



Snapshot Survey Results Report

—*Full-Time versus Part-Time Employees*—

August 2015



Full-Time versus Part-Time Employees

ISPA Snapshot Survey | August 2015



Monthly Snapshot Surveys provide ISPA members with a valuable look into the state of the spa industry, spa industry trends and also help to identify the needs of spa professionals. Snapshot Surveys are conducted on the third Friday of each month, with full results provided only to respondents two weeks from the release date of the survey. Knowledge is a valuable tool and these quick surveys provide a wealth of information shared by ISPA's members. In August we asked our members to tell us about how they approach their employees with regards to full- and part-time status.

The headline numbers reveal an industry that provides employment for many people on a part-time basis, but that is also generous when converting to full-time. By a considerable margin the most common cut-off point between the hours someone must work before being considered full-time is 30 per week among all ISPA spa members. In day spas, 42 percent of responders consider an employee to be full-time at that point, just ahead of the 40 percent of resort spas that agreed. At day spas, the second most common cut-off point is 35 hours per week – still somewhat below the traditional 40-hour working week. For vendors, 59 percent expect a minimum of 40 hours per week from full-time staff.

Staffing at spas appears to be fairly evenly split between full-time and part-time staff. In day spas, part-time and full-time staff are split 48 percent to 46 percent, while at resorts 49 percent are part-time and 43 percent are full-time. Contract employees form less than 10 percent of spa staff.

One particularly interesting statistic that this month's survey revealed is that 15 percent of all spa respondents cut the number of hours required to be considered full-time, more than double the 7 percent that increased required hours.

In terms of staff benefits, most are more readily-available to full-time rather than part-time staff. Health insurance is now made available to 90 percent of full-time staff and 71 percent offer life insurance. Meanwhile, 73 percent of spa respondents offer full-time staff a 401(k) retirement plan and almost all offer full-time and part-time staff discounts on retail products. Employee Assistance Plans are the least popular benefit, offered by less than half of all spas.

The results analysis includes answers from all respondents who took the Snapshot Survey in an eight-day period from Friday, August 21, 2015 to Friday, August 25, 2015. During this time, 265 ISPA members responded to the survey. The categories "all spas" and "ISPA spa members" referred to within this report include data from all spa respondents (day, resort/hotel, medical and destination spas). Only one set of the various financial performance question responses per company are included in the results. If more than one individual per company submitted information, the primary member's data was used. The data gathered from previous quarterly ISPA Snapshot Surveys is also included within the following charts to allow for easy comparison.

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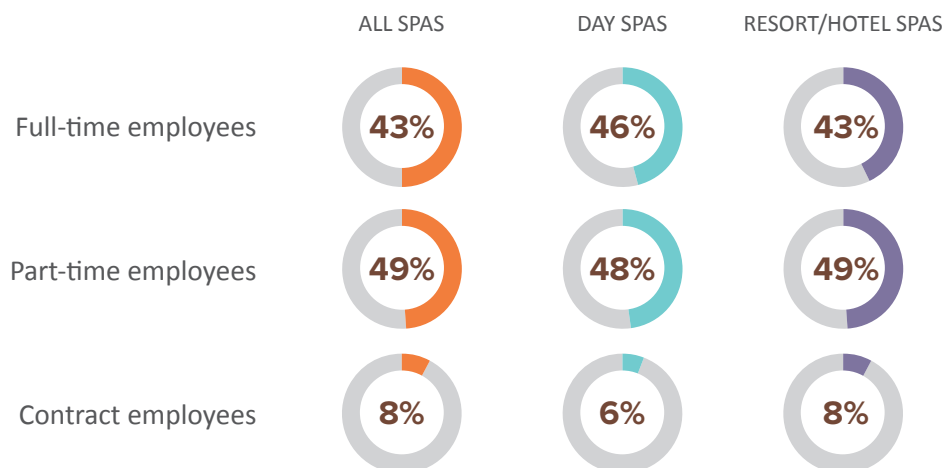


