



# EQUITY FLUENT LEADERSHIP PLAY #2

Offer & encourage paid parental leave &  
leave for caretaking

Berkeley  
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## OFFER & ENCOURAGE PAID PARENTAL LEAVE & LEAVE FOR CARETAKING



Allowing leave for care is important for caregivers. Leave for care can particularly impact women who tend to be the primary caretakers. If and when men are able to take leave to assist in care, care burdens for women can be reduced. Furthermore, men taking leave to assist care can change norms around gendered expectations for care. Policies that fall under leave for care include: parental leave (maternity / paternity leave), as well as other paid and emergency leave to care for family or dependents.

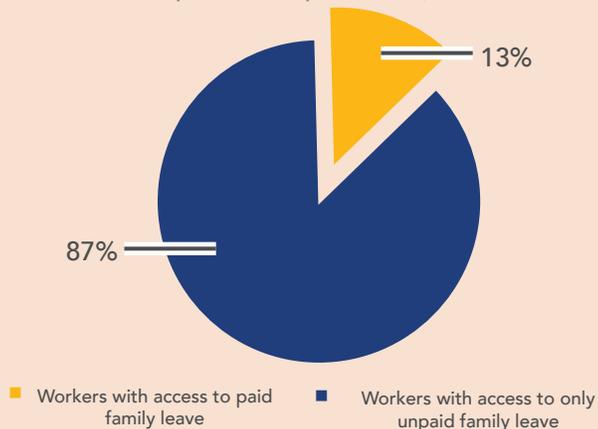
Paid maternity leave is a statutory entitlement for employed women in almost all countries with the exception of the United States, Suriname and Papua New Guinea.<sup>1</sup> Almost all members of the European Union provide at least 14 weeks of paid maternity leave. New fathers are given leave in 92 countries, and in half of these, it's less than three weeks.<sup>2</sup> The United States is one of only two member countries in the Organization for Economic Co-operation and Development (OECD) that does not guarantee paid parental leave to fathers.<sup>3</sup> Job protection to support parental leave is fundamental for the use of parental leave.

### Parental leave in the US

In the US, new parents (of any gender) rely on federal law – [the Family and Medical Leave Act \(FMLA\)](#) to protect their job for up to 12 weeks after a birth or adoption. It also can be used to care for an immediate family member with a serious health condition. FMLA does not guarantee any pay during this 12-week period. Further, FMLA does not apply to everyone.<sup>4</sup> Twenty-five states have leave supplementing FMLA protections and as of 2019, states that mandate paid family leave are California, New Jersey, Rhode Island, New York state and Washington.<sup>5</sup> Median maternity leave taken in the US is 11 weeks versus paternity leave of 2 weeks (including paid and unpaid).

According to the Bureau of Labor Statistics, National Compensation Survey in 2016, only 13% of workers in the US (2016) have access to paid family leave (for 87% it is unpaid), see figure 1– with variance by size of company<sup>6</sup> and industry.<sup>7</sup> Of part-time workers, only 5% have access. Overall, the lower the wage, the less likely one is to have paid family leave (4% for the lowest 10% of wage earners, and 24% for the highest 10% of wage earners).<sup>8</sup> Many employees may receive some pay during leave, but without paid family leave this is largely from vacation days, sick leave or paid time off (PTO). Nearly half of low-income workers who take unpaid or partially paid leave turn to government benefits to get by, while a larger percentage take on debt.<sup>9</sup> Indeed, women who took time off in the US after giving birth are more likely to be married, white, better educated and more financially well off than the typical mother.<sup>10</sup>

