



A LITTLE TIME AWAY:

How relaxing & recharging
drives **productivity**

2014 PULSE PAPER

Introduction

Employees today are feeling frazzled. Overwhelmed with responsibilities at work and home, they're slacking on their sleep, and putting their health on the back burner. Forever trying to dig out from under their to-do list, they're looking to super-sized, triple-shot espresso drinks and the fast-food drive-through to help them get more done. Instead of conquering their projects and priorities, burned out employees are struggling to keep their heads above water.

Not only are stress and burnout impacting people's health – an estimated 60 to 90 percent of doctor visits are to treat stress-related conditions¹ – but it's taking a terrible toll on businesses. Stressed-out employees cost companies \$600 more than average in healthcare each year², adding up to over \$300 billion annually³.

With all this stress, it's nearly impossible for employees to engage at work and in their lives. Disengagement's very real business impacts are hard to ignore, translating to a cost of up to \$550 billion per year, and unfavorable decreases in productivity and increases in many other key operational areas including absenteeism, turnover, safety and quality incidents, shrinkage and profitability, Gallup reports.

Taking time off to relax and recharge is key – not only for your businesses' health, but to your engagement rates and the health and safety of your employees. It may seem simple – offer employees paid time off (PTO) and they'll take it, using the time off to relax and recharge, right? Unfortunately, it's not so easy for many employees.

Virgin Pulse's latest survey of more than 1,000 full-time employees in the U.S. (not Virgin Pulse members) reveals that, while employees may feel supported in taking PTO, many continue to work when away from the office and not everyone's taking full advantage of the breaks they need and deserve.

Key Findings

60%
feel completely recharged
after a vacation

58%
take a vacation to somewhere
relaxing

48%
are expected by their
companies to be somewhat
available on vacation

46%
say it takes 2 to 3 days to
unwind on vacation

41%
feel guilty or stressed about
taking time off from work

34%
take under half of their allotted
PTO time each year

1 Perkins, A. (1994). Saving money by reducing stress. Harvard Business Review. 72(6):12.

2 <http://www.nytimes.com/2004/09/05/health/05stress.html?pagewanted=print&position=&r=0>

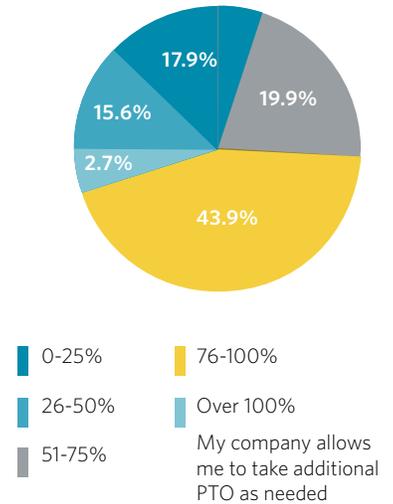
3 http://www.who.int/occupational_health/topics/brunpres0307.pdf?ua=1

Offering time off doesn't mean they'll take it all

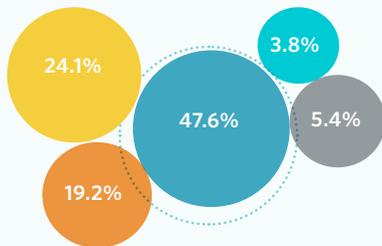
With more than half of the Virgin Pulse survey respondents receiving over three weeks' PTO, employees are feeling supported by their companies in taking time off. In fact, more than 62 percent say they feel "pretty good" about taking time off from work, and 48 percent indicate that their companies expect they'll be totally unavailable while on vacation.

But just because they feel supported, doesn't mean employees are taking advantage of their PTO. Just 44 percent of respondents said they take 76 to 100 percent of their allotted PTO each year, and nearly 34 percent indicated they take under half of their time. What's more, they don't feel secure in taking PTO: 41 percent say they feel "guilty" or "stressed" about taking time off.

Of the PTO allowed, how much do you typically take?



What is your company's expectation of you while you're on vacation?



- My company expects I am unavailable the entire time
- My company expects I am unavailable the majority of the time
- My company expects I am available occasionally
- My company expects I am available frequently
- Other

Time away isn't always time off

For many employees, their guilt and stress could be because tying up loose ends before heading out is time consuming - for others, it's downright impossible and they instead return to mountains of work after taking time off.