ISPA SPA MEMBERS

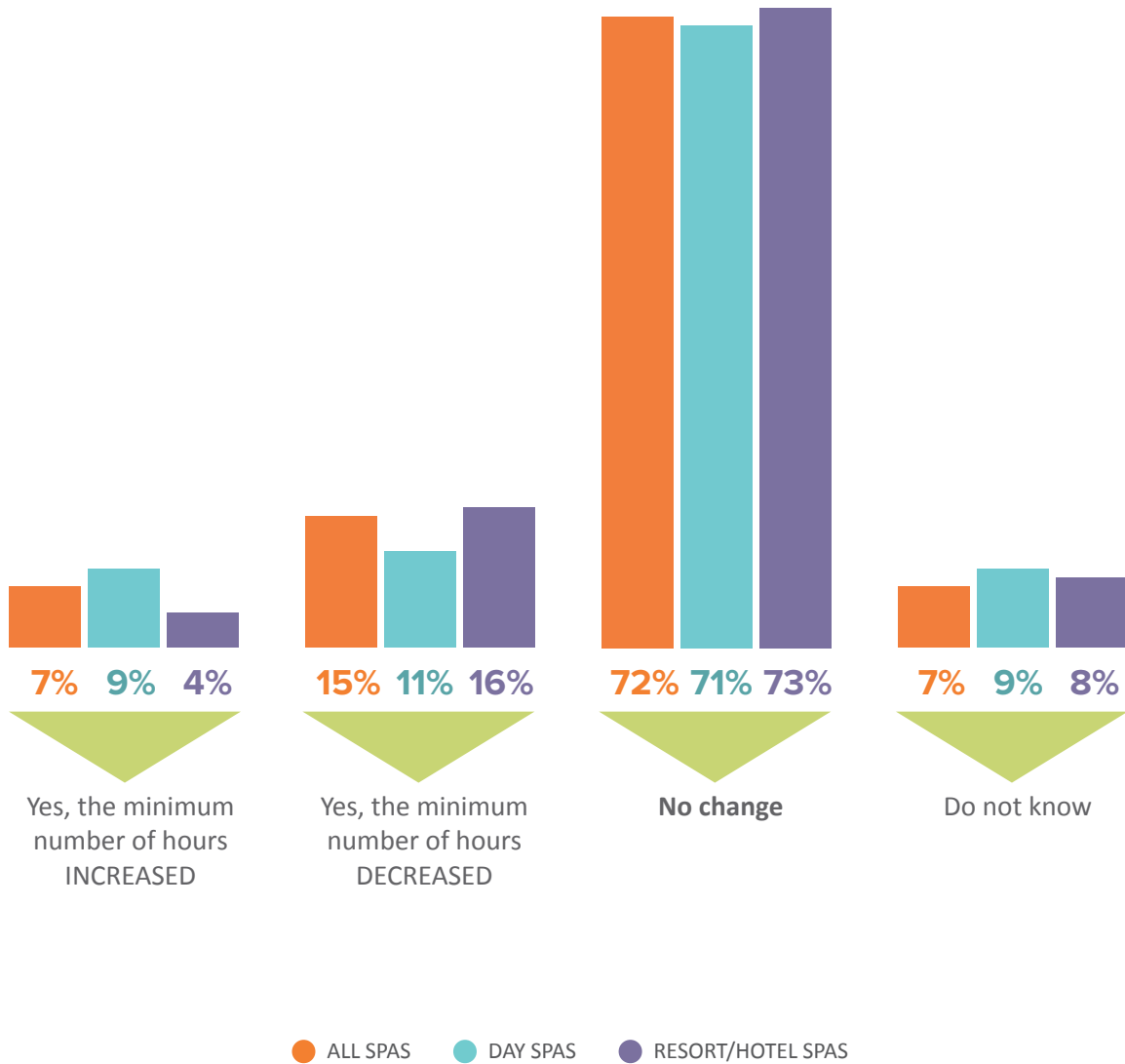
What is the minimum number of hours a service provider employee (i.e. massage therapist, esthetician, etc.) has to work in order to be considered a full-time employee at your company?

HOURS	ALL SPAS	DAY SPAS	RESORT/HOTEL SPAS
40	10%	7%	10%
39	0%	0%	0%
38	2%	0%	3%
37	1%	4%	0%
36	4%	7%	3%
35	8%	20%	3%
34	2%	0%	3%
33	1%	0%	8%
32	23%	9%	29%
31	1%	0%	2%
30	42%	42%	40%
Less than 30	7%	11%	7%

What percentage of your spa's employees are full-time, part-time and contract employees?



