

General guide to HR Processes & Policies

HR Processes

- Needed for smooth and efficient running of operations
- Guides HR, Management & Employees on a common manner of getting things done- eg – applying for leave, getting increments, resign from the organisation etc.
- Easy to induct new comers into organisation.
- Will reduce chaos and confusion.

Basic HR Processes - Hiring

Organisation Level -

Annual plan for recruitment depending on business growth plans. Must revisit every quarter.

Budget for various roles/ seniority to be hired in the hierarchy.

Role/ Job descriptions for all roles, Grades, Designations for positions.

Process Owner

Hiring Salary Charts – role, seniority, location etc

HR Level

Hiring strategy execution plan –

Process flow chart- post hiring approvals how should the process flow until the candidate joins.

How to hire (ads /social media / Buddy schemes / Campus/ networks)

Timelines for hire, approved interview panels, process and levels of approvals for interviews, establishing SLAs, governance mechanisms (who all will review progress, how often etc)

Interview panel trainings

Basic HR Processes - Hiring

Documents/Templates Needed-

Candidate Information Form, Interview Evaluation form, Final approval template, Offer / Appointment Letter templates, email templates for communication with candidates.

Process governance related-

Review process lags and make corrections

Analyse offer to joining ratio, turn around time being taken, infant attrition (joined and left within 3-6 months), target to fulfilment ratio

Review data and targets quarterly with Sr Management

Basic HR Processes - Onboarding

Organisation Level -

Welcome message videos from CEO/ MD/ Top Management (welcome new comers, vision mission of the organisation, what the new comers should expect from the organisation , what the organisation expects from them)

Budget and Process for providing ID Cards, Laptops, Access Cards to get into organisation space

System / Tool for HR to log in joiner details.

Process Owner

Onboarding strategy execution plan –

Documents from new comers- When and how to capture these, who shd have access to them etc

Logging in joiner details for payroll and other benefits processing

How to collect ID cards/laptop/other assets

Induction process-

Process owner for induction – inform manager and other stakeholders of new joiner, welcome emails, introduce Buddy, goodies at joining, curate detailed induction plan, ensure execution of plan.

Buddy training

Timely HR and Manager Check ins

30-60-90 feedback form and process for capturing feedback from new joiners.

Basic HR Processes – Probation and Confirmation

Organisation Level -

Policy in place. Mention in the offer and appointment letter

Process owner.

Management awareness on process and their responsibilities

Manager level –

Ensure Managers meet their new joiners on joining

Manager to explain role, responsibility & set goals within 15 days of joining

Regular Manager- New Joiner connect sessions- checking in on comfort, settling in, performance etc

Call out non / poor performers to HR

HR Level-

HR- New joiner check ins (at least for first 30 days)

Track upcoming confirmations, review performance with manager, get approvals completed on time

Confirmation letter issue to new comer.

Analyse the process lags and make changes. Analyse confirmation data for patterns if any and where needed

Review poor performers data and take action (PIPs, planned exits if no improvement)

Basic HR Processes – Performance Appraisals

Organisation Level -

Annual growth business targets to be set.

Department Heads to pick Dept level goals/ KRAs.

Tool / System for appraisal process (where possible and needed).

Annual budgets for increments to be set.

Manager level –

Set Goals/ KRAs for self and team (Option 2: Team setting its goals and reviewed by Manager and mutually agreed).

One on one goal setting meetings to be held before goals sign off.

Regular Manager- employee performance check-ins (quarterly is best)

One on one Annual performance review discussions- discuss performance, plan ahead and support needed.

Basic HR Processes – Performance Appraisals

HR Level-

- Set the appraisal process for the organisation and propagate it among employees
- Process should include- timelines/cycles (Half yearly/annual, start date ,end date), eligibility (joiners from x date to y date), how to treat women going or coming back from Maternity Leave, resignation cases etc.
- Announce start of the process, end/closure of the process.
- Support goal setting process- track progress, remind, send reports
- Conduct Appraiser, appraisee workshops
- Work with business to plan for compensation changes / increments/ benchmark current salaries & present to Sr. Management for decision
- Post increment decisions-Inform payroll, issue increment letters
- Grievance mechanism for performance appraisals

Basic HR Processes – Performance Appraisals

Important Aspects-

- KRAs/Goals should be specific to role played & measurable Eg: Stay within budget / bring in 2 new customers each quarter / 2 new initiatives each quarter etc
- Each employee to describe their performance under each KRA, with specific outcomes
- Immediate manager to give specifics of appraisee performance
- Outcomes of performance appraisal process-
- Individual Performance Ratings- 1 to 5 (1 being lowest, 5 being highest)- Manager to award these based on level/ range of meeting their KRAs
- If many from a single department, performing similar roles- Ranking process – say A to E (A being highest, E being lowest).
- Performance Ranks to be pre decided – eg A= 120% of targets met, B=110% of targets met, C= 100% of targets met etc.
- Compensation/Increment can be decided based on ranks (if used) Or Ratings- decision could be – eg: all As or 1s to get X % hike, B or 2 to get Y % hike.

