

Disciplinary Action Policy

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1. Introduction

1.1 Objective

To define the guidelines for handling cases of indiscipline on account of absenteeism, violation of company policies, values, misconduct, breach of information security, confidentiality, and employment agreement. The main objective of having a disciplinary procedure is to encourage improvement in an employee whose conduct is found to be less than acceptable standards.

All cases of indiscipline include but are not limited to absenteeism, violation of company policies, stated and implied code of conduct, values, breach of information security, harassment, conflict of interest, legal and accounting frauds, unethical conduct, confidentiality, and employment agreement.

Any employee who is suspected or found to be guilty will undergo investigation as per the process. It is important to act promptly and fairly to ensure that the cases of indiscipline are handled sensitively, so that no untoward precedence is set.

1.2 Scope

All SGA employees including contractual and interns based out of Pune.

1.3 Glossary of terms

Terms	Description
BUH	Business Unit Head
DH	Department Head
Dy. MR	Deputy Management Representative
HR	Human Resource
RM	Reporting Manager
MR	Management Representative

2. Responsibility

The HR Department would be responsible for verifying the effectiveness of the policy and its revision whenever required.

3. Process

2.1 General Guidelines

1. The HR along with respective DH would be responsible for implementation of the Disciplinary Action Policy
2. Managers may refer to HR (Sandeep Datta & Shweta Navarkar) at any time for interpretation of the policy guidelines
3. All actions must follow progressive disciplinary procedure (Verbal Warning to be followed by First Warning Letter and then, Second Warning Letter). However, the RM / DH may exercise discretion to accelerate action at any stage, if the situation so warrants, in consultation with HR. The gravity of the misconduct / indiscipline / breach of information security should be decided by taking into consideration the following parameters:

- a. Effect on the business
 - b. Impact on the clients or vendors or the image of the organization
 - c. Reaction of other employees / precedence setting
 - d. Breach of information security / leak of proprietary information
4. The act of indiscipline should be classified as any of the following:
 - a. Not Serious (Warrants corrective action only or no further action)
 - b. Serious (Warrants some form of disciplinary action)
 - c. Very Serious (Warrants dismissal from service)
5. A Committee may be constituted to understand the severity of the incident or to steer the investigation and the subsequent proceedings. The members of the Committee will be chosen by the HR. The members may include BUH/ DH, representative from Finance, Administration and HR Head. The Committee shall ensure that fair action is taken and that the values of the organization are constantly upheld. The decision of the Committee will be final and binding upon the Managers
6. If the act of indiscipline is not severe, a corrective action (a verbal warning, counseling session, or any other plan that necessitates improvement / correction) is advised to be initiated. A disciplinary action against the erring employee needs to be initiated, if the incident is gross, or there is no scope of tolerance on part of the organization, or the employee refuses to heed to the warnings (verbal / written) served (Refer to Annexure - 5)
7. Managers may initiate the corrective action procedure at any stage, as detailed in this document, and may recommend for immediate termination of an individual's employment, if the situation so warrants in consultation with the Committee/ HR and BUH
8. Substantial evidence along with the details of the incident must be documented and provided to the Committee / HR and BUH / DH by the RM
9. In cases of a suspected or known company policy violation / integrity issues, the RM must raise the concern to the HR for review and immediate action
10. RM / DH / concerned representative from HR / all members of the Committee must ensure 100% confidentiality of all disciplinary action related discussions
11. Keeping in line with our company's value of ensuring equal opportunities to all its employees, it is imperative that no discrimination be meted out to any employee on the grounds of gender, race, caste, creed etc either during the investigation proceedings or during the course of the disciplinary process
12. Managers are bound to take action as specified or decided by the Committee / HR within five (5) working days
13. It is mandatory to document the sequence of the events pertaining to the disciplinary as well as corrective action. Clear description of the incident, the effect (damages - potential and actual) and the action that the incident warrants, the subsequent proceedings (if any) should be documented with copies to the parties concerned

Note:

For cases of low performance, please refer to 'PIP Policy', available on HRMS.

For cases of unscheduled absenteeism, please refer to 'Leave Policy' available on HRMS.

