

# Why: HR Policy

Dwane Thomas, PhD, SPHR, SHRM-SCP

American Public University System, School of Business  
[Dwane.Thomas@mycampus.APUS.edu](mailto:Dwane.Thomas@mycampus.APUS.edu)

## Abstract

The strategic human resources (HR) professional understands the organization, how it operates, and the financials driving the organization. Understanding an organization from a strategic level is essential for HR professionals to link policy supporting the overall organizational goals, mission, and vision. The purpose of this paper is to provide an understanding and demonstrate the importance of the linkage between HR policy and organizational strategy. There should be a strategic reason and rationale for every policy developed and implemented in an organization. From an HR perspective, all policies should directly or indirectly support the overall organizational goals. The strategic qualities of a well-written and fully implemented HR policy will align with organizational goals and support the overall mission and vision of leadership. The linkage between policy and strategy has never been more important. The legal landscape is changing, the global landscape is changing, and therefore, the business landscape is changing. HR professionals need to be ready and armed with knowledge and know how to meet the challenges of the 21<sup>st</sup> century.

## Why; HR Policy

In a not too distant past, Human Resources (HR) personnel were considered to be the people in the back office. Most employees had no idea what went on in the HR office. The perception was the HR personnel just did the paperwork for our paychecks and benefits. The first time you would see them was after you were selected for employment and then after that, you did not want to be called into the HR office because if you went to see HR, it meant you were going to be fired or you did something wrong.

Up until the last 20 years or so, the field of HR was not even viewed as a profession, but just a part of the administration. In some organizations today, people still do not know what HR does back in those offices but in many successful organizations, HR professionals are leading from the front.

The days of each department operating in a stovepipe, or staying in their own lane have come and gone. In successful organizations today, HR spans across every department. The strategic HR professional understands the business, how it operates, and the financial situation that drives the business.

Understanding an organization from a strategic level is essential for HR to link policy that supports the overall organizational goals, mission, and vision. The HR professional today must understand the linkage between HR policy and organizational strategy. There should be a strategic reason and rationale for every policy developed and implemented in an organization.

## **Why Develop HR Policy**

Perhaps there are legal reasons for a policy. Often times, HR professionals may not have much latitude in the development or implementation of legal matters. On the other hand, an employee handbook should reflect the culture and expectations of the organization. Is an employee handbook policy? In most cases it is. In regards to this, one could consider each chapter or each topic a stand-alone policy.

From an HR perspective, everything done should directly or indirectly support the overall organizational goals. If a policy is developed and the developer cannot answer the question on how it relates to the organizational goals or business strategy, then the next thought should be why was the policy developed. A few other questions to ask or think about; what is the driver behind the policy; why do we need it? Who is affected by this policy? What result and/or change in behavior do we expect from the policy? How do we enforce or monitor the policy? Does the policy cause disparate impact? Could the policy stand on its own merits in a court of law?

## **Reasons for HR Policy**

Perhaps you never stopped to think about why leadership in organizations develop and implement policy. This is good to reflect on for a minute. Without a written policy, there could be confusion. How many vacation days do you earn each month or each year? Is this in a written policy? Most likely, the answer is yes. In the example here, the vacation policy provides clear guidance on how many days of vacation you earn. The number of days earned could be based on longevity with the company or perhaps it was negotiated upon hire. In either case, the vacation policy should clearly state how many days or hours an employee will earn, any restrictions on using it, how much they can roll over to next year, what happens if they retire, leave for another job, or are let go. A policy should be clear and concise.

Perhaps leadership in the organization wants to implement flextime into the organization. This could be a major change in the culture and it could have ramifications on several other policies. What if there is a late policy in place that clearly states each employee must be at work, ready to start by 8 am and if not, this or that is the result. Many organizations have a late policy. If you are implementing flextime or a flex schedule into the workday, it could be incongruent with the late policy. The point is, a policy should be able to stand alone, but it could also affect other policies already in place. Regardless of the policy topic, it should support the strategic goals of the organization and not contradict other policies.

## **HR Policy and Understanding Other Departments**

As a Human Resource Professional, it is important to have positive relationships with your peers in the other departments. It is important that you have an understanding of what they do and how those departments operate. Can a business operate without an interconnection and relationship between departments? Sure it can, but not nearly efficient as it could if departments worked together instead of independently. This is not in the context of HR working in Marketing and Finance working in HR but in the context of the HR professional understanding the financials of the company, the drivers in the marketing department, the stressors in productions, and so forth.

Often, a policy or procedure will affect most people within an organization. If a policy is drafted in a vacuum, then forced on the employees, the results are usually less than favorable. It is our nature to want to know the “why” of things that affect our lives in the workplace. This is

why the relationships across departments and the understanding of what is going on throughout the organization are so critical to linking HR strategy to policy.

The linkage between policy and strategy has never been more important. The challenges faced by business and HR professionals are continually changing and with that, policies may need added, updated, or removed. The legal landscape is changing, the global landscape is changing, and therefore, the business landscape is changing. As an HR professional, we need to be ready and armed with knowledge and know how to meet the challenges of the 21<sup>st</sup> century.

### **Decision-Making in HR**

As human resource professionals, effective decision-making is critical. As organizations realize the importance of a strategic approach to the business functions, HR professionals must continue to transition from an administrative and tactical approach to a strategic approach that creates greater alignment with business leaders across the organization.

In addition to critical decisions, human resource leaders are required to demonstrate the value of the work and the positive impact on the organization's bottom-line. As human resource leaders continue to build upon their business partnering, collaborating with key business leaders is critical to successful implementation of business programs and policies.

