

WOMEN'S UNIVERSITY IN AFRICA



Addressing gender disparity and fostering equity in higher education

PERFORMANCE BASED BONUS POLICY FRAMEWORK

1.0 INTERPRETATION (DEFINITION OF TERMS)

1.1 Performance assessment

Is a structured and periodic process used to evaluate the extent to which an organisation, or individual employee has met agreed key performance indicators, targets, and behavioural expectations within a defined review period. Performance assessments provide the basis for decisions relating performance-based bonus.

1.2. Performance-Based Bonus

A variable financial reward granted to employees based on measurable achievement of predetermined performance indicators or targets at organisational, and/or individual levels.

1.3 Organisational Performance

Refers to the overall achievement of the institution against its strategic objectives, financial sustainability targets, governance standards, and service delivery commitments within a specific financial or operational year.

1.4 Individual Staff Performance

Individual Staff Performance refers to the measurable output, contribution, and conduct of an employee in relation to their job description, agreed Key Performance Indicators (KPIs), and annual performance contract.

1.5 Values-Based Behaviour

Values-Based Behaviour refers to the consistent demonstration of the institution's core values in decision-making, and daily conduct.

2.0 PURPOSE

The purpose of this framework is to:

- i. Establish a fair, transparent, and performance-driven bonus system;
- ii. Align bonus payments to institutional performance and affordability;
- iii. Link individual rewards to pre-agreed outputs contained in Individual Work Plans;
- iv. Eliminate the perception of bonuses as guaranteed entitlements; and
- v. Promote a performance driven organisational culture.

3.0 SCOPE

This framework applies to all employees of the University. While performance outputs will differ by role, the framework, assessment logic, and bonus rules shall be uniform.

4.0 PRICIPLES GUIDING POLICY

Implementation of this framework shall be guided by the following principles:

- i. Bonuses are earned, not automatic;
- ii. The University must afford paying the bonus;
- iii. The framework is applied across all staff in all categories (except the Vice Chancellor) who reports to Council and operates on a different framework;
- iv. There shall be clear criteria known in advance;
- v. Performance evaluation shall be assessed against agreed plans; and
- vi. The performance rewards shall be linked to university key performance indicators and the individuals work plan and behaviours.

5.0 POLICY PROVISIONS

This Performance-Based Bonus Policy establishes a structured framework for the recognition and reward of employee performance in alignment with the Institution's strategic objectives, values, and financial capacity. The policy is grounded in the principle that reward must be linked to measurable value creation, rather than automatic or entitlement-based payments.

The policy introduces a performance-driven approach to bonus determination, ensuring that incentives are earned through the achievement at Organisational Performance to encourage team works and also at Individual level through demonstrated adherence to university values and standards of conduct. In doing so, the Institution seeks to promote a high-performance

culture that encourages excellence, innovation, continuous improvement, and responsible stewardship of resources.

This policy further aims to ensure equity, transparency, and objectivity in the administration of performance bonuses by providing clear performance criteria, standardised assessment processes, and documented approval mechanisms. The application of the policy is intended to minimise subjectivity, ensure consistency and support fair decision-making.

In recognition of the University's obligation to exercise financial sustainability, performance bonuses under this policy are variable and are not guaranteed. Bonuses are payable only where both individual performance thresholds and institutional affordability requirements are met. The payment of a bonus shall not constitute an entitlement.

Through this policy, the University formally transitions from entitlement-based bonus practices to a merit-based system aligned with modern human resource management principles and good corporate governance. The policy reinforces accountability by linking bonus eligibility to performance outcomes, compliance with institutional policies, and participation in mandatory institutional processes.

Under this model, overall performance shall be determined by two components: Organisational Performance and Individual Staff Performance.

5.1 Organisational Performance

The organisational performance score shall be determined annually by the University based on approved institutional targets and defined evaluation criteria. This score shall apply uniformly to all eligible staff members, ensuring a shared accountability for institutional results and alignment with the University's Strategic Plan. The University shall contribute 20% to the overall performance framework.

