

BOSTON COLLEGE

CENTER FOR WORK & FAMILY

EXECUTIVE BRIEFING SERIES

In this Issue:

- *New parents: today's demographics*
- *Supporting employees as they prepare for a new family member*
- *Parental leave in focus*
- *Innovative supports for new parents*

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New Parents at the Workplace: How Organizations Can Create a Culture of Support

Engaging and retaining highly-valued employees is a priority for diverse organizations. One employee population that has become a particularly prominent focus of corporate retention efforts is new parents. As Millennial employees become moms and dads at home, they have also advanced to attain critical roles with positions of influence at work. Regardless of how they become parents – by birth, adoption or surrogacy – both male and female employees will experience numerous adjustments preparing for their child's arrival, determining leave plans and coverage for their responsibilities and returning to work. Organizational supports can impact their successful transition to this new life stage as well as the likelihood that they will remain committed and motivated to continue their employment. Managers, and to some extent their co-workers, play a key role in creating a positive experience for new parents at the workplace.

This Executive Briefing will focus on how organizations can create a culture of support for employees who become new parents. It will detail the managerial behaviors and organizational resources that can facilitate this transition. Best practices from leading companies will be shared as well as recommendations for developing a parental leave policy at your organization.

Demographics

Today's families are diverse and represent many different types of arrangements including, but not limited to, single parent; LGBTQ; cohabiting couples; blended families; and multi-generational households. Currently, less than half (46%) of US children are living in a family with two married parents (Pew Research Center, 2015a).

Millennials, defined as 18-34 years old in 2015 with a cohort of 75.4 million, gave birth to 80% of the four million US babies born each year (Pew Research Center, 2016). Older Millennials in the age range of 25-34 years old represent 10.8 million households with children. As younger Millennials age, the number of new parents is expected to increase over the next decade. Sixty-three percent of Millennials are married with a median income of \$50,000 (Millennial Marketing, 2012).

Millennial moms and dads are getting married later than previous generations with an average age of 27 for women and 29 for men compared to 23 for women and 26 for men in 1990. Also, Millennials are having babies later in life compared to previous generations -- 26 was the average age for women having their first child in 2013 compared to approximately 23 in 1980 (Bloomberg News, 2016; Business Insider, 2015a; Business Insider, 2015b). In addition, 78% of women ages 40-44 who received a graduate degree or higher have children compared to 70% in 1994 (Pew Research Center, 2015b).

Today's new mothers are working later into their pregnancies with 66% on the job while pregnant between 2006 and 2008. By the late 2000s, 82% continued to work until within one month of their first birth compared to only 35% in the 1960s. Also, working mothers return to work sooner with 73% on the job six months after their child's birth in 2005-2007 compared to 21% in the 1960s (Pew Research Center, 2015c).

Today's fathers want to be involved and present in the lives of their children as well as financial providers. This desire to be both breadwinner and caregiver has led Millennial dads to report as much, if not more, work-life conflict than mothers. Dads continue to struggle with how to meld parenting with a successful career. In fact, 74% of Millennial dads indicate that they want to spend more time with their children (Center for Work & Family, 2016).

In 46% of two-parent households, both parents work full-time compared to one-third in 1970 (Pew Research Center, 2015d). Millennials (78%) and Gen X (73%) are more likely to have a spouse or partner working full-time than Boomers (47%) (EY, 2015). Parenting challenges may intensify as families move towards more gender equality in the workplace and more shared caregiving at home.

A 2017 UK study of 2,750 parents found that "nearly half of working fathers (47%) want to downshift to a less stressful job because they cannot balance the demands of work and family life, and just over a third would be willing to take a pay cut to achieve a better work-life balance, those figures increase for younger fathers – indicating a seismic change in workforce mentality" (the Guardian, 2017). Boston College research on fathers revealed that more than one-third find themselves "conflicted," desiring to be an equal caregiver at home but unable to achieve this goal in reality (Center for Work & Family, 2016).



KPMG LLP, the audit, tax and advisory firm, is the U.S. member firm of KPMG International Cooperative ("KPMG International"), with more than 30,000 U.S. partners and employees.