2.2 Guidelines for Handling Indiscipline

1. **Encourage improvement:** The main purpose of operating a disciplinary procedure is to encourage improvement in an employee whose conduct is below acceptable standards
2. **Act promptly:** Problems dealt with early enough can be 'nipped in the bud'; whereas delay can make things worse as the employee may not realize that they are below standard unless they are told. Arrange to speak to the employee as soon as possible – the matter may then be dealt with in an informal manner and not as part of the disciplinary process
3. **Gather the facts:** By acting promptly, the RM can clarify what the problem is and gather information before memories fade, including anything the employee has to say. Where necessary, statements should be obtained from witnesses at the earliest opportunity. Keep records of what is said – copies may need to be given to the individual if the matter progresses any further. Relevant personal details such as previous conduct, length of service and any current warnings will need to be obtained before the meeting, as well as any appropriate records and documents
4. **Be firm and fair:** Whilst maintaining satisfactory standards and dealing with disciplinary issues requires firmness on the part of the Committee it also requires fairness. Be as objective as possible, keep an open mind, and do not prejudge the issues
5. **Stay calm:** Conduct enquiries, investigations, and proceedings with thought and care. Avoid snap decisions, or actions in the heat of the moment. The disciplining of an employee is a serious matter and should never be dealt with casually
6. **Be consistent:** The attitude and conduct of employees may be seriously affected if management fails to apply the same rules and considerations to each case. Try to ensure that all employees are aware of the organization's normal practice for dealing with misconduct
7. **Consider each case on its merits:** While consistency is important, it is also essential to take account of the circumstances and people involved. Personal details such as length of service, past disciplinary history and any current warnings will be relevant to such considerations. Any provocation or other mitigation also needs to be taken into account. Any decision to discipline an employee must be reasonable in all the circumstances and must not discriminate on grounds of age, race, sex, disability, sexual orientation, religion, or belief
8. **Follow the policy:** The disciplinary procedure must be followed and the supervisor or manager should never exceed the limits of his or her authority

2.3 Overview of Procedure

1. The RM will inform the concerned employee through an email regarding the disciplinary action being initiated against him / her, specifying clearly the reasons for initiating the same. This information will be copied to Head HR as well

2. The employee will be invited for a formal disciplinary meeting facilitated by HR and chaired by the concerned RM / DH. In case, if a Committee is involved in the investigation proceedings, then all the Committee members would be required to be present. The employee should be given reasonable notice to come prepared for the meeting
3. The employee should be provided with the copies of any document / material that are intended to be used in advance of the meeting as far as possible
4. The employee is entitled to request for rescheduling of the disciplinary meeting, if unforeseeable circumstances arise after the meeting has been arranged. The meeting can be rescheduled only once. If the employee does not attend the rescheduled meeting, the RM / BUH and HR may decide future course of action without any further consultation with the concerned employee
5. At the meeting, the incident and available evidence will be reviewed by the investigating Committee comprising of the BUH , HR Head and representatives from Finance and Administration to decide future course of action
6. It is recommended that no more than five (5) working days elapse between the time the RM discerns of the act of indiscipline and the final action is taken. However, in case there is anticipated or actual delay in taking action against the concerned employee, the reasons must be clearly documented, and informed to all concerned Committee members
7. If disciplinary or corrective action is not required, no further action needs to be taken. This must be confirmed to the employee in writing
8. If the employee displays improvement during the course of disciplinary proceedings within the stipulated time frame or, after being issued a verbal warning or first warning letter or second warning letter, appropriate recourse will be decided by the RM / BUH in consultation with HR

2.4 Stepwise Procedure

(For templates of warning letters, action plans refer to “Annexure”)

STEP I –Disciplinary Action

(Verbal Warning, First Warning Letter, and Second Warning Letter).

Since, all actions must follow progressive disciplinary procedure, it is important to adhere to the following steps.

