Avoid Common Legal Mistakes with Your Employee Handbook

Your employee handbook is a key legal document. To avoid lawsuits and protect your company in the event of one, it is vital that your handbook is thorough, up to date, legally compliant, clear and readily available to all employees. The following are common legal mistakes employers make with their handbook.

**Not staying up to date on changing laws.** Always update your handbook to comply with new and changing laws. Also be sure to notify employees of the change and provide updated policies.

**Glossing over employee rights.** Some employers omit employee rights out of fear more employees will sue, but it is important to include them to avoid significant legal liability.

**Not clearly defining the at-will employment relationship.** Your handbook needs to be explicit about this relationship and what it means. Also be sure other policies (such as probationary periods or progressive discipline) don’t undermine this one.

**Unclear employee classification.** Wage, hour and overtime complaints are among the most common legal actions taken by employees. Your handbook must be clear in the distinction of exempt and non-exempt status, and all employees must be properly classified.

**Computer usage.** Make clear that the company owns its computers, email and all data, and that nothing on a company computer or other device is private.

**Failure to follow through.** Ensure that your company follows through on all policies and procedures outlined in your handbook.

Because employee handbooks are so important, consider having legal counsel review yours periodically.

**DID YOU KNOW**

On July 11, 2011, HHS announced two notices of proposed rulemaking: (1) Establishment of Exchanges and Qualified Health Plans, and (2) Standards Related to Reinsurance, Risk Corridors and Risk Adjustment. The proposed guidance, which is not final, is intended to help states design and implement their Exchanges in these areas:

- Setting standards for establishing the Exchanges, setting up a Small Business Health Options Program (SHOP), performing the basic functions of an Exchange and certifying health plans for participation in the Exchanges
- Ensuring premium stability for plans and enrollees in the Exchanges

**Promote Stress Management Through Wellness Initiatives**

Stress is a leading contributor to many health problems, meaning it can increase health care costs and harm productivity. Your wellness program can help employees reduce stress in these ways:

- Offer a monthly chair massage.
- Designate a quiet room for meditation and relaxation.
- Provide an educational stress management class.
- Recognize employees and teams regularly for accomplishments.
- Provide stress-relief squeeze balls.
- Offer discounts for a massage or spa package.
- Give employees an extra paid vacation day to relax or take care of appointments or other responsibilities at home.

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