FAMILY MATTERS
The Business Case for Investing in the Transition to Parenthood

by Anne Weisberg and Ellen Galinsky
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For 25 years, the Families and Work Institute (FWI) has studied how to respond to the changing nature of family life and promote business performance. One of our first reports, *Parental Leave and Productivity*, released in 1992, examined the experiences of employers that provided leave to explore “the ways leaves can be managed and their impact on productivity.” That report helped reframe the issue of parental leave from one that was “unfriendly to business to one that is constructive and cost-effective for employers and supportive of the growing number of employees who need time off for childbirth or adoption and also want to remain productive.”

While families are increasingly diverse on multiple dimensions, it is still true that becoming a parent can be both a magical and scary life transition, regardless of whether you are married, cohabiting, single, straight or gay, biological or adoptive or whether it is a first child, second or third child. Then, as now, the birth rate in the U.S. is 2.0, meaning that over the course of a 40-year-long (or 2,000+ week-long) career, the average employee will experience a career interruption for the addition of a baby into the family only twice. Then, as now, how this transition to parenthood is experienced can have repercussions far beyond the baby’s first few months of life, not just for families and communities, but also for work and workplaces.

The majority of working adults have had children during their working lives, and evidence is mounting that helping new parents through this transition is good for business because it’s good for families. To be sure, business practices by themselves cannot ensure a smooth transition to parenthood, but they can play a key role. As part of Families and Work Institute’s 25th anniversary year, we are issuing this briefing to spotlight what happens at home and at work when working adults become parents and to provide a framework for understanding how both employees and employers can benefit from workplace practices designed to support this transition.

**Parents at Work**

According to Families and Work Institute’s 2008 National Study of the Changing Workforce data, roughly two-thirds (63%) of all salaried employees are caring for children. Conversely, most children, including infants under a year old, are being raised by adults who are also employed.

**Figure 1: Percentage of Children in Households in Which All Parents Work Outside the Home**

![Graph showing percentage of children in households where both parents work outside the home](source: Current Population Survey, Annual Social and Economic Supplement and CEA Analysis)
In other words, we have witnessed a sea change in American family life, which, in turn, has repercussions for the workforce. Mothers are increasingly breadwinners, and fathers are increasingly caregivers. These changes are no longer trends; they are facts of life.

Millennial men and women, who already make up close to a third of the U.S. workforce, expect their lives to reflect these facts. The gender gap has virtually disappeared with respect to what Millennials want at work, with roughly equal numbers of men and women, mothers and fathers, reporting they want jobs with greater responsibility.

The gender gap has also virtually disappeared with respect to what Millennials want at home, with both men and women saying that they want to provide financially and emotionally for their families.

Millennials are not the only generation whose attitudes about gender roles have changed. Today, most American employees (61%) no longer agree with the statement: “Men should earn the money and women should take care of the children and family.”
These gender norms assume opposite-sex couples. In 2011, there were over 605,000 same-sex couple households in the U.S., and 16% of them were raising a child. While we don’t know very much about how these households negotiate the roles at home, there is some research that indicates that the family lives of these households are not as bound by traditional gender norms as opposite-sex couples. On the other hand, there is every indication that becoming a parent is a huge transition in people’s lives, regardless of their sexual orientation.

While changing attitudes about gender roles are encouraging, research shows that most of us—women and men alike—still make decisions and evaluations of mothers and fathers at work based on unconscious assumptions about our roles at home. As Stephanie Coontz, Co-Chair and Director of Research and Public Education of the Council on Contemporary Families, says, “Motherhood ... is now a greater predictor of wage inequality than gender in the United States.”11 This is so because “[e]mployers read fathers as more stable and committed to their work; they have a family to provide for, so they’re less likely to be flaky. That is the opposite of how parenthood by women is interpreted by employers,” explains Michelle Budig of the University of Massachusetts, Amherst.12 Her new research shows that a motherhood penalty is greatest for low-income women who can least afford it. Given today’s realities about the importance of mothers’ income to the family and fathers’ growing role in caregiving, we should all be operating on the assumption that families depend on both mothers and fathers to provide both cash and care.
The Current State of Company Support for the Transition to Parenthood

Over the past 25 years, business leaders who understand the link between strong families and strong businesses have been addressing the changing nature of family life and the workforce, and many have developed leading practices, as described in great detail in the next section. But in this section, we look at the current state through the findings of our 2014 National Study of Employers (NSE), which tracks a nationally representative sample of employers with 50 or more employees, the threshold for compliance with the Family and Medical Leave Act (FMLA).13

The 2014 NSE provides a great deal of information about what employers are doing to support the transition to parenthood, starting with the extent to which employers provide parental leave. Twenty years after the passage of FMLA, 94% of employers comply with the law with respect to maternity leave (paid or unpaid), but roughly one in five employers are lagging in providing paternity leave (paid or unpaid), although the FMLA makes no distinction between maternity and paternity leave.15

While most employers provide only the amount of time off mandated by the law, over a quarter of employers provide more maternity leave than required. Interestingly, a higher percentage of companies provide more than the required amount of adoption or foster care leave than provide more than the required amount of paternity leave, which could be creating a legal vulnerability.16 These results also indicate that many employers are not aware of the importance that fathers are placing on playing a significant role in their families.

