



# 2015 SURVEY RESULTS

PAID TIME OFF BENEFITS

# INTRODUCTION

Although not all employers are legally obligated to provide paid vacation, it has become a common business practice to do so. In addition, some states now have laws that mandate certain types of paid time off, such as sick time. Regardless, to remain competitive, most employers offer at least some amount and type of paid time off, whether it is with the traditional designations of vacation, sick and personal days, or the catch-all bucket of general paid time off (PTO).

This survey inquired about paid vacation time, sick time, personal days, PTO banks and holidays. A total of 2,192 respondents completed this survey.

Similar to previous years’ survey results, 94 percent of employers that participated in this survey offer some type of paid time off benefits. Generally, the percentage of employers offering various types of paid time off and how they manage it has remained fairly consistent the last several years.

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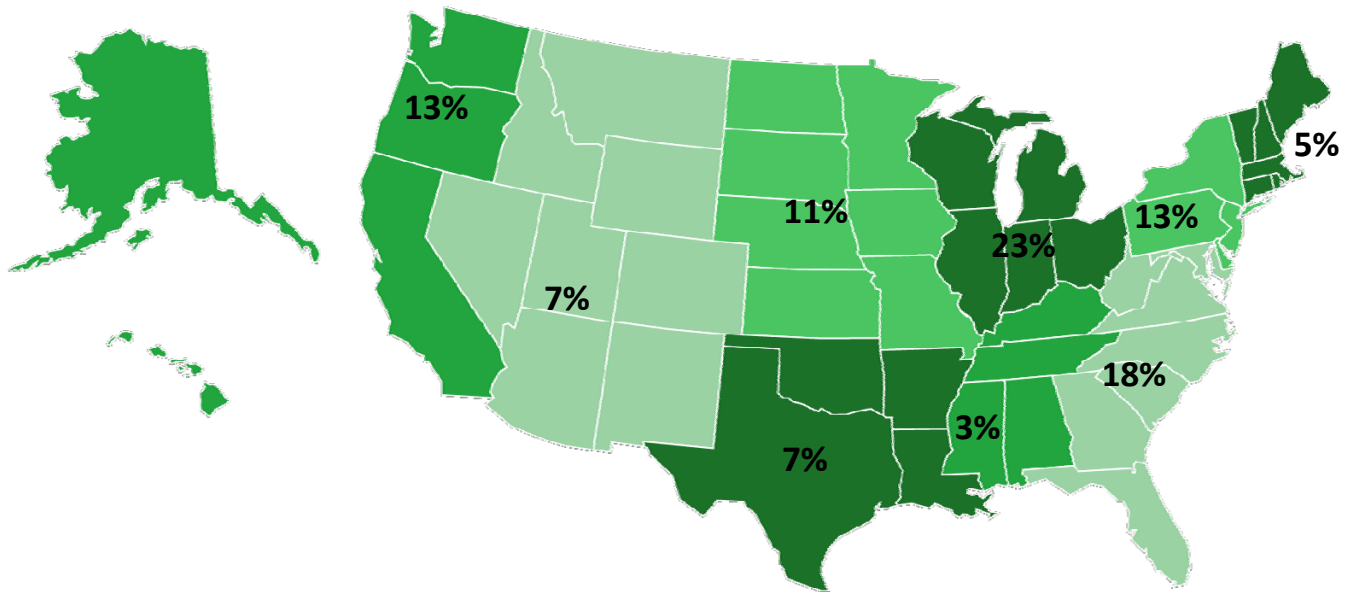
# DEMOGRAPHICS

This survey was completed by employers in all regions of the United States. The overwhelming majority of survey respondents were from organizations employing fewer than 500 employees, and nearly 60 percent employ fewer than 100 employees.

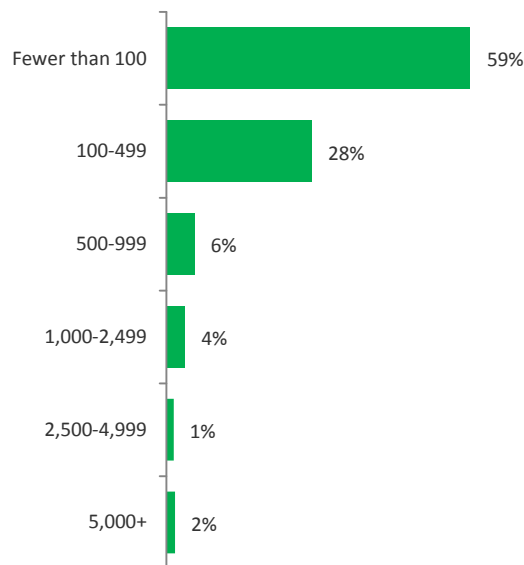
# DEMOGRAPHICS



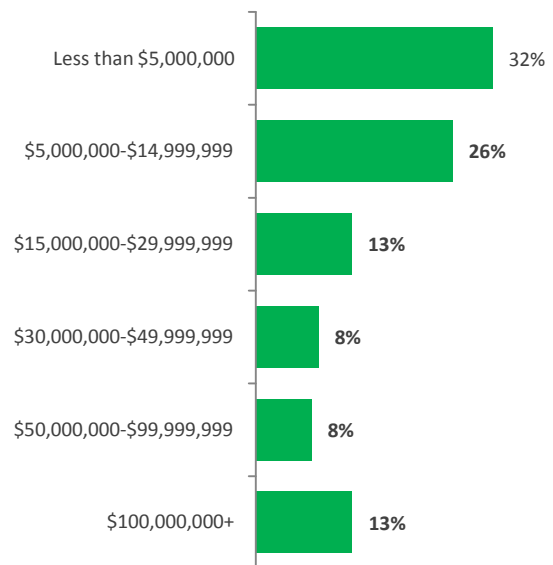
In which region is your organization based (the most employees)?



How many employees does your organization employ?

