

M&A HR Integration Readiness Checklist



A Practical Guide: Assessing People, Processes, Compliance, and Culture Risk Before and After a Transaction

Mergers, acquisitions, divestitures, and spin-offs create significant opportunities, but they also introduce people-related complexity that can affect deal value, employee retention, compliance, operational continuity, and the employee experience.

This checklist is designed to help leadership teams, HR executives, private equity firms, and business owners identify key HR considerations before, during, and after a transaction. It can be used during due diligence, integration planning, post-close execution, or readiness planning for a future sale or spin-off.

While every transaction is unique, the most successful integrations typically have one thing in common: HR is involved early, decisions are made intentionally, and people-related risks are surfaced before they become business disruptions.

How to Use This Checklist

Use this guide to evaluate your current level of readiness across key HR integration areas. For each item, consider whether the information is complete, accurate, and ready to support decision-making.

You may wish to mark each item as:

- **Complete** — Information is available, accurate, and ready for review.
- **In Progress** — Information exists but needs validation, cleanup, or additional analysis.
- **Needs Attention** — Information is missing, outdated, inconsistent, or presents potential risk.
- **Not Applicable** — The item does not apply to the transaction or organization.

1. Transaction & Workforce Overview

Before detailed HR integration planning can begin, leadership should have a clear understanding of the transaction structure, employee population, and business objectives.

Readiness Item	Complete	In Progress	Needs Attention	N/A
Transaction type is clearly defined: acquisition, merger, asset purchase, stock purchase, divestiture, or spin-off.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Key business objectives of the transaction are documented.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Expected close date and major transaction milestones are identified.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

HR has been included in transaction planning discussions.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Employee population by entity, location, function, and employment type has been identified.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Employee census data is complete and accurate.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Key employee groups have been identified, including executives, managers, critical talent, and hard-to-replace roles.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Workforce-related risks or sensitivities have been surfaced to the deal team.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Key questions to consider:

- What is the intended people strategy after close?
- Will employees remain with their existing employer, transfer to a new entity, or receive new offers of employment?
- Are there employees in multiple states or countries?
- Are there key employees whose departure could create business disruption?

2. Employee Data & Documentation

Clean, reliable employee data is foundational to HR due diligence, integration planning, payroll transition, benefits analysis, compensation review, and communications.

Readiness Item	Complete	In Progress	Needs Attention	N/A
Current employee census includes name, title, department, manager, location, hire date, employment status, FLSA classification, pay rate, bonus/LTI eligibility, benefits eligibility, etc.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Employee records are organized and accessible.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Offer letters, employment agreements, restrictive covenant agreements, and compensation agreements have been collected.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Independent contractor agreements and vendor/consultant arrangements have been reviewed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Employee handbook and policies are current and available.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Job descriptions are current for key roles.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Performance documentation and disciplinary records have been reviewed for material issues.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Leave of absence records, accommodations, and workers' compensation matters have been identified.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Potential risk indicators:

- Incomplete or inconsistent employee census data.
- Missing offer letters or compensation documentation.
- Contractors performing employee-like work.
- Job titles that do not align with actual duties.
- Policies that are outdated or inconsistent across locations.

3. Organization Structure & Role Alignment

A transition often creates overlapping roles, unclear reporting lines, leadership changes, and uncertainty about future structure. Early organization planning can help reduce disruption and improve retention.

Readiness Item	Complete	In Progress	Needs Attention	N/A
Current organization charts are available for each company or business unit.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Future-state leadership structure has been discussed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Critical roles and key employees have been identified.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Potential role redundancies or overlaps have been identified.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Decision-making authority for organization design has been clarified.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Role mapping process has been established.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Retention risks have been assessed for key employees.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Severance, transition, or retention strategies have been considered where appropriate.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Key questions to consider:

- Which roles are essential to business continuity during the transition?
- Are there duplicate leadership or functional roles?
- Who will make final decisions about reporting lines and role changes?
- Are retention agreements or stay bonuses needed for critical employees?

4. Total Rewards: Compensation & Benefits

Compensation and benefits differences can become highly visible to employees after close. A thoughtful review helps identify cost implications, internal equity concerns, retention risks, and harmonization decisions.

