

10.2. Important policies you should consider to implement (RC)

Introduction

While in general the author believes in the good of the people, the company is put at risk due to intended or unintentional malpractice of employees. By setting written and public standards that are acknowledged by the employees, the company has a tool at hand to

- Control the behavior of the employees
- Pass on risk of misbehavior from company responsibility to personal responsibility of employees
- Enforce rules and penalize misbehavior
- Protect against possible demands for compensation due to termination of labor contracts during labor disputes.

To make these tools effective, each one of them should be signed during the onboarding process and, if critical changes are required to these guidelines afterwards, they should be signed again. Additionally, it is best practice to refer to the policies and guidelines in the working contract.

While several of these guidelines can be combined in one document, selective changes in single aspects can be made significantly harder to administer if they are not separated in single documents. In foreign-owned companies, a bilingual version should be used.

Their efficiency depends on enforcement by the management but they tend to be written in harsher and stricter language than they are actually enforced. While this can be helpful to have required ammunition for labor disputes and one-sided contract terminations by the employer without or at least reduced compensation, this can also impact the motivation and/or feeling of mutual trust of the employees. This is a trade-off that each company has to decide on their own.

If company policies describe benefits for the employees, they often distinguish in different levels (e.g. General Manager, Department

Head, Employee without managerial responsibility).

Employee handbook

The employee handbook is one of the central documents that tells the employees how behave in the company and is your primary line of defense when it comes to disputes with your employees or when you are being accused of not following regulations with a focus on the labor law.

Typical contents can be

- Adherence to safety regulations and security rules
- Dress code
- Behavior during work time in general and special situations (e.g. on the phone)
- Trainings.
- Smoking
- Reimbursements for entertainment expenses.

IT (Security) Policy

When employees use company infrastructure for data processing, they can endanger the network security, put sensitive data at risk or can make the employer even liable for breaches of laws. By defining in an IT security policy purpose, restrictions of company infrastructure and data you formally can inform the employees about their obligations, transfer risk of misbehavior to them and again have a tool for enforcement or penalize violations.

Travel policy

The travel policy mostly regulates the

- Application process for business travel and who has to approve
- Reimbursement procedures including
 - Daily allowance
 - Hotel prices
 - Transportation cost for each mode of travel (Flight, Train, Private car, rental car).
 - Additional reimbursements

It is a tool mostly for cost-control and supports the company and the employees in the decision process what kind of expenses are considered as reasonable.

Attendance policy

This policy often describes Working Times, statutory public holidays, application and approval procedures and their effects for

- Overtime
- Different kinds of leaves including their minimum/maximum amount, e.g.
 - o Annual Leave
 - o Personal Leave
 - o Sick Leave
 - o Special Leave (e.g. Marriage, Pregnancy, Mourning, ...).

Onboarding Procedures

While not a formal policy, a formalized onboarding procedure of new staff can make sure that you do not forget to inform your staff of the relevant regulations and can make sure that they receive the required materials. The onboarding procedure can e.g. contain

- General training (HR, IT, ...)
- Specialized training for key staff (e.g. department introductions)
- Policies to sign
- Acknowledgement of receiving work tools (e.g. Laptop)
- Application for and handover of ID card, user accounts, ...
- Health check (if required / useful)

Offboarding Procedures

The Offboarding procedure is to ensure that all relevant data and working tools are returned by the employee, all authorities in IT systems and access to the facilities get canceled, etc.

It is recommended to give the employee a list of the departments he should visit for signing off that all material and authorities have been returned.

Compliance

China has come a long way in cleaning up the corruption but still it can happen. The grey line between exchanges of small presents customary in the market to cases that can be interpreted as corruption can be very thin – at the same time, refusing a gift can also seriously offend the giver.

To prevent damage from your company, you still should clearly point out that corruption will not be accepted, including regulations concerning

- Receiving and giving gifts
- Personal benefits related to work duties and/or the related network
- Benefits for relatives.

A common practice is not only to limit the occasions but also the values of exchanged goods that can be given or received.