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# The Definitive Guide to Creating Policies and Procedures

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# Introduction

Every business has policies and procedures, and any time these are documented for the first time or updated, it's a big project that feels daunting. When you follow a set of best practices, the process is far less intimidating and becomes easier. These best practices will help you get started and successfully finish a policy and procedure documentation project:

1. Understand the difference between a policy and a procedure
2. Focus on one policy and procedure in each section
3. Organize each policy and procedure logically
4. Write clearly and concisely
5. Create a template that's easy to use
6. Provide guidelines that help everyone adhere to the policies
7. Double-check related policies to ensure consistency
8. Don't make assumptions
9. Develop a formal review process
10. Develop a regular schedule for updates

# Best Practice 1: Understand the Difference Between a Policy and a Procedure

Company employees and executives often do not understand the differences between policies and procedures. Sometimes, they use the two terms interchangeably, but these are not the same. A **policy** provides formal guidance, a statement of intent or a high-level framework to help with decision making or to achieve a specific goal or mission. **Procedures** are the detailed steps or information for implementing the policy.

**So a policy is *what* the company does, while the procedure is *how* the company does it.**

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## Sample Policy Statements

- JKL Company's top priority is the safety and well-being of our employees, partners, and the general public. We are committed to providing an industry-leading safety, health, and environmental management system that fosters a strong, encompassing safety culture throughout the company.
  - Accounts Receivable personnel shall pay all customer invoices in a timely manner.
  - ABC Warehouse is committed to providing a safe workplace. The safe operation of forklifts is a significant part of this program.
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## Sample Step-by-Step Procedure

Passwords must be changed every 90 days. When your password is nearing expiration, you will receive three reminder messages via email:

- Two weeks before your password expires
- One week before your password expires
- Twenty-four hours before your password expires

To change your password:

1. Press **CTRL + ALT + DELETE**.
  2. Select **Change a Password**.
  3. In the field under your username, enter your old password.
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4. In the field under your old password, enter your new password.
5. In the field at the bottom of your screen, confirm your new password by entering it again.
6. Click the arrow button to save your new password.

If your password expires before you change it, your computer will lock up, and an IT administrator must reset your password.

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## Sample Informational Procedure

The Occupational Safety and Health Administration (OSHA) requires every forklift operator to be trained and certified to operate forklifts in the workplace, and each operator's performance must be evaluated every three years. Training records for every operator must be kept in the workplace.

All forklift operators at ABC Warehouse must observe the following safety controls while operating a forklift:

- Use the forklift only for the purpose for which it is designed.
- Do not operate a forklift if you are fatigued.
- Operate the forklift in accordance with the manufacturer's specifications.
- Ensure that loads are within the forklift's rated load capacity.
- Carry loads as close to the ground as possible.
- Place the load fully against the forklift carriage or backrest. Tilt the mast back sufficiently to safeguard the load.
- Do not allow any people to ride on the forks or on a load supported by the forks.
- Yield to pedestrians.
- Maintain a clear view ahead and behind.
- Give clear intentions of where you are going, such as signaling when turning.
- Maintain a safe distance from other vehicles.
- Observe speed limits and ensure you can stop safely any time.
- Avoid rapid acceleration, deceleration, and quick turns.
- Drive carefully on wet or slippery surfaces.

- Reduce speed when making a turn. Make sure that the tip of the fork (or load) or the rear side of the forklift truck does not touch a nearby person or object.
- Drive in reverse if a bulky load blocks your vision.
- Ensure that the load leads when driving up gradients. On gradients, tilt the mast back sufficiently to safeguard the load and raise the forks so they clear the ground.
- When travelling on an incline with no load, place the forks on the downhill side of the forklift truck.
- Never park or leave the forklift in any doorway, entrance, emergency exit or in front of fire extinguishing equipment.
- Before you leave a forklift:
  - Fully lower the forks.
  - Apply the park brakes.
  - Ensure the controls are in neutral.
  - Shut off the power.
  - Remove the ignition/starter switch key.

## Best Practice 2: Focus on One Policy and Procedure in Each Section

Combining policies and procedures causes confusion and often results in workplace errors or noncompliance. Complicated policies and procedures also reduce readability. The longer a policy and procedure, the less likely employees will understand or even read it. Experts in policy and procedure development suggest keeping policies and procedures as short as possible—six pages or less.

Also limit the number of steps in a procedure. The more steps, the more complicated the procedure. A procedure with many steps increases confusion or, even worse, injuries, when the procedure focuses on a mechanical, construction, or manufacturing task. If you have a procedure with more than 10 steps, break it down into multiple procedures.

Another source of confusion is procedures that reference multiple policies and procedures. Limit references to one or two other procedures. If you need to reference more than two procedures, then rewrite or reorganize the content.

