

Why an Employee Handbook is an Essential Tool in the Workplace

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The employment and labor world has become increasingly complex and is constantly changing. Employers be aware of updates to and obligations pursuant to federal, state and local laws. To stay current with the ever-changing legal landscape, we recommend that all employers, regardless of size, create an up-to-date employee handbook and review it at least annually for compliance. Below is a summary of some of the most important reasons why all companies should adopt an employee handbook.

First, if your company is ever involved in litigation, whether that be at the administrative level (i.e., the IDHR, EEOC, or other state agency) or in state or federal court, your employee handbook can significantly aid in your defense. It is typically helpful to provide to the applicable agency or court a copy of your policies to show that as an employer, you do not discriminate or retaliate and that you have a proper and effective reporting and investigation procedure. A proper handbook will have policies noting compliance with all leave and PTO laws and policies to help defend against claims that the employer violated state, local or federal wage and hour laws. It is also a great tool for your supervisors and managers to use to ensure that employees are being treated fairly and consistently, regardless of their protected characteristics.

Second, certain policies are required by law which may be included in a handbook, including eligible employees' rights under the Family and Medical Leave Act of 1993 and more locally, the amended requirements under the Chicago Human Rights Ordinance as it pertains to sexual

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harassment in the workplace.

Third, handbooks are a clear and concise way of setting expectations for your employees. A handbook establishes the company's rules, so that employees are aware of and agree to abide by the policies and practices. This becomes especially helpful if you need to discipline or terminate an employee as you can refer to the handbook's disciplinary procedures in making such decision. It is also a convenient way of laying out all the most serious types of misconduct, including alcohol and illegal drug use and workplace violence, and the consequences of engaging in such misconduct.

Finally, a handbook is a convenient way of memorializing policies that are specific to your industry and your business. Does your company have nuanced rules about social media use or a dress code? A company may utilize a handbook to ensure that such policies which may be used as part of your onboarding and training for new hires and throughout an employee's tenure as required.

Understanding your obligations under federal, state, and local laws, and creating lawful policies, is a very helpful step to minimizing your legal exposure. If you do not already have an employee handbook, we recommend that you create one, and if you already have an employee handbook, we recommend that you review and update your policies annually. If you have any questions about this article or about your employee handbook, please contact your or any other Laner Muchin attorney.