Figure 1. Full-time workers in the US that take paid vs. unpaid family leave



### **Important considerations for a parental leave policy: ideal time & non-transferable leave**

While there is no clear amount of “ideal time” for maternity leave in the literature (from an overall health, welfare, economic and business perspective), there is some evidence regarding length of maternity leave and impacts on child development<sup>11</sup>, individual well-being<sup>12</sup>, future employability, wages and gender roles.<sup>13</sup> An analysis of existing literature (refer to endnote 14 for the body of evidence) suggests that six months of maternity leave strikes the right balance in terms of mothers’ participation in the labor market, with longer leave resulting in decreased wages and occupational segregation after return.<sup>14</sup> The [ILO’s Maternity Protection Convention, 2000 \(No. 183\)](#) is the most up-to-date international labor standard on maternity protection and provides for 14 weeks of maternity benefit. The convention stipulates that women on maternity leave should be entitled to a cash benefit no less than two thirds of her previous earnings or a comparable amount.

There is a lack of research on “ideal time” for paternity leave. Additional research is needed on this, in addition to transitions back into the workplace that support care responsibilities.

Regardless of leave time, it’s important that leave for fathers is ‘non-transferable’. Non-transferable leave means that if the father does not take advantage of the paternity leave (or of his portion of the parental leave), the total leave period is shortened and the family thus loses out (“use it or lose it”). This is important to potentially reduce stigmas around leave-taking<sup>15</sup>, ensure that fathers are encouraged to take leave<sup>16</sup>, and promote a range of benefits for children and gender equity in caretaking.<sup>17 18</sup>

### **Common challenges and solutions**

If parental leave is not paid or if there is hostility when individuals use parental leave – particularly paternity leave – employees may not use leave or use all of the leave they are entitled.<sup>19</sup> The return to work period is also very important to ensure it doesn’t hurt individuals’ careers – and many firms are failing to support talent, particularly women, whose careers can be particularly derailed after returning from leave. In many firms, parental leave is viewed as a major disruption and upon returning to work, colleagues – including managers – may harbor unconscious biases and professional relationships can deteriorate.<sup>20</sup> Indeed, a study of a paid family leave program in California found that women who took advantage of the program (launched in 2004) ended up working and earning less (averaging \$24,000 in cumulative wages lost) a decade later.<sup>21</sup> This illustrates that offering paid leave is not enough in and of itself. Addressing challenges requires explicit strategies including making new parents’ transitions back into the workforce smoother.

#### **Return to work strategies**

Return to work is a critical time for new parents and one in which firms are at risk of losing out on key talent if a proper support system is not in place.<sup>22</sup> Priority areas to focus on:

- **Lactation rooms & adequate breaks for new mothers:** For mothers, the provision of lactation rooms is critical, and there is often legal guidance for employers.<sup>23</sup> According to the 2019 SHRM Benefits report, there has been a 6% increase over the last five years in onsite mother’s rooms and lactation support services offered, with 51% of companies currently offering them.<sup>24</sup> However, it’s important to ensure not just that lactation rooms are available, but there is adequate time for breaks for women to use them and that there is enough space for the demand. Furthermore, given that many working mothers travel for work, firms should consider paying for and helping ship breast milk home while on business travel.<sup>25</sup> Firms are also innovating with mobile nursing pods.<sup>26</sup>

- On-ramping programs for new parents:** To help new parents return to work, employers can explore phased returns. This can include, for example, “check in days” during leave and a gradual part-time return that ramps up to full-time over time. In addition, employers can consider providing coaching or mentoring to new parents during the transition period. Mentors could include high performers who are more experienced caregivers. Alternatively, consider group coaching or informal buddy systems.<sup>27</sup>

Return to work policies / programs can be stymied if managers do not know about or understand the policies / programs and their own biases can come into play with negative repercussions for individual employees and the organization. It is therefore important for managers to be trained on supporting parents in returning to work (see EFL Play #4).