Basic HR Processes – POSH, Grievance Handling

- Process of raising a grievance / Sexual / Other harassment – email/system
- Access to such emails- who all will see what kind of grievances
- Handling of the grievance- will a committee resolve, individuals will resolve, who will communicate the results, how, timelines/ SLAs, escalation process.
- Details of committee members
- Who to reach out to if the process does not work.
- Closure of process

Basic HR Processes – Leave

Process of applying for leave – email/system

- Approval process – who all will approve what kind of leave
- Handling of working on National Holidays
- Handling of exceptions- excess leave applied, absence from work unannounced, not returning on date planned etc

Annual Leave Calendar –

- Public Holidays are announced by Gazette of each State and also mention mandatory ones. Plus 3 National Holidays.
- Organisation should create a calendar using the above and announce beginning of each Leave year.
- Needs to be reviewed annually
- Must balance out between religious sentiments, local celebrations etc as much as possible.

Basic HR Processes – Travel

- Process of applying for travel
- Approval process – who all will approve what kind of travel
- Could be articulated in the policy document itself.

Basic HR Processes – Rewards & Recognition

- Identify right behaviour to be promoted in the organisation- eg: team work, ethics, living by values, Process alignment etc.
- Create awards/ reward categories around these behaviours – eg. Best Team Awards / Best Team Player Award/ Service anniversary awards/ Awards that propagate ethics/Project Management Awards etc.
- Should be a mix of timebound and quick awards.
- Create award descriptions- eligibility, timelines, who can recommend, evidences needed, format/template for collecting recommendations, process of review of recommendations.
- Finalise rewards- Cash/ vouchers/ appreciation letters etc
- Create hype around the awards, advertise it extensively
- Provide visibility to awardees- give them away at annual events/ on the floor/ mailers/ publish awardees' interviews etc
- Review the process annually and make changes where needed. Benchmark the programs with other similar organisations to keep improving and making it exciting.

Basic HR Processes – Termination and Separation

Voluntary Resignations -

Should employee resign in system/ send an email ? To whom?

Terms around notice period to be served, expectations from employee- handling data, confidentiality, handover, settling dues to the company, non compete clauses, relieving letter, BGV with new organisation.

Who to contact for questions/ grievances.

Involuntary Resignations-

What should be reasons for involuntary resignations – project scale downs, non performance, difference in views (senior folks),

Process same as voluntary resignations- treated as voluntary, distinction is internally only.

Terminations -

What should be reasons for termination- disciplinary reasons, money laundering/ unethical behaviour, Sexual and other harassments

Terms around notice period to be served, expectations from employee- handling data, confidentiality, handover, settling dues to the company, relieving letter stating reasons for termination, no clean BGV.

Contact person for questions/grievances

Basic HR Processes – Working Models

HYBRID WORKING

- Set rules around hybrid working- no. of days in a week, will it differ from dept to dept / grades/seniority or same for all?
- If employees stay in a different city and expected to work from the office in a different city
- Mandatory days/events that employees should be at office- eg Quarterly townhalls / celebrations at office, performance appraisal discussions, conferences, training at workplace etc

COMPLETELY REMOTE / WORKING FROM HOME

- Set rules around expectations from employees- logging time, tools that organisation may use to track, daily status calls/ status reports, all calls mandatorily video calls etc
- Governance mechanisms- daily status calls/ daily/weekly status reports
- Mandatory days/events that employees should be at office- eg Quarterly townhalls / celebrations at office, performance appraisal discussions, conferences, training at workplace etc

Basic HR Processes – Compensation

Organisation Level -

Set annual budgets for hiring, possible increments, un planned compensation changes for retention
Review budget v/s actuals quarterly
Set hiring targets, review hiring charts on quarterly basis

Manager level –

Manage attrition of key people to reduce hiring costs and unplanned compensation increases
Keep teams motivated to reduce attrition

