



## 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.