Employers taking steps to support childcare needs of working parents, survey finds

U.S. employers are boosting efforts to meet the childcare needs of working parents of young and school-age children, according to a survey by Willis Towers Watson. The survey, however, found that while most employers (74%) believe supporting these employees is a top priority today, less than four in 10 (39%) agree that their current programs and policies to support them are effective.

Despite this apparent disconnect, more employers are taking steps to help working parents. The survey of 553 employers, conducted during the week of September 7, found that:

- Three in 10 employers (30%) offer access to backup childcare services; another 30 percent are planning or considering doing so.
- More than a quarter of employers (27%) provide discounts or subsidies for childcare centers, tutoring or other educational resources; another 22 percent are planning or considering offering these discounts and services.
- Twenty-two percent of employers offer company-subsidized backup childcare days; another 20 percent are planning or considering implementing this benefit.
- Twenty-two percent of employers provide concierge services to address broad sets of needs; another 23 percent are planning or considering offering these services.
- Thirteen percent of employers provide offerings that support the formation of learning pods, tutoring or other school-focused needs; another 28 percent are planning or considering these offerings.
- Nearly three in ten employers have implemented or are considering offering a subsidy to an employee’s dependent care spending account for childcare expenses (26%) or providing discounts or subsidies for technology and supplies required for virtual learning (29%).
- One in four employers (25%) are seeing talent leave the organization due to increased caregiving responsibilities as a significant workforce challenge.

“The challenges and stress of balancing work and childcare, heightened by the pandemic, have exacerbated the everyday juggling act required by working parents with young and school-age children,” said Rachael McCann, senior director, Health and Benefits, Willis Towers Watson. “With increased remote work and schooling, employers are moving quickly to evaluate and implement sustainable solutions to offer employees relief over and above flexibility in work schedules.”

As expected, rising stress is a significant workforce challenge as many parents navigate work and childcare responsibilities, with 79 percent reporting rising workforce stress or burnout among employees. Over half (55%) are facing higher mental health-related claims.

Nearly all companies (97%) are assisting working parents by providing flexible work hours. Additionally, three in four employers (76%) allow employees to work reduced schedules or hours. Among those, a tenth (10%) will maintain pay and benefits, nearly a quarter (23%) will reduce pay and benefits while 43% will reduce pay but maintain benefits.

In addition to flexibility, employers have explored time to support working parents. More than half (57%) of employers are offering unpaid caregiver leave while 54 percent offer other unpaid leave, such as a voluntary furlough, as options for employees who are unable to fully perform their job due to caregiving responsibilities. Unpaid leave with job protection is an option provided by 52 percent of employers, while 26 percent provide paid caregiver leave.

Relatively few employers have changed their pay and benefit programs, although nearly half are planning or considering changes to their benefit offerings. Over a quarter are either planning or considering resetting performance goals (26%) and adopting more flexible performance evaluations (33%). At the same time, 40 percent of organizations are having difficulty sustaining their productivity because of employees’ increased caregiving responsibilities.
“The pandemic and the move to virtual work have accelerated the pace at which companies are redesigning the way work gets done and redeploying work across teams,” said Tracey Malcolm, global leader, Future of Work, Willis Towers Watson. “As these changes take hold, we expect employers will continue to facilitate new programs and workforce arrangements that enable greater flexibility for employees and the organization.”

SOURCE: willistowerswatson.com