

Employee Handbook

Every business needs to have a **employee handbook** to build employee morale and increase employee efficiency. It does not need to be a large, complicated affair—in fact, your handbook might only be one or two pages long. A simple, easy to read handbook will save time and reduce hard feelings by making it clear to employees how you run your business.

Once your policies are set down in writing, everyone knows where they stand—both you and your employees are able to avoid situations that formerly may have required employee discipline. Even if you have only one employee, you will find having a handbook invaluable.

A handbook can not cover all conceivable situations that will come up, so don't even try; just cover the basics. Here are some items that should be covered.

Mission statement. A brief description of your company, its owners, its history.

Job description. If you are hiring only retail salespersons, you may wish to put a simple job description in your handbook. Cover greeting customers, displays, general duties. Be sure to include a statement “and any other duties as may be required” to protect yourself.

Hours. When are you open. Make it clear that employees will need to work evenings or weekends if this is the case.

Pay. When will employees get paid. What time period will each paycheck cover. When is overtime paid.

Benefits. Include details on health insurance, etc. Be sure to mention other benefits such as employee discounts.

Attendance. Vacations, days off, sick days. Which are paid, which are unpaid. How many personal/sick days off are acceptable. How should an employee request a day off. Are certain

time periods not available for time off. Leaves of absence. Break & lunch periods.

Once you get these basics down on paper, you have a Handbook. You may wish to improve and add to it as you have time available. If possible, use a word processor to write your handbook

so changes will be easier to make.

If you have special things your employees are to know about accepting checks or charge cards, put those things in it. Perhaps you would include your store's return policy, information regarding holds or special orders, basic housekeeping duties you expect, how to open/close the store, etc.



Legal concerns. Although the likelihood of being sued by an employee is not great, remember that everything you say or write should be viewed as a contract.

A written handbook is a business's best chance of avoiding a court case that becomes the owner's word against that of an employee. Use clear, easy to understand language. General feel-good statements such as “we will be fair to our employees,” or “we will do all we can to...” can easily be used against your company.

To avoid potential problems you should include two disclaimers. The first disclaimer should be something like, “We recognize the employee's right to resign at any time for any reason; similarly we may terminate any employee at any time, with or without cause.” This is the employment-at-will doctrine in which the company expressly states that employment can be terminated at any time, for any reason.

A second disclaimer should also appear if there is any mention of firing and disciplinary procedures. Often, handbooks will mention employee actions that can lead to firing, or list specific courses of action to be taken prior to firing (a verbal warning, followed by a written warning, for example). However, sometimes the employee's behavior is so egregious that immediate firing is warranted. To protect yourself, a statement such as the following should appear with the list of unacceptable conduct, “This list is intended as an example only and is not intended to indicate all those acts that could lead to employee discipline.” With this statement, you won't have an employee contest immediate termination because “stealing” wasn't specifically listed in the handbook, to use a classic example.

Your handbook should be presented to an employee at the time of hiring when they are completing other paperwork for their employment. Have a separate statement for them to sign which you keep in their employee file that states “I have read the Employee Handbook and I understand how the rules and regulations apply to me.” Have the employee sign and date the form for you; they keep the handbook.

The tone of your handbook should be positive throughout. Most employees want to be successful; they are eager to know what is expected of them and how they can improve.

Having a handbook, even for a small business, will prove to be a valuable asset and worth the time and effort involved. If you need help getting



started, you may check our web page for a sample handbook used in a retail