Supporting Working Families: ASSESSING STRATEGIES FOR INCREASING EMPLOYER-PROVIDED BENEFITS
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EXECUTIVE SUMMARY

Supporting working parents is a valuable economic development and public policy goal. This research was designed to identify the ways in which employers may improve recruitment, retention, and productivity by offering policies and benefits that support working families. This theme is gaining acceptance nationally. In fact, in 2017 the U.S. Chamber of Commerce Foundation released a report titled “Leading the Way: A Guide for Business Engagement in Education” in which they concluded that “parents who have access to high-quality care are more productive, and businesses that offer childcare and family-friendly policies are better able to attract and retain talent.”

This survey of San Diego County employers asked 403 decision-makers at firms with at least five employees about their perceptions of benefits some employers provide that are supportive to working parents. The survey was fielded between October 21, 2019, and November 6, 2019. The results are weighted by geographic area and reflect a margin of sampling error +/- 4.9%.

The employer benefits of “Supporting Working Parents” identified in existing research, and through the focus group and advisory group organized as part of this research effort, fall into three categories:

**Recruitment:** Being seen as a family-friendly workplace can help to attract talent. Increasing the pool of talent from which an employer has to draw upon increases the chances of an employer hiring a better applicant for a given opening.

**Retention:** Effective programs can substantially increase retention rates. For women in particular, retention rates have been reported to be over 50 percent higher when effective family-friendly programs are put into place. Retaining parents through their early parenthood can lead to a more inclusive management pool when they reach mid-career.

**Productivity:** From absenteeism, tardiness, and distractions, employees’ productivity in the workplace can be limited by challenges faced at home. This is true for working parents in particular as they face a myriad of new challenges associated with juggling care arrangements for young children. Supporting working parents can alleviate potential slides in productivity at a time when they are particularly vulnerable to them, while at the same time increasing workplace satisfaction which also has productivity benefits.

The numerous strategies businesses use vary in cost and benefit and will not all be profitable to every business. A profitable program is a customized suite of strategies chosen to fit the employer’s business model considering their pool of

existing and potential employees. This survey asked about three categories of strategies used by businesses:

**Parental Leave:** Parental leave includes maternity leave, family leave, phased-back parental leave, and sick leave. Maternity leave is when employers provide new mothers with time off after the birth or adoption of a child to bond with the new family member. This may be paid at the full rate, paid at a fraction of the full rate, unpaid, or some combination. Family leave is similar to maternity leave; however, it is inclusive of new fathers (paternity leave) and expands beyond accommodating and supporting new parents to supporting workers that have other family-related responsibilities including caring for aging parents. A component of maternity or paternity leave that allows new parents flexibility in the use of their bonding time at home to allow them to decide what is best for their family and to ease the transition back to their regular work schedule. Paid sick leave is now required to be provided for employees in California at a rate of one hour for every 30 hours worked. State law also now requires that those hours be accessible to employees to care for sick family members. While state law requires employers to allow employees to use a minimum of three sick days per year, the law within the City of San Diego allows employees to use five. There are also several state-wide laws that authorize eligible employees to take up to a total of 12 weeks paid or unpaid job-protected leave during a 12-month period. While on leave, employees keep the same employer-paid health benefits they had while working.

**Lactation Rooms:** A lactation room is a private space where a nursing mother can pump or nurse. Since 2002, the state has required employers of 50+ employees to provide reasonable time and location for employees to express milk. In 2018, California legislators passed AB 1976, which requires employers to make reasonable efforts to provide a lactation location that is not a bathroom and in October 2019, Governor Newsom approved SB 142, which adds additional regulations. Lactation rooms are most popular among corporate employers and, while not the most glamorous benefit, they allow employees to return from maternity leave sooner than if the accommodation was not provided.

**Childcare & Subsidies:** Providing access to on-site childcare does not necessarily mean providing free on-site childcare. The time savings associated with avoiding an additional trip in the morning and after work can be a huge support for working parents even if the associated fee covers the cost of providing the benefit. In addition, on-site childcare allows parents to visit with their children as appropriate throughout the day including spending lunch together or for lactation. Many employers offer subsidies or vouchers for the childcare of the parents’ choice such as a nanny or a childcare center. This does not necessarily come at a cost to employers. Employers

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3 "What Will It Take For Employers To Offer On-Site Day Care?" Fast Company. Gwen Moran. February 16, 2016.

can bring larger bargaining power to negotiate for a discount for their employees. Additionally, employers can offer flexible spending accounts that allow employees to dedicate pre-tax dollars to childcare.

**Scheduling:** There are several ways an employer can allow employees to adjust their working schedule to accommodate family responsibilities including: flextime, telecommuting, compressed work schedules, option to work part-time, executive coaches for new parents, and predictable work scheduling. Flextime includes allowing employees to shift around hours to accommodate family responsibilities including on an as-needed basis. Compressed work schedules such as a “9:80” schedule allow parents to avoid child care expenses. Schedule predictability is also important for parents of young children, since it allows them to schedule child care in advance. Employers can also offer coaching services to help new parents simultaneously navigate their new responsibilities and continue being successful at work.

