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Adam (real story, fake name) was a good employee who was given a plum project he believed could get him a promotion and a raise. Taking it seemed like the proverbial no-brainer: Work hard, nail the assignment, get more pay. He knew he'd have to put in long days and some hours on weekends, which meant he'd be sacrificing time with his young family. He knew the deadlines would be stressful, as would managing the people and the expectations involved. But he also

knew that at the end, he'd be rewarded, and he could make up for the lost time.

Except that he wasn't rewarded. Though his project was a success, the promotion and the raise went to someone on another project, who also was deserving. After receiving accolades for a job well done, Adam continued to run his project successfully, but he wasn't happy. At night, he sat in bumper-to-bumper traffic, brooding over what had happened, calculating all the hours he had put in, and for what? He couldn't help feeling he had wasted – no, that he had *lost* – valuable time.

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While Adam is right, the research shows that even if he *had* gotten the promotion and the raise, he might have felt just as discontented. No matter what the outcome of our efforts, we all feel increasingly strapped for time, and often the things that we think will make us happy – the accomplishments we work

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so hard for – don't. They most certainly do not give us back moments with our families and friends or more hours to ourselves.

A preponderance of evidence shows that the feeling of having enough time – “time affluence” – is now at a record low in the United States. When my team and I analyzed a survey of 2.5 million Americans by the Gallup Organization, we found that 80% of respondents did not have the time to do all they wanted to each day. This situation is so severe it could even be described as a “famine” – a collective cultural failure to effectively manage our most precious resource, time.

THE AUTHOR

ASHLEY WHILLANS

Ashley Whillans started her career as an actor. She was perhaps best known for playing the “stink-eye girl” in the hit movie *Juno*, but it wasn't long before she turned from making people smile and laugh to studying what makes people smile and laugh.



Time poverty exists across all economic strata, and its effects are profound. Research shows that those who feel time-poor experience lower levels of happiness and higher levels of anxiety, depression, and stress. They experience less joy. They laugh less. They exercise less and are less healthy. Their productivity at work is diminished. They are more likely to get divorced. And in our analysis of the Gallup survey data, my team and I even found that time stress had a stronger negative effect on happiness than being unemployed did.

On a broader level, time poverty directly accounts for billions of dollars in productivity costs to companies each year, and secondary costs multiply that number many times over. Public health officials rank it as one of the top contributors to rising obesity. Researchers put the health care costs of time stress at \$48 billion a year.

The irony is, despite the perception that people today work longer hours, the data reveals that most of us have more discretionary time than ever before. How can we feel so starved for time?

The answer seems to be money. Just like Adam, most of us fall into a trap of spending time to get money, because we believe money will make us happier in the long run.

Our thinking is backward. In fact, research consistently shows that the happiest people use their *money* to buy *time*. My colleagues and I have conducted correlational, longitudinal, and experimental research with nearly 100,000 working adults from all over the world. We consistently find that people who are willing to give up money to gain more free time – by, say, working fewer hours or paying to outsource disliked tasks – experience more fulfilling social relationships, more satisfying careers, and more joy, and overall, live happier lives.

If there's one resolution that you keep this year, it should be to focus on making choices based on time, not money. It's not easy; our entire world and even our brains are rigged to make us value money first. But it can be done, and in this article, I'll share some smart strategies you can start employing today.

WHY WE VALUE MONEY OVER TIME

The most obvious explanation for today's time famine is that we simply spend more hours doing routine chores and working. But there is very little evidence that supports this idea. Some of the best time diary research suggests that in the United States, men's leisure time has increased by six to nine hours a week over the past 50 years, and women's leisure time has risen four to eight hours a week. And according to the OECD, in 1950, people in the U.S. worked an average of 37.8 hours a week; in 2017 they worked an average of 34.2 hours a week.

Instead, the evidence points to other culprits for time poverty: wealth and financial insecurity. In studies of middle- and upper-income people across diverse cultural contexts in Europe, Asia, and North America, individuals who earn more money report feeling more pressed for time. In a survey of over 30,000 respondents from Australia, for example, higher levels of time stress were correlated with higher incomes, and the longer work hours correlated with greater pay could not explain this effect. Considering that wealthier people can afford to, say, hire housecleaners and take cabs instead of public transportation, their greater time poverty may seem counterintuitive.

