

Stepping Stones Museum Children PTO Business Plan Proposal

By: Abdullah Hmoud Khaled Mobaraki

Business Administration

Master of Science on Human Resource Management

Sacred Heart University

Overview:

Paid time off (PTO) is a benefit program offered by many companies which allows employees to take off for a specific number of days and still receive compensation. This generally includes absences related to vacation, illness or personal circumstances. Under federal law, there is no minimum requirement for PTO benefits in the United States. As a result, each employer has the power to implement their own plan and accrual policies. Additional provisions, such as rollover terms or PTO banks, vary significantly as well, but many organizations calculate paid time off based on length of employment or the average number of hours worked in one pay period.

Current Policies First, we will review the current system in place for administering paid time off to the employees. **Best Practices** These are the research-based practices used by organizations which have proven to be effective and yielded high rates of success. **Recommendations** We have identified specific actions and changes that can be made to improve the current status of the organization's paid time off system. **Expected Results** We will end by summarizing the benefits to modifying the paid time off plan and explain what the organization can expect in terms of results.

PTO is exactly what it sounds like: time an employee can take for themselves while still getting paid as if they were working. This can include time for vacation, personal days, sick leave, bereavement, jury duty and volunteer work. Small and midsize businesses can offer a traditional, flexible or unlimited PTO policy. Choosing the right one for your business can be difficult, but the most important thing to ensure is that you will have sufficient coverage throughout the year.

What are examples of PTO policies? There are several ways you can structure your PTO policies. Each provides employees with some paid time off, but the number of days and how they can be used differ.

Traditional PTO: Traditional PTO means a policy that groups employees' days off into categories such as vacation, sick leave and personal days. As mentioned above, there are many ways you can categorize your PTO for your employees, such as offering time off for volunteering or work-life balance days. The way you categorize PTO could help attract certain job candidates.

Traditional PTO also provides incentives for employees who already work at your company, as they can earn more PTO the longer, they work for you. This encourages employees to stay where they are and can boost longevity.

The downside to traditional PTO is that employees might feel limited in their options and misreport their time off to keep their balances from being depleted. This can breed mistrust between employees and the company. You could also run into unscheduled absences when an employee runs out of PTO, which will disrupt workflow.

Literature review and previous studies:

Ford, L. R., & Locke, K. (2002). Paid time off as a vehicle for self-definition and sensemaking: Qualitative data collected in a small manufacturing company following implementation of a new paid time-off policy (PTO), demonstrates how organizational members use self-conceptions in sensemaking about that policy. In turn, how they understand the policy results in application and

enactment that is inconsistent with the intentions of the management team. Informed by the symbolic interactionist school of thought, we provide a micro-level examination of the introduction of the policy, an examination of the processes by which these definitions of self and others are drawn upon and advanced, and an explication of the micro-level processes by which the policy is implemented and responded to in ways other than those intended by its designers and promoters.

Gould, E. (2015). Millions of working people don't get paid time off for holidays or vacation: As Labor Day approaches, about a quarter (24 percent) of private sector workers will not be enjoying a paid day off on Monday. A similar number (23 percent) earn no paid vacation time. While this overall lack of paid holidays and vacation time is quite telling (especially compared to our international peers, who more or less universally mandate paid time off), access to paid time off varies dramatically between workers by their pay. As the chart below shows, only 34 percent of private-sector workers at the bottom of the wage distribution receive paid holidays and only 39 percent receive paid vacation. Among the top 10 percent of workers, meanwhile, 93 percent receive both paid holidays and paid vacation. It's important to remember how much the labor movement has done for workers: among its many victories are the establishment of weekends, the institution of a 40-hour work week, and the eradication of child labor. However, we must also remember what remains to be done, including guaranteeing that workers have access to paid leave

DeRigne, L., Stoddard-Dare, P., & Quinn, L. (2016):
Workers Without Paid Sick Leave Less Likely to Take

Time Off for Illness or Injury Compared to Those with Paid Sick Leave, paid sick leave is an important employer-provided benefit that helps people obtain health care for themselves and their dependents. But paid sick leave is not universally available to US workers. Little is known about paid sick leave and its relationship to health behaviors. Contrary to public health goals to reduce the spread of illness, our findings indicate that in 2013 both full- and part-time working adults without paid sick leave were more likely than workers with that benefit to attend work when ill. Those without paid sick leave were 3.0 times more likely to forgo medical care for themselves and 1.6 times more likely to forgo medical care for their family compared to working adults with paid sick leave benefits. Moreover, the lowest-income group of workers without paid sick leave were at the highest risk of delaying and forgoing medical care for themselves and their family members. Policy makers should consider the potential public health implications of their decisions when contemplating guaranteed sick leave benefits.