5.2 Individual Staff Performance

Individual performance shall constitute the second component of the overall assessment and shall be weighted as follows:

- 70% derived from the achievement of Key Performance Indicators (KPIs) as set out in the approved Individual Work Plan; and
- 10% derived from demonstrated values-based behaviour, assessed in alignment with the University's core values.

This framework promotes transparency, consistency, and accountability by ensuring that performance recognition reflects both the achievement of measurable results (the "what") and adherence to institutional values and standards of conduct (the "how"). It further provides a clear and uniform basis for linking performance outcomes to bonus eligibility and reward determination.

6.0 Performance Planning Framework

6.1 Individual Work Plans

All employees shall develop an Individual Work Plan at the beginning of each performance cycle. Performance Evaluations should be done bi-annually. (In June and in November). The Individual Work Plan shall:

- Be derived from the University and Departmental Work Plans;
- Clearly define targets, outputs, and timelines;
- Be agreed and signed by the employee and supervisor;
- Contain a minimum of two (2) performance indicators and a maximum of five (5) critical Key Performance Indicators (KPIs) which should be outcome based).

6.1.1 Outcome-based activities

These are the actions an employee plans to take to achieve an agreed result. They explain how an outcome will be achieved, but the activities are not assessed on their own.

For example, an outcome maybe to increase student satisfaction by a certain percentage by year-end, the supporting activities may include attending lectures, providing course materials and receiving student feedback. During appraisal, performance will be rated on whether student satisfaction rate reached the target, not on whether all the listed activities were completed.

6.1.1.1 The outcome-based activities should:

- i. Clearly support a specific outcome;
- ii. Be realistic and time-bound; and
- iii. Help deliver a measurable result.

Completing activities without achieving the intended outcome will not be regarded as satisfactory performance.

The approved Individual Work Plan with outcome-based activities and values assessment constitute the basis for performance appraisal and bonus assessment.

7.0 Performance-Based Bonus Framework

The bonus framework operates through two mandatory performance gates.

7.1 Organisational Performance Gate

Bonus eligibility is conditional upon overall University performance.

The Organisational Performance Gate shall be assessed annually using the following indicators:

- i. Student enrolment against set targets;

- ii. Student satisfaction survey outcomes;
- iii. Student debt levels and overall cashflow position;
- iv. Leave liability; and
- v. Audit Opinion.

7.1.1 These indicators shall be consolidated into a single Organisational Performance

Score on a scale of 1 to 5 where:

- i. Score 1 (0%–49%) – Performance is below acceptable standards and requires significant improvement.
- ii. Score 2 (50%–59%) – Performance is basic and acceptable, meeting the minimum threshold
- iii. Score 3 (60%–69%) – Performance is satisfactory and consistent, demonstrating a solid grasp of required standards.
- iv. Score 4 (70%–79%) – Performance is strong and above expectations, with clear evidence of added value.
- v. Score 5 (80%–100%) – Performance is excellent and exceeds targets, demonstrating outstanding achievement and impact.
- vi. An overall organisational Performance Score below 50% shall result in no performance bonus being payable, irrespective of individual performance results. The organisational performance score shall be reviewed from time to time.

7.2 Individual Performance Gate

- 7.2.1 Individual performance shall be assessed strictly against the approved individual Work Plan with outcome-based activities and values assessment the values framework.
- 7.2.2 Staff who were found guilty for any acts of misconduct and are given a penalty shall automatically not be liable for a performance bonus in that year.

8.0 Individual Performance Assessment Structure

8.1 Performance Weighting

Individual performance shall be assessed using the following weighting:

- i. Key Performance Indicators (KPIs): 70%
- ii. Values-Based Behaviour: 10%

8.1.1 Key Performance Indicators (70%)

KPIs shall:

- i. Be drawn directly from the Individual Work Plan and should be outcome based;



- ii. Be measurable and time-bound;
- iii. Reflect the employee's key role and responsibilities; and
- iv. Performance shall be rated on a 1–5 scale.

8.1.2 Values-Based Behaviour (10%)

All employees shall be assessed against the University's core values as follows:

- Gender Equality, Diversity and Inclusion;
- Professionalism;
- Integrity;
- Reliability;
- Accountability;
- Efficiency; and
- Teamwork.