# Best Practice 3: Organize Each Policy and Procedure Logically

Go from general to specific. Start with the policy, followed by the procedure. By using this organizational method, readers will clearly understand what they need to do and how to do it. Here's a short excerpt from a policy and procedure organized in this manner for a business that handles cash in its operations.

## **Cash Handling Policy**

### *Policy*

Only employees who are trained in proper cash handling procedures are allowed to accept cash and process customer transactions.

### *Procedure*

- Only clerks will accept cash and process customer transactions.
- All cash transactions will be conducted at the cash registers.
- When a customer gives cash to a clerk, the clerk will place the cash on the register drawer tray while calculating and giving change. This ensures that when there are questions about the amount of change returned, the clerk has proof that the change is accurate.

For example, a customer gives the clerk \$10 for a \$9.95 purchase, but claims he gave the clerk \$20 and wants an additional \$10 in return. By placing the \$10 bill on the register tray, the cash is visible and proves that the clerk did not shortchange the customer.

- Clerks will deposit the cash in the register drawer immediately after each transaction is completed.
- When a clerk's total cash in the register drawer exceeds \$25, the clerk must drop the extra cash into the safe. The clerk places the cash into an envelope and deposits it through the slot at the top of the safe. The envelopes are located on a shelf under the cash register.
- The manager on duty balances the receipts after each shift.
- The evening shift manager prepares the daily receipts for the owner to deposit at the bank. The manager will leave the deposit bag containing the bank deposit slip and cash in the safe.

For a longer example of a policy and procedure, see the appendix.



# Best Practice 4: Write Clearly and Concisely

Policy and procedures need to be understood clearly so that employees will use them, so the principles of clear, logical technical communication apply.

- Keep sentences short. The shorter, the better. This is even more important if you need to translate your policy and procedures into other languages.
- Avoid jargon, if possible. If you need to use jargon, explain it where you reference the term or include a glossary section in the policy and procedure.
- Do not use convoluted corporate language. Unnecessary words and words with more syllables hinder readability.

Don't do this:

It is the policy of Mega Company to utilize a performance appraisal program to maximize employees' overall job performance and professional development.

Instead, do this:

Mega Company's employee performance appraisal program improves job performance and professional development.

- Use active voice instead of passive voice. Passive voice increases sentence wordiness. Here's an example.

Passive voice:

The invoice was approved by the manager.

Active voice:

The manager approved the invoice.

- Limit the page length of each policy and procedure. Some policy and procedure experts recommend a maximum of six pages, but less is even better.

# Best Practice 5: Create a Template That's Easy to Use

In most companies, several people write policies and procedures. To ensure consistency, you need a template. Design the template with a simple layout with paragraph and character styles, and teach anyone who creates policies and procedures how to use the template. When you're showing others how to use the template, remember that their software skills vary. Make sure they understand how to use styles and why this is important. User-friendly templates, effective training, and clear communication reduce extra production work during the publication process. Saving time in production makes a big difference under tight deadlines, which are usually the norm in any company.

# Best Practice 6: Provide Guidelines That Help Everyone Adhere to the Policies

Guidelines are suggested methods for staying in compliance but are not mandatory. You might include these in the policy and procedures document, or on a policy and procedures website as supplemental information. In this example for a Train the Trainer program, the guidelines for course content provide information on what should be included in the course, but do not include specific details. This gives the program developer flexibility in adjusting the program based on changes in the company's mission and needs.

## **Train the Trainer Policy and Procedure**

### *Policy*

To ensure the safety of our employees, all instructors at the Acme Manufacturing Company must complete and pass the Train the Trainer Program before they can train employees on the manufacturing floor.

### *Procedure*

Newly hired instructors

1. During employee orientation, the Human Resources Coordinator will schedule the new instructor for the next Train the Trainer course.
2. The new instructor will attend and participate in the Train the Trainer course.
3. At the end of the course, the new instructor must complete and pass a test covering the content in the Train the Trainer course. A passing grade of 80% is required.
4. If the new instructor does not pass the test, one retake is allowed. If the instructor does not pass the test on the second attempt, the instructor will be assigned to a different role in the company.

All instructors

All instructors must complete updated training when:

- Safety regulations change by government agencies, such as the Occupational Safety and Health Administration (OSHA) and Environmental Protection Agency (EPA), and industry organizations.
- The company introduces new products or adjusts manufacturing processes based on technological upgrades or replacements.

## **Guidelines for Developing the Train the Trainer Program**

The Train the Trainer Program includes instruction in:

- Principles of teaching and learning
- Understanding learning styles and student diversity
- Teaching methods
- Course development
  - Lesson plan development
  - Teaching aids development and use
  - Test development and administration
  - Safety policies and regulations to be covered in employee training
  - Manufacturing processes and tasks to be covered in employee training
- Student evaluations
  - Theoretical knowledge assessments
  - Practical skill assessments

# Best Practice 7: Double-Check Related Policies to Ensure Consistency

Contradictory policies cause confusion. For example, in a policy and procedure manual for an accounting department, one policy states that all invoices must be processed within 30 days from the date on the invoice, but another policy states a 45-day timeline. So, which policy is correct? The correct timeframe must be verified and updated in this policy and procedure manual.