But it makes more sense if you understand commodity theory, which holds that when any resource is perceived as valuable, it is also perceived as scarce. So, the more we get paid for our time, the more we value it, and the more intensely we feel the loss of any moment.

Feelings of financial insecurity (regardless of actual wealth) may also prompt people to experience more intense time poverty. That's because individuals who feel unsure that they'll have the same job or earn the same level of pay in the future are more likely to prioritize having more money at the expense of having more time.

Despite the inverse relationship between wealth and time affluence, most of us keep striving to make more money. In my team's research, only 48% of respondents reported that they would rather have more time than more money. Even the majority of people in the group that was the most time-impooverished – parents who had full-time jobs and young children – shared this preference. The very wealthy didn't always prioritize time over money, either.

Nearly half of the 818 millionaires we surveyed said that they didn't spend anything to delegate disliked tasks to others. In addition, when we asked 98 working adults how they would spend a windfall of \$40 to maximize happiness, only two said that they would make a time-saving purchase. When we asked 300 adults in romantic relationships how they would spend \$40 to maximize their partners' well-being, only three said they would use it to save their partners time.

It's not that people can't think of ways to save time: In one study, 99% of respondents could name a chore they wanted to pay to offload. But across several additional studies, just 17% of respondents spent money to do so. And it's not that people can't think of anything better to do, either: Most could name several activities, such as pursuing a hobby, that they'd like to have time for, even as very few bought the time to do them.

The core challenge to reducing time poverty and unhappiness is not financial but psychological: the erroneous belief that wealth will make our lives better. Even individuals with a net worth of \$10 million think they need to increase their wealth dramatically to be happier.

Research shows, for instance, that employees frequently overestimate the value of cash rewards and salary when considering what jobs to accept. They believe that pay, insurance, and other financial benefits like retirement plans will determine job satisfaction. And they underestimate the value of flexibility regarding their work schedules.

When my team and I analyzed 42,721 employee responses from a Glassdoor survey, we found that noncash benefits such as social experiences and the opportunity to take leaves had a greater impact on job satisfaction than money did. In one analysis, all else being equal, benefits such as generous parental leaves, flextime, and sick days had a larger effect on job satisfaction than receiving an additional \$60,000 in annual salary (on top of an average salary of \$48,000) did. These results held even after controlling for income, age, gender, education, industry, employer type, firm size, and firm revenue.

Research shows that once people make more than enough to meet their basic needs, additional money does not reliably promote greater happiness. Yet over and over, our choices do not reflect this reality.

WHY WE *SHOULD* VALUE TIME OVER MONEY

It's important to note that some people – particularly those who are struggling to make ends meet or who feel uncertain about their financial future – often do feel happier when they choose money over time. But it's still clear that those of us who are more fortunate may need to rethink our priorities.

To understand which people are happy and how they make time-money trade-offs, my team and I presented thousands of participants with the following two descriptions of individuals (whose names always matched the gender of the respondents):

Tina values her **time** more than her money. She is willing to sacrifice money to have more time. For example, Tina would rather work fewer hours and make less money than work more hours and make more money.

Maggie values her **money** more than her time. She is willing to sacrifice time to have more money. For example, Maggie would rather work more hours and make more money than work fewer hours and have more time.

We then asked our respondents which person they resembled most. Just by knowing their answers, we could predict what decision they would make when given the choice of a cheaper flight with a longer layover or a more expensive direct flight, and of a housecleaning voucher or a cash prize.

We also learned that people who valued time more (the Tinas) were older, worked fewer hours, were more likely to volunteer, and were more civically engaged. Most important, they were happier by about 0.5 point on a 10-point happiness scale. This difference is equal to about half the happiness bump people experience, on average, from being married.

From this and many, many other studies we can also assert:

Time yields happiness. The Tinas' reports of greater overall well-being cannot be explained by income, education, age, marital status, number of children living at home, or number of hours worked per week. Their broad tendency to prioritize time was what made the difference.

When my colleagues and I surveyed more than 6,000 working adults living in the Netherlands, Denmark, the United States, and Canada we found that people who spent money on time-saving services reported greater satisfaction with their lives. Purchasing them helped respondents deal with stress and feel less overwhelmed by their to-do lists. This was true even with relatively small, onetime purchases.

