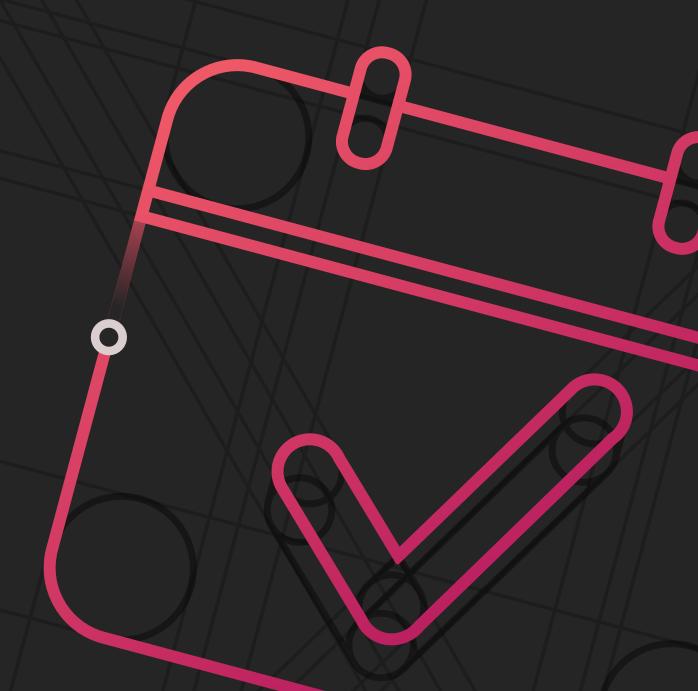
dónde

# What is the PTO problem and how can Dónde help solve it?





# American workers have a PTO problem... they simply don't take enough of it.

CCORDING to the US Travel Association, 55 percent of employees did not use all of their paid time off in 2018<sup>1</sup>, equaling a whopping 768 million days unused—up 9 percent from the year before. Of those, workers completely forfeited 236 million days, which comes to \$65.5 billion in lost benefits. You read that right: workers are nearing 1 billion unused PTO days each year.

Doing so means leaving hard-earned money on the table; it means those employees are effectively volunteering their time; and it means workers and businesses are faring far worse than they might. It doesn't have to be this way. Your employees could be more productive. Your bottom line, more robust. As an employer, you can solve this central business problem, and Dónde can help you do it.

## Overwork isn't actually productive

Despite conventional thinking, working all those extra hours doesn't actually lead to more promotions or pay raises or professional recognition. In fact, a recent article in Forbes<sup>2</sup> explains that working without pause doesn't yield many career benefits at all. Quite the opposite. The fewer vacation days workers take, the less likely they are to get bonuses or raises, compared to colleagues who do take time off.

<sup>.</sup> ustravel.org/press/study-record-768-million-us-vacation-days-went-unused-18-opportunity-cost-billions

<sup>2.</sup> forbes.com/sites/sianbeilock/2021/08/02/why-you-need-to-take-a-vacation-three-science-backed-reasons/?sh=39a154c7543a

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The reasons are relatively clear: employers want to recognize and promote those employees who are "forward thinkers and strategic problem solvers with visionary ideas, not overtaxed employees who make sloppy mistakes because they're sleep deprived and have lost all passion for the job," according to that same Forbes story.



top five desired benefits



of employees are dissatisfied with their company's PTO culture And workers know this. They also know how crucial time off is to becoming that visionary employee. Because even though so many don't use their PTO (or at least not all of it) American workers consistently cite paid time off as the second most desired benefit<sup>3</sup> after health insurance. For 72 percent of employees, work-life management programs overall are among their five most desired benefits.4

### Reasons employees forgo vacation

So what's the disconnect? Why aren't more workers taking the hard-earned time off that they deserve?

For lots of reasons. Many people worry about the cost<sup>5</sup> of taking a vacation, a concern that is among the top barriers to PTO usage. Other obstacles include the fear of falling behind at work, of appearing replaceable<sup>6</sup> or of being let go; the fear that time off will jeopardize a promotion or raise; workplace cultures in which managers or co-workers don't support<sup>7</sup> time off; and lack of communication<sup>8</sup> from managers about the value of PTO. In fact, 62 percent of employees are dissatisfied with their company's PTO culture.

