


Creating an Employee Handbook



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What are Employee Handbooks?

- Also referred to as policy manuals, employee handbooks are explanations of how the organization works and specific rules for all employees for that organization.
- Employee handbooks are important not only to employees but also to organizations. Employee handbooks not only tell employees what is expected from them but also explains what to expect from the organization.
- Employee handbooks are where employees turn to find out what they can and cannot do.

Are Employee Handbooks required?

- No. There is no legal requirement that employers create or maintain an employee handbook, but employee handbooks are great tools for employee communication.
- Employee handbooks are some of the first communications to employees.
- Employee handbooks also answer questions that might otherwise take the time of a supervisor or human resources manager.

What can an employee handbook do?

- Communicate information about the organization
- Define the employee/employer relationship
- Communicate benefit, vacation/sick time, and other important information
- Communicate legally required policies (FMLA, discrimination, sexual harassment, etc.)
- Communicate work rules, employee discipline, and other rules or conduct required of the employee

Organizational Information

- Great way to integrate and communicate information about the organization
- The employee handbook might convey the following information:
 - Company history
 - Organizational philosophy and mission
 - Equal Opportunity Statement
 - Employee place in the organization

Employee/Employer Relationship

- Employment at will, contractual relationship, or other relationship
 - Illinois is an employment at will state meaning employees can be fired for any reason and can leave employment for any reason (barring legal exceptions)
 - If employment at will, it is essential that there is a statement stating that nothing within the handbook is intended to and does not create a contract between the organization and employee.
- Statement allowing organization to make changes to employee handbook for any reason and at any time
- Statements included in employee acknowledgement

Benefits, vacation/sick time, and other important information

- This information is individual to each organization but common policies include:
 - Vacation/sick/personal time off
 - Holidays
 - Insurance information

Legally Required Policies

- Define part-time and full-time employees
- Define exempt and nonexempt employees
- COBRA rights required by law
- Family and Medical Leave required by law
- Organizational policy on sexual harassment and discrimination

Work rules, employee discipline, and other rules or conduct required of the employee

- Information on the following may be included:
 - Job performance
 - Attendance
 - Workplace conduct
 - Use of organization equipment, the Internet, e-mail, and any other organization-owned technology
 - Discipline for violating work rules

What to include in an Employee Handbook

- There is no one answer in what to include in an employee handbook. It depends on the needs of the organization.
- Include policies for the following reasons:
 - Those legally required by law
 - Policies that are important to both the employee and employer
 - Ex: attendance policies
 - Policies that are important to the organization

How to determine which policies to include

- You can determine which policies to include by asking yourself the following questions:
 - How easy is the policy to explain and how easily can the policy be understood?
 - How often will the policy change?
 - How many employees are affected?
 - How important is the policy?

Contract Disclaimer and Acknowledgment Form

- Disclaimers to include:
 - Employment is at will and may be terminated at any time by either the employee or the employer.
 - Nothing in the employee handbook creates or is intended to create a contract of employment.
 - The at-will nature of employment may not be modified by any oral or written statement made either before or during employment.
 - Policies in the handbook provide information and guidance to employees, but the company reserves the right to amend or change the policies at its discretion with or without notice to employees.
- Acknowledgment Form
- Other Disclaimers

Tips for Avoiding Liability

- At-will disclaimer should be bold, conspicuous, and be included at the front of the handbook
- May want to add specific disclaimers; e.g., policies related to performance reviews, workplace rules, and discipline
- Be consistent when enforcing policies
- Update the handbook so that the written policies are consistent with actual practice
- Train management on policies
- Get signed acknowledgment forms
- Local legal counsel should review the policies


Rolling Out Policies to Employees

- Try to explain policies at a meeting with all employees at once
- May want to train supervisors and managers again in a separate meeting to explain the administration of the policies
- Get signed acknowledgment forms

Updating Employee Handbooks

- Update at least every two years
- May want a team to update the policies who are familiar with the current policies, including management, HR, and another employee
- Also, update as needed when there are changes in law and other organizational policy changes
 - Remember, if you anticipate that policies will change often, include a broad statement to eliminate the need to update the employee handbook, explain the change to employees, and receive new acknowledgment forms.

Questions?




o You can contact me at


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o Next Personnel Management Seminar is on Tuesday, February 2, 2010 at 10:00 a.m. in OPAL. We will be discussing Completing Paperwork for New Employees.

o Held the first Tuesday of every month in OPAL



Resources and Additional Resources



RESOURCES

- "Employee Handbooks." (2009). Business and Legal Reports. 28 July 2009. <<http://hr.blr.com>>.
- *Encyclopedia of Prewritten Personnel Policies*. Business and Legal Reports. 2006. (Rev. 4/06). Print.

ADDITIONAL RESOURCES

- <http://www.business.gov/business-law/employment/hiring/employee-handbook.html> (This is a federal government website that gives information on employee handbooks and has many sample policies.)

