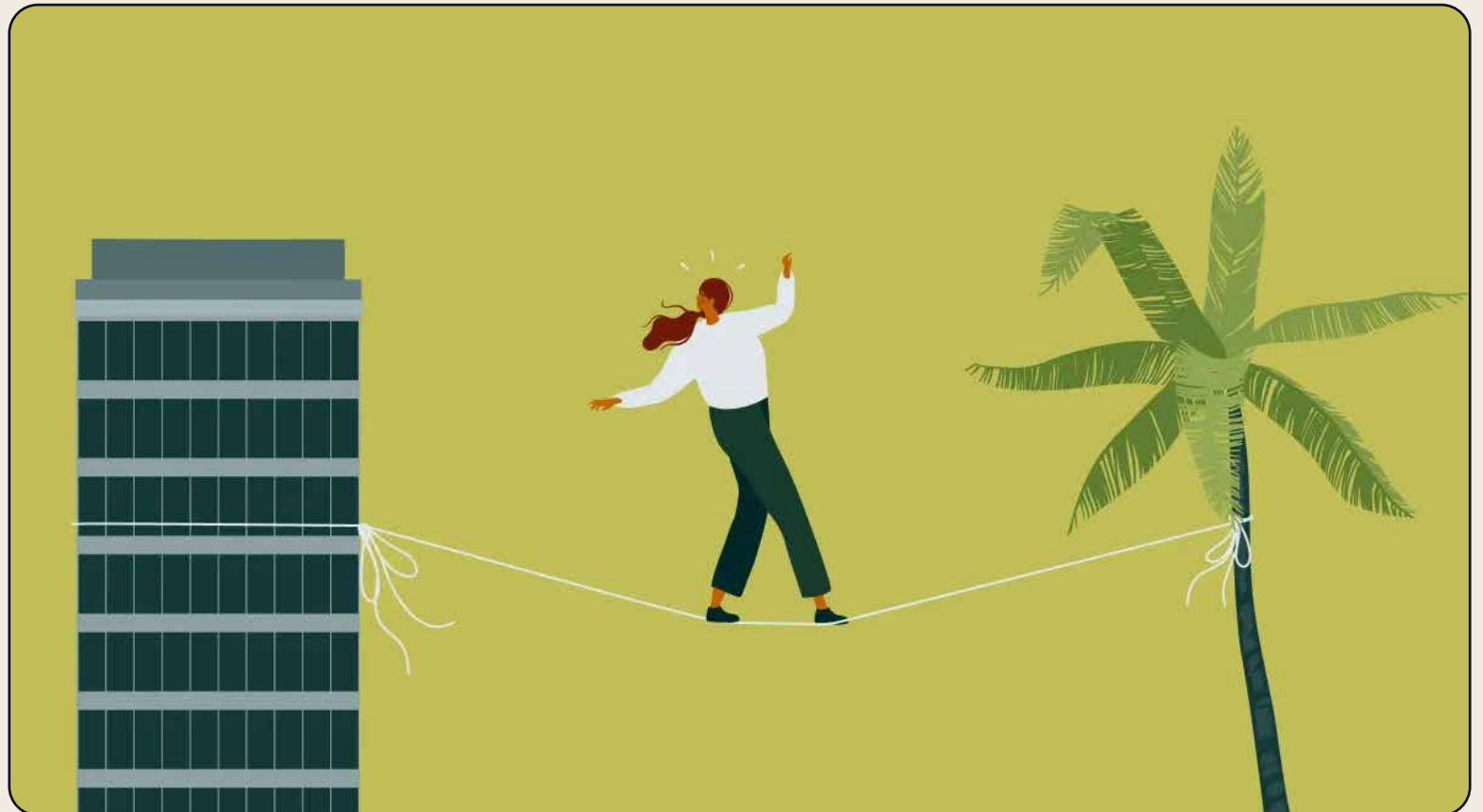# charli.e.

Holiday policy

Ben Branson-Gateley
CEO of CharlieHR

If you try an unlimited holiday policy and it breaks, then what do you replace it with? What could possibly be better than unlimited days off?

Back when I first wrote about Charlie's unlimited holiday policy and why we finally decided to scrap it, the response really took me aback. In retrospect, it's clear that many people had jumped onto the unlimited holiday bandwagon simply because it sounds like a great idea.

As ever, the reality is much more nuanced and I think a lot of people appreciated the time and thought we put into our decision to ditch it.

If you'd like to catch up on that thought process, then you can read up on it here.

In that post, I talked about Charlie's old unlimited holiday policy and how it eventually broke.

This time around, I want to talk about what comes next. What does a great time off policy actually look like – and how do you go about implementing it? If unlimited holiday isn't the answer, then what is?

