> <p>However, if there are problems that cannot be resolved, it is helpful if the organisation or the staff member can withdraw easily from the contract during the early stages. For this reason, the period of notice required for ending the contract during the probationary period is usually shorter than usual. For example, if the probationary period is six weeks, for the first six weeks the notice period for a member of staff could be two weeks. Once a staff member has successfully completed a probationary period, the notice period could change to four weeks.</p>

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Issue	What to consider
Grade and salary	<ul style="list-style-type: none"> • grade • basic salary per year • how it will be paid – cash, cheque, transfer to bank account • when it will be paid – e.g. on the last working day of each calendar month • the salary should grow each year in accordance with national inflation. It is therefore helpful to include a sentence saying that salaries will be reviewed each year and that staff members will be notified in writing of any changes. <p>For information about setting salaries, see Section 2.</p>
Deductions	It is helpful to include a paragraph which says that the organisation has the right to deduct from the staff member's pay, government taxes and any amount which they owe the organisation. This amount could be losses to the organisation due to negligence or breaking organisational policy.
Allowances	<ul style="list-style-type: none"> • such as housing or transport provided
Working hours	<ul style="list-style-type: none"> • normal hours of work, including days of week, start and finish times and lunch break • number of hours to be worked per week • whether the staff member is entitled to additional pay for working extra hours
Leave entitlement	<ul style="list-style-type: none"> • number of days of basic annual leave entitlement • when the organisation's annual leave period is, such as January to December • how many days can be carried forward to the following year • what happens upon termination of employment if too much or too little annual leave has been taken during the current year • whether leave on national holidays may be taken in addition to basic annual leave
Sickness and other absence	<ul style="list-style-type: none"> • how many days of sick leave will be paid each year. Usually there is a limit, such as ten days, which may increase after a certain period of service • how and when staff should inform their line managers if they are to be absent from work e.g. no later than one hour after the start of the working day
Retirement provision	If there is a pension or saving scheme, give details of the amount that the staff member will be paid and when.
Medical / Death in service	Give a summary of any medical or death in service provision by the organisation.
Notice period	<ul style="list-style-type: none"> • period of notice during probationary period • period of notice after probationary period • how notice should be given
Grievance and disciplinary procedures	<ul style="list-style-type: none"> • who the staff member should contact if they have any grievance relating to their employment. This could be the line manager. • expectations about discipline. It may be helpful to refer to the staff handbook where policies and procedures are outlined. • organisations that take child protection seriously may take particular disciplinary action (such as immediate dismissal) against staff members who do not adhere to the policy or who withhold information. This should be outlined in the contract.
Health and safety	<ul style="list-style-type: none"> • refer to the organisation's health and safety policy • how to inform the organisation of accident, illness or other emergencies that affect the staff member

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Issue	What to consider
Expenses	• how work-related expenses will be paid e.g. on production of receipt
Equipment	It is helpful to have a paragraph about returning equipment provided by the organisation at the end of the contract. If this is not mentioned in the contract, staff members may decide they can keep equipment such as laptop computers and mosquito nets.
Changes to terms of employment	In the future the organisation may review its terms and conditions and as a result, may need to change its employment contracts with current staff. It is important to state this in the contract.

3.2 Staff handbook

A staff handbook is a reference tool for managers and staff. It usually contains useful information about the organisation, the terms and conditions of employment, and outlines policies that the organisation has.

It should be written clearly so that staff can understand it, and a copy should be made available to all staff members.

Content of a staff handbook could include:



INTRODUCTION TO ORGANISATION

This section should give an overview of the organisation. It could include: history, logo, purpose and mission statement, basis of faith, values statement, details of the organisation’s long-term strategy, information about prayer within the organisation, chart of the organisation’s structure.

CATEGORIES OF STAFF

This section should outline the different categories of staff that the organisation employs.

PERSONAL CONDUCT

This section should summarise the organisation’s personal conduct policy which outlines the behaviour and attitude expected from staff during and outside working hours.

TERMS AND CONDITIONS

This section should outline the policy and practice associated with a staff member’s terms and conditions. This should reflect the employment contract and include any detailed procedures necessary for the staff member to follow in order to receive their salary and benefits. It should also outline the procedures related to grievance and discipline, including the role and responsibilities of line managers in this process.

It could include information about: employment contracts, probationary period, job profiles, grading, salary, allowances, excess hours worked, expenses, working hours, notice periods, grievance/disciplinary procedures, equipment, confidentiality, changes to terms of employment, main benefits – insurance, provision for retirement, leave.

