

Staffing Insurance News



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What does your employee handbook say about your company

The employee handbook that you are providing to your employees is an advertisement for your company. Each of your employees will look at it, of course, some employees may show their lawyer, and others may show friends or acquaintances that may know something about a typical employee handbook. Your insurance carrier(s) looks at the handbook to determine their willingness to entertain your insurance. Many employers find a standard version on the Internet in order to meet the needs of their insurance carriers. The problems occur when the employer has never really sat down and read that handbook; and often times employers are quite surprised at some of the requirements but, most important is when the employer totally disagrees with a practice in that off the shelf standard handbook.

Your handbook, like any advertisement, is telling the world who you are, how you treat your employees and what is important to your organization. Your handbook shows your company's professionalism, concerns and how responsible you are, as an employer. That handbook has to stand up to a lot of scrutiny. Make sure it say who you are, you do not want to be in a position that you must explain: "while it is in our handbook we do not do things that way", a position that puts you on the defensive and it is a tough thing to overcome. Be aware that it can be used against you.

We mentioned that an insurance company looks at your employee handbook but often insureds think that insurance companies are only concerned with Employment Practices Liability coverage. That is not the case, your Employee Handbook is who you are and it is considered by insurance companies for all coverages. Make sure your Employee Handbook is a direct reflection of who you are and that the information contained is legal in not only your state of domicile but, in other states where you do business. We are very concerned that often time's employee handbooks contain practices that are either not allowed or are not referenced for a particular state. Since many of you are doing business in multiple states it is imperative that you have deletions and inclusions for state specific laws that are required to be signed by those employees that are working in those other states. Ignorance of a law is not an excuse and not knowing about a law can change the benefits available or what must be available dramatically, all of which means that your costs can change dramatically.

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