HR Level-

Regularly benchmark Organisation compensation charts, perks and benefits with competitors
Review hiring and compensation charts with Sr Management regularly comparing with benchmarking
Work on other initiatives- career counselling, training & development etc to keep employees motivated
Analyse shifts in compensation costs, trend of unplanned compensation hikes

Offer and Appointment Letter – Salient points

- Welcome to the organisation
- Designation, Grade, Department being offered
- Compensation – Fixed, Variable (if any).
- Latest date of joining
- Probation period
- Maintaining confidentiality
- Non disclosures
- Handling organisation assets
- Dual employment
- Notice period applicable
- Code Of Conduct to be followed
- Timelines for offer acceptance

HR and Employee Engagement

- Various forms of engaging with employees –
- FUN celebrations- birthdays, national days(Music day, Independence day, Mother/Fathers Day, picnics, annual get togethers etc
- Work related engagements – Townhalls led by CEO/Sr Management, Awards ceremonies, Career counselling/ progression discussions, Learning programs.
- Wellness related – Mental health awareness and support, Regular health check ups, tie ups with doctors for talks, yoga sessions etc.

HR Policies

Do Non Profit Organisations need Policies?

- Irrespective of kind of organisation- if you hire employees/ contractors - compliance to employment regulations are a must.
- Absence of a profit motive or gainful objective is irrelevant, regardless of the sector the enterprise is in.
- If there is - (i) systematic activity, (ii) organised by cooperation between employer and employee, (iii) for the production and/or distribution of goods and services calculated to satisfy human wants and wishes
- Payment of wages act, Bombay Shops & Establishments Act will apply.
- Social legislations like – Provident Fund, ESIC, Maternity Benefit Act will apply.

Even In NGOs

1. Employees will have the right to be compensated for any injury incurred during employment.
2. Employers must contribute to the employee's state insurance fund and provident fund.
3. Employers should extend 26 weeks of paid holiday (maternity benefit) to eligible women employees. Creche facility should also be extended if the organization has more than the prescribed number of employees.
4. Employers should account for payment of gratuity to employees who render continuous service of five years.
5. Employees will be eligible for sick, earned, national and festival holidays / leaves.
6. If employees are required to work beyond nine hours in a day or forty-eight hours in a week, overtime wages at double the rate of regular wages should be paid.
7. Companies investing in NGOs would also consider these aspects before investing - as non compliance would tarnish their image as well.

Key Important Policies to have

1. Recruitment & Hiring, BGV
2. Employment Contracts
3. Code of conduct – ethics, gifting, anti bribery, drugs & alcohol, Non discrimination
4. Probation & confirmation
5. Performance appraisals
6. Leave (plus Maternity, Paternity Leave)
7. Travel – Domestic / International
8. Benefits- Gratuity, Provident Fund, ESIC, Medical Others
9. POSH
10. Termination Of Employment
11. Whistleblower
12. Grievance
13. Working Models – Hybrid / Work from home

Key Must-haves in the Policy document?

- Preamble- reiterate the company's stance on the subject/ why the particular policy is important to the Organisation
- Objective & Scope of policy- applicable to whom, who are out of scope, why establish this policy etc
- Definitions – Company, Employer, Employee, any committees, workplace, complainant/ beneficiary other parties involved.
- Guidelines to follow the policy, Dos & Don't's
- How Tos – Raise complaints/ travel/reimbursement requests/grievances etc
- Redressal Mechanism- how will complaints/ requests be addressed, timelines for redressal, ownership and responsibilities.

Some Inputs on the Policies

RECRUITMENT & HIRING

Objective :

To cover various aspects like hiring, interviewing & final decision to hire.

Must ensure its fair, effective and compliant.

EMPLOYMENT CONTRACTS

Objective:

Clearly articulate the terms and conditions of the contract / agreement between employer and employee / intern/ consultant. Policy must take into account applicable laws like- Shops & Establishments or other legislations like PF, ESIC etc

Need - to help navigate through the diverse & complex Indian Laws, safeguard the company against law suits.

Some Inputs on the Policies

CODE OF CONDUCT

Objective:

Articulate the Mission, Vision, Ethics of the Organisation and rules of work that employees must abide by. Helps build the right business environment for employees

Should include policies on – Dress Code, Gifting, Anti Bribery, Drugs & Alcohol, Non discrimination, Usage of electronics, conflict of interest etc

Should include process to raise Breach Of Conduct.