Health, safety and security

The health, safety and security of staff must be a primary responsibility of any organisation. Staff members may find themselves working in situations which put their physical and emotional well-being at risk.

Here are some questions to help organisations to consider health, safety and security issues for their staff.

HEALTH

- Are staff fit enough to carry out their jobs? Have they had a medical examination or completed a questionnaire that has been checked by a medical professional?
- Have staff completed the necessary vaccinations for the area in which they are working?
- If they are working in a malarious area, have staff been advised about the need for anti-malarial supplies and how to obtain them?
- Have staff been briefed about commonly occurring and serious health risks and how these can be minimised?
- Do staff know how to ensure the food and fluids they consume are safe and hygienic?
- Does the organisation have a policy about working hours and holiday entitlement, to ensure the well-being of staff?
- Does the organisation have emergency procedures for staff who become critically ill or injured?
- Are staff covered by adequate health insurance?

SAFETY

- What procedures exist for the prevention of and response to fire, such as well organised storage, safe use of electrical sockets, defined escape routes and appropriate methods of putting out fires?
- Are vehicles maintained regularly, including checking tyres and ensuring there are two spare tyres in the vehicle? Do vehicles have fitted front and rear seat belts with instructions about their use?
- Are drivers qualified to drive and committed to road safety? Are they informed about the need to avoid alcohol and recreational drugs when driving?

SECURITY

- Does the organisation understand the environment in which its staff are working and how to operate in it safely?
- Does the organisation have a security plan? This could include issues such as safety of staff in conflict situations, safety to move around (e.g. curfews, safe and passable roads), the risk of kidnap, the protection of assets including the storage of equipment and office buildings (e.g. guards).

GENERAL

- Are records kept about work-related incidents and sickness and are these assessed in order to reduce future risk to staff?
- What is the best way to communicate health, safety and security policies to staff so that they understand them and use them?

RECRUITMENT AND SELECTION

This section should outline the importance of a fair and transparent recruitment and selection process and refer to the organisation's recruitment and selection policy. It could include: a summary of the 11 step process outlined in Section 4, and information about recruitment of Christians, child protection, data protection, personnel files, advertising, selection, briefing and induction.

BRIEFING AND INDUCTION (See Section 5)

STAFF DEVELOPMENT

This section could include details of provision for staff development during employment.

HEALTH AND WELFARE

This section could include: health and safety policy, general health and safety guidelines, first aid procedures, security policy, pastoral care policy, HIV/AIDS workplace policy.

STAFF POLICIES

This section could include policies about personal conduct, equal opportunities, retirement, staff representation, child protection, use of the organisation's facilities.

DISMISSAL OF STAFF

It is important to seek local legal advice about dismissing staff in the country in which the organisation works. Employers that do not follow local law could be accused of unfair dismissal and might be taken to court. Reasons for dismissal might include:

- **Capability or qualification for the job** A member of staff has failed to improve performance despite receiving support and warnings (oral and written) from the employer.
- **Personal conduct** The staff handbook should include a personal conduct policy which outlines the behaviour expected from a staff member.
- **Redundancy due to a development project or programme ending, an organisational restructure or when a role is no longer required** A redundancy policy should outline the notice period for informing staff of the termination of their contract, redundancy payments and the opportunities available for alternative employment with the organisation.
- **A statutory duty or restriction which prevents the employment being continued** For example, a driver who is disqualified from driving for legal reasons can no longer carry out their job.

Be aware that unfair dismissal is often related to discrimination (e.g. sex or marital status, disability, ethnic background).

Any decisions about dismissing a member of staff should be made on the basis of clear documented evidence and by following agreed procedures.

When developing or reviewing a Staff Handbook, the following tips may be useful:

- Ensure the handbook has taken into account the local legal context and common practice of the country. Always ask a local lawyer to check the final version.
- Check that the handbook and contract of employment are aligned with each other.
- Consider any new policy or practice that is under development.
- Translate the handbook if necessary.
- Communicate and train staff and managers in the use of the handbook.
- Review the handbook each year to ensure that any changes to local law or common practice have been considered.

REFLECTION

- What is included in employment contracts in our organisation?
- Are they legal?
- Can all members of staff understand what is in their contract? How can we help to improve their understanding?
- What categories of staff exist within our organisation?
- What types of contract does the organisation provide?
- What areas of the employment contracts need to be reconsidered?
- Does our organisation have a staff handbook? What would be the advantages of producing one? What would be the content? Who should write it?