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# HEPro

# Assignment: Process, Policy & Compliance Alignment in an Organizational Merger

## Case Scenario

A mid-sized organization (**Org A**, 200 employees) providing niche services is merging into a larger parent company (**Org B**, 1000 employees) to create a stronger, integrated business unit.

You are the **HR & Compliance Integration Manager** responsible for **aligning all HR processes, policies, and compliance requirements** across both organizations within 6 months.

Your task is to create a **detailed alignment plan**, provide **sample templates**, and present the **final outcome structure** for a smooth merger.

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## 1. Assignment Objectives

By the end of this assignment, the student/participant should be able to:

- Assess differences in **HR processes, policies, and compliance structures**.
  - Create a **harmonization plan** for workforce alignment.
  - Design **sample policy alignment templates**.
  - Ensure legal compliance during organizational merger.
  - Present a practical **integration roadmap** with outcomes.
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## 2. Current Workforce Snapshot

Parameter	Org A (Smaller)	Org B (Bigger)
Workforce Size	200	1000
Industry	IT/Services	IT/Services (Global)
Policies	Basic HR Manual	Mature HR Policy Framework
Compliance Coverage	Local labor laws	Local + Global compliance

Parameter	Org A (Smaller)	Org B (Bigger)
HR Tech / Systems	Basic Payroll Software	Full HRMS with ATS, LMS, ESS
Benefits	Limited (PF, gratuity)	Expanded (PF, gratuity, medical insurance, ESOPs)

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### 3. Integration Challenges

- **Process Misalignment:** Different payroll cycles, leave policies, performance appraisals.
  - **Policy Conflicts:** Different travel, reimbursement, and work-from-home rules.
  - **Cultural Integration:** Smaller org has informal culture, bigger org more structured.
  - **Compliance Gaps:** Org A may not fully comply with GDPR/ISO/other global standards followed by Org B.
  - **System Gaps:** Org A lacks HRMS, Org B runs SAP SuccessFactors.
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### 4. Integration Plan – Phased Approach

#### Phase 1: Assessment (Month 1–2)

- Collect and review **all existing policies and processes** from Org A & Org B.
- Identify overlaps, redundancies, and gaps.
- Conduct **compliance audit** (labor laws, data privacy, contracts, tax compliance).
- Prepare **integration risk report**.

#### Phase 2: Alignment Design (Month 3–4)

- Harmonize **policies and procedures** (leave, attendance, payroll, code of conduct, appraisal).
- Map **Org A employees into Org B HRMS**.
- Design **new employee benefits alignment plan**.
- Create **legal compliance checklist**.

Phase 3: Implementation (Month 5–6)

- Roll out **aligned policies** with communication sessions.
- Train managers on **new processes**.
- Conduct **legal compliance filings/registrations**.
- Monitor **employee feedback** and make adjustments.

5. Sample Policy & Process Alignment Templates

Template 1 – Policy Comparison & Alignment

Policy Area	Org A (200 staff)	Org B (1000 staff)	Final Aligned Policy (Post-Merger)
Leave Policy	18 CL + 6 SL + 12 EL	12 CL + 12 SL + 15 EL	12 CL + 12 SL + 15 EL (Org B Standard)
Payroll Cycle	7th of every month	Last working day of month	Aligned to Org B: Last working day
Performance Appraisal	Annual only	Bi-annual (Mid-year + Annual)	Bi-annual
Travel Allowance	Fixed ₹2,000/month	Reimbursement actuals with receipts	Reimbursement actuals
Work from Home	Not allowed	Hybrid (2 days WFH)	Hybrid (2 days WFH)

Template 2 – Compliance Alignment Checklist

Compliance Requirement	Org A Status	Org B Status	Action Required Post-Merger
Shops & Establishment Registration	Done	Done	Consolidate licenses under Org B
PF & ESIC	Active	Active	Merge accounts & UAN mapping

<b>Compliance Requirement</b>	<b>Org A Status</b>	<b>Org B Status</b>	<b>Action Required Post-Merger</b>
Gratuity Act	Active	Active	Unified scheme under Org B
POSH Policy	Draft	Mature Committee in Place	Merge into Org B POSH ICC
GDPR / Data Privacy	Not implemented	Implemented	Extend GDPR compliance to Org A operations
ISO Certifications	None	ISO 9001, ISO 27001	Train Org A team on compliance requirements

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### Template 3 – Process Alignment Roadmap

