**How to Develop an Employee Handbook**

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An employee handbook can be a valuable communication resource for both the employer and the employee. It provides guidance and information related to the organization's history, mission, values, policies, procedures and benefits in a written format. It is also viewed as a means of protecting the employer against discrimination or unfair treatment claims. It is an easily accessible guide to the company's policies and practices as well as an overview of the expectations of management. In contrast, a policy is a written statement that reflects the employer's standards and objectives relating to various employee activities and employment-related matters.

Employers should require every employee to provide a [written acknowledgment](https://builderbenefits.com/form-employee-handbook-receipt-acknowledgement/) of having received the handbook. The acknowledgment should be saved in an employee's personnel file as a way for the organization to establish that the employee was made aware of the policies. By no means should the handbook be construed as an employment agreement, which may affect the employment-at-will status. It is imperative to have the handbook reviewed by legal counsel.

**Step 1: Review and Make Required Revisions to the Current Company Policies**

Company policies and procedures are used as the source for writing the handbook.

Employers should scan the work environment for common practices that are currently in place; if there are no policies, they should be developed. Once the employer has updated the policies and formalized the common practices, legal counsel should review them, and HR should use these final policies for developing the employee handbook.

Employers should also consider the National Labor Relations Board (NLRB) rulings and guidance pertaining to employee handbooks. Employers should be mindful of avoiding overbroad confidentiality and employee conduct rules in handbooks that would prevent or discourage employees from discussing wages and other terms and conditions of employment (i.e., protected concerted activities).

**Step 2: Create an Outline of What to Include in the Employee Handbook**

The topics included in the employee handbook should cover the employer's mission statement, equal employment opportunity statement, contractual disclaimer and at-will employment statement (where allowed), purpose of the employee handbook, and background information on the company. The decision to include additional topics is left to the employer. Important factors to consider are legal mandates for federal and state laws that affect employees, such as the Family and Medical Leave Act (FMLA), COBRA, Equal Employment Opportunity Commission (EEOC) anti-discrimination laws, the Americans with Disabilities Act (ADA), and the Fair Labor Standards Act (FLSA). If an employer fails to communicate these in the employee handbook, there may be confusion and noncompliance with the laws. A sample table of contents can be found at the end of this guide.

**Step 3: Create Summarized Versions of Each Policy and Procedure**

The employee handbook should include a statement that summarizes each policy and procedure. The statements should be easy to read and contain no legal verbiage—in other words, they should speak to the employee audience and be formulated accordingly.

**Step 4: Add Each Summary Statement in the Appropriate Sections According to the Outline**

Once HR has completed the employee handbook outline, the next step is to write the organization's position, rules or policies under each of the outline topics.

**Step 5: Review the Entire Handbook**

The review process ensures that the information is accurate and easy to comprehend. The handbook may be reviewed by HR, a project team or both.

**Step 6: Provide Finalized Version to Legal Counsel for Review**

By reviewing the final version, legal counsel will ensure that it contains no statements that may create contractual agreements.

**Step 7: Select a Means of Publication**

The next step is to locate a vendor to produce the finished employee handbook. Organizations can seek a request for proposals from a few select vendors. Once the vendor is selected, the employer should work with the vendor through each step in the publishing process, including formatting the handbook to a specific size and style. Once the formatting is complete, a final review and approval should take place before sending the handbook to print.

**Step 8: Distribute Handbooks**

Once the vendor returns finished copies of the handbooks, the organization must establish a method for distribution, such as during new-hire orientation or as a manual distribution to employees.

Some employers use their intranet or internal e-mail to post the handbook electronically; however, physical copies need to be made available to employees without access to the Internet or on request of an employee. Posting the employee handbook on the company intranet or via e-mail is also useful when changes to policies are made and need to be communicated to employees.

**Step 9: Update as Necessary**

Employers should establish a point person to be in charge of updating the employee handbook as necessary when employment laws or internal policies change. It is also important to conduct a full handbook review periodically, such as every one to two years, to ensure that no laws or policy changes have been overlooked and that all policies are still relevant and upheld consistently within the organization.

**Examples**

Below is a sample outline, or table of contents, for items that are typically included in an employee handbook. Examples of an [Acknowledgment: Handbook Receipt](https://builderbenefits.com/wp-content/uploads/2024/10/Employee-Handbook-Receipt-Acknowledgment.docx) and a [sample employee handbook](https://builderbenefits.com/form-sample-employee-handbook/)can also be found on the Builder Benefits website.

1. **Welcome Message to New Employees and Recognition of Current Employees**
	1. Company Mission Statement
	2. Equal Opportunity Statement
	3. Contractual Disclaimer and At-Will Statement
	4. Purpose of the Employee Handbook
	5. Background Information on the Company
	6. Orientation
2. **Policies and Procedures**
	1. Americans with Disabilities Act
	2. Personal Safety
	3. Sexual Harassment
	4. Drug and Alcohol
	5. Violence and Weapons
	6. Attendance
	7. Hours of Work
	8. Meal and Rest Periods
	9. Overtime
	10. Timekeeping
	11. Personnel Records
	12. Paydays
	13. Payroll Deductions
	14. Garnishments
	15. Performance Reviews
	16. Promotions
	17. Transfers
	18. Termination: Reduction in Force, Layoff/Recall
	19. Bulletin Boards
	20. Telephone/E-mail/Internet Use
	21. Social Media
3. **Benefits**
	1. Holidays
	2. Vacation
	3. Sick Leave
	4. Disability Leave
	5. Personal Leave
	6. Bereavement Leave
	7. Family and Medical Leave
	8. Jury Duty
	9. Military Leave
	10. Paid Time Off
	11. Health Insurance
	12. Life Insurance
	13. Retirement and Pension Plans
	14. Call-In/Report-In Pay
	15. Training
	16. Educational Assistance Program
	17. Service Awards
	18. Workers' Compensation
	19. Unemployment Insurance
4. **Employee and Employer Responsibility for Safety**
	1. Commitment of the Company
	2. Emergency Procedures
	3. Medical Services
	4. Personal Protective Equipment
	5. OSHA Requirements: Safety Rules, Reporting Accidents
5. **Procedures**

      a. Standards of Conduct

      b. Progressive Discipline

      c. Exit Process

1. **Summary and Acknowledgment**

      a. The Importance of the Policies and Procedures

      b. Acknowledgment of Receipt

Also included should be the additional disclaimer that the employer has the right to change the rules without notice, that employment is at will (where allowed) and that the handbook does not create a contract.