Almost 32 percent of respondents say they put in extra time before vacation, and 6 percent indicated they have no plan around covering their responsibilities when away.

"I catch up [on] everything before vacation, and I have all my work sitting at my desk when I return," one respondent said. "[I] pay the price when I return," said another.

Other employees may feel under the gun about taking time off because they're simply not planning for it far enough out. According to our survey, 72 percent of employees put in their request for time off under two months in advance, which may not be enough time to plan projects and coverage accordingly.

The stress employees feel may also be because many aren't unplugging from work while away, with over 20 percent of respondents saying they work on vacations and 48 percent saying they're using their mobile devices to stay plugged in. While 48 percent of respondents indicated that their company expects them to be completely unavailable, an equal amount indicated they're expected to be at least somewhat available. This could be because employees feel obligated to keep connected when employers continue contacting them via email or phone, or because policies aren't clearly communicated.

Charging their batteries

Whether they're working while on PTO or not, relaxing on vacation is key to employees. Fifty-eight percent say they typically vacation somewhere they can relax, and 44 percent prefer a "staycation."

Family is another major factor when determining when, where and how employees will use their time off. Reconnecting with family members and friends is key when it comes to recharging, and many survey respondents indicated they use their vacations to do just that.

"In addition to relaxing vacations, [I] go to be with extended family, including elder relatives," said one respondent. Another said, "[I] spend time with family here in town most of the time, or [I] might go to [the] lake with the in-laws." "[I] travel to visit children/grandchildren," said a third.

Other respondents said they may use their time off to fulfill other obligations or catch up on priorities they had previously put on the back burner. This could indicate that some employees feel they have a limited amount of time to fulfill non-work obligations.

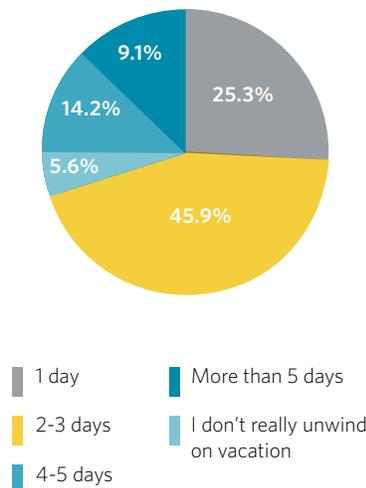
A respondent answered, "[I] use all [my] vacation days to stay home with [my] kids when they get sick." Another said they "use it to take care of other delayed tasks."

Although employees typically prioritize relaxation when taking time off, it often takes a few days for them to zen out. Those surveyed most commonly said it takes them two to three days to begin to unwind on a vacation (46 percent), and 29 percent said it takes them four to five days or more or that they don't really manage to unwind at all.

What types of vacations do you typically take?



How many days does it typically take for you to unwind on vacation?



Working On Their Well-Being

Employees are taking time on their vacations to recharge.

They're sleeping more, with 48 percent reporting a somewhat better or much better quality of rest, and 52 percent reporting a "bit more" or "a lot more" sleep. They're also maintaining their healthy eating habits, with nearly half of employees (47 percent) saying eating healthily is just as important when on vacation as when they are home.

Being physically active on vacation is also important to employees.

Forty-six percent either maintain or increase their exercise habits, and 24 percent say they typically vacation to a place where they can be more active. "I vacation to see family or run in a race," one respondent said. "I take time off to go on a hunting trip or to compete in a powerlifting meet," said another. A third said, "[I take a] yearly snowboarding [vacation] out of state."

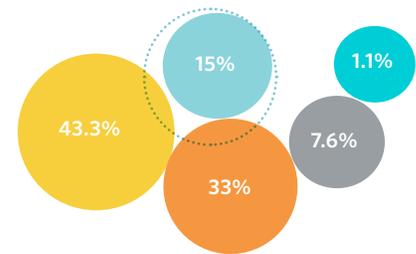
While many employees make their health a priority on vacations, a significant number of employees are ignoring it. Twelve percent of employees are sleeping less when on vacation, and 36 percent said that eating healthily is less important when on vacation. Thirty-six percent of respondents indicated they exercise less or not at all.

With nearly 20 percent of employees saying they return to work feeling overwhelmed or stressed, and 17 percent saying they come back tired, skimping on healthy habits could be the culprit behind these feelings.

