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Employee Handbook Essential for Companies of all Sizes

Most small to medium size businesses view an Employee Handbook as "something big companies need" and don't consider it necessary and worth the cost to create and maintain. That is, until they are sued by a former employee and cannot produce documentation of standard and consistent policies for all employees of their organization.

What should an Employee Handbook include?

While each Company should have an Employee Handbook tailored to their industry/company, they should all contain certain common policies:

- Customer Relations
- Interaction with fellow Employees
- Interaction with Competitors
- Image/Dress Code Policy
- Sexual Harassment Policy
- Code of Conduct
- Vacation, Sick and Personal time as well as Leaves of Absence

Each of these areas should be written in clear and explicit language to ensure that all Company policies are understood by your employees.

What should an employee Handbook NOT include?

While it is necessary to be clear and explicit to avoid confusion as to Company policy, certain items should not be included in an employee handbook. Remember, your goal is to have one handbook that encompasses all employees. Items that should not be included:

- Job descriptions
- Specific benefits
- Pay rates
- Any item that may bind the Company to a benefit that the employee may not be entitled

A handbook will not guarantee that litigation will not occur, but having a sound employee handbook that is clear and understandable can go a long way towards preventing unnecessary legal problems.

Creating an Employee Handbook

While you can certainly write your own Employee Handbook or hire a human resources consultant, you may want to consider a customizable template. These have usually undergone a thorough legal review and can normally be found on the internet or in book stores. Once you have developed your handbook, it should go through one last legal review to ensure there are no errors or omissions.

Creating and maintaining an Employee Handbook is essential for businesses big and small to help prevent litigation and ensure that all employees are clear on expectations and company policies.

For more information, please email Charles Paolino at cpaolino@downeycocpa.com or call 781.254.1098.

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