

Employee Policy Manual

by Bruce Dorn



During the first few weeks with a new employee around the job site, it's common to hear phrases like "I didn't know that's what you wanted." You can clear up some of this fog by using a written Standard Operating Procedure, or "SOP," to give everyone a set of guidelines for how they are to perform their job. By giving copies of the same written policy to everyone, you avoid having to explain the same thing — such as what "work safe" means to you — over and over.

I've used an SOP for years with both my employees and subcontractors, so I have a good idea of what it ought to contain. Still, since this document might end up in court, it's a good idea to show it to your lawyer before putting it to use.

What to Cover

My SOP is four pages long and is divided into six sections — three deal with general policy, and three with on-site policy. Let's look first at general policy.

Pay and work week. In the first section of my SOP, I establish the length of the pay period, daily start and finish times, and the time allowed for breaks and lunch. I tailor this section to each employee so I can explain the starting pay rate and six-month probation period. I also state the

amount of pay raise, if any, to be given at the end of probation.

Holidays and vacation. In this section, I explain my policy on sick leave and family leave, and list eight standard paid holidays. These include Christmas and Good Friday — other religious holidays are handled case by case. I also explain that vacation time is accrued according to how long an employee has worked for the company (see Figure 1). Vacation time must be scheduled six weeks in advance, and scheduling conflicts are resolved according to seniority.

Discipline. When employees violate company rules, it's important to be consistent in the way you handle each case. This is one area where a lack of clarity could land you in court. My SOP spells out the consequences of breaking the rules:

- First violation — employee gets a verbal warning
- Second violation — employee gets a written warning
- Third violation — employee takes three days off without pay and gets a written reprimand
- Fourth violation — immediate termination

The only exception is unexcused absence. Since I can't schedule work properly unless everyone shows up reg-

ularly, I fire employees after three unexcused absences.

Written warnings and reprimands are helpful when dealing with a problem employee, but if an employee's performance improves, you should purge his file. Nothing makes employees angrier than discovering that a disciplinary problem they had years ago is still on their record. I remove written warnings from employee files after one year if there have been no other offenses. Written reprimands are removed after two years.

Tools and Safety

The last three sections of my SOP deal with on-site behavior, tools, and safety.

Company policy. Employee behavior on site is important to good customer relations. My SOP cautions employees to watch their language, and forbids smoking indoors. The SOP also reminds employees to protect the customer's possessions from dust and to keep the premises clean — including the bathroom.

I also make it a point to instruct employees to be careful with their opinions when talking with customers. Not every customer can afford the highest-quality materials and fixtures, but it's important to make them feel they are getting their money's worth.

Tools and equipment. I provide bench tools, as well as specialty tools like routers and hammer drills, but employees provide their own hand tools and small power tools. Nothing irritates me more than a carpenter who arrives on the job without an extension cord, drill, or other tool he didn't know he needed. To make sure

Vacation Time	
Years of Employment	Weeks of Vacation
1	1
3	2
5	3
8	4
11	5

Figure 1. Employees can accrue up to five weeks of vacation, depending on how long they have worked for the company.

Tools & Equipment	
Employees are required to carry the following tools:	
• toolbelt	• framing hammer
• tape measure (25')	• 3/8" drill and bits
• speed square or combination square	• 1/2" drill and bits
• nail set or punch	• 7/4" (min.) circular saw
• kraft knife	• reciprocating saw
• framing chisel	• sawhorses
• chalk line (blue)	• 50' extension cord
• flat pry bar	• 24" and 48" levels
• cat's paw	• leather work gloves
	• screwdrivers (slot/Phillips)

Figure 2. The author's Standard Operating Procedure lists hand tools, small power tools, and other equipment that employees are expected to carry with them to every job.

all employees know what tools they are expected to carry, I include a list of tools in my SOP (Figure 2, previous page). I consider this a basic list — a finish carpenter will have more tools than a framer.

Safety. The last section of my SOP outlines a safety bonus system that both shows employees I'm serious about safety and establishes a tangible goal. For every month an employee works without an accident, I credit him with the equivalent of 1/3 day's pay. This can be taken in cash, as time off, or as credit toward a tool purchase. I figure safety days every six months, and any injury in that period wipes out an employee's "safety days."

Many contractors tell their employees to wear safety equipment, but it would be hard to defend yourself against an injured employee who claimed he couldn't afford the cost. I not only supply employees with hearing protection, dust masks, and safety glasses, but I also buy good-quality equipment and make it available on site. I explain all this in my SOP, which includes a list of activities during which I expect each type of safety equipment to be worn (Figure 3).

The safety section of the policy manual is also a good place to give employees tips for working safely on site. I use this section, for example, to remind employees to disconnect air lines before clearing a jam in an air nailer, and to refrain from using a powder-actuated fastening tool if they are not licensed. It's impossible to cover every situation, but specific

Hearing Safety

Hearing protection will be provided and worn:

- When using the rotary hammer
- When using the router
- When using the table saw or radial-arm saw
- Any time you are exposed to sustained noise

Figure 3. The author's policy manual spells out specific rules for the use of safety equipment, such as this excerpt on hearing protection.

examples foster a good attitude about job-site safety.

Finally, I make it clear that alcohol and illegal drugs are absolutely forbidden during working hours — their use results in immediate dismissal. I do my part by not following the ritual of bringing beer to the job on Friday. It's much more sensible to meet at a park or a bar *after* work.

Using Your SOP

It's important to follow through on everything you include in your SOP. If you wink at safety, your employees will know that you really don't care and the safety section of your manual will be forgotten. Similarly, if your policy is to dismiss an employee after three unexcused absences, carry it out even with your top employee. Nothing will cause more problems with a crew than a boss who plays favorites.

Since you want employees to understand your SOP, avoid legalese and be brief — no one will take the time to read a book-length policy manual. And don't just hand the SOP to a new employee and ask him to read it. Take time to go over it with him and answer questions. I include a line for the employee's signature at the end of each page, and I put the initialed copy in the employee's file. When I update the SOP, I give everyone the new version to read and sign.

Handling subs. I use a simplified version of my SOP with subcontractors. By explaining *in writing* what I expect, I can avoid misunderstandings. After all, I'm the one who will hear about it if a sub does something on my site that's against my policy. Recently, for example, I had a job on which the owners had sacrificed some of their plans so they could add a tiled shower. The plumber told them that he had never seen a tile shower that didn't leak, and that he wouldn't have one in his house. He didn't tell them, however, that he'd only worked on older homes and had never seen a vinyl shower pan. A simple note in my SOP, asking subs to be careful about what they say to my customers, could have prevented the angry phone call that followed. ■

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