That last point is crucial. Research has shown that despite what many workers may believe—and the stories they may tell themselves about why taking time off is a bad idea-most managers think that vacation is key to preventing burnout and improving employee focus. Too often, however, that message remains blurred, if conveyed at all, and workers toil away at their desks with little pause and little respite. The result is far from ideal, and not just for the individual workers, either. It's bad for the businesses they support and the bottom line.

### The consequences of overwork

Overwork has been shown to create a myriad of negative consequences. Burnout, of course, is high on the list. It's something 76 percent of employees experience<sup>10</sup>.

- $ustravel. org/sites/default/files/media\_root/document/2018\_Research\_State\%20of\%20American\%20Vacation\%202018.pdf$ 3.
- forbes.com/sites/glennllopis/2021/07/24/theres-no-growth-without-health-employee-wellbeing-is-non-negotiable 4.
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- 6. blog.accessperks.com/employee-benefits-perks-statistics
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With burnout<sup>11</sup> comes a marked decline in creative problem solving and productivity, not to mention energy, engagement and excitement for the job. Those who suffer from burnout are more likely<sup>12</sup> to take sick days, leave their current position and feel less confident in their job performance. Psychologists<sup>13</sup> have even suggested

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that burnout is a form of "job-related depression." And, in 2019, the World Health Organization identified burnout<sup>14</sup> as a workplace condition resulting from excess stress not managed successfully.

For businesses, the costs are real. All told, unused vacations have cost U.S. businesses \$224 billion a year<sup>15</sup>. Low productivity and disengaged employees create an 18 percent salary loss<sup>16</sup>. And when a worker leaves a job, that turnover-

and what it takes to refill the position, the lost institutional knowledge, the repeated skills training required and more—can cost up to 200 percent of their salary<sup>17</sup>.

With the onset of the global COVID-19 pandemic in 2020, these stressors for workers and the impacts on businesses have only intensified. The simultaneous pressures of trying to work remotely while also supervising-often teaching-children stuck at home at virtual school, caring for relatives, political upheaval and uncertainty and the ongoing anxieties related to COVID, have left American workers reeling. According to MetLife's 19th Annual U.S. Employee Benefit Trends Study 202118, since the pandemic began, 3 million more employees feel stressed, 9 million more feel burnt out and 7 million more feel depressed at work more than half the time.

+3 million stressed employees

+9 million +7 million burned out employees depressed employees

With the world sheltering at home, employees everywhere have seen the lines between work life and home life increasingly muddied. Writing to Alison Green<sup>19</sup>, who answers workplace questions on her website, Ask a Manager, one woman said: "I feel less like I'm working from home and more like I'm living at work."

<sup>11.</sup> forbes.com/sites/sianbeilock/2021/08/02/why-you-need-to-take-a-vacation-three-science-backed-reasons/?sh=39a154c7543a

<sup>12.</sup> blog.accessperks.com/employee-benefits-perks-statistics

<sup>13.</sup> forbes.com/sites/sianbeilock/2021/08/02/why-you-need-to-take-a-vacation-three-science-backed-reasons/?sh=7a0d5fcd543a

 $<sup>14. \</sup>quad who. int/news/item/28-05-2019-burn-out-an-occupational-phenomenon-international-classification-of-diseases$ 

<sup>15.</sup> ustravel.org/press/study-record-768-million-us-vacation-days-went-unused-18-opportunity-cost-billions

<sup>16.</sup> blog.accessperks.com/employee-benefits-perks-statistics

 $<sup>17. \</sup>qquad for bes. com/sites/for beshuman resources council/2020/08/11/trouble shooting-the-post-pandemic-pto-pile-up/?sh=254f4d6969fa$ 

<sup>18.</sup> shrm.org/resourcesandtools/hr-topics/employee-relations/pages/workers-taking-more-vacation-.aspx

shrm.org/resourcesandtools/hr-topics/employee-relations/pages/workers-taking-more-vacation-.aspx

working

"I feel less like I'm working from home and more like living at work."

