	<h1 style="text-align: center;">Probationary Period &amp; Regularization of Employment Policies</h1>		<b>Document Number:</b>  2P-SS-05.26
	<b>Department:</b> Human Resource	<b>Effective Date:</b> January 22, 2020	<b>Revision No</b> 1

## Scope

This policy covers all organic employees of F2 Logistics Philippines, Inc. and F2 Global Logistics, Inc.

## Ownership

The Human Resource (HR) Manager is responsible for ensuring that this document is cascaded to all concerned personnel and that it reflects actual practice.

## Definition of Terms

- A. *Probationary Employment* - It shall not exceed six (6) months from the date the employee started working, unless it is covered by an apprenticeship agreement stipulating a longer period. The services of an employee who has been engaged on a probationary basis may be terminated for a just cause or when he fails to qualify as a regular employee in accordance with reasonable standards made known by the employer to the employee at the time of his engagement. An employee who is allowed to work after a probationary period shall be considered a regular employee. (Presidential Decree No. 442, s. 1974 Article 281). It is also a trial working period that gives the immediate leader an opportunity to observe and evaluate the capacity of the employee, which includes the employee's ability to satisfactorily perform the assigned duties; and to observe and evaluate the employee's work habits and conduct, including attendance and the employee's relationships with coworkers and immediate leader.

This is also the employee's time to demonstrate qualifications and abilities by actual on the job performance and to demonstrate capabilities and potential for higher assignment.

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- B. *Regularization* is a process of engaging an employee in any activity that is usually necessary or desirable in the usual business or trade of the employer.

An employee becomes regular when he qualifies in the performance management standards made known to him at the start of the employment after a six (6) month probationary period.

## Policies


### New Hire

1. Before an employee can start working on a probationary period, complete pre-employment requirements are required to be submitted to Human Resources Department.
2. If the position is urgent and needs to be filled-up immediately, in a manner that the absence of the position will disrupt the operations of the business, the employee shall be allowed to work but pre-employment requirements should be submitted to Human Resources Department within thirty (30) days from the start date of employment.
3. Employees shall serve a six (6) month initial probationary period. One becomes a regular employee upon completion of his six-month period of probationary.
4. An appointment letter shall be signed by the new employee to confirm that he/she has been selected for a particular position in the company.
5. New employees shall not enjoy statutory benefits while on probationary period.
6. The leader shall monitor the newly hired employee's level of performance.
7. The leader shall evaluate the performance of the employee on the third (3) month of probationary period.

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- a. Employee shall receive a completed probationary performance evaluation form reflecting their performance.
  - b. Performance evaluation form shall be submitted to Human Resources Department. The leader shall discuss the result of evaluation to provide direction, receive feedback, and to provide encouragement to the new employee.
8. If the leader fails to recommend an action pertaining to an employee's probation period and to provide a probationary performance evaluation to the employee prior to the conclusion of the probation period, then the employee automatically becomes a regular employee in the new classification with all rights and conditions of such.
9. An employee may be rejected on probation at any time prior to the completion of the probation period.
  - a. It is the prerogative of the leader if the employee shall be given a second chance to perform well after a poor evaluation on the third (3) month.
  - b. The leader shall provide the employee in writing with the reason(s) for the rejection on probation & the effective date of the rejection.
10. A regularization letter shall be signed by the new employee to confirm that he/she has been regularized for a particular position in the company.


### **Transfer or Reassignment during the Probation Period**

1. Employees who are transferred or reassigned into a different classification, shall serve a six (6) month probation period in the new classification.
  - a. Employees who have not completed their probation period in the previous position title, shall continuously serve his/her current six (6)-month period of probation in the new classification.

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2. The leader has the jurisdiction to shorten the probation period of an employee serving a probation as a result of transfer, or reassignment to a minimum of sixty (60) days. If an employee's probation is shortened, the reasons for the action must be documented, and a probationary performance evaluation must be completed. All documents must be submitted to Human Resources Department.
3. Leaders should monitor the employee's level of performance.
  - a. Policy for new hires on performance evaluation shall also be applicable for reassigned/transferred employees while on probationary period.
4. An employee rejected on probation while serving a probationary period as a result of transfer or reassignment, shall be returned to the employee's previous position if vacant. The previous position on the other hand, shall not be filled while transfer or reassignment is not yet confirmed.
  - a. An employee rejected on probation may request a review of the rejection.
5. An employee appointed to a position on a temporary, contractual or emergency basis is not subject to a probation period. If the employee subsequently is hired or converted into a position requiring a probation period, then the employee will be treated as a new hire and subject to the appropriate probation period

### **Regularization**


1. An employee becomes regular upon completion of his six-month period of probationary.
2. Regular employee shall enjoy all the benefits provided for regular employees prescribed under existing labor laws, rules & regulations.
3. Upon regularization, employee shall be entitled to 10% increase in basic pay.

### **Responsibility**

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a. The employee is responsible for:

1. Reading and understanding this policy on Probationary and Regularization of Employment.
2. Complying with this policy on Probationary and Regularization of Employment.

b. The immediate leader is responsible for:

1. Reading and understanding this policy on Probationary and Regularization of Employment.

c. The Human Resources Department is responsible for:

1. Cascading of Probationary and Regularization of Employment policy to respective SBU.

## **Distribution**

Officers, Team Leaders, Supervisors, HR Partners

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