



## Holiday Bonuses & Perks

In December 2018, EGIA surveyed its network of contractors on Holiday Bonuses & Perks. This is a summary of the results.

## Holiday Bonuses & Perks

The holidays are just in the rearview, and we've officially said goodbye to 2018. Did bonuses and holiday parties for employees play a role in your end-of-year wind-down? How did your company use the season to make an impression on its team? In last month's Snapshot Survey, we asked contractors all about holiday bonuses and perks to learn what practices are being implemented across the industry – and why.

## Learn More About Related Subjects

To learn more about service department management, human resources principles, and other related topics, visit the EGIA Contractor University Contracting Best Practices Library to access resources like templates, videos and more.



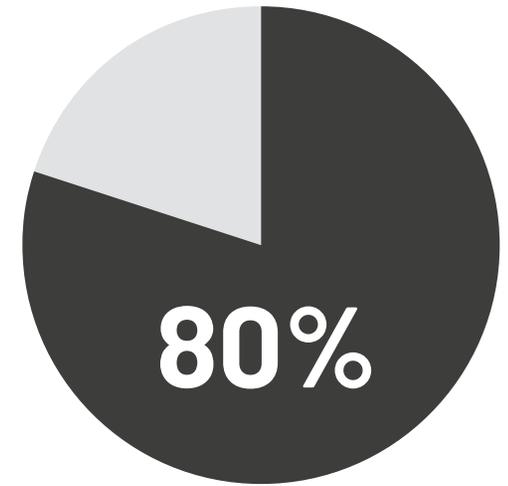
You can learn more about the EGIA Snapshot Survey program at:

[www.egia.org/Snapshot-Surveys](http://www.egia.org/Snapshot-Surveys)



## Does your company give employees a holiday bonus?

One of the most common financial perks across all industries is the holiday bonus – at its best, a show of appreciation for employees at a time of year when it seems most appropriate. But how common is it in our industry, which already tends to feature a number of sales and other performance spiffs and bonuses? According to our respondents, **80%** of companies offer holiday bonuses of some sort to employees, against **20%** that do not. As seen in the next question, a number of different factors go into holiday bonuses, but at its core, the basic idea is to show employees that the value they bring to the team does not go overlooked. For some companies and some employees, that comes in the form of cash.



**OF COMPANIES GIVE EMPLOYEES A HOLIDAY BONUS**

“ We give each employee \$250 Holiday Bonus and managers receive \$500. Also, we allow everyone to use PTO and take as much time off around the holidays as they want. ”

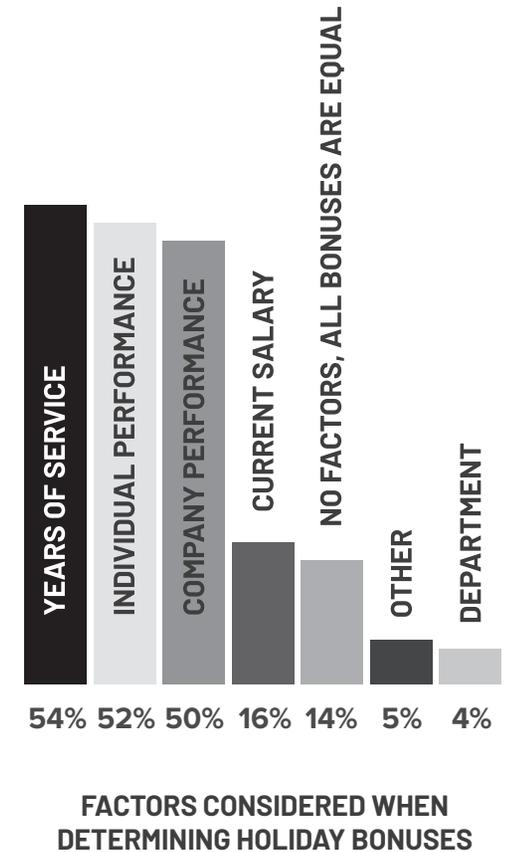
- HVAC Contractor in Texas





## Which factors are considered when determining holiday bonuses?

As indicated in the previous question, eight out of ten surveyed contracting companies give their employees a holiday bonus. So how are those companies determining bonuses? Most cited years of service (**54%** of respondents), followed closely by individual performance (**52%**) and company performance (**50%**). Another oft-cited factor was the bonus recipient's current salary (**16%**), while **14%** of respondents said there essentially were no factors – all holiday bonuses given out are equal. While “years of service” is a rather straightforward measure, some other factors, such as company or individual performance, can be determined using a number of different methods. The most commonly mentioned measures included earnings before interest and taxes (EBIT) on the company level, while “individual performance” ranged from personal financial impact on the company to a bonus structure tied to overtime hours worked.