Figure 3: Percentage of Employers Offering Less than 12 Weeks of Leave: 2005-2012

Source: Families and Work Institute, 2005-2014 National Study of Employers reports
Sample sizes range between 993 and 1,100. Only the 2014 sample was restricted to employers indicating that they must comply with FMLA.
Table 1: Maximum Length of Parental Leaves (FMLA Covered Employers)

<table>
<thead>
<tr>
<th>Leave Policies</th>
<th>Fewer than 12 Weeks</th>
<th>12 Weeks</th>
<th>More than 12 Weeks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maternity Leave</td>
<td>6%</td>
<td>67</td>
<td>28</td>
</tr>
<tr>
<td>Spouse/Partner (Paternity) Leave</td>
<td>20%</td>
<td>66</td>
<td>15</td>
</tr>
<tr>
<td>Adoption or Foster Care Leave</td>
<td>11%</td>
<td>72</td>
<td>17</td>
</tr>
</tbody>
</table>

Source: Families and Work Institute, 2014 National Study of Employers. Read percentages left to right. Percentages do not always add to 100% because of rounding errors.

The leave tracked above does not distinguish between paid and unpaid leave, and the FMLA does not provide for or require wage replacement. However, recovery from childbirth is considered a disability for insurance purposes. According to the 2014 NSE, 58% of employers provide some pay for disability related to childbirth, and most of those providing some pay (75%) fund it through a general temporary disability insurance (TDI) plan that typically provides partial wage replacement during the period of maternity-related disability. However, among those that provide any pay, far fewer employers provide fully paid leave, now down to 9% from 16% in 2008. According to the Bureau of Labor Statistics, paid family leave (not just disability pay) was available to 11% of all private sector workers and 15% of workers working for employers with more than 100 employees in 2012.\(^\text{17}\) In this regard, the United States is an outlier among countries around the world.\(^\text{18}\)

Figure 4: Is Paid Leave Available for Mothers of Infants?

Source: WORLD Policy Analysis Center at the UCLA Fielding School of Public Health

However, among those that provide any pay, far fewer employers provide fully paid leave, now down to 9% from 16% in 2008.
While taking the time to adjust both physically and emotionally to being a new parent is important, this time is just the beginning. In addition to time off from work surrounding the birth or adoption of a child, the 2014 NSE tracks other issues related to the transition to parenthood, including lactation support; support regarding child care and parenting issues; and flexibility and career support, especially in the transition back to work. While these practices continue to impact employees well after they have adjusted to being new parents, this briefing discusses them in the context of the transition to parenthood.

In terms of lactation support, 74% of employers are providing women with private space for breastfeeding in 2014, up from 49% in 2008. This most likely reflects the Affordable Care Act of 2010's requirement that employers provide break time and space for pumping milk.\(^\text{19}\)

Child care is a key element of being able to transition back to work after the birth or adoption of a child. Child care costs have roughly doubled over the last 25 years,\(^\text{20}\) making it harder for employed parents to find affordable child care when children are young and after school or when school is not in session. On the whole, the 2014 NSE found that employers are most likely to provide Dependent Care Assistance Plans (61%), up from 46% in 2008, and Child Care Resource and Referral services (37%). However, there has been no increase since 2008 in the provision of other forms of child care assistance.

**Table 2: Child Care Assistance from 2008 to 2014**

<table>
<thead>
<tr>
<th>Practice, Policy or Benefit</th>
<th>2008</th>
<th>Sig.</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Access to information to help locate child care in the community (Child Care Resource and Referral)</td>
<td>35%</td>
<td>NS</td>
<td>37%</td>
</tr>
<tr>
<td>Child care at or near the worksite</td>
<td>9%</td>
<td>NS</td>
<td>7%</td>
</tr>
<tr>
<td>Payment for child care with vouchers or other subsidies that have direct costs to the company</td>
<td>5%</td>
<td>**</td>
<td>2%</td>
</tr>
<tr>
<td>Dependent Care Assistance Plans (DCAPs) that help employees pay for child care with pre-tax dollars</td>
<td>46%</td>
<td>***</td>
<td>61%</td>
</tr>
<tr>
<td>Child care for school-age children on vacation</td>
<td>5%</td>
<td>NS</td>
<td>3%</td>
</tr>
<tr>
<td>Back-up or emergency care for employees when their regular child care arrangements fall apart</td>
<td>6%</td>
<td>NS</td>
<td>4%</td>
</tr>
<tr>
<td>Sick care for the children of employees</td>
<td>6%</td>
<td>NS</td>
<td>3%</td>
</tr>
</tbody>
</table>


Only the percent responding “Yes” is reported for each option.