Burtle, A., & Bezruchka, S. (2016, June). Population health and paid parental leave: Over the last two decades, numerous studies have suggested that dedicated time for parents to be with their children in the earliest months of life offers significant benefits to child health. The United States (US) is the only wealthy nation without a formalized policy guaranteeing workers paid time off when they become new parents. As individual US states consider enacting parental leave policies, there is a significant opportunity to decrease health inequities and build a healthier American population. This document is intended

as a critical review of the present evidence for the association between paid parental leave and population health.

Scott, C., Dool, R., & Mancini, D. (2018): THE EFFECT OF PAID TIME OFF FOR VOLUNTEERISM ON ORGANIZATIONAL CITIZENSHIP BEHAVIOR: IS IT INFLUENCED BY NATIONAL CULTURE? If the way employees feel about their organizations can influence the performance of organizational citizenship behavior (OCB) benefits, such as paid time off for volunteerism. It may also influence whether employees engage in OCB. These tendencies may vary by national culture. A survey was distributed to employed people in the US and UK. This study of 100 respondents in the US and in the UK found that Sportsmanship can be influenced by paid time off for volunteerism, but there is no connection to national culture. Recommendations for further study are to compare countries that are culturally dissimilar and to measure other types of corporate community involvement.

Current Challenges:

- High turnover for teaching positions.
- Employee absenteeism is also an increasing trend.
- insufficient number of paid days, Lack of competitive advantage.
- Rigidity and failure to provide accommodation.

Current PTO Policy

1- Employees should be given 10 days paid holidays, 2 weeks paid vacation, 2 days personal leave and 8 days sick leave per year (SUSAN, 2018).

- 2- PTO is more suitable for such organization as compared to vacation.
- 3- PTO an advantage is that it can take by the employee on his or her discretion.
- 4- PTO supports the work life balance and flexibility for the employees (HEATHFIELD, 2019)
- 5- To avoid misuse, Stepping Stones seek reason for PTO.

Employee Recognition & Appreciation:

1. Necessary financial rewards and provisions. benefits, salary increases, and job promotions.
2. Employees have basic desire for acknowledgement.
3. Praise and verbal encouragement.
4. Increased feelings of loyalty and engagement toward organization.
5. Leads to stronger desire to contribute.

Hiring Decisions:

1. Decisions during selection process directly relate to retention and turnover.
2. Advisable to implement a defined, selective hiring strategy.
3. Utilize behavioral interviewing and situational questions.
4. Assess culture fit through on-site interviewing and tours.
5. Stronger Job-Candidate Matches
6. Selective Hiring - Decreased Turnover

What should you consider before developing your PTO policy?

1. Require manager approval.
2. Require a deadline for calling in sick.
3. Determine a PTO policy for different employee types.
4. Decide how much time off to provide each year.
5. Decide whether or not employees can accrue time.
6. Decide whether or not employees can roll over time at the end of the year.
7. Give thought to implementation.
8. Continually evaluate your PTO program.

Competitive Pay/Benefits Packages:

9. Offer salaries comparable to competitors and specific to the geographic location of business.
10. Perform market and industry research and stay up to date on the fluctuations and changes to salaries and benefits.
11. Helps to remain competitive and not lose out on quality employees
12. Better appeals to job seekers and their values.

Two Weeks' Notice:

1. Avoid overly specific time limits and constraints in paid time off plan where possible.
2. Understand employee perspective; sometimes difficult to anticipate absences.
3. Increased Flexibility.
4. Realistic and Adaptable.

Flexible PTO:

- 1- Functions best when categories such as vacation time, sick leave, or personal days are eliminated.
- 2- Use a PTO bank or combined plan and allow employees to use days off for their own purposes.
- 3- Encourages sense of treating employees as adults
- 4- Increases accountability Accommodates employee's differing needs.
- 5- lifestyles, and schedules.