<b>Process Area</b>	<b>Current State</b>	<b>Future State (Aligned)</b>	<b>Timeline</b>	<b>Owner</b>
Payroll Processing	Manual via Tally	Automated via SAP SuccessFactors	2 months	HR & Finance
Recruitment	Excel + Emails	ATS (LinkedIn + SAP)	3 months	TA Lead
Training & L&D	Ad-hoc	Structured LMS	4 months	L&D Head
Performance Mgmt	Annual Review	Bi-annual 360° Review	3 months	HRBP
Employee Engagement	Monthly events	Org-wide engagement calendar	6 months	HR Manager

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## 6. Final Outcomes

At the end of the alignment project, the merged entity will achieve:

- **One unified HR Policy Manual** across all 1200 employees.
- **Legal compliance readiness** (PF, ESIC, labor laws, GDPR, ISO).

- **Process integration** via a single HRMS.
  - **Cultural integration plan** (induction workshops, team building, cross-org mentoring).
  - **Employee retention support** (transparent communication, benefits alignment).
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## 7. Assignment Submission Guidelines

### Report Format:

1. Cover Page (Assignment Title, Name, Batch, Date)
2. Executive Summary (1 Page)
3. Workforce Overview & Current State Analysis
4. Policy & Process Comparison (with Template 1 table)
5. Compliance Alignment Plan (with Template 2 table)
6. Process Roadmap (with Template 3 table)
7. Change Management & Communication Strategy
8. Final Outcomes & KPIs (e.g., compliance score, policy adoption rate)
9. Annexures (Sample policy extracts, communication drafts)

**File Format:** PDF or Word

**Length:** 12–15 pages

**Font:** Times New Roman, Size 12, Line Spacing 1.5

**Deadline:** [Insert Date]

 **Sample Aligned HR Policy Extracts (For Annexure in Assignment Submission)**

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### 1. Leave Policy (Aligned Post-Merger)

**Policy Title:** Leave Policy

**Effective Date:** [Insert Date]

**Coverage:** Applicable to all permanent and probationary employees of the merged entity (Org A + Org B).

**Purpose:**

To provide employees with sufficient time off for rest, medical needs, and personal commitments, ensuring work-life balance and compliance with statutory requirements.

**Policy Guidelines:**

**1. Types of Leave Available:**

- **Casual Leave (CL):** 12 days annually.
- **Sick Leave (SL):** 12 days annually (medical certificate required if >3 days).
- **Earned Leave (EL):** 15 days annually, eligible for carry-forward up to 45 days.
- **Maternity Leave:** 26 weeks as per Maternity Benefit Act.
- **Paternity Leave:** 7 days within 3 months of childbirth.
- **Compensatory Offs:** For official duty on holidays/weekends (approval required).

**2. Leave Application Process:**

- Employees must apply for leave through the HRMS (SAP SuccessFactors).
- Leave requests should be made at least 3 days in advance (except sick leave).
- Approvals will be given by reporting managers.

**3. Encashment:**

- EL beyond 45 days will be eligible for annual encashment.
- CL and SL cannot be encashed.

**4. Special Note:**

- Absence without prior approval for more than 3 consecutive days will be considered “Leave Without Pay” and subject to disciplinary review.
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## **2. Code of Conduct (Aligned Post-Merger)**

**Policy Title:** Employee Code of Conduct

**Effective Date:** [Insert Date]

**Coverage:** Applicable to all employees of the merged organization.

### **Purpose:**

To ensure ethical behavior, professionalism, and integrity in all employee activities and interactions within and outside the organization.

### **Policy Guidelines:**

#### **1. Professional Behavior:**

- Employees must maintain professionalism in communication, both verbal and written.
- Discrimination, harassment, or inappropriate conduct will not be tolerated.

#### **2. Conflict of Interest:**

- Employees must disclose any personal or financial interest that may conflict with the company's business.

#### **3. Confidentiality:**

- Employees must protect company data, client information, and intellectual property.
- Sharing sensitive information outside the organization without authorization is strictly prohibited.

#### **4. Compliance with Laws:**

- Employees must comply with all labor laws, data protection regulations (GDPR where applicable), and internal policies.

#### **5. Disciplinary Action:**

- Any breach of this policy will result in disciplinary measures, which may include warnings, suspension, or termination.

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## **3. Template for Policy Alignment Annexure**

When submitting, students can use this structure:



**Policy Area:** Leave Policy

- Org A Policy Summary
- Org B Policy Summary
- **Final Aligned Policy Extract (as above)**

**Policy Area:** Code of Conduct

- Org A Policy Summary
- Org B Policy Summary
- **Final Aligned Policy Extract (as above)**