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RESEARCH ARTICLE

EMPLOYEE HANDBOOK- A STUDY ON HUSYS CONSULTING Pvt. Ltd.

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ABSTRACT

The Study on EMPLOYEE HANDBOOK basically was aimed at studying the implementation of Employee Handbook in HUSYS (HR Function Management Company) and the strengths & Weakness in the HR Department's functioning in the organization and come up with suggestions for the further improvement. HUSYS was chosen for the study as the company has very good reputation. The Study was taken up through an opinion survey of the employees working in the organization. The researcher has analyzed the policies and drawn certain inference and the opinion of the employees, which will be very much useful in the future formulation and implementation of the policies for the organization. The study mainly covered the broader areas of Introduction of the organization, Definition of the Employee status followed in an organization viz., HR policies, Standards of the Conduct, Wages and Salaries, Benefits and Services, Employee Communication, Grievance Handling recruitment policy, training and development policy, promotional policy, transfer policy, welfare programmer, environmental policy, quality policy and motivational measures. The response of the respondents was interesting and a mixed one. They appreciated the positive things and at the same time were very critical about some aspects which were not beneficial and had no impact on the functioning of the unit. These things were discussed in detail in the next chapters.

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INTRODUCTION

The employee handbook is an excellent place to bring together employment and job-related information which employees need to know, such as holiday arrangements, company rules and disciplinary and grievance procedures. It can also provide useful source of information to new staff as part of the induction process. A written employee handbook gives clear advice to employees and creates a culture where issues are dealt with fairly and consistently. Whether an employee is new to the organization or a continuing employee, the Employee Handbook is to help employee develop a satisfying career in service to organization by out-lining the basic elements of the employment relationship between employee and the organization. The Employee Handbook is designed for employees as a employee of the Company. The Employee Handbook contains basic information related to employee employment and refers you to Department of Human Resource Management policies for specific details in the organization. Supervisors, managers, and Human Resource staff will also find information here that is useful to their work with employees. The Employee handbook does not include all information that may apply specifically to the Organization because of the flexibility that organization has to tailor policies to meet their management needs. Other specific information is available from immediate supervisor of the employee or from Human Resource Department of the Organization. The official policies of the Department of Human Resource Management, some of which are discussed in the Employee Handbook, are revised frequently as and when the need arises. In the Organization Employee Handbook establishes policies, procedures, benefits, and working conditions that will be followed by all employees as a condition of their employment at the Company. The Standards of Conduct describe the expected actions and behaviors of employees while conducting Company's business. In the organization

Employee Handbook is not a contract of employment nor is it intended to create contractual obligations for the Company of any kind. Employers use the policies in an employee handbook to protect themselves from lawsuits, such as harassment claims, wrongful termination claims, and discrimination claims. Employee handbooks generally contain a code of conduct for employees that set guidelines around appropriate behavior for the individual workplace. Progressive discipline and procedures for making a complaint are also in the Employee Handbook. Employees are expected to review and be familiar with the contents of the employee handbook. A majority of employers ask employees to sign a statement to demonstrate that the employee has read the Employee Handbook and agrees to abide by the contents. This signed document acknowledges that the employee understands and has received a copy of the employee handbook. Additionally, the statement contains a disclaimer, similar to the disclaimer in the actual Employee Handbook, that the employee understands that the contents are simply policies and guidelines, not a contract or implied contract with employees.

DEFINITIONS OF EMPLOYEE HANDBOOK

An employee handbook is a compilation of the policies, procedures, working conditions, and behavioral expectations that guide employee actions in a particular workplace. Employee handbooks generally also include information about the company, employee compensation and benefits, and additional terms and conditions of employment.

-SUSAN M HEATHFIELD

An employee manual, also called a handbook, outlines company policies, procedures and guiding principles in a way that informs employees as to what they may expect from the company they work for, as well as what the company expects from them. It is important that any business have a thorough, concise and clearly-written handbook in order to avoid any legal matters that may arise out of the employer/employee relationship.