Perhaps it is time for us to roll out a new benefits program. What choices do we offer the employees? How many choices do we offer the employees? Do we let them decide what options they can choose from or do we provide the options and let them choose? We can break this down even further; the way we present the options are one part of the equation. The way employees respond to the choices given and the way the choices are presented are other parts of the equation.

Most of us who have been in the workforce have been on the receiving end of a new or revised company policy. Perhaps you have been through several. Think about how you reacted. Was it presented in a positive light with the opportunity for people to ask questions and address concerns? Did you have any input before the policy became effective? Was it well received? Maybe nobody was aware a new policy was coming out until the day it was presented and implemented. How did you react? Was the staff resistant to the new policy? If so, why? As a HR professional, these are all things that we need to take into consideration when it comes to making or implementing policy and the decision behind it.

We can crunch the numbers, review data, and make assumptions about the impact of policy. We can conduct studies or conduct a meta-analysis related to our new policy and determine what the outcome should be. We can be deliberate on the communication plan and roll out. The timeline can be planned out with milestones along the way and everything mapped out perfectly. We then reach the date, the new policy becomes effective, and everything goes as planned. Or does it? As we are discussing, there is more behind the policy than the policy itself.

### **HR Policy**

Are there different types of HR policy? The answer is yes. To understand the different types or categories of HR policy, we should first have a firm grasp on what makes a HR policy. Essentially, HR policies are the formal rules and procedures of the organization. They describe how certain matters are handled in the workplace as it relates to employee rights and responsibilities. They establish a set of standards and uniformity in the organization. Many HR policies are tied to employment law.

When we look at the different HR policies, we find they fall into a few categories; behavior, safety, attendance, and requests. Instead of discussing the specifics of every kind of HR policy, we need to look at it from a broader viewpoint. By understanding the big picture, we can better determine what policies need to be in place.

### **Change Management**

As the clarity of the linkage between HR policies to the organizational strategic goals comes into focus, we also need to understand it is human nature to resist change. One of the ways to overcome this resistance is to know the why behind the change. This comes through a robust communication plan. Communicate with your employees. This cannot be stressed enough; communicate, communicate, communicate. Almost every problem in business can be traced back to poor communication or a lack of communication.

When it comes to making decisions about new policy, most employees would like the option to have an input into the new policy or change in policy. From a practical standpoint, this may not be feasible for every employee to have input, but it is feasible to have input nonetheless. It could be as simple as having one or two employees represent a group of employees. How we approach the process of a new policy is just as important as the implementation and success of the policy.

After we communicate the intentions and receive employee input, we need to establish a rollout schedule. Once the schedule is in place, it needs to be monitored or tracked to ensure progress. If there is a problem with the schedule, communicate. If there is not a problem, communicate. After the rollout, follow up with employees. Communication throughout the entire process is very important.

### **Implementing HR Policy**

One final area of decision making behind HR strategy and policy is the implementation. The best way to handle this is to have a strategy in place before you actually need it. The reality is, most of us do not have that luxury. Some things to keep in mind; we need to be flexible and understand that implementing a new strategy or policy can be tiresome. Hang in there. In order for the implementation to be successful, the senior leaders of the organization must be on board. Without their support, the implementation is doomed to fail. If the executives are ready to embrace the new strategy or policy, most likely the employees will be too.

Finally, the plan is developed, the plan is fully supported, the timeline has been set, and the plan has been communicated repeatedly. If possible, phase in the plan over a certain period of time. If that is not possible, make sure the communication plan is robust and nobody is surprised when the plan is in effect. Finally, measure the results, track the results, and adjust as necessary. The success or failure of a policy starts with the strategy behind the policy and the decisions made before and throughout the process.

### **Why Develop Policy**

A policy is developed for one of two reasons; because it is required by law or to support the overarching goals and objectives of the organization. Once we know the overall organizational goals and objectives, we develop policies to support those goals and objectives, and we manage people to help us reach those goals and objectives.

## **Business Relationships**

Just think about yourself for a minute. You want to be heard, you want people to listen to your ideas, and you want to be respected in the workplace. These are all valid points. Your employees feel the same way and so does your boss. Understanding people is a critical skill in the HR profession. Understanding how policy affects employees is important too.

## **HR Policies and Procedures**

Organizations have HR policies and procedures in place in order to have consistency throughout the organization. The process for which workers communicate with each other is spelled out in the policies and procedures. Clear communications are necessary and expected. Organizational charts may indicate who works for who, but policies and procedures dictate how the exchange of ideas should transpire. Policies and procedures can enhance employee relations and help form good working relationships. Policies and procedures often address cultural differences to prevent discrimination and harassment.

## **HR Policies and Ethics**

Human resources managers make daily decisions, which involve employee issues, company policies, and procedures. In making these decisions, the professional and personal conduct of the HR professional is important. For example, if faced with firing an employee or some other form of progressive discipline, what do you do? Does it matter if she is a single mom with two children at home? A solution may be reached after consideration of applicable laws, organizational policies, procedures, and standards of ethical behavior. With policies, procedures, and standards of ethical behavior in place, a fair (not easy) decision can be reached without personal malice or opinion.

## **Conclusion**

Writing HR policy and procedures is like planning a trip. You must have a starting point and a destination. Once you know where you are and where you want to go, then you map out the route to get there. For organizations, that planned route starts with a philosophy (where you are) and ends with a strategy (where you want to go). The road map is the policies and procedures put in place to direct the organizational path. If the policy takes the organization off course, it may never reach its destination. If the policy is aligned with the overall goals and objectives, it will bring the organization one step closer to reaching the destination.