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Washington Governmental Entity Pool



Employee Handbooks: Making Them Work For You

Washington Governmental Entity
Pool

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Why are handbooks important? What jurists think:

The company is negligent if it does not document an employee's performance.

Yes 91%

No 9%

A million dollar verdict against a large company would not even be noticed by senior management.

Yes 64%

No 36%

What jurists think:

It is more important to see that “justice is done” than to follow the “letter of the law”.

Yes 71%

No 29%

Employee rights are well protected in our society.

Yes 38%

No 62%

What jurists think:

It is very important for people to stand up for what they believe in.

Yes 97%

No 3%

Companies will lie to win a lawsuit.

Yes 69%

No 31%

What jurists think:

It is important for juries to send messages to organizations to improve their behavior.

Yes 72%

No 28%

Is an organization responsible for the actions of its employees?

Yes 94%

No 6%

What jurists think:

In a dispute between an employee and his or her supervisor, who would you tend to believe?

Employee 57%

Employer 34%

I would tend to believe a woman who alleges to have been sexually harassed at work.

Yes 75%

No 25%

What jurists think:

In a dispute between an employee and a large organization, who would you tend to believe?

Employee 88%

Supervisor 12%

An Employee Handbook works for you if it:

- | Documents your policies
- | Builds trust
- | Complies with state and federal law
- | Presents as favorable evidence in case of lawsuit

An Employee Handbook works against you if:

- | It is poorly written
- | It is outdated
- | It is inconsistent with the way your company operates
- | It gives employees the impression that its an employee contract

What to include in a handbook

- | Official welcome
- | Company history/philosophy
- | Employee classifications
- | EEO statement
- | Sexual harassment policy
- | Transfer policy
- | Promotion policy
- | Definition of workweek/hours
- | Meal and break periods
- | Overtime policy
- | Time records
- | Flexible schedule policy
- | Pay periods
- | Performance Appraisals
- | General disciplinary rules
- | Holidays, vacations, sick leave
- | Absenteeism and tardiness
- | Benefits
- | Grievance policy
- | Resignation, terminations
- | Confidentiality
- | Business ethics
- | E-mail, Internet, phone use
- | Dress Code
- | Safety rules
- | Smoking policy
- | Substance Abuse policy

What not to include:

- | Instructions to managers (maintain separately)
- | Arbitration clause (maintain separately)
- | Details on benefits (refer to summary plan description)
- | Details that change frequently
- | Any policy that is not enforceable
- | Any promise that you don't intend to keep

10 most common handbook mistakes

1. Using form handbooks that include promises you'll probably never keep and provisions that have nothing to do with your company.
2. Including lots of details on company procedures, which confuse employees and provides more fodder for their lawyers. Stick to policies.
3. Including a probationary period that implies that, once the period is over, the employee can stay forever. This can negate the at-will status.

10 most common handbook mistakes-continued

4. Being too specific in descriptions and lists, especially those involving discipline. This gives the impression that the list is inclusive.
5. Not being consistent with other company documents.
6. Not adding an at-will disclaimer, or not stating that you reserve the right to change benefits or bypass discipline policies if the situation warrants.

10 most common handbook mistakes-continued

7. Sabotaging disclaimers by what you say, especially reassuring employees that their jobs are secure.
8. Not adapting the handbook to each state's laws.
9. Failing to update the manual frequently for changing laws.
10. Setting unrealistic policies.

What's new?

A. At-will protection:

1. Beware of progressive discipline procedures
2. Include disclaimer
3. Acknowledgment page for signature

Maintenance of the handbook

- A. Schedule regular updates.
- B. Consider what courts will look at:
 1. Employee's reasonable expectations
 2. Oral promises
 3. Consideration

References

- | The HR Law Specialist, February 2006
- | Employment Practice Liability Update:
Dennis Molenaar, PRIMA conference