



Koumas Law Group is pleased to provide Employee Handbook services to large and small employers in a variety of industries. An Employee Handbook is designed to provide general information on the basic terms and conditions of employment and gives an overview of the benefits, services, and programs provided to employees by the organization. It should promote consistent, positive employee relations.

### *Frequently Asked Questions*

“An Employee Handbook is designed to provide information on the basic terms and conditions of employment and gives an overview of the benefits, services, and programs provided to the employees by the organization.”

**Q** : Are Employee Handbooks required by law?

**A** : No. An Employee Handbook is the main tool for informing employees of your performance expectations and disciplinary practices. It is designed to provide general information on the basic terms and conditions of employment and gives an overview of the benefits, services, and programs provided to employees by the organization. It should promote consistent, positive employee relations. By emphasizing the importance of positive personnel relations, employers can achieve the goal of facilitating uniform administration of employment practices in accordance with the law without adversely affecting employee loyalty and productivity. Additionally, supervisors should be familiar with such revisions to stay well-informed and avoid creating legal problems in managing employees

**Q** : Is there a difference between an Employee Handbook and Policy

**A** : Yes. An Employee Handbook is a written compilation of a company's policies, procedures, and other important information that is distributed to employees. Policy Manuals, which are usually distributed to management and supervisors, provide more detailed policies and procedures to guide them in the implementation of company policies.

**Q** : What are the advantages and disadvantages to having an Employee Handbook?

**A** : Generally, the advantages of implementing employee handbooks will outweigh their potential downside. Employee Handbooks provide flexibility in administering policies, promoting fairness and evenhanded treatment, strengthening recruitment efforts, and may serve as an invaluable tool to avoid or defend discrimination and wrongful discharge claims.

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**Q**: Are there certain policies that must be included in a handbook for it to comply with the law?



**Q**: Can't an employer simply adopt another company's policy manual that has been used for some length of time?

**Q**: Can an Employee Handbook ever create a legally binding contract?

**A**: There are very few policies that employers are legally obligated to include in a handbook. However, there are recommended policies that should be included in a handbook once an employer chooses to implement one. Employers drafting a handbook or manual for the first time often do not know where to begin or what to consider. Many legal and practical considerations guide employers on whether to draft, adopt and implement an Employee Handbook. An employer whose workforce is unionized must be careful that the policies reflected in the handbook are consistent with any collective bargaining agreement in effect. Some of the essential policies that should be included in a well-drafted handbook include, but are not limited to the following: at-will employment, equal opportunity employer, anti-harassment, leaves of absence, discipline, employee classifications, attendance, payroll practices, safety policies, violence prevention, grievance procedure, privacy rights, electronic communications, and separation policies. This list is not exhaustive, and doesn't suggest that a handbook is deficient if it fails to include one or more of these policies.

**A**: Yes, but it is strongly discouraged. An Employee Handbook should be tailored to a business' specific needs, and should reflect the culture of that organization's work environment. If an employer adopts a manual implemented by a company with a different sized workforce, it may inadvertently omit critical policies that it is required to provide to its employees or it may obligate itself to offer rights to its employees that it is not otherwise under a legal duty to extend because of its size (*i.e.* leave of absence policies.)

**A**: Yes. Employers should recognize that the language inadvertently used in a handbook may create enforceable contractual rights. In California, courts have elevated policies to the level of a contract, under certain circumstances. For example, when an employee is able to demonstrate he or she has relied to determine on provisions of the handbook and the employer used the handbook policies as a positive inducement for the employee to accept or continue employment. In California, detrimental reliance constitutes "consideration" sufficient to bind parties to a contract.

The decision to move forward in writing a handbook requires a high-level of commitment from an organization. Even if the company chooses to write the handbook on their own, it should be reviewed by a professional who has an expertise in employment law. The commitment does not end once the handbook is written. In today's legal arena, with all the constant changes, it is recommended that your handbook be audited annually to ensure procedures and policies comply with any changes in applicable laws. Any revisions made to policies must be communicated to employees or the employer will risk a finding that a reviewed policy does not apply to employees who were not put on notice of the change. The expense of having a handbook reviewed by labor counsel represents a worthwhile, essential investment.

### About Elizabeth J. Koumas, Esq.

Ms. Koumas is the founder of the law firm Koumas Law Group. She has extensive experience in labor law compliance and employment litigation. Her practice focuses on the defense of employers in administrative claims filed with the Labor Commissioner, the Department of Fair Employment and Housing (DFEH), the Equal Employment Opportunity Commission (EEOC), and the Employment Development (EDD). She also represents the interests of employers and management in litigated matters, which include wage and hour issues, wrongful termination, sexual harassment and discrimination claims. She can be reached at (619) 398-8301 or via email, [ejk@koumaslaw.com](mailto:ejk@koumaslaw.com). Visit [www.KoumasLaw.com](http://www.KoumasLaw.com).