



Sabbaticals: A New Trend To Prevent Burnout and Resignations

human resources employees

Summary: In an environment where burnout continues to fuel mass resignations, a rising number of organizations are turning to sabbaticals in an effort to hold on to key employees. We discuss the benefits of offering sabbatical leave.

Kit Kat bars were one of the first candy brands to become popular around the world and remain among global candy lovers' favorites. [Named after the Kit Kat Club](#), a pub used as the meeting place for seventeenth-century literary and political associations, Kit Kats were created in 1935 by Rowntree's, a confectionary company in York, England.

The lyrics to Kit Kat's famous marketing jingle, "Gimme a break, gimme a break, break me off a piece of that Kit Kat bar," resonate deeply with society right now, especially those in the workforce.

Over the past few years, a growing number of stressed and burned-out employees have turned to lengthier vacations to temporarily disconnect from work and recharge themselves. Some companies are starting to embrace sabbaticals as a way of holding on to key leaders and executives who might otherwise jump ship to competitors or retire altogether.

Gimme a Break

The COVID-19 pandemic and the subsequent added stress, in addition to the day-to-day demands of work, have created a widespread sense of burnout and spurred many people to re-examine their priorities and seek a change. As a result, last year alone [more than 50MM people left their jobs](#) in search of greener pastures, according to data from the US Bureau of Labor Statistics' Job Opening and Labor Turnover Survey. The trend was a continuation of what was dubbed the "Great Resignation" during the height of the pandemic and marked a record high in resignations for a single year.

Despite the pandemic easing, many people remain burned out and need more than just a week or two off work. The result has been a rise in sabbaticals — extended work breaks that last a few months or longer — within the work world. According to payroll processor Gusto, approximately [6% of employees took sabbaticals in January 2022](#), roughly double the rate from January 2019.

LinkedIn has already seen more than half a million people switch their statuses to indicate that they are on a career break since the option was introduced in March 2022. Not surprisingly, women, many of whom bore the brunt of childcare and family care responsibilities throughout the pandemic, are most likely to take sabbaticals, particularly those between the ages of 25 and 44.

Changing Attitudes

While sabbaticals have traditionally been looked down upon by employers, things are changing. Some employers are coming to the realization that extended breaks can not only be a good way to retain key senior employees by giving them time to recharge themselves, but sabbaticals are also a way to enhance an organization's succession planning.

According to the Sabbatical Project, a research organization dedicated to sabbaticals founded by senior lecturer DJ DiDonna at Harvard University, [80% of people who go on sabbatical ultimately return to their employers](#). Since employees who return from sabbaticals often do so with a renewed focus on their work, or even new inspiration and ideas, more employers are starting to embrace providing this benefit. Approximately [5% of employers now offer paid sabbaticals](#), while 11% of employers offer unpaid sabbaticals, according to the Society for Human Resource Management.

In some instances, sabbaticals can even involve training or certifications for employees looking to broaden their skill sets. While there are multiple types of sabbaticals that people can take — from extended global travel to just taking a few weeks off to unplug — [research from Harvard Business Review](#) found that people who take sabbaticals typically return to work with added confidence, a clearer sense of purpose, and renewed enthusiasm and energy.

The Financial Industry’s Take

Several financial institutions are adding sabbaticals into their offerings as well, which also has the added benefit of strengthening recruiting efforts. Bank of America, for example, began offering four-week paid sabbaticals this year to employees who have been with the company for 15Ys or longer, with the length of sabbaticals increasing up to six weeks for anyone employed by the bank for at least 30Ys. Within six months of the benefit being offered, [5K employees had already taken sabbaticals](#).

Bank of America employees can take two sabbaticals during their time with the bank, which is on top of their standard paid time off eligibility. Citibank and Goldman Sachs are also offering sabbaticals. Citibank is allowing employees of 5Ys or more to take up to 12 weeks of sabbatical, during which time they receive only 25% of their salary. Meanwhile, Goldman Sachs is offering employees of 15Ys or more six weeks of unpaid sabbatical leave, with an additional two weeks for every 5Ys of tenure beyond that.

The key to making sabbaticals work, however, is to encourage employees to take them before they have reached the breaking point in their jobs, as people who take extended sabbaticals after they have already burned out don’t necessarily return to that employer. For those who do return, organizations should be open to allowing these people to try out new roles. Additionally, sabbaticals can be a good way to start feeling out how other employees might fit into a key person’s role while they fill in for the person taking a sabbatical.

With many people still feeling the effects of pandemic-related stress and an increasing number feeling so burned out from work that resignations continue to soar, sabbaticals are an attractive option for employers and employees alike. Giving people adequate time to decompress and disconnect from work can not only lead to happier, more energized employees, but it can be a good way for employers to attract new candidates and hold onto key personnel.

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ECONOMY & RATES

Rates As Of: 07/31/2023 03:16PM (GMT-0700)

Treasury	Yields	MTD Chg	YTD Chg
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3M	5.55	0.12	1.13
6M	5.53	0.06	0.77
1Y	5.36	-0.03	0.66
2Y	4.88	-0.02	0.45
5Y	4.18	0.02	0.18
10Y	3.96	0.12	0.08
30Y	4.01	0.15	0.05
FF Market		FF Disc	IORR
5.33		5.50	5.40
SOFR		Prime	OBFR
5.30		8.50	5.32

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