

The Saving Grace of an Employee Handbook

By Lezlee Liljenberg



Many of you are probably saying, “Of course I have an employee handbook!” Congratulations, but don’t get too comfortable just yet. The existence of an employee handbook, which in my opinion is an absolute necessity, is meaningless unless it is an integral part of your agency operations and is properly maintained. When was your handbook last updated, and how frequently do you use it? Do you know the appropriate state and federal laws governing your responsibilities as an employer? I think many of you would find it surprising how little legal protection is afforded if you run your agency without a handbook, let alone one that has not been updated on a regular basis.

As the owner of your agency, the responsibility for proving you had the right to discipline or terminate an employee falls squarely on your shoulders, and while having a handbook can’t absolve you from a poor management decision, it can provide the basis for a strong defense in the event your actions are challenged by the employee in question. Suffice it to say, every Allstate agent should have

a handbook, even if you have just one employee.

Allstate places great emphasis on loss mitigation for your commercial customers and understands the importance of an employee handbook. This is why Allstate provides a sample handbook for distribution to your commercial customers. In addition to giving your clients an added benefit of doing business with you, it is an excellent tool for your agency, and it is literally right at your fingertips.

For those who haven’t yet incorporated a handbook into their agency operations, the Allstate-produced document is an excellent place to start. For the rest of you, whether your agency uses the Allstate handbook, or the one that might be collecting dust on the shelf, listed below are a few key topics that should be addressed when improving or updating your employee handbook.

Hours of Operation - Include the specific days of the year Allstate requires your agency to be open. It is a distinct possibility that your staff assumes they

won’t be required to work on the Friday after Thanksgiving, Christmas Eve, the day after Christmas, or New Year’s Eve. Your employees deserve concise directives from you regarding their work schedule, and it does you no good to be arguing about being understaffed mere days before a holiday.

Pay & Benefits - With all of the contests, potential bonuses, and other variables associated with your Allstate agency’s compensation, it is likely you will mirror this approach with regard to your support staff’s compensation. Even if you don’t copy everything Allstate does with your pay, it is imperative for your employees to have a detailed description of each moneymaking opportunity, as well as their base compensation package. All of this must be placed in writing, and confirmed by them, via their signature.

Harassment - Define what is considered unacceptable behavior and therefore what constitutes harassment. Many agents view their agencies as a “little family.” Unfortunately, there have been cases where agency owners learn an expensive lesson when “family” flies out the window and a disgruntled employee takes them to court.

Attendance - Emphasize the importance of adhering to your agency’s stated hours of operation and being on time. Explain that numerous absences or repeated tardiness can be a basis for termination. Document each infraction in your employee’s file and share this with them in accordance with the scheduled checkpoint meetings described in your handbook. Court cases can be won or

lost based on the completeness of this type of documentation.

Complaints - Define how these need to be handled. Most Allstate agencies are not large enough to have their own HR department. As agency owners, you are the HR department. Provide your staff an "open door" policy and allow them to come to you to discuss their concerns. It is imperative your staff understands there is a proper time and place to resolve issues, and that they are expected to address any minor conflicts on their own. They must also know that retaliation for discussing complaints with you will never occur.

Resolving complaints or disputes between your staff can include the possibility of terminating their employment. Regardless of a producer's sales ability, if their presence is toxic to the overall performance of the agency, you will need to take swift action or potentially suffer dire financial consequences later.

If it has been five, ten, or possibly even twenty years since your agency was opened, in addition to the topics already discussed, it is time to think about the many things that have changed in our society that can also affect your agency's operation.

Attire - Your clients' first impressions of you and your staff doesn't just stop with your professional attitude. The parameters of acceptable business attire have evolved in the past few years, and with companies like Google encouraging an almost freestyle atmosphere, many younger employees may feel the need to "express themselves" with clothing choices you may deem inappropriate.

Limit your agency's dress code to "business casual" or the business attire generally considered acceptable in your area. Let me give you an example of a problem you may face, as I did, a few years ago. For ten years, my agency's dress code (in writing) stated: "No Flip-Flops or Tennis Shoes." An employee came in to the office wearing Keds and argued that they were not "tennis shoes." The next day I added a 10-page supplement to my employee handbook defining what constituted flip-flops and tennis shoes, accom-

panied by pictures of the types of shoes that were acceptable, and ones which were not. Going overboard? Perhaps, but I was trying to prove a point, while at the same time, removing any wiggle room for future "tennis shoe" debates. Putting rules in writing and staying consistent in the enforcement of handbook guidelines will make life in your agency much simpler and avoid turning issues such as this, into a debate.

Electronic Communication & Social Media - If you don't allow your staff to use cell phones within the confines of your agency, and if you don't want them signing on to Facebook or personal email accounts all day, then put it in writing. If you require your staff to utilize their phones for picture taking, text messaging, Skype, or other smartphone features beneficial to agency operations, it is best to provide them with an agency-owned phone. Doing this allows you to monitor personal versus business use and minimizes the possibility for theft of confidential client information.

Workplace Civility - Bullying and disrespect fall under this area. The success of your agency depends on cooperation and teamwork amongst your employees. You will have neither if any member of your staff uses bullying as a way to advance their own agenda. While it is acceptable to have a zero tolerance for this kind of activity, providing a good example as the agency principal will likely have a far more lasting effect. Don't forget to give your own attitude a check-up occasionally, as mounting pressure from operating an agency, can take a toll on you, too.

Smoking - Depending on the state, employers are mandated to provide employees with two 15-minute breaks during the work day. Many states impose restrictions for employees who take smoke breaks outside their place of employment and require them to smoke a certain distance away from a business's entranceway. Now, the electronic cigarette, or "e-cig," has changed all of that, or so it seems. In spite of the apparent elimination of "second-hand" smoke that pushed tobacco smokers outside, there is

a brewing controversy over the unknown effects associated with the vapor that e-cig devices emit. Because this debate will likely go on for some time to come, your agency handbook should also include whether or not the e-cig may be used inside your office.

During the last year, I allowed the use of the e-cig inside my office. I did this mostly as encouragement for a few of my smokers to quit their habit, but I was unaware of the effect it was having on my nonsmokers. I quickly found out there was an 800-pound gorilla in the room that needed to be addressed, as my non-smoking staff got upset for being subjected to chemicals. A decision had to be made to protect the business and myself from a lawsuit. No more e-cigs.

As an agency owner, you are expected to provide your staff a safe and cooperative workplace. It is important to provide them with a consistent, readily available and updated employee handbook. In this regard, your employee handbook will serve as a benchmark for expected behavior, workplace safety, and the benefits you provide to your staff. Having and maintaining an employee handbook may seem a bit daunting, but it is a necessity in your business. Will it stop you from having to defend yourself against an unemployment claim or from being sued by an unhappy employee? No, but its presence and adherence to its principals will provide you an excellent backstop to legal challenges.

Just as important as having and maintaining your handbook, is making sure your employees review it and acknowledge its contents. This should be an annual process that includes your employee's signature of acceptance.

Lastly, if you don't have one - Get One! Let your employee handbook be the guide that supports you, instead of being the tool you wish you had. **Ef**



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