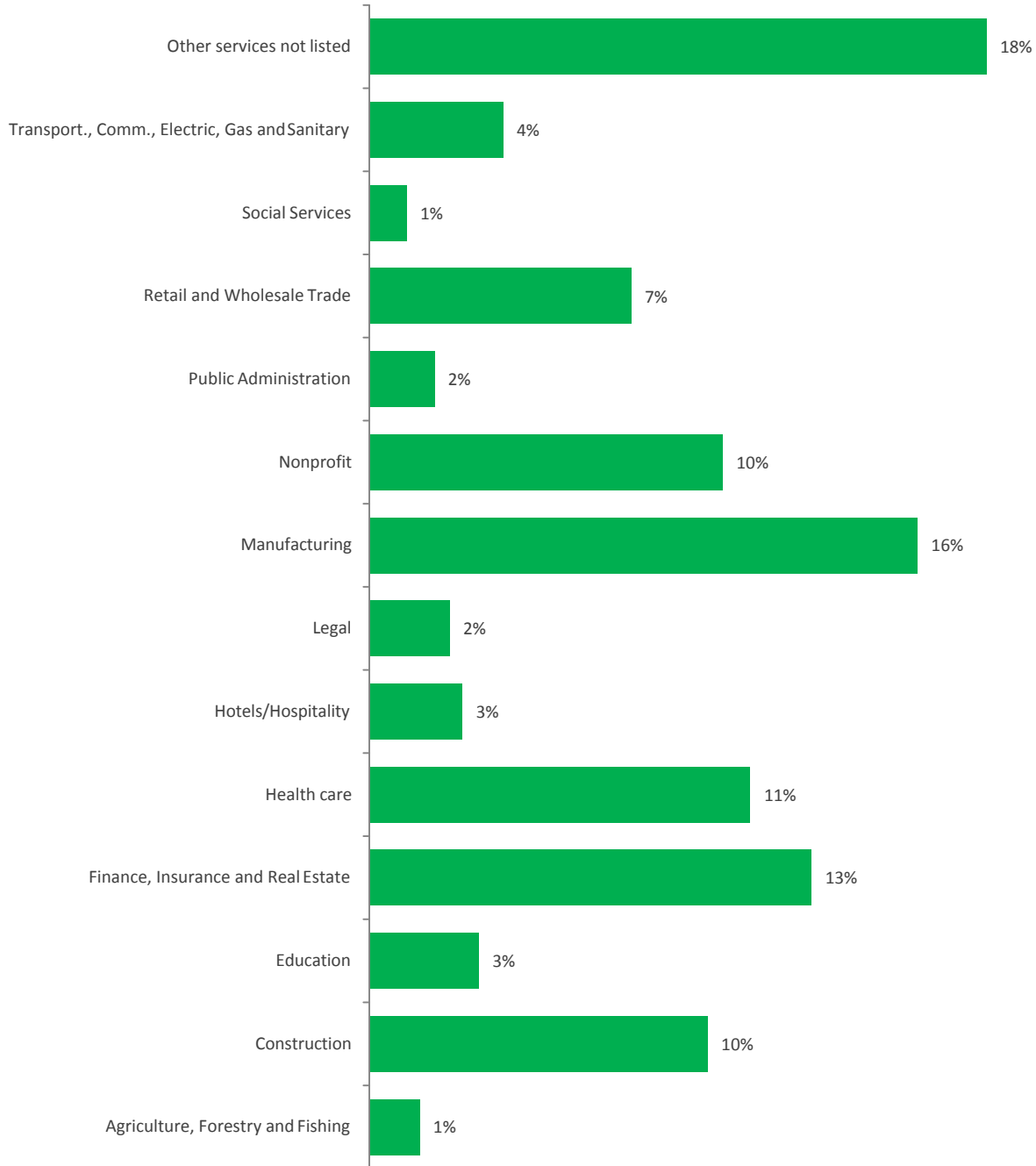


What is your organization's annual revenue?





## In which industry/sector does your organization operate?





# TRADITIONAL

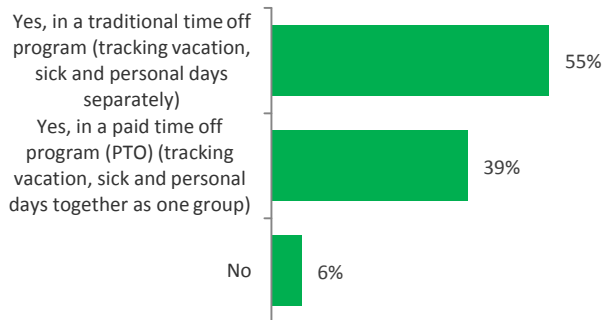
Paid time off benefits are a valuable offering to employees, and 94 percent of employers offer paid time off to full-time employees. Although PTO banks have become more popular with employers in recent years, it is still more common for employers to offer traditional time off benefits packages, which separate paid vacation, sick time and sometimes personal days. Fifty-five percent of employers currently use these traditional paid time off distinctions, which is a number only slightly lower than in recent years (60 percent in 2012 and 59 percent in 2013, for example).



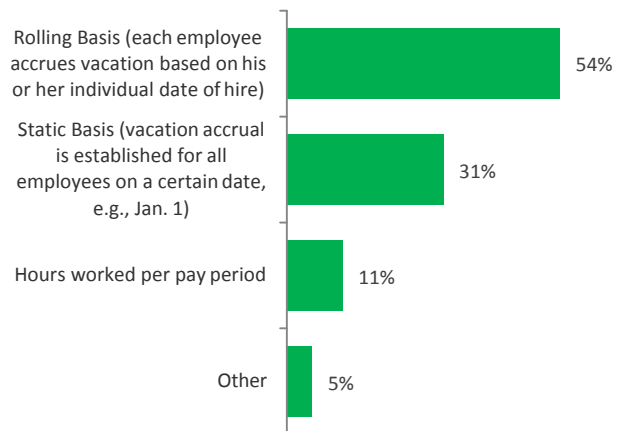
## Vacation Time

Although the majority of full-time employees enjoy some type of paid time off benefits, only 31 percent of employers offer paid vacation time to part-time employees. For employees who enjoy paid vacation time, length of service is by far the most popular method for how employers scale vacation time (89 percent). Full-time versus part-time employment is also used by 28 percent of employers when scaling vacation time.

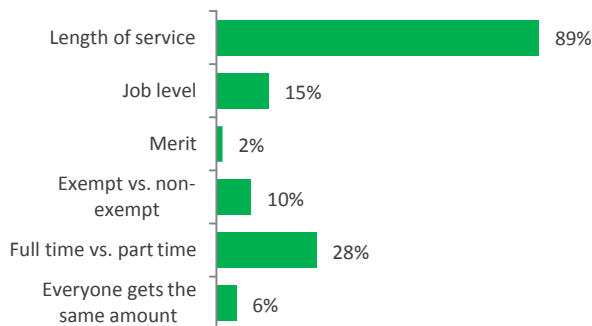
### Does your organization offer paid time off benefits to full-time employees?



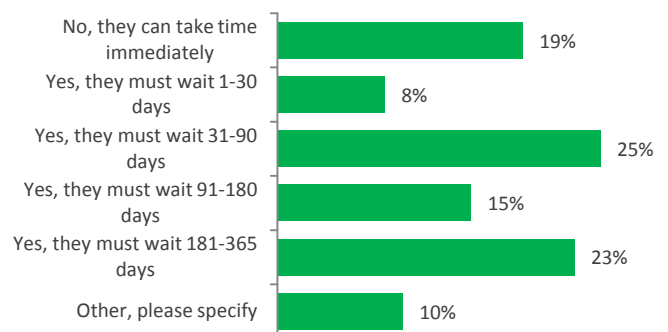
### Is your vacation accrual calculated on a:



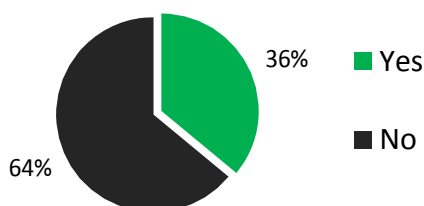
### How does your company currently scale vacation time? Please select all that apply.



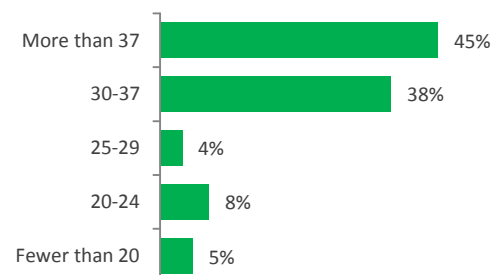
### For new hires, is there a waiting period before they can take any vacation time off?



