



No Leave, No Life Research Findings

About the Research

Tourism Australia commissioned Jones Donald Strategy Partners, a Sydney based research company, to conduct a study on annual leave accrual in Australia. The study incorporated a mix of qualitative and quantitative research methods including focus groups and self-completion online surveys and was in field in February and March 2009. An ongoing survey will be conducted on a quarterly basis to track attitudinal and behavioural changes over time. For the purpose of this document, all findings are from Jones Donald Strategy Partners unless otherwise noted.

In addition to the Jones Donald research, Roy Morgan Research has been tracking annual leave accrual since December 2005. This tracking has been used to provide an indicator of the accrual of leave by full-time employees in the Australian economy and to profile leave stockpilers.

For the purpose of this research, the following definitions apply:

- Annual leave is the leave entitled to you for working at your company (typically four weeks yearly for full-time employees)
- Leave stockpilers are defined as those employees with 25 or more days of leave accrued
- The research findings apply to those employed as full-time employees and excludes owner operated businesses
- Going on holidays is using your annual leave and spending time and money away from home

Key Facts

1. Australia has 129 million days of accrued annual leave by full-time employees. This equates to \$33.3 billion in wages as of September 2011 (Roy Morgan Research)
2. Annual leave accrual by full-time employees has grown by 11% from December 2006 to December 2008 (Roy Morgan Research)
3. Annual leave accrual is endemic across all sizes of business and industries. No business is too big or small to feel the impact of accrued leave. Annual leave stockpiling has become entrenched workplace behaviour potentially affecting every business regardless of size or type
4. 1 in 4 of Australian full-time employees are leave stockpilers (Roy Morgan Research)
5. 73% of stockpilers consider work/life balance (WLB) an important aspect of their life
 - Female stockpilers place greater importance on WLB [80%] compared to males [69%]
6. 70% of stockpilers agree that annual leave positively impacts work/life balance (WLB)
 - Stronger amongst females (78%) than males (67%)
7. Only 56% of stockpilers believe that their employer is generally supportive of leave taking
 - Highest amongst government employees [60%] and lowest amongst SME (49%)
 - Stockpilers who believe their employer is supportive of leave-taking have higher intention to take an Australian holiday [64%] than those who do not (51%)
8. 80% of stockpilers cite personal barriers to leave-taking
 - Availability of funds is the biggest concern (40%)
 - Fitting around partner's availability is also difficult (28%)
 - Deliberate accrual for emergencies (26%) or big trip (24%) is third most common reason
9. 57% of stockpilers consider work related barriers prevent them from taking leave compared to 48% of non stockpilers





- Concern about workload before and after leave is the main barrier (30%)
 - Lack of resources for cover is second (26%)
 - Difficulty of scheduling leave when desired [21%] or around projects (21%) rank third
10. Stockpilers' strongest perceived benefits of annual leave are passive in nature
- Relaxation (75%)
 - Quality time with family and friends (73%)
 - Long term health (69%)
11. Females are more likely to have sole responsibility for decisions about leave taking (47%) compared to males (34%)
12. Whilst over half of leave stockpilers are employed in private industry, employees in the public sector are more likely to accrue leave than their private sector counterparts

Who are Leave Stockpilers?¹

A number of characteristics were identified which typified employees who were more likely to have stockpiled their annual leave. These are as follows:

- Male
- Older (35+)
- Employed in public sector/large private organisations
- Employees who manage staff
- Parents of school aged or older children
- Empty nesters
- Long-serving staff
- Higher income earners

Demographics

1. Over two thirds of males (70%) stockpile their annual leave compared to only a third (34%) of females
2. Almost a third of those who stockpile annual leave earn \$80,000 or more
3. Over a third of those who stockpile fall in to the Visible Achievement category compared to 18% of the general population
4. A third of leave stockpilers have dependent children at home while almost three quarters are aged over 35
5. Almost a third of stockpilers are older and married with no children

Holiday Planning

In relation to their last trip, stockpilers were most likely to:

- Obtain information from the internet (30%) or not at all (24%)
- Book their accommodation directly (35%) or book no part of their trip (24%)
- Make bookings through an internet website (46.5%) or the phone (41%)
- The most popular holiday type on their last trip was a short break (32%). Touring holidays are also popular (21%)

Why do Australians Stockpile their Leave?

Clusters

Stockpilers cluster into five segments, driven by the source of pressure to accrue their leave and personal involvement:

- **Golden Goal:** Stockpilers within the Golden Goal cluster are open to holidays but desire more leave for bigger, better holidays. They are opportunity focused and waiting for the right time and saving their leave to take their ideal break. There are two types within this group, the "Planners" (big trip) and the "Dreamers" (one day). They tend to be younger (less than 25 years) or older (over 50 years)

1. Source: Roy Morgan Single Source
Year Ended Sep 2008.





- **Martyr:** For the Martyr, their job equals their identity. They tend to accrue leave as they feel that no one else can do their job and things will fall apart if they are away from the office. They know what leave they have accrued and tend to have a high volume of days owing to them (13+ weeks). They tend to be longer tenure employees, older and often within the public sector
- **Insurance Policy:** Stockpilers within the Insurance Policy cluster are the “what if” worrier. They are concerned about economic downturn and accrue their leave as an emergency back-up in the case of illness, job loss or the need for extra money. They know what leave they have accrued and always keep a minimum of 4 weeks. They tend to work in high pressure roles or volatile industries and are more likely to be older or parents
- **Workaholic:** The Workaholic tends to have too much going on at work to prioritise taking leave. They love their job/life and feel that they will get around to taking leave one day. They don’t really know what leave they have accrued and tend to be in non-family households
- **Victim:** The Victim accrues leave as they feel there is a lack of immediate support from management, lack of coverage during leave and that work will pile up in their absence. They don’t really know what leave they have as they feel there’s no point in tracking it as they can’t take it. They tend to be employed in smaller organisations and are older

Ability to Take Leave

Stockpilers in four situations are more likely to feel the ability to take leave.