PROBATION & CONFIRMATION

Objective :

Probation period – normally 3 months, is a time for the organisation to judge the capabilities, potential and performance of the new employee.

Should define terms and conditions to be followed by employee, code of conduct, goals to be achieved / expected performance during the period.

Should define what happens post confirmation.

Some Inputs on the Policies

PERFORMANCE APPRAISALS

Objective:

To give employees a clear articulation of what is expected from them.

Create an appropriate framework to manage the employee performance,

Involves identifying, measuring, managing & developing employee's performance in the organisation.

Have a process to set expectations with employees, give and take feedback from time to time.

Can be done using different tools & techniques

Some Inputs on the Policies

LEAVE

Objectives:

Provide a clear picture of number days employees can take time off from work.

Shops & Establishments Act governs minimum paid holidays in a year. Organisations to adhere to it.

Can categorise into CL/SL/ PL based on its convenience.

Should include various scenarios in which formal leave can be applied, eligibility for different types of leave, dos and don'ts for employees.

Must include information on Public Holidays, National Holidays, terms and conditions of Leave Without Pay (incl % of salary cut as a consequence) and an Annual Leave Calendar.

MATERNITY & PATERNITY LEAVE

Objectives:

Inform women employees about rules for Maternity Leave, eligibility, dos and don'ts and their responsibilities while applying for such leave. Mandatory in Organisations with 10 or more employees.

Inform male employees about rules for Paternity Leave, eligibility, dos and don'ts and their responsibilities while applying for such leave. Not mandated by legislation.

Some Inputs on the Policies

TRAVEL

Objectives:

Provide a clear picture to employees needing to travel for work- terms and conditions of undertaking such travel, costs that will be reimbursed/ paid for by the Organisation, approval process, slabs for accommodation, local transport, food & client entertainment.

Must include dos and don'ts of travel (e.g.: employee cannot make their own flight arrangements / If travelling by own car, car should be insured, driver should have proper driving license etc).

Some Inputs on the Policies

PREVENTION OF SEXUAL HARASSMENT (POSH)

Objectives:

To provide for a safe work environment for all women employees/interns/contractors

Articulate process for women employees to raise a harassment complaint, redressal process, ownership, accountability, timelines for redressal, details of Internal Committee members.

Must assure women employees Organisation's seriousness about POSH & protecting women.

Methods to be used by organisation to create awareness

Mandate for organisations with 10 or more employees.

GRIEVANCE HANDLING

Objectives:

To provide a platform for employees to raise issues/concerns/unhappiness in various areas of working without worrying about consequences

Articulate the process to raise grievances, resolution mechanism, timelines/ SLAs for resolution, ownership, communication.

Some Inputs on the Policies- Benefits

PROVIDENT FUND

Objectives:

Provide a clear picture to employees about the applicability of inclusion in PF, deductions details, benefits of PF. Employer and employee contributions, possibility and process of initiating Voluntary Provident Fund.

Is a mandate for organisations with 10 or more employees.

MEDICAL INSURANCE, ESIC,

Objectives:

To provide a clear understanding to employees about insurance benefits provided

Benefits of being registered under ESIC

Must cover – eligibility, coverage, inclusion, exclusions, exceptions handling, entry and exit points, employer's role and employee's role in the process.

Some Inputs on the Policies- Benefits

GRATUITY

Objectives:

Articulate conditions under which employees will be eligible to receive gratuity from employer upon separation from the Organisation, eligibility and Dos and Donts for employees.

Some Inputs on the Policies

SEPARATIONS & TERMINATION POLICY

Objective:

Provide guidelines to end an employee's tenure- voluntary / involuntary / retirement/ death.

Must ensure fair, legally compliant process

Must articulate areas like notice period, Organisation's data & asset handling, employee rights, employer rights- under each scenario- resignations, terminations, retirement, death. Must articulate for all kinds of hires- employees, interns, consultants.

Must articulate process and consequences of termination from work.

Needed to be able protect organisations' interest in case of litigation, for positive employer-employee relations, and organisation's social standing as a fair one.

WHISTLE BLOWER POLICY

Objective :

Provide a safe, confidential channel for employees to report behaviour that is unethical, illegal, or against the organisation's Code Of Conduct, without any fear of retaliation or punitive action.

Will promote a culture of honesty, trust and uphold the organisation's values among employees.

Some Inputs on the Policies- Working Models

HYBRID WORKING

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Thank You