

# Organization Policies & Processes Manual

## (Practical & Example-Based)

**Document Type:** Master Organizational Policy & Process Repository

**Industry:** Software / Technology Company

**Intended Use:** Operational governance + AI agent training & testing database

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## 1. Purpose

The purpose of this document is to define **end-to-end organizational policies, procedures, workflows, and examples** for a typical software company. It is designed to: - Standardize decision-making and operations - Provide real-world examples for clarity - Serve as a **reference dataset** for AI agent reasoning, policy interpretation, and workflow automation

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## 2. Scope

This document applies to: - All employees (full-time, part-time) - Contractors and consultants - Interns - Third-party vendors accessing company systems or data

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## 3. Governance & Document Control

### 3.1 Policy Ownership

Area	Owner	Reviewer	Approver
HR Policies	Head of HR	Legal	CEO
Security Policies	CISO / IT Head	Compliance	CEO
Finance Policies	CFO	Audit	CEO
Engineering Processes	CTO	Architecture Board	CEO

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### 3.2 Review & Update Cycle

- Policies reviewed **annually** or upon:
- Regulatory change
- Security incident
- Organizational restructuring

#### Example:

If a new data privacy law is enacted, the Data Protection Policy must be reviewed within 30 days.

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## 4. Organizational Structure & Authority

### 4.1 Typical Structure

- CEO / Managing Director
- CTO (Engineering, IT)
- CPO (Product)
- CFO (Finance)
- Head of HR
- Sales & Marketing Director
- Security & Compliance Officer

### 4.2 Delegation of Authority (Example)

Decision Type	Level 1	Level 2	Level 3
Expense Approval	Manager (<\$1,000)	Director (<\$10,000)	CEO (>\$10,000)
Hiring Approval	HR + Manager	Dept Head	CEO
Vendor Contract	Procurement	Legal	CEO

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## 5. Approval & Decision-Making Processes

### 5.1 General Approval Policy

- All approvals must be:
- Documented (email / system)
- Traceable
- Time-bound

### 5.2 Example: Purchase Approval Workflow

1. Employee submits purchase request
2. Manager reviews business need
3. Finance checks budget
4. Procurement selects vendor
5. Final approval issued

#### AI Test Scenario Example:

"Can a team lead approve a \$5,000 SaaS tool purchase?"

→ AI should evaluate approval thresholds and answer **No, Director approval required.**

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## 6. Human Resources (HR) Policies

This section defines **detailed, end-to-end HR processes** with roles, inputs, outputs, and practical examples. These are written to reflect how HR actually operates in a software company.

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## 6.1 Workforce Planning Process

**Objective:** Ensure the right number of people with the right skills are available at the right time.

**Process Steps:** 1. Department submits annual manpower plan 2. HR consolidates and reviews budget impact 3. Finance validates cost 4. Executive approval

**Inputs:** Business roadmap, attrition data

**Outputs:** Approved hiring plan

**Example:**

Engineering forecasts 3 backend hires due to a new product launch.

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## 6.2 Recruitment & Hiring Process (Descriptive, Narrative Style)

The recruitment and hiring process in a software organization is designed to balance **speed, quality, fairness, cost control, and compliance**. Unlike manufacturing or transactional hiring, software hiring is skill-intensive and judgment-heavy, which means decisions often involve subjective evaluation layered on top of objective criteria.

The process begins when a **business need emerges**, such as a new project, product expansion, replacement hiring due to attrition, or a strategic capability gap. This need is first articulated by the Hiring Manager, who translates a loosely defined requirement (e.g., "we need faster backend delivery") into a formal job requisition.

The **job requisition** is not merely an administrative request. It captures role justification, expected outcomes, seniority level, cost center, location, and whether the role is permanent, contractual, or temporary. HR reviews this requisition not only for completeness, but also to assess internal alternatives such as redeployment, upskilling, or role consolidation.

Once HR validates that the role is justified and budgeted, the **job description is refined collaboratively**. In software companies, job descriptions often evolve during this phase, as hiring managers clarify which skills are must-have versus good-to-have. HR ensures that language remains inclusive, legally compliant, and aligned with internal role frameworks.

The **sourcing phase** then begins. Candidates may be sourced through multiple channels simultaneously: employee referrals, internal job postings, professional networks, recruitment platforms, and external agencies. HR maintains visibility into all channels to avoid duplication and bias.

**Screening** is a multi-layered activity. Initial resume screening filters candidates based on baseline qualifications. This is followed by technical screenings that may include coding tests, problem-solving exercises, or portfolio reviews. At this stage, rejection decisions are documented to maintain auditability and fairness.

