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Voices: Susan Veligor, on an Important Basic for All Advisory Firms

A manual of policies and procedures is critical even for the smallest firms, to help train new hires, cope with absences and not overlook occasional tasks

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Voices is an occasional feature in which wealth managers address issues of interest to the advisory community. Susan Veligor is the co-founder of Cornerstone Financial Planning in Portland, Maine.

When you're running a small business—or even a big one—you're always looking at efficiencies, and one practice that is the ultimate in creating efficiency is writing policies and procedures manuals.

When I set up my financial-planning practice with my partner in 2004, it was just the two of us, but we had an eye on our future. Assuming that one day we'd add people to our team, we decided from the very start to have policy and procedures manuals that detail what needs to be done, how it should be done, who does what and how the



Susan Veligor PHOTO: CORNERSTONE FINANCIAL PLANNING

business functions.

On the face of it, it might seem foolish for an office of two people to have policy and procedures manuals, but in reality, it's a smart move. Why? For one, it's easy to forget tasks that are only done once in a while, like what needs to be done when a client terminates. Who do I call when my server crashes? Why reinvent the wheel every time you have to do such things? If you have a manual, you can quickly look at it and follow the procedure.

Manuals also come in handy for training when you do hire someone or when you are filling a vacated position, because all the tasks a particular staff person does are recorded in the manual. These manuals also serve as backup in the event of an emergency situation, such as an unexpected death of a staff member.

And, importantly, manuals keep everyone on track so important things don't slip through the cracks. For instance, every month I know I need to check in with our bookkeeper to make sure the taxes are paid. Each staff person's manual should have checklists for that person's particular tasks. For me, for example, I have checklists detailing tasks that I do weekly, monthly, quarterly, semiannually and annually. Our office administrator has a different set of checklists in her manual.

Your manuals should be tailored to your business, but there are basic topics that everyone should include. I'd recommended sections on computers, accounting and regulatory issues (separate from your compliance manual), clients, marketing, investment management and personnel.

Print your manuals in addition to keeping electronic copies, so you can access them even when your computer crashes.

It is important to keep your manuals constantly updated. We do an annual review of all

our procedures to make sure they accurately reflect how we are doing things.

As a business owner, having policies and procedures manuals helps keep you and your business organized and helps you feel more in control. When you're organized and efficient, you're more professional, and that comes across to your clients and potential employees.

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