KPMG understands the importance of major life milestones, and recognizes that new parents must adjust to their new responsibilities at home while transitioning back to work. To assist them, the firm has established the following policies and programs:

Parents who KNOW – A mentoring program tailored for parents-to-be and those who are already parents.

Lactation Program – Provides easy access to support for new nursing mothers. Includes home delivery of a hospital-grade electric breast pump two weeks before baby is due, travel kits to ship expressed milk home daily, assistance via consultative calls, 24/7 support, and more.

Monthly Online Meeting for New Parents – Creates an open dialogue and answers employees' questions regarding their leave.

New Parent Career Coaching – One-on-one coaching upon their return to work to ease their transition.

Variable Compensation Protection – Minimizes concerns around performance awards (bonuses) after a Parental, Disability, Family Medical, or Military leave of absence. Employees on leave for at least six consecutive weeks receive a performance award proportional to the percent received by the employee during the prior performance year.

Time Off for Primary Caregivers – Up to **18 weeks at 100% salary for new moms**; includes up to 12 weeks of short-term disability and six weeks of paid parental time off. **Other primary caregivers** receive up to six weeks of paid time off at 100% salary. **Non-primary caregivers** are eligible for two weeks at 100% salary.

Child, Back-Up Child, and Elder Care – Includes access to in-home and/or center-based options, and support for finding child care options and discounts. Back-up elder care provides options for employees with aging parents.

Alternative Work Arrangements – KPMG offers a range of formal/informal flexible scheduling options.

Guidance for People Management Leaders (PMLs) – PMLs receive a guide that includes resources available to employees and tips on how to best support them.

Preparing for Leave

Organizations that provide guidance and training for their managers on the parental leave process improve the experience for their employees while enhancing retention, morale and job satisfaction. Managers who are knowledgeable about the resources available to assist new parents are more confident and prepared to support them as they get ready for their leave, during their leave, and when they return to work. Informed managers help to create a consistent approach throughout the organization as well as strengthen relationships with new parents, leading to a more successful transition for everyone.

When an employee informs their manager that they are considering parenthood or will be a new parent, a manager's supportive response is critical for creating a positive foundation for the leave experience. Managers are encouraged to embrace all types of new parents including those who adopt children or have babies via surrogates or infertility procedures.

In addition, managers should be prepared to discuss organizational policies for maternity and paternity leave as well as refer new parents to the person in the organization responsible for this area. Since parental leave policies at many organizations are evolving, staying up-to-date on current paid leave benefits is essential to effectively communicate leave options. As organizations begin to offer more generous and gender-neutral paid leave, managers may need to confront their own reluctance to support employees utilizing their full benefits or examine any gender-related biases regarding parental roles. If appropriate, managers should encourage and mention that flexible schedules can help to mitigate the challenges of medical appointments and other demands during this time period.

Managers are encouraged to talk with new parents about their plans as early in the process as possible. Discussions might include the length of the parental leave, timelines for work transfer and coverage for tasks, assignments, and projects. Managers are encouraged to work with new parents to develop a strategy for informing all key stakeholders including their team about their upcoming leave. A few weeks before the scheduled leave, managers can review the arrangements to make sure that new parents are comfortable with the leave plans and that all details have been addressed to ensure a smooth departure and return to work.

This is an opportune time to reinforce the value of the new parent to the organization and affirm your willingness to support them during this transition. You may want to initiate a discussion about their career goals and plans for the

future. Managers should communicate that taking leave will not have a negative impact on career ambitions. It is important that managers do not make any assumptions about the career aspirations of new mothers or fathers as every employee has a unique approach to integrating their new parent status with their career. Some organizations have new parent career coaches who assist expectant parents in developing their plans for integrating parenthood with their career as well as to navigate available workplace supports.



Goldman
Sachs

Goldman Sachs strives to provide innovative programs and resources to improve the resilience and wellbeing of employees and their families. To support caregivers managing competing personal and professional responsibilities, the firm offers over 35 dependent care resources through internal supports, vendor partners and benefit plan providers.