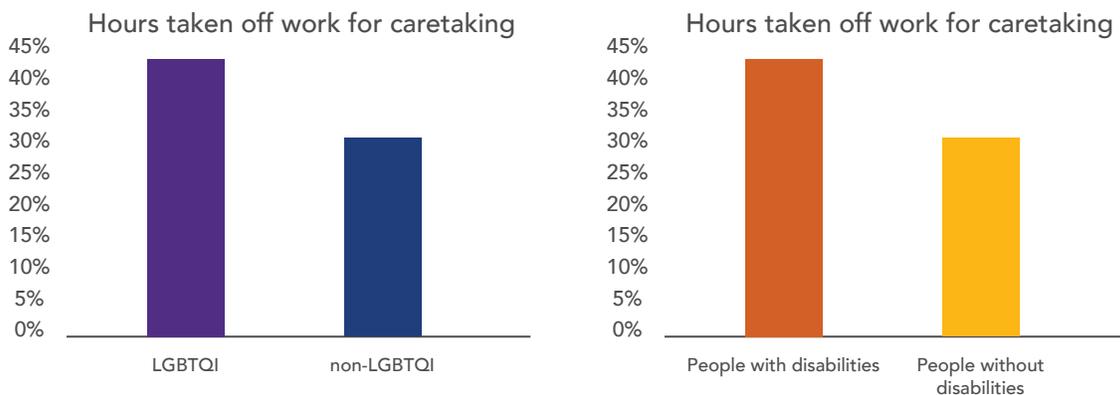
*Note: In addition to supporting new parents who return to work after leave, employers can explore paid “returnship” programs which can enable employers to tap into new talent that has taken longer periods of absence from the labor force (typically several years). These typically last for a period of eight weeks to six months, and offer returnees additional training and mentorship as they refresh their skills and can be evaluated as potential full-time employees.*

**Considerations for LGBTQIA+ & people with disabilities**

Oftentimes, parental leave policies (and research around these benefits) primarily address heterosexual couples<sup>28</sup> with limited leave policies disproportionately impacting gay dads and adoptive parents. Importantly, there is variability in the extent to which paid parental leave provisions cover same-sex couples – some countries are proactive in ensuring legislative language is inclusive of different family types, while others use gendered language (possibly in attempting to ensure that mothers have enough leave for recovery or promote fathers’ more equal involvement in caregiving). Even if well intentioned, this language can disadvantage same-sex parents when explicit provisions for same-sex parents aren’t made.<sup>29</sup> Seven in 10 LGBTQ Americans live in states that lack a family leave law or have a law that only allows leave for workers who have a biological or legal relationship with the child.<sup>30</sup>

Furthermore, 32% of people in the US report having taken time off work to care for a friend or chosen family member with a health-related need. Data shows LGBTQ individuals and people with disabilities are significantly more likely to report taking this time than others (42% of LGBTQ vs. 31% of non-LGBTQ individuals; and 42% of people with disabilities vs. 30% of people without disabilities) - see figure 2.<sup>31</sup> This highlights the need for policies that recognize caregiving for chosen family.

Figure 2. Data shows that LGBTQI individuals and people with disabilities are significantly more likely to report taking time off to care for a friend or chosen family member



### Leave for elder care

Outside of parental leave, it's also important to consider growing elderly populations. The number of people involved in informal caregiving of older adults is expected to rise. In the US, 15% of the population was ages 65 or older in 2015, and projections suggest that by 2050 about one-in-five (22%) Americans will fall into this category.<sup>32</sup> Having emergency leave, paid family leave and paid leave to care for sick family members and/or using one's own sick time to care for sick family members is key.

## BUSINESS BENEFITS FROM IMPLEMENTING THIS PLAY

Various research has been conducted on business benefits, particularly related to maternity leave. Parental leave has been shown to result in:

- **Enhanced retention**<sup>33 34 35 36</sup>
- **Enhanced recruitment**
- **Enhanced employee morale**

Paid leave in particular also been shown to result in positive effects or no effect on **productivity, profitability and morale**.<sup>\*</sup> The California Paid Family Leave Program (launched in 2004) is structured as an insurance scheme funded by employee contributions with no direct costs to employers. From a random sample of 253 firms, stratified by size, employers reported that paid family leave had a positive effect on or no noticeable effect on productivity (89%), on profitability (91%), on turnover (93%), and morale (99%). Most employers (87%) reported no cost increases associated with the program, and 9% reported cost savings via reduced turnover or reduced benefit costs.

