

STARTING POINT FOR CHILD CARE AND EARLY EDUCATION

The 2002 Northeast Ohio Work and Family Survey

Executive Summary

In cooperation with

Greater Cleveland Growth Association
Maxine Goodman Levin College of Urban Affairs, Cleveland State University

STARTING POINT



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Dear Friends,

The workplace has changed dramatically over the past two decades. More women, single parents and dual income families are working than ever before. With these changes come new concerns—child care, work schedules, maternity leave and elder care—as employees increasingly struggle to balance their work and family lives.

Across the country, employers are realizing they need to address these issues and others raised by the increasingly diverse work force if they are to attract and retain the best employees. Many are implementing “family friendly” policies and programs, ranging from flex-time to on-site child care.

With this in mind, we wanted to know what kinds of “family friendly” policies and programs were in place here in Northeast Ohio; so a survey of area employers was undertaken in the Fall of 2002. In this report you will find the interesting results of this survey, including information on:

- what types of work/family benefits are offered here or are under consideration;
- what the employer attitudes are toward work/family programming;
- what obstacles employers face in offering such programs; and
- how Northeast Ohio employers stack up against those across the U.S.

This information will serve as a “starting point” for addressing these issues. In the near future Starting Point will convene area employers to discuss the next steps in furthering family friendly policies and benefits in our region.

We would like to thank Lois Goodman, the Work/Family Survey Director, for her tireless work on this project. Our appreciation also goes to the Treu-Mart Fund, the Greater Cleveland Growth Association, the Maxine Goodman Levin College of Urban Affairs at Cleveland State University and the 400 employers who responded to the survey. They have all contributed to making this report possible.

Sincerely,

Billie Osborne-Fears
Executive Director
Starting Point



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I. Background

Reinvigorating the economy continues to be a priority for Northeast Ohio.

While progress is underway, there are clearly areas that demand new attention. One is the ability of Northeast Ohio employers to attract and retain the “best and brightest” employees in the face of a dwindling pool of qualified workers. The “brain drain” continues, as too many skilled workers—including those born, raised and educated here—continue to leave northeast Ohio. The population loss in the important 20 to 44 age group is greater than the loss in any other age segment.

At the same time, there has been a dramatic attitude shift among employees. Today’s workers increasingly cite the ability to successfully balance work and family life as important in choosing an employer—more important than job security, working conditions or relationships with co-workers and supervisors.

Other factors point to the significance of work and family issues to employers and employees alike. There have been dramatic changes in the work force population over the past two

decades. More women, single parents and dual career couples are working than ever before. Consequently, absenteeism due to family issues is rising.

Research shows child care problems are the most significant indicators of absenteeism and unproductive time at work—totaling an annual cost of \$3 billion, according to the U. S. Bureau of Labor Statistics. This does not include the loss of productivity among employees whose attention is diverted by other family concerns.

All of these factors are causing Human Resource professionals to rethink policies and benefits so employees can better meet the often conflicting demands of jobs and spouses or children.

With these pressing issues as background, Starting Point, in partnership with the Greater Cleveland Growth Association and the Maxine Goodman Levin College of Urban Affairs at Cleveland State University, set out to determine what kinds of family friendly policies are in place in Northeast Ohio businesses and institutions.

In the summer of 2002, under the direction of Work/Family Survey Director Lois Goodman, a survey was developed and distributed, with the help of the Maxine Goodman Levin College of Urban Affairs at Cleveland State University, to 4,090 employers in Cuyahoga, Ashtabula, Lake and Geauga counties. As the first such survey to be conducted in this region, it is expected to serve as a benchmark for employers, planners and service providers; and, importantly, to begin a planning process aimed at helping businesses develop family friendly workplaces.

The survey looked at the types of family friendly policies offered in Northeast Ohio, the interest employers have in work/family programming and the obstacles employers perceive in providing family-oriented services and benefits.

The findings from this survey were then compared with national studies to gain a sense of where Cleveland employers stand in relation to others across the country.

II. Survey Findings

Four hundred employers responded to the 2002 Northeast Ohio Work and Family Survey; representing a wide spectrum of industries; including manufacturing, health care, education, government, retail, wholesale, etc.

Eighty-seven percent of their employees were between the ages of 25 and 45; sixty-three percent of employers reported their work forces were more than 50 percent female.

A. WORK AND FAMILY OPTIONS OFFERED BY NORTHEAST OHIO EMPLOYERS

Employers were asked which of 40 “family friendly” options they offered their employees. The options ranged from relatively low cost programs like part-time jobs with no benefits to more extensive programs like child care in the workplace.

