

Avoiding Common Employee Handbook Mistakes

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Many employers have resisted employee handbooks over the years. Usually the resistance is based in a misguided perception that the handbook will be viewed by a court to be an "employment contract."

Some employers want to maintain as much flexibility as possible in their dealings with their employees, and they feel that handbooks might "lock them in" to a set of procedures that they can never change. These fears are generally unfounded, and they certainly do not outweigh the significant advantages of a well-tailored employee handbook. A handbook can be a good employee relations tool and communications piece, allowing the employer to acquaint new employees with the company and the benefits it provides. In addition, it is an excellent way to alert employees to what the company expects of them in terms of conduct and job performance. This makes it much easier to prevail at an unemployment compensation hearing or legal proceeding where the employee claims he was not aware of the rule he violated. And a properly drafted handbook helps employers to avoid discrimination claims by ensuring that managers will be enforcing work policies in a consistent manner in all of the company's departments.

While it is true that under certain circumstances a handbook could be held to be a binding "contract" between the employer and the employee, in Texas it is a rather simple matter to draft a handbook to avoid that result. Disclaimers in the document reminding employees that they remain "at-will" employees and that the handbook does not constitute a contract of employment can eliminate this concern.

An employee handbook is an important legal document that – if drafted properly – can protect an employer from a number of employee problems. However, a poorly drafted handbook can wind up creating more problems than it solves. Adopting a handbook while avoiding the "pitfalls" will help keep employees happy and lawsuits to a minimum.

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