- CAROLYN BARRATT

NEED FOR THE STUDY

To select an Employee Handbook and gathering relevant data, analyze and interpret the same in a systematic and scientific manner to provide relevant data relating to the topic and find out solutions for the defined problem in such a way that it is useful to the organization and it help in the development of the organization.

- An in depth study on the Employee Handbook is the application of the theoretical knowledge of the subject that we study and gaining practical knowledge by the application of the subject.
- During the time of the difference between the studies and Organization can be overcome where the real time experience in the Organization helps to know about the duties and responsibilities to be performed by the employee.
- The Employee Handbook will help to focus on the development of the organization and its employees.
- It is an in-depth study of the employee from Induction to Exit of the company with Organizational structures which helps in the easy flow of work and the growth of the organization.
- The Employee Handbook gives as opportunity to develop and explore and find new dimensions in the concerned areas.
- The practical knowledge in the Organization by observing and studying various factors with the help of a guide which will help in knowing more about the Organization and incorporating with employees to accomplish the task

OBJECTIVES OF THE STUDY

The study pursues the following objectives:-

- To identify the importance of the Employee Handbook.
- To know the best way of Human Resource involve in setting value-added objectives for the strategic planning.
- To study the general employment policies
- To study how to develop a policy and modify if necessary with the existing policy.
- To identify the employer how to determine employee compensation to increase retention.
- To get knowledge of how the hiring procedure runs in the company.
- To find out the how the benefits and services are accommodated to the employees.
- To know how the standards of conduct should be in the organization.
- To identify the workplace professionalism and company representation.
- To study about the payroll information.
- To know about the performance expectations and evaluations.
- To handle the grievance issues raised in the organization
- To know about the procedure how to handle the complaints
- To find out various wages and salary polices.
- To identify the health related issues.

RESEARCH METHODOLOGY

SOURCES OF DATA

The data that is necessary for doing this project is collected through the two types of data.

PRIMARY DATA

The primary data is collected through discussions with Human Resource Managers and Associate Manager of the company.

SECONDARY DATA

The secondary data is collected through Company Reports, Brochures, and Manuals. The primary and secondary data thus

collected is used to know about the company, how to interpret the Employee Handbook and in order to evaluate performance of the company as well as the employees.

SCOPE AND PURPOSE OF THE STUDY

The Employee Handbook has been prepared to give general information about some of the work rules, work environment, and policies under which we operate. More extensive information is available from supervisors or human resources staff if employees have questions concerning interpretation of specific sections. From time to time, you may receive updated information concerning changes in policy. If you have any questions regarding any policies, please ask immediate supervisor for assistance. The Employee Handbook is not a contract, express or implied, guaranteeing employment for any specific duration. Although it is employment relationship between employer and employee for long term, either employee or the organization may terminate this relationship at any time, for any reason, with or without cause or notice. No employment agreement shall be enforceable unless it is in writing.

LIMITATION OF THE STUDY

The time given to complete this project is very limited, for a period of two month.

- The study is based on employee handbook information.
- This analysis is made from the information given by the organization.
- The study was conducted with limited data available and analysis was done accordingly
- The complexity and confidentiality of various operations is also a limitation to this study.

REVIEW OF LITERATURE

Edward Flippo states "Human Resources management is the Planning, Organizing, Directing and Controlling of the Procurement, Development, Compensation, Integration, Maintenance and Separation of the human resources at the end that Individual, Organizational and Societal objectives are accomplished" According to French "Human Resources Management is the Recruitment, Selection Development, Utilization of human resources of all organizations. The human resources of an organization consist of all individuals regardless of their role, who are engaged in any of the organizations activities." In the opinion of Dunn and Stephens "Human Resources Management is the process of Attracting, Holding and Motivating people involving all Manager's line and staff." The institute of personnel management, London formulated an official definition "Human Resources Management is the Management function which is primarily concerned with the human relationships within an organization. Its objective is the maintenance of those relationships on a basis which, by consideration of the well-being of the individuals, enables all those engaged in the undertaking to make their maximum personal contribution to the effective working of that undertaking.