Highlights of these resources include:

- *Expectant Parent Coordinator (EPC) Program*: on-site coordinators responsible for helping employees and/or their spouses/domestic partners and managers navigate the comprehensive expectant parent offerings. The EPC offers personalized, one-on-one case management support and assistance throughout the full spectrum of their journey to parenthood and successful transition back to work.
- *Strategies for Working Parents*: a reoccurring interactive EAP seminar that discusses techniques on how to have a successful, long-term career while leading a fulfilling life.
- *Resilience Workshop for Working Mothers*: a recurring two-part workshop that helps participants reduce stress, improve confidence and enhance their ability to manage work and family priorities by providing opportunity for self-reflection and goal setting.
- *Family Resilience Event Series*: launched in September 2016, this region wide initiative provided guidance, advice and practical sessions for parents and caregivers in creating healthy and resilient lifestyles for their families and themselves.

Pregnancy Discrimination Act (PDA)

US-based organizations need to be familiar with the 1978 Pregnancy Discrimination Act (PDA): “Women who are pregnant or affected by related conditions must be treated in the same manner as other applicants or employees with similar abilities or limitations (SHRM, 2014).”

- Indicates that discrimination on the basis of pregnancy, childbirth, or related medical conditions is considered to be unlawful sex discrimination under Title VII
- Covers employers with 15 or more employees including local, state and federal government, employment agencies and labor organizations
- Requires employers to treat a pregnant employee similar to an employee with a temporary disability if pregnancy interferes with an employee’s ability to do their job
- Mandates that pregnant employees must be allowed to continue working as long as they are able to do their jobs
- Advises employers to keep positions open for pregnancy-related absence similar to employees on sick or disability leave



American Express provides a holistic suite of family-friendly benefits to ensure employees feel supported from the moment they decide to become parents through their return to work and beyond. American Express remains committed to tailoring programs to meet the needs of working families and recently made a number of market-leading changes to their Parental Leave Policy and family benefits in the US.

The new policy offers up to 20 weeks of fully-paid parental leave for both mothers and fathers welcoming a child through birth, adoption or surrogacy. Birthing mothers generally receive an extra 6 to 8 weeks for medically necessary leave. Additional benefits include reimbursement of expenses to help with the cost of adoption or surrogacy and coverage of reproductive and fertility treatments through the company’s health plans. Parents are also given access to a parent concierge and 24-hour lactation consultant, and mothers traveling for business can ship their breast milk home for free.

These significant enhancements reflect the continued investment of American Express in the overall wellbeing of their employees and families.

Parental Leave in Focus

Paid Parental Leave around the Globe

The majority of countries around the world offer paid parental leave to their working parents. Among 193 United Nations member countries, the few countries without a national paid parental leave law include the US, Papua New Guinea, Suriname and a few South Pacific island nations. A minimum of 50 of these countries now provide six months or more of paid maternity leave (NPR, 2016a). Another report found that 70 countries guarantee paid leave for fathers in addition to 182 that provide maternity leave (ThinkProgress, 2015).

As an example, Sweden has the most generous policies offering 16 months of paid leave that can be taken by either parent until the child is 8-years old. Under the “daddy quota,” 60 days of this parental leave are designated specifically for fathers to encourage their involvement with their children. Salary continues at 80% with a limit for higher income workers (NPR, 2016a; NPR, 2011).

Although a thorough synopsis is beyond the scope of this brief, the International Network on Leave Policies & Research produces an annual review of leave policies from 39 countries around the world accessible at <http://www.leavenetwork.org/> (International Network on Leave Policies & Research, 2016).

Paid Parental Leave in the US

Due to a combination of corporate, policy and public interest, paid family leave in the US has received increased attention. Currently, the Family and Medical Leave Act (FMLA) is the only parental leave support available to US workers. The FMLA, launched in 1993, offers 12 weeks of job-protected unpaid leave for employees in organiza-

tions with more than 50 employees. It is estimated to cover about 60% of US workers, and for many of these working families, three months without a paycheck is not economically feasible. The Organization for Economic Co-operation and Development (OECD) reports that the US “still comes in last out of 41 developed nations for its lack of a federal mandate for paid parental leave.... 31 of those 41 countries mandate paid leave for fathers, too.” In these 41 OECD countries, mothers have access to an average of 17 weeks of paid leave (Fast Company, 2016).