Has your company changed the minimum number of required hours worked necessary to meet full-time employee status within the past two years?



Respondents were asked to describe the change(s) their company implemented in regards to the minimum number of hours required to meet full-time employee status. A sample of the responses is provided below.

- 30 hours a week was too strenuous for our therapists to be expected to work and we found our therapists were overworking themselves and getting injured to keep the status of "full-time," we changed the full-time criteria to 28 hours/week.
- Change was due to new Obama healthcare regulations, stating full-time was now 30 hours or over, as opposed to previously over 32 hours.
- During summer months the minimum hours to maintain full-time status became 25 due to slow times and employees won't lose benefits.
- From 36 to 32 hours. . . The physical nature of a therapist makes it difficult to do 36 hours weekly of massage.
- Full-time therapists' hours were reduced from 35 to 32 for their welfare and to maintain the quality of services.
- Originally it was 32 hours. We lowered the requirements to 28 because it was too taxing on the massage therapists and estheticians (as well as the restaurant servers) to try to maintain that kind of a work schedule. We were concerned about burn-out and/or injury.
- Our full-time minimum was 35 hours, but massage therapy is very taxing on the body and we wanted to be more realistic about what that means for our team.
- The minimum number of hours increased from 30 to 32. We are managed by a large corporation and I believe the change brought us in to line with their requirements.
- Therapist requirement was 24hrs per week and dropped to 20hrs per week to help more of our staff qualify and utilize a great benefit. It only brings more value and loyalty to their jobs.
- Therapists have to work 4 days a week with a five-hour shift minimum to be considered full-time.
- We always required a 40 hour work week and then discovered the need to change as many other employers gave benefits for 32 hour work week. Although we do not directly compete with these other industry employers we uncovered that more and more employees wanted less work hours but more benefits and it was our way of meeting their needs but within our limits.
- We increased the minimum number of hours required to meet full-time employee status from 32 hours to 34 hours per week.
- We lowered the full-time hours required so that we could include a few staff members in our benefit programs and extra services they get for being full-time. Mainly to avoid burnout and injuries but still provide a career.

Which of the following benefits are offered to your company's full-time and/or part-time employees?



401(k) plan

FULL-TIME	PART-TIME
73%	22%
52%	21%
81%	24%



Bonus plan

FULL-TIME	PART-TIME
41%	16%
52%	25%
36%	13%



Discount program on retail products

FULL-TIME	PART-TIME
93%	82%
96%	77%
94%	85%



Discount program on treatments

FULL-TIME	PART-TIME
87%	77%
86%	71%
88%	79%



Employee Assistance Plan (EAP)

FULL-TIME	PART-TIME
48%	34%
25%	14%
57%	41%



Flexible work schedule

FULL-TIME	PART-TIME
61%	60%
68%	57%
57%	60%



Health insurance

FULL-TIME	PART-TIME
90%	9%
73%	5%
97%	10%



Life insurance

FULL-TIME	PART-TIME
71%	10%
39%	9%
83%	9%



Paid education/training

FULL-TIME	PART-TIME
82%	49%
86%	52%
82%	46%

● ALL SPAS ● DAY SPAS ● RESORT/HOTEL SPAS



Paid holidays

FULL-TIME	PART-TIME
76%	21%
64%	21%
81%	20%



Paid sick leave

FULL-TIME	PART-TIME
66%	22%
52%	18%
72%	21%



Paid vacation

FULL-TIME	PART-TIME
92%	23%
86%	23%
95%	23%



Short/long term disability insurance plans

FULL-TIME	PART-TIME
65%	18%
41%	16%
73%	16%

● ALL SPAS
 ● DAY SPAS
 ● RESORT/HOTEL SPAS

Respondents were asked to describe any new benefits their company added to its offerings for full-time service provider employees within the past twelve months. A sample of the responses is provided below.

