



Whitepaper

10,000 WORKATIONS FROM 200+ COMPANIES

INTRODUCTION

The world of work is experiencing unprecedented changes. In response to rapid technological advances and the changing needs of the workforce, companies around the world have begun to reshape the way they think about work. One trend in particular stands out: **Workations**.



Workations are more than just a short-term trend. They have become an important part of the modern working world. In this respect, WorkFlex, a pioneer in the field of global mobility solutions, has analyzed 10,000 workations from more than 200 customers. This allowed unprecedented insights into this still new and under-researched workation trend.

This white paper dives into the world of workations and presents the key insights that have emerged from our WorkFlex data analysis. We reveal how employers around the world are implementing this way of working to **attract talent**, **boost employee retention**, and revolutionize the way they work.



In the following sections, we will discuss three key findings that emerge from the WorkFlex analysis. We will explore the dynamics of the international workforce, the dominance of Gen Y and Gen Z in workation usage, and the changing duration and geographic reach of workations.

Join us on this journey through the world of workations and learn how this transformative way of working is shaping the future of work.

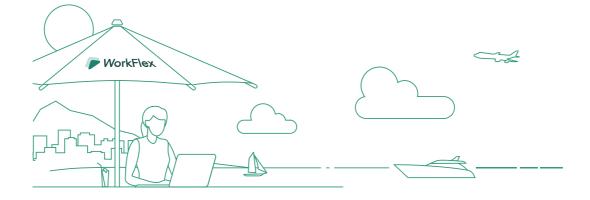
In a nutshell: What is a "workation"?



Before we dive into the insights of our analysis, it is important to define the term workation in a standardized way. In short, workation refers to a situation in which employees spend time abroad for private purposes while simultaneously pursuing their usual professional activities. The **following four conditions** must be met for it to be considered workation:

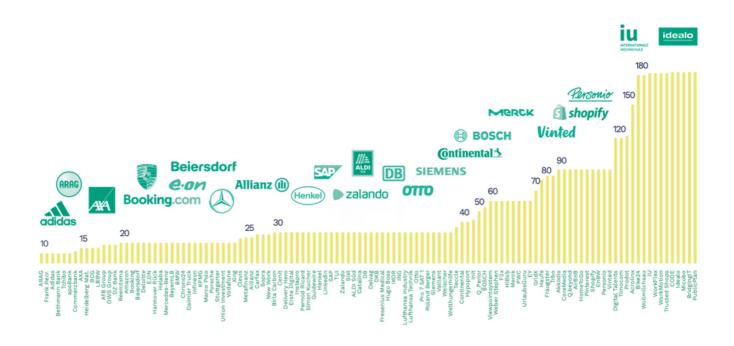
- **1. Abroad:** Employees must be outside the country in which they are employed and in which they have their usual place of residence. Consequently, the employee does not give up his or her residence in the home country during the period of employment.
- **2. Private nature:** The stay abroad is privately motivated and does not pursue any business objectives. A workation can therefore not be equated with a business trip. However, it is possible to combine a work stay with a business trip, e.g. if an employee stays abroad for a few more days after attending a business seminar.
- **3. Commercial activity:** The employee only performs work activities that exclusively benefit their employer in their home country. This means that the employee does not generate any local added value in the destination country.
- **4. Short-term duration:** The stay in the destination country is temporary, i.e. the limit of 183 days may not be exceeded in a current 12-month period (cumulative per country). For this reason, many employers have limited the maximum number of working days that may be spent abroad to a maximum number of working days that is well below these six months. For example, employees are often only allowed to work abroad for 30 or 60 days.





How many days per year are employees allowed to be on workation?

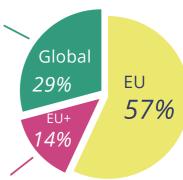
Across a wide range of industries and sectors, companies have recognized that workations are a key element in increasing employee retention and satisfaction. This is reflected in the generous number of workation days provided by many reputable companies. Ranging from 10 days to an impressive 183 days, these companies offer their employees the opportunity to work temporarily abroad and enjoy the benefits of workations. The diverse range of workations days underlines the diversity and attractiveness of this innovative approach to the world of work.



Permitted places of work abroad: A detailed look

When it comes to where employees can work from abroad, our analysis reveals some exciting insights. Here is a detailed breakdown:

29% - Worldwide: A remarkable number of companies basically allow their employees to work from anywhere in the world. This generous arrangement offers remarkable freedom. Nevertheless, for most companies a case-by-case assessment is carried out to ensure that all compliance requirements are met. Although this openness offers a great opportunity for global workations, the requirements can lead to application rejection.



57% - Restricted to the EU: The majority of companies restrict workations to European countries. Compliance is the main factor influencing this decision. EU countries are seen as particularly advantageous as the legal and tax framework is largely uniform, making it easier to manage and control workations.

14% - EU and selected countries: Finally, there is a smaller group of companies (14%) that allow workations in selected countries. These include not only EU countries, but also other destinations such as Switzerland, the UK and the employee's country of origin. These organizations use a balanced strategy to maximize the flexibility

The different approaches taken by these companies when selecting workation locations illustrate the diversity of working models in a global world. However, the ultimate goal is always to provide a safe and beneficial working environment for both the employees and the company.

What have we learned from the past 10,000 workations?

