

EFFECTIVE IMPLEMENTATION OF ORGANIZATIONAL POLICIES AND PROCEDURES: THE ROLE OF MANAGERIAL PRACTICES

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Abstract: Successful organizational management requires adopted policies and procedures, which regulate employee conduct and support compliance with organizational, legal, and regulatory requirements, to be communicated clearly and implemented consistently. This study examined the relationship between Internal Business Communication, as an important managerial practice, and the Effective Implementation of Organizational Policies and Procedures in small and medium-sized enterprises. A quantitative study was conducted between March and June 2026 on a sample of 281 employees from manufacturing, trade, and service enterprises in the City of Belgrade. Data were collected using a structured questionnaire and analysed through descriptive statistics, reliability analysis, Spearman's rank-order correlation, and simple linear regression. The results revealed a strong, positive, and statistically significant relationship between the observed constructs. Internal Business Communication was identified as a positive and statistically significant predictor of the Effective Implementation of Organizational Policies and Procedures, with the regression model explaining 82.3% of the variance in the dependent variable. Message clarity, timely information sharing, access to additional explanations, and continuous feedback were identified as significant communication factors associated with employees' understanding, acceptance, and consistent application of organizational policies and procedures. Internal Business Communication therefore extends beyond its informational function and is confirmed as an important managerial practice supporting the effective implementation of organizational policies and procedures. Managers of small and medium-sized enterprises are encouraged to improve communication clarity and timeliness, provide opportunities for additional clarification, and strengthen feedback mechanisms. The study contributes to a better understanding of the communication factors associated with the effective implementation of organizational policies and procedures and provides a basis for further research in different organizational and business contexts.

Keywords: managerial practices; internal business communication; organizational policies and procedures; effective implementation; small and medium-sized enterprises.

Field: Social Sciences (Management and Business)

1. INTRODUCTION

The achievement of organizational goals depends not only on the quality of managerial decision-making but also on the organization's ability to implement those decisions effectively. Implementation is one of the most demanding stages of the management process, requiring an appropriate combination of managerial practices and organizational mechanisms to translate decisions into planned outcomes (Hrebiniak, 2013; Holm et al., 2026). Within this process, organizational policies and procedures constitute key managerial instruments that define work processes, employee responsibilities, and workplace relationships while supporting compliance with legal, regulatory, and organizational requirements (Akinsola, 2025). Their formal adoption alone, however, is insufficient to ensure effective implementation.

Effective implementation is achieved when employees understand the purpose of organizational policies and procedures, accept the expectations they establish, and apply them consistently. This requires organizational roles, responsibilities, and requirements to be clearly communicated and connected with employees' work responsibilities (Fleming & Kowalsky, 2024). Internal business communication therefore represents an important managerial practice through which information is conveyed, requirements are clarified, and feedback is exchanged.

Internal business communication supports employee coordination, the implementation of managerial decisions, and the consistent interpretation of organizational requirements (Men, 2014; Lekić & Mandić, 2026). Information exchange, clarification, and feedback can reduce inconsistent interpretations, strengthen coordination, and encourage employee engagement (Nadales-Gallego et al., 2025). Clear communication and effective feedback mechanisms have also been associated with improved organizational functioning and the achievement of business objectives (Kalogiannidis et al., 2025). Nevertheless, effective implementation is shaped by the interaction of communication processes,

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managerial practices, organizational mechanisms, institutional arrangements, and the normative framework rather than by any single factor (Mandić et al., 2025; Radulović & Vučičević, 2026).

Despite the recognised importance of internal business communication and organizational policies and procedures, their interrelationship has received comparatively limited direct empirical attention, particularly in small and medium-sized enterprises. Accordingly, this study aims to examine the relationship between internal business communication and the effective implementation of organizational policies and procedures in small and medium-sized enterprises operating in the City of Belgrade. In line with this objective, the following hypothesis was formulated: H1. Internal business communication positively and significantly predicts the effective implementation of organizational policies and procedures. Examining this relationship may provide new insights into the managerial practices that support the effective implementation of organizational policies and procedures in small and medium-sized enterprises.