Activities:

1. Two- way discussion between employee and RM and a summary of the discussion should be documented to include the following:
 - a. Report of the incident
 - b. Expectations and responsibilities
 - c. Reasons for below-standard conduct
 - d. Developmental action plan for improvement

- e. Time frame for expected improvement (sustained satisfactory improvement may be required for 60 days)
 - f. Possible consequences of failure to meet improvement expectations
2. In case of severity of the issue, BUH and representative from HR should be present at the time of meeting and may get involved at the time of issuance of warning wherever necessary
 3. RM is responsible for providing necessary documentation to HR, for updating in the employee's personal file
 4. Between each of the progressive disciplinary actions (Verbal Warning, First Warning Letter, and Second Warning Letter), a review period of 30 days is suggested. This is to track the improvements that have been suggested, and give an employee adequate time to correct his / her behaviour
 5. A total time of 90 days is provided to an employee to abide by the improvement plan and come up to acceptable standards
 6. Corrective action may be accelerated if there are no evident changes in the conduct, at any time within 30 days from the date of issuance of a disciplinary action (Verbal Warning, First Warning Letter, and/Second Warning Letter)

Owner: RM

STEP II: Review for Termination of Employment

Becomes applicable when an employee has not shown any improvement in his / her conducts as per Step I or if he / she qualifies for such action as per defined triggers (Refer to Annexure - 5).

Activities:

1. RM needs to take approval of the BUH and refer all such cases to HR, which in turn would review reasons for termination of employment. A collective decision needs to be arrived at after reviewing all documentation / RM's feedback and a discussion with the concerned employee. All termination letters will be issued only through Head, HR
2. HR Department and Finance Department are responsible for settling all exit as well as full & final formalities of the concerned employee

Owner: RM / BUH / Head, HR

Annexure – 1 – Documentation of Verbal Warning and Meetings

Employee name:		Reporting Manager:	
Employee ID:		Department:	
Description of violation of guidelines (specify date and nature of misconduct):			Expectations and Responsibilities:
S. No:	Description	Date	
1			
2			
3			
4			
5			
Follow- up Actions			Date
1			
2			
3			
4			
5			

This document remains active for 30 days from the date of issuance. If deficiencies noted above are not corrected and such correction is not maintained it will result in further corrective action up to and including termination of your services. Signatures indicate that the subject matter mentioned herein has been discussed.

Reporting Manager's Signature:
Date of Issuance of Verbal Warning/ Meeting:

Closure Date:
(30 days from the date of
issuance of this letter)

Annexure – 2 - Letter 1- First Warning Letter

Date:

Employee name:		Reporting Manager:	
Employee ID:		Department:	

Dear <<Employee Name>>,

Yours sincerely,

Human Resources Manager's Signature:	Department Head's Signature:
Date:	Date:
Reporting Manager's Signature:	Employee's Acceptance:
Closure Date: (30 days from the date of issue of this letter)	

Annexure – 3 - Letter 2- Second Warning Letter**Date:**

Employee name:		Reporting Manager:	
Employee ID:		Department:	

Dear <<Employee Name>>,

Yours sincerely,

Human Resources Manager's Signature:	Department Head's Signature:
Date:	Date:
Reporting Manager's Signature:	Employee's Acceptance:
Closure Date: (30 days from the date of issue of this letter)	

Annexure – 4 - Letter of termination

Date:

Employee name:	
Employee ID:	
Employee Address:	

Subject: Termination

For **SG Analytics Pvt. Ltd.**

(Head, Human Resources)

Annexure – 5 - Disciplinary Proceedings

The violation steps outlined in this document are to be used as guidelines and are subject to change based on review with HR /BUH. Please follow the detailed guidelines in the policy before initiating the proceedings. The list is non-exhaustive and not at all inclusive one. It is important that all cases of indiscipline across the organization are treated in a uniform manner.