The **interview process** typically unfolds over multiple rounds. Technical interviews assess depth of knowledge, design thinking, and problem-solving approach rather than rote answers. Behavioral interviews explore collaboration style, adaptability, ethical judgment, and cultural alignment. Interviewers are expected to submit structured feedback rather than informal opinions.

After interviews conclude, HR consolidates feedback and facilitates a **decision discussion**. Disagreements between interviewers are not uncommon and are resolved through evidence-based discussion rather than hierarchy alone. For senior roles, this discussion may involve multiple stakeholders including the CTO or CEO.

Once a candidate is selected, the **offer formulation stage** begins. Compensation is determined within predefined salary bands, but flexibility may be exercised based on scarcity of skills, competing offers, or strategic importance of the role. Any deviation from standard compensation ranges requires documented approval.

The **offer approval process** ensures checks and balances. HR validates compensation alignment, Finance confirms budget impact, and senior leadership provides final authorization where required. Only after all approvals are secured does HR release a formal written offer.

The recruitment process formally concludes only when the candidate accepts the offer and joins the organization. However, HR continues to track metrics such as time-to-hire, offer acceptance rate, and early attrition to continuously improve the process.

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### **6.3 Background Verification (BGV) Process**

**Objective:** Validate candidate credentials and reduce hiring risk.

**Checks Include:** - Employment history - Education - Criminal record (where legally allowed)

**Example Rule:**

Candidate joins on "BGV Pending" status but confirmation depends on clearance.

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### **6.4 HR Onboarding Process (Descriptive, Narrative Style)**

Onboarding in a software company is not treated as a single-day administrative event, but as a **structured transition period** during which a new hire gradually becomes a productive and culturally aligned contributor. Poor onboarding is a common root cause of early attrition and performance issues, particularly in technical roles.

The onboarding process starts **well before the employee's first working day**. After offer acceptance, HR initiates pre-joining communication to set expectations, collect mandatory documents, and explain logistical details. At the same time, parallel internal workflows are triggered for IT access, asset provisioning, and workspace preparation.

From an HR perspective, pre-joining onboarding serves two purposes. First, it reduces Day 1 friction by ensuring that administrative requirements are completed in advance. Second, it reinforces the employee's decision to join by maintaining engagement during the notice period.

**Day 1 onboarding** is carefully structured. New hires are formally welcomed, introduced to organizational values, and oriented on policies such as code of conduct, information security, and acceptable use of systems. Rather than overwhelming employees with excessive information, HR prioritizes clarity on what is immediately relevant.

IT onboarding runs in parallel. Access to systems is provisioned strictly based on role and follows the principle of least privilege. For example, a new engineer may receive access to development repositories but not production systems. Any exceptions must be explicitly approved and documented.

Beyond administrative setup, onboarding places strong emphasis on **role clarity**. The reporting manager explains expectations, success metrics, and short-term priorities. Many software companies assign a buddy or mentor to help the new hire navigate informal processes that are not documented.

The onboarding period typically extends through the **first 30, 60, and 90 days**, during which structured check-ins are conducted. These check-ins are not performance evaluations, but feedback loops to identify gaps in training, tools, or support.

Successful onboarding is considered complete only when the employee demonstrates functional independence, understands how their work contributes to broader objectives, and feels socially integrated within the team.

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## 6.5 Probation & Confirmation Process

**Objective:** Evaluate employee suitability.

**Steps:** 1. Probation goals set 2. Mid-probation review 3. Final evaluation 4. Confirmation / Extension / Exit

**Example Rule:**

Unsatisfactory performance → probation extended by 3 months.

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## 6.6 Performance Management Process

**Objective:** Align employee goals with business outcomes.

**Cycle:** - Quarterly OKRs - Mid-cycle feedback - Annual appraisal

**Performance Ratings Example:** | Rating | Meaning | |----|----| | Exceeds | Consistently above expectations | | Meets | Fully meets expectations | | Needs Improvement | Below expectations |

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## 6.7 Learning & Development (L&D)

**Objective:** Upskill employees continuously.

**Process:** 1. Skill gap identification 2. Training nomination 3. Training delivery 4. Feedback & certification

**Example:**

Cloud certification sponsored after manager approval.

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## **6.8 Compensation, Benefits & Payroll Process**

**Components:** - Fixed pay - Variable pay - Benefits

**Payroll Process:** 1. Attendance finalization 2. Payroll processing 3. Statutory deductions 4. Salary disbursement

**Example Rule:**

Salary credited on last working day of month.

