

HR Insights

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Designing an Employee Handbook

An employee handbook is an easy way to transmit important information to employees in a comprehensive manner. Employee handbooks provide company information for new employees, serve as a reference for seasoned employees, ensure that all individuals are consistently treated with regard to company policies and procedures, and can protect the company from potential lawsuits.

When creating a handbook for your company, draft it as a quick reference guide for employees. Generally, it is best to keep the document under 20 pages. Handbooks should be reviewed every one to three years to ensure the policies and procedures are still relevant and up to date. In addition, it is best to individualize your handbook so that each policy pertains specifically to your company and employees.

Employee Handbook Best Practices

- Have your handbook reviewed by legal counsel to ensure it does not contain unlawful provisions or language that could be interpreted as creating an employment contract.
- Make sure your handbook clearly states that it is not a contract and that the employment relationship is "at will" and can be ended at any time with or without cause.
- Include a statement that 0 has the right to revise policies at any time.
- Include an effective date on each page of the employee handbook and include a statement that the current handbook replaces any previous handbook.
- Require employees to sign a statement acknowledging that they have received the handbook and understand its provisions. Keep a copy in each employee's personnel file.
- Make sure that your handbook includes a list of offenses which are subject to discipline (but also note it is not a comprehensive list).
- Be sure to include an email, voicemail and internet usage policy.
- Include a section concerning equal employment opportunity and harassment.
- General language gives you flexibility and allows your handbook to be changed easily.
- Common trouble areas include policies on discipline/progressive discipline, layoffs, severance pay, probationary periods, performance evaluations, work rules and employee benefits. If you choose to include policies on these topics, legal counsel should carefully review them.
- Make sure that the documentation within your organization is consistent.
- Define the terms that you use, such as "excessive tardiness," "insubordination," etc.
- Make sure supervisors understand that their discretion is limited and that they cannot modify the handbook. Consider supervisor training sessions on policies such as FMLA, ADA, harassment, employee discipline, interviews, etc.
- Review your handbook annually to make changes and then have legal counsel review those provisions. Give employees notice and have them sign off on significant changes.