

EMPLOYMENT LAW

Kutak Rock Legal Alert

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Avoid Costly Mistakes By Updating Your Company's Employee Handbook

As the year winds down and many companies prepare budgets for 2022, employers should consider budgeting for an employee handbook update or creation of a handbook. This investment is likely to reap dividends in the future by mitigating costly litigation through full compliance with the latest rules and laws.

Creation of an up-to-date handbook, or review and updates to existing employee handbooks, is critical as companies continue to adapt to a post-COVID-19 work environment. The Biden Administration has announced vaccination requirements for federal contractors, private employers with 100 employees or more, and healthcare providers receiving federal funding. Complying with these federal mandates will require detailed COVID-19 testing, vaccination and exemption policies and procedures.

Although some sectors of the workforce are eager to return to a more traditional routine, many companies will need to adjust to a permanent flexible or remote work style. As the global pandemic has lingered, many employees are demanding remote work arrangements. Effectively managing employees remotely requires particularized remote working policies, procedures and agreements, including criteria for employee eligibility to work from home, policies regarding employer-provided equipment, and procedures addressing confidentiality, security and safety concerns. Furthermore, many states are increasing employee protections for pandemic and other health-related emergencies, and employers should ensure their leave policies comply with these new protections.

Wage and hour claims and associated retaliation claims are common in employment litigation. New pandemic-related work arrangements could make it difficult for employers to supervise the hours worked by non-exempt employees. Therefore, policies should include time reporting and approval procedures to avoid confusion and avoid expensive litigation.

Unwritten company procedures or an outdated employee handbook may violate recently enacted laws, rules or guidance, resulting in exposure to litigation and liability for your organization. However, just as



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significantly, the lack of carefully drafted policies may create confusion among your employees and disconnect within your organization, particularly in a remote work environment where access to Human Resources or other helpful sources is limited.

Aside from the key reasons discussed above, other noteworthy reasons to have a well-maintained handbook that is regularly reviewed and updated by an experienced employment law attorney include:

- The handbook introduces the company's background, culture and current expectations of employees, which can prevent later misunderstandings.
- The handbook demonstrates the employer's knowledge of and compliance with applicable local, state and federal laws.
- The handbook generates employee goodwill by showing the employer's commitment to treating everyone fairly and equitably.
- The handbook serves as a reference guide to supervisors and managers, ensuring that policies are applied in the same manner by all those responsible.
- The handbook may preclude employees from succeeding on certain claims, such as breach of employment agreement or invasion of privacy.
- The handbook may support affirmative defenses and shield companies against certain claims, including harassment or improper wage deductions.
- Safety-related policies and procedures may provide additional safeguards for employees.
- Monitoring procedures may preclude or reduce theft of information and unfair competition.
- Updating a handbook regularly ensures that the employer is aware of rapidly changing areas of the law such as NLRB decisions, EEOC and DOL guidance, state legalization of cannabis, sick leave laws, and many more.

If you would like a quote for the creation of handbook to fit your workplace, a quote for review of your existing handbook, or if you would simply like more information to determine whether your employee handbook should be reviewed or updated, please contact your Kutak Rock attorney or a member of the firm's National Employment Law Group, and we would be happy to discuss this with you. You may also visit us at www.KutakRock.com.

