

# ENGAGEMENT AT WORK: WORKING HOURS, FLEXTIME, VACATION TIME, AND WELLBEING

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## ABSTRACT

Using a sample of 4,894 U.S. Gallup Panel members who work full time, we explored the relationships among employee engagement, working hours, flextime, vacation time, and wellbeing. While engaged workers reported working slightly more hours and taking somewhat more vacation time than their actively disengaged or not engaged counterparts, they were substantially more likely to say that their employer offers “a lot” or “some” flextime to attend to personal matters. We built a statistical model predicting overall wellbeing and found that employee engagement muted the effect of hours worked on overall wellbeing. We also found that while vacation and flextime were associated with higher wellbeing, those who were engaged in their work but took less than one week of vacation had 25% higher overall wellbeing than actively disengaged employees with six or more weeks of vacation.

## OBJECTIVE

The primary objective of this study was to explore the relative importance of employee engagement, working hours, flextime, and vacation time to overall wellbeing. That is, we wanted to understand the relative importance of number of hours worked, flextime allowed, and vacation time taken in the context of an engaging or disengaging workplace.

## METHODOLOGY

### *Database, Sample Characteristics, and Measures*

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This study used data combined from two U.S. Gallup Panel surveys. The Gallup Panel is a nationally representative, probability-based panel of U.S. households that have agreed to participate regularly in Gallup surveys by phone, Web, or mail. The annual Gallup American Workforce Survey includes a measurement of employee engagement, using Gallup’s Q<sup>12</sup> metric, along with detailed questions about the workplace. The Q<sup>12</sup> contains 12 items measuring actionable and performance-related elements of an engaging workplace. These items are scored on a five-point agreement scale, and the composite scale is calculated as a mean of item scores. Gallup uses the scale to categorize respondents as engaged, not engaged, or actively disengaged. The study also asked respondents about the number of hours they typically work in a week, the amount of vacation time they used in the past year, and whether their employer allows them to take “a lot,” “some,” or “very little or no” flextime to attend to personal matters during normal working hours.

Results from the July 2011 study showed that 27% of respondents were engaged, 52% were not engaged, and 21% were actively disengaged. Forty-nine percent worked more than 40 hours per week, while 13% worked more than 50 hours per week. Twenty-three percent reported their employer allows a lot of flextime, 47% said some flextime, and 30% said very little or no flextime. Forty-seven percent of respondents took three or more weeks of vacation in the past year, 8% took six or more weeks of vacation, and 16% took less than one week. Median vacation time was two weeks.

Gallup's Wellbeing Finder assessment is administered to panel members with Web access on a semiannual basis. Gallup designed the assessment to isolate discretionary wellbeing elements that individuals and organizations can act on. Gallup's Wellbeing Finder includes 50 scored questions that produce a composite wellbeing score ranging from 0 to 100. Gallup also scores each of the five wellbeing dimensions (Career, Social, Financial, Physical, and Community) found through factor analysis and scales their scores 0 to 10.

For this analysis, we combined data from the July 2011 American Workforce Survey with the September 2011 Wellbeing Finder assessment, resulting in 4,894 full-time working panel members who completed the wellbeing assessment, the workforce survey, and various demographic and situational questions about their workplace and leisure.