- 401(k).
- 401(k) matching.
- Ability to opt in to AFLAC supplemental insurance at a discounted club rate.
- Aflac.
- Bike and bus to work reimbursement.
- Bonus tied to specific performance/goal.
- Company paid Continuing Education Classes (CEU Hours) required by the state for therapists to renew their various licenses.
- Complementary health screening.
- Employee Massage Rate at \$50 for a 50 minute session, \$75 for an 80 minute session.
- Employee meals, golf privileges.
- Employees received extra PTO making 32 hours and they can use the hours to supplement their check.
- Financial counseling — new extension to existing EAP.
- Flexible Medical Spending account.
- Free meals in our cafeteria.
- Health insurance.
- Increase in 401(k) match.
- Legal services through Legal Zoom, discounts to various theme parks, gyms, etc.
- Life insurance as well as short/long term disability.
- Non-medical leave of absence.
- Outside training about TCM.
- Paid CEU training.
- Psychologist, nutritionist, physician, dentist.
- Sales incentive plan.
- Spa conferences/meetings.
- State law has instituted paid sick time.
- Virgin Pulse Health Program.

- Wage structure adjustment for 2 years of consistent employment.
- We are in the process of adding supplemental insurance.
- We have expanded our employee special events, targeted training and cross training.
- We have incorporated a bonus structure.
- We reimburse education at 100% as long as it is job related; we formally offered 50% reimbursement.

Respondents were asked to describe any new benefits their company added to its offerings for part-time service provider employees within the past twelve months. A sample of the responses is provided below.

- 3 paid days of sick pay per year.
- 401(k) after 1 year PT.
- Ability to opt in to AFLAC Supplemental insurance at a discounted club rate.
- Aflac.
- California required sick pay of 24 hours annually.
- Company paid Continuing Education Classes (CEU Hours) required by the state for therapists to renew their various licenses.
- Discounts at other resorts.
- Employee massage rate at \$50 for 50 minutes, and \$75 for 80 minute treatments.
- Financial counseling — new extension to existing EAP.
- Free meals in our cafeteria.
- Golf privileges.
- Healthy Workplace Sick Pay.
- Increase in 401(k) match.
- Legal services through Legal Zoom, discounts to various theme parks, gyms, etc.
- Paid CEU training.
- Paid sick leave.
- Paid training and paid holidays.
- Part-time employees receive 3 paid days a year.
- Part-time employees can now earn paid time off.
- Sales incentive plan.

- Sick pay: part-time employees earn one hour for every 30 hours worked up to 5 full days per year.
- The ability to accrue sick pay whenever you exceed 30 hours in a week.
- Use of fitness facilities.
- We did add some pool passes for family to part-time employees after so many years of employment.
- We have a points program for full-time and part-time employees that allow people to earn free treatments or a 1/2 paid day off or some delicious chocolate.
- We have expanded our employee special events, offered more targeted training, offered cross training.

Respondents were asked what they consider to be the most valuable employee benefit their company offers. A sample of the responses is provided below.

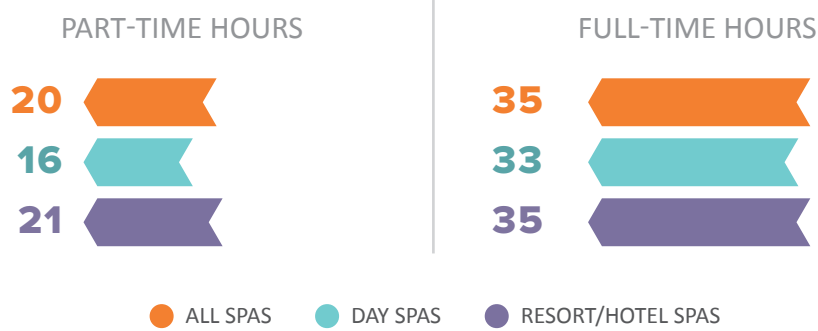
- 401(k)(5).
- 401(k) and health insurance are two things that our staff most appreciates.
- 401(k) and health insurance for obvious reasons.
- 401(k) and medical.
- 401(k) and vacation time off, PTO and holiday pay.
- 401(k) for full-time employees.
- 401(k) plan and health insurance.
- 401(k) with match.
- 50% of individual health and dental coverage.
- A comprehensive health insurance plan with different coverage options to help keep costs affordable.
- Aflac supplemental insurance.
- Airplane ticket to hometown and the possibility to stay for free in all the hotels around the world that are part of our chain.
- All employees are able to take advantage of the amenities and services that the hotel and spa have to offer — including dining in the restaurant, spending the night at the hotel, taking yoga and fitness classes, and having spa services. However, in order to do so, they must be in good standing and it is based on occupancy and availability.
- Besides the free employee dining room it has to be our benefits package.
- Child care/senior care service.
- Commission plans and automatic service charges.
- Company benefits — travel, food, spa, and retail discounts for all employees.

