

LEGAL NEWS

Employee Handbooks

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Every employer should put together an employee handbook and give it to each employee upon hiring. An employee handbook can include many items; what follows are some suggestions for topics you may want yours to cover.

Work Requirements You should specify your work days, work hours, break times, attendance, vacation, and sick leave policies, and other similar issues. By stating your requirements in writing, you ensure that your employees know what is expected of them. You also eliminate the "I didn't know" excuse when that problem employee starts to take advantage of the system.

Employee Discipline If you choose to have a formal discipline procedure, you should inform your employees how it works. One risk of a stated procedure is that if you do not follow it in a particular instance, your employee may have the basis for a wrongful termination suit. Even if you do follow your own procedure, the fact that you have one can arguably alter the at-will status of your employment, limiting your ability to terminate employees.

Harassment Policy A detailed discussion of sexual (and other) harassment law is beyond the scope of this article, but having a stated complaint procedure is an important step in limiting your exposure to harassment lawsuits. It is also important to review your procedure periodically to ensure that you meet your current obligations under the law.

Trade Secret Policy If you want to protect your trade secrets—customer lists, methods of doing work, and so forth—you should have an agreement between you and your employees.

Arbitration Agreement In a previous article (September, 1999) we discussed the pros and cons of having an arbitration agreement with your employees. If you choose to have one, it should be included in your employee handbook.

"At-Will" Employment Statement One concern about a detailed employee handbook is whether it limits your right to dismiss employees without cause. It is a good idea to include a statement in your employee handbook that employment remains "at-will." While the law is not yet clear whether an explicit statement of at-will status overrides other factors, it is prudent to make your intentions clear.

Updates The most important thing you can do with your employee handbook is to keep it updated to ensure it is consistent with current law and with your employment practices. A handbook that is written based on last year's laws may mean that you are stating policies that are no longer lawful.

A well-thought-out employee handbook is one of the most useful documents you can have to aid you in managing your relationship with your employees. With a little advance thought and planning, your employee handbook can help clear up employee questions, notify your employees of changes, and even help limit your liability under employment laws.

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