*\* Business benefits can vary based on the type of leave in addition to the industry, size of the company, demographics of employees, how the leave is structured / paid for, etc. Costs associated with paid family leave can include hiring a temp to cover the person who is out, potential decrease in productivity and covering full benefits while the employee is out or working part time. Losing talent, however, is also expensive.<sup>37</sup>*

## INDICATORS TO MEASURE SUCCESS *(Disaggregated by gender)*

- Use of leave option(s) (% of employees taking advantage of leave for caretaking)
- Retention rates
- Reasons for new employees being attracted to company
- Cost-benefit evaluation (evaluation of financial costs & aggregated benefits to company)

## EXAMPLE

In IKEA's home country of Sweden, new parents are entitled to 480 days of leave per child that parents can share, with 390 of those days being paid at 80% of salary by the government. However, given that not all the countries it operates in have the same legal / social frameworks, IKEA tailors its parental leave and leave for caretaking policies to address needs specific to each country. The following examples demonstrate some of the practices IKEA has adopted across the globe.



In the US, despite the lack of national government subsidies / laws requiring companies to provide paid parental leave, IKEA offers up to 16 weeks of paid parental leave (includes mothers and fathers who are birth, adoptive or foster parents) for full-time employees, and up to 12 weeks for part-timers. The percent of salary paid varies during leave and depends on tenure at IKEA. While the length and pay amounts are not particularly unique among large corporations – what is particularly unique is that all workers are now eligible – not just top tier, salaried, and/or full-time workers.<sup>38</sup> In the US without national governmental subsidies for workers' pay in parental leave, IKEA executives see the "multimillion-dollar" cost of the program as an investment in a more productive and longer-tenured workforce. Lars Petersson, head of IKEA's US operations said, "We're convinced there will be a big payback" from the program over time.<sup>39</sup>

In Russia, IKEA protects female employees on maternity leave (up to 140 days by law) by granting an additional monthly pay to the allowance that they receive from the State in order to guarantee their average normal salary. IKEA Russia also offers additional paid days off for fathers within the 1st month following the child's birth.<sup>40</sup>

## FURTHER READING

- [Family and Medical Leave Act](#) (U.S. Department of Labor)
- [Paternity leave 101: Laws, rights, and other basic things you should know](#) (Fairygodboss)
- [States impose paid family leave as congress weighs national policy](#) (SHRM) – overview of state and federal current and potentially upcoming legislation on family leave
- [How companies can ensure maternity leave doesn't hurt women's careers](#) (Collings et al (2018), HBR) – outlines recommendations for HR leaders and line managers
- [Enforcement guidance: Pregnancy discrimination and related issues](#) (US Equal Employment Opportunity Commission (EEOC)) – legal guidance from the US EEOC
- US – [Family leave laws](#) (Movement Advancement Project) – Map that outlines family leave laws including for same-sex couples.
- [Paid family leave pays off in California](#) (Harvard Business Review)