Understanding the current strategies employers use to support working families, the overall survey analysis led to three general conclusions. They are the following:

1 - **Many employers value supporting working families because it can improve talent attraction, retention and productivity.** Nearly nine out of every 10 employers make supporting working parents a ‘somewhat high’ or ‘very high’ priority. These efforts can help to create a workplace culture supportive of working families. Of employers that offer flexible schedules, for example, 90 percent say that doing so is at least somewhat helpful in improving talent attraction, retention and/or productivity. For paid maternity leave in excess of sick leave or vacation time, that figure is 74 percent, and for the few employers that provide on-site childcare, 84 percent say that doing so is at least somewhat helpful in improving talent attraction, retention and/or productivity.

2 - **There is no one-size-fits-all solution.** While establishing flexible schedules is an obvious strategy with substantial benefits for most employers, that specific strategy is very difficult to implement for others that have to respond when customers expect service. Providing paternity leave appears to be a real potential among companies located in the southern portion of the City of San Diego, where 55 percent of firms indicated that they thought it would be at least somewhat helpful in improving talent attraction, retention and productivity compared to just 38 percent indicating such across all areas. Providing childcare on site is a nonstarter for smaller companies with five to nine employees, in which 83 percent of employers have not considered offering the benefit and 68 percent of firms indicate they do not see substantial value in offering on-site childcare in terms of talent attraction, retention and productivity. Supporting working families means selecting and implementing the right strategies for each employer based on numerous criteria.
The top reason employers hesitate to offer these benefits is the perception that they do not have enough parents that would use them. The top reason for not providing on-site childcare, cited by 36.5 percent of firms that do not provide the benefit, is that there are not enough employees that need it. The top reason for not providing childcare vouchers, subsidies, or dependent care flexible spending accounts was also that there are not enough employees that need it. 37 percent of employers stated they do not provide this benefit. Similarly, the most popular reason cited by employers for why they do not offer additional maternity benefits or leave for new parents because they believe is that they do not have enough new mothers and fathers at their company. The reality is, only 18 percent of businesses surveyed have reported having no parents of minor children working at their company—so most, if not all, employers should be offering some sort of support to their working parents.

The survey analysis and conclusions provide high-level considerations for employers to support working families. These considerations go beyond the norm and would require significant efforts on behalf of organizations.

**High-Level Considerations for Employers**

1. **Supporting working families can be an effective way to improve talent attraction, retention and productivity.** Efforts to support those who are navigating the often difficult challenge of caring for young children or aging parents can earn an employer substantial loyalty and the reputation of being a great place to work. It can send an effective message of support to an entire workforce and even potential applicants.

2. **There are low- and no-cost strategies for supporting working families.** Providing onsite childcare is likely not the first step for most employers considering how they can be a better place to work for parents. Some of the most cost-effective strategies to support working families are addressed in the following section including: (1) letting employees use pre-tax dollars to pay for childcare, (2) creating a peer group for parents, and (3) establishing clear boundaries.

3. **Your competitors might be providing more paid leave for new parents.** More than four out of 10 (41.5%) San Diego employers provide maternity leave in excess of state disability, sick leave, and vacation time. About the same percent of San Diego employers provide paternity leave for fathers (43%), beyond state minimums. While the cost or other realities may make offering these benefits impractical for some employers, it may also be a competitive disadvantage that an employer should consider trying to offset by offering other more reasonably-priced benefits that may be valuable to new parents.

4. **Childcare is probably an issue for more employees than one might think.** Providing onsite, or centralized childcare might not be a feasible...
option for the vast majority of employers, there are several other ways to stand out as an employer by providing some type of childcare support. Some employers might find it invaluable to establish an agreement with a nearby childcare center to provide back-up childcare for those days when a parent's childcare arrangements fall through. Offering subsidies or vouchers for childcare is another strategy some employers use.

5 - There are a number of ways to add predictability and flexibility to schedules: flextime, occasionally working from home, and providing options such as working a “9/80” or working part-time. Many factors, most notably industry and size, impact an employer’s ability to offer additional scheduling predictability and flexibility. That being said, there are enough options that there is room for most employers to offer something else. Consider if your business is in a position to allow working at home once in a while. Is a compressed work schedule or “9/80” a real option for your employees? For employees that would benefit greatly from every other Friday with their child (saving on childcare costs and getting good, quality one-on-one time) this benefit will have them thinking twice before leaving for a competitor. Another option might be to accommodate employees that wish to work part-time so they can continue working when full-time may not be the best decision for their family.