### Does your company allow vacation to be taken prior to it being accrued?



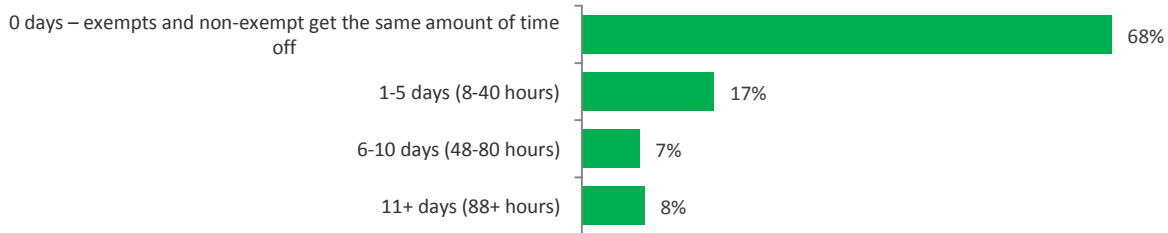
### How many hours need to be worked weekly to be eligible for regular vacation benefits?



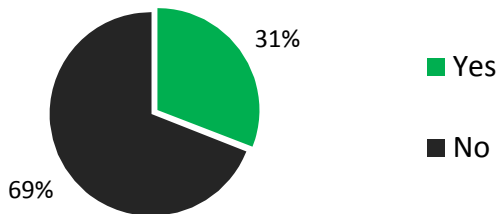




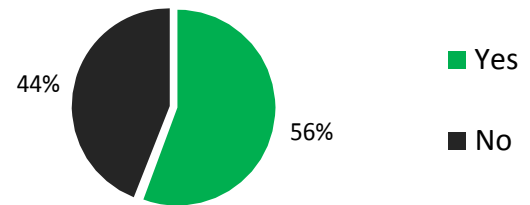
## On average, how many additional days/hours off for vacation leave do you provide to management (exempt) employees?



## Do you offer vacation time to your part-time employees?



## Do you allow your employees to carry over vacation to the next year?



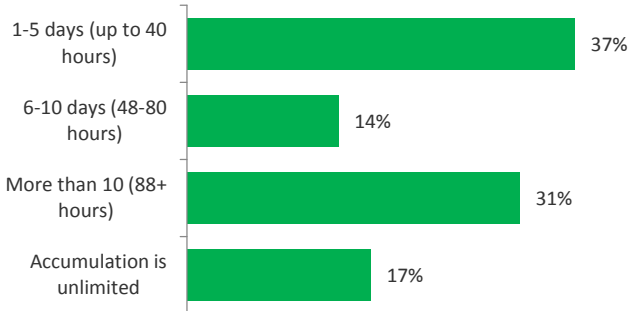
## What are the maximum vacation days allowed for each period of year of service completed to non-management (non-exempt) employees?

	0-5 days (40 hours or less)	6-10 days (48-80 hours)	11-15 days (88-120 hours)	16-20 days (128-160 hours)	21-25 days (168-200 hours)	26-30 days (208-240 hours)	31+ days (241+ hours)
Up to 1 year	58%	32%	8%	2%	0%	0%	0%
1 year	34%	50%	12%	2%	1%	0%	1%
2 years	16%	61%	18%	3%	1%	0%	1%
3 years	10%	60%	23%	5%	1%	0%	1%
5 years	4%	34%	46%	12%	3%	1%	1%
10 years	2%	11%	48%	29%	6%	2%	1%
15 years	2%	8%	34%	38%	12%	3%	2%
20 years	2%	7%	26%	42%	15%	6%	3%
25 years	2%	7%	25%	38%	17%	6%	4%
30 years	2%	7%	25%	37%	17%	6%	5%
Over 30 years	2%	7%	25%	37%	17%	6%	5%

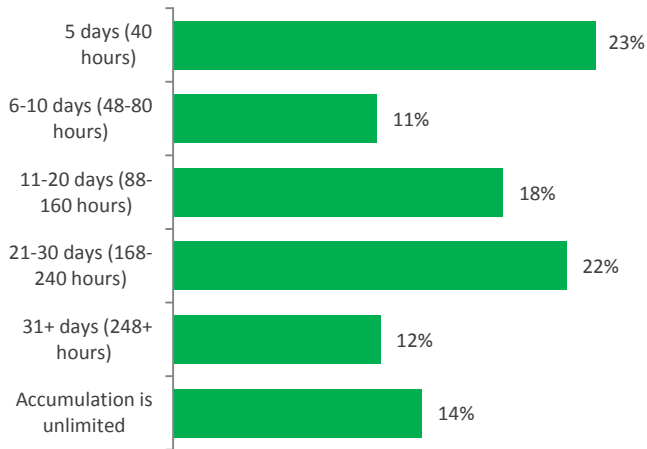




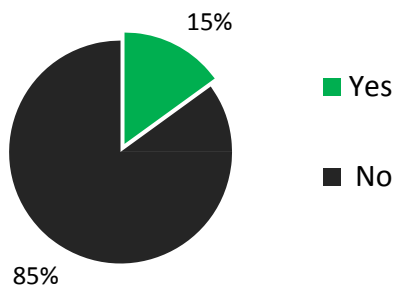
## How many vacation days are allowed to be carried over?



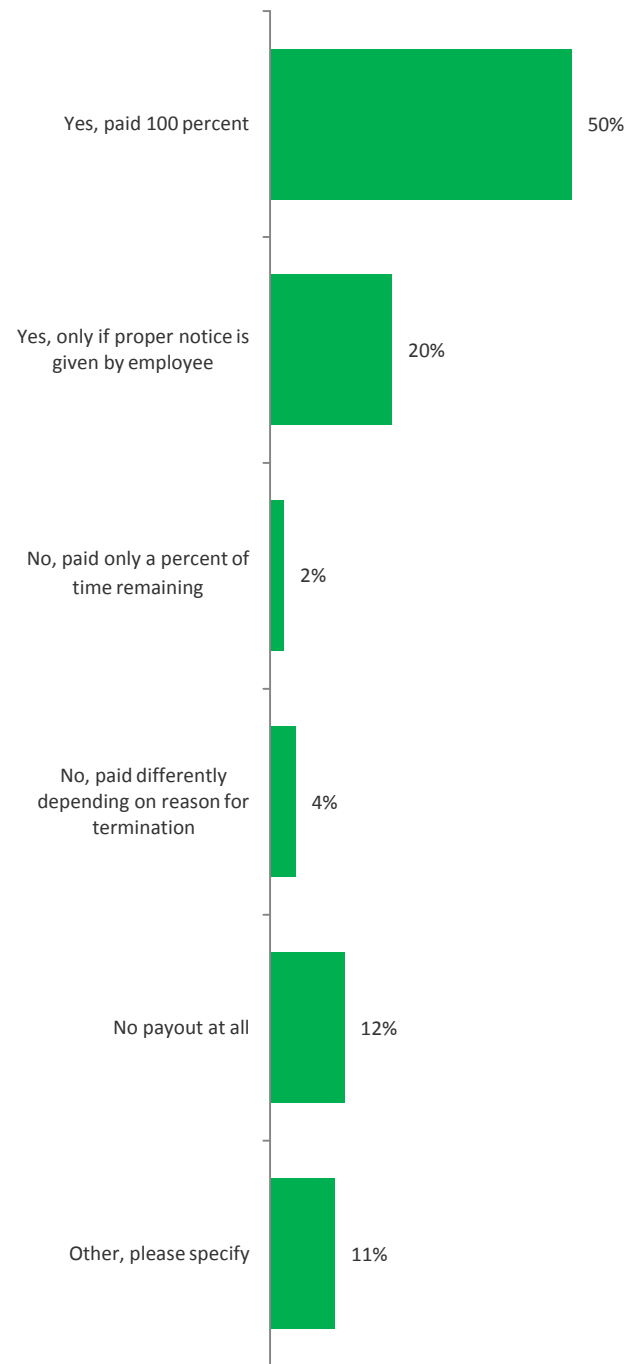
## What is the maximum number of days/hours of vacation leave, including vacation time carried over from previous years, that employees are allowed to accumulate in their vacation leave banks?



