

Developing an effective employee handbook can help protect employers

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A handbook is an essential tool for organizations to use in defining and communicating mutual expectations for the employment relationship. Although it is intended to be used for internal communications with employees, it also is subject to external review in the event of charges or lawsuits.

In addition to the role that a handbook plays in communicating expectations, it also serves a number of other valuable purposes. It educates management and employees about policies and accompanying responsibilities, provides guidance for decision making, confirms the organization's commitment to comply with applicable employment laws, and communicates information that is focused on preventing retaliation, harassment and other illegal acts of discrimination. A handbook also aids management in ensuring that similarly situated employees are treated consistently.

Handbooks should be well-written and composed methodically to accomplish their intended purposes. Attention should be paid to developing policies that are aligned with the workplace culture, written in a manner that can be understood by employees and management, and serve as a defense for the employer in the event of litigation or scrutiny by a state or federal agency.

The following are tips for developing an effective employee handbook:

1. Understand that an investment of time will be required to research applicable laws and other relevant information and to carefully draft the wording of each policy. A hastily drafted handbook can result in misunderstandings and legal liabilities that impact the organization.
2. Write policies in a clear and straightforward manner. Consider readers' perspectives and educational levels in assessing how wording will be interpreted. However, also recognize that there may be situations when there is a need to include more complex language for compliance purposes.
3. Include policies in the handbook based on the organization's culture, operations, size and legal requirements. Develop policies that address legal obligations, such as equal employment, harassment, retaliation, military leave, reasonable accommodations for disabilities and overtime for non-exempt employees. Also consider additional topics, such as workplace violence, electronic communications and social media, confidential information, business ethics, recordkeeping and benefits.

4. Tailor policies to meet specific organizational needs and requirements instead of copying or using another employer's handbook. Be aware that negative results can occur when copying and similar shortcuts are taken. For example, compliance issues can be created if the same federal and state laws are not applicable to both organizations.
5. Keep in mind that the handbook will, in all likelihood, be used as evidence if a legal challenge is brought by an employee who is disciplined or terminated for violating a policy. As part of its defense, the organization will need to provide documentation to show that the employee had knowledge of the policy and understood that violations could lead to discipline up to and including termination.
6. Incorporate language that affirms the organization's employment-at-will status in states where these rights are applicable. Draft language that allows either the employer or employee to end the employment relationship at any time and for any or no reason. Recognize that collective bargaining agreements and employment contracts with individual employees may restrict an organization's at-will rights.
7. Review the handbook to ensure that the employer's rights are protected. For example, it should include statements reinforcing the organization's right to have flexibility in administering progressive discipline and the ability to change, amend, or eliminate policies and benefit plans at its discretion. Language should establish that the handbook is not a contract and that it supersedes all prior handbooks and policies.
8. Examine proposed policies to determine whether they are realistic and will be applied consistently. Ensure that management will be willing to abide by and enforce policies, even if violations involve top performers or executives.
9. Seek input from an employment attorney prior to finalizing the handbook. Although policies may be written by experienced human resource professionals or consultants, it is advisable for a lawyer to confirm that they appropriately address applicable laws and provide other protections for the organization.
10. Prepare an acknowledgment agreement for each employee to sign and date upon receipt of the handbook. The form should include information that the employer can use for documentation purposes, such as a statement that the employee agrees to comply with current policies and future revisions.
11. Regularly monitor policies, since employment laws, technology and organizational circumstances are subject to constant change. Make plans for the handbook to remain current by updating it with necessary revisions on a periodic or as-needed basis.
12. Recognize that communicating information about the organization's policies increases understanding. These communications can be accomplished in various ways that include reviewing selected policies during orientation sessions, providing updates on revisions and training management and employees on key compliance and other policies.

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