6 - Cultivating a family-friendly culture can show new parents, as well as other employees that a company is an inclusive and supportive workplace. While no employer is singularly to blame for creating the “always on” culture, the fact that it exists creates space for a competitive advantage for employers that choose to buck the trend. Peer-to-peer learning platforms, whether on an intra-net or a physical bulletin board, can act as a huge welcome sign to employees who are navigating an often difficult life transition. Because culture starts at the top, changes as simple as having leadership label emails as “Not Urgent” or “For Monday” when appropriate can set a standard throughout an organization. To improve talent attraction, retention, and productivity overall, supporting working families can be seen as part of a larger objective to cultivate an inclusive workplace culture supportive of people with different experiences, challenges, and perspectives. A bulletin board alone will not solve morale or company culture problems, but it is not a bad place to start.

7 – Get to know your workforce. The highest cited reason for not offering almost all of the benefits analyzed in this study is that there are too few new mothers/fathers or not enough parents of young children employed by the company. However, over 80 percent of companies reported having at least one parent of young children working at their business. In order to create a culture of support for working parents at work, employers must have a strong understanding of the number of working parents on their payroll. Consult with an HR professional to design a non-mandatory survey that will identify working parents and caregivers in your workforce.
The research suggests there are low and no-cost ways for employers to support working families.

**Low- and No-Cost Ways Employers Can Get Started**

1 - **Let employees use pre-tax dollars to pay for childcare.** There are stories of companies offering “flying nannies” for traveling executives. That might be a fun idea, but it is more productive to focus on practical benefits, such as establishing a dependent care flexible spending account (FSA) to allow parents to pay for childcare with pre-tax dollars. This can be a win-win as employers get the benefit of saving on payroll taxes just the same as employees do. A great place to start, is by contacting your health insurance provider.

2 - **Create a peer group for parents.** Peer-to-peer learning platforms, whether on an intra-net or a physical bulletin board can act as a huge welcome sign to employees that are navigating an often difficult life transition. Sending that message can show new parents, as well as other employees that a company is an inclusive and supportive workplace that recognizes employees as multifaceted people. The actual cost can be negligible because the value comes from employees supporting each other, sharing ideas and passing along “hand-me-down” baby and child products to their colleagues. Along the same lines, offering professional group coaching, or creating a network of coaching/mentoring relationships for new parents can help new parents simultaneously navigate their new responsibilities and continue being successful at work. A bulletin board alone will not solve morale or company culture problems, but it is not a bad place to start.

3 - **Establish clear boundaries.** In what ways can the leadership team demonstrate a respect for family time? Here are a few ideas:
   a. Consider asking the leadership team to **stop short of pressing ‘send’ on any emails past business hours.** An email from a boss over the weekend likely came with no expectation of an immediate response, however it probably takes a few minutes of reviewing the email before that’s clear. By then, mom or dad has already disconnected from family and likely will not quickly reconnect as they consider next steps to follow through.
   b. Productivity can spike if you’re able to **encourage employees to regularly block off as much as four hours for work that requires deep thought - no emails... no calls... no drop-ins.** This no-distraction time can limit the need for employees to stay late or come in on weekends to finally “get some work done.” As several other ideas presented in this document, this will work for some employers, and not for others.
   c. **Do not forget to listen.** If you create a culture that is open, employees will identify issues or even ask for what changes to established boundaries they may need to do their job well. That may include moving Monday morning staff meetings by a half hour so employees can drop off children at school. In some cases, it’s an easy fix earning the employer a large amount of loyalty. It’s also likely that when one person says something, there are others who quietly feel the same way.
Parental Leave

Parental leave includes maternity leave, family leave, phased-back parental leave, and sick leave\(^5\). Maternity leave is when employers provide new mothers with time off after the birth or adoption of a child to bond with the new family member. This may be paid at the full rate, paid at a fraction of the full rate, unpaid, or some combination. Family leave is similar to maternity leave; however is inclusive of new fathers (paternity leave) and expands behind accommodating and supporting new parents to supporting workers that have other family related responsibilities including caring for aging parents. A component of maternity or paternity leave that allows new parents flexibility in the use of their bonding time at home, lets them decide what is best for their family and eases the transition back to their regular work schedule. In a similar vein, paid sick leave is now required to be provided for employees in California at a rate of one hour for every 30 hours worked. State law also now requires that those hours be accessible to employees to care for sick family members. While state law requires employers to allow employees to use a minimum of three sick days per year, the law within the City of San Diego allows employees to use five.

Fifty-seven percent of employers with five or more employees provide some form of parental leave – either for mothers in excess of sick leave and vacation time or for fathers.

Only 26 percent of employers offer both more than the required maternity leave as well as leave for fathers. On the other hand, the same percentage (26 percent) of businesses surveyed have not considered offering either benefit. Thirty-one percent provide one but not the other, split about evenly between the two benefits.