Time is social. Across three studies that I conducted with professor Elizabeth Dunn from the University of British Columbia, people who valued time over money socialized more with peers. In one study, they spent 18% more time interacting with a new peer than people prioritizing money did. This is important because even fleeting social interactions with others can play a surprisingly large role in reducing stress and promoting happiness, as other researchers have found.

In another study of nearly 40,000 Americans, when people made time-saving purchases on Saturday or Sunday (versus those who did not), they spent about 30 minutes more socializing with friends and family. That in turn promoted greater end-of-day happiness. The people who made those purchases were happier not only because they socialized more but because they derived greater joy from doing it.

Across nine studies with 4,300 Americans in committed romantic relationships, my colleagues and I saw that prioritizing time over money brought couples closer. Those who spent money on time-saving services reported spending more quality time together and derived greater satisfaction from their relationships. When couples were under stress, the benefits were stronger for time-saving purchases (like ordering take-out) than for experiential purchases (like going out to a nice dinner, which involves more planning, decision making, and travel). Time-saving purchases even erased some of the unhappiness produced by having an unsupportive spouse. In other words, paying for a housecleaner might do as much for your marriage as learning to be a better listener!

A focus on time builds more-rewarding careers. People who value their time are more likely to pursue careers that they love. In another study, Elizabeth Dunn and I found that graduating college students who prioritized time were more likely to choose careers that offered intrinsic rewards and as a result, were significantly happier one year later. And that didn't mean they were working fewer hours. When people have jobs they truly enjoy and thus are happier, they are less negatively affected by stress and more productive and creative. They also are less likely to quit.

WHY IT'S HARD

If the solution to time poverty is so simple – just make choices that give you more time – then why are we all still stressed?

I'm a happiness researcher. I should know better than to sacrifice all my leisure hours to work and making money. Yet I feel as if I must be on call constantly to keep up with the demands of work. To cope, I email or talk on the phone while commuting to the office, while exercising, while on beaches, and even while on a safari. From time to time, I have been spotted typing on my laptop in a gym locker room. And I confess I spent one and a half hours working (not so secretly) during my wedding reception.

What years of studying time-money trade-offs have revealed to me is that I'm not alone in making suboptimal decisions about how to use my time. It's not easy to make better choices. It may not even be our natural inclination.

There are any number of reasons for our misguided pursuit of wealth, but they fall into two categories:

Behavioral factors. Several cognitive biases make money seem like a more appealing choice than time. Americans, for example, think being busy signals higher status. The desire to feel important is a powerful motivator that may undermine our best interests.

My research suggests that people also feel guiltier about spending money to have more time than they do about spending money on material goods. Paying someone to complete tasks we ourselves don't like can make us feel lazy, so we opt out to avoid that feeling.

And because we overestimate the amount of time needed to enjoy an experience, we end up wasting small pockets of free time that we could use more effectively. Five minutes spent socializing with a colleague or 20 minutes on an elliptical machine often have more powerful mood benefits than we expect.

Last, we suffer from something called future time slack – the belief that we'll have more time in the future than we do in the present. So, we decide to make some sacrifices now with the promise of enjoying more time later. Of course, when the future comes, we don't have more time. We just repeat the same mistake.

Organizational factors. HR departments may think that how employees choose between time and money has little to do with them, but a large body of research shows that organizational factors shape the way employees perceive their time and can increase their feelings of stress and undermine social connections and happiness.

We know from decades of research, for example, that financial incentives increase people's efforts to perform better. But we now also know that they make workers obsessed with money. Across six studies, NYU professor Julia Hur found that employees who were paid for better performance reported a greater desire for money and put in dramatically more effort to earn additional compensation. They also became more self-focused and less willing to donate to charity, a sign that they were turning away from activities that we know lead to happiness.

Building on this research, Julia, my student Alice Lee-Yoon, and I analyzed a publicly available data set to see how performance incentives changed attitudes *outside* work. We found that employees who were paid for performance spent significantly less time socializing with friends and family and significantly more time socializing with their customers and coworkers. This was true no matter how many hours the employees worked or what industry they were in.

Those findings were supported by additional studies we conducted. They, too, revealed that employees who were paid for their performance were more willing to spend time with work connections instead of friends and family, because they perceived work ties to be more “productive” and “helpful” for getting ahead. But the employees didn't enjoy this time with professional connections more. Regardless of their pay level or job type, employees who were paid for their performance said they derived greater happiness from spending time with friends. But they didn't get to do it much.