Our analysis of over 10,000 workations that were submitted via the WorkFlex platform has shown requests for a whopping 129 countries - adding up to an impressive 85,000 working days. That's the equivalent of **more than 230 years!** These figures underline the growing importance of recognizing the global workforce and the progressive integration of workations as a working model.

The wealth of data revealed three key findings that are highly relevant not only for WorkFlex, but also for companies considering workations as a working model. These findings provide important information for the design of the working environment in order to increase employee satisfaction and promote employee retention.

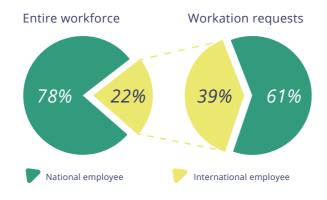
We present these three key findings below:

1. HOMEOFFICE AWAY FROM HOME

International employees request 2x more workations

Our analysis showed that international employees apply for workations twice as often as their domestic colleagues, even though they only make up 22% of the workforce. International employees are employees with a different nationality than the country where they work in, e.g. an Indian national working in Germany. Remarkably, this group accounts for 39% of workation applications. The preference is mainly due to the opportunity to return to their home

The preference is mainly due to the opportunity to return to their home countries to spend time with their families. This illustrates the versatility and benefits of workation for both employees and companies.





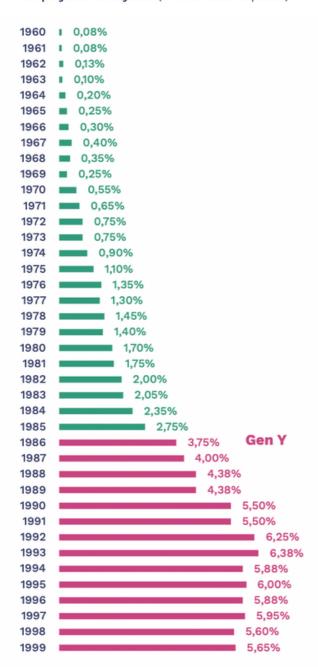






Gen Y submits 75% of all workation requests

Number of workation requests distributed over employees' birth years (in % of total requests)



The strong presence of Gen Y in our workation data cannot be overseen, as they account for more than 75% of all workation requests. Our extensive data shows that Gen Y is taking full advantage of this benefit.

Impressively, a PwC study found that over 80% of Gen Y and Gen Z considers the possibility of going on a workation (very) important when looking at new job opportunities.

With Gen Z entering the workforce, it is expected that this generation requests at least as many workations as Gen Y currently does.

This clearly underscores the fact that workations are undoubtedly one of the **key benefits of the future**.

^{*} Quelle: PwC Germany, Zwischen Wunsch und Wirklichkeit (www.pwc.de)

3. WORKATIONS ON THE MOVE

Workations are growing longer and further

Workations continue to being extended by 30%: Over the past 18 months, not only has the average duration of a workation doubled, from 4.2 to an impressive 8.5 days, but the proportion of workations outside the EU has risen from 28% to 42%.

Our forecast assumes that workations will cover even longer periods in the future and increasingly lead to countries outside the EU as both employees and companies are increasingly gaining confidence with this benefit beyond boundaries.



The way how people work is constantly changing. Employers have to adapt to remain competitive and attractive to talent. WorkFlex is playing a critical role in shaping this new era of work. Our insights and solutions enable organizations worldwide to reap the benefits of this innovative approach.

Watch out:

Compliance risks should not be underestimated!

Workations are an indispensable benefit for employees. However, it should be noted that temporary work abroad can entail **considerable compliance** risks, which can lead to additional costs, tax obligations and administrative work.

If employers don't carefully consider the legal aspects, employees working temporarily abroad could **cause unwanted compliance issues**. Fortunately, WorkFlex provides a solution that allows employers to offer **workations in over 190 countries** without exposing themselves to these compliance risks.



Permanent establishment



Employment tax



Social security



Insurance



Labour law



Work entitlement



Data protection

"At TIMOCOM, vacation and work are no longer opposites! Thanks to the smart, uncomplicated help of WorkFlex with compliance issues, administration & great customer support, our employees can go on workation up to 120 days a year. Our TIMOs have already worked abroad for 2567 days."

"We at allygatr love remote! WorkFlex as a tool has reduced the administrative effort of workations for us by more than 95%!"



Luisa Schlüter HR Business Partner @TIMOCOM

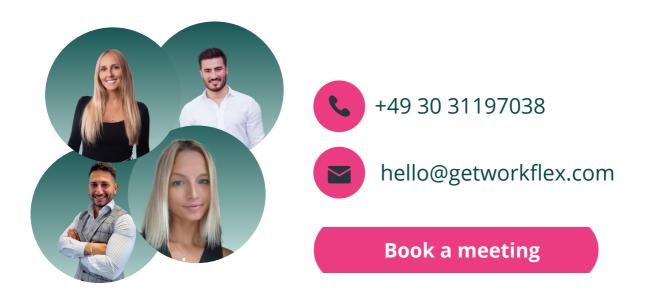


Benjamin Visser Founder & CEO @allygatr



Curious to find out more?

Would you like to offer workations as a benefit in your company and find out more about how you can make this possible - easily and efficiently with the all-in-one software from WorkFlex? Our team is at your side with help and advice!



You are also welcome to book a **non-binding consultation** with our WorkFlex team and clarify individual questions directly.

Hundreds of employers already offer this benefit with WorkFlex