The US Congress has tried to pass previously and is currently re-considering, the Family and Medical Insurance Leave Act (FAMILY). The FAMILY Act is a national social insurance program for working parents providing up to 12 weeks of partially paid leave to care for a new child as well as 12 weeks to recover from a personal illness or to care for a seriously ill family member.

In the US, only 14% of private sector employees have paid parental leave although higher income workers are four times more likely to have access to paid family leave (Boston Consulting Group, 2017). More than 100 million employees do not have access to paid family leave and 25% of new mothers return to work a mere two weeks after delivery. While 90% of US fathers take some time off for the birth or adoption of a child, 70% of fathers use ten days of leave or less (Department of Labor, 2015).

Although US employers have begun to offer paid leave, SHRM found that only 21% of large US corporations offered paid maternity leave, a 9% increase from 2014 (SHRM, 2016a). The 2017 National Study of Employers reports that parental leave hasn't increased significantly since 2012. The study sample was obtained over a year ago (9/15-2/16) so their findings may not reflect current levels of growth in the corporate sector (SHRM, 2017).

On average, women receive almost twice as much paid parental leave compared to men: 41 days of paid maternity leave compared to 22 paid days of paternity leave. The average paid leave for adoption was 31 days and 36 days for paid surrogacy leave (SHRM, 2016b; SHRM, 2016c).

Three states -- California, New Jersey, and Rhode Island -- have passed paid family leave laws available to both parents. For almost a decade, the state of Washington has been unable to implement its paid leave program due to budget constraints. On the local level, more than 40 municipalities and counties have established paid leave programs. In late 2016, the state of New York passed the nation's most generous paid family leave law which will go into effect in 2018, starting with eight weeks off and increasing to 12 weeks as early as 2021. The

District of Columbia recently adopted 16 weeks of paid family leave for district employees while San Francisco became the first city in the US to require businesses to provide fully paid leave for new parents (National Partnership for Women & Families, 2017; AEI & Brookings, 2017).

Benefits of Paid Family Leave to Employees and Organizations

Paid family leave has positive outcomes for both employers and employees with most employers reporting that paid family leave had no negative ramifications on their organizations. In fact, 91% indicated a positive or neutral effect on profitability as well as employee performance and 89% had similar reports about productivity. In addition, retention rates for lower-skilled employees were 83% compared to 74% for employees who did not take leave, a savings of \$89 million annually. Google's extended maternity leave of up to six months (18-22 weeks paid) was found to reduce the departure of mothers from Google by 50% (ThinkProgress, 2015).

Benefits for Organizations

- Paid leave promotes employee loyalty and engagement.
- Recruitment efforts can be improved as employees are attracted to organizations that care about them as people.
- Co-workers who cover for employees on leave are able to learn new skills and explore career opportunities.

Benefits for Mothers

- Paid maternity leave reduces health care costs by encouraging higher rates of breastfeeding, which promotes infant health.
- Maternity leave is associated with lower rates of maternal depression.
- Paid maternity leave has been shown to increase the number of women in the workforce and to improve their average wages.

Benefits for Fathers and Children

- Paid paternity leave positively affects father-child bonding.
- Fathers who take paternity leave are more engaged in taking care of their children and more satisfied with parenting.
- Children of involved fathers were found to have higher cognitive test scores, better grades, and are less likely to abuse drugs or alcohol or become teen parents.

It seems clear that paid parental leaves have numerous positive outcomes for children, parents, businesses and the economy (Department of Labor, 2015; Center for American Progress, 2017; Boston Consulting Group, 2017; NPR, 2016a; NPR, 2016b; Matos, 2017).

Considering Parental Leave at your Organization

Perhaps, your organization is interested in developing a parental leave program for your new parents. You're not alone. A growing number of employers of all sizes and industries are offering paid leave for both mothers and fathers. CLASP found that 66 organizations initiated paid leave programs since March 2015 (CLASP, 2017). In the past year, Bright Horizons notes that approximately 80 organizations have implemented "return to work" programs to reduce the stress that new parents experience when they go back to their jobs (Forbes, 2017).