Statistical significance: *** = p < .001; ** = p < .01; ns = not significant.

To help all employees, including parents, better manage their work and personal lives, 77% of employers provide Employee Assistance Programs (EAPs), up from 58% in 2008. In addition, over one in five employers (21%) provide work-life seminars or workshops at the workplace addressing issues of parenting, child development, elder care and so forth.
With respect to flexibility upon the return to work, the 2014 NSE finds that smaller employers (those with 50-99 employees) are more generous than large companies, with 53% of small employers allowing all or most employees to return to work gradually after childbirth or adoption. Of course, parents’ need for flexibility extends well beyond the weeks or months following their return to work. Our research shows that a culture of day-to-day flexibility is critical for employed parents, as well as for many other segments of the workforce, and that more employers are providing at least some of their employees this form of flexibility.

It is important to note, however, that day-to-day flexibility differs from hours that are not set and predictable. The majority of both men and women work hourly jobs, and often have little advance notice of their work schedule, which can create chaos in these employees’ lives and makes it extremely difficult to manage their work and family responsibilities.

The Business Case for Investing in the Transition to Parenthood

The 2014 NSE findings present a mixed picture. While the length of maternity leave has stayed the same, the percentage of employers that provide fully paid leave is declining, and over one in five employers is not complying with the FMLA when it comes to paternity leave, despite the increasing caregiving role of fathers. While more and more companies are offering Child Care Assistance Plans, other forms of child care support have either stagnated or declined since 2008. While day-to-day flexibility is on the rise, we know from our National Study of the Changing Workforce that the “time famine” that parents experience is also on the rise. Against this backdrop, we offer a framework for understanding the business benefits of investing in the transition to parenthood—and the costs of not doing so.

Paid Parental Leave Is a Key Factor in Ensuring That New Parents Return to Work Ready to Perform at Their Best.

Even when all goes according to plan, the delivery of a new baby and the adjustment to caring for an infant—whether biological or adoptive—is a huge physical and emotional transition for parents. Sleep deprivation is par for the course as the baby wakes up several times during the night to feed. Visits to the pediatrician are frequent. Arranging stable and good child care can be very time consuming, let alone anxiety producing. As a new mother, I would find myself at the end of the day still trying to find time to take a shower or get anything on my “to do” list done. And this was with a healthy baby who slept pretty well!
Employed parents who do not have access to paid parental leave often have no choice but to take short leaves. (For purposes of this briefing, a short leave is fewer than the medically advised six weeks, which is the cut off for disability for a normal birth.) This can set up a precarious situation for both the employer and the employee. As Jane Waldfogel of Columbia University, one of the country’s foremost experts on the impacts of parental leave on families, says, “Long, unpaid leave is not an option for most new parents, especially if they are low-income workers. Employers who provide only short, unpaid leave, therefore, find that new parents, especially birth mothers, either come back exhausted, anxious and with negative feelings about their job or they quit. In either case, the employer is making a short-sighted decision with long-term consequences for the business.”

The consequences of a short leave can be serious for the family, as well as for the employer. Numerous studies have documented that a short maternity leave has been associated with various risk factors for the new mother including “negative maternal affect and reduced sensitivity, work stress and overload, marital dissatisfaction and increased depression and anxiety.” If present, these risk factors not only affect the family—including new babies and their development—but also make it difficult for new mothers to perform at their best at work. Although having to return to work quickly is only one of many factors that can affect workplace performance, employer practices such as longer leaves, flexibility and parenting support can make a difference.

A short leave can also create risks for the health of the baby, which, in turn, both weighs on the parents and can increase the costs of health care for the new family. In 2011, May Rossin, an economist at Columbia University, published the first study looking at how access to FMLA-required maternity leave impacted infant outcomes. As she states, “My results suggest that unpaid maternity leave due to FMLA led to small improvements in birth outcomes and substantial reductions in infant mortality rates for children of college-educated and married mothers and had much smaller or non-existent effects on children of less-educated and single mothers” who are also workers, presumably because they are less able to afford to take unpaid leave.

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**Adrienne and Zachary’s Story**

Adrienne was an administrative assistant at a major university and her partner, Zachary, worked for a temp agency when their son was born in December, 2011. Because she had worked for the university for less than a year, Adrienne was entitled to six weeks of disability leave at roughly half her typical pay. Zachary did not have access to any paid parental leave. During those six weeks, their infant son had two medical procedures. During her leave and after she returned to work, Adrienne suffered from mastitis, a painful breast tissue infection which made breastfeeding excruciating. Zachary left temp work to care for their son, and would sometimes bring the baby to the office for feedings because Adrienne was unable to pump enough breast milk at home. In the end, just as Waldfogel predicted, Adrienne ended up leaving her full-time job at the university. As she says, “If I didn’t have to go back to work in six weeks, it would have taken away the stress of feeling like I had such a time crunch to get everything resolved.”

