Lesson Plan Business Admin Level 4 BTEC Unit 1 Learning Outcome Three

## Policies

Policies are clear, simple statements of how your organisation intends to conduct its services, actions or business. They provide a set of guiding principles to help with decision making.

Policies don't need to be long or complicated – a couple of sentences may be all you need for each policy area.

## Procedures

Procedures describe how each policy will be put into action in your organisation. Each procedure should outline:

* Who will do what
* What steps they need to take
* Which forms or documents to use.

Procedures might just be a few bullet points or instructions. Sometimes they work well as forms, checklists, instructions or flowcharts.

Policy making now, more aptly, simply describes the development of organizational policies. Some policies appertain at the highest levels and are essential elements of the organization's strategy. But, the vast majority of policies apply at lower levels and are operational in nature. Very simply, policies are standing plans that provide guidelines for decision making. They are guides to thinking that establish the boundaries or limits within which decisions are to be made. Within these boundaries, judgment must be exercised. The degree of discretion permitted will vary from policy to policy. Some policies are quite broad and allow much latitude, whereas others are narrowly constructed and leave little room for judgment.

What is a Procedure?

Procedures are the workhorses of a company. While policies guide the way people make decisions, procedures show the "how to's" for completing a task or process.

Procedures are action oriented. They outline steps to take, and the order in which they need to be taken. They're often instructional, and they may be used in training and orientation. Well-written procedures are typically solid, precise, factual, short, and to the point.

The number-one rule of procedure writing is to make sure there's a reason to create them

You need a procedure when a process.

* Is lengthy (example: year-end inventory).
* Is complex (example: benefits administration).
* Is routine, but it's essential that everyone strictly follows rules (example: payroll).
* Demands consistency (example: handling a refund request).
* Involves documentation (example: disciplining a staff member).
* Involves significant change (example: installing a new computer system).
* Has serious consequences if done wrong (example: safety guidelines).

In your Professional Discussion, describe your broad philosophy and principles on formal administrative policies and procedures. Explain any legislation that guides decisions on formal policies e.g. equality policy, health and safety policy.

When discussing the Relationship between formulating policy and producing procedures, consider how procedures support the implementation of a policy and establish accountability, e.g. who, what, where, when, why.

When analysing ways to evaluate whether Procedures are meeting customer requirements, consider customer needs and whether the product and/or service is matched to customer requirements.

Does the procedure provide information or support? How is customer relationship Management valuable in the evaluation of procedures and could gaining customer views and feedback be useful?

Methods for evaluating the effectiveness of procedures may include monitoring procedures, gathering data from interested parties, review against best practice and/or desired outcomes; continual evaluation and proposal of improvements and/or changes

## POLICY AUDITS

Organizational policies have a tendency to become obsolete. Stated policies commonly change much more slowly than do the conditions that led to them. One approach to dealing with this problem is to conduct periodic reviews or audits of the organization's policies. These audits can help identify and eliminate outmoded policies. This regimen, however, tends to result in a time lag between the actual need for policy changes and the recognition of that need. It is therefore prudent for managers also to review policies on a more or less ongoing basis by asking questions such as, "What is the purpose of this policy?" and "Does it still make sense?" If the answers are negative or ambiguous, the policy may be a candidate for modification or elimination before the next scheduled audit. The astute manager will particularly be on the lookout for appealed and implied policies that may not be contributing to the achievement of the firm's goals.