

Background and Position Paper

Family-Friendly Work Policies: Why Firms Should Invest

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Psychological research increasingly points toward the home environment as an important factor in healthy child development. The ability of parents to adapt their own time and needs to those of their children is an integral measure of how children fare as they grow. Yet in spite of the abundance of information highlighting the importance of parental involvement in a child's growth, the work situation in the United States is taking families away from a balanced work-family life. Fortunately, companies have not only the capacity, but also the economic incentive, to promote family-friendly practices in the workplace that could help employees achieve balance between work and family.

The Issue

Recent trends in work in the United States make it increasingly difficult for parents to spend time with their children. Both low-earning and high-earning employees are working longer hours, taking work home with them, taking less time off from work, and working on weekends. The 8-hour workday is no longer the norm. In addition, e-mail, computers, and cell phones are keeping

technologically-savvy employees readily accessible to their bosses at all times. Even women, who have traditionally assumed a majority of the family caretaking responsibilities, are juggling work and family at a faster rate as approximately 70% of mothers with school-aged children work for pay outside the home.

The increasing demands of work are putting a strain on families. When children are young or care needs are high for any reason, women often want high-quality part-time and flexible work, which is rarely available. They face the threat of job loss or stagnation if they take time off from work to care for their children. Employees often do not use the leave to which they are entitled by their employers because they are unwilling to risk the loss of advancement at work. The consequence of more time spent working is less time spent caring for children and others. Unfortunately, many parents feel pressure to trade emotional intimacy with their children for financial stability for the entire family.

Work-family conflict can be even more salient for low-wage earners, who often lack health care, paid sick leave, or other work-related benefits that could help them care for their family. Consequently, sick children in a low-income family could send their parents

on a downward financial and psychological spiral, forcing the parents to choose between the threat of job termination caused by taking time off for childcare and the psychological damage felt by the child from parental absenteeism if they continue working. The situation for low-wage earners is aggravated by the need to work longer hours to pay bills, the threat of job outsourcing, a lack of high-level skills, and the inability to invest time and money into acquiring better job skills.

Family-Friendly Policies

Fortunately, employers, as well as the state and federal governments, have several options for creating family-friendly policies that address these work-family conflicts. They include the following:

- Cross-train employees so that they can take on different shifts and have more flexible schedules.
- Focus on results instead of the number of hours employees spend at work. Ensure that employees who choose flexible schedules are not punished and do not experience limitations to job growth as a result.
- Implement programs that aid low-income parents in obtaining quality jobs by providing assistance with transportation, resume writing, job searches, and job retention services.
- Promote job education and training for mothers on welfare. When mothers on welfare gain job skills they are eligible for quality jobs with family-friendly benefits.
- Coordinate employee focus groups to determine the needs of employees, and let these groups guide policies that allow for a family-friendly environment.
- Inform employees about their rights and accommodations at work. Working

parents often neglect to use paid leave or flexible work hours even when these options are available to them because they are unaware of their rights.

- If applicable, educate employees about the Family and Medical Leave Act, which provides security for employees working in companies with 50 or more employees who need to take up to 12 weeks of leave to care for an ill family member or a newborn or newly adopted child.
- Make small business loans available to family businesses, especially those started up by women with few job skills who would have difficulty finding work with an employer.

The Business Case

Organizations opposed to government-sponsored leave programs cite the costs of extra training and/or paid leave as deterrents to the implementation of family-friendly policies. But research provides evidence that employees and their families are not the only parties to benefit from family-friendly policies: employers benefit, too. Companies that develop family-friendly programs experience higher employee productivity and commitment, reduced turnover intentions and absenteeism, and higher returns on investment when compared to other firms that have not instituted such programs. General Mills is a gold star employer for its family-friendly policies, offering flexible work arrangements, on-site childcare and healthcare, and a commitment to advancing women's careers. Indeed, General Mills, while investing money into these policies in the short-run, has enjoyed long-run economic growth due to low turnover rates for employees.

Furthermore, family-friendly practices can improve job performance and save money by reducing stress-related problems. When

employees utilize flexible schedules and paid leave, they report less stress, which often translates to less burnout on the job. Organizations can cut financial losses related to the cost of absences, errors, employee turnover, and health care costs by eliminating the stressful work conditions that often lead to these circumstances. Firms could even consider the long-term advantages for programs that keep children above the poverty line: less welfare dependence, criminal behavior, and jail time.

We have created a workaholic culture. Americans work more hours every year than employees in any other country in the world.

Even parents who recognize the value of reducing their work hours and spending time with their children are pressured to work just as many overtime hours as their colleagues. In fact, workers can be fired for refusing overtime employment, even if they have family care responsibilities and no one can take over for them when they are at work. Family-friendly work policies can have long-term psychological as well as economic benefits to families and the organizations that hire them.

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About the Berger Institute for Work, Family, and Children

The Berger Institute for Work, Family, and Children is a non-profit research institute at Claremont McKenna College, a selective liberal arts college that is a member of the Claremont Colleges – a university consortium. The Berger Institute for Work, Family, and Children provides data-based research on the challenges facing individuals, working families, and employers to improve the quality of family life and enhance productivity and the bottom line.

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