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The research on the impact of paternity leave on employed fathers is scarce, but what research does exist shows that when fathers are actively involved in the transition to parenthood, starting during the pregnancy and extending after the baby is born—including taking paternity leave—the whole family can benefit.

Support from the father (regardless of whether the couple is married) is key to improving the mother’s adjustment to being a mother and to the strength of the relationship between the mother and father. For example, a father’s physical and emotional support of the mother is among the “central protective factors” against the risk of maternal depression after birth. Conversely, “Fathers are happier and there is less conflict in the household if the mother takes a longer leave,” according to Jane Waldfogel.

Paternity leave’s positive impact on the relationship between mother and father, in turn, can affect the child’s relationship with her or his father since “the single most powerful predictor of fathers’ engagement with their children is the quality of the men’s relationship with the child’s mother.” While more and more fathers would like to take paternity leave, 75% of new fathers take only one week or less. The reasons for this apparent contradiction are many, including peer pressure, a fear of not seeming committed, a workplace culture that is not supportive of men taking leave and the need to retain family income, especially if the mother doesn’t have access to paid leave. And 20% of workplaces are still failing to provide FMLA-required paternity leave, more than 20 years after the law was passed.

While shorter leaves can have negative effects, as discussed above, longer leaves, especially if the leaves are paid, can be associated with much better outcomes for the entire family. For example, increasing the amount of maternity leave from six weeks to eight to 12 weeks was found to reduce depressive symptoms in new mothers by 11% to 15%. A study based on 98 dual-earner parents in the U.S found that longer paternity leaves were associated with stronger support of the father for the mother. Another study of 10,000 births in the U.S. found that a paternity leave of two weeks or more resulted in a higher likelihood that the father was involved in direct child care nine months after birth.

Families are not the only ones who stand to gain from longer, paid leaves. Employers can gain, too, because a stronger, more stable home front enables new parents to return to work ready to perform at their best. As Maryella Gockel, EY Americas Flexibility Leader, says, “The better our families are, the better our people are.”
EY—an assurance, tax, transaction and advisory services firm with more than 58,400 professionals in the Americas and 190,000 people globally—has been tracking the impact of supporting its professionals’ work-life needs for many years. The firm now provides 12 weeks of fully-paid time off for birth mothers following the birth of a child, typically comprised of six weeks of medically-required leave (often referred to as “disability” leave) plus six weeks of parental leave. Men and adoptive parents get six weeks of fully-paid parental leave if they are the primary caregiver. Non-primary caregivers get two weeks of fully-paid parental leave after the baby arrives. Creating a culture of flexibility along with these benefits and many more, has resulted in two key business outcomes: EY retains women and men at nearly the same rate, and its working parents in the U.S. report the highest levels of engagement of any group.

Small employers can also gain from offering paid parental leave. Caliper, a consulting firm with 140 employees in the U.S. headquartered in Princeton, New Jersey and a 2013 and 2014 When Work Works Award winner, provided paid parental leave before New Jersey passed the Family Leave Insurance law. In addition, Caliper allows employees to “bank” unused vacation time for when they need time off for family reasons—time that would otherwise be unpaid under FLMA. As Margaret McLaughlin, Senior Vice President for HR at Caliper, explains, “Our workplace practices acknowledge the changing workforce, including the reality of dual-income families. As a result, we have had zero voluntary attrition in the last three years. That allows us to maintain a continuity of high level service that is seamless to our clients, and saves us the significant costs in time and money we would otherwise spend recruiting and onboarding.” Caliper’s CEO Herb Greenberg, himself a father, spoke at the White House Forum on Working Fathers in June of 2014, on the benefits of paid parental leave.

In addition to retention and engagement, Lisa Shuster, HR leader at iHire, a 2014 When Work Works Award winner with 50 employees, sees another benefit for small businesses to providing paid parental leave and a flexible workplace: attracting the best talent. “Many of our employees are software developers and engineers, and the market for this talent in the Washington, DC area is extremely competitive. Our workplace culture enables us to attract high-quality employees, as well as keep them,” says Shuster.

At KPMG LLP, an audit, tax and advisory services firm with more than 23,000 people in the U.S., new parents told firm leaders that not worrying about the financial consequences of taking time to bond with a new child and adjust to the new responsibility of being a parent would “make a huge difference in how they felt about the firm,” according to Barbara Wankoff, Director of Workplace Solutions. So, this year, KPMG, a When Work Works Award winner, more than doubled its parental leave benefits and now provides up to 12 weeks of 100% paid short-term disability leave plus six weeks of parental leave for primary caregivers at 100% of wage replacement. As Wankoff explains, “We want to send a clear message to all our expectant parents: we want you back!”

