

Employee Contract Renewal/Extension Process for Managers

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INTRODUCTION

Following the leader-led model, as a manager you are responsible for taking the action towards the contract renewal/extension or termination of your direct reports.

What to do as a leader?

Managers will now be notified about the expiring contract end date for internal direct reports, 3, 2 and 1 months in advance and be invited to take action:

1. Contract Renewal / Extension
2. Offer Permanent Contract
3. Contract Termination

Why is this important?

It is important for managers to take the time they are notified (3, 2, 1 month in advance) to decide what action to take on their employee's contract.

Contract Renewal / Extension

As a manager, if you decide you want to renew or extend the employee's contract you will have to do the following:

- **Step one:** Meet and discuss this decision with your Site HR Partner to check the legal compliance for contract extensions;
- **Step two:** You will have open this [Service Request \(click here\)](#) in Service One.

What are the main changes in the new process of contract extensions?

- The timing of the expiration alert is improved (from 30-15-5 days in advance to 3-2-1 months in advance), giving more time for managers to check and comply with legal regulations, as well as execute the changes in My HR Services including payroll information.
- Site HR Partner is no longer responsible for maintaining the contract end date in My HR Services, but will assure the respect and the compliance of the legal local aspects.
- The Site HR Partner will receive a copy of the expiring contract notification sent to the manager.
- The contract extension in My HR Services will now be performed by the SBS WDA team upon receiving the request.
- The Payroll teams will receive the workflow to approve, and Site HR will be notified when the process is complete.

Important:

When a trainee employee becomes a regular employee, the recruitment process must be followed.

The manager must take the following actions:

- **1st step:** Create a new position in My HR Services
 - **2nd step:** Open a job requisition
 - **3rd step:** In the recruiting tool, change the field "*Have you already identified an internal candidate*" to **Yes** and fill in the field "*Name of identified candidate*" with the employee's name. - [click here and follow steps one and two](#)
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Offer Permanent Contract

- **Step one:** Meet and discuss this decision with your Site HR Partner to check the legal compliance on offering a permanent contracts;
 - **Step two:** If you decide to offer a permanent contract to your employee, you will have to follow the steps in the Recruiting a Talent section of the HR Wiki - [click here and start with step one and get your hiring need validated with your manager](#).
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Terminate Contract

- **Step one:** Meet and discuss this decision with your Site HR Partner to check the legal compliance;
- **Step two:** If you decide to terminate the employee's contract, please follow the steps in the Employee's Offboarding section of the HR Wiki - [click here and follow step one and two.](#)

Date last updated: 02 Jun 2025

- [FAQs for Managers - Contract Management \(Portugal only\)](#)