Her observation is not entirely hyperbole. According to The Guardian<sup>20</sup>, employees in the United Kingdom, Austria, Canada and the U.S. spent an average of two additional hours logged onto their computers for work every day since the COVID crisis began. Some worked until 8pm. All of which may be contributing to what many are calling 'the great resignation,'<sup>21</sup> that is, the record numbers of Americans recently leaving their jobs. In April 2021 alone 4 million people quit their jobs. In June that number was down only slightly to 3.9 million<sup>22</sup>.

### The benefits of time off

Which is why unplugging periodically is so profoundly important. Something the social media management company, Hootsuite, recognized<sup>23</sup> by implementing a company-wide Wellness Week—a full week off—in July 2021. Other companies like Nike, LinkedIn and Bumble<sup>24</sup> have done the same. In a blog announcing<sup>25</sup> the initiative, Hootsuite explained that productivity requires taking breaks. They likened it to interval training where hard work and intensity are interspersed with rest and recovery.

Indeed, research has repeatedly shown the advantages of taking paid time off. For starters vacations—especially those that are well-planned out in advance—are good for people's health<sup>26</sup>. They can lower stress levels, improve mental well-being<sup>27</sup> and boost productivity. Time away from work is energizing and can enhance people's outlook on their jobs<sup>28</sup>; time off can also yield increases in creativity<sup>29</sup>, engagement and loyalty<sup>30</sup> from employees to their employers. And, as noted earlier, it's the vacationers who will see the biggest gains professionally in the form of promotions and raises.

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But the benefits of a good paid time off policy, accrue not just to individual employees who get to lay on a beach, explore a new city, read a novel and enjoy uninterrupted stretches of computer-free time with family and friends. The ROI for businesses is significant as well. Studies have found<sup>31</sup> performance benefits as well as improvements to employee wellness connected to people having time off to recharge. Policies like PTO that lead to improved employee engagement in turn lead to positive business metrics<sup>32</sup> such as increased productivity, reduced absenteeism, lower turnover and more.

# How Dónde can make your PTO policy really fly

At Dónde we eat, sleep and breathe these statistics. We know that better time off means better time on. We know what good PTO can do. So do your employees and their managers. They understand that vacation and travel is the solution to burnout. Dónde takes this knowledge and puts it into action. We enable your company to invest



of employees want to use their time off to travel

in your employees' time off and unlock the power of travel in your organization. We understand that most Americans, 74 percent of them in fact<sup>33</sup>, prioritize experiences over things and 84 percent of employees want to use their time off to travel<sup>34</sup>. We can help you, help them, make it happen.

Dónde allows companies to invest in their employees' time off, through a match program, rewards and recognition, or incentive bonuses. You can create a company-matched savings account—much like a 401K—but for PTO travel. You can also create budgets for managers and teams to offer rewards and recognition for birthdays, holidays or kudos; you can offer incentives for travel when teams, or the company at large, hit targets; or you can mark milestones or reward loyalty and engagement with bonuses in the form of travel benefits.

With so many people fleeing jobs<sup>35</sup> that make them feel unsupported and unsafe even during the pandemic; where any work-life balance feels like an improbable fantasy; and where schedules are rigid and disconnected from the realities of people's lives, it's an opportunity for businesses to create something different, something better. Now is the moment to build a workplace where caring for employees is foundational to boosting the bottom line. Benefits packages that focus on the physical, mental, financial, and social well-being of employees go a long way to achieving that goal. Dónde can get your company one gigantic step closer. Let us show you how time off can work harder for you and your employees.

<sup>31.</sup> benefitnews.com/news/to-work-or-not-to-work-the-expectations-when-using-pto

<sup>32. 15</sup>five.com/blog/employee-engagement-roi-calculator

<sup>33.</sup> luxurytraveladvisor.com/running-your-business/stats-74-percent-americans-prioritize-experiences-over-products

<sup>34.</sup> afar.com/magazine/americans-youre-still-not-making-the-most-of-your-vacation-days

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