8.3.1 Performance shall be rated on a 1–5 scale.

9.0 Performance Ratings and Bonus Payouts

9.1 Bonus Payout Matrix

Once the Organisational Performance Gate is passed, the Individual Performance Score determines the bonus payout as a percentage of the approved target bonus.

9.1.1 Individual Performance Score

Individual Performance Score	Description	Bonus Payout (% of Target)
5	Exceptional	91 - 100%
4	Exceeds Expectations	71% - 90%
3	Meets Expectations	60%-70%
2	Below Expectations	50%-59%
1	Unsatisfactory	0%-49%

9.1.2 Description of scores

5: Exceptional Performance - Clearly and consistently transcends the requirements of the role. This individual contributes to the organisation's success well beyond their job description by delivering unique, innovative, and workable solutions to complex projects and problems.

4: Exceeds Expectations - Performance frequently surpasses communicated requirements and standards. Results are consistently high-quality, and the individual often takes initiative to add value beyond their core responsibilities.

3: Meets Expectations - Performance consistently meets all requirements, standards, and

objectives of the job. Results are timely, accurate, and achieved with minimum supervision.

The individual effectively recognises, participates in, and adjusts to changing situations and assignments.

2: Below Expectations - Performance does not consistently meet the requirements or objectives of the job. There is a need for improvement in one or more areas of consistent weakness. This individual requires frequent guidance and direction to achieve their responsibilities, and progress must be closely monitored and documented.

1: Unsatisfactory Performance: is consistently below requirements and is considered unacceptable. The staff member has met few or none of their objectives and has shown a failure to follow directions or initiate improvement despite prior counselling. Knowledge is inadequate to retain the position without immediate, documented corrective action. This rating is a critical warning and should not be received more than once.

9.1.3 Calculation Formula

9.1.3.1 Organisational Score (/ 20) + Part D KPI Score (/70) and Part E Values Based Assessment (/10)

Total expressed as a percentage is = Bonus Payout Percentage

Monthly Basic Salary x Bonus Payout Percentage (%) = Recommended Bonus Payout (%):

- 9.1.3.2 Individual KPI scores shall be capped at a maximum of 100%, achievable only where approved targets were exceptionally exceeded.
- 9.1.3.3 Under no circumstances shall an Individual Performance Score exceed 100%.

10.0 Moderation and Appeals

- i. All Performance outcomes shall be moderated at by the Departmental Head.
- ii. Bonus recommendations shall be reviewed by a subcommittee assigned by the Vice Chancellor.
- iii. This framework does not create a contractual right or entitlement to a bonus.
- iv. Any disputes shall be heard by the same subcommittee assigned by the Vice Chancellor.
- v. If the outcome of the subcommittee is not satisfactory the appellant can appeal to the Vice Chancellor. For EXCO members an appeal can be made to the Council Chairperson.

11.0 Monitoring and Review

- i. The framework shall be reviewed periodically to ensure continued relevance.


- ii. Adjustments may be made in response to financial conditions, audit outcomes, or strategic priorities.

12.0 ROLES AND RESPONSIBILITIES

ROLE	RESPONSIBILITY
Quality Assurance	Providing verified data on organisational performance to support performance evaluations and bonus determinations and provide training on implementation in liaison with Registry.
Registry	Developing, reviewing, and disseminating the University-wide Performance-Based Bonus Policy, and for ensuring that the policy is properly communicated and implemented across all departments.
Supervisors	Supervisors shall agree with employees on clear Key Performance Indicators (KPIs) and work plans aligned to departmental and institutional objectives, and shall conduct fair and evidence-based performance assessments.
Employees	Employees shall develop annual work plans and proposed KPIs in consultation with their supervisors, participate in self-appraisals, and actively contribute to achieving agreed performance targets in line with institutional values.

13.0 EFFECTIVE DATE

This framework shall take effect from the date of approval by Council and shall supersede all previous bonus-related practices inconsistent with its provisions.

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