Policies that make workers think about the monetary value of their time also create time stress. Employees paid by the hour are more likely to think of their time as money and be more concerned about wasting time, saving time, and using their time profitably. In one experiment, Berkeley professor Dana Carney and Stanford professor Jeff Pfeffer found that simply asking employees to calculate their hourly wage significantly increased their levels of cortisol – a hormone associated with stress. In related research, UCLA Anderson professor Sanford DeVoe and his former graduate student Julian House found that asking people to calculate the economic

value of their time made them more impatient – and undermined both their ability to savor their leisure time and their desire to volunteer to help others. And in another study, Elizabeth Dunn and I found that asking people to calculate it made them less likely to go two seconds out of their way to help the environment by recycling.

HOW TO START

Although your brain and your organization may be conspiring to make you choose money over time, a few daily actions could help you shift your mindset. The following simple strategies can reduce your time poverty and help you reclaim your schedule.

1. Personal Activities

Plan your future time. When it comes to leisure time, our preliminary data suggests that people have a natural bias toward spontaneity: We don't want to feel our free time is too scheduled. So we do things like leaving weekends up to chance – and then end up wasting much of them. But we're actually happier if we make plans and don't passively fritter away time.

Be more active. Personal pursuits like volunteering, socializing, and exercising can have a transformative effect on people. Our research shows that *active* leisure is profoundly better at combating time stress than *passive* leisure (such as watching TV or just relaxing) is. When my colleagues – professor Paul Smeets at Maastricht University, professor Rene Bekkers at Vrije Universiteit Amsterdam, and professor Michael Norton at Harvard Business School – and I conducted a study in the Netherlands comparing millionaires with people who had an average net worth of \$37,500, we found that the millionaires were happier – but not just because they had more money. They spent 30 more minutes a day engaged in active leisure and 40 fewer minutes engaged in passive leisure.

Spend more time eating. When Romain Cadario, a professor at IÉSEG School of Management in Paris, and I recently surveyed 12,000 French and American adults about their dining habits, we found that on average, the French spent significantly more time eating. Americans spent more time choosing their meals than actually enjoying them. Because they savored their food more, the French derived greater satisfaction from it – which in turn reduced their stress.

Meet new people and help others. Although initiating a conversation with someone you don't know is hard, casual social interactions with strangers significantly boosts happiness. And volunteering is not only linked to greater happiness but also increases your feelings of time affluence. This seems backward, because volunteering consumes your time, but the act of giving time away makes you feel more in control of it.

THE LONG VIEW

We should also think about how our money and time decisions might have consequences for our happiness farther down the road. If we choose a job in which we make a lot of money but work 80 hours a week, our personal relationships and happiness could suffer in the long term. My data suggests that college students who choose career paths that enable them to have more money (versus more time) experience significant decreases in happiness one to two years after graduation. And over the span of many years, the negative effects of such major life decisions could really add up.

It is crucial to think about the other goals (besides earning money) you want to achieve in the next five to 10 years. Are you planning to have children? If so, you may try choosing time over money more often, to minimize work-life conflict. Your values will also shift over the course of your lifetime. My data suggests that as people age and have objectively less time left in their lives, they naturally start to favor more time over more money in their decisions. Other researchers have found that as people get older they start to focus on having more meaningful experiences (versus earning more money).

Spend more time experiencing awe. Awe is a positive emotion we feel when encountering something vast and expansive, like a panoramic view of the Pacific Ocean. It can increase our sense of time affluence – which is yet another reason that scenic hikes, tropical vacations, or just a few moments of looking up into the sky can rejuvenate us.

Take more vacation time. This is almost too obvious, but in America especially, vacation days are underutilized. This probably relates to our sense that missing work or being able to *afford* vacation time signals lower status; important people are too busy for that. But initial research that my student Hanne Collins and I did showed that employees who took more vacation days reported greater life satisfaction. These results held even after we controlled for age, gender, marital status, and current work hours. And yet 15% of employees reported taking *no* vacation days in the past year, and only 40% said they'd taken all their paid vacation.

