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.