National data confirm the link between paid leave and retention (at least among new mothers). Analyzing a large dataset of women who worked at least 20 hours per week prior to a child’s birth, the Rutgers Center for Women and Work found that: “Those [new mothers] with paid leave were 93%
more likely to be working at postpartum months nine to 12 than those who did not take any leave.” According to a 2011 U.S. Census report, “Women who had some type of paid leave have greater odds of returning to work within three to five months following the birth of their first child, compared with mothers who did not receive or use paid leave.” In other words, paid leave creates a mutually reinforcing relationship between new parents and their employers. Because the employer is making it easier for new parents to start on strong footing, they are more likely to both return to their employers and stay.

Enabling Men to Take Parental Leave

What about the fathers? In 2014, 89% of professional fathers report that the availability of paid paternity leave is an important consideration in seeking a new job if they plan to have another child.

Best practice companies are mindful of the growing importance of caregiving to fathers and have both extended paternity leave and encouraged expectant fathers to take it. As EY Americas Flexibility Leader Mary-ella Gockel testified to Congress in 2014 about the benefits of EY’s six-week paid leave for fathers, “Some of our dads who act as primary caregivers take two weeks off right after their child arrives and use the remaining four weeks of their six-week leave after their spouse or partner returns to work or school. Since we implemented paid parental leave in 2002, nearly all of our eligible Ernst & Young LLP men have utilized it. In a given calendar year at our firm, about 500 to 600 working dads in the U.S. take paid parental leave.” As Jared, an EY father who spread out his leave, says, “Monday and Tuesday mornings are daddy/daughter time. It’s something I couldn’t get any other way, and it’s something I will never forget.” Gockel continues, “We have found that men who take parental leave become real advocates for the women and great role models for the men on their teams because they know firsthand how challenging it is to be home with a baby.”

To enable men to take full advantage of these paid leaves, EY is asking those men who do take their full leave (as well as their spouses) to be more vocal with their colleagues and peers. This role modeling is key to ensuring that new fathers take leave. According to a study looking at the impact of workplace norms on paternity leave taking in Norway, where paid paternity leave is the law, when a male coworker takes parental leave, “the next [male] coworker to have a child at his workplace is 11% more likely to take parental leave” and the effect is even stronger if the coworker taking leave is a male manager.
A recent report on the California Paid Family Leave program confirms that the benefits far outweigh the costs to both employers and employees. The law requires most employers to provide up to six weeks of wage replacement leave to either bond with a new child or care for a seriously ill family member, funded through an employee-paid payroll tax. Asked about the impact of the program on productivity, profitability/performance, turnover and morale, 87% of employers reported that the program had not resulted in any cost increases, and some employers said it had generated cost savings “by reducing turnover and/or by reducing their own benefits costs.” Interestingly, small businesses (with less than 100 employees) were less likely than larger employers to report any negative effects. The retention rate among workers at the lower end of the pay scale was most positively affected: 83% of workers who used the program returned to the same employer after a family leave compared to 74% of those who did not. As the report states, “This suggests that California’s [Paid Family Leave] program provides an important benefit for employers, especially small employers that may be unable to afford high levels of wage replacement for workers who need to take a family leave, but wish to retain those workers.”

When Ryan, LLC, a tax advisory firm with over 1,300 people in the U.S. and a When Work Works Award winner, did the math on providing paid leave and a flexible work environment, they realized that the “savings to the company were immense,” according to Delta Emerson, Chief of Staff to the CEO. In 2008, at the same time that the firm embraced flexibility and a focus on “results achieved” rather than time spent at work as a management strategy, it increased the amount of paid parental leave it offered. In Ryan’s case, less than 3% of their workforce takes parental leave in any given year. In 2013, that meant 37 people. Because the company provides guidance to both

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**Doing the Math of Paid Parental Leave**

If you do not currently provide paid leave, here is a quick way to think about the cost of doing so:

1. **How many births, on average, occur in any given year among your workforce?** These data can be tracked from both disability leave claims and changes to health insurance coverage.

2. **To what extent can the time off be covered by someone else on the team?** As documented in the report on California’s experience, employers used many creative approaches to covering for employees on leave—even in the case of hourly, low-wage jobs—and, therefore, minimized these costs.

3. **What is the cost of hiring temporary help if the work cannot be covered by the team?**

4. **What are the costs of providing disability coverage beyond the medically-necessary disability period, if applicable?**

The return on this investment can be calculated by analyzing:

1. **What are the current voluntary turnover rates for new parents 12 months after leave?**

2. **How much would you save by reducing that turnover?** These savings are the avoided costs of replacing these employees—including the direct costs of hiring and onboarding as well as the indirect costs in terms of lost productivity of the team, disruptions in client or customer service, ramping up time and the like.
managers and expectant parents on how to make a smooth transition onto leave and back from leave—as explained in more detail below—teams cover the work and there is no additional replacement cost. As a result of these and other efforts to be a more supportive and flexible work environment, voluntary turnover dropped dramatically. As Emerson reports, “It is now under 10% for both men and women, whereas prior to 2008, it was closer to the industry average of about 20%.” (Ryan calculates the cost of voluntary turnover to be roughly $150,000 per person.)

