



A GUIDE FOR COMPANIES ON CRAFTING OF AN EFFECTIVE HR MANUAL

INTRODUCTION

HR Manuals these are comprehensive documents used by the companies to introduce their employees on the business of the company, performance, and on how the company is expecting to be treated and treat their employees. Hr manual is like a constitution of a company that guides the relationship between employees and the company.

Why should a company or an organization have a human resource manual and policy?

1. HR Manuals provide a framework for organizational behavior and performance standards expected by the companies.
2. It acts as a management control tool for effective human resources management.
3. It provides general information and guidance on matters relating to employment on a company.
4. It spells out general rights and duties of employees in a company.
5. It provides fair and transparent mechanism for dealing with human resource management matters to prevent bias, favor, or unfairness in a company.
6. It helps the company to abide with employment and labor laws and treat its employees in accordance with the laws.

ESSENTIAL ELEMENTS OF AN EFFECTIVE HR MANUAL

An effective hr manual must include these elements scope of its application, mission, vision and core value of the company, employment and recruitment procedures, conduct and practice, management of the company, reward management, grievance



handling and disciplinary procedures, and termination of employment contract. By adhering to these standards hr manual shall be a helping tool for the company to promote positive work environment and act as a tool for complying with legal standards as required by the laws.

1. INTRODUCTION & SCOPE OF HR MANUAL

On introductory party the manual introduces the employees to the company, the introduction might include welcoming notice for new employees, the history of the company or organization, purpose for establishment of the company, companies clients or targeted clients and their audiences. On top of that it's advised that the manual should provide clear date on which it shall become effective and operative.

On the scope section it entails the scope of the manual and its applicability in a company as to whom the manual will apply, it also has to address the issue on how the manual will be reviewed, updated and amended and who has the mandate to do so.

2. MISSION, VISION, AND CORE VALUES OF THE COMPANY

i. Mission

This is the core and fundamental reason for establishment of the company or organization. The mission statement of the company has to be articulated clearly in the manual so that every employee of the company can be aware of his or her mission to accomplish as part of the company or organization. A clear and well defined mission does only inspire employees it also attract targeted audience.

ii. Vision

This is the statement that declares on how the company or organization aspires to become in future. It's important for hr manual to include this statement as it motivates employees by giving them a sense of purpose and direction towards goals of the company.



iii. Core values

These are fundamental principles that guide the practice of the company or organization. It's advised to have core values for the company and include them on hr manual so that every employee can understand on how they should conduct themselves on fulfilling their duties and mission of the company or organization.

3. EMPLOYMENT AND RECRUITMENT

On employment and recruitment section the manual has to entails on how and what factors does the company believes and rely on employment procedures for example the company might not believe on religious affiliation or politics, the manual has to make it clear on such angle. Others believes in gender equality, equal employment opportunity etc. in additional to that the manual has to state and make it clear on the following;:-

i. Recruitment objective

Human resources manual has to express the objectives of the company in recruitment.

ii. Employment policy and recruitment procedures:-

- **Selection and scanning process**

The manual has to state on how interviewed candidate shall undergo on selection and screening process done by the interviewer.

- **Interview panel**

This is the panel that has the duty to conduct interview. The manual has to specify clearly on how interviewers are appointed, number of panelists etc.

- **Appointment process**

After interviewing process the manual ought to explain on how the interviewees shall be screened and appointed by the company or panelists, it depends on the arrangements made by the company.



- **Offer letter or appointment letter**

When selection and appointment process is done, the company shall send an offer letter or letter of appointment to the selected interviewee. This also has to be discussed on the manual.

- **Orientation process**

The manual shall explain on how orientation shall be done to the newly employed staffs of the company. This is done when a contract is already signed between the company and the new employees.

- **Probation period**

This provides an opportunity for the new employees to demonstrate their suitability for the role. The manual has to state clearly the duration for probation period.

iii. Categories of employment contracts

- **Specified period of time**

A contract for specified period of time is the contract that is not less than twelve months and it specify clearly duration period. The manual has to entails on how a person can be employed under this type of contract and if an expected employee is put under probation period it has to state.

- **Specific task**

This is the contract in which a person is hired or employed to do or perform a certain thing and when he finishes performing it the contract comes to an end. The manual has to state within what period the tasks should be performed and come to an end.