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## **6.9 Leave & Attendance Management**

**Process:** 1. Employee applies leave 2. Manager approval 3. HR monitoring

**Example Rule:**

More than 5 consecutive leaves require HR approval.

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## **6.10 Employee Relations, Grievance & Disciplinary Process**

**Grievance Handling Steps:** 1. Complaint submission 2. Investigation 3. Resolution 4. Closure communication

**Disciplinary Actions:** - Warning - Suspension - Termination

**Example:**

Harassment complaint escalated to Internal Committee.

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## **6.11 Separation & Exit Management Process**

**Types:** - Resignation - Termination - Retirement

**Process Steps:** 1. Resignation submission 2. Notice period management 3. Knowledge transfer 4. Exit interview 5. Final settlement 6. Access revocation

**Example Rule:**

Notice period: 30 days (can be bought out with approval).

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## **6.12 HR Records & Data Management**

- Employee records confidential
  - Retention: 7 years
  - Access limited to HR
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## 7. Information Security Policies

### 7.1 Security Governance

- CISO responsible for security
  - Security Steering Committee meets quarterly
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### 7.2 Access Control Policy

- Role-based access
- Least privilege
- MFA mandatory

**Example:**

A QA engineer cannot access production databases without temporary approval.

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### 7.3 Data Classification

Level	Description	Example
Public	No restriction	Marketing website
Internal	Employees only	Org charts
Confidential	Restricted	Customer data
Restricted	Highly sensitive	Encryption keys

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### 7.4 Acceptable Use Policy

- Company devices for business use
  - No unauthorized software
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### 7.5 Security Incident Management

**Process:** 1. Incident detected 2. Report within 1 hour 3. Containment 4. Root cause analysis 5. Corrective actions

**Example Incident:**

Phishing email clicked → Password reset + awareness training.

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## 8. IT & Engineering Processes

### 8.1 Software Development Lifecycle (SDLC)

1. Requirements

2. Design
3. Development
4. Testing
5. Deployment
6. Maintenance

**Example:**

All production deployments require: - Code review - Automated tests - Change approval

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## 8.2 Change Management

**Change Types:** - Standard - Emergency - Major

**Example:**

Emergency hotfix can bypass CAB but must be reviewed post-release.

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## 8.3 Release Management

- Versioning (Semantic)
  - Rollback plan mandatory
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# 9. Product Management Processes

- Roadmap planning quarterly
- Feature prioritization using business value

**Example:**

Customer-reported security bug gets higher priority than UI enhancement.

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# 10. Sales & Marketing Policies

## 10.1 Sales Approval Policy

Discount	Approval
≤10%	Sales Manager
11–25%	Sales Director
>25%	CEO

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## 10.2 Contract Management

- Legal review mandatory
- Standard templates preferred

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## 11. Finance & Accounting Policies

### 11.1 Expense Policy

- Receipts required
- Expense claims within 30 days

**Example:**

Alcohol expenses not reimbursable unless client-related and approved.

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### 11.2 Procurement Policy

- Minimum 3 vendor quotes for >\$5,000
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## 12. Legal & Compliance Policies

- IP belongs to company
  - NDA mandatory
  - Record retention: 7 years
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## 13. Risk Management & Internal Controls

**Risk Categories:** - Operational - Financial - Security - Compliance

**Example:**

Single developer having full prod access → High risk → Mitigation required.

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## 14. Business Continuity & Disaster Recovery

- Daily backups
- DR drills annually

**Example:**

RTO: 4 hours

RPO: 1 hour

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## 15. Third-Party & Vendor Management

- Due diligence required
  - Security assessment
  - SLA monitoring
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## **16. Ethics, Whistleblower & Anti-Fraud Policy**

- Anonymous reporting channel
  - Non-retaliation guaranteed
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## **17. Policy Exceptions & Waivers**

**Process:** 1. Exception request 2. Risk assessment 3. Approval 4. Time-bound exception

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## **18. Policy Acknowledgment**

All employees must formally acknowledge understanding of these policies.

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## **19. AI Agent Test Scenarios (Sample)**

1. "Employee wants prod access for 2 days – what approvals needed?"
  2. "Sales offers 30% discount – who approves?"
  3. "Engineer works from another country – what policies apply?"
  4. "Security incident detected at 2 AM – what is the process?"
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## **20. Revision History**

Version	Date	Change	Approved By
1.0		Initial Release	CEO