## Does your plan allow employees to donate vacation to other employees?



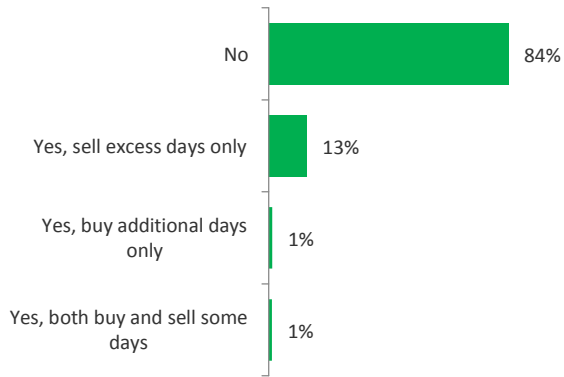
## Upon termination, do employees get paid for all of the earned, unused time remaining in their paid leave banks?



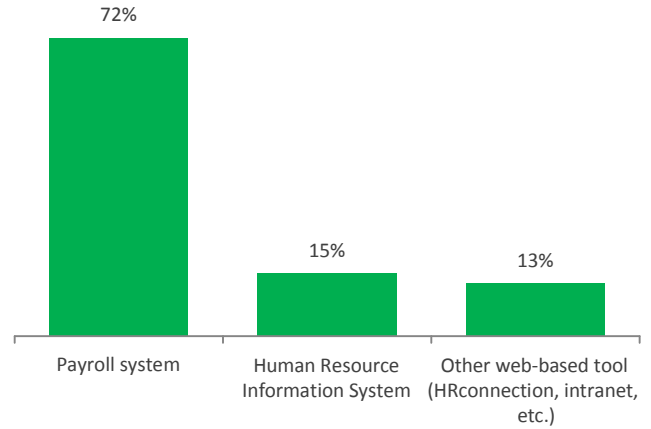
# TRADITIONAL



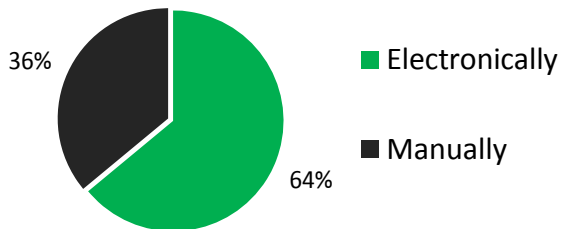
## Are employees allowed to buy or sell vacation days?



## What type of system do you use?



## How do you currently track vacation/sick/personal time?



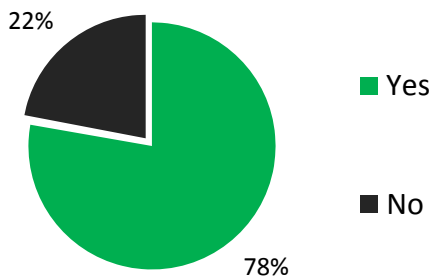


## Sick Time

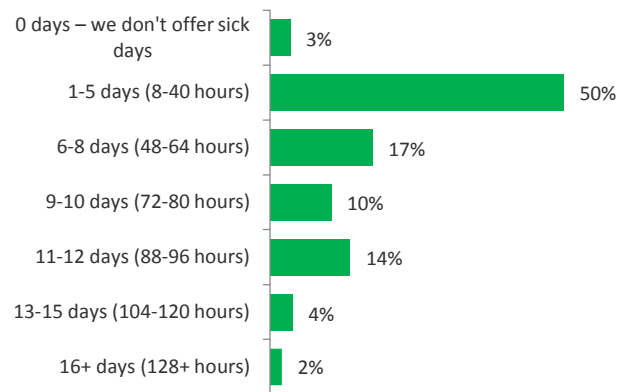
For those employers that provide paid time off with traditional distinctions between vacation time and other types of time off, 78 percent offer paid sick time. The majority of employers (81 percent) do not vary the amount of paid sick time given due to full- or part-time employment.

Fifty percent of employers initially give one to five days of sick time for a full-time employee, with 2 percent offering as many as 16 or more days of sick time. Although the majority (53 percent) of employers allow unused sick time to be carried over to the next year, only 15 percent will pay out for unused sick time upon termination.

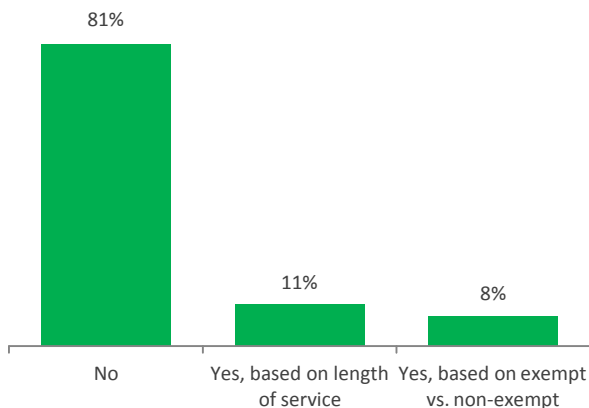
### Do you offer paid sick time?



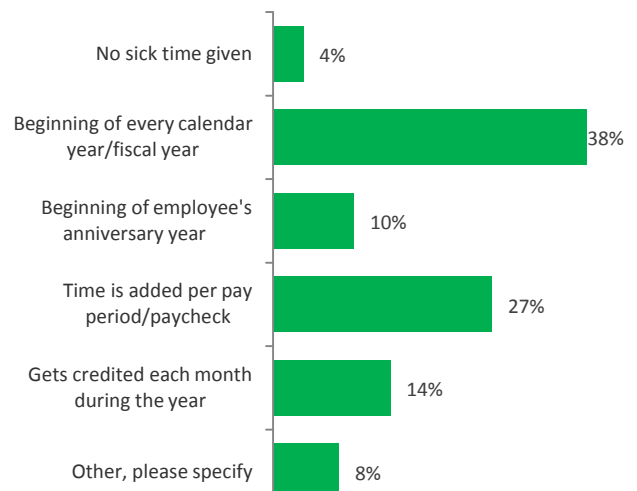
### How many initial sick days do full-time, non-exempt employees get per year?