2. MATERIALS AND METHODS

The empirical study employed a quantitative cross-sectional survey to examine the role of internal business communication as a managerial practice supporting the effective implementation of organizational policies and procedures in small and medium-sized enterprises operating in the City of Belgrade, Serbia. Data were collected between March and June 2026 using a structured questionnaire administered to employees working in manufacturing, trade, and service enterprises. A total of 350 questionnaires were distributed, of which 281 were properly completed and included in the final statistical analysis, representing a response rate of 80.3%. Participation in the study was voluntary and anonymous. Respondents were informed about the purpose of the research and were assured that the collected data would be used exclusively for scientific research purposes.

A structured questionnaire consisting of three sections was used as the research instrument. The first section collected demographic information on respondents' gender, age, educational level, job position, work experience, enterprise size, and business activity. The second section measured Internal Business Communication (IBC) using five variables: clarity and comprehensibility of information received from management (IBC1), timely provision of information necessary for work (IBC2), the opportunity to ask questions and receive clarification (IBC3), regular feedback from the immediate supervisor (IBC4), and timely and clear communication of organizational policies and procedures (IBC5). The selection of these variables was based on the conceptual and empirical contributions of Dozier et al. (1995) and Men (2014).

The third section assessed the Effective Implementation of Organizational Policies and Procedures (EIOPP) through five variables: understanding of policies and procedures related to one's job (EIOPP1), clarity of expectations regarding their application (EIOPP2), perceived usefulness of policies and procedures for job performance (EIOPP3), acceptance of policies and procedures as an integral part of everyday work (EIOPP4), and consistent application of policies and procedures while performing job duties (EIOPP5). The selection of these variables was guided by the implementation frameworks proposed by Klein and Sorra (1996), Klein et al. (2001), Hrebiniak (2013), and Proctor et al. (2011). All items were rated from 1 to 5, with lower scores reflecting a more negative evaluation and higher scores a more positive evaluation. Composite scores for IBC and EIOPP were calculated as the arithmetic means of their respective five-item scales.

Data analysis was performed using the jamovi statistical software package (Version 2.7.38). The software provides an accessible platform for conducting a broad range of statistical procedures and has become increasingly used in empirical research within the social sciences (Şahin & Aybek, 2020). Its application was also reported in a recent empirical study employing descriptive statistics, normality testing, group comparisons, correlation analysis, and regression modelling (Trobec et al., 2026).

Descriptive statistics were calculated to summarize respondents' characteristics and the distribution of the study variables. Internal consistency of the measurement scales was assessed using Cronbach's alpha coefficient, while the normality of the composite variables was evaluated using the Shapiro–Wilk test. Since the distributions deviated significantly from normality, Spearman's rank-order correlation was applied to examine the relationship between Internal Business Communication and the Effective Implementation of Organizational Policies and Procedures. Simple linear regression analysis was subsequently conducted to determine whether Internal Business Communication significantly predicted the Effective Implementation of Organizational Policies and Procedures. The assumptions of the regression model were evaluated using the Shapiro–Wilk test of residuals, a Q–Q plot, and residual plots. Statistical significance was established at $p < 0.05$.

3. RESULTS

The results are presented in the following order: demographic characteristics of the respondents, descriptive statistics and reliability analysis, correlation analysis, and regression analysis.

Demographic characteristics of respondents

Table 1 summarised the demographic characteristics of the respondents. The sample consisted of 281 respondents. Female respondents accounted for 51.96% of the sample, whereas males represented 48.04%. Most respondents were between 36 and 55 years of age (57.65%), had completed higher education (61.92%), occupied non-managerial positions (66.90%), and had between 6 and 10 years of work experience (45.20%). Medium-sized enterprises represented the largest share of the sample (47.33%), while manufacturing was the most represented business activity (35.23%).

Table 1. Demographic characteristics of respondents (N = 281)

Variable	Category	Frequency	Percentage
Gender	Male	135	48.04
	Female	146	51.96
Age	Up to 35 years	49	17.44
	36–55 years	162	57.65
	56 years and over	70	24.91
Education Level	Secondary education	41	14.59
	Higher education	174	61.92
	Master's or specialist degree	46	16.37
	Doctoral degree	20	7.12
Position in the Organization	Managerial position	93	33.10
	Non-managerial position	188	66.90
Work Experience	Up to 5 years	23	8.19
	6–10 years	127	45.20
	11–20 years	82	29.18
	21 years and over	49	17.44
Enterprise Size	Small enterprise	148	52.67
	Medium-sized enterprise	133	47.33
Business Activity	Manufacturing	99	35.23
	Trade	81	28.83
	Services	101	35.94

Source: Authors' calculation based on the survey data (2026)

Descriptive statistics

The mean values ranged from 3.60 to 4.20, while the standard deviations ranged from 0.89 to 1.10. All measurement variables had negative skewness values, indicating a greater concentration of responses in the higher categories of the scale. The kurtosis values ranged from 2.74 to 5.70 and indicated no substantial deviations from normality. These results were reported in Table 2.