- Complimentary services and at cost retail products and flexibility with schedule.
- Discounted product and services.
- Discounted treatments and products, education.
- Ecompass — public transportation pass.
- Extremely flexible to personal lives, children, time off, sick leave.
- Flex-time and medical insurance.
- Flexibility, Employee Discounts
- Flexible hours, nurturing environment, good leadership.
- Flexible schedule (4).
- Flexible schedules — free hotel rooms.
- Flexible schedules, time off, vacations, they have a full life that they desire working with us. We do not own their time like other spas.
- Flexible work schedule with only four 8 hours days required for full-time.
- For our service providers we provide complimentary modality training in which they are paid for their time and receive CEUs resulting in them increasing their potential for money, making money and saving money.
- Free accommodation in all FS Hotels.
- Free lunch to all employees; full-time & part-time.
- Free massage or facial for full-time employees, discounted massage or facial for part-time employees.
- Free stays on property each year of service. The employees are treated exactly like our guests.
- Generous bonus and commission structure giving every employee the opportunity to earn additional income on a high fixed base pay.
- Health and well-being program.
- Health benefits (4).
- Health benefits and 401(k).
- Health benefits, staff housing (being in a resort town housing is very very challenging to find).
- Health care at a very reasonable rate considering the average.
- Health, dental, vision insurance.
- Health insurance (17).
- Health insurance — although many full-time providers refuse it and do without insurance.
- Health insurance and 401(k) matching program.

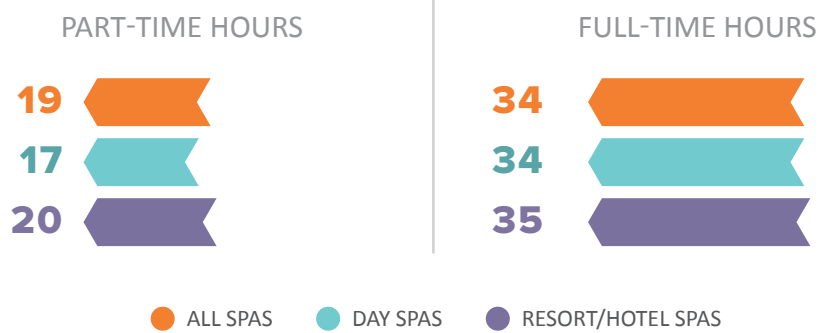
- Health insurance and paid birthday.
- Health insurance and paid holidays.
- Health insurance and PTO.
- Health insurance that includes family, retirement investing and hotel discounts.
- Health insurance, 401(k) (all for full-timers), and for spa providers in particular the paid education for part- and full-timers.
- Health insurance, 401(k), paid short-time disability.
- Health insurance, 401(k), quarterly bonuses.
- Health insurance, as many service providers choose to work here for this reason.
- Health Insurance, Paid Time Off Program (15 days for 1st year employees, 20 days for 1st year executives).
- Health insurance. We offer a good insurance plan at a very low cost to the employee, with the company picking up most of the premium.
- Health insurance/vacation time and sick time.
- Healthcare and treatment/product discounts.
- Healthcare plan.
- Hotel comp nights.
- Hotel perks and \$1 lunch.
- I find many employees are thrilled with having lunch/dinner available at no cost to them. Spa employees enjoy product discounts.
- If an employee's scheduled provider is not available they can contact the company's care provider up to 15 times a year to assist with care for a nominal fee.
- Insurance and discounts.
- Insurance, discount tickets, training.
- Life insurance and Fondo De Ahorro Empresa.
- Medical & bonus plan.
- Medical and vacation.
- Medical insurance.
- Paid medical/dental benefits.
- Paid time off.
- Paid Time Off (average 17 days off per year), amazingly priced health plans.
- Paid time off and discounted parking at our location which is downtown.