Many contemporary thinkers of management have diverse views on performance appraisal but most of them agree that time has come where performance management should be given more importance rather than performance appraisal.

Performance management = Input Value

Performance appraisal = Output Value

Performance management is how we train and motivate our staff to work with existing or new systems that support the organizational goals and objectives, while assisting the workers with their career organizational goals and objectives. Performance appraisal is how our employees utilize the training given in supporting the organizational goals and objectives for effectiveness and efficiency. "Performance

appraisal is a process of evaluating an employee's performance in terms of job requirements in given time period." Performance management is a forum for Planning, Anticipating problems, solving problems and barriers to performance and communication process whereby both manager and employee work together for the same purpose. Performance appraisal is probably one of the most misused and disused system of modern management systems. Everyone dreads it. The appraiser fear widespread resentment from the employees and on the other hand appraises fears appraisal bias or sometime the Matthews's effect working against them. In the project report that follows Researcher had made an effort in not only understanding the pros and cons of appraisal system but also evaluated the system of the institution on which Researcher worked, An effort was made to make the report as "wholesome" as possible, hence Researcher has started it with an introduction of Human Resources and followed it up with the role of Appraisal system in the overall evaluation of management.

Role of Human Resource Departments

Some human resource (HR) departments (sometimes called personnel) really adds value to a company. Some don't that's no surprise. But what sets apart the good ones? Here's one way of looking at it. Some human resources departments have maintained an old command and controlled mentality, where they see their jobs as making sure managers and employees are doing what they are supposed to.

- Is everyone on time?
- Why not? What about sick leaves?
- Are all the rules being followed?

It's not that these departments are misguided, because some rules (e.g. hiring practices, safety harassment, etc) are important and need to be handled centrally by a company, or, central departments because of the need to coordinate some actions across the entire company. Problems arise however, when the HR department forgets that its purpose is to serve the needs of the company, the managers and employees, to help them to get the work done. After all, is it your company's human resources department a PROFIT CENTER? of course not. The HR department does not produce anything or sell anything but it can help the rest of the company make things or sell things by smoothening the path on some matters. What sets apart good HR department from bad is that, the bad ones lose their service orientation, and forget that if they don't help others get their jobs done they can won't get cooperation from those they should be helping. The good ones recognize that while they are obligated to do some regulation of some processes, that they can play important leadership roles in the organization and that does not mean dictating but balancing off the needs of the organization, with the needs of the managers and the employees.

What should this look like? Let's take an example: poor HR department goes about performance appraisal this way. They devise a set of rules and forms on their own, then go forth (if they have executive support) and TELL managers and employees what they SHALL DO. They tend not to consult or if they consult just forgets to listen to the people who have to use these sometimes-monstrous procedures. What happens is that since HR tends to be somewhat distant the user of the systems, the process misses. Managers to do what happens is that HR then has to move in to the role of police or enforcer role, to try to coerce managers to do what they are supposed to? That gets everyone frustrated and drives wedges between HR and the rest of the company. The good HR departments go about it differently. While they recognize that performance appraisal needs to be, in some respects, a central organization process, they also recognize that if the process isn't responsive to at least, in some needs of managers and employees, it will never succeed. So rather than dictating the procedures, forms and minutes, the smart HR folks create (in consultation with both managers and employees). A

skeleton outlines the basic components, but leave the details to the managers, the shift here is from dictating details to providing a framework and helping people work within general framework. It's support function, and not a lead actor.

The bottom line is that the more HR dictates and plays enforcer, the fewer Managers feel they need to take responsibility for the functions HR is dictating. The more dictation the more resistance from the rest of the company.