## STATISTICAL ANALYSIS

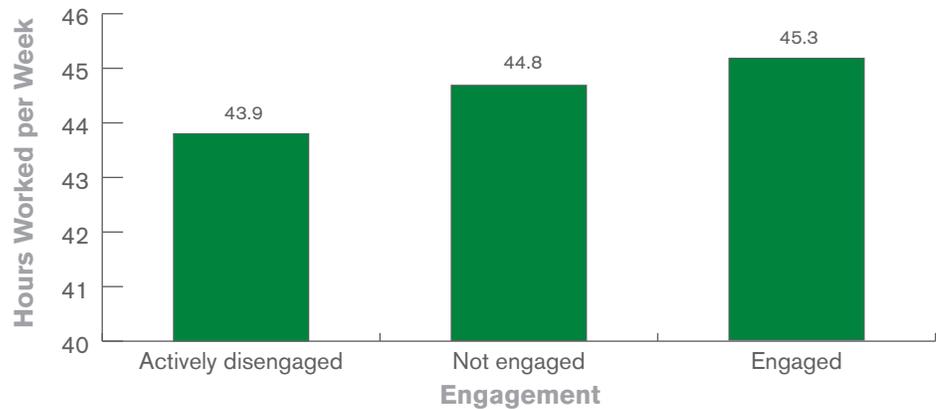
Our primary analyses used linear regression and marginal means to study the relationships among wellbeing, engagement, hours worked, vacation time, and flextime, controlling for demographics (age, gender, education, marital status, race, and income) and other situational factors (time working from home, number of employees in the organization, total number of employees at their location, length of service with the employer, and the percentage of pay considered "incentive-based"). We used the Wellbeing Finder overall composite score (0 to 100) as our primary dependent variable, but we also conducted numerous analyses of elements the Wellbeing Finder contains, including each of the five wellbeing dimensions and daily mood.

## RESULTS

First, we studied the profile of an engaged versus not engaged or actively disengaged employee. Figures 1, 2, and 3 present the marginal means for typical weekly hours worked, weeks of vacation taken in the past 12 months, and the percentage allowed a lot, some, or very little or no flextime. Compared with not engaged and actively disengaged workers, engaged workers reported slightly more hours worked and vacation time taken. They were substantially more likely to report that their employer allows them a lot of flextime.

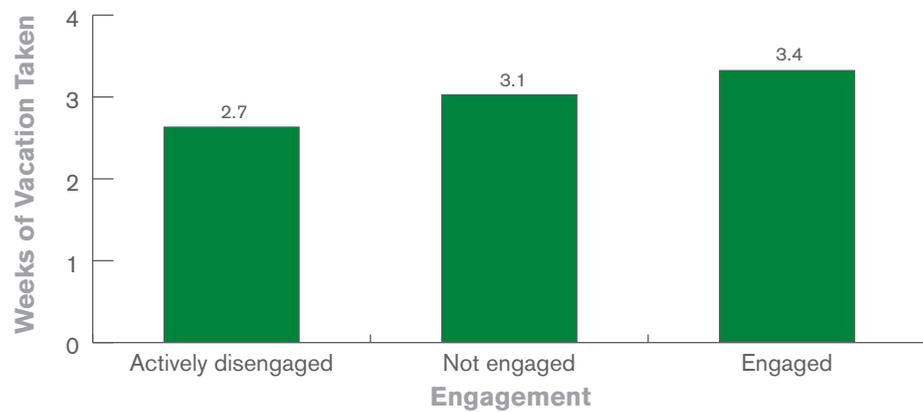
**Figure 1: Hours Worked, by Engagement**

(Controlling for demographics and other situational variables)



**Figure 2: Weeks of Vacation Taken in the Past Year, by Engagement**

(Controlling for demographics and other situational variables)



**Figure 3: Flextime, by Engagement**

(Controlling for demographics and other situational variables)

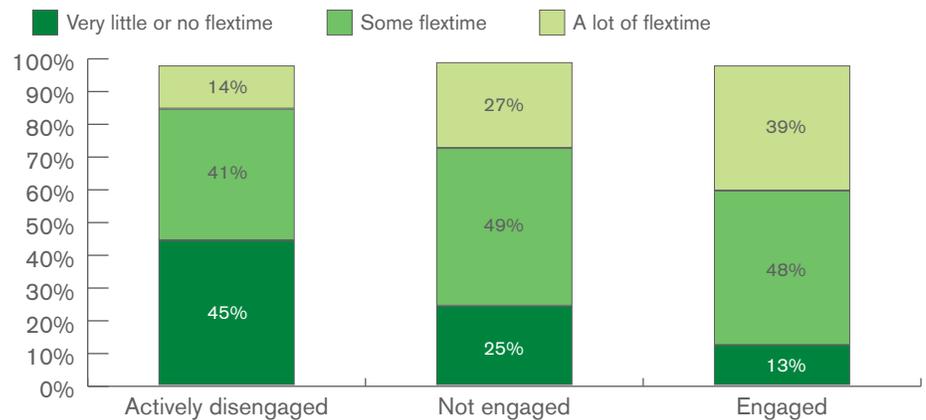


Table 1 provides the primary regression analysis, where the dependent variable is overall wellbeing and the independent variables are the demographics, all situational workplace variables, and employee engagement.