Base Pay & Job Structure

Readiness Item	Complete	In Progress	Needs Attention	N/A
Base pay data has been collected for all employees.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pay frequency and payroll practices have been reviewed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Exempt and non-exempt classifications have been reviewed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Job titles and levels have been compared across organizations.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pay ranges or salary bands have been identified, if applicable.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Internal equity and pay compression risks have been assessed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pay transparency obligations have been considered for applicable jurisdictions.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Incentives, Bonuses & Long-Term Compensation

Readiness Item	Complete	In Progress	Needs Attention	N/A
Bonus plans, commission plans, incentive plans, or discretionary bonus practices have been collected.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bonus eligibility and payout timing have been reviewed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Equity, phantom equity, SARs, UARs, profit sharing, or long-term incentive arrangements have been identified.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Change-in-control, acceleration, or payout provisions have been reviewed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Outstanding promises or informal compensation commitments have been identified.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Post-close compensation harmonization needs have been assessed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Benefits & Perks

Readiness Item	Complete	In Progress	Needs Attention	N/A
Current benefits plans have been collected and summarized.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Medical, dental, vision, life, disability, retirement, and voluntary benefits have been reviewed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Employer contribution levels and employee costs have been compared.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
PTO, sick leave, holidays, and leave policies have been compared.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
COBRA, ACA, ERISA, and other benefits compliance obligations have been considered.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Benefits transition timing has been mapped to close date and payroll timing.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Employee impact of benefits changes has been assessed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Potential risk indicators:

- Significant pay differences for similar roles.
- Informal bonus promises that are not documented.
- Employees expecting equity treatment that differs from the buyer's plan.
- Benefit cost increases that may create employee dissatisfaction.
- PTO or sick leave policies that conflict with state or local requirements.

Notes: _____

5. Employment Compliance & Risk Review

Employment compliance issues can affect deal value and create post-close liability. HR should partner with legal counsel to identify high-risk areas and determine whether remediation is needed before or after close.

Readiness Item	Complete	In Progress	Needs Attention	N/A
Wage and hour practices have been reviewed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Exempt/non-exempt classifications have been assessed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Independent contractor classifications have been reviewed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Meal and rest break practices have been reviewed where applicable.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Overtime calculations, bonuses, commissions, and regular rate issues have been considered.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Final pay, wage statement, and pay frequency requirements have been reviewed for applicable jurisdictions.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Required notices, postings, acknowledgments, and onboarding documents have been reviewed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Leave of absence practices and accommodation processes have been reviewed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Open employee relations matters, investigations, complaints, or threatened claims have been identified.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Immigration, work authorization, and I-9 practices have been reviewed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Multi-state or international employment obligations have been identified.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Key questions to consider:

- Are there any known wage and hour issues that may create exposure?
- Are employees properly classified based on their actual duties?
- Are contractors being used appropriately?
- Are employment policies consistent with current federal, state, and local requirements?
- Are there open claims, complaints, audits, or investigations?

6. HR Systems, Payroll & Operations

Operational readiness is critical to a smooth Day 1 and post-close transition. Payroll, HRIS, benefits systems, timekeeping, and employee records should be reviewed early to avoid disruption.

Readiness Item	Complete	In Progress	Needs Attention	N/A
HRIS systems used by each organization have been identified.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Payroll systems, pay schedules, and payroll contacts have been identified.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Timekeeping systems and approval workflows have been reviewed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Benefits administration systems and vendor contacts have been identified.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Employee data transfer requirements have been identified.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
System access needs for Day 1 have been mapped.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Payroll transition timeline has been developed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Data privacy and security requirements have been considered.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
HR operational ownership has been clarified for pre-close, Day 1, and post-close activities.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Potential risk indicators:

- Payroll cutover timing is unclear.
- Employee data exists in multiple inconsistent sources.
- No owner has been assigned for benefits transition.
- Managers do not know which systems to use after close.
- Employees lack access to required HR tools on Day 1.

Notes: _____

7. Policies, Employee Communications & Change Management

Employees often experience uncertainty during a transaction. Clear, timely, and consistent communication can help reduce anxiety, retain key talent, and support trust in leadership.