Offering extra maternity leave tends to come down to the number of parents in a company. Over half those with more than six parents are currently providing it, but that drops slightly to 38 percent among those with only two to five parents. Forty-two percent of companies surveyed with two to five parents have not even

\(^5\) "Paid Parental Leave in the United States." Gault, Barbara; Hartmann, Heidi; Hegewisch, Ariane; Milli, Jessica; and Reichlin, Lindsey. Department of Labor, Institute for Women’s Policy Research.
considered offering the additional maternity benefits over what is mandated. Interestingly, that number only drops slightly to 35 percent for companies that employ no or one employee parents.

Whether a company offers family leave for fathers is largely a factor of the size of the company and the number of parents it employs. According to the survey, a business with more than 25 employees is twice as likely to offer some form a paternity leave as a business with fewer than nine employees. Having fewer than 10 employees who are parents of young children results in relatively few of those companies providing the benefit. Forty percent of companies with fewer than ten employee parents offer paternity benefits, but that increases to 56 percent for companies with more than 10 employee parents.
Companies that do not provide family leave tend to be stymied by a perceived lack of need. The lack of new fathers and mothers is the primary reason businesses do not provide family leave benefits, with 41 percent of firms reporting it as the primary reason for not providing paternity leave and 28 percent responding as the primary reason for not providing additional maternity benefits. Companies also list high cost as a comparable reason for not offering extra maternity benefits to their female employees, at 26 percent. Other than those two factors, the small size of the company is sometimes cited as a factor.

Neither leave policy is thought to be helpful by most companies that do not currently offer them. Less than 20 percent of businesses that do not currently provide either form of leave believe that providing their employees with paid maternity leave or some form of paternity leave would be very or extremely helpful with talent requirement, employee retention or overall productivity.
In contrast to the lack of openness to more robust leave policies among non-providers, large majorities of the businesses currently offering robust leave policies do think they are at least somewhat helpful, with 47 percent saying maternity leave is at least very helpful and 34 percent rating leave for fathers as at least very helpful.

The perceived value of additional maternity benefits and leave for fathers varies based on the area where businesses are located. Companies in the South City and South Suburbs see the greatest value to their businesses, with 39 percent of South City companies and 52 percent of South Suburban companies responding that additional maternity leave is at least very valuable to their business and 42 percent of South City companies and 32 South Suburban companies responding that providing leave for fathers to be at least very helpful. Companies in the East Suburbs, North Inland, and East County areas see the least benefits to maternity or paternity leave, with at least 40 percent of all businesses in those areas responding that providing the benefit was not at all helpful or not that helpful.

**Lactation Rooms**

In 2018, California legislators passed AB 1976, which requires employers to make reasonable efforts to provide a lactation location that is not a bathroom, while at the same time providing numerous exemptions for employers who have limitations. In October 2019, Governor Newsom approved SB 142, which adds additional regulations. The bill, which took effect on January 1, 2020, requires lactation rooms to provide a sink and a refrigerator, with a civil penalty of $100 per violation for
employers found to be in violation. SB 142 also authorizes employers with fewer than 50 employees to seek an exemption from the requirements of these provision if they are able to demonstrate that the requirement poses undue hardship.

Per recent legislative action around this topic, it is expected that dramatically more employers will find ways to accommodate lactation rooms for their employees. However, this may represent a major opportunity for education within the private sector given that over half of employers surveyed had not even considered providing a lactation room months prior to the new laws going into effect.

Lactation rooms are only provided by 34 percent of employers, with 71 percent having not considered them at all.

Whether or not a company provides their employees with a lactation room is entirely dependent on the number of employees overall and the number of employee parents. Forty-seven percent of employers with more than 25 employees and 55 percent of employers with 10 or more parent employees provide their staff with lactation rooms. Again, we anticipate this number to increase somewhat dramatically in the near future given the new legislation.

Most employers who do not provide lactation rooms say they either do not have or have not had nursing mothers working for them. Another 16 percent say they do not have the space for one.
Lactation rooms engender more backlash than the other benefits: 65 percent of non-providers regard them as useless, while just 26 percent see them as even somewhat helpful when it comes to recruitment, retention, and enhancing productivity.

The results among those companies who do provide lactation rooms are inconsistent. Forty-one percent find them at least very helpful, but another nearly 40 percent consider them as a minor help at best.

On-site Childcare & Financial Assistance for Childcare

Childcare vouchers, subsidies or dependent care flexible spending accounts are rarely offered and on-site childcare is rarer still (only nine percent offer that). Huge majorities have not even considered these more formalized childcare programs. While providing financial assistance for childcare is more popular amongst businesses than providing onsite childcare, it remains a less popular benefit.
The survey shows that large employers with more than 25 workers are more likely to provide the vouchers, subsidies and accounts. In contrast, it's rare to find a five, six-, or seven-person plus company that has even considered this benefit.

