

# FP WEEKLY CHECKLIST: IMPLEMENTING A COMPANY-WIDE VACATION POLICY

Insights

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Each week, FP Weekly members receive a practical and cutting-edge checklist of issues to consider, action steps to take, and goals to accomplish to ensure you remain on the top of your game when it comes to workplace relations and employment law compliance. This week we provide you a checklist of steps to consider if you want to roll out a company-wide vacation policy – one where all your employees take the same paid week off at the same time in addition to their usual paid time off.

## What is a Company-Wide Vacation?

In order to combat fatigue and burnout and to provide employees with a true break from work for a full week, some organizations are turning to company-wide vacations. The premise is simple. All employees are given the same week off at the same time besides absolutely essential personnel that are needed to ensure your company stays afloat. This time off is beyond the employees' typical vacation time that they can schedule on their own.

This means that your employees will not be contacted by other workers with "quick" questions or Zoom meeting requests, will not be tempted to check email or message systems, and will truly feel like they have the freedom to unplug. Consider it like a mini-summer vacation as if you were back in grammar school, with everyone enjoying time off at the same time and a true sense of liberation that they have no responsibilities for a brief (but glorious) period of time.

## Related People



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While this model may not work for every company or role, the benefits are obvious for those that can swing it: increased morale, higher retention rates, a great selling point for applicants, fewer incidents of employee burn-out, and happier and more productive employees upon their return (who won't be dealing with the standard barrage of emails to plow through on that first Monday morning).

### **Weekly Checklist: Implementing a Company-Wide Vacation Policy**

- \_\_\_\_\_ The most important task: decide whether this is the for your company, as there are certain lines of work this just isn't feasible. Before you dismiss the idea, I we're talking about true essential services like hosp critical social services. Most organizations can with week off if you stop and consider it. (If you still dou ahead and google "company-wide vacations" and c all of the large organizations that have started to off in the last few years.)
  
- \_\_\_\_\_ If your company truly cannot sustain a week-long b consider department-specific synchronized week-l vacations. This will provide at least a portion of the to workers in those departments.
  
- \_\_\_\_\_ Determine your core personnel that needs to remain during that week – but be ruthless when coming up list. Make it as tight as possible, considering financ other leadership personnel depending on your busi
  
- \_\_\_\_\_ Decide how to reward those essential personnel wh stuck working that week. Many companies simply c those personnel the following week off work, but yc also decide to grant them an extra PTO day or two f use.
  
- \_\_\_\_\_ While this concept is empowering to employees, yo need to prepare in case a true emergency develops the break (such as a data breach, another type of s threat, a critical loss of business, etc.). For those lea who would be needed during such an emergency, r that they remain reachable in case calamitous circu arise (no backpacking in the wilderness, for exampl be wary of the "on call" implications this raises whe

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comes to wage and hour law.

Once you decide to proceed, select a week and announce it to your employees well ahead of time (at least a month notice). They will need time to prepare and will appreciate having ample time to make vacation plans, as stressors of making such plans in a limited time window really defeat the whole point.

Decide whether you will allow employees to schedule their vacation immediately before or after the company-wide vacation. It could have multiple employees taking two-week vacations at the same time, which could hamper your business. Can your company manage such a concentration of vacation at the same time?

Once you decide the week and announce the core projects who will remain on duty, do not allow for exceptions in the direst of circumstances – your leaders must back up this policy for it to be effective. If some internal projects are reaching a critical juncture at that point and interrupting the vacation, you should consider arranging the vacation period at some other time. For example, the time between Christmas and New Year's Day might be slow for many departments but others are dealing with critical year-end functions.

Begin to set expectations with your vendors and other outside business partners as soon as possible. Communicate to them in a coordinated fashion about your plans and how you will be servicing your relationships before, during, and after this time.

Provide ample reminders to your staff as time gets close for them to wrap up projects and provide the appropriate notifications to outside business partners.

Provide a template out-of-office message that your employees should turn on as they depart for their vacation with a coordinated plan for contacting the company in case of an emergency.

Consider setting up an automated response email notification that outside recipients receive the week before reminding them of the time away, and/or a message in your calendar

email signature block.

- \_\_\_\_\_ Train your managers not to bother workers during their break! Stress to them how important the break is and how the concept will be compromised if they don't uphold it. These concepts start from the top down. We've seen far too many great employee-focused initiatives (such as work-life balance programs and open door policies) fail because they aren't consistently implemented by those in charge.
- \_\_\_\_\_ If you learn that a manager has unnecessarily reached out to one of their employees regarding work, handle it appropriately through performance management methods. Also make sure you address the situation with the employee on behalf of your entire organization to let them know they are aware of the situation and will ensure it doesn't happen again in the future.
- \_\_\_\_\_ If you learn that a worker has decided to take on work during their own accord during the vacation, talk to them upon return and provide resources to determine how that situation was avoided in the future.
- \_\_\_\_\_ If an hourly worker handles work of their own accord during the vacation, contacted by a manager about work during the vacation, make sure you comply with state law on compensation as soon as possible. You may also need to consider disciplinary measures as appropriate.
- \_\_\_\_\_ Monitor vacation use by employees to ensure this is only time used by some employees. Refusing to use vacation time could be an early indicator of burn-out or overwork – or could even indicate deeper employment issues: an employee does not want co-workers reviewing their performance while performing their duties in their absence.
- \_\_\_\_\_ Spell your whole policy out in a clear written version that is drafted in conjunction with or at least reviewed by your legal counsel – and make sure it is distributed to your entire company.

## Conclusion

We will continue to provide weekly checklists to assist employers in their workplace law compliance, so make sure

you are subscribed to [Fisher Phillips' Insight system](#) to keep up with the most up-to-date information. Please contact your Fisher Phillips attorney, the author of this Insight, or any attorney in our [Corporate Compliance and Governance Group](#) if you have any questions.