

## December 2013

## Why policies?

Companies often have a variety of different policies. Policies on IT, social media, environmental issues, company cars, drug testing and corporate gifts are a few examples. Some companies choose to instead approach all of these matters in a compiled company handbook.

Establishing policies is a relatively easy way of regulating and communicating terms and conditions to the employees. Policies can be implemented, altered and discarded by the employer, without consulting anyone, which makes them a whole lot different to the matters that are dealt with in individual contracts or in agreements with the trade unions. Bear in mind though, that in most cases employers who are tied to collective bargaining agreements have an obligation to negotiate with them prior to any changes to their policies.

How do you create an efficient policy? It is important to use a type of terminology that every employee can understand and to make sure that the length of the policy does not get out of hand. Very few employees will read through the entire policy if it is 30 pages long, but if it is only two pages, then most of them would. Headers, bullet points and examples often help increase comprehension.

How should policies be communicated? We recommend that you refer to your company policies in the individual contracts of employment, stating where they can be found (e.g. on the intranet or in a physical folder in the HR office) and that it is compulsory for each and every employee to read these documents and to keep informed of updates. When an amendment is made to a policy or when a new policy is established, it might be a good idea to send out an email to all staff informing them of the changes. It is common that conflicts arise regarding policy regulations and that the employee in question claims that he or she has not been properly informed beforehand. In such situations it is very useful for the employer to be able to produce a copy of a written document proving that the employer has been informed about the policy in question.



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An employer who sets up clear guidelines for the employees' use of email, internet and other web based technology in the workplace will also be in a much better position to prevent unauthorised use.

Employers should be aware that if a certain policy includes benefits, such as additional parental pay, frequent issuing of employee benefits may result in the benefit being deemed as regulated by agreement. In order to avoid this it is important that the company clearly states at the outset that the company maintains the control of the benefit as well as the right to amend or cancel it at any given time.

Is there any kind of policy that a company is *under obligation* to establish? All companies with ten employees or more is legally obligated to keep a written policy on working environment. This should define the working conditions at the company and provide a plan for ensuring that health and safety regulations are maintained. Employers who are tied to trade union agreements may also be obligated to keep certain other policies, regarding salaries for example.



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