

## 18 Key HR Policies - Definition, Importance

Rules are rules. When planning for the company, it can be challenging to reach a decision. That is why coming up with the policies of a company is a crucial [HR role](#). They provide the guidelines for every decision they need to make within the organization. From acceptable dress codes to the reason for an [employee's termination](#), these policies help the HR department map out the rules and regulations.

### What are HR Policies?

[HR policies](#) are the guidelines on how a company manages the people under its employment. These policies tend to shape the company's culture and the way they operate—from the recruitment team's [hiring tips](#) to the way employees do their work to reach productivity. Almost everything that happens in a company is all because of the HR policies, and it takes excellent HR skills to use it to help the company be the best it can be.

With so many aspects that HR needs to take care of, here are eighteen HR policies that guide every company.

#### Employment Opportunity Policy

This is a government policy that ensures every company does not have any discrimination against job candidates and employees based on their gender, race, age, religion, and disability. No matter where he or she comes from, as long as he or she is qualified and has good records, you should [invite the candidate for an interview](#).

#### Payroll Deductions

This policy refers to the mandatory deductions done on the gross value of the employee's salary. These deductions are for the taxes and the lacking rendered hours of work.

#### Vacation Policy

This policy regulates the amount of vacation leaves an employee can avail of in the company. The typical policy is that the longer an employee is in a company, the more vacation leaves they can have. However, this varies from one company to another.

## **Recruitment and Selection Policy**

These policies serve as guidelines for the hiring or [selection process](#). These are put in place so that the company's procedures in selecting candidates give a fair chance for everyone.

## **Termination and Offboarding Policy**

These policies dictate what both the company and the employee need to do following the person's resignation or termination. These policies would usually include rendering the last mandatory days of work, update of employee status, and giving the final pay. Moreover, they also implement [proper ways to layoff employees](#).

## **Performance Evaluations**

This is to determine if an employee's performance has reached the company's standards and achieved its annual goals.

## **Code of Conduct**

These are the rules that set up the company's acceptable behavior and practices in the workplace. Its purpose is to ensure that every employee is kept in line both in their behavior and in their work.

## **Safety and Health**

These define the companies standards on what is safe and healthy. This policy guides the company on how to keep employees safe from any hazards in the workplace. Moreover, it guides them on how to approach any health-related issues in the workplace.

## **Access to Records**

This policy is put in place to make sure only the right people can access specific records and information stored in the workplace. Its purpose is to protect any confidential information and to prevent any security breaches as well.

## **Working Hours**

Most companies have a different policy when it comes to working hours. However, most of them include the typical eight-hour shift with a one-hour lunch break nowadays.

## **Employee Attendance and Punctuality**

This policy is kept in place to encourage employees to be on time when their shift begins and render the mandatory hours of work.

## **Intellectual Property**

Commonly known as copyright or trademark, this policy is placed to ensure that whatever idea or invention an employee came up with, such as a design or creative content, is under the ownership of the company.

## **Meal Periods and Break Periods**

It varies from one company to another. This defines how long an employee can take a meal break or personal time off during work hours.

## **Holidays**

This policy defines which holidays are considered regular or special holidays. It also covers the rules on how companies compensate employees during certain holidays.

## **Inter-job Posting Policy**

The policy defines the procedure and requirements for internal job hirings that employees should follow if they believe they have a chance.

## **Performance Improvement Policy**

This policy's purpose is to ensure that the company takes the initiative to develop its employees and help them become better than when they started.

## **Leave Policy**

It is a set of rules that defines the process and procedures that need to be followed when an employee needs to take some time off from work.

## **Disciplinary Action**

This defines the corrective actions needed to take if an employee fails to follow the code of conduct. Common disciplinary actions include verbal warnings, written warnings, suspension, and termination.

# How to Develop HR Policies

If your company is new and it lacks a set of guidelines for the workplace, here are seven ways to develop HR policies.

## Collect the Relevant Data

To make a good HR policy for your company, you need to collect information to understand what exactly is required in the company. You can start by interviewing employees and asking them what issues they face at work. An ideal way of data-gathering is to conduct an [HR survey](#) and share it with everyone at work to answer. Moreover, collecting relevant data will also be easier when you observe the company and the workplace environment.

## Identify the Need for Policy

Take a look at what aspects of your company needs to have rules and regulations. You will need to check and see if employees have any issues within the workplace. Once you've identified them, think about whether you need to implement the policy or if it is a unique problem that the HR can resolve in one way.

## Examine the Alternatives

To develop an HR policy, check and see if there are other alternatives. Examine whether these alternatives are going to be more productive and if it is better, implement them instead.

## Draft the Policy

Write down your policy and implement it. Test out whether it works or if it needs a new draft. Everything needs to be improved and updated, so don't worry too much about whether you've changed your policy a lot of times.

## Circulate and Get Approval

Present your HR policies to the management and explain to them why these are necessary. Listen to their feedback and improve the systems if there is room for it.

## Communicate with Employees

Discuss with your employees the policies that you plan on implementing. Collect their feedback and see whether this is going to work out or if it needs improvement.

## **Evaluate the Policy**

You can evaluate the HR policy by collecting feedback and data from everyone at work once it is in effect. Make changes to it if necessary.

## **5 Advantages of HR Policies**

Managing all these policies is a lot of work. But here are five reasons why it will give you a huge advantage.

### **Handling Employee Concerns**

If there is any issue arising in the workplace, HR policies can give the company guidelines on how to approach the problem and solve it. So that when an employee has concerns, they can effectively take care of it.

### **Helps in Making Decisions**

When the company wants to plan something significant, HR policies are a great way to keep it all in check.

### **Manage Employees Effectively**

Most of the HR policies, including working hours and performance, enables the management to handle their employees effectively. Some of the systems are a sound positive reinforcement for ideal behavior, with negative support in store for those who fail to follow them.

### **Evaluation and Compensation**

These HR policies make sure to give employees proper feedback on their work so that they can be better. It also ensures that employees will be compensated fairly for the work they do.

### **Minimizes the Personal Bias of Managers**

Some managers, unfortunately, have a personal bias towards certain employees. For example, some managers only give [rewards and recognition](#) to their favorite employees and overlook others who might deserve them more. With the right kind of HR policy, this ensures that employees' rights are protected and that the managers treat them fairly.

Rules and regulations are kept in place to prevent the company from falling apart. While it is quite daunting and often stressful, the HR department must implement these policies. The company will be on the right track as long as these HR policies are being followed.