Readiness Item	Complete	In Progress	Needs Attention	N/A
Employee communication strategy has been developed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Day 1 messaging has been drafted.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
FAQ document has been prepared for employees and managers.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Manager talking points have been developed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Communication ownership and approval process have been clarified.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Employee handbook and policy harmonization needs have been identified.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Differences in workplace norms, culture, expectations, and leadership style have been discussed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Plan exists for employee questions, concerns, and escalation paths.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Key questions to consider:

- What can be communicated before close, and what must wait until after close?
- Who will communicate with employees, and when?
- What questions are employees most likely to ask?
- How will managers be prepared to reinforce consistent messaging?
- What cultural differences could affect integration success?

Notes: _____

8. Day 1 Readiness

Day 1 does not need to solve every integration issue, but it does need to provide stability, clarity, and continuity. Employees should understand what is changing, what is not changing, where to go for help, and what is expected next.

Readiness Item	Complete	In Progress	Needs Attention	N/A
Day 1 employee communication is finalized.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Leadership announcement is prepared.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Manager talking points are finalized.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Employee FAQ is ready.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Payroll continuity plan is confirmed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Benefits continuity or transition plan is confirmed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
HR contact information and escalation process are available to employees.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Systems access, email, HRIS, timekeeping, and onboarding needs have been addressed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Critical employee retention or transition agreements are in place, if applicable.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Compliance-sensitive notices or documents are ready for distribution, if applicable.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Day 1 priorities:

- Reduce confusion.
- Maintain payroll and benefits continuity.
- Provide clear points of contact.
- Support managers with consistent messaging.
- Set expectations for future integration decisions.

9. Post-Close Integration Priorities

The work of HR integration continues well beyond close. A structured 30/60/90-day plan helps leadership prioritize decisions, manage employee expectations, and reduce operational disruption.

First 30 Days

Readiness Item	Complete	In Progress	Needs Attention	N/A
Conduct employee listening sessions or manager feedback meetings.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Validate employee data after close.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Confirm payroll, benefits, HRIS, and timekeeping stability.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Identify urgent compliance remediation needs.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Confirm leadership and reporting structure decisions.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Prioritize policy harmonization needs.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

First 60 Days

Readiness Item	Complete	In Progress	Needs Attention	N/A
Begin compensation and benefits harmonization analysis.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Assess role alignment, leveling, and job architecture needs.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Review manager capability and leadership alignment.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Develop timeline for policy updates and employee acknowledgments.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Address employee relations or culture integration concerns.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Identify integration-related training needs.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

First 90 Days

Readiness Item	Complete	In Progress	Needs Attention	N/A
Finalize HR integration roadmap.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Implement priority compensation, benefits, policy, and HR operations decisions.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Establish ongoing HR governance and decision-making process.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Measure employee sentiment and retention risk.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Continue communication cadence with employees and managers.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Document lessons learned and remaining integration risks.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

10. Red Flag Summary

Use this section to summarize issues that may require further review, leadership decision-making, or legal guidance.

Area	Potential Issue	Risk Level	Owner	Next Step
Employee Data		High Medium Low		
Compensation		High Medium Low		
Benefits		High Medium Low		
Employment Compliance		High Medium Low		
Payroll / HRIS		High Medium Low		
Organization Design		High Medium Low		
Employee Communications		High Medium Low		
Retention / Culture		High Medium Low		

Remember

HR integration is not just an administrative workstream. It is a critical part of protecting deal value, supporting employees, maintaining compliance, and creating a smooth path from transaction close to business execution.

The earlier HR is involved, the more effectively the organization can identify risk, communicate clearly, retain key talent, and make thoughtful decisions about structure, compensation, benefits, policies, systems, and culture.



Need Support with HR Due Diligence or Integration Planning?

Auvinsa Consulting helps organizations navigate the people side of mergers, acquisitions, integrations, divestitures, and business transitions. Support may include HR due diligence, integration planning, compensation and benefits review, compliance risk assessment, employee communications, policy harmonization, and post-close execution support. To learn more, visit [auvinsaconsulting.com](https://www.auvinsaconsulting.com) or schedule a consultation.

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