While firms that do not provide on-site childcare say they do not see merit in providing it, those that do provide the benefit reap huge rewards in terms of recruitment, retention, and productivity. Over half of all firms that provide on-site childcare deem the service to be extremely helpful to their employees, the highest ‘extremely helpful’ rating of any benefit surveyed. While more employers find providing childcare financial assistance to be somewhat helpful than very helpful, it is a far more simple and affordable benefit to provide to employees.

Most employers responded that they do not provide any form of childcare benefit, including on-site or through subsidies, because they do not have employees with childcare-aged children. Over one third (37 percent) of companies that do not provide either benefit cited lack of employee demand as the reason for not providing the service. As for on-site childcare, another large drawback is space: 25 percent say space is not available at their worksite. When it comes to providing vouchers, subsidies or dependent care flexible spending accounts, cost becomes a big secondary factor.
Businesses located in the City of San Diego and North Coastal region of the county are most likely to offer monetary childcare assistance to their employees. Nearly one fourth of companies in these regions offer the benefit to their employees, compared to an average of 13 percent in the across other regions surveyed. These would be areas where efforts to promote programs to help parents would bear more fruit and be met with less resistance. Elsewhere it piques the interest of companies with more than 25 employees (38 percent of these companies offer the benefit) and companies with 10 or more employees who are parents (42 percent of these companies offer the benefit).

Those who do not provide on-site childcare generally do not regard it as potentially helpful. Employers have mixed feelings on the possible benefits to talent recruitment, employee retention and overall productivity of child-care related benefits.

As for those who provide the childcare benefits, the on-site care is a huge hit. Most (78 percent) regard it as very or extremely helpful when it comes to retention, recruitment or productivity. Financial assistance is most commonly regarded as only somewhat helpful by those who provide it and opinions of its usefulness vary widely.
Scheduling

Employers that offer predictable or flexible schedules report that they are very helpful in terms of recruitment, retention and productivity, while employers that do not provide them do not see much merit in it. The issue here is the reverse of the on-site childcare: very few companies do not offer the scheduling benefit, so the upside potential here is small and is further lessened by the finding that those not offering them have good reasons not to.

The most frequently provided benefits relate to scheduling: 81 percent of employers surveyed offer predictable work schedules and 76 percent offer flexible schedules.

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Sixty-four percent of employers offer both predictable and flexible work schedules. Less than one percent have not considered either benefit, so this is easily the most well-known and popular pair of benefits. Note that although parents may enjoy these two benefits, they are not parent-specific.

Like other benefits, there is some correlation between the number of employees at a company and the likelihood of the company offering flexible and predictable schedules. However, given the wide-spread popularity of these two benefits, the correlation is less dramatic.

A predictable work schedule policy is standard in the South Suburb portion of San Diego County: 93 percent of companies located there provide it. Predictable schedules are least popular in East County and East Suburban parts of San Diego, where only 71 percent of businesses provide it.

When employers do not provide flexible or predictable scheduling it usually comes down to the company’s natural schedule. Forty-one percent of those without flexible schedules say that’s because customers come in at specific hours, while those who do not provide predictable schedules blame that on the work itself being unpredictable.
It is rare to find a company that does not offer flexible scheduling but thinks it would help them retain, recruit, or produce more. In fact, the results here suggest that there would be substantial resistance to efforts to promote the adoption of more flexible work schedules.

How Much Would Flexible/Predictable Work Schedules Help?

- Not at all helpful
- Not that helpful
- Unsure
- Somewhat helpful
- Very helpful
- Extremely helpful

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For those who do provide scheduling options, the sense is that they do help the company, and most feel their scheduling practices – either flexible or predictable – helps them a lot.

How Much Have Predictable/Flexible Work Schedules Helped?

- Not at all helpful
- Not that helpful
- Unsure
- Somewhat helpful
- Very helpful
- Extremely helpful

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Supporting Parents So That They Can Go To Work

Supporting working parents dramatically increases productivity at the workplace. In addition to helping support employees, benefits to working parents are also extremely advantageous to employers. Over half of all employers surveyed indicated that on at least one occasion, their employees who are parents were unable to work due to their childcare responsibilities. That number would vastly increase for companies that offer no benefits.

One in four employers surveyed believes employees missing work due to childcare-related issues is at least a somewhat serious problem. The simplest way for employers to ease their anxieties related to employees potentially missing work because of their children is to offer additional benefits.

"Have any employees been unable to work, even for one hour, due to their childcare responsibilities?"

![Chart showing the survey results: 55% Yes, 42% No, 3% Unsure.]

"How serious of an issue has employees missing work due to childcare responsibilities been for the company?"

- An extremely serious problem
- A very serious problem
- Only somewhat serious
- Not that serious
- Unsure
- Not a problem at all

![Bar chart showing the survey results: 5% extremely serious, 20% very serious, 35% somewhat serious, 38% not serious.]