Attendance Incentives:

- 1- Offer monthly, quarterly or annual cash bonuses, gift cards or extra PTO
- 2- Decrease Absenteeism
- 3- Increase Productivity
- 4- Boost Employee Morale

Sabbaticals:

- 1- Providing a paid 4 - 6-week sabbatical every four year
- 2- Sabbatical can include a portion of the current salary with 100% benefits
- 3- Reinvigorates the mind and sense of ambition for teaching
- 4- Provide valuable knowledge and experience
- 5- Teachers will be able to shape better curriculum
- 6- Reinforces Job Satisfaction
- 7- Improves Employee Engagement
- 8- Increases Employee Retention

Wellness Programs & Resources

- 1- Encourage employees to take charge of their well-being, consequently reducing their need for sick time off
- 2- Acts as a preventive measure that initiates a more salubrious work and productive work environment
- 3- Reduce Health Care Costs
- 4- Augment Productivity
- 5- Increase Employee Retention
- 6- Increase Job Satisfaction
- 7- Boost Personal Health & Immunity

Rewards & Incentives:

Gift cards: A small token of appreciation for a restaurant, car wash, Amazon, Movies, or a Visa gift card will speak volumes

Bonuses: Bonuses can be given for every three months of perfect attendance (i.e., \$350 for month 3, and \$500 for month 6)

Buy the Office Lunch: Develop a strong sense of community while boosting employee morale

Give Positive Feedback: Positive feedback lets employees know they're valued. A handwritten note will be most impactful

Preschool Salary Statistics:

Stepping Stones Museum for Children ٣١,٠٠٠\$ %١٣ of Jobs

75th Percentile Salary in Norwalk, CT \$35,852 9% of Jobs

Average Salary:

The average salary in Norwalk, CT is currently \$30,420 - which is offered by 15% of employers. Stepping Stones currently offers \$580 more than the average preschool teacher salary.

The Competitive Advantage:

Only a staggering 9% of employers offer their preschool instructors a salary that sets them apart from competitors.

Potential Policy Changes:

1. Increase number of paid days given to four weeks annually.
2. When employees exceed the number of allotted days for the year, all additional absences should be unpaid.
3. Require each full-time, permanent employee to submit planned days off at the start of the fiscal year
4. Discontinue use of vacation pay advance document.
5. Replace with a document of acknowledgement for unpaid days after exceeding limit of days.

Recommendations:

1. Improve the workplace culture: Will result in better performance, motivated employees, and take more interest in their work
2. Encourage long work breaks: Provide more breaks, and extend the duration of breaks
3. Employees responsible for their children or other family members Giving them the opportunity to stay at home when necessary

4. Increase Flexibility: The number of paid days given, the system for requesting days off, and the employee work schedules
5. Employees who have sick children: Giving them the opportunity to stay at home when necessary
6. Increase employee collaboration: Increasing the amount of employee interactions and exposed to each other's work experiences
7. Employees are subject to occasional health deficits Providing more time off work

Expected Results:

Enhance The Workplace

How can the new PTO Plan help Stepping Stones?

Increase in Productivity

- Resolve the issue of vacation pay advances.
- Employees will be given rest and relaxation.
- Productivity and quality of work improve.

Higher quality of teaching and increased safety in classrooms

- Teachers will no longer be poorly rested and overworked.
- Teachers will be able to be more mentally invested and devoted to their jobs.
- The classroom environment will be made safer as a natural consequence.

Decrease in turnover and financial savings Providing more opportunities for promotions, advancement, and raises.