But what if you are a small company—and employ lots of women of childbearing age? Won’t providing these benefits break the bank? The answer according to Jason Graham-Nye, CEO of gDiapers, an eco-friendly diaper manufacturer based in Oregon with 17 employees, 75% of whom are women, is an emphatic no! gDiapers, a 2014 When Work Works Award winner, offers six months of paid parental leave as well as onsite child care and flexible work hours. As Jason Graham-Nye explains, “We very intentionally built a culture where our employees can bring their whole selves to work. We understand that the soft stuff is the hard stuff, and that if you get that right, you will get your business right.” gDiapers not only has an extremely high retention rate, but also, as Jason describes, “Our people have formed a bond that is unlike anything else. They are incredibly engaged and resilient.” As a start-up, that made a difference to at least one of gDiapers early investors, herself a mother of eight. When Graham-Nye asked her how she made her decision to invest in his company, it was all about the team—and the way the team works together.

Coaching and Supporting New Parents Through the Transition Helps Keep Them on Track and Engaged.

Providing paid leave can make a big difference, but that is only the beginning. As the examples below illustrate, best practice companies also provide support for the transition back to work by helping with everything from lactation to finding and paying for regular child care and back-up child care slots, to parenting advice.

Chevron, the energy company, began its Employee Assistance Program (EAP) more than 45 years ago. The company has a staff of licensed mental health professionals whom employees can call or see on-site for a wide range of issues and problems such as parenting, relationship, elder care, stress, work-life fit, drug and alcohol, mental health issues, and more. Today, parenting issues and concerns are one of the top five issues for which employees seek EAP assistance. In addition, Chevron recently opened an onsite child care center in Houston, Texas, partly because this worksite is growing and the employee demographics are showing a trend toward more babies with more employees forming new families. The center filled up quickly, with a long wait list for infant care, according to Sara Kashima, an Advisor in Work-Life Services at Chevron. Kashima notes, “One of the findings from
the first year of operation is that fathers are much more involved in decisions around child care than we had anticipated.” Chevron frequently sees fathers completing registration paperwork and taking their children to the child care center, even in dual-career Chevron couples where both spouses work for Chevron. As a result of this early experience, Chevron will be broadening its onsite breastfeeding workshops to include fathers—to help them learn how to support their partner—and has even begun making these types of sessions available at the refineries!

A pioneer in providing onsite child care starting back in 1990, Johnson & Johnson, a health care company, currently has seven onsite child development centers in the U.S. for children aged six weeks up to 12 years. These centers provide everything from drop-in care to kindergarten prep to camps when school is out. As Pamela Corson, Global Director, Wellbeing and WorkLife Effectiveness, explains, “Providing an enriching learning environment for our employees’ children is part of our culture of caring and fundamental to our Credo. It is also one of the reasons why we are viewed as an employer of choice.” A J&J parent who uses onsite child care confirms, “Onsite child care is the main reason we’ve been so loyal to the company. It allows us to stay focused on our work and our family at the same time.”

Regardless of the form of their regular child care arrangements, all parents need a “Plan B” and even a “Plan C” when these arrangements fall through. Employers that provide day-to-day flexibility allow their employees to manage these situations by, for example, working from home when the family child care provider is sick, or so they can take the baby to the doctor for the one-year check up. According to the 2014 NSE, an increasing number of employers offer this type of flexibility to employees.

Some companies go further, setting up more formal back-up child care programs. For example, as part of Marsh & McLennan Companies, Oliver Wyman, a global management consulting firm, participates in a program in the U.S. that subsidizes the cost of either center-based or in-home child care for emergencies so that employees pay only $25 per day for back-up center care or $8 per hour for back up in-home care. Danit Schleman, a Senior Manager in Inclusion & Diversity (I&D) at Oliver Wyman, explains, “These costs are more than covered by the avoided loss of productivity when parents don’t have to worry about how to handle child care emergencies.”

There is nothing like asking employees themselves about the impact of benefits, like subsidized access to online family resources and hiring platforms for caregivers or last-minute backup care to meet unexpected family needs. When the Global Workplace Solutions division of Care.com did so last year, here is what they found:
• 83% of employees saw a reduction in stress and say their work-life balance goals were met;
• 74% of employees reported that these services help them perform regular work duties uninterrupted;
• 66% of employees said that their overall job satisfaction has increased; and
• employees were able to work on average an extra five hours per week and an extra five days per year.

Communicating to employees about these kinds of resources can often be the biggest challenge. One way KPMG does so is by including information about all the resources the firm provides in a baby gift basket delivered to every new baby born to or adopted by a KPMG employee. The basket also includes a hooded, KPMG-monogrammed baby towel!