Employees having to miss work because of childcare-related issues has a much larger effect on smaller companies. Eight percent of companies with fewer than 10
employees report that it is at least a very serious problem, compared to 4 percent of companies with 25+ employees. Perhaps this is related to the fact that larger companies are more likely to offer additional childcare benefits to their employees. Executives that are concerned about too many of their employees missing work because of childcare-related reasons should consider offering their staff more flexible schedules or other benefits.
TYPES OF SAN DIEGO EMPLOYERS LEADING ON SUPPORTING WORKING FAMILIES

Larger Employers & Employers with Three or More Parent Employees

Among San Diego County businesses that employ five or more workers, 17 percent employ more than 40 and 41 percent have five to ten. The median number of workers is 13 and the mean is 65.

As reported by the decision makers and influencers of human resource policies we surveyed, only 18 percent of the employees within their companies are not parents of minor children. The median number of parents in a company is three and the mean is 16. Less than two percent of the companies have only parents of minor children for employees.

Larger companies do provide more services. Those with more than 25 employees offer, on average, one full benefit more than companies with 10-15 workers and five to nine workers.
The number of parents—not the percentage of parents at the firm—is another key to providing benefits. Having no parents working at the business results in an average of 2.7 benefits offered. That actually decreases very modestly to 2.4 when one parent is present and increases slightly to 2.8 benefits at companies with two to three parent employees. The number of benefits offered to employees sharply increases to 3.4 benefits at companies with four or five employee parents. Companies with more than 10 employees offer the most, but not my much, benefits (nearly 4). Perhaps the finding that firms with large number of parent employees offer the most benefits of all the subgroups is not surprising, but the real finding here is that one-parent and, to some extent, two-parent companies, lag behind those with more parents in the ranks.
Businesses with Women Decision Makers

Of all the firms surveyed for this study, sixty-three percent of decision makers and influencers of human resource policies are women. The respondents are generally at the tops of their firms, with 64 percent serving as presidents, owners, principals, or partners of their companies.

It is rare to find a woman who does not highly prioritize work-family balance; just four percent of female executives describe it as a very low priority. The issue is more complex for men.
INCENTIVIZING PARENT-FRIENDLY POLICIES

Providing financial or logistical support to companies that do not currently provide a benefit is typically not a game-changer. On average 27 percent of these decision makers say they would be very likely to provide additional maternity benefits, paid or unpaid leave for fathers, and childcare financial assistance, with approximately 36 percent of employers responding that they would unlikely offer those benefits. Onsite childcare was the worst received potential benefit, with nearly 60 percent of companies responding that they would not offer the benefit, even with financial and logistical support, and only 18 percent of businesses responding that they would be very likely to offer the service to their employees.

Companies are now more willing to offer additional benefits with financial or logistical support than ever before. Compared to a similar study conducted in 2017, San Diego employers are now, on average, 20 percent more likely to provide benefits with some sort of incentive.
Employers within the City of San Diego

Hewing closely to population demographics, 45 percent of the businesses surveyed are within the City of San Diego’s boundaries. Chula Vista, Carlsbad, and Oceanside each account for just over five percent of the companies. Businesses are most commonly found in the north portion of the City of San Diego, with just over one-third (35 percent) located there. Far fewer businesses are located in the East County (four percent) and south suburbs (eight percent).

We find that companies located in the City of San Diego, especially the South City area, are far more likely to accept support in exchange for providing parental benefits. Similar to the survey-wide average, companies located in San Diego show slightly less enthusiasm for incentives to provide on-site childcare than the other three benefits we asked about. Those outside the city, especially in the south suburbs, east suburbs, and northern inland areas are generally less likely to accept assistance, even if it were offered.

Lower Revenue Companies

The company revenue data was taken from the Hoover’s list that served as the base sample for this survey. It tends to be on the low side and, although the source is a standard for research such as this, the data is clearly inaccurate in places and thus should not be used as the sole evidence for any conclusions. For example, nearly 50 percent of the companies show annual income of less than $810 thousand and only 30 percent on the list have an income of more than 1.3 million.

Although the quality of the revenue data is imperfect, there is a relationship between a firm’s revenue and their desire for financial and logistical support directed at parental benefits. Surprisingly, companies in the smallest income bracket are not most willing to accept benefits with financial or logistical support. Perhaps, even with the support they believe they do not have the bandwidth. Companies with revenues between $290,000 and $410,000 are most open to accepting benefits with support.
Employers that Already Offer Some Benefits

There is some evidence suggesting that companies which are already providing three of the four benefits are more open to taking the assistance and providing the fourth. Over two-thirds (70 percent) of companies currently providing three or more benefits would be at least somewhat likely to take on extra maternity leave and some form of leave for fathers if support were provided. On the other hand, most that provide fewer than three benefits are unlikely to do that. Sixty-three percent of those offering three or more benefits would be willing to offer financial assistance for childcare to their employees with some sort of incentive. Not surprisingly, on-site childcare remains unpopular even among companies that offer many benefits, even with financial assistance.
While even the group of businesses that currently provide three or more benefits is generally unlikely to provide on-site childcare if financial and logistical support were available to do so, over 40 percent of them would be likely to do that. This shows far more openness to the idea than companies currently providing fewer benefits.