Want to move forward? Like most workplace programs, there is no one-size-fits-all approach and you must keep in mind your workforce as well as the particular business objectives and culture of your organization. In addition, your paid leave program must fit well with other leave and paid-time-off programs that you offer. It is suggested that you work with your legal department to ensure compliance with employment and discrimination laws. In particular, the June 2015 Enforcement Guidance on Pregnancy Discrimination, issued by the US Equal Employment Opportunity Commission, says "if an employer extends leave to new mothers beyond the period of recuperation from childbirth (e.g. to provide the mothers time to bond with and/or care for the baby), it cannot lawfully fail to

provide an equivalent amount of leave to new fathers for the same purpose (Employee Benefit News, 2016)."

Components of a successful parental leave program that you may want to consider:

- Includes mothers, fathers, and adoptive parents
- Compensates at 100% of current salary
- Offers medical/disability leave for birth mothers for recovery from childbirth (generally six to eight weeks)
- Provides gender-neutral "bonding leave" for parents (mothers, fathers, same-sex partners)
- Offers paid time off in allotments similar to peers in your industry
- Applies to all employees -- at all levels, in all areas of the organization
- Results in no penalties for taking leave (assignments, raises, promotions, career opportunities)
- Encourages senior leaders to be role models and publicize their leave-taking
- Reflects your organization's culture and values
- Trains managers on how to successfully guide and interact with employees
- Includes metrics to track utilization and outcomes important to your organization (Chicago Tribune, 2017; SHRM, 2016a)

Deloitte.

Deloitte's family leave program provides men and women up to 16 weeks of fully paid family leave to support a range of life events impacting them and their families—from the parent celebrating the arrival of a new child, to the professional caring for a spouse or significant other, to the professional supporting aging parents. Also under this family leave program, mothers who give birth to a child are eligible for up to six months of paid time off when factoring in short-term disability for childbirth.

This program reflects changing family dynamics and the emerging needs of Deloitte's professionals that go beyond just the requirements for new parents welcoming a child.

What Deloitte is learning from its people is also echoed in the external marketplace. In a recent pulse survey of US workers, Deloitte found that 88 percent of the respondents would value a broader paid leave policy to include family care beyond parental leave.



IKEA is motivated to create a better, everyday life for the many people and this includes co-workers. While co-workers are considered family at IKEA, the company also knows the importance of time needed for loved ones outside of work. The company's new Parental Leave policy was launched this year to ensure all co-workers are able to have an opportunity to bond with new additions to their families. This includes salaried and hourly workers, both mothers and fathers, and adoptive and foster parents.

Co-workers who have been with IKEA for more than one year can take up to three months of paid leave while co-workers with three or more years' tenure can take up to four months of paid leave. This is in addition to the six to eight weeks of Short Term Disability which is available regardless of tenure. Fostering healthy work life balance will promote a less stressful environment for co-workers, and as a result create happier customers.

While New Parents are on Leave

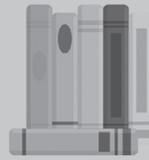
Managers may want to reach out to new parents to congratulate them as well as to determine if they are encountering any work-related issues while on leave or have concerns about their anticipated return to work. It is suggested that managers ask in advance for permission to contact new parents during their leave. Some employees may want to be kept in the loop and involved, while others may prefer to be out of contact or involved only for critical questions and emergency situations. If employees give managers permission to contact them about work-related issues while on leave, it is important to have a shared understanding about some key issues, including the best times and ways to be in contact and expectations around checking and replying to email/voicemail.

About a month before the return to work, managers are advised to confer with new parents to confirm their return date and discuss possible work assignments and tasks. Be knowledgeable about your organization's policies for paid/unpaid leaves and the FMLA; new parents may wish to extend their leave or return to work sooner. Managers can review their anticipated work schedule and possible use of flexible work arrangements for a time-limited or on-going period, if appropriate. As new parents work on securing their child care arrangements, remind them of any supports the organization has in place for on-site, near-site, backup childcare and resource and referral services.



