

Definitions

Policy - A plan of action adopted by an organization that influences and/or determines decisions, actions and other matters.

Procedure - A set of established steps to perform a function.

Policies and procedures are in place to ensure that duties and services are performed in a consistent manner. The benefits of being consistent are:

- Employees understand what is expected of them.
- Disputes may be resolved by determining whether or not policies and procedures have been followed.
- Plans are already in place in the case of an emergency.
- Customers receive a consistent level of service that may increase customer satisfaction.
- It provides proof that your organization has strict performance requirements for employees/volunteers, which, in the end, could improve the defensibility of claims.
- It protects the image of the organization.

Key Point

One of the best ways to prevent losses and to defend them should they occur is to have, and follow, written policies and procedures.

Legal Liability

It is important to note that no one can accurately predict what claims will end up in court or what the decision of the court will be. Policies and procedures may be a very effective way to defend against claims and lawsuits, but **they must be strictly followed and well documented to be effective**. If you have policies that you do not use or follow, you may be in a worse legal position than if you didn't have them.

Risk Management

Depending on your organization, other policies and procedures may also be needed. Many organizations are exposed to similar risks, and the following policies and procedures should be considered:

- Screening and Hiring of Employees/Volunteers
- Contingency Plans (Business Continuity Plans)
- Inspections and Maintenance of Buildings/Premises
- Employee Training
- Contract Review (to ensure contracts are analyzed with a view to limiting liabilities)
- Emergency Plans
- Accident and Incident Reporting
- Financial Management
- Privacy

- Ethics
- Employee Discipline and Dismissal

There are many other policies that an organization might create, depending on the different activities and duties that the organization performs. For example, a restaurant may require a policy for food preparation and service and alcohol service.

Guidelines on creating a policy:

- Document the policy in writing.
- Include the inception date and any revision dates so that there is **no mistake about which version is current**.
- Ensure that the policy is compliant with federal, provincial and municipal regulations.
- Find a template that fits your organization.
- State the purpose of your policy.
- Set out in clear and simple terms what your policy is for, how it is to be carried out and by whom.
- Keep it simple - one to two pages are usually sufficient.

Key Point

Create policies for any operation that you need done consistently and in a particular manner.

Guidelines on creating a procedure:

- Create step-by-step instructions on how to complete important tasks.
- Provide supervisor contact information in case an employee needs to obtain authorization to go beyond the stated procedure.

Implementing policies and procedures:

1. Consider obtaining feedback from employees, customers and other stakeholders about what should be placed in the policy/procedure.
2. Create policies and procedures following the guidelines presented above.
3. Put policies and procedures in writing.
4. Develop forms and reports to supplement policies and procedures.
For example, create an inspection and maintenance form that must be completed as part of the inspection and maintenance policy. Keep all forms and reports on file. Obtain legal advice to determine how long forms should be kept.
5. Clearly communicate policies and procedures to employees and other stakeholders to create buy-in. Acknowledge feedback.
 - Hold an orientation meeting.

Key Point

To be effective, policies must be written, strictly followed and enforced, and the records must be retained.

- Distribute a copy of all policies and procedures to employees - consider creating a handbook (if necessary, ask employees to sign a copy of all policies and procedures to ensure they have read and understood the content).
 - Post information in common areas (e.g., lunch room).
 - Train and mentor employees.
6. Make sure policies and procedures are followed. Policies and procedures are useless if no one uses them.
- Perform audits and document them.
 - Assign a person to be responsible for tracking progress.
7. Change and update policies and procedures as necessary.

Sample Risk Management Policy

Risk management is the process of making and carrying out decisions that will minimize the adverse effect of accidental losses upon our organization. The risk management process is vital to the personal health and safety of each employee and the safety of our members/clients/customers. In financial terms, it is vital to our ability to pursue our goals, commence and operate programs, and to perform duties in an efficient and professional manner.

The organization has formed a risk management program to pursue our risk management goals and objectives.