- **Unspecified period of time**

This is the life time contract. This kind of contract comes to an end when person or employee turns to 60 years old or 55 years. The hr manual has to specify if the company can employ a person under this type of contract.

- **Temporary or part time contract**

This is a contract that require employee to be on duty fewer hours per week.



- **Internship, field attachment or volunteer**

Internship is the time spent by graduates attached to a company or organization to do practical work. Field attachment it's a time spent by students who are still enrolled in their respective colleges or university and seeking practical training. Volunteer it's a person offers services or work in a company with no salary.

4. CONDUCT AND PRACTICE

The manual has to provide specific rules and expectations for ethical behavior, professionalism, work place interaction (accepted behavior). The accepted behavior has to align with standards provided by the employment and labor laws, these are few things that must be provided on conduct and practice section:-

i. Dress code

Every company has its own dress code therefore its advised that the manual has to state clearly dress code that employee has to dress if there are uniforms it has to state which days uniforms shall be worn, what kind of dress employees ought to wear etc.

ii. Office equipment and property

It's advised that the manual should provide on how properties of the company shall be handled, used, repaired, replaced or transferred.

iii. A place of work and employees transfer

The manual has to state clearly a place of work and employee transfer on employee transfer it might state on how employee may be transferred from one place of work to another one for example self required employee transfer or a transfer which is initiated by the company itself.

iv. Days of work and hours of work

The manual has to provide days in which an employee may work for the week, hours of work in a day or a week. The law provides that an employee has to work for six days in a week and nine hours in a day and not more than 12 hours in a day.



v. Holidays and leaves

- **Annual leave**

An employer has to make rules and procedures on how an employee can apply for annual leave. This leave is for at least 28 consecutive days.

- **Maternity leave**

This leave is given to female employees who are expectant mothers to get sufficient time to rest before delivery date and after delivery date so as they can rest and get delivery time bonding with their new born child. Maternity leave is always for 84 days, and 100 days if a mother gives birth to more than one child at the same time.

- **Paternity leave**

This leave is given to male employees when their wives give birth to a child. It's a 3 days leave.

- **Sick leave & family sick leave**

This is given to employee due to actual illness or injury during their course of employment. This leave is for at least 126 days in which 63 days shall be fully paid leave and 63 days shall be half wages.

- **Unpaid and paid leave**

The manual has to specify which kind of leave is paid and what kind of leave is unpaid.

- **Other leaves**

The manual has to entail and provide other kinds of leave in which employees shall be given for example it may provide for marriage leave this is the leave which is given to employees who are intending to get married. Study leave is given to employees who are intending to go for further studies etc.



vi. Staff learning and development

An employer has to make it clear in the manual on criteria that shall be used to select an employee for training program; this shall reduce bias during selection for seminars and training development program.

vii. Health and safety guideline

This section is necessary for the companies that deals (directly or indirectly) with the health and safety of people for example construction companies, industrial related companies etc. these companies has to incorporate this segment in their manual and the segment has to be in line with OSHA standards, rules and guidelines.

5. MANAGEMENT AND ADMINISTRATION OF THE COMPANY

Subject to the companies Act and NGO'S Act, every company or organization must have the management and administration system (officers). The hr manual has to express and state clearly the management of the company or organization as it is in MEMARTS or constitution of the organization. It might state further on the duties, responsibilities of each leader in managerial position. For example every company ought to have directors whose duties is managing, directing and supervising the management of the business and affairs of the company. The following herein below might also be discussed on this part in hr manual though it's not necessary:-

- Internal meetings

The manual has to express who has the power to call for staff meeting, directors meeting and any other internal meeting for the company or organization.

- Resolutions



6. REWARD MANAGEMENT AND ADMINISTRATION

Every company ought to have remuneration packages for their employees. The packages has to be in line not only with remuneration laws of the country, it has to reflect the budget of the company or organization, flexible enough to accommodate changing needs of the company and it has to consistent with company or organization mission, vision and strategy requirement.

On this part the manual has to provide detailed information on how salary structure shall be, payment mode of salaries, statutory deduction, loan and salary advance, salary increase and salary increase approval, employees benefit, employees welfare, medical health care, pension scheme as per the laws governing social security in Tanzania, and death gratuity. It is advised to consult a financial expert to arrange all of this.