References:

1. Carr, A. E., & Tang, T. L. P. (2005). Sabbaticals and employee motivation: Benefits, concerns, and implications. *Journal of Education for Business*, 80(3), 160-164.
2. DeRigne, L., Stoddard-Dare, P., & Quinn, L. (2016). Workers without paid sick leave less likely to take time off for illness or injury compared to those with paid sick leave. *Health Affairs*, 35(3), 520-527.
3. Designing and Managing Wellness Programs. (June 15, 2016). Retrieved from <https://www.shrm.org/resourcesandtools/tools-and-samples/toolkits/pages/designingandmanagingwellnessprograms.aspx>
4. GlassDoor. (2019). Stepping Stones Museum for Children Overview. Retrieved 08 02, 2019, from https://www.glassdoor.com/Overview/Working-at-Stepping-Stones-Museum-for-Children-EI_IE136458.11,46.htm
5. Hastings, R. R. (Sep 8, 2008). Attendance Incentives Are Critical for Some Organizations. Retrieved from <https://www.shrm.org/resourcesandtools/hr-topics/employee-relations/pages/attendanceincentivesare.aspx>
6. Indeed. (2019). Stepping Stones Museum for Children. Retrieved 08 02, 2019, from indeed: <https://www.indeed.com/cmp/Stepping-Stones-Museum-For-Children/reviews>

15. Jackson, N. M. (June 1, 2018). Science Says Your Employees Need Days Off. Retrieved from <https://www.forbes.com/sites/adp/2018/06/01/science-says-your-employees-need-days-off/#39865dc72218>
16. Kappel, M. (Aug 9, 2017). Five Ways to Reduce Employee Turnover. Forbes. Retrieved from
17. <https://www.forbes.com/sites/mikekappel/2017/08/09/5-ways-to-reduce-employee>
18. [-turnover/#6e76861b5001](https://www.forbes.com/sites/mikekappel/2017/08/09/5-ways-to-reduce-employee-turnover/#6e76861b5001)
19. Lovell, V. (2004). No time to be sick: Why everyone suffers when workers don't have paid sick leave.
20. Mencl, J., & Lester, S. W. (2014). More alike than different: What generations value and how the values affect employee workplace perceptions. *Journal of Leadership & Organizational Studies*, 21(3), 257-272.
21. Stark, L. (February 28, 2019). Paid Sabbaticals for K-12 Teachers? This District Embraces the Idea (Video). *Education Week Teacher*. Retrieved from https://blogs.edweek.org/teachers/teaching_now/2019/02/sabbaticals_are_for_K-12_teachers_too.html
22. Tenn, S. (Feb 23, 2017). What's the Best PTO Policy for Your Business? *Zenefits*. Retrieved
23. from <https://www.zenefits.com/blog/best-pt-policy-employee-time-tracking/>
24. Wolfe, P. (2018, April 4). How Open PTO Makes Life Better for Employees and Improves
25. Productivity. Retrieved from <http://blog.indeed.com/2018/04/04/unlimited-pt-policy-makes-life-better-for-employees-and-improves-productivity/>
26. <http://blog.indeed.com/2018/04/04/unlimited-pt-policy-makes-life-better-for-employees-and-improves-productivity/>
27. Zimmerman, K. (Jul 28, 2016). How Important Are Flexible Time Off Policies to Millennials?
28. Forbes. Retrieved from <https://www.forbes.com/sites/kaytiezimmerman/2016/07/28/>

29. how-important-are-flexible-time-off-policies-to-millennials/#34b88c0a2bf1.
30. DeRigne, L., Stoddard-Dare, P., & Quinn, L. (2016). Workers without paid sick leave less likely to take time off for illness or injury compared to those with paid sick leave. *Health Affairs*, 35(3), 520-527.
31. Glynn, S. J., Boushey, H., Berg, P., & Corley, D. (2016). Fast facts on who has access to paid time off and flexibility. Report, Center for American Progress.
32. Scott, C., Dool, R., & Mancini, D. (2018). THE EFFECT OF PAID TIME OFF FOR VOLUNTEERISM ON ORGANIZATIONAL CITIZENSHIP BEHAVIOR: IS IT INFLUENCED BY NATIONAL CULTURE? *International Journal of Business & Public Administration*, 15(1).
33. Ford, L. R., & Locke, K. (2002). Paid time off as a vehicle for self-definition and sensemaking. *Journal of Organizational Behavior: The International Journal of Industrial, Occupational and Organizational Psychology and Behavior*, 23(4), 489-509.
34. Gould, E. (2015). Millions of working people don't get paid time off for holidays or vacation.
35. Burtle, A., & Bezruchka, S. (2016, June). Population health and paid parental leave: what the United States can learn from two decades of research. In *Healthcare* (Vol. 4, No. 2, p. 30). MDPI.