These goals and objectives include:

1. To avoid exposure to accidental loss by not undertaking functions, contracts, programs or activities where the potential loss is greater than the potential benefit to be derived from these undertakings.
2. To prevent loss by identifying loss exposures and implementing policies and procedures to reduce the risk of these losses occurring.
3. To control losses that do occur by:
 - a. assisting and supporting injured parties;
 - b. developing contingency plans for possible loss scenarios; and
 - c. properly documenting and investigating losses.
4. To determine the most cost-effective balance of different risk financing tools.
5. To raise the awareness of all management, employees, volunteers and members/clients/customers concerning risk management within our organization.

These goals and objectives will be accomplished by:

1. Establishing a Risk Management Committee with representatives from each department, whose responsibilities will be to implement, monitor, evaluate and revise plans to achieve our goals and objectives.
2. Electing a Risk Management Coordinator to serve as the head of the Risk Management Committee and report to senior management.
3. Including risk management as an item for discussion at every meeting. Cooperation is expected from management, employees and volunteers. Everyone must work as a team with common goals and objectives to ensure the success of this risk management program and in turn, the organization.

Sample Motor Vehicle Safety Policy

Purpose: To reduce costs related to the purchase, maintenance and repairs of, and accidents involving, municipal fleet vehicles. Establishing a fleet loss prevention program that will apply to all municipal owned or leased vehicles and drivers will assist in reducing vehicle accidents and providing a safe, healthy and secure environment for our workers and the general public.

Responsibilities:

Department heads and supervisors shall:

1. Ensure that all new and existing municipal employees are familiar with the municipal motor vehicle safety policies and procedures, accident/incident reporting requirements and the accident review process, and frequently check on their compliance.
2. Personally review Accident Review Committee decisions and take all steps necessary to prevent future incidents and accidents.
3. Insist that all assigned vehicles are maintained for safe operation and ensure that only authorized personnel are allowed to operate municipal vehicles.
4. Ensure that unsafe vehicles are not driven until safety discrepancies have been corrected.

Employees are required to follow defensive driving practices, which are established for the protection of themselves, their fellow employees and the citizens of _____. Each employee driving a municipal vehicle shall:

1. Become familiar with and obey all municipal motor vehicle safety policies, procedures and provincial highway traffic rules and regulations.
2. Inspect the vehicle that he/she is about to drive in accordance with preventative maintenance procedures, and report to his/her supervisor in writing all defects noted during the trip or inspection (if any).
3. Report all motor vehicle accidents/incidents immediately in accordance with the accident/incident reporting policies and procedures.
4. Report immediately to the supervisor or department head any suspension of driving privileges and cease to operate any municipal vehicle until his/her privileges are reinstated.

The Risk Management Committee shall:

1. Report to the insurer any accident that may be insured and coordinate the claims settlement process, and handle non-insured claim settlements and recoveries from responsible parties.
2. Maintain complete records on municipal vehicle accidents/incidents.
3. Recommend safety equipment requirements and specifications for purchasing new vehicles.
4. Prepare guidelines and procedures for the Accident Review Committee.

The Human Resource Department shall:

1. When preparing job descriptions and job qualifications, take into consideration motor vehicle and equipment operation abilities.
2. Obtain the necessary authorization forms to obtain drivers' abstracts for new and existing employees.
3. Maintain information regarding drivers' qualifications, training and certification.
4. Assist in determining additional training requirements for those drivers deemed to be responsible for motor vehicle accidents.

The Accident Review Committee shall:

1. Review each Incident Report and Accident Report to determine if the employee's actions were consistent with municipal motor vehicle safety policies and procedures.
2. Determine what additional training or other positive action is required to deal with driver error.
3. Make recommendations for appropriate action in accordance with guidelines established by the Human Resources Department.
4. Evaluate the existing motor vehicle safety policies and procedures and determine if any changes should be recommended in light of the facts surrounding an incident/accident in an effort to prevent the occurrence of similar events in the future.