## STEPS

*Players involved: DEI leads & HR*

1. Look at local / national laws to understand what is required legally. Review existing leave policies for alignment with statutory mandates. Understand what the leave policies might affect and the financial requirements.
2. Implement a gender-neutral parental leave policy for biological, adopted and surrogate children and ensure inclusive of different family types / identities. Build in the following:
  - *Ensure leave is non-transferable between parents (individual entitlements for each parent offered as “use it or lose it” to encourage both men’s and women’s caregiving and supports a diversity of family structures).*
  - *Ensure leave is paid according to each parent’s salary. Adequate pay increases men’s uptake of leave. Also, without pay many individuals cannot afford to take it.*
  - *Build in adequate length (see previous section on parental leave length considerations).*
  - *Include job protection.*
  - *Avoid different leave for “primary caregiver” and “non-primary or secondary caregiver” to ensure not perpetuating gender stereotypes and avoid litigation risks (potential violation of Title VII in the US).<sup>41</sup> Any additional leave, explicitly for mothers in the US, should be tied to a “medical disability related to pregnancy, childbirth or related conditions” to ensure not violating Title VII.*
  - *Consider how to adapt the policy to be inclusive for workers of all kinds – including workers that are part time, seasonal, short-term or under contracts.*
  - [\*Parental leave policy example template\*](#)
3. Provide return to work support and ensure supportive company culture so that people that take leave are not punished or careers not negatively impacted by taking leave (see box on return to leave strategies).
4. Implement other leave policies to care for family and dependents (e.g., emergency leave, sick leave for caring for family / dependents / chosen family). Ensure support of diverse caregivers and caregiving (e.g., same-sex, opposite-sex, adoptive and single parents, parents of children with disabilities)
5. Ensure employees are properly educated on the policies and use of the policies. Encourage and incentivize employees to use the policy. Even if a policy exists, if employers, managers and peers discourage its use, men (and many women) will not take it.
6. Train managers on the policies, why they are in place, the value for their team, and how to support employees in using the policies (including modeling it themselves) – particularly related to parental leave and parents returning to work.
7. Measure success (see target and indicators), get employee / manager feedback and review annually. Business impacts vary based on the context so it’s important to track these for your organization. Adapt policies as needed.
8. For US companies: Companies can advocate for paid parental leave legislation at the state and national level. There is various [\*potential legislation in the pipeline\*](#).

