

# Employee Handbook Versus Procedures Manual: Keeping Policies Consistent

Article By:

Cecilia M. Romero

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Should your employee handbook contain every HR policy and procedure used by your organization, or should it only contain policies that employees need to know? Should you maintain a separate procedures manual describing how HR and supervisors enact those policies? Here are the key considerations to help you decide what to include in your handbook versus a procedures manual.

## Goals of Your Employee Handbook

Your employee handbook should contain your employment policies and be written with your employees as the intended audience. It is meant to inform employees of what they may expect from the company, and what is expected of them. It does not need to include the “how” or “why” behind the policies but instead, sets forth the essential terms and conditions that govern the employment relationship.

Although there is no legal requirement that you have an employee handbook, a well-written handbook can play an important role in reducing your employment law risks. Specifically, your handbook should:

- reinforce an employment-at-will relationship between the company and its employees through proper disclaimers and a description of the at-will relationship in your “Acknowledgment of Receipt of Handbook” form signed by each employee
- show your company’s intended compliance with applicable laws (e.g., equal opportunity employer, pay will be in compliance with the Fair Labor Standards Act, reasonable accommodations will be offered, etc.)
- offer grounds or support for your employment decisions (e.g., policy indicated that violation of work rules could result in termination, etc.)
- provide affirmative defenses when faced with an employee charge or lawsuit (e.g., policy informed employees on how to report harassment but charging party failed to report it, pay policy indicated how to report payroll errors, etc.)

- comply with applicable state and federal laws that mandate notification of employee rights, such as an FMLA policy.

In addition to the legal benefits of an employee handbook, you may use your handbook to inform employees about discretionary benefits (*i.e.*, those that are not mandated by law), such as breaks, vacation, sick time, tuition reimbursement, discounts or other perks. Your policies on these types of benefits should set forth eligibility requirements, accrual amounts, scheduling, call-in or request procedures, etc. Make sure your policies comply with applicable state laws as some states regulate pay issues associated with breaks, vacation time and other employer-provided benefits.

## Separate Procedures Manual

A procedures or operations manual, on the other hand, is intended for use by HR, managers, and/or supervisors, not your employees at large. Typically, a procedures manual will describe how your policies are implemented and enforced. It may include forms, checklists, and sample documents to show administrators and managers how to handle specific workplace policies and situations. For example, it may detail the procedures for sending out an offer letter, how to complete the Form I-9, or how to handle a request for jury duty leave. It also may include references to specific laws, rules or regulations should management or HR need to look those up.

Just as you are not required to have an employee handbook, you are not legally required to have a procedures manual. One advantage to having a more detailed document is that it may serve as a reference tool for frontline supervisors, helping to make sure management is consistent in the way it handles employee matters and policy enforcement. It also can be useful in ensuring procedural continuity so that institutional knowledge is not limited to the memories of a few, select individuals in HR.

## Avoid Discrepancies Between Policies And Procedures

A distinct disadvantage of having a separate procedures manual, however, is that it could contain or reveal discrepancies between the “management” policy and the policy communicated to employees in the handbook. You do not want two or more “policies” on the same topic as that can lead to inconsistent treatment of workers -- with potentially discriminatory consequences. Discrepancies and inconsistent policies not only confuse administrators and supervisors but they also can result in a “smoking gun” that can be used against you when an employee raises a claim.

Deciding whether to have a separate procedures manual often depends on how much guidance your internal folks need in order to manage their workforce in a consistent, uniform and non-discriminatory manner. If you decide a more detailed document would be useful, take great care to ensure that the separate management document is consistent with the policies in your employee handbook.

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