Companies already providing three benefits are more likely to provide a fourth, but firms providing only two, one, or none, are typically uninterested in adding a new benefit. The companies already providing three benefits are riper for adding leave policies.

Policymakers wishing to increase the provision of parental benefits may find success by persuading companies that already provide at least three benefits to add a benefit (or two).

Where Work-Family Balance is Already a Priority

There are attitudinal factors that substantially impact a company’s decisions whether to provide benefits and how many to provide. The attitude that it is good to help parent employees balance work demands with familial demands is important in determining the likelihood of providing benefits. The overwhelming majority of human resource decision makers regard parental support as a high priority, with 55 percent placing a very high priority on helping mothers and fathers balance the demands of their families with the demands of their work. The issue, however, is one of degree: those who place a very high priority on supporting work-family balance offer more benefits than those who only see that as a somewhat high priority. Those who prioritize it even less than that (or not at all) offer relatively few benefits.

“As an employer, what level of priority, if any, do you place on supporting your employees who are parents balance the demands of their family with the demands of their work?”

Prioritization of Work-Family Balance

Companies that place a higher priority on balancing work with family responsibilities adopt significantly more pro-family benefits (3.3 benefits). Those who give “balance” low or no priority offer only an average of 2.1 benefits, half what companies that place a very high priority on it offer.
While prioritization of work-family balance is not the most important factor in whether these firms can be incentivized to institute benefits, it is still important. In this case, the business must see work-family balance as a very high priority before they are prone to accepting the support. Anything less than that likely leads to rejection.

An important action advocates of parental benefits can take to persuade more employers to provide benefits is to show those that currently do not see work-family balance as a high priority that it, in fact, should be. "Proving" this through case studies and statistics should lead to more companies providing more pro-parent benefits.
CONCLUSIONS

General

1 - Many employers value supporting working families because it can improve talent attraction, retention, and productivity. More than eight in 10 employers make supporting working parents a ‘somewhat high’ or ‘very high’ priority. These efforts can help to create a workplace culture supportive of working families. Of employers that offer flexible schedules, for example, 86.9 percent say that doing so is at least somewhat helpful in improving talent attraction, retention and/or productivity. For paid maternity leave in excess of sick leave or vacation time, that figure is 74.4 percent, and for the few employers that provide on-site childcare, 83.5 percent say that doing so is at least somewhat helpful in improving talent attraction, retention and/or productivity.

2 - There is no one-size-fits-all solution. While establishing flexible schedules is an obvious strategy with substantial benefits for most employers, that specific strategy is very difficult to implement for others that have to respond when customers expect service. Providing paternity leave appears to be a real potential among companies located in the southern portion of the City of San Diego, where 55 percent of firms indicated that they thought it would be at least somewhat helpful improving talent attraction, retention and productivity compared to just 38 percent indicating such across all areas. Providing childcare on site is a nonstarter for smaller companies with five to nine employees, in which 83 percent of employers have not considered offering the benefit and 68 percent of firms indicate they do not see substantial value in offering on-site childcare in terms of talent attraction, retention and productivity. Supporting working families means selecting and implementing the right strategies for each employer based on numerous criteria.

3 - The top reason employers hesitate to offer these benefits is the perception that they do not have enough parents who would use them. The top reason for not providing on-site childcare, cited by 37 percent of firms that do not provide the benefit, is that there are not enough employees who need it. The top reason for not providing childcare vouchers, subsidies, or dependent care flexible spending accounts was also that there are not enough employees who need it at 37 percent of employers that do not provide it. Similarly, the most popular reason cited by employers for why they do not offer additional maternity benefits or leave for new parents because they believe is that they do not have enough new mothers and fathers. The reality is, only 18 percent of businesses surveyed have reported having no parents of minor children working at their company.

The survey analysis and conclusions provide high-level considerations for employers to support working families. These considerations go beyond the norm and would require significant efforts on behalf of organizations.
High-Level Considerations for Employers

1 - **Supporting working families can be an effective way to improve talent attraction, retention, and productivity.** Efforts to support those who are navigating the often difficult challenge of caring for young children or aging parents can earn an employer substantial loyalty and the reputation of being a great place to work. It can send an effective message of support to an entire workforce and even potential applicants.

2 - **There are low- and no-cost strategies for supporting working families.** Providing on-site childcare is likely not the first step for most employers considering how they can be a better place to work for parents. Some of the most cost-effective strategies to support working families are addressed in the following section including: (1) letting employees use pre-tax dollars to pay for childcare, (2) creating a peer group for parents, and (3) establishing clear boundaries.