GENERAL CONDITIONS OF EMPLOYMENT

- Employee Induction
- Hours of Work
- Attendance
- Hiring Requirements
- Information about Salary
- Prevailing salaries in the region
- Financial position of the Organization
- Trade unions pressure on the Management
- Government policies on the Wages and Salaries
- Relative worth of job done
- Economic conditions of the nation
- Probationary Period
- Overtime
- Time Keeping
- Telecommuting
- Outside Employment
- Standards of Conduct
- Theft or inappropriate removal or possession of property
- Falsification of timekeeping records
- Insubordination or other disrespectful conduct
- Violation of safety or health rules
- Smoking in the workplace
- Sexual or other unlawful or unwelcome harassment
- Excessive absenteeism or any absence without notice
- Unauthorized use of telephones, or other company-owned equipment
- personal Internet usage
- Unauthorized disclosure of business "secrets" or confidential information;
- Violation of personnel policies; and
- Unsatisfactory performance or conduct.
- Safety and Security in the workplace
- Training sessions
- Team meetings
- Bulletin board postings
- Memorandums
- Other written communications
- **Employee Termination**
- **Resignation** – Voluntary employment termination initiated by an employee.
- **Termination** – Involuntary employment termination initiated by the Organization.
- **Layoff** – Involuntary employment termination initiated by Organization for non-disciplinary reasons.
- Visitors in the Work Place
- Compensation
- Performance management and evaluation
- Benefits and services
- Health Insurance
- Employee Assistance Program
- Training and Professional Development
- Educational Leave and Educational Assistance
- Leave Without Pay
- Disciplinary Process
- standards of appropriate conduct;
- behavior that is unacceptable; and

- Corrective actions that agencies may take to address behavior and employment problems.
- Employee Relations Issues

DATA ANALYSIS

1. How do you feel about the recruitment policy in Husys?

Table 1. Recruitment Policy

S. No.	Opinion	% of Respondents
1	External	28
2	Internal	26
3	Some areas are required	33
4	Banned	13

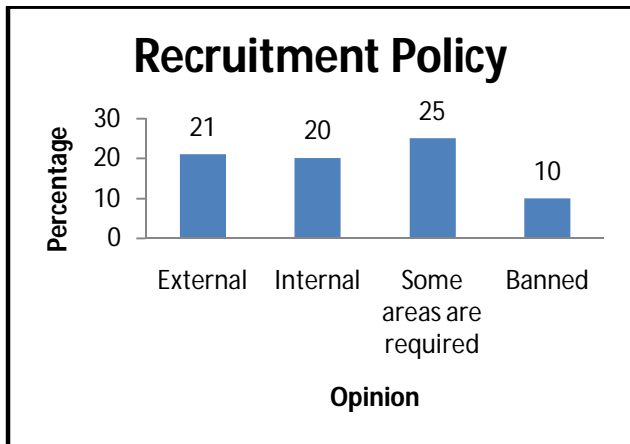


Fig. 1. Recruitment Policy

INTERPRETATION: On rating of the recruitment policy, 28% of respondent's preferred external recruitment, and other 26% opined that internal recruitment would be better option and 13% suggested to ban the recruitment.

2. What are the training and development methods that are followed at Husys HR Function Management Company?

Table 2. Training and Development

S. No.	Opinion	% of Respondents
1	On the Job	21
2	Off the Job	29
3	Both	36
4	None	14

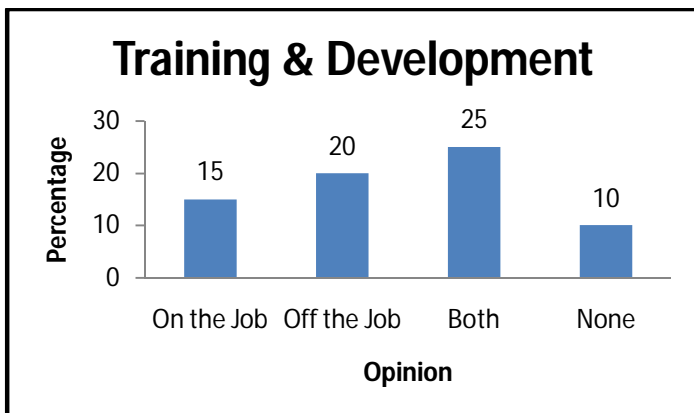


Fig. 2. Training & Development

INTERPRETATION: In this regard 36% of the respondents informed that both on the job and off their job training and development methods are followed in the company, 29% of the employees have stated that off the job training and skill development programmers are conducted by the company, 14% of the respondents informed that no training and development activities are taken up by the company.