7. GRIEVANCE HANDLING AND DISCIPLINARY PROCEDURES

The manual has to provide on how the company shall handle grievance from employees and disciplinary procedures. The handling of grievance and disciplinary procedures are provided by the law, thenceforth; it is a must grievance and disciplinary procedures to be in line with the laws.

i. Grievance handling

Normally, in handling grievance there are two stages namely:-

- Submission of grievance by employees with possible remedies in writing to the administrative body of the company or organization or a person dealing with grievance it might be the manager, director, chairperson.
- Grievance meeting, once a person dealing with grievance receive a formal grievance form he has to Invite grievance employee to attend the meeting and resolute the grievance within the agreed period.



Where it happens that the employee is still aggrieved, the employee is advised to use any means provided by the law to protect their rights.

ii. Disciplinary procedures

The primary objective of disciplinary procedure is to correct unacceptable work performance or behavior of employees, disciplinary action encourages discipline and maximum performance at workplace. On conducting disciplinary procedure the manual has to state the coordinator or supervisor for the whole process, the herein are disciplinary procedures that might be followed by the company.

- Verbal and written warning

This might be a formal document or conversation between an employee who is given the warning and the coordinator of disciplinary procedure. These warning must be signed and documented.

- Final written warning

Final written warning is issued where there is no change of conduct after the verbal and written warning, it is essential for the warning to be signed by employee to acknowledge the previous warnings.

- Disciplinary hearing

An employee who has committed a serious misconduct has to be served with summons for hearing, and they have to be informed on their rights such as a right to choose a representative, right to be heard, etc thereafter the hearing has to be conducted as per the laws.



- Right to appeal

After deliverance of decision, an employee should be afforded with the right to appeal.

8. TERMINATION OF EMPLOYMENT

An employment contract might come to an end for different reasons/ways; an hr manual has to provide on how the contract shall come to an end. It may include the following resignation, retrenchment, and retirement, termination on medical ground or misconduct. The hr manual has to give out the procedures on each kind of termination of an agreement.

i. Resignation

This is voluntary termination of employment contract by the employee. Before resignation employee has to follow procedures as provided by the manual or his employment contract.

ii. Retrenchment

This is a termination of employment contract basing on economic, technological, or structural factors; based on this termination, the law requires an employer to provide notice of intention to retrench. The notice should disclose all necessary information required for the retrenchment.

iii. Incompatibility

Incompatibility is treated as incapacity for poor work performance. Incompatibility may be caused by two reasons these are;-

- Unsuitability of the employee to his work due to his character or disposition.
- Work environment that an employee relates badly with fellow employees, clients or other people who are important to the business.



Before termination of employment contract on incompatibility an employer has to give an employee a fair opportunity to consider and reply on allegation of incompatibility or to propose an alternative way.

iv. Misconducts

As discussed earlier the manual has to provide disciplinary policies and procedures in which every employee has to abide and be guided with it. At the time where an employee contravene standards regulating conducts of employees, the employer has to take disciplinary action and when an employee is found guilty of gross misconducts his agreement shall be terminated by the reason of misconducts. Before the termination is done, an employer ought to follow the procedures as provided by the labor and employment laws.

v. Retirement

This kind of termination occurs when an employee turns the compulsory age of retirement which is 60 years or he may retire at the age of 55 as a voluntary age of retirement.

vi. Poor work performance

In order for an employer to terminate employment contract on poor work performance has to determine the performance of an employee and when he found out that the performance does not meet work standard for the company, the employer ought to provide appropriate guidance, instructions or training if necessary to improve employee work performance. When an employee continues to perform unsatisfactorily the employer has to follow the procedures on terminating the contract with that employee.



vii. Termination on incapacity

Incapacity to work might be caused with ill health or injury. Before termination of employment due to incapacity of employee, an employer is advised to consider the some factors such as the cause of incapacity, degree of incapacity, ability to accommodate the incapacity and nature of incapacity. Where an employee is incapacitated to the extent that he cannot work for a long time, an employer has to provide possible alternative to employee to work; the alternatives may include light duty, alternative work, temporary replacement or any other accepted alternative.

viii. Death

Death of an employee automatically terminates their employment contract.

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CONTACT US

www.aegislegalconsultants.co.tz

aegislegalconsultants@gmail.com

+255 782 503 611

+255 744 613 673

AUTHORED BY

JOHN FIMBO