



TREEHOPPR



Measuring the Impact of COVID-19 on Employee Paid Time Off



Introduction



The rapid spread of COVID-19 has forced companies across industries to quickly adapt to a remote work culture. With a number of economic and social factors altered at once, people have been challenged with a new set of responsibilities as individuals, employees, and parents.

The reality of integrated work-life environments has changed employees' PTO usage substantially. [Treehopper](#), the leader in employee-friendly HR tools, analyzed PTO utilization for more than 70 clients, primarily consisting of global technology startups. Some of these findings reflect this moment in time, and will course-correct as life returns to normal. Others will have a lasting impact on the integration of work and life, and subsequently on how employees manage and maximize their time off.





Part 1

PTO Cancellation Rates Rising

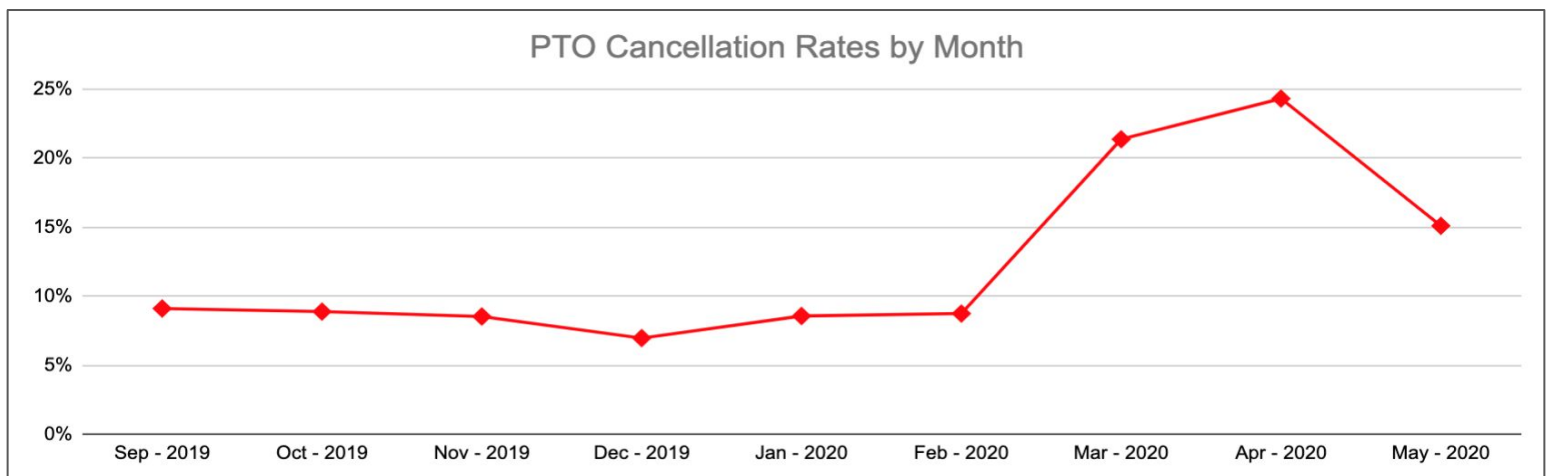
Part 1: PTO Cancellation Rates Rising

In response to the spread of COVID-19 and accompanying travel restrictions, employees naturally changed their spring plans in preparation for a long-term stay-at-home order. As a result, **Treehopper found a considerable spike in PTO cancellation rates in March and April**, with the rate beginning to stabilize in May.



Employees Not Taking PTO

- Cancellations **doubled** starting in March, when compared to the previous 6 months.
- Historically, PTO cancellation rates have averaged between **7-9%**. In March and April however, cancellation rates rose to **21%** and **24%** respectively.
- In May, cancellation rates slowed to **15%**, though this still marks an elevated rate in relation to the historical average.





Part 2

Length of PTO Events Falling

Shorter Breaks Being Taken

Converse to the spike in PTO cancellations, the way employees have booked new paid time off has evolved over the past few months.

31%
Decrease

*In average PTO Length in April and May 2020

Employees have opted to take shorter breaks in lieu of longer vacations previously saved for domestic and international travel. PTO booking length declined by 31% in April and May, when compared to the previous 11 months.

Why it matters: Employees have a harder time fully unplugging or justifying a complete disconnect during shorter periods of PTO. They may not be getting the rest or relaxation that they need. While travel restrictions may ease up in the near future, it is expected that lingering concerns surrounding travel safety will hamper extended vacation plans for a sustained period of time.



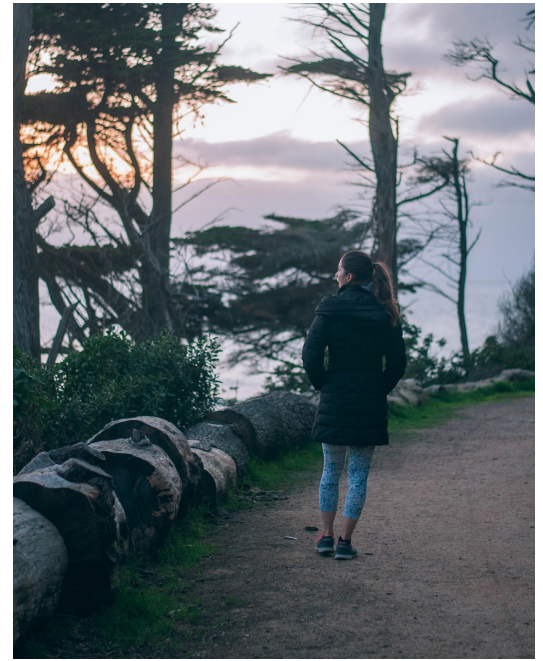


Part 3

Adapting to the Changing Times



The reality of integrating remote work during quarantine led a number of companies to create new OOO types to better support employees that were grappling with mounting responsibilities across their personal and professional lives. As more companies shift to indefinite flexible work policies, many of these OOO categories will become permanent fixtures within employee benefits.



New OOO Types Emerge

Over one third of Treehopper clients have created a new OOO type since COVID-19 hit the U.S. in March. Some of these categories include:

- COVID-19 sick time / caregiving
- Family time
- Homeschooling
- Away from Screen



Due to the lack of in-person interaction, employees have had to over communicate shorter, non-traditional breaks during working hours for activities like lunch, exercise, running errands, and screen-breaks. **Personal time, for example, accounted for 13% of the total filings for April, a substantial spike from the 7% average across the prior 6 months.** This shift speaks to a more integrated future of work and life, and is something that will continue to be important in remote-work culture.

Conclusion



Paid time off has been significantly impacted by the COVID-19 pandemic. From March to May 2020, employees took fewer instances of paid time off and in shorter intervals. While we've seen positive signs of recovery recently, these habits will likely be impacted for the remainder of 2020. Companies must be alert to signs of overworking and burnout from their employees.

Many companies are creating new OOO types to help their teams adjust to this new normal, which appears to be quite effective. Letting employees know that there are more reasons to take time off than traditional travel or holidays sends the message that unplugging in any capacity is important, supported, and should be prioritized.

*If you'd like to dig further into the data from this study, please reach out to press@treehoppr.com.