2. Buying Time

When considering how we can use money to increase our happiness, most of us think of investing it in positive experiences like Hawaiian vacations. But it's also important to think about how to eliminate negative experiences from our day. My research suggests that people have a lot of trouble doing this, but here are some ideas to get you started.

Outsource your chores. In the sharing economy, companies like Angie's List, Rent the Runway Unlimited, and TaskRabbit make it possible and affordable for consumers to "buy" time by hiring out tasks they dislike. Today you can hire people to walk your dog, assemble your furniture, pick out your clothes, chauffeur your kids to their sports practices, declutter your home, and even wait in line for tickets for you. Yet using such services is a big leap for many, who see them as extravagant or unaffordable. It's the money-first mindset that makes them believe that. In fact, spending money on time-saving services – like shopping, cleaning, and laundry – can reduce stress and increase happiness, even for people with low incomes. (See the sidebar "Time, Money, Privilege, and Guilt.") One caveat: My ongoing research suggests that outsourcing *too* much can make people feel that their schedules are out of control, which undermines contentment.

But understand what specifically you want to offload. We often dislike certain aspects of a chore but enjoy others. In new research conducted with the smartphone application Joy, for instance, Elizabeth Dunn and I found that consumers gained greater satisfaction from food subscription services (like Blue Apron and HelloFresh) than from food delivery services. We speculate that this is because most people like cooking; they just find it tiresome to figure out what to make and to run to the store to buy just the right amount of each ingredient. This brings us back to a broader point: Focus on outsourcing the tasks or aspects of tasks that you find most disagreeable. That way, you can spend more minutes engaged in the part that you enjoy about any daily activity.

Do less comparison shopping. The amount of time it takes to find the best price is often more valuable than whatever savings you gain. Driving farther for cheaper gas or going from store to store to find the same outfit at the lowest cost probably isn't worth the effort. Booking the most affordable travel option isn't always, either. Flights with layovers eat up lots of time, especially if your connection is missed or delayed, but often save very little money. Reset your thinking so that price isn't the only consideration. It's OK to spend more to free up time.

Buy better time. Once you have outsourced chores, devote your new free time to things that are most likely to promote happiness, like activities with your friends and family. Don't spend all your time on the couch. And each time you open your wallet, ask yourself: Will this purchase change my use of time in positive ways? If the answer is no, you may want to rethink your purchase.

3. Work Activities

Though work may seem like an arena where it's hard to gain time, there are a surprising number of ways to change your daily professional life to do so.

Buy back your commute time. Consider taking public transit or an Uber to work once a week. Instead of sitting in traffic, you can spend that time in a leisure activity like reading. Or, if you use it to work, you can leave the office earlier and have more time with friends and family. Even an hour a week adds up significantly over a year.

Ask for more time. A major source of time poverty is tight work deadlines. A simple yet powerful solution is to ask to move them back. Yet across 10 studies involving thousands of employees and managers, Harvard Business School doctoral student Jaewon Yoon, Ohio Fisher College professor Grant Donnelly, and I found that time-stressed employees avoided requesting extensions even when deadlines were adjustable. Employees, and women in particular, worry that if they ask for more time, they'll be seen as less competent and motivated – even though our data suggests that this is not always the case and that employees overestimate any negative reaction their managers might have.

When employees felt squeezed but failed to ask for more breathing room, they ended up submitting suboptimal work, feeling dissatisfied, and disappointing their managers (the very thing they were trying to avoid). These results suggest that you should ask for more time if you need it when your deadlines are adjustable. Your manager will likely grant it to you unbegrudgingly. More important, the extension will give you the chance to put your best foot forward. And if you're the manager, think about how you can help your reports request the time they need to do the best job without worrying about harsh judgment.

TIME, MONEY, PRIVILEGE, AND GUILT

Isn't trading money for time just for rich people? Not really. Of course, people who are just making ends meet or are financially struggling are unlikely to face such trade-offs frequently. Yet in developed countries a large proportion of people have a nontrivial amount of discretionary income to play with. More important, what my team and I find across our studies is that spending as little as \$40 to save time can increase happiness (more than spending that same \$40 buying random stuff for ourselves). Consider that in 2017, Americans spent an average of \$1,110 each, or about \$3 a day, buying coffee. So, simply by sacrificing coffee for two weeks, they could each afford to buy about one hour of housecleaning through TaskRabbit.