3 - **Your competitors might be providing more paid leave for new parents.** Over four out of every 10 (42 percent) San Diego employers provide maternity leave in excess of sick leave and vacation time. About the same percent of San Diego employers provide paternity leave for fathers (43 percent). While the cost or other realities may make offering these benefits impractical for some employers, it may also be a competitive disadvantage that an employer should consider trying to offset by offering other more reasonably-priced benefits that may be valuable to new parents.

4 - **Childcare is probably an issue for more employees than one might think.** Providing on-site, or centralized childcare might not be a viable option for the vast majority of employers, there are several other ways to stand out as an employer by providing some type of childcare support. Some employers might find it invaluable to establish an agreement with a nearby childcare center to provide back-up childcare for those days when a parent’s childcare arrangements fall through. Offering subsidies or vouchers for childcare is another strategy some employers use.

5 - **There are a number of ways to add predictability and flexibility to schedules: flextime, occasionally working from home, and providing options such as working a “9/80” or working part-time.** Many factors, most notably industry and size, impact an employer’s ability to offer additional predictability and flexibility to scheduling. That being said, there are enough options that there is room for most employers to offer something else. Consider if your business is in a position to allow working at home once in a while. Is a compressed work schedule or “9/80” a real option for your employees? For employees that would benefit greatly from every other Friday with their child (saving on childcare costs and getting good, quality one-on-one time), this benefit will have them thinking twice before leaving for a competitor. Another option might be to accommodate employees that wish to work part-time so they can continue working when full-time may not be the best decision for their family.
6 - Cultivating a family-friendly culture can show new parents, as well as other employees, that a company is an inclusive and supportive workplace. While no employer is singularly to blame for creating the “always on” culture, the fact that it exists creates space for a competitive advantage for those employers that choose to buck the trend. Peer-to-peer learning platforms, whether on an intra-net or a physical bulletin board, can act as a huge welcome sign to employees who are navigating an often difficult life transition. Because culture starts at the top, changes as simple as having leadership label emails as “Not Urgent” or “For Monday” when appropriate can set a standard throughout an organization. To improve overall talent attraction, retention, and productivity, supporting working families can be seen as part of a larger objective to cultivate an inclusive workplace culture supportive of people with different experiences, challenges, and perspectives. A bulletin board alone will not solve morale or company culture problems, but it is not a bad place to start.

7 – Get to know your workforce. The highest cited reason for not offering almost all of the benefits analyzed in this study is that there are too few new mothers/fathers or not enough parents of young children employed by the company. However, over 80 percent of companies reported having at least one parent of young children working at their business. In order to create a culture of support for working parents at work, employers must have a strong understanding of the number of working parents on their payroll. Consult with an HR professional to design a non-mandatory survey that will identify working parents and caregivers in your workforce.

Low- and No-Cost Ways Employers Can Get Started

1 - Let employees use pre-tax dollars to pay for childcare. There are stories of companies offering “flying nannies” for traveling executives. That might be a fun idea, but it is more productive to focus on practical benefits, such as establishing a dependent care flexible spending account (FSA) to allow parents to pay for childcare with pre-tax dollars. This can be a win-win as employers get the benefit of saving on payroll taxes just the same as employees do. A great place to start is contacting your health insurance provider.

2 - Create a peer group for parents. Peer-to-peer learning platforms, whether on an intra-net or a physical bulletin board can act as a huge welcome sign to employees that are navigating an often difficult life transition. Sending that message can show new parents, as well as other employees, that a company is an inclusive and supportive workplace that recognizes employees as multifaceted people. The actual cost can be negligible because the value comes from employees supporting each other, sharing ideas and passing along “hand-me-down” baby and child products to their colleagues. Along the same lines, offering professional group coaching or creating a network of coaching/mentoring relationships for new parents can help new parents simultaneously navigate their new responsibilities and continue being successful at work. A bulletin board alone will not solve morale or company culture problems, but it is not a bad place to start.
3 - Establish clear boundaries. In what ways can the leadership team demonstrate a respect for family time? Here are a few ideas:

a. Consider asking the leadership team to stop short of pressing ‘send’ on any emails past business hours. An email from a boss over the weekend likely came with no expectation of an immediate response, however it probably takes a few minutes of reviewing the email before that’s clear. By then, mom or dad has already disconnected from family and likely will not quickly reconnect as they consider next steps to follow through.

b. Productivity can spike if you’re able to encourage employees to regularly block off as much as four hours for work that requires deep thought - no emails... no calls... no drop-ins. This no-distraction time can limit the need for employees to stay late or come in on weekends to finally “get some work done.” As several other ideas presented in this document, this will work for some employers, and not for others.

c. Do not forget to listen. If you create a culture that is open, employees will identify issues or even ask for what changes to established boundaries they may need to do their job well. That may include moving Monday morning staff meetings by a half hour to better accommodate school drop-off. In some cases, it’s an easy fix earning the employer a large amount of loyalty. It’s also likely that when one person says something, there are others who quietly feel the same way.