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## How to Guide How to Develop an Employee Handbook

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An employee handbook can be a valuable communication resource for the employer and the employee. It provides guidance and information related to the company's history, mission, values, policies, procedures and benefits in a written format. It is also viewed as a means of protecting the company against discrimination or unfair treatment claims. It is an easily accessible guide to the company's policies and practices as well as an overview of the expectations of management. In contrast, a policy is a written statement that reflects the employer's standards and objectives relating to various employee activities and employment-related matters.

Employers should require every employee to provide a **written acknowledgment** of having received the handbook. Such acknowledgment should be saved in an employee's personnel file as a way for the company to establish that the employee was made aware of the policies. By no means should the handbook be construed as an employment agreement, which may affect the employer's at-will status. It is imperative to have it reviewed by legal counsel.

### **Step 1: Review and make required revisions to the current company policies**

Company policies and procedures are used as the source for writing the handbook. Scan the work environment for common practices that are currently in place; if there are no policies, develop them. Once policies have been updated and the common practices have been formalized, they should be reviewed by legal counsel, and a final copy should be used for developing the employee handbook.

### **Step 2: Create an outline of what to include in the employee handbook**

The topics included in the employee handbook should cover the company's mission statement, equal employment opportunity statement, contractual disclaimer and at-will statement, purpose of the employee handbook, and background information on the company. The decision on additional topics is left to the employer. Important factors to consider are legal mandates for federal and state laws that affect employees, such as the Family and Medical Leave Act, COBRA, EEOC antidiscrimination laws, Americans with Disabilities Act and Fair Labor Standards Act. If an employer fails to communicate these in the employee handbook, there may be confusion and noncompliance with the laws. A sample table of contents can be found at the end of this guide.

### **Step 3: Create summarized versions of each policy and procedure**

This can be accomplished by creating a statement that summarizes the policy. The statements should be easy to read and contain no legal verbiage—in other words, they should speak to the employee audience and be formulated accordingly.



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### **Step 4: Add each summary/statement in the appropriate sections according to the outline**

Once you have completed the outline, the next step is to write the company positions, rules or policies under each of the outline topics.

### **Step 5: Review the entire handbook**

The review process ensures that the information is accurate and easy to comprehend. The review may be done through HR and/or a project team.

### **Step 6: Provide finalized version to legal counsel for review**

Legal counsel will ensure that there are no contractual agreements.

### **Step 7: Select a means of publication**

Locate a vendor to produce the finished employee handbook. You can seek a request for proposals from a few select vendors. Once the vendor is selected, work with the vendor through each step in the publishing process, including formatting the handbook to specific size and style. Once complete, a final review and approval should take place prior to sending the handbook to print.

### **Step 8: Distribute handbooks**

Once finished copies of the handbooks have been returned, establish a method for distribution, such as during new-hire orientation or a manual distribution to employees.

Some employers use their intranet to post the handbook electronically; however, physical copies need to be made available to those without access to the Internet or upon request of the employee. Posting the employee handbook on the company intranet is also useful when changes to policies are made and need to be communicated to the employees.

### **Step 9: Update as necessary**

Establish a point person to be in charge of updating the employee handbook as necessary when employment laws or internal policies change.



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### Examples

This is a sample outline or table of contents for items that are typically included in an employee handbook. Examples of an **employee handbook acknowledgment form** and a **completed handbook** can also be found on the SHRM web site.

#### 1. Welcome Message to New Employees and Recognition of Current Employees

- a. Company Mission Statement
- b. Equal Opportunity Statement
- c. Contractual Disclaimer and At-Will Statement
- d. Purpose of the Employee Handbook
- e. Background Information on the Company
- f. Orientation

#### 2. Policies and Procedures

- a. Americans with Disabilities Act
- b. Personal Safety
- c. Sexual Harassment
- d. Drug and Alcohol
- e. Violence and Weapons
- f. Attendance
- g. Hours of Work
- h. Meal and Rest Periods
- i. Overtime
- j. Timekeeping
- k. Personnel Records
- l. Paydays
- m. Payroll Deductions
- n. Garnishments
- o. Performance Reviews
- p. Promotions
- q. Transfers
- r. Termination: Reduction in Force, Layoff/Recall
- s. Bulletin Boards
- t. Telephone/E-mail/Internet Usage



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### **3. Benefits**

- a. Holidays
- b. Vacation
- c. Sick Leave
- d. Disability Leave
- e. Personal Leave
- f. Bereavement Leave
- g. Family and Medical Leave
- h. Jury Duty
- i. Military Leave
- j. PTO
- k. Health Insurance
- l. Life Insurance
- m. Pension Plans
- n. Call-In/Report in Pay
- o. Training
- p. Educational Assistance Program
- q. Service Awards
- r. Worker's Compensation
- s. Unemployment Insurance

### **4. Employee and Employer Responsibility for Safety**

- a. Commitment of the Company
- b. Emergency Procedures
- c. Medical Services
- d. Personal Protective Equipment
- e. OSHA Requirements: Safety Rules, Reporting Accidents

### **5. Procedures**

- a. Standards of Conduct
- b. Progressive Discipline
- c. Exit Process

### **6. Summary and Acknowledgment**

- 1. The importance of the policies and procedures.
- 2. Acknowledgment of receipt.
- 3. Additional disclaimer that the employer has the right to change the rules without notice and the fact that employment is at-will and that the handbook does not create a contract.