Small Business Assistance & Advisory Service

Human Resources Process Guide – Policies and Procedures

Version 7.1   Published 12.2019

Contents

Developing Policies and Procedures

The following information is to be used be a guide only as it does not consider any complexities specific to different organisations.

How to Develop Effective Policies

Clear, concise and effective HR policies can make all the difference in managing your workforce, establishing credibility and consistency. Employees thrive in an environment where they understand the company's expectations and are predictably managed in accordance with the written policies.

Failure to appropriately document important policies can lead to confusion and frustration in the workplace thereby diminishing productivity.

Step 1: Do Your Homework
Gather all pertinent information for consideration prior to writing any policies for your organisation; it is important to understand federal and state laws surrounding the subject matter as this will give you the minimum requirements and limitations of the policy. The other important aspect is to understand the company culture, management style and prior history of the company.

Consider who will be directly affected by new or revised policies and to consider their views early in the policy development discussions.

Review policies regularly to ensure they are current and in line with any changes within the organisation and legislation.

Where policies are significantly changed, they should be re-issued to all staff and the changes explained to them to ensure they understand the organisation's new direction. These changes should also be widely publicised.

Step 2: Template
Use a policy template in order to ensure consistent layout, fonts and style. Ensure these are documented and placed into a document control environment so that versions and updates can be tracked.

 A popular model includes the following sections:

- • Purpose
- • Scope
- • Procedure

These three categories are really the bare minimum in order to effectively outline a comprehensive policy.

Other categories such as definition and eligibility are also frequently used. A company may choose to add in other categories to cover in their policies depending on the purpose of the policy such as adding in a Complaints section in a sexual harassment policy so that you may identify how employees may report incidents of concern to the proper person – this may also include a hyperlink

with further instructions or to government agencies. Be as straight forward as possible. This area will typically be longer than the rest and will include a list of items outlining the policy.

Step 3: Establish Categories

Purpose: Start by indicating the purpose of the policy. An example might be: This policy establishes and defines the processes to be followed when recruiting individuals for open positions with the company.

Scope: Define the scope of the policy by defining exactly whom or what is covered. For example: This policy covers the employees who are not covered by an Enterprise Agreement.

Definitions: Define within this category anything which may be ambiguous such as EBA, Fair Work Commission, EEO etc.

Eligibility: This category typically is used to define when a policy will become effective for a given employee. As an example, if the policy is written on a particular benefit for which the employee is not eligible until after meeting a certain length of employment or upon completion of a probationary period such as company share options, promotional opportunities etc.

Procedure: The procedure area is used to articulate how the policy will be administered. Write the procedure in a clear, concise and easily understood manner. Keep it as simple and straight forward without legalese.

Step 4: Legal Compliance

Have your in-house legal department or whomever you contract (such as SBAAS) to provide advice to review the policy thus ensuring it complies with federal and state laws and other governmental regulated agencies.

Consider that when employee rights and company policy issues come before courts, the company's HRM policies are usually taken as a contract between the employee and the company.

There are a few situations where you want to be absolutely clear that the standard set by the policy will apply in all situations. For example, in a violence policy you would want to say, "violence at work will not be tolerated under any circumstances".

If applicable, consider how the policy should interact with any enterprise agreement/s.

It is important that policies are applied consistently throughout the organisation: including shift workers, field office and FIFO workers, casual, part time, contractors as well as labour hire personnel.

Evaluating Policies and Procedures

Below is a guide as to how best to evaluate the effectiveness of an organisations policies and procedures.

Evaluating new organisational policies and procedures assesses whether they achieve the objectives. Evaluations should occur on a regular basis, soon enough to intervene in any problems that may arise, but after the new procedures have had time to work.

Feedback should be sought from the target audience, from staff and managers.

You can evaluate policy by following these simple guidelines:

Early planning
You need to start planning early to enable you to determine the main issues with the policy. Summarise any issues or problems that resulted in the adoption of new policies and procedures. State the goals and objectives these new policies are intended to accomplish

Customer involvement
Policy evaluation can be more successful if you involve customers and stakeholders in the process. This ensures that it appeals to all types of customers and also reduces costs. You can gather feedback through personal interviews, questionnaires, direct observation of their work or a combination of these.

Dissemination
The value of a policy evaluation will be limited if it is carried out without effective dissemination.

Follow up
Conduct follow-up evaluations at regular intervals--at least once a year is a useful guideline.

Implementing Policies and Procedures

The best policies will fail if they are not implemented or disseminated effectively. Here are some general approaches to implementing policies and procedures.

The best policies will fail if they are not implemented or disseminated effectively.

Here are some general approaches to implementing policies and procedures:

Contracts and terms and condition
Before a new employee or contractor starts, incorporate a statement in their contract of employment or engagement that they mush familiarise themselves and adhere to the company's policies and procedures at all time. This ensures that expectations are set even before day one for new hires.

Induction
At induction allow time for the employee to familiarise themselves with the policies and have them sign a statement that they have done so. This may be supplemented with a WHS induction and other initiatives such as e-learning or assessment tasks.

Communication with employees.
Options here include using an intranet, shared drive or a manual. These options serve to disseminate information   about what employees may expect from the company as well as what the employer

expects from the employees regarding work performance and behaviour while on the job. A refresher may be required from time to time. For example, before a staff function, the policy relating to behaviour/code of conduct maybe emailed to all staff to remind them of their responsibilities.

Communication with managers and supervisors.

Formal policies can be helpful to managers and other supervisory personnel faced with hiring, promotion, and reward decisions concerning people who work under them. Ensure that managers understand the policies and know where to find them.

Benefits of Effectively Implementing Policies and Procedures

Time Savings.

Practical and comprehensive human resource management policies can enhance productivity by saving time that can then be spent on other business activities.

Mitigate litigation.

Organisations can do a lot to cut off legal threats from disgruntled current or ex-employees simply by creating, communicating and applying a fair and comprehensive set of personnel policies.

Other Considerations

Legal implications

If the policy has legal implications, is litigious by its nature and has personal implications for employees as well as having implications for the organisation. As a result, it is recommended that you have an experienced lawyer review the policy before you share it with employees.

The focus of this review will be for legal implications and appropriate wording.

Review the Policy

You may want to select several employees, or even a small pilot group, to read the policy and ask any questions they might have about the policy. This review provides feedback that employees will be able to understand and follow the policy. This feedback can then be used to rewrite the policy.

Obtain Management Support for the Policy

To ensure management is one on-board review the policy with the managers who will have to lead and put into effect the policy. You will have started this process much earlier, even as early as when you identified the need for the policy, but management support as you implement the policy is crucial.