Going back to basics

To begin with, realising we had to kill unlimited holiday was frustrating. It forced us to admit that we didn't have the answer to a problem I thought we'd solved for.

But that did come with some upsides.

Ripping it up and starting again forces you to be really mindful of what you actually want from your holiday policy in the first place. It means you have to ask a few questions... What are we even trying to achieve with our holiday policy? What's it even for?

With those questions on the table, I drew up a few objectives – a few 'must-haves' that we would absolutely need our new policy to deliver if it was going to be a success.

charli.e.

1. A rested team, all year round

In a nutshell, we want our team to take the time off they need to in order to do their best work, from the start of the year to the end.

That doesn't just mean taking a certain number of days per year – it also means spreading that holiday around so they don't burn out from long stretches without a break.

One of the main takeaways from our experience with unlimited holiday was it introduced an element of 'option paralysis'. The limitless choice afforded by endless time off wasn't empowering, it was overwhelming.

The lack of a specific number was in itself discouraging people to take their time off. If we were going to fix our holiday policy, we needed to change that.

2. Clarity

Another thing the last three years have made really clear is that people need clarity around what is expected of them. Unlimited holiday is inherently lacking in that clarity – refusing to put a number on a policy means there is no guide to what is or is not acceptable.

That placed a huge amount of emphasis on the individual to make the right call. It cloaked every holiday booking in low-level anxiety, with team members guessing at whether they were doing the right thing or if they were going to be thought badly of by colleagues.

charli.e.

3. Equality of rest

One outcome of unlimited holiday we hadn't foreseen was that it led to a big gap between the most and least holidays taken.

This felt unfair for a whole load of different reasons, but especially because it meant some people were getting hit twice. The people who took the least holiday would always have to cover for those who took the most.

For our new holiday policy to be a success, we needed to equalise that disparity. If anything was clear at this point, it was that our holiday policy needed a number.

A numerical limit would act as a guide for the amount of rest we wanted our team to take, and help dispel any anxiety about what was or was not acceptable. But what should that number be?

That question brings us to our final 'must-have'.

4. We want ot be better than the market

Anyone familiar with Netflix's now-famous culture deck will recognise the principle of always 'paying top of market'.

Their argument is that you shouldn't be paying your team just the bare minimum they'll accept, but the absolute maximum you'd pay to keep them.

The fundamental idea is that building great teams is about attracting and then keeping great people – and those people don't have to settle for lacklustre employers. If they want to, they can find work somewhere else. I

'm not saying the best people simply flock to the employer with the longest holiday allowance that month. I'm saying that lacklustre pay or middling holiday policies are frustrating distractions from what is really important to them: engaging with their work at a personal level and making progress in their professional lives.
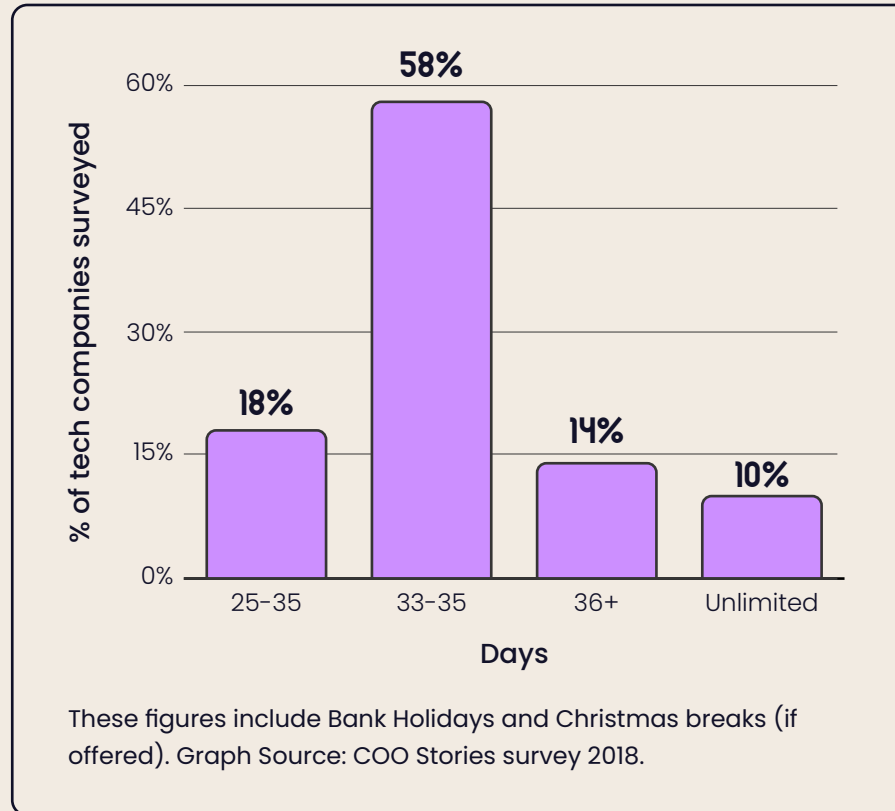
That's why I think it's important to offer our team a better holiday policy than they could find elsewhere.

charli.e.