### Do you offer different amounts of days/hours off for sick leave for full-time employees?

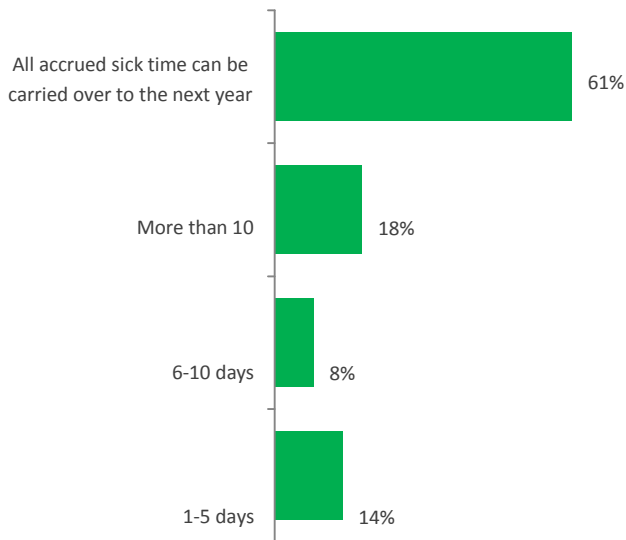


### When do employees acquire sick time that they can use to take days off?

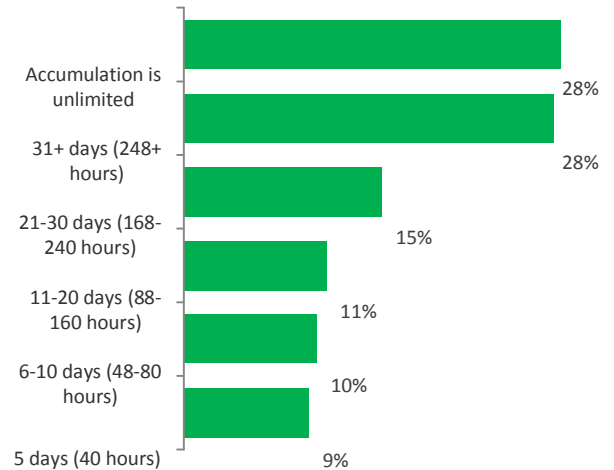




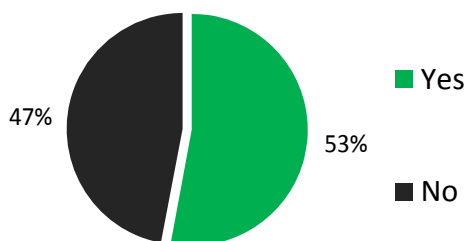
## How many sick days are allowed to be carried over?



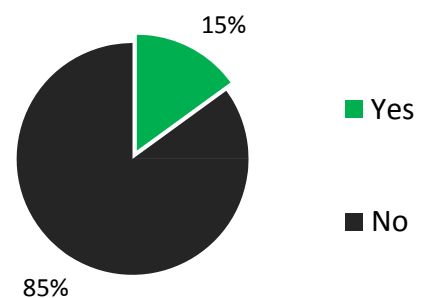
## What is the maximum number of days/hours of sick leave, including sick time carried over from previous years, that employees are allowed to accumulate in their sick leave banks?



## Do you allow your employees to carry over sick time to the next year?



## Do you pay out unused sick time upon termination?

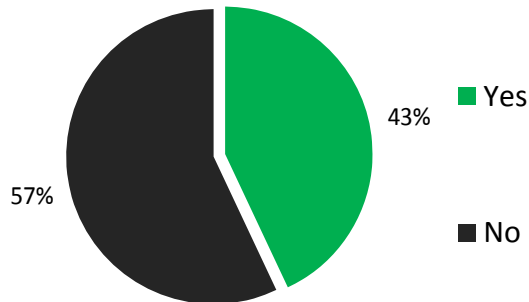




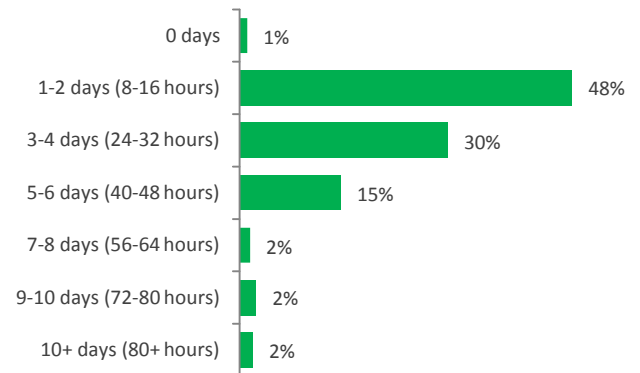
## Personal Time

Personal time is the least-offered traditional paid time off benefit, with only 43 percent of employers offering personal days. For those that provide personal days, the same number of days is given to all employees and only 11 percent scale the amount of personal time based on length of service.

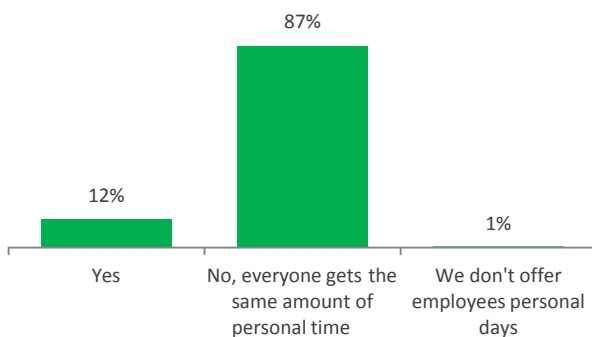
### Do you offer paid personal days?



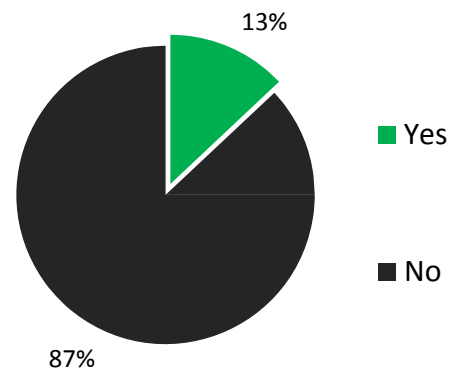
### How many personal days do employees get?



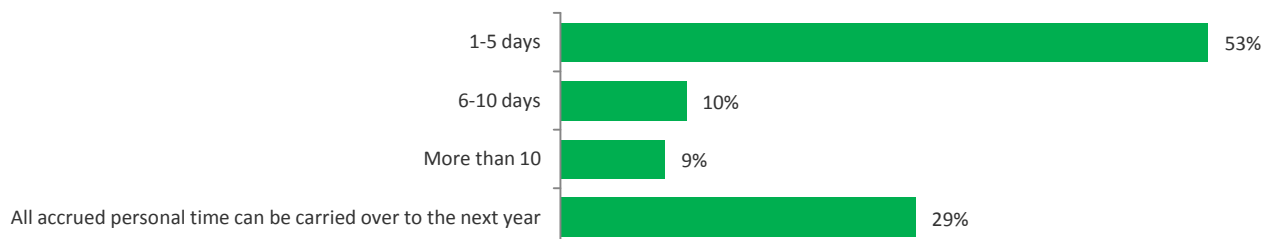
### Do you vary the number of personal days (not sick days) based on length of service?



