

Six Manuals

By Bob Harris, CAE

SIX Operating Manuals

Operating manuals ensure that an organization delivers consistent customer/member service based upon best practices. Manuals are used by leadership and staff for training and reference. There are six manuals common to associations and chambers of commerce.

The Franchise Model. Across the country, frequently the most successful businesses are franchises (as opposed to independent businesses). Two elements of a franchise that drive success are 1) a strong brand or logo and 2) a set of operating manuals, templates, and checklists for employees. In the book *E-Myth Revisited*, author Michael Gerber suggests that all businesses consider an informal franchise model (Not the legal definition, rather the model of a well managed franchise). Specifically, the tasks and activities that are recurring or cyclical are identified. Staff members document how each activity is carried out. (For example, how is a new member processed, step by step? Or what are the steps for successfully selling sponsorships or advertising?)

The lists are maintained in one of six association manuals.

- Personnel
- Procedures
- Policy
- Leadership
- Style
- Emergency

An organization without manuals is at a disadvantage. Time is wasted on figuring out how the event was last accomplished and files are scattered in an office with time required to find them.

How were events held in the past? What policies have been adopted? What do I tell the board about their responsibilities? Similar to the highly efficient franchise business, the manuals and templates save time and increase confidence in the organization.

Six Manuals

Personnel Manual.

Also known as the HR manual, it details, formalizes, and communicates employee expectations and regulations. The personnel manual covers items such as sick leave, vacation time,

issuance of office keys, overtime, dress code, sexual harassment, credit cards, and filing complaints, for instance. Personnel manuals are based on state and federal laws and should be prepared by a labor-law specialist and/or attorney. (A quick way to determine if the personnel manual is up-to-date is to check for a Whistle Blower clause; a policy question on the new IRS Form 990.)

Do not consider borrowing a personnel manual from a colleague in another state, as the HR laws are different. Do not combine the personnel manual with any other manual.

Procedures Manual.

The procedures manual describes what the organization believes is the best way of conducting every process. It documents every activity through bulleted or enumerated lists. A new executive director, and staff members, quickly understands the purpose and value of the written steps. It is entirely staff driven and not a responsibility of the board. The manual insures consistent operations, quality controls, and standardized procedures, while reducing risk. It might also be called an operations manual, standard operating procedures (SOP), or best practices manual.

One way to create a procedures manual is by drafting a table of contents of all major responsibilities (guided by job descriptions and the annual calendar). Document processes or steps as they occur in the office in a consistent format (template) for adding to the manual. (For example, the meeting planner sold, billed, and processed sponsorships today. What were the steps?) Within months the operating manual will be assembled and serve as the most valued document for organization sustainability. For the 1-page framework of the mandatory, primary, and secondary documents and systems in an association or chamber, email bob@rchcae.com with the subject line, "Operating Framework."

Policy Manual.

Policies represent the wisdom of the board for current and future governance needs. A manual archives the board-approved policies. Without the manual, the policies tend to exist only as motions in prior minutes—or get buried in the bylaws (which should remain broad in scope; not littered with policies).

Policies may arise spontaneously in a board discussion ("We need to adopt a policy on that...") or be directed to staff or a



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committee to research and recommend a policy. All policies are recorded as motions in the board minutes. If no policy manual exists, take the last five years of minutes, highlight the motions that read as policies, create a table of contents, add the policies, and then present the manual to the board for adoption.

If the bylaws appear to be cluttered with policies, review them with the intent of moving policies into the policy manual. (When entering new policies, annotate the date of adoption so that the board meeting minutes can be referenced. Be sure to include the policies referenced in the IRS Form 990. (Visit www.irs.gov for the current Form 990.) It is best not to combine a “Policies and Procedures” manual. The procedures manual is staff driven and focuses on operations. The policy manual is board driven and focuses on governance.

Leadership Manual.

Also known as the board book, it is a guide for volunteers. It is distributed at board orientation or upon installation. Sections may include history, bylaws, strategic plan, committees, orgstructure, budget, responsibilities, staffing, and calendars, for example.

Some organizations maintain a leadership manual as a virtual document on their website, protected by password. Others distribute it as a CD or memory stick. Staff members should be familiar with the contents of the leadership manual.

Style Manual.

The style manual or communications guide is used to indicate the appropriate (and inappropriate) uses of the organization’s logos, key words, PMS color, preferred typeface, etc. Its purpose is to maintain a consistent image and brand. It may include sections on appropriate communications, lines of authority, and who speaks for the organization. It should serve as a guide for staff, chapters, webmaster, and printers.

Emergency Manual.

The emergency notebook protects the documents of the organization, recommends a communications plan, and promotes business continuity if an office is damaged or destroyed. It contains the critical documents that would take months to replace

and has a communications plan for staff and leadership. It may take the form of a virtual document so long as it is stored on a server outside of the office. If it is created as a notebook or CD, be sure it stored off-site and all parties know where it can be found in case of a disaster (e.g., at the office of the attorney, CPA or a bank safety deposit box.)

Summary

The six manuals promote understanding and efficient operations. In smaller associations, six manuals may be too large a task and unnecessary—possibly combining manuals (i.e., the Leadership Manual could be combined with the Policy Manual). Prioritize the most pressing needs for improved and sustainable operations as you begin to create a set of manuals. In larger, more complex organizations, there may be additional manuals such as a conference planner’s manual or a business affairs/accounting manual. In all cases, their purpose is to promote management excellence, consistent operations, and succession of the organization as boards and staff transition.

Sources of the Referenced Documents Document – Reference Development Tips

Be absolutely certain to rely on legal, accounting and insurance counsel in developing and managing these documents.

Mission Statement.

Review the most recent IRS Form 990 to determine what was submitted last year as the statement of purpose. Review the application to the IRS (Form 1023 or 1024). Review the bylaws and articles of incorporation’s preamble. Amendments to the mission should occur at the strategic planning retreat.

Vision Statement.

What is the long-range desired outcome of the organization? Is it inspiring? What will success look like? Reviewed and adopted at the strategic planning retreat.

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Personnel Manual.

The employee handbook communicating job details and responsibilities. Created by an HR specialist or labor lawyer. Templates may be available from SHRM (Society of HR Managers), state chamber, or state department of labor.

IRS Form 1023 or 1024.

The application to determine qualification for exemption from federal income tax. Check with the official who filed the request with the IRS if it is not available in the office. A public record.

IRS Form 990.

Filed annually and maintained as a public record. Be sure it is at the headquarters office should a visitor request a copy for any of the last three years.

Letter of Determination.

Issued by the IRS to the organization indicating tax exempt status. A public record. The IRS helpline is (877) 829-5500.

Articles of Incorporation.

Issued by state government and indicating corporate status, i.e. not-for-profit.

Bylaws.

The document describing the relationship between the organization, the leadership, and the membership. ■

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