

Avoid the Top Ten Mistakes in Employee Handbooks

Waldthausen & Associates, Inc. is a Retained Executive Search firm with the focus on recruiting managers that influence a company's result and earnings. The firm focuses on recruiting professional managers for US subsidiaries with parent companies located in central Europe.

Employee handbooks can be great tools to help you lay down policies and comply with the law. However, a poorly written, outdated or inconsistent book can hurt your company. These are the "Top 10" mistakes:

1. Adopting a "form" handbook without ensuring that all items apply to your company.
2. Including lots of detail on procedures that confuse employees and provide ammunition for lawyers. Stick to company policies in the book and keep a separate procedure manual for managers.
3. Mentioning an employee probationary period. That can erase at-will status by implying that, once the period is over, the employee can stay forever.
4. Being too specific in your discipline policy (listing possible infractions and consequences of each). That gives the impression that the list covers every possible infraction and consequence.
5. Not being consistent with other company documents.
6. Overlooking an at-will disclaimer. Have employees sign a disclaimer acknowledging that the company can terminate their employment at any time and bypass discipline policies if the situation warrants.
7. Sabotaging disclaimers by what you say, especially reassuring employees that their jobs are secure.
8. Not adopting the handbook to accommodate each state's laws.
9. Failing to update the manual frequently for changing laws.
10. Setting unrealistic policies. If you know your supervisor will not enforce it, do not put it in your handbook. (*Employers Association – HR Report*)

Large Employers Satisfied with HR Outsourcing

According to a recent survey conducted by outsourcing firm, Hewitt Associates, 89 percent of large employers indicate that they are satisfied with their HR outsourcing arrangements. Functions that are commonly outsourced include outplacement services (91 percent), employee assistance programs (89 percent), 401(k) plans (83 percent), and COBRA administration (77 percent). Of the 129 companies surveyed, 94 percent outsource at least one function. Hewitt reports that companies plan to expand HR outsourcing to include leave management, learning and development, recruiting and health and welfare functions over the next several years. Cost savings, new capabilities and services for employees, and more time for HR to focus on strategic work are listed as reasons for the growth in outsourcing.

Can Employees Collect Unemployment During Shutdowns?

Member companies that require a mandatory temporary shutdown week may wonder whether or not employees would be eligible to collect unemployment during this time. Many organizations in textiles and related industries have made it a regular practice to shut down their operation the week of July 4th and December 25th. The North Carolina Employment Security Act permits employers to designate up to two weeks per calendar year as vacation shutdown weeks. The Employment Security Commission does not consider employees as "available for work" during these periods. Thus the employees are not eligible to collect unemployment, even if the vacation period is without pay. Employers must give employees reasonable notice and specify the shutdowns as vacation weeks. South Carolina employers should be aware that vacation shutdowns may be treated differently by the South Carolina Employment Security Commission. In South Carolina, if an employee is not working and is not receiving pay, he/she is eligible to apply for unemployment benefits. Whether or not the employee will qualify for benefits is determined on a case-by-case basis. If an employee has accrued vacation benefits and receives vacation pay equivalent to a full week's pay during the vacation shutdown period, he/she is not eligible for unemployment & benefits. Employers that schedule shutdowns should clearly communicate their policy to employees in writing. (www.scesc.org)

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