### Do you allow your employees to carry over personal days to the next year?



### How many personal days are allowed to be carried over?





# PAID TIME OFF (PTO)

In order to better manage costs, give employees more flexibility in taking time off, and attract and retain top talent, a growing number of companies are offering employees PTO banks. A PTO plan combines vacation time, sick time and personal days into a single amount of available paid time off that employees can use at their own discretion. Thirty-nine percent of employers offer paid time off in a PTO system.

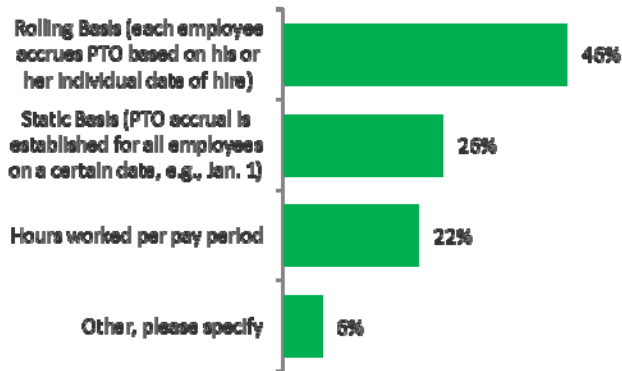
Of those that offer PTO, 39 percent offer PTO to part-time employees, which is a higher percentage than those that offer the traditional vacation time to part-time employees (31 percent).

As with traditional time-off packages, PTO is most frequently scaled based on length of service (83 percent) and full- or part-time status (24 percent).

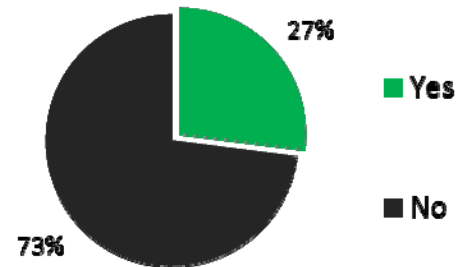
# PAID TIME OFF (PTO)



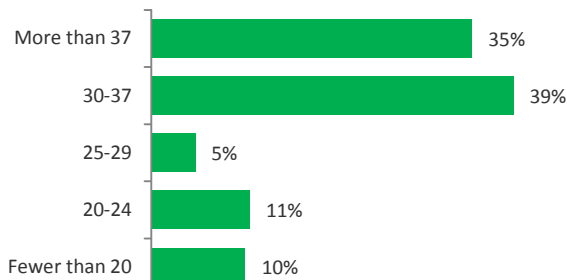
Is your PTO accrual calculated on a:



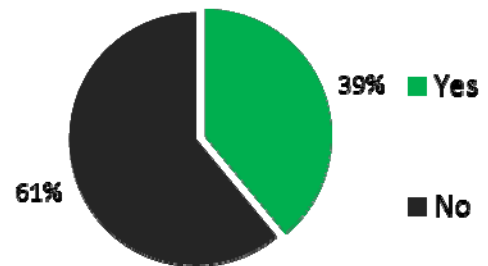
Have you considered switching to a paid time off (PTO) system of leave?



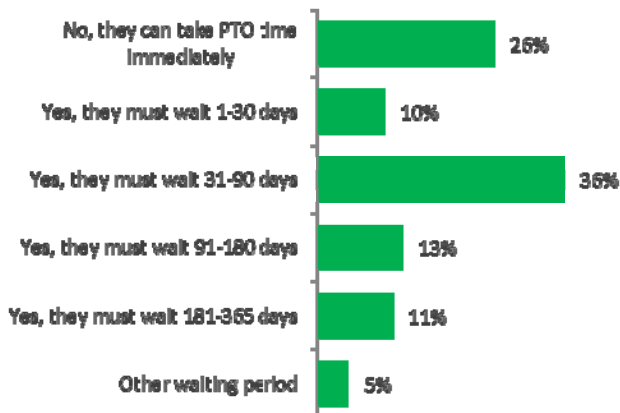
How many hours need to be worked weekly to be eligible for regular PTO benefits?



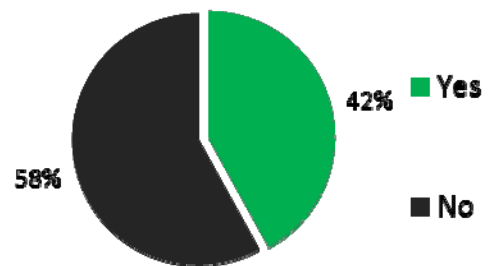
Do you offer PTO to part-time employees?



For new hires, is there a waiting period before they can take any PTO?



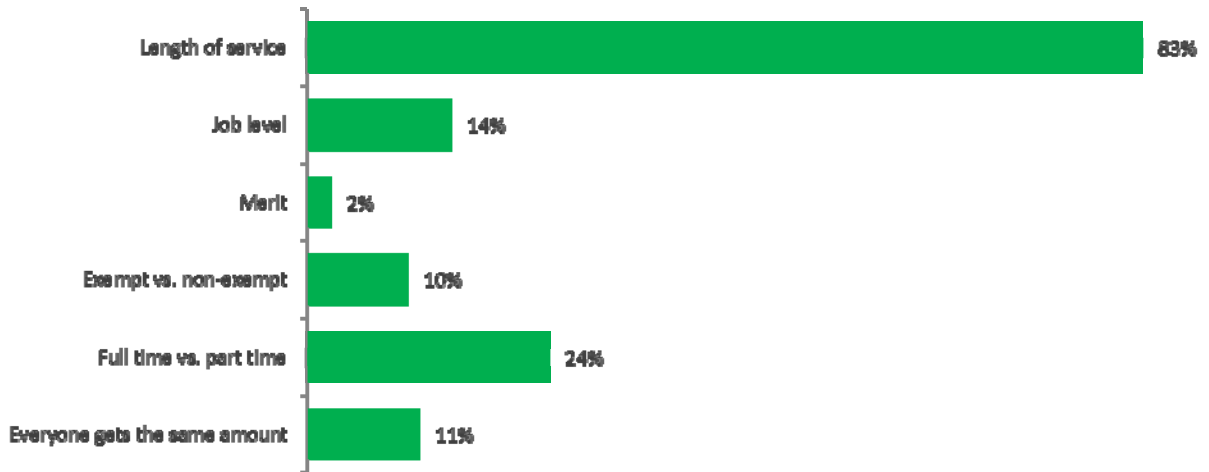
Does your company allow PTO to be taken prior to it being accrued?







How does your company currently scale PTO? Please select all that apply.



