

THE VALUE OF EMPLOYEE HANDBOOKS

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Every day more dairy farmers are recognizing the value of an employee handbook. Unfortunately, they often realize this value after they have experienced an issue that could be more easily resolved if a handbook was already in place. So what is this thing called an 'employee handbook', what goes into it, and why is having one useful?

If you look at a variety of sources for information to include in a handbook, you will find a couple slightly different definitions. Some sources separate a policy manual from an employee handbook, while others tend to pull them together.

An employee handbook will normally include all the policies that a policy manual would have, but it also includes statements of information and philosophy about the farm, the people who own and operate the farm, and general information that may be useful for an employee to know. Procedures don't necessarily carry the same weight as a legal policy, but they may make life a lot easier around the farm so they could be included in a handbook.

Tom Maloney, Cornell University, suggests four reasons for having an employee handbook:

1. Improve the image of the farm business by conveying that employees are important and that the farm employer has carefully thought out employee policies.
2. Aid communication with employees.
3. Help assure that all employees are treated fairly and consistently.
4. Encourage employers to face important decisions about employee policies rather than continuing to postpone them.

The first reason shows that the farm regards itself as a professionally managed and operated business that values doing things correctly. An employee handbook takes time to develop and fine tune to meet the needs of the farm. A handbook should not be adopted from another farm or done quickly from a template. While seeing examples and perhaps even some templates can be useful, circumstances are different on every farm so the handbook should reflect that individuality. By the time a handbook reaches its final draft, a good deal of time will have been invested. Ideally, the farm owner will write his or her own manual along with input from employees. If you don't feel comfortable doing this writing, enlisting the help of a professional could be well worth the investment to be sure you include necessary items and don't include policies or statements that are inappropriate or even illegal. An attorney's review could prevent problems later.

What should be included in an employee handbook?

An employee in any business will feel better about their work, and understand the value of their work, if they know something about the business besides the fact that it issues their paycheck. To help an employee know their employer, **include an introduction to the farm business and a statement of the farm's vision or purpose**. What is the reason this farm business exists? Who owns the business? How long has the business been operating? Write a general description of the operation's size and scope.

The primary purpose of the handbook is to list **personnel and operational policies** of the farm. There are several categories of policies to consider:

- **Business Policies** – organizational structure, equal opportunity, harassment policy, animal care policies, alcohol and smoking policies, phone use, getting to work, personal use of equipment, etc.

- **Employee Orientation and Training** – availability of off-farm training, time allowed, who pays, etc.
- **Employee Work Policies** – job descriptions, hours of work, overtime, attendance/lateness, working in adverse weather conditions, vacation, holidays, days off, probationary periods, etc.
- **Employee Pay Information** – recording work hours, pay day, rate of pay or how it is determined, opportunity for bonuses, etc.
- **Leave of Absence** – unpaid leave, sick leave, jury duty, funerals, school events, special events, religious days, voting, etc.
- **Employee Discipline** – disciplinary process, cause for dismissal, conflict resolution.
- **Job Performance** – performance reviews, bonuses, raises and promotions.
- **Employee Benefits** – health benefits, workers compensation insurance, severance pay, housing, etc.

Finally, the handbook must include several legal statements that may be designated by state and federal law. These can be determined from your state's department of labor and may vary from state to state.

Exactly what goes into your handbook is largely your choice, but the more time you invest up front and the more detail you include, the fewer questions and problems you are likely to encounter later. You also need to recognize a handbook can change with time. Once you have a handbook, remember to review it from time to time. I've seen handbooks as short as 10 pages and as long as 60 pages. There is no one ideal length.

For a more complete list of topics that could be included in an employee handbook, and other resources, please refer to the University of Minnesota Extension Dairy webpage at www.extension.umn.edu/dairy and look under the "Employees" section for the **Employee Handbook Development Guide**.