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EMPLOYEE HANDBOOKS

An employee handbook sets forth the policies of the business. Since it is given to all new employees upon starting employment, it is an important tool for establishing good communication between the company and the employee. There are many reasons for a company to have an employee handbook, including the following:

Efficient Communication. An employee handbook will reduce the time that management spends answering questions from employees, since many of the answers relating to company policies will be set forth in the employee handbook.

Prevention of Misunderstandings. An employee handbook which clearly sets forth company policies will enable employees to know their rights and responsibilities, and will prevent confusion and inadvertent violation of company policies.

Consistent Treatment. Since an employee handbook sets forth the policies and procedures of the company, there is less likelihood that the company will treat different employees differently. This will avoid claims of discrimination or unfair treatment.

Avoidance of Liability. The courts have held that a written policy against discrimination and sexual harassment, which includes a complaint procedure, will help a company avoid liability.

The following are some of the matters that should be set forth in an employee handbook:

- Policy of “at-will” employment
- Policy of equal opportunity employment
- Policy against sexual and other forms of harassment, with a complaint procedure
- General operating policies, such as work hours, overtime, and meal breaks
- Company benefits, such as holidays, vacations, sick leave and medical leave
- Information on health insurance and pension plans
- Standards of conduct, such as attendance, dress code, and smoking
- Policies on use of company computers, telephone, email and internet access
- Acknowledgement of receipt by the employee

The employee handbook should be written in clear and concise language. The actual policies in the handbook will vary with the size of the company, the number of employees, and the company benefits. The employee handbook should avoid promises and should provide that management retains the right to update and change policies at any time it sees fit.

The employee should acknowledge that the employee has received the employee handbook and understands the company's policies. This will avoid later claims that the employee was disciplined or terminated for rules the employee did not know about.

It is critical that the employee handbook be periodically reviewed by management and legal counsel to make sure that it accurately sets forth current company policies and that it complies with current federal and state law.

Please feel free to contact us for further information. Visit our website at <http://www.candlaw.com>.

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