Currently the majority offer only two of the 40 options: part-time jobs without benefits

(74.6%), and 7 to 12 weeks of maternity or adoption leave (51.5%), which is mandated by law. Less than a third of the survey respondents give financial support during the leave.

Work scheduling alternatives were common offerings. Nearly half offer flex-time (49 percent); between 30 and 40 percent have a cafeteria benefit plan, an employee assistance plan or dependent care assistance; and 20-30 percent offer a four day work week or telecommuting. The 29 other options were only found in a small fraction of the workplaces surveyed.

Employers with 100 employees or more have significantly more “family friendly” benefits than those with fewer employees. Over half offer Employee Assistance Programs (64%), Dependent Care Assistance Plans (59%) and/or Flex-time (55%). Forty-one percent give paid time for maternity leave.

However, only a small percentage of employers not giving these benefits, are considering improving policies or adding “family friendly” services.

1. Work Alternatives

Many employers in this region are allowing employees more control over when and where they work—and include part-time work, flex-time, shorter work weeks, telecommuting or job sharing. However, few other employers are considering doing so.

PROGRAM/BENEFIT	EMPLOYERS OFFERING (%)	CONSIDERING (%)
Part time jobs, no benefits	75	2
Flex-time (choice of start/end time)	49	4
Part-time jobs with pro-rated benefits	39	5
Compressed work week (Ex. four 10 hour days)	25	6
Flex-place (Telecommuting)	20	5
Job sharing (2 employees share 1 job)	17	7
Part time jobs with full benefits	17	1

2. Maternity/Adoption/New Parent Programs

The Family and Medical Leave Act of 1993 requires public agencies and private sector employers of 50 or more to provide up to 12 weeks of unpaid, job-protected leave for certain family and medical reasons. Over half the employers surveyed offer these programs and many others, including those not mandated by law, show interest in doing so. However, few want to give any paid time during the leave.

PROGRAM/BENEFIT	EMPLOYERS OFFERING (%)	CONSIDERING (%)
Seven to 12 week maternity/adoption unpaid leave	52	21
Up to 6 weeks maternity/adoption unpaid leave	46	35
Maternity/adoption leave with some pay	31	2
13 plus weeks maternity/adoption leave	11	45
On-site lactation room	9	Less than 1
Prenatal education and monitoring	8	Less than 1

3. Work/Family Benefits

One third of the workplaces—mostly larger organizations—offer formal plans aimed at helping employees with their individual needs. These plans include Cafeteria Benefit Plans, which allow workers to choose some benefits; Dependent Care Assistance Plans, which allow employees to exclude up to

\$5,000 from taxable income for dependent care; and Employee Assistance Programs, which offer help to employees with personal problems. Relatively few organizations give financial help for child care.

PROGRAM/BENEFIT	EMPLOYERS OFFERING (%)	CONSIDERING (%)
Cafeteria Benefit Plan	38	6
Employee Assistance Program	35	4
Dependent Care Assistance Plan	33	4
Vouchers/discounts for child care	5	Less than 1

4. Employee Training, Education

Management training is a staple of many organizations. However, only 17 percent of the respondents train supervisors to manage the work/family needs of their employees, which has proven critical to the success of work/family programs. A similar percentage offer work/family seminars or educational materials.

PROGRAM/BENEFIT	EMPLOYERS OFFERING (%)	CONSIDERING (%)
Booklets, brochures, flyers	18	5
Supervisory training in managing work/family needs	17	6
Seminars on work/family topics	16	7

5. Child/Elder Care Assistance

Although studies show child care problems are a leading cause of absenteeism and lack of productivity, relatively few employers help employees locate child care, deal with child care problems or have child care in or near their facilities. Twice as many larger employers offer child/elder care resource and referral services as smaller organizations, but only 14 percent have a child care center in or near their workplace. Few other employers express interest in offering any of these programs

PROGRAM/BENEFIT	EMPLOYERS OFFERING (%)	CONSIDERING (%)
Child Care Resource and Referral	16	1
Elder care Resource and Referral	16	Less than 1
Teen Resource and Referral	11	Less than 1
Child care center at or near workplace	2.50	2
Other Child Care Programs	Less than 2	Less than 2

B. EMPLOYER ATTITUDES TOWARD WORK/FAMILY PROGRAMS

There appears to be a disconnect between the perceptions of area employers on the importance of programs designed to help employees balance work and family needs and the work/family programs they actually do offer.

Eighty-five percent said they need to be concerned about the work/family needs of their employees. Companies employing the most women had the highest rate of positive responses—92 percent.

