

Getting company policies and procedures right



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By Shanika Best

“All employees know this! The company has been doing this for many years.” This exclamation and statement are common stances from employers. However, too often the “known things” are not written anywhere. In this article, we will examine the common misconceptions, importance, benefits and formulation of clear written policies and procedures.

There is a common misconception that a policy and procedure is one and the same, but this is not the case. The key differences between a policy and a procedure include firstly; the policy mandates, specifies and prohibits conduct to enhance a company’s mission. This is an effort to ensure compliance with laws, to promote efficiency and reduce risk. A procedure on the other hand is a description of the practices necessary to implement the policy.

It must be highlighted that both documents are of equal importance to organisations. Policies are needed to ensure employees have a clear understanding of the company’s commitment to a particular area. They help clarify and reinforce the standards expected of employees and assist employers in managing staff effectively.

This is done by defining acceptable and unacceptable standards in the workplace. Policies are also important tools that assist the business in operating at maximum efficiency.

Procedures are invaluable tools as well,

Policy checklist:	
<input type="checkbox"/>	Clearly state the aim of the policy
<input type="checkbox"/>	Explain why the policy was developed
<input type="checkbox"/>	Outline who the policy applies to
<input type="checkbox"/>	Outline the acceptable and unacceptable behaviours
<input type="checkbox"/>	Outline the consequences of non-adherence to the policy
<input type="checkbox"/>	Include the policy development and review dates

that provide a description of the practices necessary to implement policy. In short, a policy sets the parameters for decision-making and is the “why” behind an action. (See sample policy checklist above for guidance.)

Procedures, on the other hand, explain the “how” with step-by-step instructions. Clearly written policies and procedures allow an organisation to access the benefits outlined below.

- To clearly communicate expectations and best practices for the organisation.
- To establish boundaries in alignment with the values of the organisation.



- To provide guidelines for decision making that employees can reference.
- To maintain fairness and consistency in the treatment of employees.
- To establish methods of dealing with grievances.
- To maintain compliance with legislation, and
- To reduce liability for legal dispute claims.

In the absence of clear written policies and procedures, there

is a domino effect which includes large quantities of misunderstandings, the unsurety of employees in understanding management’s expectations and the unsurety of decision-making for managers and supervisors. Verbal policies and procedures are fraught with challenges. This is because most employees will have a different understanding of verbal policies and procedures. The implementation of verbal policies and procedures has too much fluidity and lacunas which leads to their futility.

The most common and effective way for employers to capture their written policies and procedures is in the company’s employment handbook.

This handbook should be presented at the start of an employee’s employment with the organisation.

To ensure that an organisation can experience the advantages of policies and procedures, key components include the structure of these policies and procedures, how they are communicated to employees and ensuring continuous review. In formulating the policy, organisations should tailor the policy to the business, clearly define obligations and outline realistic guidelines. Once an organisation is ready to implement policies and procedures, the consultation, communication, and training process should follow.

Consistent review process

Policies and procedures are ineffective, if they are not communicated adequately to new and existing employees. A good example lies in the decisions of the Employment Rights Tribunal, where it is unlikely any dismissal for breach of workplace policy or procedure will be upheld, if the policy and procedure was properly communicated and consistently implemented.

Finally, given the changing circumstances surrounding policies and procedures, for example; changes to legislation, operations and performance requirements, organisations must ensure that there is a consistent review process.

There should be consideration for the review to be facilitated by a third party. The advantage of third-party review is a greater level of objectivity. Training sessions with employees, to sensitize on the policies and procedures is also crucial.

Our team at the Barbados Employers’ Confederation stands ready to assist employers with the development of your policies and procedures.

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