

HR POLICY MANUAL & EMPLOYEE HANDBOOK

Should your organization have one?



INTRODUCTION

Think of a handbook in the same way as a “fire drill.”

When you participated in a “fire drill” at school, the purpose was to ensure that everyone knew exactly what to do in case of an emergency – boys in one line; girls in another line. Turn right or left. Go out the door; meet at the swing set, or monkey bars, or big tree. The school wanted to ensure that, should a particular circumstance occur, every child would know what to do.

With a handbook, the company identifies, IN ADVANCE, what its policies/practices will be with regard to certain issues and, therefore, pre-determines how it will manage certain issue, situations, or circumstances when they are presented. Thus, instead of having to ponder/consider what to do when those issues/situations/ circumstances occur, managers and supervisors can go to the handbook and read the policy statement and then apply it.

Obviously, managing some situations will not be quite so simple. But, without polices and practices in place prior to the situation, the managers of the organization could react the same way as would children who had not been prepped by fire drills.

ADVANTAGES OF AN EMPLOYEE HANDBOOK (partial listing)

- **Certainty.** Without published policies and procedures, supervisors and managers may not know which steps, if any, to take in a given situation. Employees may not understand what's expected of them or why you handle matters in a certain way without written guidance.

And, employees know what is expected of them, so that they can meet or exceed those expectations and not be surprised if consequences are applied for failure to meet expectations.

- **Consistency.** Putting policies and procedures on paper and distributing them to employees encourages managers and supervisors to consistently apply them.

NOTE: inconsistent treatment results in claims of unfair (discriminatory) treatment and/or labor unions

- **Proof.** The number of employment-related lawsuits seems to increase every year. A handbook with clearly stated policies can persuade judges and juries that your company acted appropriately because your employees had notice of what to expect if they engaged in certain conduct.

NOTE: with or without a handbook, an agency (EEOC or ACRD) will investigate how “similarly situated” employees were treated. So, to better ensure **Certainty** and **Consistency** AND to provide **Proof** that employees were informed of expectations, a handbook is necessary.

- **Efficiency.** A handbook is simply an efficient way to communicate necessary information like work rules, terms of employment, and wage and benefits information to employees.
- **Protection.** A well-drafted handbook can protect you from certain types of legal claims, particularly charges that your company formed an implied contract of continued employment with your employees. And if your policies and procedures are sound and your practices conform to your policies, a handbook can be an effective tool for combating a union- organizing campaign.

DISADVANTAGES (a partial listing)

If your handbook isn't carefully drafted, it can support a claim that your employees are protected by an implied contract of continued employment. To be effective, language disclaiming an implied contractual relationship must be very clear. And finally, if you don't follow your own policies, your handbook will be persuasive evidence in any lawsuit filed against you.