



For sale: Two Extra Vacation Weeks

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Employers are at their best when they are trying to stay one step ahead of the competition, seeking new and creative ways to get the job done as well as innovations able to improve end results. This is especially true for employee benefits, which are crucial in attempts to attract and retain the best talent.

An increasing number of employers are offering an employee benefits plan that allows workers to wheel and deal to accumulate more vacation time or unload time they aren't going to use for a little bit of extra cash. A recent study by the Society for Human Resource Management found that 9 percent of employers allowed workers to sell their unused vacation back to the company in exchange for more money, and 5 percent of companies allowed their employees to buy extra vacation time through a payroll deduction.

These plans can be structured in various ways. Some employers place a limit on how much extra vacation time employees can purchase - usually one or two weeks. Some employers that allow time to be sold back structure it so that it goes into a pool for general use, and the amount of time others can buy is limited to this amount.

Some of the more enterprising companies are even taking it one step further. Rather than just limiting the buying and selling to vacation time, some allow employees to sell back their time off they aren't going to use in exchange for some other type of employee benefit they might covet more, such as disability or life insurance credits. The companies allow workers to accumulate credits used to buy these extra benefits and then trade in the credit equivalent of those vacation days for the benefits. The possibilities are virtually endless.

The advantages to these plans are fairly obvious, but cannot be overstated. Allowing workers more flexibility in managing their time off is highly appealing to a vast majority of employees. Not only do employees appreciate the ability to take more time off, but many employers find that workers who regularly take vacation demonstrate increased productivity when at the office, as the time off gives them a chance to refresh and renew.

Employers can sell this benefit as an inducement to attract or retain workers by showing that they do not offer a cookie-cutter benefits package, but instead offer one that can be adjusted and adapted to meet the needs of the individual employee. An "a la carte" benefits system can be especially

attractive to individuals who want to forge their own idea of what a workplace should look like.

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