

# Are Your Policies and Procedures a Barrier to Growing Your Company?

**Grant Welling**, Client Services Director, Pacific Crest Group

Are you interested in growing your business while enhancing your employee's ability to deliver consistent, high caliber service without dramatically increasing the burden of employee management responsibilities on you? If so, we recommend you take several minutes to read on and acquaint yourself with the importance and benefits of written, well-defined Policies & Procedures!

## Why is this Important to you?

Policies and Procedures are the strategic link between the Company's vision, and its day-to-day operations. So why is this important to you? Simply put, well-written policies & procedures allow employees to clearly understand their roles and responsibilities within predefined limits. Basically, policies & procedures allow management to guide operations without constant management intervention. And constant intervention equates to increase operating expenses that ultimately detract from your company's profitability. So ask yourself...What condition are my company's written policies and procedures in? Oh, you say you don't have written policies and procedures. Fear not, it's never too late to take advantage of tools and techniques many of your competitors have, and are using successfully to grow their business and market share.

In order to understand why policies & procedures are so important we need to know what they are, and the differences between them. First, policies:

A 'Policy' is a predetermined course of action, which is established to provide a guide toward accepted business strategies and objectives. In other words, it is a direct link between an organization's 'Vision' and their day-to-day operations. Policies identify the key activities and provide a general strategy to decision-makers on how to handle issues as they arise. This is accomplished by providing the reader with limits and a choice of alternatives that can be used to 'guide' their decision making process as they attempt to overcome problems. I like to think of 'policies' as a globe where national boundaries, oceans, mountain ranges and other major features are easily identified. With that concept in mind let's take about procedures.

The ultimate goal of every 'Procedure' is to provide the reader with a clear and easily understood plan of action required to carry out or implement a policy. A well-written procedure will also help eliminate common misunderstandings by identifying job responsibilities and establishing boundaries for the jobholders. Good procedures actually allow managers to control events in advance and prevent the organization (and employees) from making costly mistakes. You can think of a procedure as a road map where the trip details are highlighted in order to prevent a person from getting lost or 'wandering' off an acceptable path identified by the company's management team.

## Differentiating Between Policies & Procedures:

### Policies:

- Are general in nature
- Identify company rules
- Explain why they exist

- Tells when the rule applies
- Describes who it covers
- Shows how the rule is enforced
- Describes the consequences
- Are normally described using simple sentences & paragraphs

**Procedures:**

- Identify specific actions
- Explain when to take actions
- Describes alternatives
- Shows emergency procedures
- Includes warning & cautions
- Gives examples
- Shows how to complete forms
- Are normally written using an outline format

Policies & procedures are required when there is a need for consistency in your day-to-day operational activities. Policies and procedures also provide clarity to the reader when dealing with accountability issues or activities that are of critical importance to the company, such as, health & safety, legal liabilities, regulatory requirements or issues that have serious consequences.

If your organization already has established Policies & Procedures, how can you determine if they are meeting your needs?

- A few 'Critical' signs that your policies and procedures need to be reviewed and updated would include:
- An increase in the number of accidents, higher failure rates or costly overruns.
- The workforce can also provide important clues that your company's policies and procedures need to be reviewed. These clues could include:
- More staff questions on 'normal operations' or a feeling of general confusion within a department or division.
- Employees may also be demonstrating inconsistency in their job performance and there may be an increase in the workforce's stress levels.

Finally, your customers may provide additional clues in the form of increasing complaints.

## Benefits of Policies & Procedures

Now that we have a better understanding of policies & procedures, let's take a look at the major benefits they provide.

- First, employees are provided with information that allows them freedom to carry out their job and make decisions within defined boundaries.
- Second, employees understand the constraints of their job without using a 'trial and error' approach, as key points are visible in well-written policies and procedures.
- Third, policies & procedures enable the workforce to clearly understand individual & team responsibilities, thus saving time and resources. Everyone is working off the same page; employees can get the "official" word on how they should go about their tasks quickly and easily.
- Fourth, clearly written policies & procedures allow managers to exercise control by exception rather than 'micro manage' their staff.
- Fifth, they send a "We Care!" message. 'The company wants us to be successful at our jobs.'
- Sixth, clearly written policies & procedures provide legal protection. Juries apply the 'common person' standard. If written clearly so that outsiders understand, the company has better legal footing if challenged in court.

Let's return to the first question we asked. Are you interested in growing your business without dramatically increasing your burden of employee management responsibilities? If your answer is yes, we recommend reviewing and implementing Policies & Procedures that are effective, and work on your company's behalf.



Having concluded his career as a Chief Officer in the California Fire Service, Grant Welling joined Pacific Crest Group shortly after our inception. He is a Senior Project Specialist focusing on employee development, and project management. In addition to these areas of expertise, Grant brings calm, detail-specific guidance when addressing personnel issues and HR needs most clients find uncomfortable. He has held California Community College Instructor certification, California State Fire Marshals Office Master Instructor certification, and has been awarded three Outstanding Instructor Awards.

You can reach Grant at (415) 461-2586 or by email at [gwelling@pcg-services.com](mailto:gwelling@pcg-services.com).