## ENDNOTES | EFL PLAY #2

- <sup>1</sup> International Labour Organization (ILO). (2014). *Maternity and paternity at work: Law and practice across the world* (Geneva). ILO; OECD (Organisation for Economic Co-operation and Development). 2013. *Addressing employment, labour market and social protection challenges in G20 countries: Key measures since 2010* (Geneva and Paris).
- <sup>2</sup> Parental leave platform. Men-care. Retrieved from <https://men-care.org/what-we-do/advocacy/paid-parental-leave/>.
- <sup>3</sup> Raub et al. (2018). *Paid parental leave: A detailed look at approaches across OECD countries*. World Policy Analysis Center.
- <sup>4</sup> E.g., you must be an employee at a company with more than 50 employees within 75 miles of your workplace, have worked a minimum of 1,250 hours during the prior year, and more.
- <sup>5</sup> Miller, S. (2019). States impose paid family leave as congress weighs national policy. SHRM.
- <sup>6</sup> Desilver, D. (2017). Access to paid family leave varies widely across employers, industries. Pew Research Center.
- <sup>7</sup> The construction industry and accommodation / food services industry are the lowest at 5%, and retail is also low at 7% (these industries also tend to have workforces that are part-time and paid hourly).
- <sup>8</sup> (2016). *Employee benefits survey. Leave benefits: Access*. United States Department of Labor.
- <sup>9</sup> The construction industry and accommodation / food services industry are the lowest at 5%, and retail is also low at 7% (these industries also tend to have workforces that are part-time and paid hourly).
- <sup>10</sup> Zagorsky, J. (2017). Divergent trends in US maternity and paternity leave, 1994–2015. *American Journal of Public Health*; e1.
- <sup>11</sup> The World Health Organization (WHO) recommends breastfeeding up to 6 months of age and returning to work early can be a factor in preventing exclusive breastfeeding thus having potential negative health impacts for babies. Source: (2016). *Exclusive breastfeeding for six months best for babies everywhere*. WHO. Retrieved from [http://www.who.int/mediacentre/news/statements/2011/breastfeeding\\_20110115/en/](http://www.who.int/mediacentre/news/statements/2011/breastfeeding_20110115/en/).
- <sup>12</sup> Hyde et al (1996) found in evaluating a sample of Wisconsin parents, that short leaves (6 weeks or less) were a risk factor for increased maternal depression, decreased maternal affect and responsiveness, particularly so when combined with poor physical health, difficult infant temperament, or marital problems. Their study further revealed that having a job-guaranteed when using leave significantly decreased women's anxieties about losing their jobs. Source: Hyde, J., Klein, M., Essex, M., Clark, R. (1995). *Maternity leave and women's mental health*. *Psychology of Women Q*, 19: 257-285.
- <sup>13</sup> From a labor market perspective, research suggests 30 weeks of leave is the best, but 20 weeks is seen as ideal for minimizing negative effects on high-skill wages and occupational segregation. While universal parental leaves with job protection and earnings compensation increase women's labor market attachment in Norway, very long leaves (e.g., more than one year) may have negative consequences at both individual and societal levels. Taking extended leave can result in "human-capital depreciation" in which their skills may get rusty and work-social networks can fray negatively impacting an individual's career progression and trajectory. Ultimately there is variance in existing evidence and leave programs vary widely between and within countries. (Sources: Grimshaw D., Rubery J. (2015). *The motherhood pay gap: A review of the issues, theory and international evidence*. Geneva: International Labour Office. Hymowitz, K. (2013). *Longer maternity leave not so great for women after all*. Time.
- <sup>14</sup> Strang, L., Broeks, M. (2017). *Maternity leave policies: Trade-offs between labour market demands and health benefits of children*. *Rand Health Quarterly*, 6(4):9.
- <sup>15</sup> Raub et al. (2018). *Paid parental leave: A detailed look at approaches across OECD countries*. World Policy Analysis Center.
- <sup>16</sup> Starrels, M. (1992) "The evolution of workplace family research," *Journal of Family Issues*, 13(3), 259-278.
- <sup>17</sup> When fathers take leave, it equalizes the division of family labor and significantly increases fathers' involvement with their infants, including beyond the time of leave. Source: Hyde, J., Klein, M., Essex, M., Clark, R. (1995). *Maternity leave and women's mental health*. *Psychology of Women Q*, 19: 257-285.
- <sup>18</sup> If mothers take leave from their jobs and fathers don't, mothers tend to learn more about their children's needs and personalities, and develop their parenting skills. This reinforces a mistaken but commonly held belief that mothers are naturally better caregivers and leads to maternal domination of child care. Source: Malin, M. (1994) "Fathers and Parental Leave," Chicago-Kent College of Law.
- <sup>19</sup> For men, because women are considered the primary caretakers from a social and cultural perspective, it is not normative for men to be engage fully in family work and they can suffer greater career fallout than women in taking paternity leave. Source: Malin, M. (1994). *Fathers and parental leave*. Chicago-Kent College of Law.
