To

[The Recipient]  
[Designation]

Dear Mr. [name]

I [name] [designation] from [company] am writing to inform you about the decision taken in our annual [name] meeting. Your yearly performance was analyzed, and we have decided to renew your contract as a [designation] manager.

The previous year brought many new trials for us as a growing business. Despite the challenges offered by an economy affected by COVID, we pushed back and claimed the market share we deserve. The credit for this goes to the entire team. For without a cohesive team and good teamwork no organization can rise. The credit for your team’s good performance goes to your leadership.

We would like to take this opportunity to praise your performance as a manager. The way you led your team through difficult deadlines, broke through choked-up supply lines, and generally kept up the morale of your team, are all highly appreciated. We especially liked your practice of selecting the team member who has shown the best performance in the month as ‘The Shining star’.

This does not encourage the employees to give their best but also makes them feel appreciated and noticed for the hard work they put in. We also like the way you manage the internal conflicts within your team tactfully and smartly.

Keep up the good work!

Yours sincerely,

[Your Name]  
[Designation]