- Paid training.
- Paid vacation.
- Paid vacation and sick time.
- PTO program: paid time off. We do not distinguish between Sick, Vacation or Holiday pay. FT employees get a "bucket" of 24 days a year (as a start) to use whenever and however they would like, with manager approval for time off. That also means there is no "time-and-a-half" for a holiday they may have to work. Employees love the flexibility!
- Spa services at cost.
- Subsidized housing. We live in a remote community and without subsidized housing it is difficult to find and keep staff.
- The ability to eat for free our organic raw meals and organic green juice twice a day, and organic wheatgrass.
- The flexible scheduling, health insurance and paid vacation/holiday/sick leave. We also offer discounts to other hotels and the associates really appreciate that benefit when traveling.
- Trading services.
- Training.
- Travel discounts at other resorts in company portfolio.
- We do monthly department meetings, monthly meetings with the General Manager in a round table, weekly checks with our HR team to get a feel for how everyone is doing. A true open door policy where we are doing our best to support the employees.
- We pay up to \$1,000 per colleague for continuing education credits.
- We teach our employees the importance of planning and the 401(k) is something we feel is a string investment into our team. We were able to match 5% for several years but we have pulled back in the match for a while to recover. What I think our employees feel is most valuable is the vacation or sick time. Knowing they have peace of mind having paid time off.

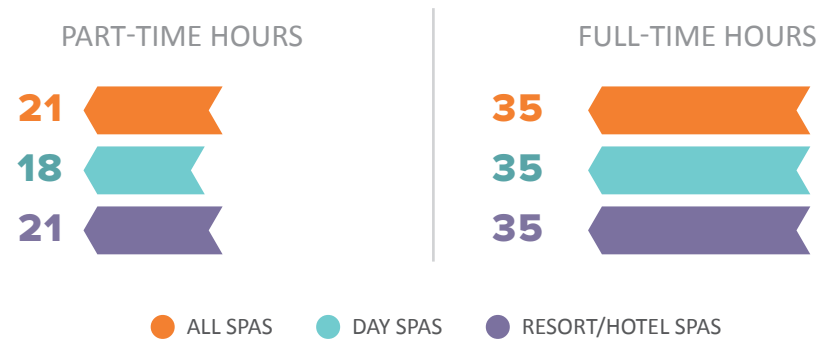
On average, how many hours do your part-time and full-time massage therapists work per week?



On average, how many hours week do your part-time and full-time estheticians work per week?



On average, how many hours do your part-time and full-time nail technicians work per week?



Respondents were asked what they consider to be their company's greatest challenge when it comes to setting/managing the schedules for service provider employees. A sample of the responses is provided below.

- Accommodating demand — need therapists with flexible schedules; long gaps in between treatments.
- Accommodating for last minute bookings. Every year, more and more clients book so last minute. We don't have contracted employees so it's hard to have someone "on-call."
- Accommodating time off requests.
- Adjusting to the changes they need seasonally due to school or children's needs.
- At this particular spa it's having too many employees off on Sundays. Other than this it is smooth. We are rotating Sundays off for full-time employees.
- Attending meetings and trainings.
- Availability for part-time therapists.
- Balancing flexible work schedule with needed coverage.
- Balancing their other commitments/private clients with our business needs.
- Being able to accommodate same day business demands.
- Being consistent and fair.
- Booking patterns.
- Calling people off when business levels are low.
- Communication: we have over 50 diverse service providers, many who have their own practices as well.
- Consistency and resources on weekends. Limited rooms.
- Coverage on certain days of the week.
- Covering FMLA/last minute call outs.
- Different staff have different needs i.e. lunch break duration, length of work day, plus California has specific requirements related to timing and duration of breaks.
- Dual therapist requests.
- Employed individuals who were used to the contractor style of scheduling. They don't like someone else having control of their schedule when they were used to incredible flexibility.
- Employees working other jobs and trying to work around those schedules.
- Ensuring we have full coverage as well as working with family schedules and kids schedules.
- Everyone wants evenings and weekends off as well as vacation requests in excess.
- Fairness in scheduling as some days are very slow. I've asked each therapist to choose 2 days off mid-week in order to ensure more fairness during slow times. Weekends are fully staffed.