With this in mind, we surveyed over 50 London tech companies, asking them how they structured their holiday offerings and how much time off they gave their staff.
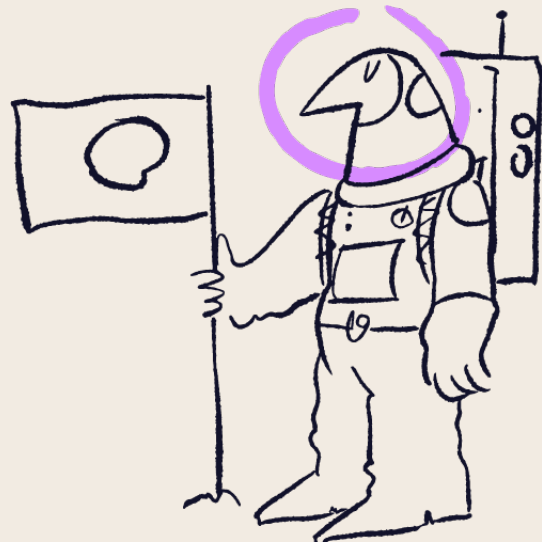
Here's what we found:

Amount of holiday offered

These figures include Bank Holidays and Christmas breaks (if offered). Graph Source: COO Stories survey 2018.

By far the most popular amount of holiday among other tech companies was the 33-35 day range, with a handful either side of that.

So, with all of this in mind...

charli.e.

This is the Charlie holiday policy for 2019

- **We offer 25 days of bookable holiday per year**

- **Those 25 days do not include Bank Holidays**

- **The office will close over Christmas – this is added on top of the 25 bookable days**

- **There is a company-wide 22-day minimum limit**

- **Everyone is strongly encouraged to take at least five days off each quarter**

- **Holiday cannot be rolled over**

If you add up all those days it brings you to 37 days off for 2019. That puts Charlie above both the UK statutory entitlement of 28 days, the countrywide average of 33.5, and comfortably inside the top bracket we identified in our survey of London tech companies.

I don't want this to be the headline takeaway of this article though – it's only one aspect of our new policy, and I actually think the most important change here is the introduction of compulsory minimums.

These aren't intended to be 'rules'. I'm not trying to catch people out so I can send them packing on a holiday they don't want to go on.
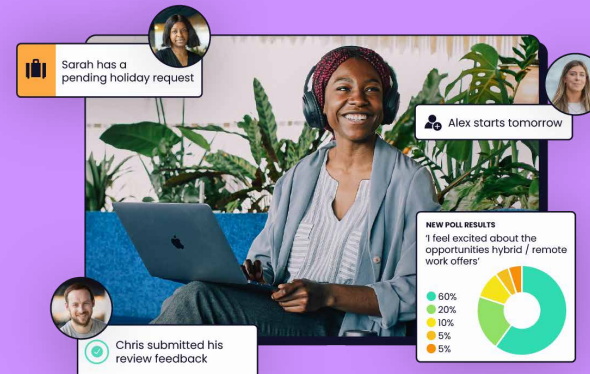
I see them more like Laszlo Bock's 'nudges' –light touches that encourage people to make good decisions. Yearly and quarterly minimums are designed to make people be more mindful about their time-off and what they need to deliver their best work. It encourages our team to be proactive about taking holidays, rather than reactive after they've already burnt out.

Setting a 22-day minimum brings our team's holiday usage to the forefront of their mind – the quarterly quota helps keep it there. Right now, I'm feeling pretty hopeful for this holiday policy. But I'll also be the first to admit that it's a work in progress, and we don't know how it'll play out in reality. What I do know is that we'll keep on talking openly about what is or is not working, and we'll keep moving in the right direction.

charli.e.

Save time on HR admin

Automate all your repetitive HR tasks and save yourself hours every week to focus on your most important work.

Start our 7-day free trial now

Sarah has a pending holiday request

Alex starts tomorrow

Chris submitted his review feedback

NEW POLL RESULTS
'I feel excited about the opportunities hybrid / remote work offers'
- 60%
- 20%
- 10%
- 5%
- 5%

Need help crafting a bespoke holiday policy for your business?

Book a call today

charli.e.