Shawmut Design and Construction has recently launched a four-week Paid Family Leave benefit, a leading-edge offering in the construction industry. Paid Family Leave provides up to one month of paid leave to employees following a birth, adoption or foster care placement, or to care for a family member who has a serious health condition. Available to both men and women, the policy ensures that Shawmut's employees are there for their family's most important moments. The firm also recently launched Shawmut Flex, another work-life program that allows all employees the option to flex their time, condense the work week, shift work hours, work part-year, shift trade, and telecommute. This flex option makes the transition from paid leave to full time work a bit more manageable for parents and caregivers. Shawmut believes in the importance of providing options that empower employees to build healthy, successful lives—at work and at home.

INNOVATIVE SUPPORTS FOR NEW PARENTS



CONGRATULATORY GIFT

The Dean of Harvard University's Faculty of Arts and Sciences sends a congratulatory note and baby books to new parents on faculty.

BABY BONUS

Facebook gives a \$4,000 bonus for parents to help meet the needs of new babies.



MENTORING SUPPORT

PwC matches new parents to experienced working parents through Mentor Moms.

LACTATION SUPPORT

EY provides access to a lactation consultant, free hospital grade pumps and breast milk shipping kits for traveling moms.



REDUCED HOURS

Vodafone allows new mothers to reduce their hours to 30/week for six months while still receiving full pay upon their return from leave.

NEW PARENT COACHING

MetLife provides coaching for expectant parents as they prepare for parental leave, throughout their leave, and upon their return.



Return from Leave

Managers and work teams should welcome new parents back to work. Informal greetings, asking to view pictures of the baby, taking the new parent to lunch and scheduling formal meetings for updates are ways to let new parents know that you are happy to have them back at work. Creating a log of important activities and decisions during their absence to share upon their return could assist with this transition. Gradual onboarding, such as a week or more to acclimate back to work, can help new parents to readjust to their work roles and responsibilities. The first weeks back at work can be challenging and emotional for some new parents, so caring and empathy from managers and co-workers can facilitate the return to work.

Managers might want to check with new parents to ensure that their plans and career goals haven't changed since their leave. If appropriate, ask new parents about their desire and ability to travel, aim for stretch goals or engage in preferred assignments. Employees should not feel locked into their previous commitments, but rather that there are various paths to reach their career ambitions – and that the organization will support them to attain their goals without any negative repercussions.

At regular intervals after new parents return to work, managers can inquire about their adjustment and discuss any supports needed to enhance their transition back to work. This is a good time for managers to reinforce that there are organizational resources to assist new parents such as Employee Resource Groups (ERGs), New Parent Career Coaching, Employee Assistance Programs (EAPs), childcare assistance, and lactation support.

Conclusion

In the past few years, most research suggests that there has been growth in the number of organizations offering paid leave programs and other services for new parents with many signs suggesting continued expansion in the future. Creating a culture of support for new parents can positively impact their workplace experiences and increase the retention, morale, and productivity of mothers and fathers. This can be accomplished by guiding managers on how to manage this transition as well as offering new parents resources to ensure their success. In addition to enhancing recruitment and retention efforts, employers who demonstrate this commitment to new parents contribute to creating a gender-diverse workforce with an increased chance for gender equality.

References for this publication are available at www.bc.edu/cwf

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About this Series

Written for an executive level audience, the Boston College Center for Work & Family Executive Briefing Series addresses topical and strategic issues of particular relevance to the current business climate. The series highlights research findings, data trends and best practices in a concise format, aiming to foster action-oriented dialogue within organizations. Each issue features an accompanying PowerPoint presentation that captures key points and includes a section for practitioners to customize and add organization-specific data.

About the Center

Since its founding in 1990, the Boston College Center for Work & Family (BCCWF) has been a leader in helping organizations create successful workplaces that support and develop healthy and productive employees. We provide a bridge linking the academic community to leaders in employment settings who are committed to promoting workforce effectiveness. With 100 employers as our corporate partners, the Center for Work & Family positively impacts the lives of nearly 4 million employees through research, education and contributing a leading voice to conversations on contemporary issues around work and life.



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