3. Do you require probationary period to evaluate the performance of the new employee?

Table 3. Probationary Period

S. No.	Opinion	% of Respondents
1	Available	30
2	Not Available	14
3	None	35
4	Some extent	21

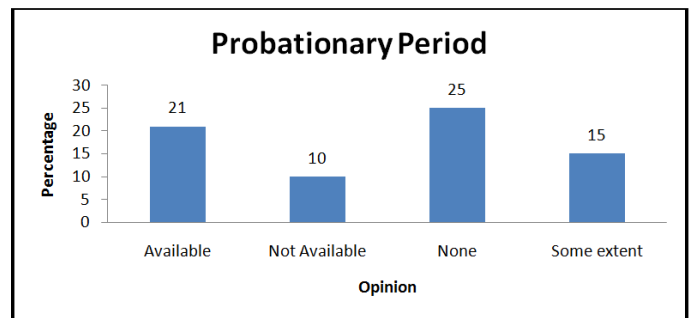


Fig. 3. Probationary Period

INTERPRETATION: With reference to the query whether they require probationary period to evaluate the performance of the employee, 30% of the respondents stated that such provision should be available followed by 21% opined that to some extent it is required. 35% of the respondents were indifferent.

4. The procedure of wage and salary system is based on?

Table 4. Wage and Salary

S. No.	Opinion	% of Respondents
1	Seniority	32
2	Merit	19
3	As per Company Policy	35
4	Appraisal	13

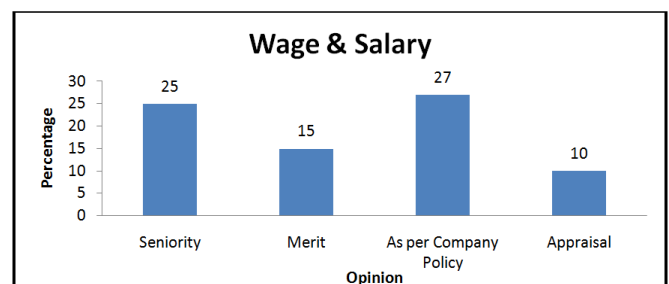


Figure 4. Wage and Salary

INTERPRETATION: Diversified views were expressed by the respondents. Majority of the workers i.e. 35% opined that the wage and salary system should be as per the company policy, followed by 32% stating that seniority should be the criteria, to work out the wages and salary. 19% of the respondents followed by 13% expressed that seniority and performance appraisal should be taken in to consideration to fix wage and salary of employee.

5. Are you satisfied with the promotional policy?

Table 5. Promotional Policy

S. No.	Opinion	% of Respondents
1	Satisfied	26
2	Dissatisfied	20
3	Not Applicable	33
4	Normal	21

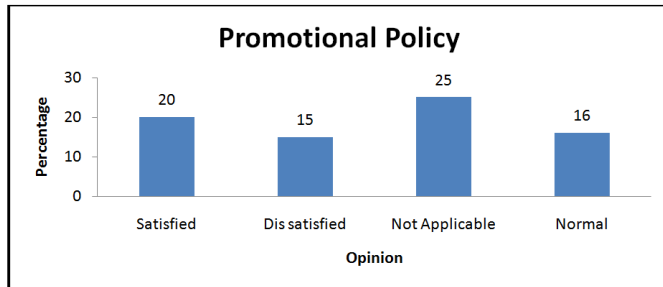


Figure 5. Promotional Policies

INTERPRETATION: The existing promotional policy in the company is satisfactory to 26% of the employees and 20% are not satisfied with the current promotional policy. 21% of the respondents have stated that it is normal and majority i.e. 33% opined that the current policy is not applicable /suitable.