In order to support both employees and managers, Johnson & Johnson has built a comprehensive “Life360™” website that provides information and resources related to transitioning to parenthood and beyond. The website includes tools to assist employees in making the decisions that are right for them and their teams. As Pamela Corson describes, “When an employee selects the appropriate link (i.e., ‘Having a Baby’), the website will redirect [him or her] to all the relevant information.” This includes details regarding paid and unpaid parental leave, flexible work options such as phased return, child care and the like.

In addition to the website, Johnson & Johnson assigns a licensed nurse (LPN) to each employee going on maternity leave to guide her through all the decisions involved in becoming a new parent. This case worker stays connected with the new parent while on leave as well. Expectant fathers and adoptive parents receive similar support and follow up. “While this case management is an additional cost, it has produced the best outcomes for our employees and our business,” says Richard McDonald, the Director of Global Benefits and Absence Management.

Goldman Sachs, a global financial services firm, offers a variety of programs and services that are intended to support women and men in managing their work and family obligations, including onsite and in-home back-up child care, lactation support services and 16 weeks of fully paid maternity, adoption and surrogacy leave. To make sure these benefits aren’t just “on the books,” an onsite Expectant Parent Coordinator is available to meet with employees—and his or her spouse or domestic partner—dealing with issues ranging from infertility to pregnancy planning to adoption leave. The Expectant Parent Coordinator also holds a weekly call to provide guidance on how to navigate [Goldman Sachs’] resources.
Goldman also has a virtual Help-at-Home Bulletin Board on its Intranet, open to all employees, who can post both notices on need and recommendations for child care. Young reports that this tool serves as a virtual “park bench” and is widely used, with over 20 posts on any given week. The cost of providing these resources is small compared with the benefits of ensuring that employees can focus when they are at work because they don’t have to worry about family obligations. “For example,” Young says, “over 70% of employees who have used back-up child care tell us they would not have been able to work without the service.”

Last year, Goldman Sachs began training managers on how to support their team member’s transition out onto leave and back to work. The training was implemented because a number of expectant parents found that their conversations with their managers were challenging when they discussed how to reallocate their work and set expectations about availability while out on leave. Goldman found that managers struggled with these conversations, too, in part because they didn’t feel knowledgeable about firm policies and practices. Now, managers have access to both group and one-on-one training delivered by trained HR professionals. According to Young, “It has broken down barriers and opened up conversations between managers and expectant parents.”

Similarly, in 2012, EY piloted a Career and Family Transitions Coaching program to provide support and resources to EY men and women who are welcoming a new baby through birth or adoption. A key component is also coaching those who oversee the performance reviews of the program participants, so that they, too, can support the professional in this critical life stage. The program leverages EY’s existing network of internal executive coaches. These coaches—who traditionally work with EY’s most senior leaders—are now helping its people navigate the personal and professional issues that arise following a new baby. As Maryella Gockel explains, “EY identified a need for coaching to help parents achieve personal and professional success. It began because EY wanted to do a better job at helping parents navigate an important inflection point that can mark very exciting, but challenging, crossroads for people. The coaching program also provides more information about the benefits and resources available to help them manage their busy lives. It says to employees, ‘You are not alone in this.’”

At Ryan, what started as a grassroots effort among mothers has turned into a management tool called the Transition Checklist. For use by individuals and their managers, it provides tips and items for consideration in order to ensure a smooth transition onto and from parental leave. For example, the Checklist addresses how to handle emails, advising the parent on leave to have someone monitor their inbox. As Delta Emerson explains, “It is important to Ryan to provide these resources to help employees transition to parenthood and not to leave it to the individual to figure out alone. This helps the family, certainly, and it also benefits the company. The transition to parenthood can be overwhelming. By supporting employees during this time, Ryan hopes to minimize frustrations and help them stay focused and productive [while] at work.”
Similarly, Oliver Wyman has established a core group of in-house work-life coaches who work with professionals at all levels on the challenges they face integrating work and the rest of their lives. According to Danit Schelman, who herself took four and a half months off after the birth of each of her two children, “We did a lot of research a few years ago about people’s work-life concerns. We found that the biggest concern was adjusting to this ‘new normal.’ People wanted help integrating work with the rest of life.” Oliver Wyman’s first response was to test a formal phone-based group coaching sessions for new parents through an external vendor. Unpredictable schedules, however, made it hard for consultants to attend regular sessions, and the sessions weren’t tailored enough to individual circumstances. So, last year, Oliver Wyman launched a pilot of a different sort. The Inclusion & Diversity team offered one-on-one coaching to a diverse group of new parents, who were nominated by their leaders. The team also trained HR professionals responsible for talent management, as well as consulting partners and principals, to provide this type of coaching, not only to new parents, but also to others struggling with work-life fit. “Our leaders’ first instinct is to problem solve and offer a solution,” Schelman notes, “so they had to be trained to develop a new skill—that of facilitating other people’s learning by providing space for them to think through issues they are facing, generate their own potential solutions and connect to other resources. We taught them to ask the right questions and listen well, rather than try to solve people’s work-life problems for them.”

