

## **Would your business be better off if your employees took more vacation?**

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Recently the Colorado legislator has taken up a bill that would allow employees to take up to 40 hours of unpaid leave to attend to family or personal needs. Obviously most business organizations oppose the legislation citing addition strains on existing organizations and increased cost.

We have ingrained in our culture that people who travel or take as much leave time from an organization are poor workers, not committed or loyal to the organization. In America, this is an outcome of our work ethic. It dates back to the Pilgrims from the 1600's.

However, having employees take more time off might be in the best interest of an organization. How can this be? First of all, time away from the office allows an employee to unwind or focus on specific personal needs that may be a distraction for them at work. Secondly, it forces the organization to continue to operate without the person around. In other words, a business needs to develop backups and contingencies for their day to day operations.

### **But my business cannot operate without my key people.**

If your business cannot operate properly without a key employee there are some major fundamental structure issues within your business. By having your key people take extended leaves these issues surface and allow the business to develop either personnel backup or business procedures to minimize the impact of them being gone. It is better to experience them absent for a short period of time than forever. It also provides an opportunity to cross train employees and document what the employee has in their head but the rest of the organization does not know.

Another key question to ask is if that employee is that much of value to your organization are you compensating them accordingly. Most organizations expect their employees to walk on water yet don't properly compensate them. This is evident once an employee leaves an organization and the company needs to pay a substantial increase in compensation to their outside replacement.

### **So how can I allow my key people take more leave and still run the organization effectively?**

The answer is managing expectations. The managers who complain the most about people absent from the office are usually poor managers. These are managers who don't have a vision or plan and expect the employee to show up every morning and wait for today's instructions

In an earlier paper I discussed the differences between relational oriented organizations and task oriented organizations. These managers tend to be task oriented. Their organizations reflect that.

Does your organization value results or the hours put in at the office? . I once heard a manager comment at an employee's review that the employee was not a team player because he took four weeks of vacation. This manager discounted all of the accomplishments of the employee and only focused on his attendance. We all have been in organizations where your value was measured not by what you accomplished but by how many hours you were at your desk. How did you feel working in this environment? My experience was very negative.

Managers in other countries understand how to manage employee leave. In some European countries employees are guaranteed up to six weeks of leave per year. These managers anticipate their people being out of the office and build contingencies for their absence.

What I quickly learned about managing in Australia was the need to work with employees to understand their wishes and needs. If a member of my team wanted to take a month off they needed to identify their backup and cross train them. The result was an organization that understood what each member of the team did and what action items were important during their absence. Likewise, this forced the organization to have written procedures and policies so that any team member could fill in the case of an emergency.

### **So what is the value to my organization by allowing my people to have more leave?**

The benefits are positive for both the employee and the organization. First the employee has an opportunity to recharge their batteries and return with a new level of energy. This will help everyone in the organization.

The benefit to the business lies in evaluating what value that employee brings to the team. Are they a long term strategic fit to our team? Can their work be done by others or outsourced? Who else on my team would I choose to replace them if that person were to permanently leave?

You should definitely have your CFO and their staff takes a leave at least once a year. Banks typically use their employees leave to conduct audits on key people.

### **Ok how do I work with my people to make this a win-win situation for the organization?**

We would recommend you develop a vacation policy that meets your organization's needs. Each organization will have different needs. Do a survey to understand what is important to your team members. Is it more time off or flexible working hours? Create an environment where the team determines who and when a person takes leave. This develops cross dependency and commitment to the team.

You may have a seasonal business or seasonal peaks. Work leave into the non peak times. This may actually save cost. Shutting down an organization between Christmas and New Years allows for preventive maintenance, software upgrades and End of the year closing of the books. Employees not associated with these activities do not need to be around. In fact they may be a distraction.

Finally, be sure you step out of the office for a few weeks a year. It is important for the CEO to understand how the business operates without them around. At some point in time you will want to move on, will the organization be able to carry on with out you. Remember, life is short so get out there and enjoy it.

Until next time,

Bob

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