6. What is the purpose of implementing Employee Handbook in the company?

Table 6. Employee Handbook

S. No.	Opinion	% of Respondents
1	To guide company's actions	22
2	To motivate employees	34
3	To remove confusion	25
4	To maximize profits	18

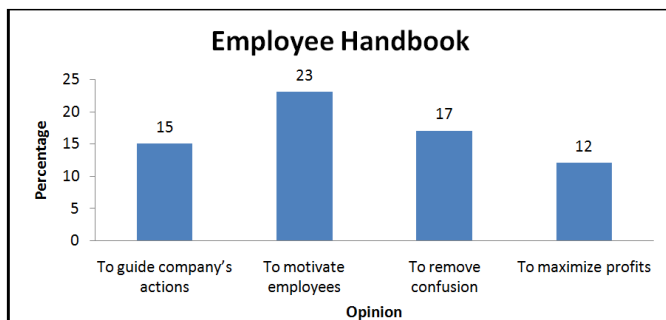


Fig. 6. Employee Handbook

INTERPRETATION: All the respondents expressed positive opinion on purpose of Employee Handbook, 34% of the respondents believed that Employee Handbook is meant to motivate the employees followed by 25% who opined that it for removing confusion and to lend clarity, 22% of the subjects expressed that purpose is to guide the organization actions and 18% stated that it is for maximum.

7. How the companies determine the training needs of the employee?

Table 9. Training needs of the employee

S. No.	Opinion	% of Respondents
1	Observation	32
2	Performance Appraisal	47
3	Both	21
4	Any other	0

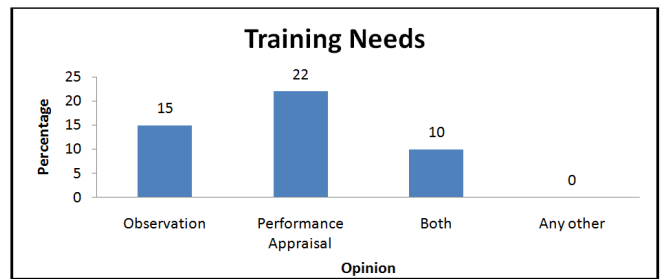


Fig. 9. Training needs of the employee

INTERPRETATION: 47% of the respondents stated the company determines the training needs of the employee on the basis of performance appraisal followed by 32% informed that it is on the basis of observation. 21% felt that both the above parameters are taken into account to know the training needs of employees.

8. Does your organization have a dedicated HR department?

Table 13. Dedicated HR department

S. No.	Opinion	% of Respondents
1	Strongly Agree	60
2	Agree	34
3	Disagree	6
4	Strongly disagree	0

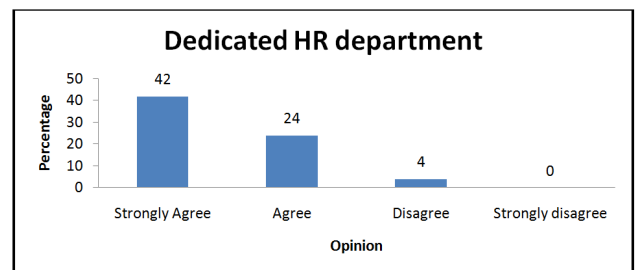


Fig. 13. Dedicated HR department

INTERPRETATION: A dedicated HR department can take care of welfare of work force. 60% of respondents strongly agreed that their organization has a dedicated HR department followed by 34% who agreed in this regard. On other hand 6% disagreed and felt that organization does not have a dedicated HR department, and felt the need of the same.

9. What is selection process in your company?

Table 15. selection process

S. No.	Opinion	% of Respondents
1	Scrutinizing	14
2	Written Test	62
3	Interview	16
4	Head hunting	8

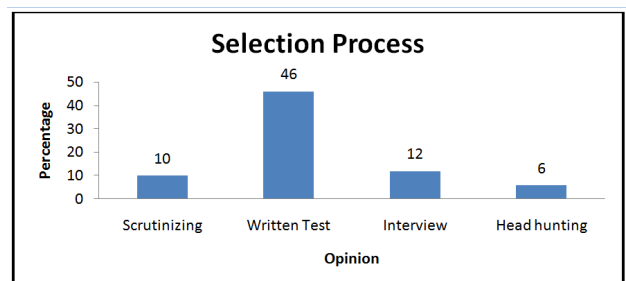


Fig. 15. Selection process

INTERPRETATION: In response to the query on selection process in the organization 62% replied that written test is conducted, followed by 16% stated that through interview and 14% stated that through scrutinizing, 8% have informed head hunting method selection was done.