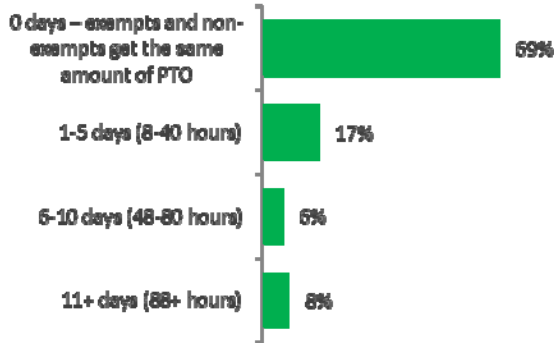
What are the maximum PTO days allowed to non-management, non-exempt employees for each period or year of service completed?

	0-5 days (40 hours or less)	6-10 days (48-80 hours)	11-15 days (88-120 hours)	16-20 days (128-160 hours)	21-25 days (168-200 hours)	26-30 days (208-240 hours)	31+ days (241+ hours)
Up to 1 year	35%	23%	22%	13%	4%	2%	1%
1 year	18%	30%	25%	17%	6%	3%	1%
2 years	10%	28%	30%	20%	7%	3%	1%
3 years	5%	27%	32%	22%	8%	4%	1%
5 years	2%	15%	29%	29%	16%	6%	3%
10 years	2%	7%	20%	29%	22%	13%	6%
15 years	2%	6%	15%	26%	26%	15%	10%
20 years	2%	5%	13%	25%	26%	16%	13%
25 years	2%	5%	13%	23%	27%	16%	14%
30 years	2%	5%	13%	22%	27%	16%	15%
Over 30 years	2%	5%	13%	22%	26%	16%	16%

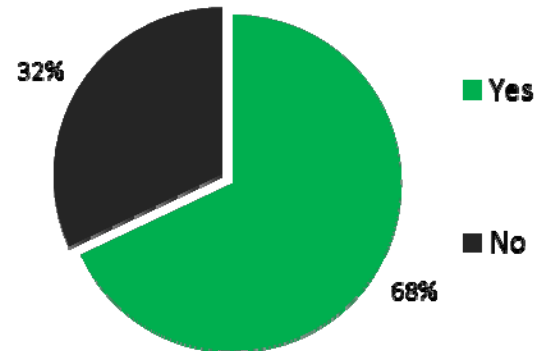
# PAID TIME OFF (PTO)



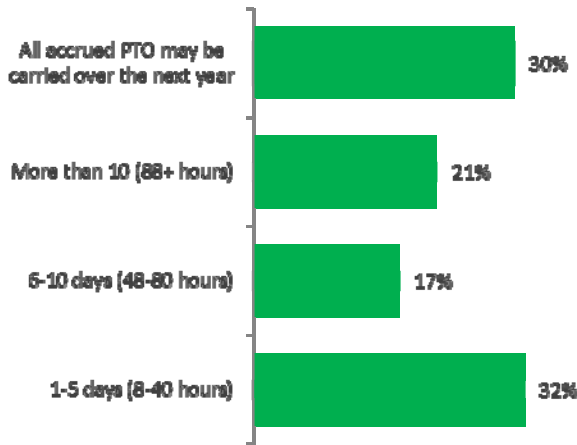
On average, how many additional days/hours of PTO do you provide to management (exempt) employees?



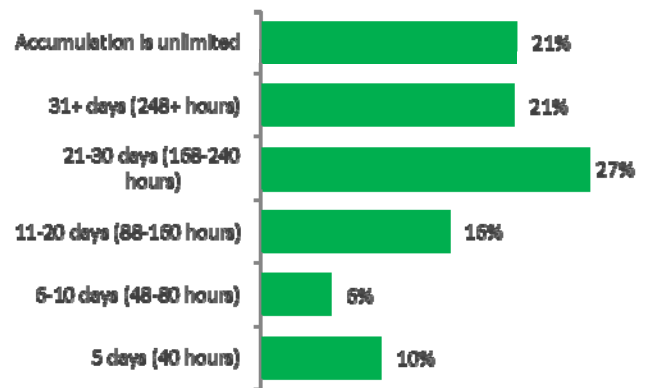
Do you allow your employees to carry over PTO to the next year?



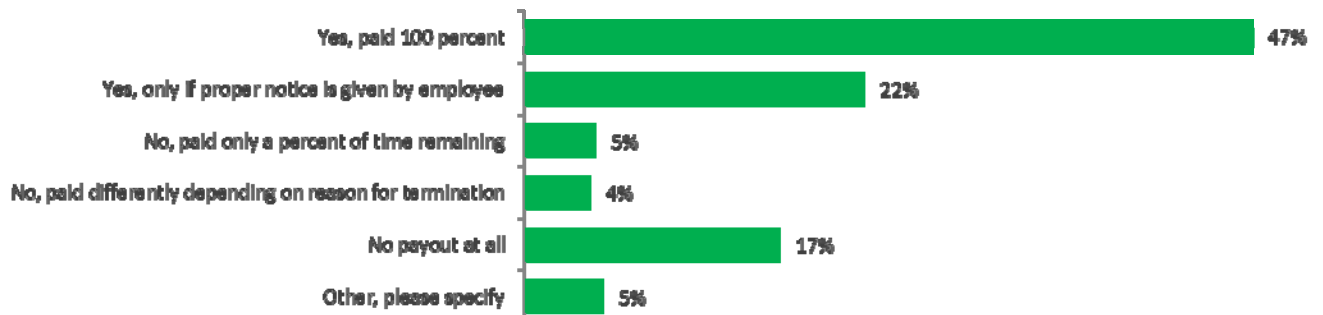
How many PTO hours are allowed to be carried over?



What is the maximum PTO leave that employees are allowed to accumulate in their PTO leave banks?



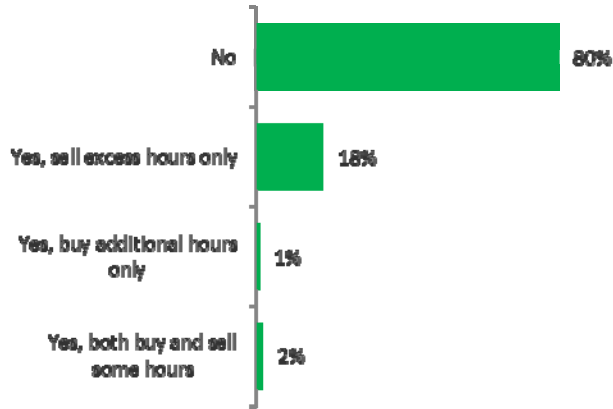
Upon termination, do employees get paid for all of the earned, unused time remaining in their banks?



