

DIFFERENCE BETWEEN PROCESSES AND PROCEDURES

The difference between processes and procedures can be summed up as breadth and depth. A process defines the big picture and highlights the main elements of your business—breadth. A procedure captures those elements and adds more information for functional responsibilities, objectives, and methods—depth. Taken together, they each have different roles to play in defining the standard operating model of your business.

What Is a Process?

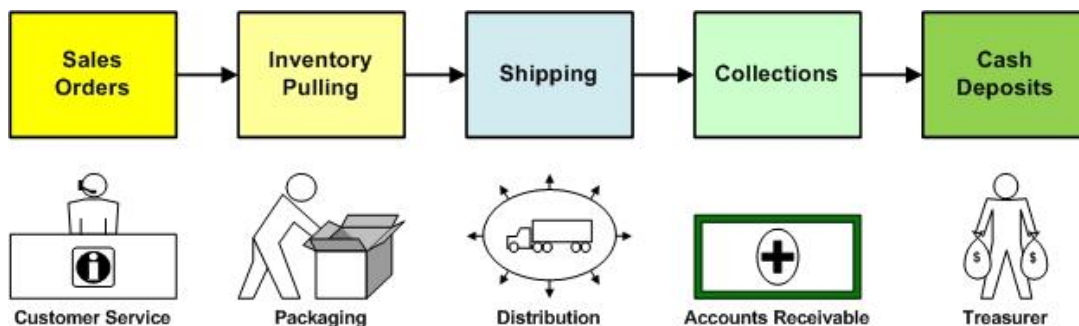
A process is the conversion of an input into an output.

A process typically operates at a higher level, possibly across many functions, and may cross department lines. A process may contain one or more procedures and may refer to procedures from other processes. Work Instructions provide even more detail for a procedure. Processes, procedures, and work instructions can expand like an organization chart (see process Procedures Work Flow diagram).

Process maps are used to depict business processes, which make up and define your business. Critical business processes must be controlled and procedures help define, document and maintain that control.

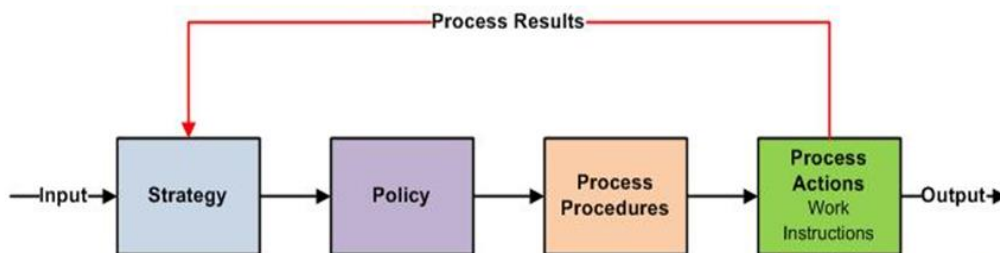
Example Revenue Process

Let's look at the Revenue Process, one of the ten core business processes. The revenue process starts when sales takes an order. The order is pulled from inventory and shipped. But the revenue process is not complete until the order goes through collections and is converted from merchandise into cash. Notice how the Revenue Process crosses various department boundaries from sales, to the warehouse, to accounting.



A process is in control when objective are clearly defined, metrics are tracking how well the process is achieving the objective, and actions are clearly taken when objectives are not met. Clearly defined responsibilities, measures, actions, and operating time frames help to establish the controls that are typically found within a procedure. The revenue process is complex and operates across many functions and departments, which may result in a number of different procedures. What is a Procedure?

What Is a Procedure?



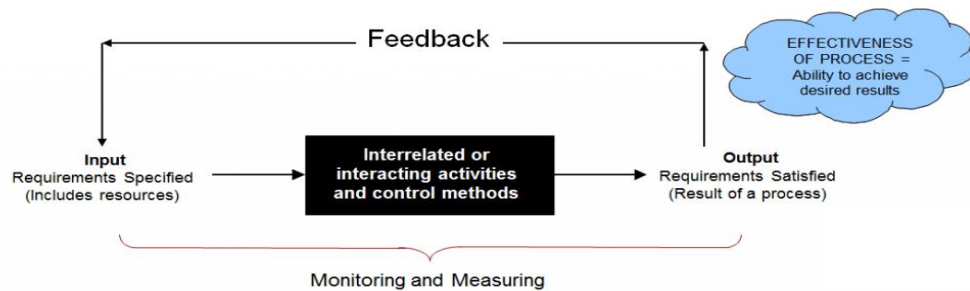
Policy Deployment

What is a procedure?

A “procedure” is a term used in a variety of industries to define a series of steps, taken together, to achieve a desired result. Procedures explain how to accomplish a task. A procedure is sometimes called a work instruction. If you are preparing an ISO 9001 quality management system, then the term procedure is used to describe a process, whereas a work instruction is used to describe something more basic like a specific step in a process. For example, how to fill out a form. Procedures are known in other ways too.

Procedure Definition

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You may hear people ask about the SOP for purchasing new equipment. In this context an SOP is a Standard Operating Procedure (SOP). In other words, what are the steps for purchasing new equipment? These steps could be a checklist or ordered list, which we may also call a Work Instruction. These steps may include effectiveness criteria or controls to ensure the process is effective.

Can you purchase anything you want or are there controls like a budget, quality standards, approved vendors, or engineering specifications? Customers of the Purchasing Procedure are entitled to consistent service delivery based on established and accepted procedures—not on any one worker’s personal values, and not varying from one geographic area to another.

Compliance Procedures

Procedures are required by compliance standards such as ISO in quality, Sarbanes-Oxley for public company accounting, or the Joint Commission in healthcare. We also use procedures to train new employees on a process in order to obtain more consistent results. Procedures are used to document company knowledge to ensure important information is retained. We also use procedures in process improvement to document the future state of a process after we improve it so that we may communicate the new steps to others.

Over time, procedures improve and evolve into “best practices?” Sometimes these are called Good Manufacturing Practices or GMP for short. A GMP is an SOP that has evolved into a best practice. The medical device and pharmaceutical manufacturing industry refers to a procedure as a GMP in their quality system.

Policies and Procedures

Procedures are often associated with or supported by other documents like policies. What’s the difference between a policy and a procedure? The policy is the goal statement and the procedure is the description of how to achieve the goal. So basically, every procedure should be associated with a policy.

Other procedure supporting documents may include:

Process Maps, Business Manuals, Job Description, Reports, Forms, and Checklists, Business Objectives, Control Plans, Quality Plans, etc...