10. Does HR monitor the safety of working conditions?

Table 19. Working conditions

S. No.	Opinion	% of Respondents
1	Very seldom	39
2	Not often	9
3	Often	33
4	Some times	18

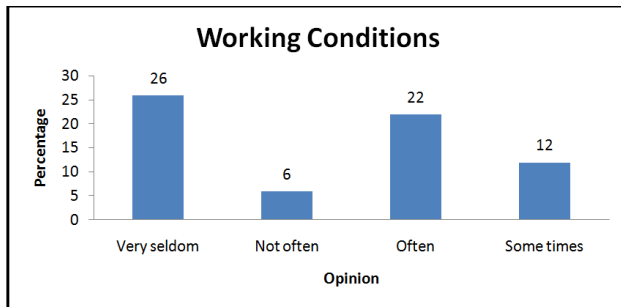


Fig. 19. Working conditions

INTERPRETATION: 48% of the respondents (39% and 9%) have stated that HR department rarely monitored safety of working conditions. 33% on the other hand expressed that HR does monitor safety, 18% felt that it is only sometime the safety monitoring is done by HR department.

11. How do you rate the fairness and effectiveness of Employee Handbook in the Husys HR Function Management Company?

Table 20. Effectiveness of Employee Handbook

S. No.	Opinion	% of Respondents
1	High	31
2	Low	24
3	Moderate	36
4	None	10

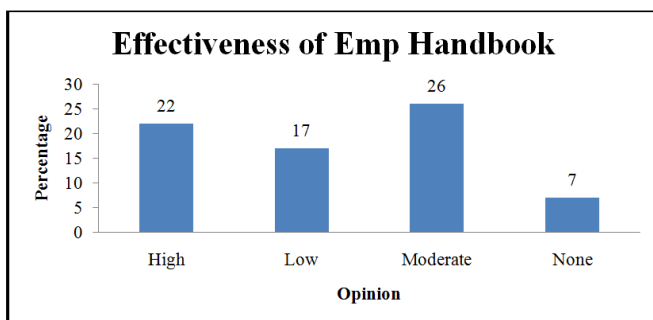


Fig. 20. Effectiveness of Employee Handbook

INTERPRETATION: Majority of the respondents i.e. 36% rated the Employee Handbook effectiveness as moderate, followed by 31% rating the policy as high 24% opined that the policy effectiveness is low. 10% remained indifferent. This indicates the need of further improvement in the existing Employee Handbook effective.

SUMMARY

- This employee handbook is a summary of policies, procedures and practices related to human resource management of an organization.

- The Executive Director is accountable for leading an effective staff team and is thereby accountable for the development and implementation of the policies outlined in this employee handbook. Managers are responsible for human resource management within their own staff teams and should reference this employee handbook to ensure organizational consistency in the application of these practices.
- The HR department is responsible for the maintaining the procedures and systems which support human resource management for the organization and is available to answer any questions or provide clarification on any content of this employee handbook.
- The organization’s benefits package, including the insurance and health plan is coordinated through HR department. Questions regarding the benefits package may be directed to the HR department.

Conclusions

- It is after studying the designing and development of EMPLOYEE HANDBOOK of an organization, the following suggestions have been made to improve the working of the organization.
- The management of the company should immediately design proper non-financial motivation factors, as even the highest motivating factor “promotion” could not sufficiently motivate the employees.
- Management should show more importance towards proper administration of wages and salaries, such as ensuring timely payment of them, as it will increase the morale of the employees.
- A change in the implementation of the transfer policy is apt as the respondents are not satisfied with the policy adopted.
- Real and practical implementation of participative style of management should be taken up as this would motivate the employees and make them work for the organizations upliftment.
- There should be improvement in the cafeteria which would increase the employees motivational level.
- The trainings should be more intensified by giving more assignments to the MISSION HR candidates.

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