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Have You Seen the Employee Handbook Lately?

By Frank A. Cania

Do you know where your employee handbook is? Or, what's in it? Or, is the better question, does your company even have an employee handbook?

A well-written employee handbook is a good communication and employee relations tool. Written in clear, concise, easy to understand language, it provides consistent information to employees, gives supervisors and managers guidelines to apply policies consistently, and provides an administrative process for most employment-related activities. It can also be an important first line of defense in the event of employment-related litigation.

However, a poorly written employee handbook could be an open invitation to litigation. For example, incorrect wording may invalidate "at-will" employment status for your employees or imply permanent employment status. And applying policies inconsistently among employees may be evidence of disparate or discriminatory treatment.

Similarly, an outdated employee handbook exposes you to risk. It may contain obsolete policies, or benefits that are no longer offered by your company. But if they appear in the handbook, you could be held to what is written.

An old handbook may also contain outdated regulations or be missing several recent, and not-so-recent, federal and state laws. You could be missing developments in the Americans with Disabilities Act, the Family and Medical Leave Act, the Civil Rights Act, and state human rights laws, just to name a few.

If these aren't enough reasons to update your employee handbook, don't forget about the new technologies and practices that have become commonplace in your work environment since the last update. Telecommuting, employee use of the Internet, flextime, and job sharing are a few of the policies that may need to be covered. At best, an outdated employee handbook could lead to a great deal of confusion. At worst, it could lead to litigation.

"An employee handbook has significant advantages for employers and employees," says Paul Keneally, a partner with the law firm of Underberg & Kessler LLP. "It helps protect employers from liability by clarifying policies regarding at-will employment, conduct, performance, and other matters. A handbook also serves employees by informing them about benefits, employee relations, and the rights they enjoy under federal and state law, such as the anti-discrimination statutes, the FMLA, and the FLSA."

Your employee handbook should represent more than just the rules and regulations of employment—it represents the culture of the company. Bob Peter, president of the Genesee Valley Chapter of the Society for Human Resource Management points out, "It's important to remember that you're dealing with people. The handbook needs to be more than a list of rules; it should include the organization's mission and values. It should also reflect what makes the company special and why the employees want to work there." A message from the CEO, president, or owner can go a long way in introducing your organization to new employees, and a brief history of the organization and the vision of the company can make a good impression.

It's also important for employees to have a clear idea of what is expected of them and what they can expect from the organization. Clear and specific ground rules provide an even playing field for all employees. Plus, they provide consistent application of benefits, policies, and programs as well as responsibilities, standards, and discipline.

What should you do if your employee handbook is out of date? Peter says, "Talk to a professional. Unless your business is writing employee handbooks, or you have an expert on staff, you're taking a risk trying to

do it yourself." Work with a human resources consultant who specializes in writing employee handbooks. This person should be aware of the most current regulations that affect your company, and should also know what you can and cannot say in your employee handbook.

Once your handbook is updated, have it reviewed by an attorney who specializes in employment law. Then, repeat the process at least every two years to be sure you stay current. If your organization doesn't have a handbook, seriously consider having one professionally written for you.

Whether you're reviewing your current employee handbook or having one created for you, the effort you spend now may save you time and money later.

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