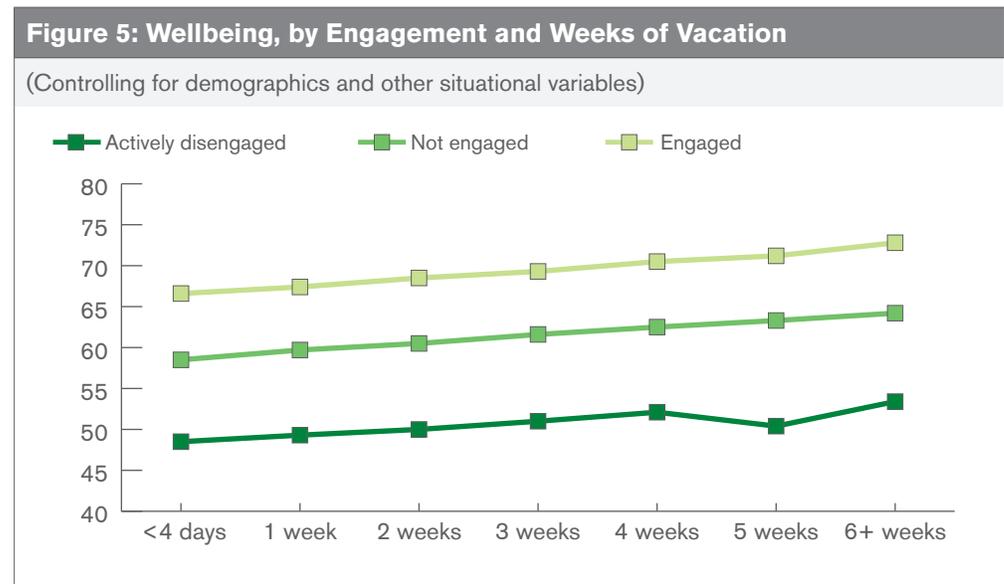
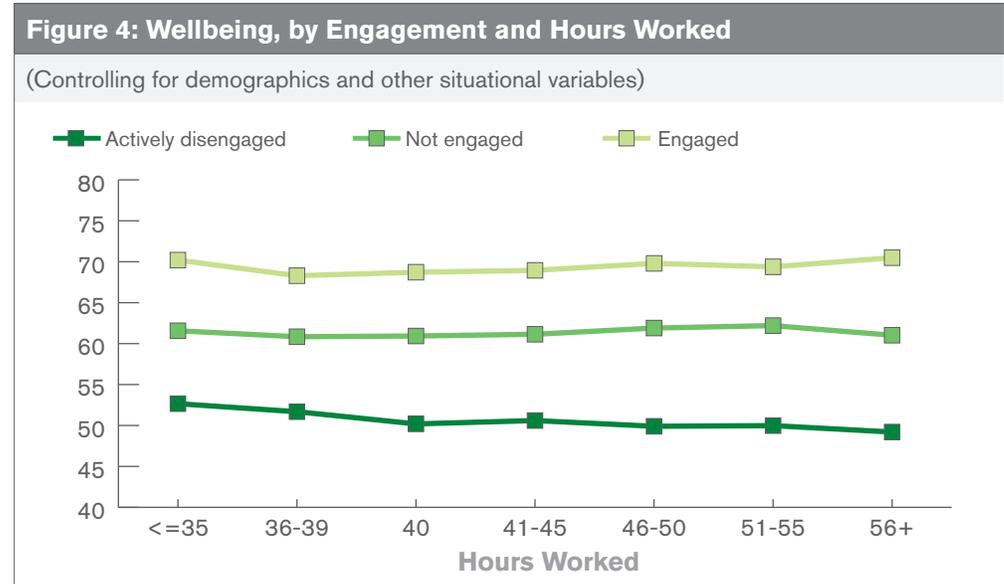
| <b>Table 1: Regression Analysis: Predicting Overall Wellbeing</b> |                             |            |                           |        |       |
|---|-----------------------------|------------|---------------------------|--------|-------|
| Variables in the Multiple Regression Model                        | Unstandardized Coefficients |            | Standardized Coefficients |        |       |
|   | B                           | Std. Error | Beta                      | t      | Sig.  |
| (Constant)  | 19.967                      | 1.834      |                           | 10.889 | 0.000 |
| Age   | 0.063                       | 0.018      | 0.044                     | 3.414  | 0.001 |
| Gender (male=1)   | 0.503                       | 0.364      | 0.017                     | 1.382  | 0.167 |
| Education   | 1.035                       | 0.149      | 0.089                     | 6.962  | 0.000 |
| Marital status (married=1)  | 2.628                       | 0.408      | 0.084                     | 6.448  | 0.000 |
| Race (Caucasian=1)  | -0.062                      | 0.662      | -0.001                    | -0.094 | 0.925 |
| Income in thousands of dollars                                    | 0.044                       | 0.004      | 0.151                     | 10.934 | 0.000 |
| Hours worked per week   | -0.058                      | 0.022      | -0.033                    | -2.625 | 0.009 |
| Time spent working from home                                      | -0.015                      | 0.019      | -0.010                    | -0.796 | 0.426 |
| Total number of employees in organization                         | 0.000                       | 0.000      | -0.020                    | -1.411 | 0.158 |
| Number of employees at location                                   | 0.000                       | 0.000      | -0.001                    | -0.077 | 0.939 |
| Length of service with employer                                   | 0.035                       | 0.020      | 0.023                     | 1.731  | 0.083 |
| Weeks of vacation taken in past year                              | 0.376                       | 0.071      | 0.067                     | 5.295  | 0.000 |
| Amount of flextime  | 0.648                       | 0.256      | 0.033                     | 2.529  | 0.011 |
| Percentage of incentive-based pay                                 | 0.002                       | 0.009      | 0.003                     | 0.261  | 0.794 |
| Employee engagement   | 7.385                       | 0.215      | 0.437                     | 34.301 | 0.000 |