Even so, many people still associate hiring that kind of help with being privileged and feel guilty doing it. We also feel bad about asking others for help — even when we're paying for it! My data suggests when we outsource tasks we dislike, we feel as if we are burdening the people we hire even though it is their job. We also don't want others to know that we pay for daily services — like cleaning and cooking — since it appears to signal that we aren't managing things well on our own. Yet, as my data suggests, when we find simple ways to get more time, our happiness and productivity benefit.

And if you *still* feel guilty about buying time this way, try asking for time as a gift.

If on the other hand you're looking for a present for someone, take note: Gifts that save people time are perceived to be more thoughtful and are more appreciated than gifts that save money. One word of caution: If time-saving gifts highlight the fact that your partner is always doing more of the chores than you are, they can backfire. They are also more appreciated in professional contexts and for activities that the recipient doesn't enjoy. For instance, if someone likes ironing, he will be less enthusiastic about a dry-cleaning service that saves time than someone who doesn't like laundry.

Still, in our studies, people who made the least amount of money gained the greatest happiness from time-saving purchases (in the off chance they made them). We believe that this is because people who are struggling to make ends meet may spend more time commuting, working multiple jobs, and waiting than people who are well off. Counter to conventional wisdom, time-saving purchases may be *especially* beneficial for people living at or below the poverty line.

If I still haven't convinced you that buying time isn't just for rich people, here's a bit more evidence: In collaboration with Colin West of the UCLA Anderson School of Management, I've been conducting a large-scale study in one of the largest, poorest slums in the world, Kibera in Nairobi, Kenya. There working women spend 40 hours every week on chores and other forms of unpaid labor. Hand-washing laundry and watching it dry (so that it doesn't get stolen) can take up to 10 hours a week. Yet, even in this slum, where women earn an average of \$5 (US) a day, there is a market for time-saving services. Women sometimes pay others to do their laundry or take clothes to a local laundromat. They also will pay others to purchase vegetables for them to save the hours it takes to walk to and from the market. In this study, we're testing whether the women of Kibera are happier and more productive after they receive vouchers for time-saving services (meals and laundry) than after receiving vouchers for non-time-saving goods (ingredients for meals). We believe that the time-saving vouchers will be most effective. This idea fits with the idea that time poverty often coincides with material poverty.

Yet time-saving services for the poor are often undervalued by policy makers. When Colin and I asked a group of 40 students at the Harvard Kennedy School's program in public policy whether an aid initiative that would save working women time or an initiative that would provide them with cash would be most likely to improve women's welfare, only 10% of these aspiring policy makers said the time-saving initiative would be most effective.

There is also debate about whether the gig-economy marketplaces treat workers well enough to encourage consumers to purchase such services. While my research doesn't speak to those ethical questions, it does find evidence that customers are sensitive to how well their service providers are paid. When consumers feel confident the providers enjoy their jobs and receive good benefits, they feel much less guilt about hiring them and are much more likely to buy time. In one experiment, more consumers clicked on an ad to buy a time-saving service when it highlighted the benefits that the service gave providers than on an ad that highlighted the benefits to consumers. This suggests that companies that offer service providers good working conditions and competitive wages will win more business.

Learn how to say no, but don't use time as an excuse. It may be tempting to start turning down requests at work (and life) as a strategy for combating time pressure. It might be even more tempting to refuse by telling others you're too busy. But time-related excuses have a high social cost. Grant Donnelly, HBS doctoral student Anne Wilson, and HBS professor Michael Norton, and I have found in [new research](#) that people who make them are seen as less likable and less trustworthy. This is because time is perceived as personally controllable. (We all have 24 hours in a day, right?) Our research suggests that people respond much more favorably to individuals who decline requests with excuses related to money or provide no excuse at all. If in reality you don't have the time, try to make it clear that the reason is something outside your personal control, such as family obligations or unexpected travel.

HOW EMPLOYERS CAN HELP

HR departments have great opportunities to improve talent recruitment and retention by helping employees be time savvier and showing prospective hires that they promote time affluence for workers.

Reward employees with time, not money. My research, as well as studies done by others, suggests that employers benefit from this approach because workers who take time off are more engaged, creative, and productive. Yet people often don't take all the days off they're allowed, and when given the choice between time-saving and material rewards, most employees prefer the latter.