“ As far as bonuses the owner uses longevity and personal success or failures. Its mostly subjective to how the individual does throughout the year. How well the business did in the past year helps. The bonuses are paid out in the first week of December rather than just before the 25th. ”

- HVAC Contractor in Texas





## Does your company give employees holiday gifts (in addition to or in lieu of a bonus)?

Of course, being the holidays, the season is synonymous with gifts, too. Those surveyed indicated that **44%** of companies do a physical gift – either in lieu of or in addition to a financial bonus. The idea of handing someone a check or exact amount of cash can be a little tricky for some companies, who don't want employees comparing values – among other potential issues – so some prefer the idea of a tangible gift. While the majority of companies in our survey don't do gifts, the most common types of gifts named by companies who do, in order, were gift cards, work-related tools/equipment and food. The most common values were \$0-\$50 and \$101-\$200 – both ranges cited by 23% of respondents. Interestingly, one out of ten companies who do gifts base even the value of the gifts on the amount of the recipient's salary.



# 44%

OF COMPANIES GIVE EMPLOYEES HOLIDAY GIFTS (IN ADDITION TO OR IN LIEU OF A BONUS)

“ We give holiday gifts of tools/work-related items and a restaurant gift card as well as a holiday bonus based on individual employee performance and overall company performance. Our holiday party is usually during the workday consisting of a lunch and then the rest of the day off after the holiday party. ”

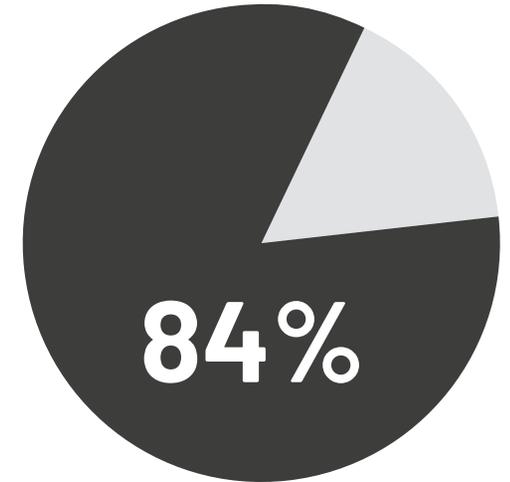
- HVAC Contractor in Arizona





## Does your company have a holiday/end-of-year party?

While not every person celebrates the same holidays – or a December holiday at all – the end of the year is still a popular time for a company party. That was borne out by respondents, **84%** of whom said their company throws a party for employees around that time of year. Of course, with many employees having children and families, scheduling a party can be mysterious work – many desire a night out with their spouse and coworkers, while others would prefer to skip the babysitter and keep work events during work hours. Among companies that have holiday parties, nearly 70% hold them on weeknights or weekends, while about one in three companies opt to do an event during what would be considered standard work hours.



**OF COMPANIES HAVE A HOLIDAY/END-OF-YEAR PARTY**

“ Our company has a number of people who do not celebrate the traditional 'holidays.' Therefore we have a 'winter party' in January and do quarterly performance bonuses in order to reward our staff regardless of season or religious affiliation. ”

- HVAC Contractor in British Columbia





## Which of the days during the holidays are paid days off?

Finally, with a number of prevalent holidays and holiday-eves falling in a short period of time, we asked contractors how their company handles days off. Nearly all – **94%** – give employees Christmas Day off, while the second-most popular day-off was Christmas Eve, at **30%**. Of the companies that do work on December 24 and 31 – Christmas and New Year’s Eves – many mentioned only working half-days. Also, a number of companies said that they require employees to work their regularly scheduled day before and after the holidays in order to receive holiday pay, a common practice in a number of other hourly-wage industries and jobs.



**PAID DAYS OFF DURING THE HOLIDAYS**

“ All employees are off on 24th and 25th. The service dept. splits Friday before Christmas and Christmas Eve. We rotate the same for Thanksgiving, but everyone gets two days off. ”

- HVAC Contractor in Alabama