Table 2. Descriptive statistics of the measurement variables

Variable	Mean	Std. Dev.	Skewness	Kurtosis
IBC1	4.103	0.941	-1.528	5.703
IBC2	3.808	0.967	-0.610	3.077
IBC3	3.701	1.019	-0.719	3.378
IBC4	3.601	0.893	-1.096	4.244
IBC5	3.900	1.013	-0.754	2.943
EIOPP1	4.203	0.959	-1.200	3.954
EIOPP2	4.028	1.048	-1.218	4.072
EIOPP3	3.904	0.903	-1.332	5.196
EIOPP4	3.801	1.100	-0.636	2.742
EIOPP5	3.904	1.049	-0.833	3.104

Source: Authors' calculation based on the survey data (2026)

At the construct level, mean values ranged from 3.82 to 3.97, while the standard deviations ranged from 0.81 to 0.88, indicating moderate response variability. Both constructs demonstrated high internal consistency, with Cronbach's alpha coefficients exceeding the recommended threshold of 0.70. Table 3 provided the descriptive statistics and reliability coefficients for the constructs.

Table 3. Descriptive statistics and reliability of the constructs

Constructs	Number of variables	Mean	Std. Dev.	Cronbach's α
IBC	5	3.823	0.810	0.893
EIOPP	5	3.968	0.883	0.920

Source: Authors' calculation based on the survey data (2026)

Correlation analysis

The normality of the composite variables was assessed using the Shapiro–Wilk test. The results indicated statistically significant deviations from normality for both Internal Business Communication ($W = 0.842$, $p < 0.001$) and the Effective Implementation of Organizational Policies and Procedures ($W = 0.817$, $p < 0.001$). Therefore, Spearman's rank-order correlation was applied to examine the association between the two constructs. The results presented in Table 4 indicated a strong, positive, and statistically significant relationship between the two constructs (Spearman's $\rho = 0.724$, $p < 0.001$). This finding suggested that higher levels of internal business communication were associated with more effective implementation of organizational policies and procedures.

Table 4. Spearman correlation analysis of the research constructs

Constructs	Spearman's ρ	df	p-value
Internal Business Communication and Effective Implementation of Organizational Policies and Procedures	0.724	279	< 0.001

Source: Authors' calculation based on the survey data (2026)

Regression analysis

A simple linear regression analysis was conducted to examine whether Internal Business Communication predicted the Effective Implementation of Organizational Policies and Procedures. The model fit measures were presented in Table 5.

Table 5. Model fit measures for the linear regression model

Model	R^2	Adjusted R^2	Overall Model Test			
			F	df1	df2	p
1	0.823	0.823	1299	1	279	< 0.001

Source: Authors' calculation based on the survey data (2026)

The regression model was statistically significant, $F(1, 279) = 1299.00$, $p < 0.001$, and explained 82.3% of the variance in the Effective Implementation of Organizational Policies and Procedures ($R^2 = 0.823$; adjusted $R^2 = 0.823$), indicating substantial explanatory power. The regression coefficients were reported in Table 6.

Table 6. Model coefficients – EIOPP

Predictor	Estimate	SE	t	p	Stand. Estimate	95% Confidence Interval	
						Lower	Upper
Intercept	0.188	0.1072	1.75	0.081			
IBC	0.989	0.0274	36.04	< 0.001	0.907	0.858	0.957

Source: Authors' calculation based on the survey data (2026)

Internal Business Communication was identified as a positive and statistically significant predictor of the Effective Implementation of Organizational Policies and Procedures ($B = 0.989$, $SE = 0.027$, $\beta = 0.907$, $t = 36.04$, $p < 0.001$). More specifically, a one-unit increase in the Internal Business Communication score was associated with an estimated increase of 0.989 units in the Effective Implementation of Organizational Policies and Procedures score. These findings supported the research hypothesis that Internal Business Communication positively and significantly predicted the Effective Implementation of Organizational Policies and Procedures.

