

Case Studies from Express



Employee Handbooks

By studying other companies' employee handbooks, you can learn what mistakes to avoid and what steps to take to improve your handbook. Express Personnel Services is prepared to help you learn more about handbooks and other human resource issues. Contact your local Express office today for information on how Express can help create or review your employee handbook, and find out how we can help solve your HR challenges.

Progressive Discipline Policies

An employer with a progressive discipline policy terminated an employee for not having effective leadership skills but failed to follow the progressive discipline policy outlined in the employee handbook. The employee sued, stating that the progressive discipline policy gave her contractual rights that were violated when she was terminated. The employee was awarded compensatory damages of \$320,064 and punitive damages of \$50,000.

What can we learn from this?

Progressive discipline policies may create implied contracts of employment if not worded carefully. If you insist on having a progressive discipline policy, make it clear that depending on the circumstances you will **attempt** to follow the progressive discipline steps outlined. However, you reserve your right to terminate employees at any time and for any non-discriminatory reason. Never use language that binds you to a specific action.

Probationary Periods

An employer had a policy in their employee handbook stating that the first 90 days of employment was considered a probationary period. After being terminated upon completion of those 90 days, an employee argued that the company violated his contractual rights.

What can we learn from this?

Courts have ruled that classifying employees as probationary could imply that they can only be terminated for cause once they finish their probationary period and become a permanent employee. One way to avoid this issue is to designate an "introductory period" that gives you and your new employees an opportunity to make sure the job is a good fit. You can wait to make benefits available after the completion of the introductory period, but make it clear that you can still terminate employees at any time and for any reason regardless of the completion of this period.