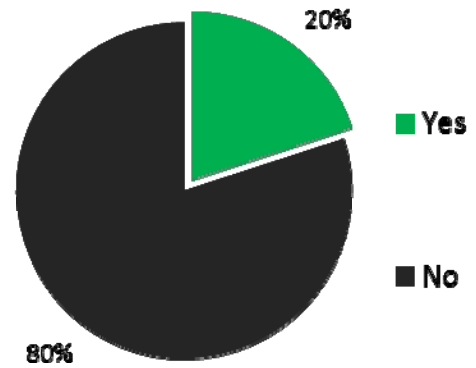
# PAID TIME OFF (PTO)



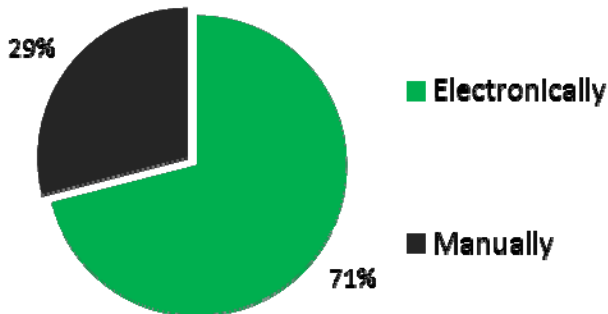
Are employees allowed to buy or sell PTO?



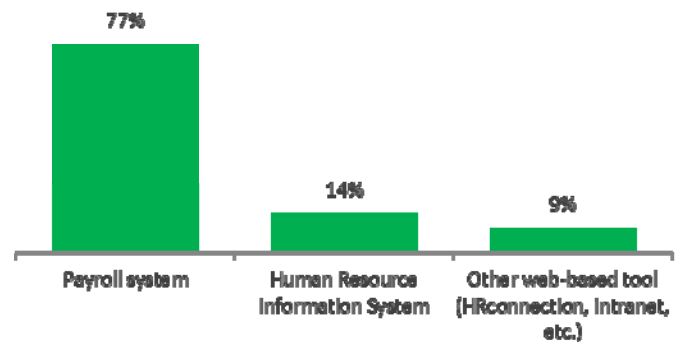
Does your plan allow employees to donate PTO to other employees?



How do you track PTO?



What type of system do you use?





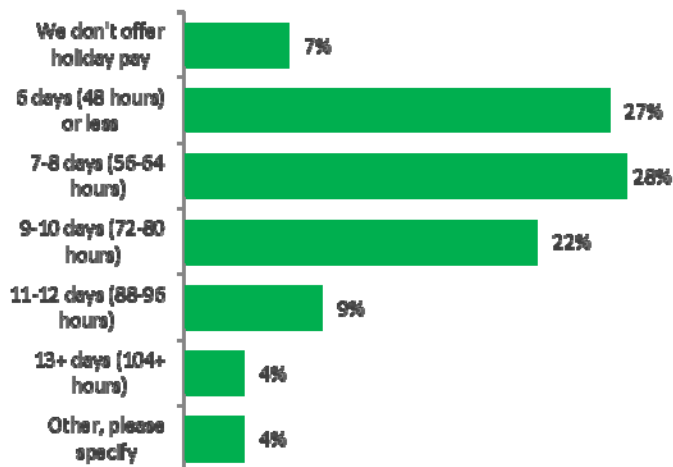
# HOLIDAYS AND OTHER

The majority of employers (93 percent) offer employees paid holidays, with 50 percent offering seven to 10 days of paid holidays. Although most employers offer holiday time, the majority (53 percent) do not offer other types of leave or flextime benefits.

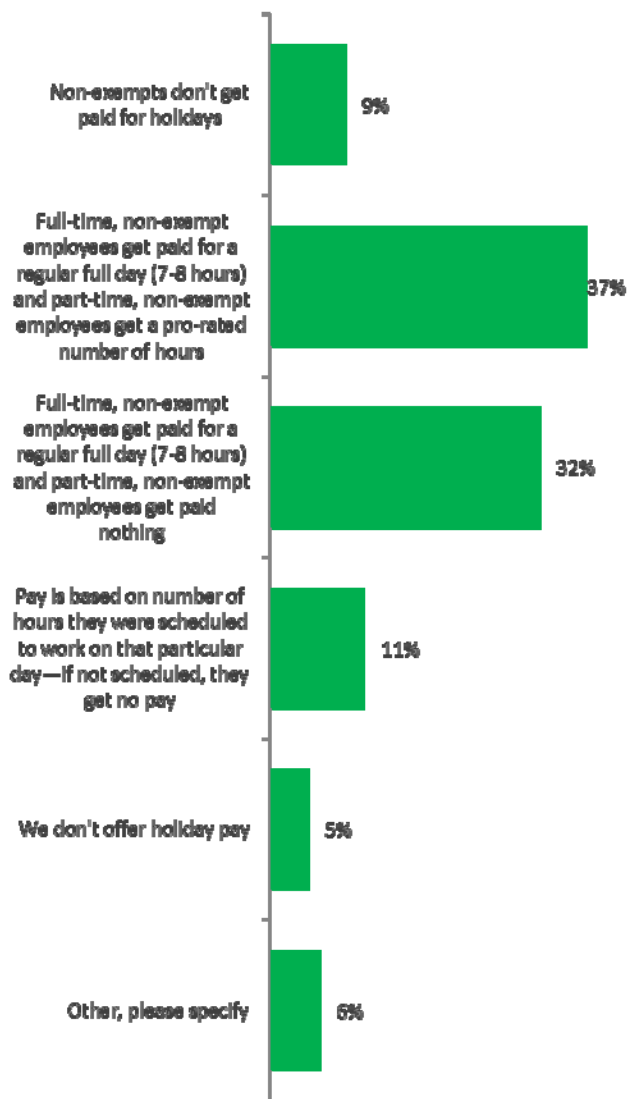
# HOLIDAYS AND OTHER



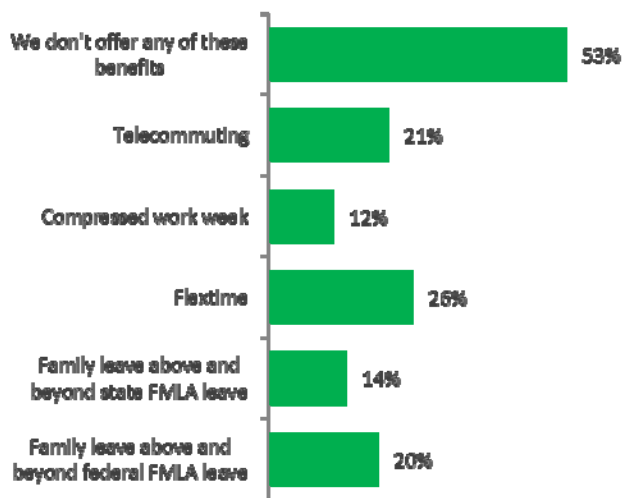
**For each year, how many paid days/hours do you give employees for holidays?**



**For non-exempt employees, how do you determine how much they are paid for holidays not worked?**



**Does your organization offer any of the following benefits?**



Americans generally value a flexible, family-friendly workplace when choosing a job. Many employers are restructuring their time-off programs in order to meet employee needs and to aid in retention and satisfaction. However, despite an increase in the popularity of PTO programs, the majority of employers still use traditional time off programs, and there are many areas of variance in structuring both types of programs.

Contact New England Employee Benefits Co., Inc. to discuss how these survey results and this benchmarking information can assist you in your future benefit plan strategies.

This survey was conducted in early 2015 through the website provided by New England Employee Benefits Co., Inc.. The survey was anonymous, so responses have not been validated for statistical significance or margin of error.

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