1. Public Sector:

- More evidence of management belief in work/life balance
- Accrue more due to flexi time, rosters, etc
- Stronger belief in “leave work at work” – more belief in leave
- Less concern about job loss

2. Non-family households:

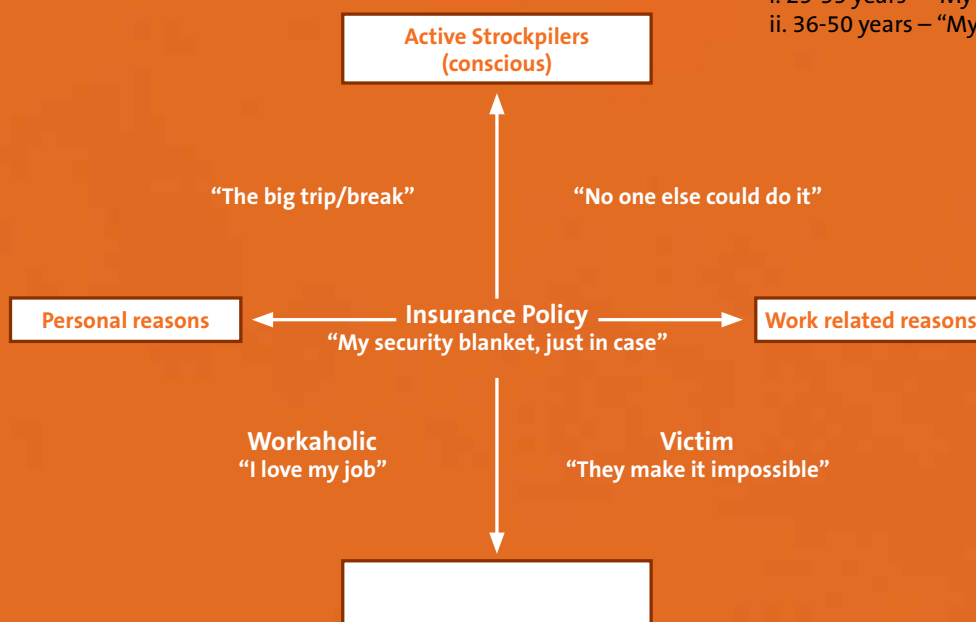
- Not restricted by school/after school commitments
- Can travel outside school holidays period – less expensive
- Easier to plan and more likely to be spontaneous

3. Larger organisations:

- More likely to have multiple resources for task
- Backup more available vs smaller organisations where no one else available to do the job

4. 25+ years:

- Less focus than younger on overseas holidays
- More likelihood to consider Australia for short holiday, with different focus
 - i. 25-35 years – “My experience”
 - ii. 36-50 years – “My country”





Attitudes Towards Leave Accrual

Despite the statistics, employers and employees agree a holiday and using annual leave is important to re-charge and re-fresh, de-stress, tackle their work/life balance, to broaden horizons and to remind them they are people and not just employees. They have many positive associations with holidays – they're about spending quality time with family and friends, experiencing new things, feeling refreshed, creating great lasting memories and providing some time for reflection.

Attitudes towards leave accrual reduction can be split by:

- Reflective Reasons:
 - Reluctant acknowledgement that it's my/their own fault (not accepted by martyrs and victims) – mental and physical wellbeing has been affected
 - Regret about “missed opportunities” – exploring the world, spending time with loved ones
- Deflective Reasons:
 - Fear and potential resentment or disappointment - “Affecting my nest egg” or “I’m no longer in control”
 - Company's prioritising their bottom line in wanting to reduce liability can lead to resentment if employees are forced to use excessive leave. A compromise situation worked out between an employer and employee is more likely to be effective.

The Workplace

There is a consistent and widespread perception that leave is harder to take than it used to be. Two separate shifts have contributed to this feeling: that it is harder to take time off from work and that it is more difficult to plan holidays. Increasing work pressures and organisational structures were seen to have resulted in more significant barriers to employees taking time off work. Organisations were no longer seen to factor leave-taking into employee workloads, but expected people to work 52 weeks per year.

People are shifting into ‘work addiction’ behaviour irrespective of how they feel about it. They're working longer hours and are under pressure to perform. Despite a higher consciousness of the importance of work/life balance, many believe things are going in the other direction.

Rather than the onus of planning leave being on the organisation as in the past, it was viewed that this has shifted to the individual. Whereas many organisations used to have cover for people going on leave, it was seen that it is now the responsibility of individuals to organise their workloads if they want to take leave.

The Current Climate

Changing economic conditions are further reinforcing leave stockpiling behaviour. In an increasingly volatile economy it is evident consumers are trading down from luxuries and employees are showing a reluctance to ‘rock the boat’.

Within this context stockpiling will increasingly be used as an insurance policy against unknowns in uncertain economic times. Employees are looking to reinstate a sense of control, security and peace of mind.

Introducing No Leave, No Life

The research conducted by Tourism Australia has led to developing an innovative solution to address the issue of annual leave stockpiling – and grow Australia's domestic travel market at the same time.

No Leave, No Life gives Australian companies and employees the help they need to plan and take a holiday, and reflects the research results that show that workplace issues are the main barriers that prevent employees taking up their annual leave.

For more information please visit noleavenolife.com or email noleavenolife@tourism.australia.com