I recently obtained data from 207 companies – representing more than 200,000 U.S. employees – that had performance-recognition programs. Thirty-seven percent of those organizations allowed employees to redeem rewards points for time-saving services like housecleaning. Only 3.2% of employees did, whereas 67% of employees redeemed points for material items, such as books from Amazon. (In addition, 16.5% redeemed their points for experiences, and 13.3% donated their points to charity.)

Limiting employees' choices may help. Researchers at Stanford University conducted a pilot study in which doctors were rewarded with vouchers only for time-saving services. Those who received them reported higher work-life balance and lower intentions to quit than other doctors did. So if organizations want to make the most of time-saving rewards, they probably should avoid making them optional.

Give time-based rewards a cash value. Another strategy is to appeal to that money-first mindset and make time savings *seem* financial. As one Silicon Valley HR leader suggested to me, “To better motivate people to apply for jobs that tend to have lower pay and more vacation time, we should show the total compensation package, not just the salary, putting a value on health care, child care, public transportation subsidies, vacation, and sick leave, and calculating it for all. That way, employees will know what they are truly paid.”

To test whether putting a dollar figure on noncash rewards increases employees' interest in them, my colleagues and I conducted eight studies with more than 3,000 Americans. Unsurprisingly, when prospective employees were faced with nearly identical jobs – one paying \$100,000, with two weeks of vacation, and the other paying \$90,000, with three weeks of vacation – the clear majority (75%) chose the higher-paying job. However, when the same decision was presented and the vacations were given a monetary value, the number of employees who chose the higher-paying salary dropped to 50%.

In another study, prospective employees were offered the choice of two jobs – each paying \$100,000. Job A included four benefits, and Job B only three benefits. Not surprisingly, more than 80% of respondents in the control condition chose Job A. Yet when the monetary value of Job B's benefits was presented but of A's was not, 50% of respondents chose Job B – the position with

fewer benefits and equal pay! (One caveat: For jobs with low starting salaries, there was no advantage to highlighting the cash value of time benefits, a finding consistent with other research.)

Marketing time as money could be a crucial talent recruitment strategy, as across all these studies the monetized benefits positively shifted perceptions about organizations: Job seekers reported that they thought those employers truly cared about employees and were more considerate of work-life balance. And companies could enjoy an additional upside: increased diversity. Women often see high-powered jobs as equally attainable but less desirable. This simple and costless intervention could draw more women into the applicant pool by making a company seem more family-friendly.

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It's been nearly 20 years since HBS professor Leslie Perlow popularized the term "time famine." Since then, we've learned a lot about the psychology of time poverty. Now it is up to each of us to put those lessons into practice. As HBS professor Michael Porter and dean Nitin Nohria wrote in their recent HBR article, "Time is the scarcest resource that leaders have. Where they allocate it matters – a lot." I would argue that one critical determinant of whether we allocate our time optimally is the value we place on it relative to money.

Time is hard to account for – it's easily consumed, squandered, and lost. But it receives far less attention than money does. Few of us carefully budget how we'll spend our next small windfall of time. We worry about wasting money on a cup of coffee every day, and how that adds up, when we should be just as concerned about all those minutes we frittered away that could have been used to make us happier. And very few of us strategize about how to gain a large chunk of time in the future, perhaps to devote to a rewarding project or to enjoy a family vacation.

This year let's all resolve to be as deliberate about time as we are about money and work. Before spending your next cent, think about whether that purchase will enhance your use of time. Before making your next work-related decision, think about the impact it will have on your time with your family, and how much you will enjoy being with them. Remind yourself that it's not true that there will always be more time later. There won't!

As a manager, think about the signals that performance rewards and incentives send to your people. Ask yourself whether you make it easier for your employees to ask for more time to complete projects, to spend less time stuck in traffic, to waste less time taking cheaper indirect flights, to reduce their stress and improve their productivity. As the data I've collected over many years and across many countries suggests, your happiness and health and the health of your organization could depend on the trade-offs you make (and help your employees make) each day.

While our overarching focus on financial gain has created economic growth, it has had a cost. All of us – employees and managers alike – should consider giving up money to have more and better time. Time is a precious resource. Rethinking how we value it will help us answer the more fundamental question of how to maximize individual and societal well-being – and help all of us escape the stress traps of everyday life. | **THE BIG IDEA**