



Employee Handbook (Policy and Procedures)

Employee handbooks are guidelines for employees, and they help a company achieve its goals and protect itself from legal action. The employee handbook is a living document that must be updated periodically.

1. **Functions:** An employee handbook seeks to do the following:
 - A. Provide information to employees.
 - B. Achieve company objectives.
 - C. Provide legal protection for the company.

2. **Style:**
 - A. Write defensively, and include the following:
 - I. Understanding and informative tone.
 - II. Professional style.
 - III. Clear, concise, and coherent language.
 - IV. Avoid threatening language because it will create a culture of mistrust and fear.
 - V. Make sure your employee handbook provides your company with legal protection by explicitly listing expectations. If the expectation is not recorded in the handbook, it cannot be proven.
 - B. Avoid limited definitions of the employee/employer contract:
 - I. Avoid expressions such as permanent employee, probationary period, introductory period.
 - II. Provide a blanket statement that you are entitled to change the policies at the company's discretion.

3. **Organization:** The content can follow any organization that you want, but most handbooks follow the organization listed below.
 - A. Introduction: Employees need to know the company structure and culture, so make sure you provide this information first. Include information on the following:
 - I. Mission and vision statements.
 - II. History of the company.
 - III. Organizational charts.
 - IV. Chain of command.
 - B. Local, State, Federal Laws:
 - I. Provide information on relevant laws, such as equal opportunity laws, OSHA, minimum wage rates, etc.
 - II. Include any law that you would post for employees to see.
 - C. Employee/Employer Relationship: Include the following information on harassment:
 - I. General overview of harassment and discrimination.
 - II. Statement declaring that the company does not tolerate harassment.
 - III. Process for reporting harassment.
 - IV. Assurance of no retaliation.
 - V. Company's plans for handling harassment (investigation, firing, etc.).
 - D. Pay:



- I. Clearly and succinctly explain how the company and relevant laws define the following:
 - a) Hourly employees.
 - b) Salaried employees.
 - c) Full-time hours—35-40 hours per week.
 - d) Overtime—weekly or daily hours.
- II. Explain how time is kept, when the pay period ends, and when paychecks are available.
- III. Provide information for direct deposit.
- E. Safety: Provide relevant information on maintaining standards for safety. Consult state and federal departments of labor and employment attorneys to ensure that policies meet required standards. Include information on the following:
 - I. Safety equipment requirements based on state and federal regulations.
 - II. Company's rules for using safety equipment.
 - III. Emergency stations in case of accidents.
- F. Guidelines for Employee Behavior: Include detailed information on the following:
 - I. Absences and tardiness—policy for missed days, paid leave, the process for requesting time off work, etc.
 - II. Dress code.
 - III. Personal use of phone, email, office supplies, etc.
 - IV. Confidentiality.
 - V. Testing for drug and alcohol use.
 - VI. Smoking policy.
- G. Benefits: Include information on the following:
 - I. Paid leave—sick days, holidays, vacation days, etc.
 - II. Insurance—medical, dental, etc.
 - III. Retirement.
 - IV. Any other benefit that your company offers.

Note: Because the employee handbook is a living document and will change as new policies and procedures are developed, it is important to have a procedure for adding to the handbook. Typically, the new information is provided via a memo and the employee will be required to sign the memo as a permanent record that he or she received the new policy. The new policy will then be added to the handbook. As a rule, handbooks are updated quarterly and include the date and initials of the person who has provided the update.