Nearly three-quarters stated that programs aimed at helping employees balance work and family responsibilities have an impact on recruitment and retention.

When asked how well they were meeting the work/family needs of their employees, more than half (54 %) thought their efforts were adequate; 12 percent thought they were “very adequate”; and 17 percent answered “less than adequate.” The balance didn’t know how well they were doing.

Overall knowledge about tax credits offered for child care initiatives was low—31 percent knew about tax credits for the Dependent Care Assistance Plan, 24 percent were aware of credits for child care subsidies and 22 percent knew there were credits for investing in child care centers on or off-site.

C. OBSTACLES TO PROVIDING WORK/FAMILY PROGRAMS

Why don’t employers in this region offer more “family friendly” programs when nearly 75 percent understand the benefits? Respondents cited numerous obstacles. The most frequently identified were costs, liability concerns and current business conditions—all of which were mentioned by a majority of respondents.

Concerns over fairness to all employees and unfamiliarity with work family programs were noted by over one-quarter of those surveyed, along with lack of evidence of their benefits and lack of commitment from top management. Others cited obstacles not listed in the survey, including the small size of the organization; added administrative burdens; and the increased cost of medical insurance.

OBSTACLE	CITED BY EMPLOYERS (%)
Cost of services	70
Legal Liability Concerns	54
Current Business Conditions	51
Concern that All Employees Be Treated the Same	30
Unfamiliarity with Work/Family Options	27
Uncertain of Value of Work/Family Services	26
Lack of Commitment from Top Management	26
Business Should Not Be Involved in Family Matters	17
Uncertainty about Employee Needs	17

III. Comparisons:

“Family Friendly” Programs in Northeast Ohio and the U.S.

Results of the Northeast Ohio Work and Family Survey were compared to the 2001 Society of Human Resources Management Benefits Survey which asked many of the same questions of companies across the United States. Both studies surveyed companies and organizations with one to 5000 plus employees.

Employers here lagged well behind this survey in every category, some by substantial margins. A high proportion of employers across the country offer a Dependent Care Assistance Plan (69%) and/or an Employee Assistance Plan (67%). In Northeast Ohio, only about a third of the employers offer these programs.

Even more dramatic results were seen in the 2000 Bright Horizons Survey of Work/Life Initiatives, which looked at 456 Dun & Bradstreet companies in the U.S. In this study, the Dependent Care Assistance Plan and Employee Assistance Plan were provided by over 80 percent of the employers. Over forty percent offered telecommuting, job sharing, child and elder care resource and referral services.

An older nationwide study of employers with over 100 employees, the 1998 Families and Work Institute Business Work/Life Study, showed similar results.

BENEFIT	HR MANAGEMENT	NE OHIO
Flex-Time	58	49
Flex Place	37	21
Job Sharing	25	17
Dependent Care Assist. Plan	69	33
Child care Resource/Referral	20	16
Elder care Resource/Referral	19	16
On-site Child Care	5	2,5
Backup/Emergency/Child Care	13	0
Scholarship/Educational Assistance	20	11
Prenatal Program	32	8
On-site Lactation Room	16	9
Employee Assistance Plan	67	35

IV. Conclusions

There is no question employers in Ashtabula, Cuyahoga, Geauga and Lake counties are not keeping up with their counterparts nationally in supporting the needs of working families.

The practices implemented most often here tend to have little or no cost (Ex. part-time jobs without benefits, flexible work schedules), or are mandated by law (Ex. maternity/adoption leave). Other programs popular elsewhere, like Employee Assistance Plans, Cafeteria Benefit Plans and Dependent Care Assistance Plans, are offered by only a third of organizations here. Also of concern is the fact that few of the employers surveyed plan to expand “family friendly” services.

These are more than interesting statistics. Northeast Ohio competes nationally for its work force. Already we face a “brain drain”. If employers are to attract and keep educated, skilled workers, they need to rethink their commitment to helping employees balance their work and family lives.

Today’s employees want more than a pay-check. Surveys show 70 percent of young men and 63 percent of young women are willing to give up some pay for a better family life. Quality of life is increasingly important. U.S workers spend 10 percent more time on the job than they did a decade ago. For women and dual-income families, especially, there is little time left for family obligations. Employers in other parts of the country are making the effort to meet their needs. This region must, too.

Employers, planners and service providers can all play significant roles in helping Northeast Ohio become the best place for young families to work and live. The region’s economic future—and that of its employers—may well depend on the emergence of “family friendly” policies and programs.



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