Policy/ Process/ Code of Conduct	Classification of the Misconduct	1 st Violation	2 nd Violation	3 rd Violation	4 th Violation
1. Unprofessional Behavior:					
Improper/Unprofessional tone/ language, use of derogatory slang, gesticulation, in oral or written form etc.	Serious	Verbal	Warning Letter 1	Warning Letter 2	Termination
Sleeping on the job-at the workstation, resulting in loss of productivity	Not Serious/ Serious	Verbal	Warning Letter 1	Warning Letter 2	Termination
Indirect/direct use of profanity (includes, mumbling, swear words, vulgarity etc.)	Serious	Warning Letter 1	Warning Letter 2	Termination	
Sending/ showing emails/ SMS/ letters/sites etc carrying objectionable contents	Serious	Verbal	Warning Letter 1	Warning Letter 2	Termination
Making derogatory comments on racial, sexual, or sexual orientation nature	Serious / Very Serious	Warning Letter 1	Termination		
Use of highly aggressive physical or verbal intimidation/threats	Very Serious	Warning Letter 1	Termination		
Being under the influence of/ in possession of drugs, alcohol etc. while on company premise, official tour or on onsite travel	Very Serious	Termination			
Abuse/ Misuse or destruction of organization and or colleague's property	Very Serious	Warning Letter 1	Termination		
Unauthorized use of organization's facilities or equipment	Very Serious	Warning Letter 1	Termination		
2. Spending Time while at Work:					
Excessive number and amount of time spent on incoming/ outgoing personal calls thereby resulting in loss of productive hours	Not Serious/ Serious	Verbal	Warning Letter 1	Warning Letter 2	Termination
Surfing the internet for personal reasons	Not Serious/ Serious	Verbal	Warning Letter 1	Warning Letter 2	
Unapproved time away from work	Serious	Verbal	Warning Letter 1	Warning Letter 2	Termination
Extended break hours resulting in loss of productivity	Not Serious/ Serious	Verbal	Warning Letter 1	Warning Letter 2	Termination
3. Integrity:					
Tampering time-office records –	Serious	Warning	Termination		

Disciplinary Action Policy

Policy/ Process/ Code of Conduct	Classification of the Misconduct	1 st Violation	2 nd Violation	3 rd Violation	4 th Violation
misrepresenting time, clocking for another employee or allowing any other employee to clock for your time		Letter 1			
Forging/ falsification of any company document	Serious	Warning Letter 1	Termination		
Misusing system access	Serious	Warning Letter 1	Termination		
Forging/ falsification of any personal document including employment application, employment records or work-related documents	Very Serious	Termination			
Misuse, removal or disclosure of client list/ employee lists, company records or confidential information of any nature from the premises without proper authorization	Very Serious	Termination			
4. Violation of Information Security Policies:					
Sharing passwords without Reporting Manager's approval	Serious	Warning Letter 1	Termination		
Unauthorized use/ excessive use of internet websites and chat rooms not related to the performance of work duties	Serious	Verbal	Warning Letter 1	Termination	
Organizational systems used to create, transmit, receive, or access any information or files that may potentially contain sexual implications, racial slurs, gender-specific comments, or any other comments that may offensively address age, gender, race, religious beliefs, disability	Serious / Very Serious	Warning Letter 1	Termination		
Allowing a non-employee to access and use organization's systems	Serious / Very Serious	Warning Letter 1	Warning Letter 2	Termination	
Any intentional or unintentional action that results in potential legal action, monetary losses, and/ or physical endangerment to clients, colleagues, third parties, higher risk to Business Continuity (E.g. looking up salary related information and disclosing to another employee. E.g. frauds/ act of dishonesty)	Serious / Very Serious	Warning Letter 1	Warning Letter 2	Termination	
Sharing of confidential information/ practices/procedures through email/print/ any other medium with third parties/ competitors etc.	Serious / Very Serious	Warning Letter 1	Termination		
5. Client Dissatisfaction:					
Discourteous behaviour with	Serious / Very Serious	Warning	Termination		

Policy/ Process/ Code of Conduct	Classification of the Misconduct	1 st Violation	2 nd Violation	3 rd Violation	4 th Violation
client (E.g. disconnecting calls, use of inappropriate language, slur, slander etc.),immoral/indecent conduct (includes behaviour while onsite) which could result in loss of business for the organization and/ or loss of credibility		Letter 1 / Termination			
6. Conflict of Interest:					
Actions, which lead to a criminal conviction for offenses that include, but are not restricted to crimes of dishonesty, breach of trust, money laundering, drugs or violence	Very Serious	Termination			
Conduct or employment that create(actually/ seemingly) conflicts between personal interest and the interests of the organization	Very Serious	Termination			