Do you sleep more or less when on vacation?



What is the quality of your sleep when on vacation?



3 Tips To Create Relaxed, Charged-Up Employees

Whether they're working out or vegging out, chasing kids or catching up with family and friends, there's no doubt about it: Encouraging employees to take a break is a key component in taking care of your workforce.

Most employees report they feel more or completely recharged after a vacation (60 percent). They're also feeling rested (48 percent), relaxed (36 percent) productive (26 percent), and energetic (26 percent).

Experts widely report that taking time off drives a better outlook on life, and makes people more motivated to achieve their goals, with vacationers experiencing an 82 percent increase in job performance. The key component to this productivity boost post-vacation is a drastic venue change in tandem with unplugging for a significant amount of time ⁴.

But if employees feel concerned about mounting workloads or a negative company perception, they're less likely to take time off. Support your employees and encourage them to recharge with these three tips:

1. Encourage employees to submit their vacation time as soon as possible

Drive the message that the company supports employees' time away from work, and consider leveraging your wellness and engagement programs to incentivize people for putting in advance requests. If company culture supports time away, people will feel encouraged to use their PTO and prep for it accordingly. Not only does this keep employees in the habit of regularly unplugging, it also allows you and your team to prep for and around vacationers' time away, ensuring tasks meet deadlines.

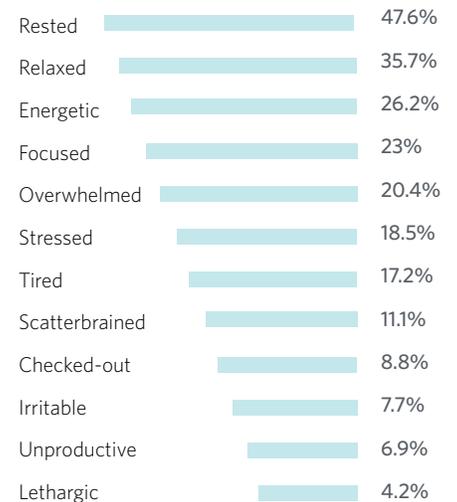
2. Help employees feel like all their bases are covered when they take vacations

Help them take the necessary steps to make sure their responsibilities are covered and support them by adjusting project timelines around the days they'll be out of work whenever possible. This helps keep projects from falling through the cracks while people are away, meaning you can keep the ball rolling while avoiding last minute scrambles to complete work or find coverage. Knowing that everything's under control will make it easier for employees to leave the office in the first place, too - and keep calm while they're away.

3. Remind employees there's no need to check in when they're gone

... if it's not a necessity or company expectation they do so. Before they head out, clearly communicate that you support their time off. Once they're gone, keep the emails and phone calls at bay so they can unplug without feeling the pressure. If you keep communications in check, they won't worry about what's going on at work while they're away. Once they do return, they'll be more likely to hit the ground running, rather than spending days digging out from an overflowing email inbox.

How do you feel when you return to work from a vacation?



// We stress the importance of submitting time off requests in advance to our ... workforce. This helps prevent scheduling conflicts and benefits the employee because we usually can accommodate the employee. //

Brenda Berg, Benefits Specialist,
A.O. Smith Corporation

// We definitely (support employees in taking time off)! As a culture, we support each other so that we are able to take time off worry-free. //

Jennifer Perfect, Health Services Technical Associate,
Aera Energy

Conclusion

With stress and burnout crippling employees' ability to bring their best selves to work and adding to disengagement rates, encouraging your workforce to take time off is crucial. Help them relax and recharge by clearly communicating that you support them in taking time away from the job. They'll thank you by reclaiming their energy, returning to work focused and ready to put their best, most productive, foot forward.



About Virgin Pulse

Virgin Pulse, part of Sir Richard Branson's famed Virgin Group, helps employers create a workforce with the energy, focus, and drive necessary to fully engage at work and in life. With its award-winning, online platform, the company fosters healthy daily habits and sustainable behavior change that help employees thrive at work and across all aspects of life. Unlike narrowly-focused employee health

and engagement solutions, Virgin Pulse is a hub of consumer-focused strategies and innovative tools that set the foundation for a company's engagement efforts. More than 250 industry leaders representing 1.5M+ employees have selected Virgin Pulse's programs to reinvigorate their workplace.

Learn more at www.virginpulse.com.

