

BOOST EMPLOYEE PRODUCTIVITY WITH PAID TIME OFF

A good employee is a valuable company asset, and no doubt you want your employees to be as productive as possible - which is why a suggestion to boost productivity with time off might sound counterintuitive.

Paid time off (PTO) can be a critical component of your employee benefits package. Besides the obvious perk to workers, as a business owner, you stand to gain from offering paid time off as well. One reason is that PTO is tax deductible, just like regular wages. Other reasons include health and customer service benefits. When combined with a sick leave policy, paid time off can help persuade employees with contagious illnesses to stay home. What's more, if your workers have a high level of contact with the public, paid time off can be a marketing tool to help assure your customer base that your company takes safety and health issues seriously.

Paid time off can also help you attract higher quality workers. In studies, PTO ranks high on the wish-list of potential job candidates, especially young parents. Without a PTO policy, you may be at a disadvantage when competing with larger firms for employees.

Another, perhaps surprising, reason to consider PTO: fraud detection. That's especially true if you rely on a small cadre of trusted workers performing critical tasks to keep your business going. Over time, these employees might work long hours with little oversight. This scenario is ripe for fraud, and one of the best antidotes is to require workers to take a vacation - at least five consecutive days - to allow someone else to perform those duties. Making paid vacation a requirement and not just a benefit is good internal control, and might save your company from a disastrous theft.

Downtime is not wasted time if it is part of a thoughtful plan. Contact our office for more suggestions on employee benefit issues.