

## EMPLOYEE HANDBOOKS

### FAST FACTS TIP SHEET

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#### OVERVIEW

An employee handbook – when done correctly – can be an employer’s best friend. It communicates expectations, outlines state and federal laws, and provides you with the backup you’ll need when disciplining or terminating employees. But perhaps most importantly, a good employee handbook can help your employees be more efficient and your business run more smoothly.



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## HANDBOOKS AREN'T CONTRACTS

Handbooks are not intended to create an employment contract. They should never guarantee continued employment or promise that certain steps will be taken before an employee is disciplined or terminated. Whenever possible, the policies in your handbook should allow for management discretion.

However, even though the handbook isn't a contract, *employers who issue them must follow their own policies!* A written policy that isn't followed by management can be more dangerous than no policy at all.

## HANDBOOK CONTENTS

Many state and federal employment laws are based on number of employees, so a good handbook will take into account the employer's size and location.

- » **Employment**, e.g., At-will, Equal Employment Opportunity, Introductory Period
- » **Conduct and Behavior**, e.g., General Conduct Guidelines, Sexual and Other Unlawful Harassment, Complaint Procedure, Corrective Action
- » **Compensation**, e.g., Pay Periods, Workweek, Payroll Deductions, Performance Evaluations
- » **Benefits**, e.g., Holidays, PTO or Vacation, Sick Leave, Temporary Disability Leave
- » **Health, Safety, and Security**, e.g., Drugs and Alcohol, Accident Reporting, Office Closures
- » **Workplace Guidelines**, e.g., Meal Breaks, Confidentiality, Searches, Electronic Assets Usage
- » **Employment Separation**, e.g., Resignation, Termination, Return of Company Property

Employees should be given time during their workday to read the handbook, and each employee should sign an acknowledgment form stating that they received the handbook and agree to follow its policies.

## COMMON MISTAKES AND LEGAL DANGER ZONES

Perhaps the most common error we see in handbooks is a provision stating that employees may not discuss their wages or that pay rates are confidential. This type of prohibition is illegal and has been since the 80s. If you have a policy that says this, it's time to say goodbye to it!

More recently, the National Labor Relations Board has been ruling on social media, confidentiality, and video-in-the-workplace policies (among others). In short, you should be aware of the following:

- » Employees have the right to discuss – and complain about – the terms and conditions of their employment on their social media accounts. Handbooks should not attempt to prohibit employees from doing so.
- » Employers cannot declare that all company information or conversations are confidential. If you want to enforce a confidentiality policy, you need to be specific about what is confidential, and the things on that list should be reasonable.
- » Blanket prohibitions against photos or videos in the workplace will generally be invalid. If you want to have a policy that limits cell phone use you may, but we recommend seeking the advice of a professional to ensure what you draft is legal and enforceable.

## IN CONCLUSION

An employee handbook is an essential workplace tool, but any old handbook won't do. You need a document that speaks to your workplace specifically. Policies should make sense, be easy to follow for both employees and managers, and – of course – comply with the law.

## NEED AN EMPLOYEE HANDBOOK?

Mammoth can assist you in creating a handbook specific to your company's size and location that is compliant with current state and federal law. To learn more, visit [mammothhr.com/nao](http://mammothhr.com/nao) or call (844) 455-8706.