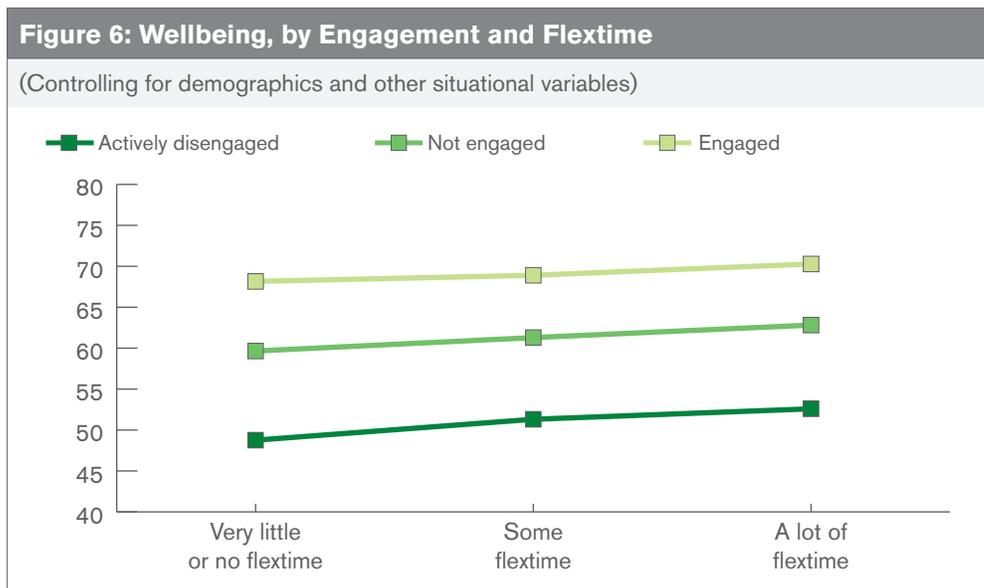
While age, education, marital status, income, hours worked per week, weeks of vacation time taken, and amount of flextime each independently predicted overall wellbeing, employee engagement was by far the strongest predictor in the model. Figures 4, 5, and 6 provide the marginal means for wellbeing for each of the employee engagement categories across variations on hours worked, weeks of vacation time taken, and flextime allowed.

