



RULES OF THE ROAD: EMPLOYEE HANDBOOKS OFFER VITAL GUIDANCE

By Phil Perry MA

Every driver needs a map for navigating the road ahead. And every employee needs a policy guide for getting the job done. Enter the employee handbook.

"Employee handbooks are critical tools for communicating in a concise, fair manner the essential way an organization functions," says Susan B. Wilson, director of Executive Strategies, Stevensville, Mich. "These handbooks tell what the employer expects from employees and, at the same time, what the employees can expect by way of treatment by their employers."

What should go in your own organization's road map? No two handbooks are alike. Most, though, provide information in areas such as these: Hours. What are the normal working hours

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and how can overtime be authorized? Pay. How are pay, salary and bonus levels set and raised? Benefits. What rules must the employee follow regarding health insurance, retirement plans and other benefits? Attendance. What are the penalties

for repeated tardiness or absences? Time off. How do employees apply for vacation time, sick leave, and other absences from normal work times? Sexual harassment. How and to whom can an employee report sexual harassment or bias incidents? Discipline. What types of conduct will lead to disciplinary action? Use of computers and telephones. May employees use these devices for personal communications? Other matters: Many handbooks include safety and smoking rules, prohibitions of drug and alcohol abuse, and indicate the availability of Employee Assistance Programs (EAPs).

Include vital information but don't get verbose. Omit material that properly belongs in a procedure manual. An example would be the steps for preparing, documenting and submitting an expense report. Keep in mind that employees are more likely to read a short handbook than a heavy tome. "Start small with a reasonable amount of information, then add to the handbook over time," suggests Liz Weber, president of Weber Business Services, Greencastle, Pa. "There is no sense in developing a handbook that turns into a huge bureaucracy."

Even Smaller Institutions Need Handbooks

Do you think employee handbooks are only for big organizations? Not so. Employers with only a few people on board have an even greater need to put workplace policies in written form.

Consider that a small business has more to lose than a large one from the poor performance of an employee who resents unfair treatment, real or imagined. After all, in a small organization each individual carries a larger portion of the workload. In contrast, a good employee handbook will assure fair treatment for every person. "An employee handbook can be valuable for even the smallest businesses," says consultant Weber. "It can lend guidance and consistency to decision making and limit open interpretations and assumptions."

Smaller organizations with more "casual" policies are also at higher risk of treating different employees differently, and that can spark discrimination lawsuits. That can be avoided with written policies that are adhered to across the board.

A road map for all

Your employees need to understand their rights and obligations. Give every new hire an employee handbook on their first day of work. Invite the individual to ask questions about any workplace policy that may be unclear.

The earlier an employee understands workplace rights and responsibilities, the better. Indeed, you may want to consider issuing handbooks to applicants. That can be a smart way to filter out people who might not fit your workplace culture.

Giving employee handbooks to newly hired individuals is one thing. Introducing a handbook for the first time to current employees, though, can be far different. People may view the handbook as an intrusion, representing a new set of rules and regulations that threaten to make their lives uncomfortable. They may see the handbook as a sign of management distrust, or at least that the workplace is becoming less friendly.

How can you introduce an employee handbook without alienating your work force? The answer lies in good communications. Here are some tips:

- Introduce the new handbook at a department-wide meeting. Top management should be on hand to introduce the handbook and field questions.
- Emphasize the benefits of the handbook to employees in a

statement such as this one: "You have rights as employees; the policies we set forth in this handbook demonstrate that we are complying with the law and honoring your rights."

- Address the "why now?" question. "As our organization is growing larger we need a set reference for policies that apply to everyone's employment. Many of these policies have already been in place. The handbook provides you with a convenient reference."

Legal protection

Your employee handbook can provide legal protection if an employee sues you for discrimination. If someone claims to have been unfairly disciplined or fired, you can defend yourself by showing three things:

- The individual acted in violation of workplace rules.
- Such rules were known to the employee by virtue of the handbook.
- You applied the rules to everyone equally, regardless of race, religion, sex, national origin, or other characteristic protected by law.

The workplace policies in your handbook must comply with all relevant laws. Employees enjoy federal and state protection against discrimination. They are also entitled to minimum standards in areas such as maternity leave and family leave.

Because the matrix of laws can be confusing the wise employer has the employee handbook reviewed by counsel.

Avoid binding obligations

The ability to fire employees at any time for any reason is essential in the business landscape. You must make sure that nothing in your employee handbook clouds the issue of "at will" employment.

A desire to create a positive tone can result in inadvertent binding obligations. Avoid any statement such as "we know you will enjoy a long and productive career here." That's well-intentioned but can be misconstrued as creating a contract for permanent employment.

Your handbook must also contain a statement emphasizing the voluntary nature of employment. This statement must be worded to satisfy your state laws as they have developed regarding "at will" employment. That term refers to the ability of an employer to dismiss any employee for any reason, as long as it does not violate laws against discrimination or other laws.

It may sound harsh to state that the employee can be fired at any time. However, such a statement can help avoid misunderstandings regarding the nature of the employment relationship. And attorneys advise that every employee be required to sign a statement to the effect that the handbook and the at-will provision has been read and understood.

Update regularly

As your organization changes your employee handbook must follow along. Some modifications will be apparent. Maybe your state has new laws regarding maternity leave. You must alter the words in your handbook to comply.

Other changes will be more subtle. Maybe in the early days of your organization's history policies might have been stricter on work hours but looser on dress codes or say, the use of customized screen savers. Today, however, it is larger and to make sure no one is every offended or made to feel that they are being treated unfairly, your organization needs to tighten up the dress code or not allow personal screen savers.

How to decide what changes you need in your handbook? Why not ask your employees? "I believe in allowing a select group of

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employees to provide input into the handbook before it's released to the entire employee population," says consultant Weber. "They can point out inconsistencies and potential problems with implementation, as well as policies that may be confusing to a majority of the employees."

Employees can provide vital feedback about planned policy changes. Perhaps the organization wants to prohibit the use of personal screen savers. If individuals accept this in stride then maybe they welcome a change. If you hear a lot of gripes you might want to consider that employees are accustomed to a certain culture and maybe your change is a little too abrupt.

How to get help

Employee handbooks are critical to an organization's success. But who wants to be bothered putting one together? Researching and writing a handbook from scratch takes many hours of work.

Take heart: Help is at hand in the form of pre-written handbooks available at minimal cost on the Internet or in published books and software programs.

Of course, such templates are generic in nature. They can't address your organization's vision, mission or culture. And they may contain sections that violate your state's laws, department of labor regulations or perhaps even union contracts. That's why it's so important to run your handbook by legal counsel before you go to press.

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