

Legal*focus*

Employee Handbook vs. Procedure Manual

The Employee Handbook and Procedure Manual serve two distinct purposes.

The **employee handbook** is an important opportunity to ensure employees understand the company's expectations and where to find general information. It is essential for the employer to put things in writing to add clarity and unity of purpose to the company mission and philosophy. The employee handbook is best written using a straightforward language and organized for easy referencing of company policies. It is an important tool for familiarizing employees with basic company policies and benefit programs, as well as the general expectations of the company, including acceptable and unacceptable behavior and disciplinary measures. An employee handbook has relevance to every employee of the company regardless of position, title or job duties. Employee handbooks contain important federal and or statewide employee notification such as employment at will statement, equal opportunity statement, non-harassment policy and zero toler-

ance substance use policy, to name a few. It is important to recognize that as such, the manual may also be viewed by employment law enforcement agencies, and careful review should be given to its creation.

Employee handbooks usually include a general description of employee benefits such as health insurance, paid time off, and retirement plans, with position specific details provided separately. General employee behavior is also found in an employee handbook such as acceptable clothing, how work time and paid time off are calculated; how meals and breaks are managed and the like.

Employee handbooks are very useful in managing all staff expectations and behavior and a primary source of documentation that your company is in compliance with all federal, state and local employment laws.

Besides delivering a clear message to your employees regarding work habits and expectations, your employee handbook also serves to limit your legal liability as it sets

forth standard practices for all to follow; helping to protect the company against discrimination and unfair treatment claims. The handbook is an administrative time saver – answering questions that arise during the normal employment relationship and orienting new staff consistently.

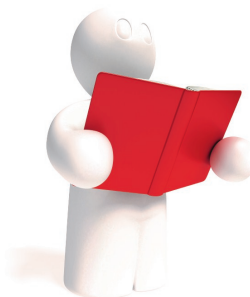
On the other hand, a **procedure manual** is a comprehensive text that details every aspect of specifically how you want work to be done. This tool is much more detailed than the employee handbook and should be used for back-up when more information is needed to explain a rule or when a deeper understanding of a process or procedure is needed.

In your operation, you may have a back office procedure manual that details how to process payroll, how to submit invoices, how to order office supplies or how to handle a request for Family Medical Leave. As a benefit to management, the procedure manual can contain references to federal and state laws that correlate to each policy. Managers and supervi-

sors then have access to the details and requirements for the policies, providing them with assistance needed to enforce rules or educate employees.

Your Procedure Manual may list specific expectations of a particular job, for example a receptionist, such as how to sort the mail; how to report a customer complaint; or how to properly complete and document a fire drill. This uni-

formed information for running your business is very important and often very individualized. You may even be required to have different procedures for the same event because of variables in contracts or customer requirements.



Your procedure manual is akin to a playbookwhile the rules are the same for all teams (10 yards to a first down) how you get there may be unique to your team.

So, now that we have a clear understanding of the difference between an employee handbook and a procedure manual, let's discuss how they can work in tandem with each other. We will start with a simple example...Time Records.

SAMPLE Time Records Employee Handbook	SAMPLE Time Record Procedures Manual
Time records are legal documents and the basic source of information for payroll purposes; therefore, time worked must be reflected accurately. Falsification of time or unauthorized submission is a serious offense and may result in termination. It is your responsibility to sign your time record to certify the accuracy of all time recorded. Any errors in your time record should be reported immediately to your Supervisor, who will attempt to correct legitimate errors.	1. Only <i>you</i> can complete <i>your</i> time card—Do not ask or allow anyone else to document on your time card. 2. Complete your time card <u>daily</u> to insure accuracy 3. PRINT ONLY—Print clearly and legibly; No cursive 4. Record <u>accurate</u> hours. 5. Be sure to note department and cost center. 6. <i>Do not forget to include your first and last name!</i> 7. The time card must be signed by the employee and his/her supervisor. 8. All time cards must be handed in to the office by 8:00 am each Monday. 9. See sample time sheet below:

As you can see in the example, both pieces of information are very important in delivering a clear message to the employee regarding policy ***and*** procedure. Going into the detailed procedure behind each policy would be cumbersome and inefficient in the employee handbook. Additionally, having two separate documents allows you to quickly modify a procedure if circumstances change the procedures.

It is important to remember, your employee handbook and procedure manual are not substitutes for personal interaction, but are a tool good managers use to help communicate with employees. Being proactive in creating, reviewing and updating these two documents will save you countless hours, headaches and potential legal issues down the road.



RC KELLY
LAW ASSOCIATES, LLC

Richard C. Kelly, Esq.
Attorney at Law

Ph: 215.896.3846 ext 100
Email: rckelly@rckelly.com

P.O. Box 793 • Montgomeryville, PA. 18936
Fax: 267-653-1405 • www.rckelly.com