- Finding closers and those willing to work Sunday.
- Finding coverage for time off requests.
- Finding coverage, getting them to work when we are open for special events.
- Finding the balance of a schedule that the staff WANTS and the business NEEDS. Given the opportunity most staff would work a mid-shift but that would destroy our resource utilization and hurt our revenues significantly.
- Forecasting business demand and managing payroll as it's a day to day variance and based on so many different variables.
- Frequent changes to accommodate their requests.
- Getting them to understand how important it is to have the greatest level of employee coverage for every shift. Each open treatment room is lost revenue.
- Getting them to work evenings and weekends it's our busiest time and we sometimes turn away guests because we have no providers available.
- Having adequate staff to accommodate the business needs.
- Having enough appointments to keep them busy.
- Having enough booked apts.
- Having enough staff on holidays.
- I need more tech.
- I would say the most challenging part about scheduling is trying to gage the business while scheduling accordingly and maintaining morale.
- Illness and family emergencies.
- In our area — having enough therapists on Sunday is our biggest challenge — especially Sunday AM.
- Inconsistent business levels.
- It seems like we are constantly searching for schedule coverage; with so many full-time employees wanting to make use of their benefit time (vacation, personal days, holidays, sick days) it just seems like we are always scrambling to find coverage.
- It's incredibly difficult to engage and retain part-time employees because they are only there every so often and regularly work multiple jobs.
- Keeping appointments booked to enable them to make a decent living.
- Keeping the schedule open to capture business while controlling payroll costs for the bottom line. Keeping staff happy with a work life balance while meeting the demands of our guests.
- Keeping them engaged and committed to their schedules with minimal changes; understanding we are a service business and need to schedule to the needs of our guests, not the employees' personal preferences.

- Keeping therapists productive, managing payroll costs while still having therapists available for day off call in or walk-in appointments.
- Lack of flexibility with schedules; full-times consistently want a 4-day per week 32-hour schedule.
- Long hours as the customs appointment is not in our control.
- Maintaining a full book for the provider and having them work at filling their book as well.
- Making sure they get coverage (just got stricter about this) when they take off and that they make sure their clients/guests will go to the stand-in for that shift(s).
- Meeting guest demand week by week since it shifts due to occupancy and expected holidays.
- Meeting the minimum threshold of 32 hours to obtain full-time status without overworking the therapists.
- Most of our staff is on call and has limited availability because they are working at several other locations. To have them be 100% committed to our spa is difficult because we do not offer many full-time positions nor would we be able to offer that status to everyone being a seasonal hotel.
- Most of them want AM shifts.
- Most therapists prefer a set schedule, understandably.
- No challenge as we are a unionized spa and schedule bids are done every 6 months.
- No hourly pay while on clock without a service.
- Nobody wants to work Saturdays yet it is the busiest day of the week so everyone has to work Saturdays. Would like to open Sunday's but again no interest in working this day, and don't want to cannibalize Saturday by giving staff that day off for working Sunday.
- Not being able to express the importance of keeping a solid set schedule for a LONG period of time to the tech.
- Not enough additional staff to cover other providers' time off requests that if approved would result in loss of revenue.
- Only find independent contractors challenging.
- Our industry needs are changing. We had more of a need for coverage in the evenings and Saturdays a few years ago, and now that has shifted for us. Clients dictating the times they wish to reserve appointments is the number one challenge, our team is flexible.
- Requiring everyone to work one weekend shift.
- Schedules vs. transportation, due the hotel's location.
- Scheduling providers during our peak times to accommodate guests in a way that also accommodates our providers schedule restrictions.
- Scheduling to meet the demands for services at "peak" times of day, week and year.
- Seasonal business, balancing the books to be fair to all providers.
- Seasonality of our business creates poor retention.