**Conclusion**

The interplay between family and work is constantly evolving; yet the importance of family has endured. In fact, Americans are united in feeling that family is the most important or one of the most important elements in their lives.\(^5\)

As we all agree, families are the center of our lives. Business leaders who make decisions with that mindset can reap real benefits.
Endnotes


The data in Times Are Changing is primarily based on the 2008 National Study of the Changing Workforce (NSCW), with comparisons to the 1992, 1997 and 2002 NSCW, and the 1977 Quality of Employment Survey of the U.S. Department of Labor, which serves as the baseline for the NSCW. The data collection methods used in the 2008 NSCW are described at the end of Times Are Changing.

4 Ibid.


8 Times Are Changing.


Family Matters: The Business Case for Investing in the Transition to Parenthood


The National Study of Employers is based on the Institute’s landmark 1998 Business Work-Life Study (BWLS) and has been conducted four additional times since the BWLS survey was completed (2005, 2008, 2012 and 2014).

14 Ibid.

Among these employers, 95% indicated that at least one of their worksites is mandated to comply with the Family and Medical Leave Act of 1993 (FMLA). This law covers employers with 50 employees within a 75 miles radius and requires that at least 12 weeks of unpaid, job-guaranteed leave for childbirth, adoption, foster care placement, a serious personal medical condition or care of a child or spouse with a serious medical condition be granted to employees who have worked at least 1,250 hours during the preceding year. FMLA, however, exempts employers if they have fewer than 50 employees within a 75-mile radius of all worksites. Approximately 94.8% of respondents correctly identified themselves as having a worksite with 50 or more employees within a 75-mile radius and being covered by FMLA. An additional 1.8% correctly identified themselves as exempt from FMLA because no worksite met the law’s requirements. The remaining employers either thought they were covered despite lacking an eligible worksite (2.2%) or thought they were exempt despite having an eligible worksite (1.2%). Note that all respondents were required to employ at least 50 people to be eligible to participate in the survey.

15 Ibid.

Out of the total sample of 1,051 employers, only 47 were not covered by FMLA and 11 failed to provide an answer to all four care giving leave items used to determine compliance with FMLA. The respondents with missing data or who indicated they were not covered by FMLA were excluded from the analysis.

16 Ibid.

This disparity has resulted in at least one EEOC complaint being filed by a birth father.


19 The Affordable Care Act requires employers to provide reasonable break time to pump breast milk, and a private place other than a bathroom in which to do so, for non-exempt employees. http://www.whitehouse.gov/sites/default/files/uploads/careact.pdf

20 Nine Facts About American Families and Work.

21 FWI 2014 NSE.

23 The podcast The Longest Shortest Time is a wonderful collection of stories from new parents across the country: http://longestshortesttime.com


It is estimated that 10% to 15% of new mothers suffer from post-partum depression, prompting New York State to pass a law in 2014 to require screening for depression for all new mothers. See http://www.governor.ny.gov/press/08042014-support-new-mothers-and-families


As Paul Raeburn asserts in his new book, fathers have been, until recently, left out of much of the research on child development, maternal health and family life, although this is changing.


Raeburn quotes Professors Carolyn and Phillip Cowan, who ran a landmark study of 96 couples over 15 years called Becoming a Family Project, at 89.

32 The New Dad, Ibid.


36 For more information on the When Work Works initiative, a partnership between Families and Work Institute (FWI) and the Society for Human Resource Management (SHRM), please visit: http://www.whenworkworks.org/


40 The New Dad series

41 Quote from Thank You Video. (June 18, 2014). Produced for Families and Work Institute's 25th Anniversary Gala. Please view: https://www.youtube.com/watch?v=-Fyske_a0P8


44 Ibid. The California experience shows that turnover is not a given, even among low-wage workers, and can be positively affected.

45 Ibid.


48 Quote from Thank You Video. (June 18, 2014). Produced for Families and Work Institute’s 25th Anniversary Gala. Please view: https://www.youtube.com/watch?v=-Fyske_a0P8


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Families and Work Institute is a nonprofit research-to-action institute dedicated to providing research for living in today’s changing workplace, changing family and changing community. Since the Institute was founded in 1989, our work has addressed issues in three major areas: the workforce/workplace, youth and early childhood. Families and Work Institute’s research takes on emerging issues before they crest and includes some of the most comprehensive research on the U.S. workforce available. The Institute’s work has helped change the language of debates to move the discussion forward toward more effective and data-driven solutions and to result in action. In addition, because the Institute conducts some of the only research studies of their kind, our studies are quoted in the media more than once a day and are regularly cited by decision makers in business, government and the public. Visit us at Familiesandwork.org.