Regardless of hours worked, vacation time taken, or flextime policy, those who were engaged had significantly higher overall wellbeing. While wellbeing declined with hours worked for actively disengaged employees, it appeared unaffected by hours worked for engaged employees. As might be expected, those who reported taking more vacation time had higher wellbeing. This was the case whether the employee was engaged, not engaged, or actively disengaged. However, the combination of being engaged and taking more vacation time corresponded with the highest levels of wellbeing. Of note, for actively disengaged and

not engaged employees, even taking six or more weeks of vacation did not fully compensate for the wellbeing associated with high work engagement, even for those who were engaged and took less than one week of vacation.

While the amount of flextime employees receive was significantly related to overall wellbeing, those who were engaged had the highest wellbeing regardless of flextime policy. Engaged employees with a lot of flextime had the highest levels of wellbeing, while those who were actively disengaged with no flextime had the lowest levels of wellbeing.





**ADDITIONAL ANALYSES**

After controlling for the demographic variables, employee engagement, and other situational variables in the model, hours worked was, in particular, negatively associated with Social, Financial, and Physical Wellbeing. Working more hours was associated with a higher propensity for negative mood, but was not associated with lower positive mood.

Those who took more weeks of vacation scored higher on all five wellbeing dimensions, had more positive daily moods, and had a lower propensity for negative daily moods.

Flextime was positively associated with Financial Wellbeing and Community Wellbeing.

Employee engagement was associated with all five wellbeing dimensions, but it was most highly associated with Career, Social, and Community Wellbeing.

**SUMMARY**

Employee engagement was a much stronger predictor of overall wellbeing than situational or policy-oriented variables such as hours worked, weeks of vacation time taken, and flextime allowed. Engaged employees had approximately 37% higher overall wellbeing compared with actively disengaged employees. In contrast, those who took four weeks of vacation had approximately 7% higher overall wellbeing compared with those who took one week of vacation.

**25%**

**Those who were engaged in their work but had less than one week of vacation had 25% higher wellbeing than actively disengaged employees with six or more weeks of vacation.**

Engaged employees who worked 56 or more hours per week had overall wellbeing that was just as high as engaged workers who worked 40 or fewer hours per week. In addition, engaged workers who worked 56 or more hours per week had 40% higher wellbeing compared with actively disengaged workers who worked the standard 40-hour week.

While Gallup found the highest levels of wellbeing for those who were engaged, took a lot of vacation time, and had a lot of flextime, those who were engaged in their work but had less than one week of vacation had 25% higher wellbeing than actively disengaged employees with six or more weeks of vacation.

Engaged employees were more likely to report their organization allows them a lot of flextime to attend to personal matters, when needed. But the difference in wellbeing between engaged employees with a lot of flextime and those with very little or no flextime was only 2%. The wellbeing for engaged employees with a lot of flextime was 44% higher than that of actively disengaged employees with very little or no flextime.

Numerous prior meta-analytic studies have found substantial relationships between employee engagement and business unit-level performance outcomes. This study focused on wellbeing as the primary dependent variable. While other Gallup studies have also shown that overall wellbeing links to performance outcomes and accounts for performance-related variance beyond that accounted for by employee engagement, it is important to consider the findings of this study within the context of the nature of each specific job and the performance outcomes that are targeted.

The findings from this study suggest the nature of the work environment may take precedence over traditional workplace policies — hours worked, vacation time, and flextime — in affecting overall wellbeing.





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