- Seniority. Newer hires get busy if we are busy enough, and get called off if not. It's difficult to make them commit to shifts if they are called off often during slow times.
- Service providers always want off and do not want to find coverage for the shift.
- Staff not being flexible with changes in schedules due to the nature of the spa industry.
- Team member's flexibility. In our industry we are expected to work every weekend, especially in a resort setting. It's difficult for some team members (particularly millennials) who do not want to miss out on family/friend events and request many weekends off, making scheduling difficult as those are our highest volume days.
- That we currently have too many casual employees who can only work a maximum of 26 hours per week on average. OT freeze is another issue.
- The ebb and flow of business levels and being able to offer enough shifts to keep everyone happy, and not looking for employment elsewhere.
- The shift bid process (allowing associates to bid for set shifts) can compromise our ability to meet business demands.
- Therapist availability is absolutely our greatest challenge.
- They do not get paid hourly, so they don't like to come to work when is just for one service.
- Time management and burn-out; I believe that a massage therapist should not have to perform 40 hours of massage, or even 30 hours. The physical toll it may take would lead to possible burn-out.
- Trying to be as equitable as possible with staff, while still meeting the operational needs of the organization.
- Trying to ensure our lower senior therapists are kept busy.
- Trying to maintain set schedules when the business levels change. We have therapists find coverage for shifts they do not want to work before they bring it to management and remind them not to make plans before getting coverage.
- Union contract.
- Usually they would rather work in the morning shift.
- Utilizing on-call employees.
- Wanting to change whenever they want.
- We are a seasonal resort, so keeping them busy and getting them enough hours to keep them full-time all year round and tightening the schedule, so there isn't so much down-time in between services, so I can keep my labor costs low in the slow season.

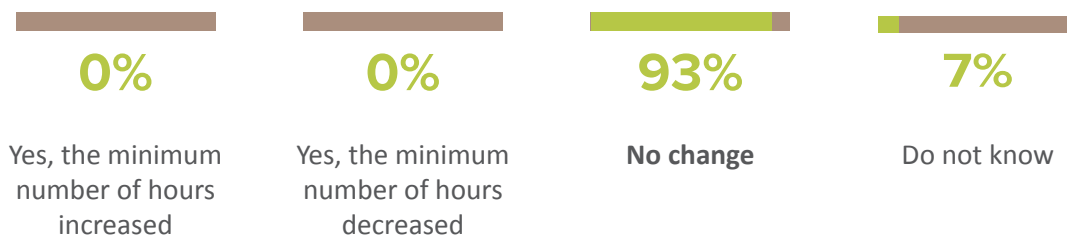
- We do set schedules and while it is great for stability, we require shifts to be covered. No free days off. This can cause stress when someone is unable to get a shift covered.
- We utilize respectful creative scheduling to accommodate our guest requests. The only challenge is the time consumed to properly communicate with the Spa Practitioners
- Which hours will be the busiest and most beneficial to have staffed.
- Working around P/T Therapist & IC Private Clients.

ISPA RESOURCE PARTNER MEMBERS

What is the minimum number of hours an employee has to work in order to be considered a full-time employee at your company?

HOURS	
40	59%
39	0%
38	4%
37	0%
36	4%
35	11%
34	0%
33	0%
32	4%
31	0%
30	19%
Less than 30	0%

Has your company changed the minimum number of required hours worked necessary to meet full-time employee status within the past two years?



Which of the following benefits are offered to your company's full-time and/or part-time employees?



401(k) plan

FULL-TIME PART-TIME

46% 9%



Bonus plan

FULL-TIME PART-TIME

59% 5%



Discount program on retail products

FULL-TIME PART-TIME

68% 32%



Employee Assistance Plan (EAP)

FULL-TIME PART-TIME

9% 0%



Flexible work schedule

FULL-TIME PART-TIME

68% 23%



Health insurance

FULL-TIME PART-TIME

73% 14%



Life insurance

FULL-TIME PART-TIME

18% 5%



Paid education/training

FULL-TIME PART-TIME

55% 14%



Paid holidays

FULL-TIME PART-TIME

96% 18%



Paid sick leave

FULL-TIME PART-TIME

82% 9%



Paid vacation

FULL-TIME PART-TIME

96% 9%



Short/long term disability insurance plans

FULL-TIME PART-TIME

36% 5%