Some contradictory policies cause danger to employees, such as when they're working around machinery or on construction sites. Accidents could happen, or even worse, someone might be killed. So it's important to double-check policies to ensure that all of the information is consistent. If you find inconsistencies, contact the policy holders for clarification.

# Best Practice 8: Don't Make Assumptions

Write policies and procedures for someone who is not familiar with the organization's rules and terminology. Even people who have worked at the company for a long time may not understand. Some policies and procedures probably do not apply to all employees, so when an employee moves to another department, the employee may need to learn a new vocabulary and processes for performing the job. The clearer you can make policies and procedures, the quicker and easier an employee can settle into a new role.

# Best Practice 9: Develop a Formal Review Process

A formal review process includes a schedule for reviewing the policy and procedures document, identifying the people who need to review the document, and ensuring everyone meets the review deadline. Also explain what will happen if someone doesn't turn in comments. For example, you could use a standard statement that if you do not receive comments from everyone by the deadline specified in the review request, you will assume that the people who did not send feedback reviewed the document and have no comments.

# Best Practice 10: Develop a Regular Schedule for Updates

Organizations constantly change, and policies and procedures are affected by these changes. That's why it's important to keep policies and procedures updated. Every six months or year, review all of the policies and procedures for accuracy and validity.



# Conclusion

Adopting best practices to a policy and procedures documentation project benefits everyone. You'll save time by working more efficiently, which allows you to deliver the information faster. Clearly worded policies and procedures enhance understanding and ensure compliance.

# Appendix: Sample Drug-Free Workplace Policy for ABC Warehouse

ABC Warehouse intends to help provide a safe and drug-free work environment for our clients and our employees. With this goal in mind, ABC Warehouse established this drug-free workplace policy for our employees. In this policy, we define prohibited substances as illegal drugs, alcohol, and prescription drugs not taken as directed by a doctor.

ABC Warehouse explicitly prohibits:

- Possessing, soliciting, or selling narcotics or other illegal drugs, alcohol, or prescription medication without a prescription on ABC Warehouse or its customers' premises, or while performing an assignment.
- Being impaired or under the influence of legal or illegal drugs or alcohol away from ABC Warehouse or its customers' premises.
- Possessing, soliciting, or selling legal or illegal drugs or alcohol away from ABC Warehouse or its customers' premises.
- The presence of any detectable amount of drugs in an employee's system while at work, on ABC Warehouse or its customers' premises, or on company business.

ABC Warehouse conducts drug or alcohol testing under any of these circumstances:

- Pre-employment testing—New employees and rehires must pass a drug and alcohol test before their first day of employment with ABC Warehouse.
- Random testing—ABC Warehouse may randomly select employees for drug testing to ensure compliance with our drug-free workplace policy.
- For-cause testing—ABC Warehouse may ask an employee to take a drug or alcohol test when it feels the employee might be under the influence of drugs or alcohol. These circumstances include, but are not limited to:
  - Evidence of drugs or alcohol on the employee or in the employee's vicinity
  - Unusual conduct that suggests impairment or influence of drugs or alcohol
  - Negative performance patterns
  - Excessive and unexplained absenteeism or tardiness
- Post-accident testing—Any employees involved in a workplace accident or injury under circumstances that suggest possible use or influence of drugs or alcohol may be tested.

Employees may be subject to disciplinary action, up to and including discharge from employment, under these circumstances:

- When an employee is tested for drugs or alcohol outside of the employment context and the results indicate a violation of ABC Warehouse's drug-free workplace policy
- When an employee refuses a request to submit to testing under this policy

In all of these cases, ABC Warehouse will allow the employee to explain the circumstances before taking any final employment actions.

## About the Author

Cheryl Landes, a technical communications consultant, founded Tabby Cat Communications in Seattle in 1995. She has worked in several industries: computer software and hardware, HVAC/energy savings, marine transportation, manufacturing, retail, and the trade press. She specializes as a findability strategist, helping businesses to organize content so that it flows logically and to make content easier to retrieve online and in print.

Cheryl, who now lives in Vancouver, Washington, has given many presentations and workshops about technical communication and self-promotion throughout the United States and Canada. She has written two handbooks on digital indexing in MadCap Flare and Adobe FrameMaker, and more than 100 articles and three books on Northwest travel and history. For more information, visit her website at [tabbycatco.com](http://tabbycatco.com) and follow her on Twitter @landesc. Also visit her travel blog at [tabbycatspawprints.com](http://tabbycatspawprints.com).

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