4. DISCUSSION

The strong relationship identified between internal business communication and the effective implementation of organisational policies and procedures indicates that organisational rules are not implemented merely through their formal adoption. Their implementation also depends on the extent to which organisational requirements, responsibilities, and expected ways of performing work are clearly communicated to employees. Internal business communication therefore represents one of the key managerial practices through which organisational policies and procedures are communicated, explained, and linked to employees' work tasks, thereby facilitating their consistent implementation. This finding is also consistent with governance-oriented approaches suggesting that organisational performance depends not only on formal structures but also on effective coordination mechanisms, institutional coherence, and interaction among organisational actors (Radulović & Vučičević, 2026). More broadly, successful implementation depends on the coordinated functioning of managerial and organisational mechanisms rather than solely on the quality of formally adopted decisions and rules (Hrebiniak, 2013; Holm et al., 2026).

Particular importance in the successful implementation of organizational policies and procedures lies in the quality of internal business communication. When employees receive timely information, have opportunities to seek clarification, and regularly obtain feedback, the likelihood of inconsistent interpretations of organizational requirements is reduced, while consistency in their implementation is strengthened. This interpretation is consistent with Men's (2014) view of internal communication as a strategic management instrument and with the review by Nadales-Gallego et al. (2025), which highlights its contribution to employee engagement and organizational effectiveness. Similar conclusions were reported by Kalogiannidis et al. (2025), who emphasised that clear communication, effective feedback mechanisms, and coordinated activities are important prerequisites for the successful functioning of small and medium-sized enterprises.

Organizational policies and procedures fulfil their intended function only when employees understand their purpose, organizational expectations, and the manner in which they should be applied. Their mere formal existence is therefore insufficient to ensure successful implementation. Consistent implementation also supports compliance with internal rules and legal and regulatory requirements, thereby strengthening transparency, accountability, and organizational risk management (Akinsola, 2025). Fleming and Kowalsky (2024) emphasise that the development and administration of policies and procedures require their continuous explanation, adaptation, and integration into organizational processes. Similarly, Klein and Sorra (1996) and Klein et al. (2001) argue that successful implementation depends on employees' understanding of organizational expectations and acceptance of organizational requirements.

Empirical evidence obtained in the present study confirmed that internal business communication was a strong predictor of the effective implementation of organizational policies and procedures. The high explanatory power of the regression model indicates that communication processes represent an area in which managerial action may produce substantial improvements in implementation. This does not imply that other organizational factors are unimportant; rather, it shows that the clarity, timeliness, and reciprocity of internal communication are closely associated with employees' understanding and consistent application of organizational requirements. Accordingly, the results provided empirical support for the research hypothesis that internal business communication positively and significantly predicted the effective implementation of organizational policies and procedures.

5. CONCLUSIONS

Effective implementation of organizational policies and procedures depends not only on their formal adoption but also on the quality of internal business communication. The results showed that internal business communication, as a managerial practice, was a significant predictor of their effective implementation. Successful implementation requires organizational requirements to be clearly communicated, explained, and linked to employees' specific work responsibilities. Timely information, opportunities to obtain additional clarification, and continuous feedback create conditions that promote better understanding, acceptance, and consistent application of organizational requirements. Internal business communication therefore extends beyond its informational function and becomes an important managerial instrument that links managerial decisions with employees' work practices.

This perspective contributes to a better understanding of the communication-related conditions that support the successful implementation of organizational policies and procedures in small and medium-sized enterprises. Managers can directly influence the quality of this process by improving message clarity,

ensuring timely information sharing, providing opportunities for additional clarification, and strengthening feedback mechanisms. Organizational policies and procedures should therefore not be communicated merely as formal requirements but should be closely linked to employees' work tasks, responsibilities, and expected ways of performing their duties so that they become an integral part of organizational practice.

The findings of this study should, however, be interpreted in the light of certain limitations arising from the use of self-reported data, the cross-sectional design, and the inclusion of only small and medium-sized enterprises operating in the City of Belgrade. Future research could include enterprises of different sizes, other geographical regions and business sectors, adopt a longitudinal research design, and examine additional organizational factors such as leadership style, organizational culture, management support, and control systems. Such research would provide a more comprehensive understanding of how different managerial practices, together with internal business communication, contribute to the effective implementation of organizational policies and procedures.

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