Many small businesses are so wrapped up in the day-to-day running of the business and often miss out on the bigger picture! While that is understandable to some degree, they should still be vigilant as to what is occurring in their own industry and marketplace.

Owning and managing a company in addition to the provision of its services, is no easy task. Add to the equation that many companies experience unmanaged and uncontrolled growth, this usually happens by default and not by design. Frequently, this also means that policies and procedures are not in place to help manage and control the growth.

So…..What are policies and procedures?

Let's begin with policies. Policies are rules, actions or guidelines that oversee processes. Procedures, on the other hand, are the processes, practices, methods, systems, routes, formulas or modus operandi that represent implementation of policy.

The definition listed on the online encyclopedia Wikipedia is "Policies and procedures are a set of documents that describe an organization’s policies for operation and the procedures necessary to fulfill the policies".

Simply put, they are guidelines and systems that are implemented for all company personnel to adhere to. Policies and procedures are crucial to all components of your company infrastructure, both internal and external, as they allow you to manage your business efficiently and cost-effectively.

As a company grows, it should develop additional multifaceted management structures, which in turn should build a chain of command - a packing order that takes responsibility and has the authority to make things happen. Even though this is important to the efficient management of the company, it can create barriers to people using their problem solving skills so you need to:

- Develop flexible policies and procedures
- Ensure that employees can still utilize their skills in helping with problem solving
- Give your employees the responsibility for their work and make them accountable
- Ensure that there are procedures for communication across the company

Keep your employees involved. Listen to their ideas as so often there is someone in the company that will have the answer.

Food for thought – research has shown that many people who leave a company to develop their own business ideas do so because often they are ignored, and/or dismissed by the company they are with and they become frustrated. Usually when this happens it is not because they are not being paid enough, as often their main incentive is accomplishment not financial renumeration.

Good communication is vital to the success of any company or organization, and the lack of it is often a primary culprit of the downfall of a company. Communication is only as good as the leader and management of a company and if they do not communicate well, how can they expect their employees to do any different? It is a vital element of daily business that there are meetings in place between managers and their employees, in addition to inter-departmental ones.

Policies and procedures should be effortless, flexible, consistent and easy to use. Good policies should be written succinctly in clear and simple language. They should address the rule and not how to implement the rule.

Good procedures are tied to policies and should be developed with the end-user in mind e.g., the client, the employee etc. They should be understandable and written in a format that can easily be followed. Both should be to the point i.e. ‘short and sweet’ and with minimum amount of wording. They should include step-by-step directives for ease of completion and simple for everyone to understand.

“KNOWLEDGE IS POWER”

Both policies and procedures should be documented in writing – creating a manual, just as you would for other areas of the business i.e. Employee Handbook, Health and Safety Manual etc., thus enabling you to provide consistent services in an effective and coherent mode.

If you want to manage and control your company to gain a maximum level of growth, you cannot do this without developing policies and procedures to support your plans, as they will help you to manage and control your company. When you have created new policies and procedures, your employees need to be made aware of them. You need to explain the reasons for them and what your expectations are as constant communication is vital if your policies and procedures are to work.

Now you have imparted the change, your employees need to be made aware and understand them. TRAINING is needed. It is not rocket science. It is pure logic that CHANGE means training too….. and more on those areas in future articles.

The policies and procedures you had in place when you first started your company will not support your company growth indefinitely. You need to
review and develop them on an ongoing basis, according to what is happening in your company, your client’s needs and what you want to happen for the future. This kind of structure will allow you to move forward to achieve the goals you have set yourself for the development and growth of your company.

Policies and procedures can only add value to your company and help to differentiate you from your competitors. Rest assured in knowing that your clients are well equipped with policy and procedures, and the majority expect that suppliers of services to them, will have them also.

(NOTE: An example of this. Recently I have been working with several diverse businesses, all of which have Corporate clients within the Financial Sector – and because of the introduction of the Consumer Financial Protection Bureau (CFPB) – a new Government Agency, the laws that they have mandated to the Financial Institutions have a ‘knock-on effect’ to their supply chains. They outlined their expectations on how Financial Institutions will oversee business relationships with its service providers (suppliers). For additional information, please go to: http://files.consumerfinance.gov/f/201204_cfpb_bulletin_service-providers.pdf.

The upshot is that CFPB expects the Financial Sector to take steps to ensure that their supply chains are providing their services and performing their work in compliance with the Federal Consumer Protection Laws. This CHANGE has a huge impact on both Financial Institutions and their suppliers.

Their Corporate clients are requesting copies of their policies and procedures, internal controls, training materials and any other documents that the company utilized to comply with Consumer Protection Laws. My clients had some policies and procedures in place, but not sufficient to meet the needs of CFPB – so I developed customized additional ones (including monitoring and auditing processes), updated and revised their company manuals and handbooks, amongst other areas of work to bring them into compliance.

This was a serious matter. Why - because had these companies not met their clients requirements, they were in jeopardy of losing their contracts to other suppliers that could.

Corporations and other companies and organizations alike are also looking to reduce their risk and liability and in doing so want their supply chain to ‘mirror’ them and position themselves to absorb such CHANGE. Having developed and implemented policies and procedures, plus monitoring and auditing procedures for ISO 9001:2008, I totally understand the need for policies and procedures - and yes whilst this is a laborious job – it is a necessary one for a growing company to be efficient and cost-effective whilst continuing its relationship with the Corporate world.

So have your goals in place, irrespective of what they are, manage your company, direct your employees as you are a team and cannot do without each other. Provide your employees with the inspiration and opportunities for them to perform their jobs well - after all, without them, you have no business.

The bottom line is – if a company wants to grow – its infrastructure has to be developed and policies and procedures implemented to support its growth – that is the reality of doing business!

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B I O - SUSAN A L MARSTON, MBA

Susan is the CEO of ConnecTGo, Inc. – a company that provides Business Development & Transformation Services to existing companies as well as new start-ups and major corporations. Her expertise includes working within the private sector – Fortune 500 companies, the non-profit sector – both as an Executive Director of a Business Advice Center and also as a Business Development/Marketing Director for an affiliate non-profit organization in a national and international network providing business support services and certifications to the minority business sector and supporting national/international Corporate Members.

Susan is a seasoned professional with a firsthand working knowledge of local, national and international markets, extensive experience in the corporate and small business arenas, and a thorough understanding of Supplier Diversity and Inclusion, development and growth of companies, large and small. She is an advocate for CHANGE – and assists companies in positioning themselves for both corporate, government and State contracts, amongst other projects – e.g., the development of customized/individualized policies and procedures that are vital to the growth of any sized company.

In addition, she is the Editor-in-Chief of www.theamericanrepossessor.com – an online magazine for the collateral recovery/repossession professional, and was the Vice President of an auto collateral recovery/repossession company.

Her work includes international business development e.g., working for His Royal Highness, the Prince of Wales, Prince Charles’ Business Leader Forum, several foreign governments, multi-national corporations and small and medium sized companies.

A native of England, she has traveled to many parts of the world to work including Hungary, South Africa and for the last 16 years she has worked in the USA, the latter 13 in residence. She holds a Masters Degree in Business Administration (MBA).

Susan is active in the community and supports not-for-profit causes. She has served on several Advisory Councils for leading national corporations and currently serves on – Member of the Ohio GATE Advisory Council – Ohio utility companies and is a Board Member for WomenSafe (a domestic violence shelter and resource center, servicing victims of domestic violence).