- <sup>20</sup> Collings et al. (2018). How companies can ensure maternity leave doesn't hurt women's careers. *Harvard Business Review*.
- <sup>21</sup> Bailey, M., Byker, T., Patel, E., & Ramnath, S. (2019). *The Long-Term Effects of California's 2004 Paid Family Leave Act on Women's Careers: Evidence from U.S. Tax Data*.
- <sup>22</sup> Lipman, J. (2019). *Helping Stay-at-home Parents Reenter the Workforce*. HBR.
- <sup>23</sup> In the USA, as per Affordable Care Act (ACA) regulations for companies covered by the Fair Labor Standards Act (FLSA), employees using these rooms should be "shielded from view" and "free from intrusions" and employers should be mindful of break times needed. Source: *Frequently Asked Questions: Break Time for Nursing Mothers*. (n.d.). Retrieved from <https://www.dol.gov/whd/nursingmothers/faqBTNM.htm>.
- <sup>24</sup> *Family-friendly and Wellness SHRM Employee Benefits 2019* (2019). Society of Human Resource Management (SHRM) [PDF file].
- <sup>25</sup> As of 2018, 2% of employers provided benefits allowing nursing mothers to ship breast milk home while on business travel (at company cost) (Retrieved from: <https://www.shrm.org/hr-today/trends-and-forecasting/research-and-surveys/Documents/2018%20Employee%20Benefits%20Report.pdf>).
- <sup>26</sup> Organizations like Mamava work with companies to provide lactation "pods" that are fully equipped, easy to assemble, and easy to relocate as alternatives to fixed rooms. Secure access is provided through a free app that offers smart security, control over lighting and airflow, and can also capture usage data for users. These pods are already available in several airports and schools across the US, and are being adopted by a growing number of private businesses as well—Mamava currently has 900+ customers.
- <sup>27</sup> Collings, D., Freaney, Y. & van der Werff, L. (2018). How companies can ensure maternity leave doesn't hurt women's careers. HBR.
- <sup>28</sup> Schmidt, S., Githens, R., Rocco, T. (2012). *Lesbians, gay, bisexuals, and transgendered people and human resource development: An examination of the literature in adult education and human resource development*. *Human Resource Development Review*, 11 (3).
- <sup>29</sup> Raub et al, 2018.
- <sup>30</sup> *Family leave laws*. Movement Advancement Project. Retrieved from [http://www.lgbtmap.org/equality-maps/fmla\\_laws](http://www.lgbtmap.org/equality-maps/fmla_laws).
- <sup>31</sup> Grant, K. et al. (2017). *Security and Stability: Paid Family and Medical Leave and its Importance to People with Disabilities and their Families*. Georgetown Center on Poverty and Inequality and The Arc.
- <sup>32</sup> *World population prospects*. United Nations. Retrieved from <https://population.un.org/wpp/Download/Standard/Population/>.
- <sup>33</sup> The presence of a maternity leave policy significantly reduced intent to leave among all employees in a US national cross section. Source: Grover, S. and K. Crooker (1995) "Who appreciates family-responsive human resource policies: the impact of family friendly policies on the organizational attachment of parents and non-parents." *Personnel Psychology*, 48(2): 271-288.
- <sup>34</sup> One study out of the Center for Women and Work found that women who took paid maternity leave were 93 percent more likely to be working nine to twelve months after giving birth than those who didn't take leave. Source: Houser, L. & Vartanian, T. (2012). *Pay matters: The positive economic impacts of paid family leave for families, businesses and the public*. Rutgers.
- <sup>35</sup> After a paid family leave (PFL) law took effect in California in 2004 (enabling most working Californians to receive up to 6 weeks of partial wage replacement to take time off to bond with a new child or care for a seriously ill family member), turnover rates dropped across the state. Source: Bedard, K., Rossin-Slater, M. (2016). *The economic and social impacts of paid family leave in California: Report for the California Employment Department*. University of California. Retrieved from [https://www.dol.gov/wb/media/CA\\_Final\\_Report\\_2015\\_Final\\_Report.pdf](https://www.dol.gov/wb/media/CA_Final_Report_2015_Final_Report.pdf).
- <sup>36</sup> Companies have also shared impacts from increasing their maternity leave policies: Google increased leave from 12 weeks to 18, and in turn halved the rate at which new mothers quit. When Accenture doubled leave from eight weeks to 16, its turnover rate for new mothers fell by 40%. Source: Collings, D., Freaney, Y., van der Werff, L. (2018). How companies can ensure maternity leave doesn't hurt women's careers. HBR.
- <sup>37</sup> Dishman, L. (2016). *The real cost of paid parental leave for business*. Fast Company.
- <sup>38</sup> Zillman, C. (2016). *IKEA is giving U.S. employees paid parental leave no matter how many hours they work*. Fortune.
- <sup>39</sup> (2016). *IKEA broadens US parental leave coverage*. Wall Street Journal.
- <sup>40</sup> S. Skrypnik, personal communication, November 18, 2019.
- <sup>41</sup> (2017). *Is your parental leave policy really gender neutral?* The National Law Review.



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