



# MUA

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**MARONDERA UNIVERSITY**  
OF AGRICULTURAL SCIENCES AND TECHNOLOGY

## **AGRO-INDUSTRIAL PARK PRODUCTION AND PERFORMANCE BONUS POLICY**

**POLICY NO. AIP/10/24**

<b>TITLE</b>	<b>MARONDERA UNIVERSITY OF AGRICULTURAL SCIENCES AND TECHNOLOGY POLICY</b>
<b>POLICY NUMBER</b>	<b>MUAST AIP/01/23</b>
<b>COMPILED BY</b>	<b>EXECUTIVE DIRECTOR CII</b>
<b>APPROVED BY</b>	<b>FARM BOARD OF TRUSTEES</b>
<b>DATE</b>	

## **PREAMBLE**

Marondera University of Agricultural Sciences and Technology (MUASt) is a modern and unique institution of higher learning established through an Act (Chapter 25:29) of Parliament in 2015. The University is driven by the vision to be a leading global centre of excellence in the provision of technology driven sustainable green agricultural solutions". Underpinned by its unique CORE VALUES: Excellence, Diversity, Innovation, Ethics and Ubuntu; the University aims at producing globally acceptable and competent graduates grounded in agricultural, entrepreneurial, and technological skills through excellence in teaching, research and extension services, innovation, and industrialization.

In line with Education 5.0, MUASt has an Agro-industrial Park where commercial farm production and value addition takes place. This Production and Performance Bonus Policy aims at motivating workers at the AIP to maximize production and meet set targets.

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## **Abbreviations and Acronyms**

**MUAST:** Marondera University of Agricultural Sciences and Technology

**AIP:** Agro-industrial Park

## **Definition of Terms**

**Permanent employee:** Regular full-time employees and employees with contracts of one year or more.

**Performance:** Achieving set targets either financial or non-financial and refers to level of effectiveness and efficiency.

## **SECTION A**

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### **1.0 Purpose**

This production and performance bonus policy explains how Marondera University of Agricultural Sciences and Technology (MUASt) will distribute bonuses to the Agro-Industrial Park employees. This policy stipulates which AIP employees are eligible for the production and performance bonus award and how the amount will be calculated. The policy aims to incentivise and reward exceptional performance, contributions, and achievements by employees, while aligning with the University's overall goals and objectives.

### **1.2 Scope of the policy**

This policy applies to all regular full-time employees and employees with contracts of one year or more. Seasonal employees, interns, and temporary employees with a contract of less than one year are not eligible for the bonus.

Only written promises of bonuses will be considered valid. Verbal promises cannot follow through unless they are put in writing and approved by the Chairman of the Farm Board of Trustees or the Vice Chancellor.

### **1.3 Regulatory frameworks**

This policy derives its mandate from the AIP and MUASt plans.

## SECTION B: Policy Elements

2.1 The University will reward employees at the Agro-Industrial Park for outstanding performance, as well as their contributions that help achieve set targets. For this reason, production / performance bonuses will be in two forms.

2.1.1 **Season-end production bonus** – to be paid as lump-sum every season (winter crop – December and summer crop – June) to all the permanent employees at the AIP.

2.1.2 **Season-end performance bonus for managers only** (winter crop – December and summer crop – June) – will be given to management: General Manager, Crops Manager, Irrigation Manager, Livestock Manager, Sales and Marketing Manager, Workshop Manager, and Horticulture Manager.

2.2 The following conditions should be met for the production and individual performance bonuses to be paid:

2.2.1 The production targets should have been achieved resulting in a net profit.

2.2.2 The Farm Board of Trustees must approve the bonuses.

2.2.3 Employees that went through disciplinary action and were charged by a Human Resources commissioned disciplinary committee (either winter or summer) will not receive performance bonuses for that specific period (winter or summer production season).

2.2.4 Employees that received less than satisfactory performance reviews will not be paid individual performance bonuses.

2.2.5 Bonuses will be funded from the net profit generated. However, the bonus sharing is done on net revenue above USD20,000, as the USD20,000 must be reserved for operational costs. Hence, any net profit below the USD20,000 threshold is not shared.

2.2.6 Any net profit above the USD20,000 threshold will be shared as production and performance bonus.

2.2.6.1 The 20% will be distributed as follows:

2.2.6.2 Season-end production bonus for all permanent AIP employees (10%)

2.2.6.3 Season-end individual performance bonus for managers (10%)

### 3. Bonus calculation

3.1 Season-end production bonus for all AIP permanent employees is to be paid as follows:

3.1.1 All permanent employees of the AIP will equally share the 10 % of the net profit generated.

3.1.2 However, the production bonus is only paid when production targets set at the beginning of each season are achieved.

3.1.3 Employees who have been employed at the AIP for the entire year will receive a 100% payment.

3.1.4 Employees who have been employed for less than twelve months will receive a prorated amount.

3.2 Season-end individual performance bonus for managers is to be paid based on performance:

3.2.1 In addition, benefiting from the production bonus in Section 4.1, all managers have an to benefit from the season-end individual performance bonus and performance will be measured as follows.

3.2.2 The managers are to share 10% of the net profit based on their performance.

3.2.3 Performance is taken to mean:

3.2.3.1 Achieving set targets, either financial or non-financial.

- 3.2.3.2 Performing additional duties from what is expected.
- 3.2.3.3 Serving as a good example of professional behaviour to other employees (e.g., teamwork, ethics, leadership).
- 3.2.3.4 All managers develop work plans with set targets and sign performance agreements biannually.
- 3.2.3.5 The bonus will be calculated with a tiered system as follows.

Performance score	Bonus (10% = 100%)	
	Managers	General manager
80 – 100 %	13.5	19
60 – 79 %	8	12
50 - 59	5	5

\*Performance scores to be based on work plan agreements signed at the beginning of each season: 1<sup>st</sup> of May and 1<sup>st</sup> of October each year.

#### **4. Production and Performance Targets, Work Plans and Assessment**

- 4.1 Each manager is responsible for formulating work plans and setting specific goals.
- 4.2 All managers present and defend their workplans and performance targets to the University Farm Board Committee.
- 4.3 Seasonal production targets to be submitted for approval to the Chairperson of the Farm Board of Trustees or the Vice Chancellor at the latest 1<sup>st</sup> of May and 1<sup>st</sup> of October of each year.
- 4.4 Performance evaluations / reviews to be conducted by University Farm Board latest 30 November for the winter farming season and 30 June for the summer cropping season.

#### **5. Changes and Amendments**

- 5.1 Any changes or amendments to this policy will be communicated to employees in a timely manner.
- 5.2 Bonuses are discretionary and are not guaranteed or considered a contractual right. The University retains the right to withhold or modify bonuses based on business conditions, financial performance, or any other factors deemed relevant by the University.

## SECTION C

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### 6.0 Compliance with University Policy

*Failure to comply with the policy is an act of misconduct which is subject to disciplinary action.*

### 6.1 Monitoring and Review of the Policy

Policies are subject to review after every 4 years.

Approved..... *chigwanta* ..... Date..... *30/09/2024* .....

**(Chairperson of Council)**

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